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PROCEEDINGS AND DEBATES OF THE SIXTY-FIFTH CONGRESS SECOND SESSION.

SENATE.

FRIDAY, *March 8, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come before Thee this morning with a sincere desire to know Thy will. We are brought face to face with issues that affect the welfare and happiness, the destiny, of many millions of Thy people. We desire to reflect in all our acts in this place the highest achievements of a Christian civilization. We ask Thy divine guidance and blessing upon our work this day. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

ESTIMATES OF APPROPRIATION.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required by the United States Public Health Service for the fiscal year ending June 30, 1918, in the sum of $25,000 (S. Doc. No. 193), which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, calling attention to a supplemental estimate of $600 increase in the compensation of the senior Assistant Chief of the Division of Customs, which was submitted to the House of Representatives on the 26th ultimo, and requesting that on account of the activities of the Division of Customs being greatly increased during the present emergency that the supplemental estimate be included in the urgent deficiency appropriation bill (S. Doc. No. 194), which was referred to the Committee on Appropriations and ordered to be printed.

PETITIONS AND MEMORIALS.

Mr. KNOX presented a petition of the City Council of Pittsburg, Pa., praying for an appropriation for the early completion of the improvement of the Ohio River, and also for the enactment of legislation providing for the immediate construction by the Government of the Lake Erie and Ohio River Canal, which was referred to the Committee on Commerce.

Mr. THOMPSON presented petitions of the executive council of the Woman's Christian Temperance Union of Wichita, of the Woman's Christian Temperance Union of Elk Falls, of the congregation of the Methodist Church of Meade, of the united congregations of the Methodist and Presbyterian Churches of Sylvan Grove, of sundry citizens of Protection and Newton, and of W. B. Barton, of Caldwell, all in the State of Kansas, praying for the enactment of legislation to prohibit the manufacture of foodstuffs into alcoholic drinks, which were referred to the Committee on Agriculture and Forestry.

Mr. PHELAN presented a memorial of the Ebell Society, of Los Angeles, Cal., remonstrating against the present zone system of rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

Mr. CURTIS presented a memorial of the Auxiliary of the Woman's Home Missionary Society of Grace Methodist Episcopal Church, of Winfield, Kans., and a memorial of sundry citizens of Chanute, Kans., remonstrating against the enactment of legislation providing for the running of railroad tracks directly opposite the Lucy Webb Hayes National Training School and the Sibley Memorial Hospital, in the city of Washington, D. C., which were referred to the Committee on the District of Columbia.

He also presented a resolution adopted by the Central Labor Union of Kansas City, Kans., relative to the use of unproductive land in the United States for the best interests of the Government, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of Frank P. Blair Post, No. 54, Grand Army of the Republic, Department of Kansas, of Galena; of R. B. Hayes Post, No. 176, Grand Army of the Republic, Department of Kansas, of Pratt; and of W. T. Sherman Post, No. 113, Grand Army of the Republic, Department of Kansas, of Concordia, all in the State of Kansas, praying for an increase in the pensions of veterans of the Civil War, which were referred to the Committee on Pensions.

He also presented a petition of Local Union No. 409, International Brotherhood of Blacksmiths and Helpers, of Parsons, Kans., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of the Board of Medical Registration and Examination of the State of Kansas, of Topeka, Kans., and a petition of the Rice County Medical Society, of Sterling, Kans., praying for the enactment of legislation creating advanced rank for officers of the Medical Corps, which were referred to the Committee on Military Affairs.

He also presented a petition of sundry citizens of Winchester, Kans., praying for national prohibition, which was ordered to lie on the table.

Mr. KENYON presented a petition of sundry citizens of Orange Township, Blackhawk County, Iowa, praying for the enactment of legislation to provide for the cultivation of corn, wheat, and other foodstuffs on lands now used for the cultivation of tobacco, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens of Mount Vernon, Iowa, praying for national prohibition, which was ordered to lie on the table.

Mr. TOWNSEND presented a petition of sundry citizens of Weston, Mich., praying for national prohibition, which was ordered to lie on the table.

He also presented telegrams in the nature of petitions from the Bay County Medical Society, of the Calhoun County Medical Society, of the Lenawee County Medical Society, and from sundry citizens of the counties of Gratiot, Presque Isle, and Clinton, all in the State of Michigan, praying for the enactment of legislation creating an advanced rank for officers of the Medical Corps, which were referred to the Committee on Military Affairs.

DESERT-LAND ENTRIES.

Mr. SHAFROTH. Mr. President, about four or five weeks ago the Senate passed a bill (S. 2315) to extend the time within which final proof is required to be submitted upon any lawful pending desert-land entry made prior to July 1, 1915, such extension not to exceed three years from the date of allowance thereof.

On Monday last in the House of Representatives there was passed identically the same bill, but not the Senate bill. The House bill was sent to the Senate and referred to the Committee on Appropriations. I have compared the bills with the chairman of the Committee on Appropriations, and he deems it proper that the committee should be discharged from the consideration of the bill. I will then ask that the House bill be put upon its passage after it has been withdrawn from the consideration of the Committee on Appropriations. I ask unanimous consent that House bill 175, to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915 and for prior years, and for other purposes," be withdrawn from the Committee on Appropriations.

Mr. JONES of Washington. Let me understand the Senator. Does the Senator say a Senate bill was reported and passed the Senate which is identical with the House bill?

Mr. SHAFROTH. It is identical; word for word, comma for comma, period for period. I have compared it with the chairman of the Committee on Appropriations and also with the Representative who had charge of the bill in the House. The Senate bill passed the Senate about a month or six weeks ago, and the Member of the House desiring the same legislation, not knowing that the Senate had passed the bill, on last Monday found his bill in the House. When the House bill came here it

was referred to the Committee on Appropriations. So I see no reason why we should not pass the House bill.

Mr. JONES of Washington. The reason why the House did not pass the Senate bill was because its passage by the Senate was overlooked in the House?

Mr. SHAFROTH. It was overlooked. It was referred to the same committee of which the Member of the House who had charge of the bill is a member. He introduced the bill there. There is a difference in the titles, but not in the language of the bills. I am willing to adopt his title to the bill. I therefore move that the Senate proceed to the consideration of House bill 175.

The PRESIDENT pro tempore. The request for unanimous consent has not yet been granted. The Chair will put it.

Mr. SMOOT. Mr. President, just a moment. Do I understand that this bill has passed the House?

Mr. SHAFROTH. Yes, sir.

Mr. SMOOT. And the Senator is asking for the consideration of the House measure?

Mr. SHAFROTH. Yes.

I will state to the Senator, if he was not here when I made the statement, that the Senate passed Senate bill 2315 about five or six weeks ago when the calendar was called. It had been reported from the Committee on Public Lands and was on the calendar and it passed the Senate. It was transmitted, of course, to the House of Representatives. The Representative there, desiring the same legislation, had previously introduced the identical bill word for word, except the title. The title is different, but the language of the bills themselves is identical. Not knowing that the Senate bill had passed the Senate, the House bill was passed last Monday.

Mr. SMOOT. I understand that, Mr. President. What I want to know is, has the bill from the House come to the Senate and been referred to the Public Lands Committee?

Mr. SHAFROTH. No; it was referred to the Committee on Appropriations, and I ask unanimous consent that the committee be discharged from the further consideration of the bill. I do not see why it should ever have been referred to the Committee on Appropriations, but it was done. It is a bill relating to the relief of desert-land entrymen who, by reason of no fault of theirs, have not been able to get water on the land, and it gives them relief by an extension of three years and certain alternatives.

The PRESIDENT pro tempore. The Senator from Colorado asks unanimous consent that the Committee on Appropriations be discharged from the further consideration of House bill 175.

Mr. SHAFROTH. I will state that this action is agreeable to the chairman of the Committee on Appropriations.

The PRESIDENT pro tempore. The Chair hears no objection, and the committee is discharged from the further consideration of the bill. The Chair will state that the bill not being in the physical possession of the officers of the Senate, it can not be laid before the Senate at this particular moment.

Mr. SHAFROTH. Very well. I shall call it up at a later hour.

Mr. SHAFROTH subsequently said: Mr. President, as the Committee on Appropriations has been discharged from the further consideration of House bill 175 and it is now on the desk of the Secretary, I ask unanimous consent that the Senate proceed to its consideration. I explained the bill to the Senate a while ago, and I presume no further explanation is necessary.

The PRESIDENT pro tempore. The Senator from Colorado asks unanimous consent for the present consideration of House bill 175. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the provisions of the last three paragraphs of section 5 of the act of March 4, 1915, "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915, and for prior years, and for other purposes," be, and the same are hereby, extended and made applicable to any lawful pending desert-land entry made prior to March 4, 1915: *Provided*, That in cases where such entries have been assigned prior to the date of the act the assignees shall, if otherwise qualified, be entitled to the benefit hereof.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

REPORTS OF COMMITTEES.

Mr. FLETCHER, from the Committee on Military Affairs, to which were referred the following joint resolutions, reported them each without amendment and submitted reports thereon:

S. J. Res. 134. A joint resolution to reimburse soldiers and officers for uniforms and equipment lost on board the *Tuscania* February 5, 1918, and in other like cases (Rept. No. 305); and

S. J. Res. 136. A joint resolution providing for the registration for military service of the subjects or citizens residing in the United States of a foreign country with whose Government the United States has concluded or hereafter concludes a convention or agreement consenting to such aliens being drafted into the military forces of the United States under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishments of the United States," and all amendments thereto (Rept. No. 306).

PROHIBITION IN HAWAII.

Mr. SHEPPARD. From the Committee on Pacific Islands and Porto Rico, I report back favorably without amendment the bill (S. 3935) to prohibit the sale, manufacture, and importation of intoxicating liquors in the Territory of Hawaii during the period of the war, except as hereinafter provided, and I submit a report (No. 307) thereon. There are certain petitions accompanying the bill which I ask may lie on the table.

The PRESIDING OFFICER (Mr. PITTMAN in the chair). The bill will be placed on the calendar, and the petitions will lie on the table at the request of the Senator from Texas [Mr. SHEPPARD].

REPORT OF NATIONAL ACADEMY OF SCIENCES (S. DOC. NO. 192).

Mr. SMITH of Arizona, from the Committee on Printing, reported the following resolution (S. Res. 209), and it was considered by unanimous consent and agreed to:

Resolved, That the report of the National Academy of Sciences for the year ending December 31, 1917, transmitted to the Senate on February 21, 1918, as provided for in the act approved March 3, 1863, be printed as a Senate document.

CONDEMNATION OF LAND FOR NITRATE PLANT.

Mr. FLETCHER. From the Committee on Military Affairs I report back favorably without amendment the bill (S. 3994) to amend an act entitled "An act to authorize condemnation proceedings of lands for military purposes," approved July 2, 1917, and for other purposes, and I submit a report (No. 303) thereon. I call the attention of the Senator from Alabama [Mr. UNDERWOOD] to the bill.

Mr. UNDERWOOD. I should like to ask unanimous consent for the present and immediate consideration of this bill. It is a matter of considerable importance, although a small matter.

Last year, in June, 1917, the Senate and the House passed a law authorizing the condemnation of certain property for cantonments and other purposes. It was found that it was not broad enough to cover nitrate plants. The Government has engaged in building a nitrate plant at Muscle Shoals. They have gotten all the land for the nitrate plant. A large portion of it was given by the people and most of it was sold on very reasonable terms; but there are a few small outlying tracts where there are obdurate parties who want to ask what the Government thinks is an unreasonable price. Therefore it is desired to broaden the act that was passed giving the right to condemn property for cantonments and other military purposes so that it will include a nitrate plant, and that they may exercise the right of condemnation.

There is nothing in this bill that is not in the law except that it puts the nitrate plants in the same position as cantonments. It is necessary that these nitrate plants should be built immediately in order to get the powder supply that we need. They are in process of construction. The amount of land that is needed at this point is very small and it is absolutely necessary to get it. The only way it can be gotten is by condemnation.

The department has recommended the bill. I gave to the committee a report on the bill, a letter, from Secretary Baker that is on file. It met with the approval of the department and is urged by them.

Therefore, under those circumstances, I ask for the immediate consideration of the bill.

Mr. SMOOT. Is it a unanimous report from the committee?

Mr. UNDERWOOD. It is a unanimous report.

The PRESIDENT pro tempore. The Senator from Alabama asks unanimous consent for the present consideration of the bill. Is there objection?

Mr. POINDEXTER. I should like to have the bill read.

The PRESIDENT pro tempore. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That page 1, line 8, of an act entitled "An act to authorize condemnation proceedings of lands for military purposes," approved July 2, 1917, be, and the same is hereby, amended by adding, after the word "camps," the following: "and for the construction and operation of plants for the production of nitrates and other compounds and the manufacture of explosives and other munitions of war and for the development and transmission of power for the operation of such plants," so that the same, when amended, will read as follows:

"That hereafter the Secretary of War may cause proceedings to be instituted in the name of the United States, in any court having jurisdiction of such proceedings for the acquirement by condemnation of any land, temporary use thereof or other interest therein, or right per-

taining thereto, needed for the site, location, construction, or prosecution of works for fortifications, coast defenses, military training camps, and for the construction and operation of plants for the production of nitrate and other compounds and the manufacture of explosives and other munitions of war and for the development and transmission of power for the operations of such plants; such proceedings to be prosecuted in accordance with the laws relating to suits for the condemnation of property of the States wherein the proceedings may be instituted: *Provided*, That when the owner of such land, interest, or rights pertaining thereto shall fix a price for the same, which, in the opinion of the Secretary of War, shall be reasonable, he may purchase or enter into a contract for the use of the same at such price without further delay: *Provided further*, That the Secretary of War is hereby authorized to accept on behalf of the United States donations of land and the interest and rights pertaining thereto required for the above-mentioned purposes. *And provided further*, That when such property is acquired in time of war, or the imminence thereof, upon the filing of the petition for the condemnation of any land, temporary use thereof or other interest therein or right pertaining thereto to be acquired for any of the purposes aforesaid, immediate possession thereof may be taken to the extent of the interest to be acquired and the lands may be occupied and used for military purposes, and the provision of section 355 of the Revised Statutes, providing that no public money shall be expended upon such land until the written opinion of the Attorney General shall be had in favor of the validity of the title, nor until the consent of the legislature of the State in which the land is located has been given, shall be, and the same are hereby, suspended during the period of the existing emergency.

Mr. POINDEXTER. I should like to ask the Senator from Alabama if the bill puts the authority to bring these condemnation suits into the hands of a private company, or is it required that Government officials shall bring the suit?

Mr. UNDERWOOD. It is granted to Government officials. There is no change in the law except to make the law, which has already been passed relating to cantonments, apply to the building of this nitrate plant. The first sentence of the bill shows the amendment to the general law. The balance of it is already the statute.

Mr. SMITH of South Carolina. May I ask the Senator if, in general terms, the bill means that wherever the Government sees fit to enter upon condemnation proceedings it may be done. It does not limit it to any one particular plant?

Mr. UNDERWOOD. No; but, of course, it is only intended to be used now at one place. It does not limit it to any place. It is merely to help the Government to get property at a reasonable price; that is all.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

Mr. KENYON. I should like to ask the Senator from Alabama if it refers to a specific piece of property, or is it a general power of condemnation?

Mr. UNDERWOOD. It is a general power. A general bill was passed giving general power to the Government to condemn for cantonments and other military purposes. It was not broad enough to cover the question of building a nitrate plant, and the bill simply adds to the general law the power to condemn and take property for a nitrate plant as well as for cantonments and other military purposes.

Mr. KENYON. There is no limit to the property which may be condemned for these nitrate plants?

Mr. UNDERWOOD. There is none in the law in reference to cantonments or other purposes. Of course the limit on the power to take anything is the appropriation. That is where the limitation comes in, but the Government in this case has the money, and there are a few tracts of outlying land. Most of this land has been acquired, but there are a few outlying pieces that are needed, and the object is merely to keep somebody from holding up the Government; that is all. The men who have these pieces of property are asking what the Government considers an unreasonable price.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF THE RULES—CONFERENCE REPORTS.

Mr. GALLINGER. Mr. President, I am directed by the Committee on Rules to submit a report (S. Rept. 308) on Senate resolution 162, which I ask may first be read, and I call the attention of the Senator from North Carolina [Mr. OVERMAN] to the report after it has been read.

The PRESIDENT pro tempore. The Secretary will read the report.

The Secretary read as follows:

The Committee on Rules, to whom was referred Senate resolution 162, providing for an amendment to Rule XXVII by adding the following paragraph:

"2. Conferees may not include in their report matters not committed to them by either House, and in case new matter is included, the same shall be subject to a point of order, and, upon such point of order being made by any Senator, if sustained by the presiding officer of the Senate, such new matter shall be ruled out and eliminated from the report: *Provided*, That the elimination of such new matter upon a point of order shall in no way affect the remainder of the conference report"—

having considered the same, beg leave to report a substitute, as follows, and recommend its adoption:

"2. Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and if the point of order is sustained the report shall be recommitted to the committee of conference."

Mr. OVERMAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the resolution reported by the committee as a substitute for Senate resolution 162. I think it appeals to every Senator, inasmuch as now we are beginning with the appropriation bills. If the Senate desires a rule of this kind, it ought to be adopted at once. I think the rule explains itself. It gives any Member of the Senate the right to rise to a question of order when new matter not considered by either House is put in a bill or matter has been stricken out.

Mr. STONE. Mr. President, I desire to have the attention of the Senator from North Carolina and the Senator from New Hampshire to ask this question. As I heard the report read, it provides that the conferees shall not be authorized or empowered to change any original text which has been agreed upon by both Houses.

Mr. GALLINGER. That is the——

Mr. STONE. If the Senator will pardon me, I have served on conference committees where a section was under consideration, a part of which—it may be a clause—had been amended by one House or the other and the remainder of the section was left intact. I want to know if it were found in conference that it was necessary to change that part of the section which had been amended by one House, would it then be forbidden to conform the remainder of the section to the change?

Mr. GALLINGER. I think not. I will say to the Senator that that provision is taken from Jefferson's Manual, while the first provision in the resolution is taken from Cleaves' Manual on Conferences and Conference Reports, which was submitted to the Senate by former Senator Allison many years ago. I have been told that the manual prepared by Mr. Cleaves, who was for many years the clerk of the Committee on Appropriations, was adopted by the Senate, but I am not sure about that. However, both the propositions are sound, and they protect the Senate from the abuse with which we have so often been met. I feel sure that it will facilitate the work of the Senate and will prevent controversies that are constantly arising on these points. I hope the resolution will be agreed to.

Mr. CURTIS. Mr. President, I will say to the Senator from New Hampshire that Cleaves' Manual on Conferences and Conference Reports was adopted as the result of the passage of a resolution by the Senate. This amendment to the rules is one which was offered by me, and the amendment reported by the committee is satisfactory. I hope there will be no objection to it, for if adopted it will stop legislation by conferees.

Mr. JONES of Washington. Mr. President, I want to ask the Senator from New Hampshire a question. I am in hearty sympathy with the purpose of this rule, but my recollection, from the reading of the report, is that the original resolution expressly provided that the point of order should be passed upon by the Presiding Officer.

Mr. GALLINGER. Yes.

Mr. JONES of Washington. But the rule as reported from the committee leaves out that express direction. Is there any special reason for that?

Mr. GALLINGER. The objection to confining the decision to the Presiding Officer is that an appeal may be taken, and the question may ultimately be decided by the Senate itself. Of course, it is the duty of the Presiding Officer to make a ruling upon a point of order, but an appeal may be taken, so that the point of order may not be absolutely settled until the appeal is acted upon.

Mr. JONES of Washington. Of course, I understand that; but have we not another rule under which the Presiding Officer could himself submit any point of order to the Senate?

Mr. GALLINGER. Yes.

Mr. JONES of Washington. I think we really ought to require the Presiding Officer to pass upon a point of order which is made, subject of course to appeal to the Senate.

Mr. GALLINGER. Of course I assume that that is what the Presiding Officer is in the Chair for, that when a point of order is made he will decide upon it.

Mr. JONES of Washington. But we find very frequently that Presiding Officers in the chair do what they are not supposed to do.

Mr. GALLINGER. I have no objection to inserting those words, but I think it would be supererogation.

Mr. JONES of Washington. Then the Senator from New Hampshire thinks that under the rule reported it would be the duty of the Presiding Officer to pass upon the point of order, subject to the right of appeal?

Mr. GALLINGER. Unquestionably.

Mr. JONES of Washington. I simply want that to appear in the RECORD.

Mr. SMITH of Georgia. Mr. President, I understood the Senator from North Carolina [Mr. OVERMAN] to say that the objectionable matter would be eliminated without affecting the balance of a conference report. As I understand the rule, it is just the reverse, and if the point of order is sustained the report shall be recommitted to the committee of conference.

Mr. OVERMAN. I had not intended to say that.

Mr. GALLINGER. Mr. President, manifestly we can not strike any matter from a conference report. That is a power which belongs to the conference committee. All we can do under our custom is either to reject the report or in this case, if the point of order is sustained, to send the report back to the conference committee for their further consideration.

Mr. SMITH of Georgia. Mr. President, I agree with the Senator from New Hampshire, but there were Senators in my neighborhood who understood the chairman of the committee to say that the effect of sustaining the point of order was simply to strike out the objectionable matter and to leave the balance of the matter for action by the Senate.

Mr. OVERMAN. No; I had not intended to say that, though I may have done so inadvertently.

Mr. GALLINGER. The Senator from North Carolina inadvertently made that observation; but that is not the intention of the committee.

Mr. SMITH of Georgia. I thought it was only proper to call the attention of the Senate to the fact that the proposed rule does not assume that authority——

Mr. GALLINGER. It does not.

Mr. SMITH of Georgia. But sends the entire measure back to the committee of conference.

Mr. GALLINGER. That is all.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate, by unanimous consent, proceeded to consider the resolution.

The amendment of the Committee on Rules was, after line 4, to strike out:

2. Conferees may not include in their report matters not committed to them by either House, and in case any new matter is included, the same shall be subject to a point of order, and upon such point of order being made by any Senator, if sustained by the presiding officer of the Senate, such new matter shall be ruled out and eliminated from the report, provided that the elimination of such new matter, upon a point of order, shall in no way affect the remainder of the conference report.

And insert:

2. Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is striken from the bill, a point of order may be made against the report, and if the point of order is sustained, the report shall be recommitted to the committee of conference.

So as to make the resolution read:

Resolved, That the standing rules of the Senate be, and they hereby are, amended as follows:

Amend Rule XXVII by adding the following paragraph:

"2. Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and, if the point of order is sustained, the report shall be recommitted to the committee of conference."

The PRESIDENT pro tempore. The question is on the amendment which has been reported by the Committee on Rules.

The amendment was agreed to.

The resolution as amended was agreed to.

JOHN M'W. FORD.

Mr. RANSDELL. From the Committee on Public Lands, I report back favorably, without amendment, the bill (S. 3700) for the relief of John McW. Ford, and I submit a report (No. 304) thereon. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDENT pro tempore. Is there objection?

Mr. NORRIS. Let the bill be read, Mr. President.

The PRESIDENT pro tempore. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That John McW. Ford, of Shreveport, La., be, and hereby is, authorized to enter at the minimum price of $1.25 per acre, lot No. 7, of section 14, township 18 north, range 14 west, Louisiana meridian, Caddo Parish, La., in virtue of his long settlement, bona fide title and possession, and valuable improvements thereon.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. KENYON. Would it be in order to have an explanation of what this bill proposes?

Mr. RANSDELL. Mr. President, I will say to the Senator from Iowa that this bill relates to a small piece of land lying in the center of a plantation which Mr. Ford and the authors of his title have owned and been in actual possession of for more than 50 years. However, there seems to have been some trouble about a patent for it, and this bill simply authorizes the Commissioner of the General Land Office to sell this land to Mr. Ford at a price of not less than $1.25 an acre.

Mr. POMERENE. Mr. President, may I ask the Senator from Louisiana a question?

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to the Senator from Ohio?

Mr. RANSDELL. I do.

Mr. POMERENE. Is this one of those tracts of land involved in certain other legislation about which there is very great controversy?

Mr. RANSDELL. No, sir. This land is part of a plantation near the city of Shreveport, La. Mr. Ford is the mayor of the city of Shreveport. This land is part of a plantation which he and his authors have owned for over 50 years.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS.

Mr. THOMAS. Mr. President, if it is in order, I should like to ask unanimous consent for the present consideration of Calendar No. 258, being the bill (S. 3778) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes.

Mr. FLETCHER. Will the Senator wait until the regular order has been disposed of? I think we are proceeding under the head of "Reports of committees."

The PRESIDENT pro tempore. Morning business has not yet been concluded. Reports of committees are in order. If there be no further reports of committees, bills and joint resolutions are in order.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH of Maryland:

A bill (S. 4032) to further provide for the national security and defense and for the purpose of assisting the prosecution of the war, and to provide for the assistance and appropriations by the Federal Government for the repair and maintenance of such improved highways of the several States as may, because of the extraordinary circumstances of war, be declared to be military roads; to the Committee on Appropriations.

By Mr. MYERS:

A bill (S. 4033) extending the commutation privilege to enlarged homesteads; to the Committee on Public Lands.

By Mr. KELLOGG:

A bill (S. 4034) to include members of the Russian Railroad Service Corps within the terms of the act of October 6, 1917, to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, and for other purposes.

The PRESIDING OFFICER (Mr. PITTMAN in the chair). To what committee does the Senator from Minnesota desire the bill referred?

Mr. SMOOT. Mr. President, if the bill has reference to the War-Risk Insurance Bureau, it ought to be referred to the Committee on Finance, as that committee dealt with the question originally.

The PRESIDING OFFICER. The bill will be referred to the Committee on Finance.

By Mr. PHELAN:

A bill (S. 4035) for the payment of certain claims for services rendered the United States in the construction of a building at Mare Island Navy Yard (with accompanying paper); to the Committee on Claims.

By Mr. SHEPPARD:
A bill (S. 4036) to insure the secrecy of military dispatches, information, and correspondence; to the Committee on Military Affairs.
By Mr. KENYON:
A bill (S. 4037) granting an increase of pension to Fred E. White;
A bill (S. 4038) granting an increase of pension to William H. Carter (with accompanying papers); and
A bill (S. 4039) granting an increase of pension to Channing Smith (with accompanying papers); to the Committee on Pensions.
By Mr. NEW:
A bill (S. 4040) for the relief of Francis M. Sparks (with accompanying paper); to the Committee on Military Affairs.
A bill (S. 4041) granting a pension to Albert J. McGannon (with accompanying papers); to the Committee on Pensions.
By Mr. STONE:
A bill (S. 4042) for the relief of Luke Stinnett; to the Committee on Military Affairs.
By Mr. CURTIS:
A bill (S. 4043) granting an increase of pension to Erastus Perrine (with accompanying papers);
A bill (S. 4044) granting an increase of pension to John J. Smith (with accompanying papers);
A bill (S. 4045) granting an increase of pension to John Brown (with accompanying papers);
A bill (S. 4046) granting an increase of pension to John W. Buffum (with accompanying papers);
A bill (S. 4047) granting a pension to Jesse O. Dobyns (with accompanying papers);
A bill (S. 4048) granting a pension to Lucy Long (with accompanying papers);
A bill (S. 4049) granting an increase of pension to Milton S. Harvey (with accompanying papers);
A bill (S. 4050) granting an increase of pension to John T. Showalter (with accompanying papers);
A bill (S. 4051) granting an increase of pension to James I. Edwards (with accompanying papers);
A bill (S. 4052) granting a pension to Josephine Ryan Seyffer (with accompanying papers); and
A bill (S. 4053) granting an increase of pension to Hiram L. Hooton (with acompanying papers); to the Committee on Pensions.
By Mr. WATSON:
A bill (S. 4054) granting an increase of pension to Edward Foster; to the Committee on Pensions.
By Mr. SMITH of Maryland:
A bill (S. 4055) to authorize the opening of a minor street from Georgia Avenue to Ninth Street NW., through squares 2875 and 2877, and for other purposes; to the Committee on the District of Columbia.

INDIAN APPROPRIATIONS.

Mr. ASHURST. Mr. President, I do not rise to introduce a bill, but simply to give a notice, which is that as soon as the Agricultural appropriation bill has been disposed of I shall ask the Senate to consider the Indian appropriation bill.
Mr. OVERMAN. Mr. President, I should like to know what notice the Senator has given; I did not understand him.
Mr. ASHURST. I wish to withdraw the notice I have just given, and to say that as soon as the urgent deficiency appropriation bill and the Agricultural appropriation bill have been disposed of I shall then ask the Senate to consider the Indian appropriation bill.
Mr. OVERMAN. Very well.

REGISTRATION FOR MILITARY SERVICE.

Mr. FRELINGHUYSEN. I ask unanimous consent for the present consideration of the joint resolution (S. J. Res. 124) providing for the registration for military service of all male persons citizens of the United States or residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."
Mr. THOMAS. Mr. President, I understand that the morning business has not been concluded. I endeavored a few moments ago to call up a bill on the calendar and was so informed.
The PRESIDING OFFICER. Does the Senator from Colorado make objection?
Mr. THOMAS. I think, Mr. President, in view of the fact that morning business has not been concluded, in consequence of which I was unable to make a similar request a few moments ago, that the joint resolution should not be taken up at this time.
Mr. POINDEXTER. Mr. President, I do not rise to object to the request of the Senator from New Jersey, but I will be very much obliged to him if he will withhold his motion for just a moment.
Mr. FRELINGHUYSEN. Very well.
Mr. OVERMAN. I wish to say, if the Senator will yield to me, that I want to get through with the Diplomatic and Consular appropriation bill at as early an hour as possible, and so I shall object to the consideration of any measure except the appropriation bill this morning. I think it will take only a short time to dispose of the appropriation bill.
Mr. POINDEXTER. I make the point of order that morning business has not been concluded.
The PRESIDING OFFICER. There was a request for unanimous consent, which the Chair understands is always in order. There has been objection made, however, and that disposes of that question. Are there further bills or joint resolutions?

INTERNATIONAL MEMORIAL DAY.

Mr. POINDEXTER. I introduce the joint resolution which I send to the desk.
The joint resolution (S. J. Res. 138) to designate May 7 as an international memorial day in memory of those who have lost their lives in the present war was read the first time by its title.
Mr. POINDEXTER. Mr. President, I introduce the joint resolution after consultation with my colleague [Mr. JONES of Washington] and in response to a request of the club of fathers and mothers of men who have lost their lives in this war. At first reading my thought was that the United States up to the present moment has done so little in so far as it affects the actual progress of the war in proportion to the power and the wealth of this great country that it was scarcely time to turn aside to indulge in expressions of sentiment.
Mr. GALLINGER. Mr. President, will the Senator permit the joint resolution to be read that we may learn its exact purport?
Mr. POINDEXTER. I shall be very glad to have the joint resolution read, and then I desire to say one further word in regard to it.
The PRESIDING OFFICER. The Secretary will read the joint resolution.
The joint resolution was read the second time at length, as follows:

Resolved, etc., That May 7 be set apart by the people of the United States of America as a day of remembrance and appreciation of those who served and sacrificed in the war for world-wide democracy.
That the Secretary of State be, and is hereby, instructed to invite the Governments allied with us in this war to join with the people of the United States in making May 7 international memorial day.

Mr. POINDEXTER. Mr. President, we have had such a wealth of speaking and writing on behalf of the Government of the United States as to what we propose to do with the disposition of the world when this war is over and such a dearth of accomplishment that would enable us to say with any effect anything at all as to the terms of peace that I hesitated to adopt the suggestion of this club; but upon reflection, Mr. President, and in appreciation and respect for the deep feeling of the mothers and fathers of men who have already given their lives in the beginning of this war, and of those who will die for their country in its further conduct, it occurred to me after all to be an appropriate suggestion, and that perhaps a due tribute of honor to the memory of these heroic dead may be an aid to the morale and to the spirit of the American people in doing something that is really worthy of the Nation in the conduct of the war.
Mr. JONES of Washington. Mr. President, in connection with the joint resolution that has been introduced by my colleague I simply want to reenforce what he has said and state that I think this is a very valuable suggestion.
It might occur to us that we should wait until the war is concluded; that some event may occur that would make a more appropriate date to commemorate the sacrifices of our people, as suggested in this letter. I doubt if that will be the case; but, at any rate, I think it is a resolution that ought to have the thoughtful and patriotic consideration by the committee to which it will be referred and by the Senate. I think the Senate will be interested in hearing read the suggestions made by those representing these fathers' and mothers' clubs who have suggested this resolution. It is short, and I ask that it be read. It is at the desk. The reasons given may not appeal to us all. In my judgment, we are in this war primarily to protect American rights, maintain American sovereignty, vindicate American honor, and insure the peace and safety of our Republic and other American Republics rather than to establish world democracy.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the resolution will be read.

The Secretary read as follows:

MARCH 1, 1918.

Senator WESLEY L. JONES,
Washington, D. C.

DEAR MR. JONES: Members of the Club of Mothers of Men in the Service and the Soldiers and Sailors Fathers' Club, of Bellingham, believing it proper to hold in each community a memorial service each year for those who shall be a sacrifice to the cause of a world-wide democracy, and feeling that this service should be universal in the countries allied in this war, respectfully address you on this subject and ask your cooperation in presenting the matter to Congress.

It is our belief that a date should be agreed upon that will appeal to our citizens and to our allies as particularly appropriate. The fact that the assault by Germany upon the *Lusitania*, May 7, 1915, was the first real challenge of autocracy to the peace and security of the neutrals of the world, as well as a cowardly stroke at her enemies upon the ocean highways, appears to us to singularly fix a date in the history of the war that is coadaptable as a day of mourning; and since that one crime inspired the people of the world who cherish freedom to unite to overthrow despotic autocracies as the only surety for world peace it seems fitting that it be made a day for remembering and for appreciating the services of those who give themselves to this cause.

We feel it unnecessary to adopt a new memorial day for the soldiers and sailors of the Republic except for the fact that our allies should be interested in such a day. There would be nothing in common for all in the date set apart by our people for remembering the services of the dead of our own wars.

We therefore propose the following resolutions, or resolutions in harmony with the spirit thereof, and we trust you may find it agreeable to lay them before the Senate:

"Joint resolution.

"*Resolved by the Senate of the United States (the House of Representatives concurring)*, That May 7 be set apart by the people of the United States of America as a day of remembrance and appreciation of those who served and sacrificed in the war for world-wide democracy.

"*Resolved*, That the Secretary of State be, and he is hereby, instructed to invite the Governments allied with us in this war to join with the people of the United States in making May 7 international memorial day."

A similar communication is being addressed this day to Senator POINDEXTER and to Congressman HADLEY with a request that, if favorably disposed, Senator POINDEXTER join with you in presenting the matter to the Senate and that Congressman HADLEY introduce a similar resolution in the House.

Respectfully,
For the Fathers' Club,

FRANK F. SEFRIT, *Chairman.*
HENRY FORD.
E. L. CAVE.

For the Mothers' Club,

JENNIE M. BROWN.
MABEL HOWARD.
Mrs. JOSEPH WISE.

Mr. POINDEXTER. Mr. President, I will say that I have used in the joint resolution the language proposed by the fathers' and mothers' clubs of Bellingham. I should prefer myself some other statement of the purposes and objects of the war than that it is for world-wide democracy. I think we have been caused considerable embarrassment in the conduct of the war and our relations with belligerents and neutrals, and among our own people, by a declaration that was open to the interpretation that we had started out on a campaign to reform the governments of the world. My own opinion of the purposes and objects of this war is that it is to preserve the rights of American citizens, their lives upon the high seas, and self-determination for such form of government as we ourselves see fit to establish in our own country.

I ask that the joint resolution be referred to the Committee on Foreign Relations.

The PRESIDING OFFICER. The joint resolution will be referred to the Committee on Foreign Relations.

ACREAGE AND PRODUCTION OF TOMATOES.

Mr. SAULSBURY. Mr. President, I send to the desk a resolution, which I ask to have read.

The PRESIDING OFFICER. The resolution will be read.

The Secretary read the resolution (S. Res. 210), as follows:

Whereas a bulletin has been issued from the United States Food Administration in the following words and figures, to wit:

Canned Foods Bulletin No. 3.

UNITED STATES FOOD ADMINISTRATION,
DIVISION OF COORDINATION OF PURCHASE,
Washington, D. C., February 28, 1918.

The following announcement is transmitted from the Army and Navy:

"In all industries the Army and Navy are operating under well-recognized principles in securing reasonable prices as applying to all war requirements.

"In connection with the tenders on tomatoes, the Army and Navy state that they are unwarranted in making any awards for canned tomatoes, catsup, or other tomato products, based on raw-material prices in excess of the following:

	Per ton.
"In Pennsylvania, Maryland, Delaware, and New Jersey	$21
"In New York and Michigan	20
"In Virginia, West Virginia, and Tennessee	20
"In Ohio, Indiana, and Illinois	18
"In Missouri, Washington, Colorado, Utah, Kentucky, California, and New Mexico	15

"Further, they do not believe that the other elements of the cost of canning or packing should be permitted to result in an unreasonable price for the canned product."

In accordance with the above, all tenders already received based on a cost of raw material higher than the above have been rejected.

You are invited to submit a tender based upon prices of raw material not higher than the limits fixed by the Army and the Navy. Additional blanks for tendering your quota will be furnished on request. Tenders must be received here on or before March 15, 1918.

DIVISION OF COORDINATION OF PURCHASE,
UNITED STATES FOOD ADMINISTRATION.

And

Whereas it is stated that the effect of the announcement transmitted from the Army and Navy has been to arouse the belief among the farmers of several States that the price to the growers of tomatoes has been fixed by authority of the Government at a price which to them would actually be less than the cost of production, and the effect of arousing this belief in the minds of producers even though inaccurate will be to materially decrease the production of the necessary food supplies during the current year; and

Whereas it is most important that a proper understanding of the matter shall be immediately reached: Therefore

Resolved, That the Committee on Agriculture is directed to ascertain and report with what authority and for what purpose the announcement contained in said bulletin was made and what the effect of the publication thereof will be on the production during the current year of the food and foodstuffs referred to in said bulletin.

Mr. SAULSBURY. Mr. President, I shall ask the indulgence of the Senate for a moment while I explain this resolution.

The bulletin issued by the Food Administration speaks for itself; but there probably is not much information in the possession of Members of the Senate regarding the immensity to which this particular business has grown and what effect the issuance of that bulletin is having at the present moment. It is of very immediate importance, because practically within the next two weeks the acreage to be devoted to the raising of tomatoes will be determined by the farmers in almost all this immediate locality, where about 50 per cent of the total pack of tomatoes is grown. In New Jersey, Delaware, and Maryland just about 50 per cent of the total pack is grown.

In order to illustrate the magnitude of the business, I will state that the total tonnage packed in the whole country is 1,311,341 tons. The total tonnage manufactured is 896,275 tons. Of the total amount manufactured, the States of Maryland, New Jersey, and Delaware pack 372,533 tons, or between 40 and 50 per cent. The States chiefly interested in this matter are Maryland—which is the largest packing State in the country, and I give them in order—193,332 tons; California, 178,012 tons; New Jersey, 107,255 tons; Virginia, 73,768 tons; and Delaware, 71,946 tons; making together 624,313 tons out of a total of less than 900,000 tons.

The Agricultural Department has made a report and issued circulars showing the acreage, the tonnage, the amount shipped, and the amount manufactured; and I ask that the schedules to which I refer, prepared officially, may be printed at the end of my remarks.

The PRESIDING OFFICER. Without objection, that will be the order.

Mr. SAULSBURY. Mr. President, as showing how impossible it will be to produce at these prices this foodstuff, which is in such general consumption all over the world, I have here a table, prepared I think by the Agricultural Department—I obtained it from the head of one of the bureaus in the Food Administration—showing the cost per ton of manufacturing in a large number of counties in Maryland, in two of the three counties in Delaware, and in a number of counties in New Jersey, and I shall add that to the tables to be printed.

I also have in my hand a statement showing the cost of production, prepared by the Agriculture and Home Economics Organization in Kent County, Del., which shows that on a production of 3 tons per acre the cost to the farmer is $77.90, whereas the price the farmer would receive under the price which is supposed to have been fixed is $63, leaving him a net loss of $14.90 for growing his crop. On a production of 5 tons the cost will be $100 per acre, leaving the farmer $5 profit where he expends $100 and works all the year. I also have a list of the members of the farm bureau compiling these figures; and any one knowing that community knows what a respectable body of men they are and how thoroughly every one is represented in that organization.

The disadvantage to the farmers generally of having this official statement go out is that everyone supposes that the power of price fixing in the Government is practically unlimited so far as foodstuffs are concerned. That, of course, is a misapprehension; and I am informed that the members of the Food Administration simply made this statement, transmitted to them from the Army and Navy, regarding the purchases of the Army and Navy; but the effect will be very detrimental in decreasing the acreage, and the false apprehension must be dissipated within the next 10 days or 2 weeks or this great pro-

duction of more than half—nearly two-thirds—the whole pack for this year will be very greatly lessened. It is estimated the tomato acreage will decrease all the way from one-third to one-half. The result of that will be that, of course, we will be deprived of foodstuffs instead of having the amount increased.

The disadvantage of having a circular of this kind go out is that the Army and Navy and the Government purchases for the allies during this year will amount to 6,000,000 cases of tomatoes, which, at 20 cases to the ton, will make over 300,000 tons. The Army and Navy probably can get their tomatoes at about that price if they take the whole product of the Western States. Taking California, and classing Indiana for the purpose as a Western State—they are the two largest producers there—they can probably get their tomatoes at that price in those States, where the cost of raising them is not so great; but in this portion of the country, where two-thirds of this great crop is raised, the result would be to cause the men here who are sufficiently satisfied with their own judgment as to the effect on the market ultimately to raise and pack tomatoes which will ultimately be shipped from the East to the West to supply the local needs in the Western States, swept bare by Government purchases, and the prices will so be raised to everybody.

The whole thing is very largely the result of a misapprehension of the power of the Food Administration. It is misunderstood almost universally by the farmers in this section, who think that the Food Administration has actually fixed a price at which they can sell their tomatoes, which, of course, the Food Administration has not attempted to do, and which it could not do under any law.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Missouri?

Mr. SAULSBURY. I yield.

Mr. REED. I hope the distinguished Senator will not make the remark he has just made in too positive a manner. I agree with him that there is no law giving the Food Administration the right to fix prices, but I do not agree with him that the Food Administration has not fixed prices. It has done it repeatedly, and it undertakes to assert that it has a legal right so to do. I am not familiar with just what it has been trying to do with tomatoes. I am interrupting the Senator, perhaps, too long.

Mr. SAULSBURY. No; I am glad to yield to my friend from Missouri.

Mr. REED. I can illustrate what I have in mind by what has taken place with reference to some products.

The bill that we passed creating the Food Administration gave it just exactly the same power with reference to fixing the price of wheat as it did with reference to fixing the price of any other food product; no more and no less. There was a clause in the bill that provided that the Government would guarantee a minimum price of $2 a bushel for next year's crop; but the power, I repeat, to fix a price for wheat is no greater than the power to fix the price of tomatoes.

The Food Administration did have power given to them to license dealers. They proceeded to license the board of trade men, and they proceeded to license the millers. When they licensed the board of trade men, they instructed them that they must not pay more than certain prices for wheat, and they also specified the commissions that the board of trade men would be allowed to charge.

They then instructed the millers that they must buy from the board of trade men alone, except I believe wheat that was hauled in in wagons. So the effect was that the board of trade man had the price fixed he was to pay the farmer, then the price fixed at which he was to sell to the miller, and the miller was to purchase alone from the board of trade man except these small quantities that come in by wagon lots. That took away from the farmer any place in the world to sell his wheat except to the board of trade men, and he had to take the price they offered save and except he should undertake to ship wheat to foreign countries, an impracticable thing for an individual farmer to do.

That was met by the organization of the Wheat Export Co. and the creation of a single purchasing agency for the allies, and Mr. Hoover, according to the written statement and charge of Secretary McAdoo, became that agent. Consequently that source of market was cut off or controlled so that the price of wheat has been effectively fixed in every market of the United States.

Now, this licensing proposition has been extended and is being rapidly extended. I am coming to the Senator's tomatoes. I am glad somebody else's product is getting into this hopper. The licensing provision with reference to grocery stores has been so extended that to-day you can not go into a grocery store in the city of Washington and buy any quantity of wheat flour unless you are compelled at the same time you get your wheat flour to purchase certain other products—oatmeal or rice or rye flour or barley flour or bran shorts or middlings. Thus the licensing power is being employed.

Now, without having the actual evidence, I have not the slightest doubt that it is the purpose of the Food Administration to fix a price on tomatoes, that it is no case of misunderstanding, but it is a case of deliberate purpose and intent, and if the power has not been granted to fix prices it is the purpose of the Food Administration to exercise the power of licensing so as to force the fixation of prices.

Therefore I venture to call the Senator's attention to the fact that I think his remarks in part will be found to be inaccurate.

Mr. SAULSBURY. Mr. President, of course I am aware that the power to license may in a large measure be used for controlling the prices of a product. The licensing power, as I understand it, has been granted and has been used or will be used only for the purpose of preventing extortionate prices on the part of manufacturers.

My object in presenting these figures and calling them to the attention of the Senate was that I may hereafter be able to place the responsibility of this matter on any official of the Government who may be derelict in the performance of his duty, or who may be too efficient in performing his duty.

I want to say, however, I have the assurance there was no intention on the part of the Food Administration to attempt to fix prices to growers of this raw product for the factories. The effect, however, of the mere issuance of a circular with seeming authority will be that the product itself will not be grown and that the prices will go higher probably than they would have been if nothing had been said about it.

I may say now that the prices last year were very much higher; that they were three times as high as the prices given in this circular. For example, tomatoes grown in Delaware sold per basket for a dollar and upward. At a price of $21 a ton, spoken of in this circular, the price is 35 cents per basket. So you will see that about three times the price was obtained last year for what this year there seems to be a figure fixed at less than the cost of production. Of course the Food Administration did not intend to do that. This is all mixed up with contracts for the Army and Navy where they probably can not get what the Army and Navy need except by bringing the most of it here from California. The people of this country will need for their tables the very necessary foodstuff which is produced in the form of canned tomatoes and tomato paste and catsup, and all that sort of thing.

Mr. REED. If the Senator will pardon me——

Mr. SAULSBURY. I yield.

Mr. REED. What business has the Food Administration to undertake to fix the price of the product the Army is going to buy?

Mr. SAULSBURY. The Food Administration, I understand, has not attempted to do that.

Mr. REED. Then why do they send out that circular? What business had they to do it?

Mr. SAULSBURY. I have no idea why the circular was sent out. It is apparently information given by the Food Administration as to what the Army and Navy proposes to do with regard to contracts. The difficulty about it is the immense comparative amount purchased for the use of the Army and the Navy and for our allies. The effect, however, will not be, in my humble judgment, to reduce the price of canned tomatoes, but the pack in the eastern section of the country will be much reduced because the effect of the circular will be to prevent the growing of raw materials for the pack because farmers can not grow at the price named.

Mr. PHELAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from California?

Mr. SAULSBURY. I yield.

Mr. PHELAN. The Senator made the interesting statement that the principal source of supply of tomatoes for the Army would come from California. If the farmers of New Jersey are discouraged by the fixation of price I should like to be informed by the Senator why, in his judgment, California is able to come into this distant market with a cheaper product, having to pay the cost of transportation?

Mr. SAULSBURY. I assume that there must have been some intelligence shown somewhere in fixing the price of tomatoes. Although possibly so far as the price fixed in this part of the

country is concerned I may not be justified in that assumption. Now, at $15 per ton, the price indicated for certain Western States, the Army and Navy can purchase tomatoes for Government use at the price they have agreed upon.

Mr. PHELAN. Following this particular phase of the question, I desire, in good part, to inform the Senator from Delaware, as he is desiring doubtless to inform the farmers of his region, that recently the Government has entered into a contract I am informed for a very large supply of dried vegetables. The Senator has referred to the pack. He must mean vegetables packed in tin cans.

Mr. SAULSBURY. I referred to canned goods.

Mr. PHELAN. I understand now the department has ordered very large quantities of dried vegetables to obviate the necessity of using tin and reducing the cost of transportation. When the Senator speaks of ton weight, I should like to know whether he refers to canned goods or to possibly dried vegetables.

Mr. SAULSBURY. I refer to canned goods entirely. The table of the Department of Agriculture will show that.

Mr. PHELAN. I should like to know, in helping the discussion of this question, whether the Senator is aware that the farmers of his region prepare dried vegetables?

Mr. SAULSBURY. I know that. From the time I have been a boy down, there have been driers on many of the farms. We used to have a tremendous amount of dried fruit. That has been so long ago that I do not like to remember how long it has been.

Mr. PHELAN. The figures, I understand, given by the Senator relate only to canned vegetables?

Mr. SAULSBURY. Entirely so, to canned tomatoes.

Mr. REED. Mr. President, I simply wish to say to the Senator that tomatoes at $15 a ton are $5 less than good hay sells for. They are a little bit cheaper than wood is by the cord. A man who does not know any more about the raising of vegetables than to fix the price of tomatoes at less than the price of hay does not even know enough to be Food Administrator.

Mr. SAULSBURY. Mr. President, I have no desire to criticize any branch of the Government in regard to anything that there is simply a tangle about. My hope and my belief is that the exploitation of this question will bring the various branches of the Government into coordination, and that somehow, somewhere, in a very short time they may get together and be able to disabuse the minds of the producers of food of the impression that they have created.

I again ask that the tables to which I have referred may be printed as an appendix to my remarks.

The PRESIDING OFFICER. Without objection, that order will be made.

The matter referred to is as follows:

APPENDIX.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF CROP ESTIMATES,
Washington, D. C., January 18, 1918.

ACREAGE AND PRODUCTION OF TOMATOES IN 1917.

From reports received in the Bureau of Crop Estimates, United States Department of Agriculture, it is estimated there were produced in 1917 in the States named below 1,311,341 tons of tomatoes on a harvested acreage of 343,186 acres.

Estimates by States follow:

State.	Acreage harvested.			Yield per acre.	Tonnage produced.		
	Shipped.	Manufactured.	Total.		Shipped.	Manufactured.	Total.
	Acres.	*Acres.*	*Acres.*	*Tons*	*Tons.*	*Tons.*	*Tons.*
Alabama	79	25	104	[illegible]	237	75	312
Arkansas	610	1,821	2,431	3.3	2,010	6,010	8,032
California	27,236	23,735	50,971	7.5	204,270	178,012	382,282
Colorado	13	1,294	1,307	11.3	153	15,269	15,422
Connecticut	31	113	144	3.0	93	354	447
Delaware	2,039	22,483	24,522	3.2	6,525	71,946	78,471
Florida	25,820	20	25,840	3.0	77,437	60	77,547
Georgia	450	.....	450	3.0	1,350	.....	1,350
Idaho	.....	70	70	6.0	.....	420	420
Illinois	1,073	4,009	5,082	3.3	3,541	13,230	16,771
Indiana	837	32,161	32,998	2.6	2,176	83,618	85,794
Iowa	241	1,883	2,125	2.5	605	4,708	5,313
Kansas	.....	5	5	3.0	.....	15	15
Kentucky	331	2,542	2,873	2.7	893	6,853	7,757
Louisiana	257	105	362	5.0	1,285	525	1,810
Maryland	3,845	64,444	68,289	3.0	11,535	193,332	204,867
Massachusetts	.....	8	8	3.0	.....	24	24
Michigan	487	3,329	3,816	1.3	633	4,328	4,961
Minnesota	6	37	43	2.2	13	81	94
Mississippi	7,130	.....	7,130	2.2	15,686	.....	15,686
Missouri	163	10,943	11,106	3.5	570	38,300	38,870
Nebraska	48	58	106	3.3	158	192	350
New Hampshire	.....	10	10	3.0	.....	30	30
New Jersey	11,237	24,943	36,180	4.3	48,319	107,255	155,574
New Mexico	.....	300	300	5.0	.....	1,500	1,500
New York	1,943	8,584	10,527	2.5	4,858	21,460	26,318
North Carolina	1,567	118	1,685	3.0	4,701	354	5,055
Ohio	958	9,673	10,631	2.1	2,012	20,313	22,325
Oklahoma	.....	100	100	3.0	.....	300	300
Oregon	.....	125	125	8.0	.....	1,000	1,000
Pennsylvania	1,725	3,972	5,697	2.4	4,140	9,532	13,672
South Carolina	80	102	182	3.0	240	306	546
South Dakota	.....	30	30	3.0	.....	90	90
Tennessee	1,007	3,454	4,461	3.0	3,021	10,362	13,383
Texas	5,479	40	5,519	3.0	16,437	120	16,557
Utah	19	3,191	3,210	9.0	171	28,719	28,890
Virginia	537	22,354	22,891	3.3	1,772	73,768	75,540
Washington	6	5	11	8.0	48	40	88
West Virginia	53	1,481	1,534	1.8	95	2,666	2,761
Wisconsin	6	288	294	3.8	23	1,094	1,117
Total	95,325	247,861	343,186	3.8	415,066	896,275	1,311,341

The acreage and tonnage shipped includes that portion of the crop which is shipped to a more or less distant market, consumed in home markets, etc.

The acreage and tonnage manufactured includes that portion of the crop which is canned or consumed in the manufacture of pulp, soups, etc. This data is based upon returns received from 1,679 firms and individuals engaged in canning or otherwise manufacturing tomatoes in 1917 out of a total of 1,900 firms, as near as may be, or about 88 per cent of all firms so engaged. The acreage manufactured was secured by deducting the per cent of the acreage contracted for that was not planted, the per cent of the acreage that was abandoned, and the tonnage, expressed in terms of acres, that was not delivered on contracted acreage. To this was added the tonnage, expressed in terms of acres, which was purchased in the open market. The tonnage manufactured was secured by multiplying the acreage manufactured by the yield per acre as reported by the canneries. It is to be noted here that not all of the acreage grown for manufacture nor all of the tonnage bought outside of contracts is covered in the above report.

LEON M. ESTABROOK,
Chief of Bureau.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF CROP ESTIMATES,
Washington, D. C., January 11, 1918.

Tomatoes for canneries.

State.	Acres contracted, 1916.	Acres contracted, 1917.	Contracted for, not planted, 1917.	Acreage abandoned, 1917.	Net contracted acreage, 1917.	Yield per acre, 1917.	Tonnage produced, in 1917.	Tonnage not delivered, 1917.	Net tonnage produced, 1917.	Net tonnage canned, 1917.	Tonnage bought outside, 1917.	Tonnage bought outside, 1916.
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*
Alabama	.....	25	.....	.....	25	3.0	75	.....	75	75	.....	20
Arkansas	1,383	2,326	270	136	1,920	3.3	6,336	317	6,019	6,019	.....	.....
California	10,106	24,175	556	1,204	22,415	7.5	168,112	3,530	164,582	178,013	13,431	3,433
Colorado	1,070	1,422	14	103	1,305	11.6	15,399	154	15,245	15,265	20	59
Connecticut	160	149	.....	.....	149	3.0	447	94	353	353	.....	21
Delaware	11,545	13,381	161	423	12,797	3.2	40,950	4,300	36,650	71,945	[1] 35,295	42,973
Florida	.....	20	.....	.....	20	3.0	60	.....	60	60	.....	10
Idaho	0	70	0	0	70	6.0	420	0	420	420	0	0
Illinois	3,451	3,852	38	95	3,719	3.3	12,273	233	12,040	13,232	1,192	201
Indiana	31,333	36,931	3,508	1,437	31,986	2.6	83,164	1,331	81,833	83,618	1,785	3,617
Iowa	2,757	2,655	252	327	2,076	2.5	5,190	509	4,681	4,708	27	25
Kansas	90	5	0	0	5	3.0	15	0	15	16	1	0
Kentucky	2,061	2,089	130	20	1,939	2.7	5,235	52	5,183	6,857	1,674	60
Louisiana	44	93	0	0	93	5.0	465	0	465	525	60	91
Maryland	50,426	53,081	690	1,781	50,610	3.0	151,830	7,591	144,239	193,330	49,091	39,461
Massachusetts	10	10	0	2	8	3.0	24	0	24	24	0	5
Michigan	2,483	4,137	397	262	3,478	1.3	4,521	452	4,069	4,328	259	90
Minnesota	35	55	4	8	43	2.2	95	13	82	82	0	0
Missouri	8,041	13,071	1,830	360	10,881	3.5	38,083	571	37,512	38,298	786	243
Nebraska	79	118	3	9	106	3.3	350	158	192	194	2	0
New Hampshire	0	10	0	0	10	3.0	30	0	30	30	0	0

[1] Atlantic Canning Co., Rehoboth, Del., reported 25,000 tons in 1916; no report for 1917.

Tomatoes for canneries—Continued.

State.	Acres contracted, 1916.	Acres contracted, 1917.	Contracted for, not planted, 1917.	Acreage abandoned, 1917.	Net contracted acreage, 1917.	Yield per acre, 1917.	Tonnage produced, in 1917.	Tonnage not delivered, 1917.	Net tonnage produced, 1917.	Net tonnage canned, 1917.	Tonnage bought outside, 1917.	Tonnage bought outside, 1916.
	Acres.	*Acres.*	*Acres.*	*Acres.*	*Acres.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*
New Jersey	18,470	18,667	915	408	17,344	4.3	74,579	8,651	65,928	107,257	41,329	25,662
New Mexico	300	200	0	0	300	5.0	1,500	0	1,500	1,500	0	0
New York	8,062	10,828	141	1,121	9,166	2.5	22,915	1,650	21,265	21,461	196	4,916
North Carolina	30	118	0	0	118	3.0	354	0	354	354	0	0
Ohio	8,825	10,413	1,061	198	8,414	2.1	17,669	1,166	16,503	20,312	3,809	209
Oklahoma	20	100	0	10	100	3.0	300	0	300	300	0	0
Oregon	74	135	2	7	126	8.0	1,008	10	998	998	0	0
Pennsylvania	1,417	2,327	28	317	1,982	2.4	4,757	247	4,510	9,532	5,022	2,324
South Carolina	13	145	36	7	102	3.0	306	0	306	306	0	0
South Dakota	30	30	0	0	30	3.0	90	0	90	90	0	0
Tennessee	2,708	3,466	110	100	3,116	3.0	9,348	103	9,245	10,360	1,115	1,085
Texas		40	0	0	40	3.0	120	0	120	122	2	0
Utah	3,010	3,680	269	293	3,118	9.0	28,062	168	27,894	28,723	829	0
Virginia	16,165	22,419	486	664	20,769	3.3	68,538	1,028	67,510	73,770	6,260	1,192
Washington	165									40	40	30
West Virginia	172	1,650	56	81	1,513	1.8	2,723	95	2,628	2,666	38	405
Wisconsin	256	290	0	0	290	3.8	1,102	22	1,080	1,094	14	0
United States	185,344	232,283	11,937	10,163	210,183	.....	766,445	32,445	734,000	896,277	162,277	126,120

County agents' estimate of per ton costs.

State and county	Number of growers consulted.	Yield	1917 cost.	1918 estimate.	1917, per ton.	1918, per ton.
Maryland:						
Talbot	4	4	$68.25	$1.00	17.08	$2.75
Cecil	30	5	82.50	110.00	16.50	22.00
Baltimore	5	2.5	76.12	101.49	21.75	28.99
St. Marys	5	5	54.00	72.00	18.00	24.00
Somerset	22	2.5	60.20	80.26	17.20	22.93
Queen Anne	30	2.5	67.35	89.80	19.24	25.62
Carolina	3	2.5	68.60	91.47	19.60	26.13
Harford	35	4	79.50	106.00	19.87	26.50
Dorchester	22	2.5	73.25	97.67	22.00	29.33
Kent	30	4	78.80	105.07	19.70	26.27
Anne Arundel	41	2.4	.....	100.25	.....	29.47
Delaware:						
Kent	41	5	.....	100.00	.....	20.00
Sussex	21	3	.....	77.90	.....	25.96
New Jersey:						
Cumberland	300	4	101.50		25.47	
Gloucester	220	6	.....	177.25	.....	29.54
Camden	350	6	.....	146.75	.....	24.46
Burlington	320	6	.....	166.10	.....	27.68

Tomato-production cost for Kent County, Del.

[Compiled and approved by the Kent County Farm Bureau.]

Item.	For a 5-ton or 300-basket crop (man labor, $2 a day; horse labor $1.50 a day).	For a 200-basket crop (State average for 1917).
	Per acre.	*Per acre.*
Plowing land	$3.25	$3.25
Disking twice	1.60	1.60
Harrowing once	.40	.40
Marking off rows and applying fertilizer in rows	1.40	1.40
Spreading manure	2.80	1.90
Value of manure, 8 tons per acre, 60 per cent charged to tomato crop	14.40	7.20
800 pounds fertilizer	8.75	8.75
Applying fertilizer	.90	.90
Growing plants	5.00	5.00
Setting plants	5.00	5.00
Cultivating four times	3.50	3.50
Picking, at 8 cents a basket	24.00	16.00
Hauling three miles and time lost unloading	12.00	9.00
Basket wastage	6.00	4.00
Rent of land	10.00	10.00
Total cost	100.00	77.90

[Cooperative extension work in agriculture and home economics, State of Delaware. Extension service, county agent work.]

LIST OF KENT COUNTY FARM BUREAU COMMUNITY CHAIRMEN.

F. M. Soper, county chairman. Address, Wyoming.
E. H. Donovan, Brenford.
Eugene Attix, Clayton.
T. D. Garrison, Cheswold.
Harry Clark, Kenton.
Henry Williams, Hartly.
Robert Willey, Dover.
Ben Mentink, Dover.
Jos. Cowgill, Dover.
John Tarburton, Leipsic.
D. A. Knotts, Blackiston.
Frank Bancroft, Wyoming.
T. E. Warren, Magnolia.
Ed. Todd, Viola.
Joseph Stewart, Felton.
Herman Vineyard, Frederica.
J. H. Skewis, Milford.
David Vineyard, Harrington.
C. A. Taylor, Harrington.
W. B. Tharp, Farmington.
Alfred Dill, Felton.
H. H. Zimmerley, Dover, Kent County agricultural agent.

Summary of tomato pack.

Total tonnage in United States	1,311,341
Total tonnage manufacturing in United States	896,275
1. Maryland	193,332
2. California	178,012
3. New Jersey	107,255
4. Virginia	73,768
5. Delaware	71,946
Total	624,313

Maryland, New Jersey, and Delaware pack, 372,533, nearly 50 per cent.

Mr. SMITH of Maryland. Mr. President, I consider this a very timely resolution, and I am very glad, indeed, that the Senator from Delaware has seen proper to introduce it.

Whether the Food Administration has power to fix prices or not does not matter to a very great extent with regard to this resolution. I want to say that I represent in part a State that produces more tomatoes than any other State in the Union, and the talk about fixing the price of tomatoes has gone out into my State. The farmers of my State say they can not raise them for that price, and it has created a very bad effect upon their minds. The probabilities are that if this impression were allowed to continue it would decrease the amount of tomatoes raised in all States of the Union. Last year people paid far more than this year for them, and if the impression goes abroad that $21 is a price for raising tomatoes in my State, or in any of the States of the East, they will not get half the supply that they require. I hope that this matter will be so arranged, probably with the Food Administration, that they will disabuse the mind of the farmer quickly, because the time will shortly arrive when they will proceed to contract for acreage for tomatoes.

I think this is a very timely resolution, and I am very glad it has been introduced by the Senator from Delaware.

Mr. FRELINGHUYSEN. Mr. President, I only want to second the efforts of the Senator from Delaware in offering this resolution. As I understand the resolution, it empowers the Agricultural Committee to inquire of the Food Administration the reasons for fixing the price on tomatoes at practically less than the cost of production. My State produces a large amount of this product for canning purposes. We have two large food manufactories in the State. It is very important for the production of canned tomatoes, which are needed for the United States Army at this time, that the production should be kept up and that the farmers of the State should know where they are as far as prices are concerned. If this price stands, I am told that the production will fall from 20 to 30 per cent. I therefore hope that the resolution will pass.

Mr. SMITH of Georgia. Can the Senator from New Jersey give an estimate of what is the average cost of the production of tomatoes?

Mr. FRELINGHUYSEN. No; I can not.

Mr. SHAFROTH. Mr. President, I heartily concur in the resolution. I think it ought to go to the extent of an inquiry as to fixing maximum prices on all agricultural products. It was never the intention that a maximum price should be fixed in any of the legislation concerning agricultural products. It invariably makes a question as to what the farmer is to raise and whether or not he will be entitled to get a profit. The maximum price is something that can not be ascertained well in these days, when labor is going up constantly and other costs that the farmer is put to are increasing.

The object of the legislation with regard to the Food Administration, as I understand it, was to fix a minimum price and then let the question of supply and demand determine as to what the farmer would do in regard to planting which would insure him against any loss, and then let the question of supply and demand determine the market price of the product. That was the intention of the Food Administration bill, and consequently it was for that purpose that there was incorporated a minimum price—a guaranteed price.

Mr. President, if we do not do that it is going to cut off production not only in tomatoes but in nearly everything else that is grown, and you will find that instead of increasing the production a decrease will result, because this complaint does not exist only as to tomatoes but as to many other products, such as wheat and grains.

These are conditions, Mr. President, that we want to handle so as to obtain the largest production. Wheat at a high price is a great deal better than no wheat at all. Consequently, a high price for wheat is nothing in its effect on consumers as compared with the fact that the grain does not exist with which to feed the people. The farmer has been compelled to submit to unremunerative prices when supply exceeded demand, and it is not fair to him to deprive him of an increased price when conditions are favorable.

It is for these reasons, Mr. President, that I hope the inquiry will be made and that the resolution will be adopted.

Mr. WOLCOTT. Mr. President, the Senator from Georgia [Mr. SMITH] made an inquiry a moment ago to know the average cost of the production of tomatoes. I have some figures with me, handed to me by one of the largest, most intelligent, and most progressive farmers of Sussex County, Del. That county is a very large tomato-growing county. In 1917 it cost this grower of tomatoes about $90 an acre to grow his tomatoes. His average yield, he tells me, was 3½ tons to the acre. That made the cost to him last year twenty-five dollars and seventy-odd cents a ton.

Mr. SMITH of Georgia. Does that cost contain a charge for the value of the land, or was it just the cost of production after he owned the land?

Mr. WOLCOTT. This gives the cost of production, and it includes the tax that he has to pay per acre on his land; and that is all.

Mr. SMITH of Georgia. But it does not include the rental of the land?

Mr. WOLCOTT. No. I should say, however, that he tells me further that the cost of growing tomatoes in the year 1918 will be at least a third more than last year, and he gives me a relative statement of the cost of the things which he has to buy to grow an acre of tomatoes. As showing a comparison between 1917 and this year in the matter of cost to the farmer, he gives me this information, which is verified by numerous other farmers who have but recently talked to me: In 1917 he paid for his seed $2; the cost to him in 1918 is $6. In 1917 his phosphate, dependent of course upon the grade bought, cost from $25 to $30 a ton; in 1918 the cost of his phosphate, dependent upon the grade, is $36, $42, or $48 a ton. The stable manure that he used in 1917 cost him $3.20 a ton, and in 1918 he is paying $4.20 a ton. This stable manure is procured and shipped down from Philadelphia, there not being enough of it produced on the farm.

The labor in 1917 cost him from $1.25 to $1.50 a day, while in 1918 it costs him $2.50 and $3 a day. That, I know, is accurate, for I had occasion just recently to employ some laborers at Dover, Del., about 40 miles from where this man lives, and I had to pay $2.50 and $3 a day. His baskets in 1917 cost 9 cents apiece, while in 1918 the cost will be not less than 12 cents. I am advised that the price for a basket is, in fact, now 15 cents.

The cost of raising tomatoes, therefore, is at least a third more this year than it was last. So if it cost him last year $90 an acre to grow his tomatoes, it will cost him this year $120 an acre. If his average yield this year is the same as it was last year, it is going to cost him to raise tomatoes $34.43 a ton, and yet he is asked to take $21 a ton for the tomatoes.

Mr. President, I think this resolution should be passed, for it is vitally necessary, if that is a just figure, that something be done immediately, for it comes to me from all over Delaware—and the peninsula of Delaware and Maryland, with the State of New Jersey, grow, I think, about 85 per cent of the tomato crop in the country—from all over Delaware it comes to me that if the farmers must take for their tomatoes the price that is asked, they will not put them in the ground.

Mr. SMITH of Georgia. Mr. President, can the Senator from Delaware indicate by what authority anyone is undertaking to fix a maximum price for the farmer on his tomatoes? I am not familiar with any legislation which has conferred an authority of that kind.

Mr. SMITH of Maryland. Mr. President, if the Senator from Delaware will pardon me, I will say that all over my State, which is one of the largest tomato-producing States of the country, $21 per ton has been fixed as the price for tomatoes.

Mr. SMITH of Georgia. If the Senator from Delaware will pardon me just one moment——

Mr. WOLCOTT. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. I desire to say that that surely must be a mistake. I can not believe anyone has undertaken to fix a maximum price on a farm product. Our legislation simply looked toward preventing the middleman from manipulating the price of a product after it passed from the farm and selling it to the consumer at an extortionate price.

Mr. WOLCOTT. If the Senator will pardon me, I think I can explain the situation. Mr. President, there has been no attempt on the part of the Food Administration to fix a price upon tomatoes. When I heard of the state of mind of the farmers down in my State concerning the tomato situation I called upon Mr. Hoover on last Monday morning and asked if it were true. I agree with the Senator from Georgia [Mr. SMITH] that there is no authority anywhere in the food-control law vested in any officer to fix the prices of food products in the hands of the producer. When that bill was here under discussion it was unanimously the opinion of Senators that it was an unwise policy to confer any authority to fix prices upon food products.

Mr. LODGE and Mr. BORAH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Delaware yield; and if so, to whom?

Mr. WOLCOTT. I yield to the Senator from Massachusetts.

Mr. LODGE. I think there was no authority to fix the price on sugar in the hands of the producer, but it has been fixed. It was stated that it was a voluntary engagement, or they eliminated the middleman, but there is no question that they manage in practice to fix the price on sugar.

Mr. BORAH. Mr. President——

Mr. WOLCOTT. I yield to the Senator from Idaho.

Mr. BORAH. The Senator from Delaware is correct when he says that there is no authority in the law to fix prices for the producer. Technically speaking that is true, but it was asserted here upon the floor of the Senate over and over again by those who were opposed to the passage of the law in the form that it passed that the authority which was given would result in the fixing of prices to the producer.

Mr. SMITH of Georgia. Mr. President, let me answer the Senator.

The PRESIDING OFFICER. Does the Senator from Delaware yield?

Mr. WOLCOTT. Has the Senator from Idaho concluded?

Mr. BORAH. Yes.

Mr. WOLCOTT. Then I yield to the Senator from Georgia, who apparently desires to make some comment.

Mr. SMITH of Georgia. That statement, I think, had reference especially to wheat. We put the exchanges, the elevators, and the entire wheat market practically in the control of the Food Administration. Therefore, as to wheat, we determined that we must fix a minimum price in order to guard the farmer. Perhaps we did not do as much as we should have done; but I do not think it was considered that all food products were put in charge of the Food Administration so that it could control prices.

Mr. WOLCOTT. Mr. President, I think I am correct in the statement that those who favored the food-control bill, so far as I can now recall, were unanimously of the opinion that those who opposed it because it would result in the fixing of prices were wrong. Those who favored that bill thought there would be no attempt on the part of the Food Administrator to control prices of products in the hands of the farmer. I agree, however, that the Food Administration has, by reason of the licensing provision of the food-control act, which is designed to reach the middleman—the hoarder—perverted its power under that license provision to actually control prices.

Mr. President, Congress never intended to grant to any man the right to fix the price of the product in the hands of the man

who produced it on the farm. Why, I am told down in Delaware they have gone not only so far as to undertake to control the price of wheat, but they have, by means of the licensing system, made it impossible for a farmer to sell a hen to a corner grocery store. That is the condition there. How do they do it? Mr. President, I have not looked into it; but my theory is that the man who has the license to sell food in the grocery store has been told by somebody that if he buys a hen from a farmer before the 30th of April, I believe it is, his license will be taken away. So the market for hens is cut off. I mention that to illustrate the extent to which this power has gone. But, Mr. President, we are getting far afield from this particular resolution.

Mr. BORAH. Mr. President——

Mr. WOLCOTT. I yield to the Senator from Idaho.

Mr. BORAH. I am exceedingly glad that the tomato has appeared upon the scene. It may be the rat at the dike which being discovered will save the situation, because precisely that which the officials are doing with reference to tomatoes they are doing with other products which are of equal importance, and the investigation, therefore, should not be confined to tomatoes alone. The question should be, whether or not we are going to enter upon a price-fixing program, because that is precisely what is being done. It may not be technically the fixing of a price, but the manipulation of the machinery results in the fixing of a price to the producer. If you fix a price anywhere, it results in fixing the price all along the line.

Mr. WOLCOTT. There is no doubt about that.

Mr. BORAH. And there is no doubt, Mr. President, but that is the program which is initiated and the program which is to be carried out, unless we seriously enter upon the queston and reconsider the program in its entirety.

Mr. WOLCOTT. If that is the program, I for one am unalterably and uncompromisingly opposed to it. We have had in the coal situation a sample of trying to put prices down below where the producer of the commodity can expect to get along. If I am correctly informed the price was fixed at a figure where the more expensively operated mines could not produce at that price at all and had to quit. What we wanted was coal; we were not so much concerned about the price of it; we wanted the coal.

Applying the same principle to this case, what the Government wants and what the people want is not so much unreasonably cheap tomatoes, but they want tomatoes and they want wheat and they want corn; and any attempt on the part of somebody here in Washington to fix the price which the farmers are to receive for their products is born of an unwisdom, Mr. President, that I can hardly conceive of as existing in the minds of men vested with responsible authority.

I am told—I can not vouch for this upon my own information—but I am told that one farmer who was down here to protest against the price fixed upon tomatoes as a price impossible for him, was told, "If you can not grow tomatoes at that price go home and grow something else."

Mr. REED. Who told him that, and where was he told that?

Mr. WOLCOTT. That was not at the Food Administration; but some man, I think, connected with the Army or Navy is alleged to have said that.

Mr. SAULSBURY. Mr. President, if my colleague will permit me, the same statement was made to me, and I took the trouble to investigate it. I will say that it is entirely disavowed on the part of anybody connected with the Army and Navy, where I heard the statement had been made.

Mr. WOLCOTT. I am very glad, Mr. President, that my colleague, then, can remove that remark from consideration, because it is a thing that tends to anger men. I did not, as I said in making the statement, give it upon my own responsibility; it was just told me.

But in justice, Mr. President, to the Food Administration, this should be said: If I am correctly advised by Mr. Hoover, the Food Administration has had nothing to do with the fixing of this price. Last Monday I called upon Mr. Hoover to learn if it was true, and he said it was not; that he conceived he had no authority to fix such a price; that the Food Administration had not done it, and did not contemplate doing it. I then told him that it was the impression throughout the whole tomato region that the Food Administration had fixed this price and that it would be advisable for him to say something that would remove that impression, because it was going to reduce the acreage. He said he would be glad to do so, and I thought I had arranged that he would give out a proper interview.

What happened, as he explained it to me, was this: The Army and the Navy are in the market for about 35 per cent of the tomato pack; they have been endeavoring to ascertain what would be a fair price for the Army and the Navy to pay for canned tomatoes; they have gone into the cost elements of the pack, and, after a long investigation, in the course of which they got data from the Food Administration and information from various agricultural county agents, made up a list of cost items, and from that cost list they put down as a fair price to the farmer $21 a ton. So they have notified the packers: "We will pay you this price"—I do not know exactly what it is—"for 35 per cent of the pack; and this price is based on $21 a ton for the raw product." So some one has given out the information that all the farmers can get is $21 a ton.

Mr. SMITH of Maryland. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Maryland?

Mr. WOLCOTT. I yield to the Senator from Maryland.

Mr. SMITH of Maryland. Is it not a fact that, whether or not they have the right to fix such a price, or whether or not they have fixed it, the impression has been created in the minds of the farmers, not only in my State but, I have no doubt, in the State of the Senator from Delaware, that $21 a ton is the price that is going to be paid?

Mr. WOLCOTT. Unquestionably.

Mr. SMITH of Maryland. The result of that impression, of course, is that the farmers will not undertake to raise tomatoes. It seems to me that it behooves the Food Administration to relieve the farmers of that impression; otherwise, as this is the time for contracting for the acreage, there will not be packed one-half the tomatoes that otherwise would be packed.

Mr. WOLCOTT. Unquestionably.

Mr. SMITH of Maryland. Whether such statements are true or not, something should go out to relieve the minds of the farmers and to assure them that no such price has been fixed by the Food Administration.

Mr. WOLCOTT. Unquestionably; and I will say to the Senator that Mr. Hoover expressed to me a willingness to give an interview or to make an announcement in the press that the price had not been fixed; but inasmuch as the Army and Navy is a large purchaser of the pack—of 35 per cent of the pack—of course, to the extent of that large purchase the price is $21 a ton, if the Army and Navy does not increase its figures.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Missouri?

Mr. WOLCOTT. I yield to the Senator from Missouri.

Mr. REED. Mr. President, I understand that the Senator's statement is that Mr. Hoover disclaims attempting to fix the price of tomatoes; that he takes the position that the Army and Navy have simply agreed on what they will pay; and that he has nothing to do with fixing the price?

Mr. WOLCOTT. That is correct; yes, sir.

Mr. REED. Now, I want to know why he sent out this circular, then. What did the Food Administration have to do with the question? Why it should go out as Bulletin No. 3, "Canned Goods," under the heading "United States Food Administration, Division of Coordination of Purchases," and why it should be signed "Division of Coordination of Purchases, United States Food Administration," unless it was the intent of the Food Administration to fix the price?

Mr. WOLCOTT. May I ask the Senator does that bulletin publish the notice of $21 a ton for tomatoes?

Mr. REED. The bulletin is very short; it was introduced by the colleague of the Senator.

Mr. WOLCOTT. I have not seen it.

Mr. REED. It is headed "United States Food Administration." I will ask the senior Senator from Delaware if he has the original in his possession?

Mr. SAULSBURY. I have an original copy of the order that was sent out.

Mr. REED. It reads:

Canned Foods Bulletin No. 3.

UNITED STATES FOOD ADMINISTRATION,
DIVISION OF COORDINATION OF PURCHASE,
Washington, D. C., February 28, 1918.

The following announcement is transmitted from the Army and Navy:

"In all industries the Army and Navy are operating under well-recognized principles in securing reasonable prices as applying to all war requirements.

"In connection with the tenders on tomatoes the Army and Navy state that they are unwarranted in making any awards for canned tomatoes, catsup, or other tomato products based on raw-material prices in excess of the following:

	Per ton.
"In Pennsylvania, Maryland, Delaware, and New Jersey	$21
"In New York and Michigan	20
"In Virginia, West Virginia, and Tennessee	20
"In Ohio, Indiana, and Illinois	18
"In Missouri, Washington, Colorado, Utah, Kentucky California, and New Mexico	15

"Further, they do not believe that the other elements of the cost of canning or packing should be permitted to result in an unreasonable price for the canned product."

In accordance with the above all tenders already received based on a cost of raw material higher than the above have been rejected.

You are invited to submit a tender based upon prices of raw material not higher than the limits fixed by the Army and the Navy. Additional blanks for tendering your quota will be furnished on request. Tenders must be received here on or before March 15, 1918.

DIVISION OF COORDINATION OF PURCHASE,
UNITED STATES FOOD ADMINISTRATION.

Now I want to ask the Senator if, upon reading that, he would not understand that there had been established some division for the coordination of purchases, and that the Army were purchasing now through this division of coordination, of which the Food Administration was the chief and the head, and that the Food Administration was sending out this price list?

Mr. WOLCOTT. No, Mr. President; I would not necessarily understand that. I am not familiar with the details of the organization set up by the Food Administration; but, since looking at this circular, I would infer that the Food Administration had set up a division or bureau of some kind into which would come all information concerning the purchase of food on the part of any agency of the Government.

Mr. WILLIAMS. For the Army or the Navy or the allies.

Mr. WOLCOTT. Yes; and, as it should be, the Army and the Navy, being in the market for this product, had let the coordinating division of the Food Administration know of it and had therefore transmitted its request, so to speak, or its announcement, to the Food Bureau, so that that information could be there lodged and coordinated with any other information coming from any other source, and the circular itself——

Mr. WILLIAMS. So that tenders might be invited on that basis.

Mr. WOLCOTT. Yes. The circular itself shows, Mr. President, that the fixing of this price is not chargeable to the Food Administration, because the language is, "The following announcement is transmitted from the Army and Navy"; so that, I think, the circular does not at all tend to disprove Mr. Hoover's statement to me that the Food Administration had not fixed this price.

Mr. REED. Will the Senator tell us why the Food Administration, then, sent out a matter that concerned only the Army and the Navy?

Mr. WOLCOTT. I can not tell the Senator, unless it was for the purpose of advertising the fact and getting bids in. But I am not concerned, Mr. President, so much about who is doing it. What I am concerned about is the fact that it is done.

Just as I stepped in this door I left a farmer who is spending some time in Washington now. He is not active on the farm, but he has relatives farming down in this tomato country. He told me he had a letter from his brother-in-law down in Sussex County, saying: "I understand we can only get $21 a ton for tomatoes. Find out if this is so. If it is so, I plant no tomatoes. I am not going to plant until I hear from you." I told him what the facts were, and I think perhaps there will be some acreage put out there, although he tells me he thinks not so much.

It is very necessary that something should be done to correct this thing, which is, I think, a wrong not only to the farmer but to the Army and Navy and to the country, because, if it goes through, the product is not going to be grown, and if it is not going to be grown there is going to be a wrong done to the Army and Navy.

I think my colleague renders a very admirable service in calling this matter to the attention of the Senate by his resolution, and I sincerely hope that it will pass.

Mr. REED addressed the Senate. After having spoken for some time,

Mr. SAULSBURY. Mr. President, will the Senator permit me to interrupt him for a moment?

Mr. REED. Yes.

Mr. SAULSBURY. Evidently I shall not be able to get a vote on this resolution to-day, as I had hoped, and may I ask——

Mr. REED. I will stop and let the Senator have a vote, if he wants it, right now.

Mr. SAULSBURY. I should be extremely glad if I could get a vote on the resolution to-day, but I would not ask the Senator to suspend his remarks. I was only going to ask the Presiding Officer that the resolution might go over, so that it will come up to-morrow as a resolution coming over from a previous day, and not be referred or go to the calendar.

Mr. SMITH of Georgia. Mr. President, if we reach the hour of 2 o'clock before the discussion is concluded, I believe that the unfinished business could be temporarily laid aside so that a vote can be had on this resolution, and I believe the Senate would be glad to vote on it to-day.

Mr. SAULSBURY. I do not want to ask the Senator to suspend his remarks.

Mr. REED. I am willing to suspend at this minute. I intend to address the Senate upon the matter I am speaking of, and I am speaking now without having fully prepared.

Mr. KENYON. Mr. President, I hope the Senator will not suspend. I think this discussion ought to go on. The Agricultural Committee is now investigating this general agricultural subject, and it is a very good thing to have some debate on it. It is helpful to the committee.

Mr. SAULSBURY. With the permission of the Senator who has the floor, I want to say that this is a matter which needs to be attended to immediately. This action must be taken within two weeks or the harm is done.

Mr. KENYON. I will say to the Senator that the Agricultural Committee have been holding sessions for two weeks, and they have had before them witnesses from different parts of the country on the various phases of the agricultural situation and the stock situation. It is true that we have not taken up the matter of the catsup situation.

Mr. OVERMAN. Mr. President, I understand that the Senator from Missouri is willing to let this resolution be voted upon, and then continue with his speech.

Mr. SAULSBURY. I so understand. I hope the resolution will be allowed to pass.

Mr. SMITH of Georgia. I wish to make this suggestion to the Senator from Iowa. It is true that the Committee on Agriculture has had this subject broadly before it, but here is a concrete proposition with which we could deal speedily, probably in 24 hours. I think it especially desirable that the resolution of the Senator from Delaware should be adopted to-day, and I hope we will pass it.

Mr. KENYON. If the Senator will produce the witnesses before the committee, I am sure we will not need any resolution.

Mr. SMITH of Georgia. I think it would be much better to have the resolution adopted.

Mr. SMITH of Maryland. The point about it is to relieve the impression upon the minds of the farmers.

Mr. SAULSBURY. I ask that a vote be now had upon the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

DIPLOMATIC AND CONSULAR APPROPRIATIONS.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 9314.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919.

Mr. CURTIS. I raise the point of no quorum. Many Senators are absent.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Jones, N. Mex.	Nugent	Sterling
Baird	Jones, Wash.	Overman	Stone
Beckham	Kellogg	Page	Sutherland
Colt	Kendrick	Pittman	Swanson
Culberson	Kenyon	Poindexter	Thomas
Curtis	Kirby	Pomerene	Thompson
Fletcher	Knox	Ransdell	Tillman
France	Lewis	Reed	Townsend
Frelinghuysen	Lodge	Saulsbury	Underwood
Gallinger	McCumber	Shafroth	Vardaman
Gronna	McKellar	Sheppard	Warren
Hale	McNary	Smith, Ariz.	Watson
Harding	Martin	Smith, Ga.	Weeks
Henderson	Myers	Smith, Md.	Williams
Johnson, Cal.	New	Smith, S. C.	Wolcott
Johnson, S. Dak.	Norris	Smoot	

Mr. McNARY. I desire to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness. I ask that this announcement may stand for the day.

Mr. BECKHAM. I wish to announce the absence of my colleague [Mr. JAMES] by reason of illness. I will let this announcement stand for the day.

Mr. VARDAMAN. I desire to announce the unavoidable absence of the junior Senator from Georgia [Mr. HARDWICK] on account of pressing official business.

Mr. SUTHERLAND. My colleague [Mr. GOFF] is absent owing to illness.

Mr. GRONNA. I desire to announce the unavoidable absence of the Senator from Wisconsin [Mr. LA FOLLETTE] due to illness in his family.

The PRESIDING OFFICER. Sixty-three Senators have answered to their names. There is a quorum present.

FOOD AND FUEL ADMINISTRATION.

Mr. REED. Mr. President, there is trouble in the tomato States. The Food Administration has sent out a circular so drawn as to leave the impression that the prices of Delaware, New Jersey, and Maryland tomatoes are to be fixed at $21 per ton, wherefore consternation reigns. There is also some mild evidence of incipient indignation, but the dominant note is bewilderment. [Laughter.] The Senators from those States, in open-mouth astonishment, are asking, "Is it possible that the Food Administration we helped to set up is about to lay unholy hands upon our sacred tomato patches?" They are wondering if the authority it was expected would be executed upon the wheat fields and cattle ranches of the Middle West is to ruthlessly invade the truck farms of Delaware, New Jersey, and Maryland, where hitherto has reposed in luxurious security the glorious tomato. [Laughter.]

Even now, with the unwelcome evidence crowding hard upon them, these Senators express a doubt that the Food Administration has really entered upon a general plan of fixing the prices farmers are to be permitted to receive for their products.

The doubts can not be long entertained. Mr. Hoover not only has entered upon such a plan, but now asserts his legal right to fix prices on farm products.

It is true that when the food-control bill was pending Mr. Hoover did not so claim, per contra, he vehemently asserted that "there was no price fixing in the bill," and especially that there was in it no authority to control the prices of the producer. I quote brief excerpts from his testimony delivered before the Agricultural Committee June 19, 1917, part 1, page 11:

> There are * * * a number of current illusions about the legislation proposed; the first is the illusion in some quarters that the bill is directed against the producer. It would not be necessary to traverse this statement to anyone that had read the bill. It especially excepts the producer from every one of its provisions, with the exception of one section, and that is the provision for a guaranty [of $2 per bushel for wheat]; and this section is designed to entirely benefit and secure the producer. The savings of the American consumer ought not and should not be made by a sacrifice on the part of the producer. They should be made by the exclusion of speculative profits from the handling of our foodstuffs.
>
> The second illusion is that there is price fixing by this bill. There is no provision for price fixing, and no such thing can be carried out under the bill.

Again, he says on page 48:

> I rather wish to object to the term "Government-fixed price." Our idea is not to do that at all, but to buy a surplus of wheat which may flow from the farmers in this country for the farmers' own protection. If there is no surplus, then we shall probably not be intervening at all.

At page 44 he reiterates:

> There is no provision [in the bill] for fixing prices.

On the sugar hearings Mr. Hoover's attention was directly called to a portion of this testimony. He admitted having made the statements, and yet asserted that the right to fix prices, which he called "stabilizing prices," was to be found in section 2 of the act, which reads as follows:

> SEC. 2. That in carrying out the purposes of this act the President is authorized to enter into any voluntary arrangements or agreements, to create and use any agency or agencies, to accept the services of any persons without compensation, to cooperate with any agency or person, to utilize any department or agency of the Government, and to coordinate their activities so as to avoid any preventable loss or duplication of effort or funds.

His testimony will be found at page 649 of the sugar hearings, and should be read by all who are interested in examples of candor.

Unless there are Senators who can distinguish between "controlling" a price and "fixing" a price, the report filed by Mr. Hoover on January 19, 1918, may be regarded as conclusive evidence that he not only asserts the right to fix prices but that he is fixing prices. He states, at page 10:

> The first control instituted was that of wheat, the second sugar, the third a general control of all the more important commodities, with special reference to the control of the wholesale trade, and the fourth the control of bakers.

It will not be denied that the prices of cattle, hogs, and sheep have likewise been fixed and that the prices of other farm products are being rapidly fixed. I call attention to the fact that a mere suggestion of price control is in itself disturbing, if not ruinous. Indeed, this is the position taken by the Senators from Delaware, New Jersey, and Maryland.

Their tomatoes have been scarcely touched—indeed, they are not yet planted—and they utter a chorus of protests. They agree that whether Mr. Hoover has actually undertaken to fix a price for the coming crop of tomatoes or has only sent out a circular announcing that the Army will not pay more than $21 per ton, a decrease in the crop is certain to result, because if the farmer can not sell his tomatoes for a fair price he will not plant. It is also agreed that the consumer will be injured quite as much as the producer. Of course, both conclusions are undeniable.

The Senators justly resent the fixation of prices below the cost of production. They are also justly indignant that an attempt should be made to fix prices unless authority has been granted by the law of the land.

Mr. SMITH of Georgia. And even then, unless it is intelligently fixed with a due regard to the cost of production and a fair profit.

Mr. REED. The statement of the Senator from Georgia is so apt that I gladly adopt it as my own.

May I be pardoned if I digress a moment to remind you that when the food-control bill was pending I persistently warned the Senate and the country that it would be employed to fix the price of the farmers' products? I stood here days imploring you not to pass a bill that would result in discouraging the farmers of the great Middle West—the granary of the world. I told you then that discouragement to the farmer meant a curtailment of food products, and that a curtailment of food products ultimately meant famine prices for the consumer. I besought you especially not to turn the prosperity of the great agricultural portion of our population over to a man ignorant alike of farming, stock raising, and of American conditions. I told you that only those who intend to employ power are greedy to acquire it; that the ambition that lusts for power will abuse power. I warned you that the licensing authority would be employed for the purpose of controlling the markets of the country, and that whoever controlled the markets would thereby control prices of the producer as well as the merchant.

But Senators who to-day so vigorously protest would not then believe that an attempt would be made to arbitrarily fix the price of any farm product. They refused assent to the proposition that the licensing clause of the bill would be employed for any other purpose than to arrest the practice of "profiteers engaged in trade in the cities." Indeed, it may be safely stated such was the view of Congress.

Let the indignant protests to which we have just listened be my justification for opposition to the enactment of the food-control bill. Let them be my excuse for again asking you to review this unfortunate and arbitrary legislation and its even more unfortunate and tyrannical administration.

Mr. President, I speak out of no spirit of resentment. If I mention individuals it is only because they are exponents of certain policies which I regard as indefensible. These policies in my opinion have, to an alarming degree, reduced the war efficiency of the United States. Men in some instances innocent of knowledge of economic facts and laws, in others devoid of experience in practical affairs of life, have recklessly assumed despotic sway over the properties other men have created and exercise their usurped authority with the rash abandon of spendthrifts who suddenly inherit fortunes gathered by the toil and sacrifice of others. The result is certain to bring disaster. It is to avoid a national calamity I once more rise in protest.

Senators, with much feeling, declaim against the assault of the Food Administration upon their tomatoes. In discussing the tomato question let me, on their account, maintain an attitude of profound deference, if not of reverence. Albeit, in benighted Missouri the tomato is still placed in the category of farm by-products and ignominiously labeled "garden sass." Candor compels the admission that in the long flight of centuries it has risen from humble obscurity to a position of proud eminence among the agricultural products of Delaware, New Jersey, and Maryland. [Laughter.] None the less, with all due and proper respect to the tomato, I venture to remark that if the crop were entirely wiped out it would not greatly weaken our battle line in France. On the other hand, if the wheat crop is materially reduced, if our meat supplies are seriously diminished, the injury will be irreparable. It may mean our defeat and our disgrace.

If it be true, as Senators from the "tomato States" assert, that the fixation of too low a price for tomatoes will stop their production, then is it not also true that the fixation of too low a price for wheat will reduce the wheat crop, and the fixation of too low a price for hogs will reduce the hog crop? It is indisputable that such a result will most seriously impair our ability to win the war.

Mr. President, the time for day dreaming has passed. The time for blunders ought to be past. The time has arrived when blunderers ought to be forced to cease making wreckage of the

industries of the land. Blunderers should be immediately reduced to private life.

The fundamental mistake made by all regulators is that they insist upon setting up their individual and usually uninformed opinions against the common judgment of mankind, for, mark you, it is the common judgment of mankind that fixes world prices, and if it is allowed to operate undisturbed, fixes them infallibly. When, therefore, any individual undertakes to fix an arbitrary price he opposes his individual will and opinion against the general judgment of humanity.

The mistake that is being made by these men who are undertaking to interfere with the laws of trade is that they seek to reduce the price of the thing, instead of undertaking to increase the amount of the thing.

The task of the world to-day is increased production. These gentlemen have devoted their energies to the question of decreasing prices. You can no more decrease prices and at the same time stimulate production than you can stimulate prices by increasing production. Small production means great prices. Great production means small prices. Wise men concede these laws and conform to them. Fools attempt their overthrow.

Mr. President, I desire to call attention to some of the absurd results which have come from the administration of this law. Mark you, our problem is to increase food production to the end that we may supply ourselves and that we may create a surplus for our allies. Indeed, that was the chief purpose announced at the time the food-control bill was under consideration. This purpose is reflected in the preamble of the bill in the words: "To assure an adequate supply and equitable distribution, and to facilitate the movement of food, feeds," and so forth.

We are told that of all the foods wheat and meat are the two things most necessary. Let me argue the question from the standpoint of my tomato friends, who say that "the fixation of too small a price for tomatoes will result in the tomato crop being reduced." The proposition is so self-evident as to require no elucidation anywhere outside the Food Administration. [Laughter.]

Starting with the fact that the things we most need are wheat and meat, what do we find has occurred under the Food Administration? The price of wheat in the month of July, just before the Food Administration was set up, was approximately $2.51 for No. 1 northern. It is to-day $2.17 at certain favored markets, but this price is subject to numerous discounts. Probably not to exceed 25 per cent of the wheat produced will grade No. 1 northern or its equivalent. Without going into details, it is safe to say that the ordinary wheat of the farmer, after having suffered various cuts on account of grades, distance from market, and so forth, realizes to him approximately $1.85. The Food Administration is therefore in the ridiculous attitude of seeking to encourage the farmer to plant more wheat by reducing the price he will receive for his crop when raised.

But along with the low price of wheat runs another cause equally calculated to cut down wheat acreage. I refer to the fact that the unregulated price of other cereals has increased out of all proportion to the regulated prices of wheat, so that the price relations that have existed for 50 years are completely destroyed. With this the Food Administration is at least in part directly chargeable.

In the opinion of those vocal gentlemen who confound patriotism with subservience, what I am about to say may be rank heresy; none the less, I venture to remark that while a Food Administrator may interfere with an economic condition, he can not upset a law of nature. There is a wide gulf between assurance and omnipotence, a fact that may eventually find lodgment in the brains of those who confuse a statutory license to attempt a thing with the actual power of accomplishment.

Asking pardon for this parenthesis, I call attention to the relations which nature has established between the cereals and to the fact that prices have inevitably conformed to the natural relations.

A comparison of the average yield per acre of each of the leading farm products for the past half century, of course, shows the quantative relations which nature has established between them.. A comparison of the average price which each has commanded during the same period is the measure of their relative food values as ascertained by long experience. It will be also found that the average bushel production per acre multiplied by the average price of each of the leading cereals brings substantially the same return per acre in dollars and cents. Whatever variations there are can be accounted for by differences in labor costs and by climatic and soil conditions or by some advantage in cropping.

I present herewith a table showing average prices for the leading farm products from 1866 to 1916, a period of 50 years:

	Average farm value of yield per acre, 1866–1916.	Average yield per acre.	Average farm value, 1866–1916.	Average value August, 1917.	Average value March 8, 1918.
Cereal:		*Bushels.*	*Per bushel.*		
Wheat	$11.24	12.96	$0.867	$2.788	$2.20
Corn	11.28	25.40	.444	1.921	1.85
Oats	9.54	28.22	.338	.596	.95
Barley	13.66	23.52	.581	1.303	2.40
Rye	9.43	14.37	.656	1.818	2.95
		Tons.	*Per ton.*		
Hay[1]	16.06	1.04	11.55	[2]20.00	30.50

[1] Figures are for 8 years, 1908–1915, inclusive, taken from the Statistical Abstract of the United States, 1916.
[2] Figure furnished by the Bureau of Labor Statistics, Department of Labor.

NOTE.—Figures for 1866–1916 taken from the Statistical Abstract of the United States, 1916.
Figures for August, 1917, taken from the Monthly Review of the United States Bureau of Labor Statistics, Department of Labor, Volume VI, February, 1918, No. 2.
Figures for March 8, 1918, taken from quotations in daily papers at Chicago market.

Comparing the two leading articles we find the average yield per acre of corn to be substantially twice that of wheat, while the price of wheat is substantially double the price of corn. This relation of prices to the production was necessary to be maintained or nothing but corn would have been grown. The question at once arises, Why are people willing to pay twice as much for wheat as for corn? The answer is found in the fact that the food value of wheat is easily twice that of corn. Thus it is found that nature by fixing the relative production of these two great cereals, and also by fixing their relative food values, has established a relationship which can not be disturbed without doing violence to nature itself.

The amount of barley and rye produced in the world is small. The moment the crop becomes large the price drops. This is because the food value of these grains is so low that they can not maintain their place except for limited purposes.

When we entered the war all grains were being sold in the open markets of the world. An examination of a table giving the values for August, 1917, just prior to an interference by the Food Administration, shows that these grains maintained substantially the relative values of normal times. Wheat had gone to $2.78 and corn to $1.92, oats to 59 cents, barley to $1.03, and rye to $1.08. Under these conditions the farmer could have continued to have planted his fields to wheat with an assurance of receiving as much money from that crop as he would from any other. Indeed the inducement would have been very strong to plant a very great acreage to wheat. Suddenly the Food Administration interfered with the market conditions by fixing a price on wheat, which, as I have already shown, did not probably realize to the farmer more than $1.85 per bushel. At the same time the price of wheat was thus arbitrarily forced down. The prices of other cereals continued to mount, so that upon this day of grace, with wheat bringing the farmer approximately $1.85 per bushel, corn is commanding in the Chicago market $1.85; oats, 95 cents; barley, $2.40; and rye, $2.95—deductions should be made from last four items to arrive at farmers' prices. So thus we have this anomaly: That a grain, the food value of which is twice as great as that of either corn, rye, or barley, must be sold by the farmer for a price scarcely equal to that of the inferior grains, the prices of which have largely, if not entirely, been fixed by world conditions.

This, then, is the dilemma confronting the American farmer as the time for planting spring wheat approaches. If the present prices are maintained, and if the yield is the average for the past 50 years, a hundred acres of ground planted to corn will yield, at the average for 50 years of 25.40 bushels to the acre, 2,540 bushels, worth, at to-day's price of $1.85 per bushel, $4,699. The same ground planted to wheat will yield, at the average for 50 years of 12.96 bushels to the acre, 1,296 bushels, worth $2.20 per bushel, which is the top price at Chicago for the best wheat in the world, and which is fully from 20 cents to 30 cents above what the farmer actually receives, will bring $2,851.20. The farmer is confronted with the fact that by planting wheat instead of corn at present prices he will lose $1,649.

This is the Food Administration's artful method for encouraging the farmer to plant lots of wheat. What has been said of wheat and corn is equally true of all the other cereals. An average rye crop on the same ground will produce at present prices $4,239.15; an average yield of barley will produce at present prices $5,644.80; and if the land could be put to hay it would produce $3,172. The result of the Food Administration's inter-

meddling is to make wheat the most unremunerative crop. This is done at the very time when Mr. Hoover is telling us that the world is about to perish for the want of wheat.

A policy that seeks to increase the supply of wheat by making it the most unprofitable crop the farmer raises, can only be appreciated by an imported expert. There is not a man on earth, except the Food Administrator and advanced paranoiacs, who does not know that if you increase the price of oats, the price of rye, the price of barley, and the price of corn out of all proportion to the price of wheat you will practically force the farmer to devote his acreage to the more profitable grains.

Senators may theorize about the patriotic duty of the farmer until they are black in the face. They may stand stubbornly insisting that the farmer ought to conform to their way of thinking; but the actual fact remains that when he comes to plant his crop, like everybody else, the farmer must pay some attention to the question of prices. If he does not, he will soon find himself in the bankruptcy court. Farmers, as a class, are men of moderate means—millions are poor men. Even if they desired, they can not pour upon the altar of their country fortunes they do not possess. Why should they be asked to endure great losses while all the great corporations, largely from Government contracts, are reaping generous profits to which the farmer, as a taxpayer, must contribute?

Neither Mr. Hoover nor any other living man can compel the farmer to raise wheat at a loss. There is not enough power in the United States Army, there is not enough power in all the men who have been drafted and who will be drafted, to do that. There are not yet enough fools in Washington to attempt it. "If that be treason, make the most of it."

Unfortunately, the evils of reckless and ignorant interference with economic laws and property rights are not confined to wheat production. The live-stock business has been so damaged as to threaten our meat supplies. We can not win this war without wheat; neither can we win without meat.

The only meat crop in the world that can be doubled in one year's time is the hog crop. The hog crop can be more than doubled within that time. It can also be dissipated quicker than any other crop; because you can raise a pig to maturity in nine months, you can, if he is losing you money, rush him to the market before that time. A crop which can be quickly produced can be as quickly reduced. Under adverse conditions such a crop will be sold and its production stopped in a marvelously short space of time.

Hence, the hog crop, which is probably worth more in this war than beef and mutton combined, should be looked after with the extremist solicitude. What has the Food Administration been doing to encourage farmers to raise more hogs and cattle?

Experts declare that it takes approximately 13 bushels of corn to produce 100 pounds of pork. The average price of corn to-day is over $1.80. Thirteen bushels of corn, at $1.80, is $23.40. Hogs are worth $15 per hundred. The farmer who uses $23.40 worth of corn to produce $15 worth of pork loses $8.40 by the transaction, and he is out his labor, besides running the risk of cholera and other diseases.

Only an individual who could qualify for a life job as Food Administrator is foolish enough to feed corn worth $1.80 a bushel into hogs worth only $15 a hundred.

Entertaining as I do for the Food Administration that fervent affection, which is inseparable from unbounded admiration and profound respect, I nevertheless venture to suggest that if it survives long enough it will discover that the American farmer is possessed of a fair degree of common sense and independence. Some of us who know the farmer are confident that he is quite as intelligent as any swivel-chair patriot now to be found in the city of Washington. The American farmer, with 1,000 bushels of corn in his crib that is worth $1,800, is not going to feed that corn into hogs at $15 a hundred, because the increased weight of the hogs will only bring him approximately $1,150 and he will lose $650 by the transaction.

How does it happen that hogs are only bringing $15 per hundred? I invite the attention of the Senators from the "tomato States," whose vehement protests against the price of "garden sass" being fixed by Mr. Hoover this morning so stirred the listless soul of the Senate, to examine the pork question. They will discover that Mr. Hoover has licensed the packing houses, and that he has ordered them to fix the price of hogs at approximately $15 a hundred.

Mr. WARREN. At $15.50 a hundred, I think.

Mr. REED. Where?

Mr. WARREN. At Chicago.

Mr. REED. That is not the price to the farmer in western Kansas or in the State of the Senator, Wyoming.

Mr. WARREN. That is the price of pork delivered at the packing houses in Chicago.

Mr. REED. That means a very much lower price to the farmer on the farm.

Mr. GRONNA. Will it disturb the Senator from Missouri if I should interrupt him just now?

Mr. REED. I yield to the Senator.

Mr. GRONNA. I simply want to call the Senator's attention to the fact that we have had extended hearings before the Committee on Agriculture and Forestry, and that we have learned from reliable sources that millions of bushels of wheat are being fed to hogs and to other animals because wheat is now cheaper than any other grain. I think it most unfortunate that that should be done. I do not think a single bushel of wheat should be used for any other purpose than for human food, but the fact is that wheat is being fed to hogs and to other animals because it is now cheaper than corn, cheaper than oats, and cheaper than rye.

Mr. REED. Let the Senator from North Dakota compose himself. The corn, the rye, the barley, the oats, the bran, the shorts, and the middlings that the American citizen formerly fed to his hogs Mr. Hoover now feeds to the American people. Upon the other hand, the wheat the American citizen formerly ate is now, because of Mr. Hoover's regulations, eaten by the hogs. Observe that the plan is in accordance with a sort of crude natural justice. To-day the hog eats our food—to-morrow we will eat the hog. [Laughter.]

Thus are the balances of the gods kept in equipoise. Let the housewife, who is forced to buy the products of corn and oats when she wants only the products of wheat, cease repining. Out in Ohio and Oklahoma the hogs are eating the wheat. [Laughter.]

Mr. President, permit me to return to my pigs. Let us see what an arbitrary fixation of a price for hogs means to the farmer. Before I answer that I remind you that whether you like it or not, you have to rely on the farmer to produce the food that feeds the world. The rest of you may go starve, but the farmer will continue to eat. He will raise enough to keep himself and his family. I do not intimate that the farmer wants to take that position. On the other hand, he is long-suffering, of great kindness, and slow to anger, but he is beginning, as I shall later show, to get a little wrothy.

For years the farmer has fought the packing combination. I unhesitatingly say that whether technically a trust, there has been a concert of action between the great packers affecting prices. The ability of the large packers to arbitrarily fix prices has, however, been limited by fear of the law and by the competition of numerous small and independent companies. Especially has the packers' combination been held in check by the fear that the stock raisers would enforce the criminal statutes against trusts and combinations. But now comes the Food Administrator—under the sanctity of his position he assembles the packers—they council together and proceed to fix the price the farmer will be paid for his live stock. If the farmer is forced to sell to a combination for an unjust price it matters little whether the packers fixed the price in obedience to the decree of Mr. Hoover or in response to their own cupidity. The question in both cases is the same, namely, has the farmer been deprived of his free market and compelled to sell for an unfair price? It is immaterial whether the price is made by agreement among the packers alone or by agreement among the American packers and Mr. Hoover, whom Mr. McAdoo truthfully charges is the sole purchasing agent of European governments and buyers. The ruinous fact is that the price of hogs and cattle have been fixed so low that a stock raiser who feeds corn, bran, shorts, oats, cottonseed meal, or any other grain, or even hay, at present prices faces bankruptcy.

The result is that stock raisers and feeders are rushing immature and unfinished cattle and hogs to the market by the tens of thousands. This means a shortage next winter, as certain as winter comes. A Food Administrator, the night of whose ignorance is illumined by even a faint auroral dawn of economic intelligence, would be working ceaselessly to induce the farmers to increase their flocks and the herds to the limit of nature. Indeed, he would have begun his efforts months ago, and there would have been to-day romping in all the pigpens and on all the farms of the country a crop of pigs the like of which the world has never before seen. A wise Food Administrator would also have assured the farmers a price sufficient to make it profitable to bring their stock to maturity. Within nine months from this date millions of hogs, averaging 200 pounds, would have been overcrowding our markets, causing reduced prices to consumers. We would have had enough pork to insure us and our allies against any shortage. There would

not have been so mary meatless days if there had not been so many brainless days. [Laughter.] If there had never been a brainless day, there would have been no interference with the American farmer's market, and he would have fed all the world except our enemies.

Convince the farmer that cattle and hogs are profitable, and he will increase his herds. Convince him that his market is ruined or that at any moment it may be made worse by the arbitrary decree of a Food Administrator working in connection, if not in conspiracy, with the packers and he will stop breeding. Let me show you how quickly and how logically the result may be produced. If a farmer has 10 sows on his place and pigs are commanding a good price, he can easily raise from 50 to 75 pigs in one summer. Create a condition so that he knows he will lose money if he raises pigs—to use his own expression, convince him that his pigs are "eating their heads off," and he will haul the 10 sows to the market and sell them, and the world will lose the 50 to 75 pigs. Extend the example I have just given to every farm in the United States and you have the difference between a meat famine and meat abundance. Likewise you have the contrast between the farmers' practical sense and the dreams of those impractical theorists who solve a productive shortage by stopping work and seek to encourage wheat planting and stock raising by fixing the price so low as to bankrupt all who engage in the business. The only man in the world who since the French Revolution has thought that could be done is now in the city of Washington. [Laughter.]

You people who live in towns, do you want cheap meat? Let me tell you how to get it. Give the farmer to understand that he will receive a good price for his hogs and cattle next year. Especially encourage him to raise hogs, and by next winter there will be so many pigs in the country that the price of meat will go down of itself.

I warn the Senate, I warn the country, I appeal to the President, I appeal to the Cabinet to stop the creation of conditions that discourage the agriculturist, that put an embargo upon production, and that are bound to create a shortage where we ought to have an abundance.

I hear somebody ask, "Are not the farmers getting enough?" I answer "No"; but I do not now stop to argue the question. I am seeking to impress the truth that a grave food shortage can only be escaped by an immediate reversal of present policies.

Let me follow my theme, "Food Administration Absurdities," a little further. How unutterably ludicrous are some of the performances. We had our meatless days. Now, what was a meatless day? A meatless day was one on which you could eat every kind of fish that wears skin or scales and every kind of fowl that grows feathers. The bills of fare of the country were filled up with fowl, especially chicken. The idea was to induce the people to eat more chicken, so that they would eat less meat. Suddenly, without warning, we were ordered to quit eating female chickens and to begin eating meat, the idea, of course, being to induce us to eat more meat in order to save chicken.

The change was instantaneous. Up to 12 o'clock noon of the day before yesterday a man caught eating a pork chop on Tuesday was a German spy, but chicken was the sanctified fowl of loyalty. A moment after 12 o'clock the colored lady detected with a fat hen under her arm was prima facie guilty of treasonable purposes, while pork chops, like manna from heaven, became the provender of the elect. To-day it is a crime to eat a female chicken. To-morrow the rooster may come under Mr. Hoover's beneficent protection and the pullets be ordered to the block. [Laughter.] It seems that the philosophy of the Food Administration is that to win the war we must reduce our meat and increase our chicken diet from September to January, and during the balance of the year increase our meat and reduce our chicken diet. [Laughter.] Certain iconoclasts may be inclined to insist that under the law of averages at the end of the year we will find ourselves exactly where we would have been in the absence of any food regulation. However that may be, the farmer is told, for his encouragement and delectation that he can not sell a hen; tender or tough. Anything of the female persuasion wearing feathers is immune from execution and unmarketable for the next 90 days. [Laughter in the galleries.]

The PRESIDING OFFICER. Let there be order in the galleries.

Mr. REED. Let us strike an average and find out where we are coming out. Suppose we had not had meatless days or chickenless days, but just old-fashion days, sometimes eating meat and sometimes eating chicken, would not the amount of meat and of chicken have been substantially the same as we now find it?

But how does all this affect the farmer? I received a letter from an old farmer the other day. He said:

> Chickens are not a very big thing on my farm. They are a by-product, but "mother" expects out of the eggs and out of her chickens to get some spending money to buy her dresses, and things of that sort. She was thinking about trying to help produce more meat by setting a lot of hens this year. Now she is told that she can not market her chickens; that there is a fellow down in Washington named Hoover who has got control of the markets of the United States and that he has issued an order under which if she sells a hen she will be sent to jail. Mother is not going to raise any hens under such conditions.

Of course, as the old lady can not raise roosters unless she takes a chance also of hatching hens that is the end of her setting hens this summer. [Laughter.]

Now, the gentleman who promulgated the chickenless day order did not look far enough ahead. The logical effect of his order lay approximately an inch and a half beyond the end of his nose, and so outside his intellectual vision. Had he seen a little further, he would have known that if the farmers are told, "You may raise chickens, but whether you will be allowed to market them or not is to be determined by a dictator in Washington," the farmer is likely to lose interest in setting hens. Of course the Food Administrator will find this out in time and will reverse his order, just as he has already discovered that he made a mistake in stirring up the Senators from the "tomato States." He is going to withdraw the "tomato order." I can see signs of that, because the storm is already raging. Maryland is in revolt; Delaware is marching to the front; New Jersey's serried cohorts are forming line of battle. Each doughty warrior bears upon his shining pike an indignant and rebellious tomato. [Laughter.]

Their redoubtable Senators lead on and here to-day clamorously demand relief for the tomato farmer. Well and good, but would it not be well if these great Senators gave a little attention to something more important than tomatoes: to wheat that must feed the world; to hogs that must furnish the fats; to beef that must replenish the brawn and maintain the health of ourselves, our allies, and our armies. Suppose we get it into our heads, which sometimes we think are very long but which I sometimes fear are very thick, that the only way to stimulate production is to make it to the interest of the man who can produce to produce. Suppose we learn another principle. That business can not thrive upon uncertainties. That no one will hazard his fortunes and the fortunes of his friends upon a market that instantly changes in response to the whim or caprice of an individual who knows nothing about the business with which he impudently and unlawfully ventures to interfere. Let us have regard to another principle.

Let us get another fact into our minds, to wit, that this foolish thing we are now attempting is as old as man's folly. The weary treadmill of time is turning. Humanity in an endless stream seeks to climb its moving platform. Each individual vainly imagines his feet are walking an undiscovered road. But it is the same old treadmill, rolling round and round in unison with the revolving centuries; its ancient planks worn smooth by the innumerable feet of the shadowy hosts who have trodden its weary steep and disappeared in cycles of the past. And so, there is scarcely a new thing under the sun. Price regulation, I repeat, is as ancient as man's foolishness, as futile and useless a thing as a food administrator.

It takes a war to throw up curios. Did you ever after a great storm stand upon the banks of a swollen stream and observe how the unbridled waters had dug up strange things—things for long years buried in the grave of forgetfulness? Débris of dead races, skeletons of animals and men, sometimes the bones of prehistoric monsters that crept or swam or flew millions of years ago. And so, whenever the world undergoes a great disturbance like war, with its attendant intellectual storms, there is thrown to the surface of the stream of thought vagaries, fantastic theories, and unsound philosophies. The phenomena we now witness have occurred.

I hold in my hand Allison's History of Europe. I can but briefly sketch the chapter. It is here related, at page 413, of volume 1, that the French undertook the experiment of stamping paper secured upon property illegally confiscated and calling it money. The assignats speedily depreciated below their face value, and the people refused to accept them as money, whereupon the convention, in a hysterical attempt to prevent further depreciation, decreed a punishment of six years in irons against anyone who should exchange silver or gold for a greater nominal value of assignats, or should ask a larger price for any article of merchandise if the article be paid for in paper than if paid for in precious metals.

Commenting upon this attempt, the author declares:

It is needless to say that this forced attempt to sustain the value of the assignats was totally nugatory, and the consequences soon became fatal to many classes of persons.

Then follows the long list of troubles that occurred. The author continues:

This state of things, so opposite to what they had been led to expect as the result of a revolution, excited the most vehement discontent among the working classes; they ascribed it all, as is always the case, to the efforts of forestallers.

We denounce the "profiteer"—merely a new word for an old word, "forestaller." The poor, foolish, illiterate French of that day, whose highest ideal of justice was the knife of the guillotine, whose notion of reform was to abolish the Bible, to tear down the churches, to pull the cloths from the altars, to destroy the sacred vessels, and, instead of dethroning kings, to execute the poor wretches who occupied the thrones and who followed that atrocity by cutting off the heads of every man and woman who had any property—these poor, deluded people were after the forestallers and demanded with loud cries that they should be led to the scaffold.

Again I quote Allison:

It became then absolutely necessary to have recourse to a maximum—

A maximum price—

powerful as the committee of public safety was, a long continuance of the public discontents would have endangered its existence. Corn was, indeed, not wanting, but the farmers, dreading the tumult and violence of the markets, and unwilling to part with their produce at the nominal value of the assignats, refused to bring it to the towns.

How closely our present experience parallels that of the French Revolution. A few days ago Mr. Hoover declared that wheat was not reaching the great cities. He charged the failure to the inefficiency of the railroads. Mr. McAdoo, over his own signature, challenged the statement, asserting that there was plenty of cars, and challenged Mr. Hoover to point out the wheat that needed moving. After Mr. McAdoo's second letter, Mr. Hoover became as mum as an oyster, and I imagine had about the same interesting expression of countenance. [Laughter.]

In a day or two Mr. Hoover recovered sufficiently to issue a new declaration. He now asserted in substance that we were all about to starve because there was not sufficient wheat in the country to feed us or our allies; and yet the cold facts show that the wheat crop of 1917 exceeded the wheat crop of 1916 by 14,500,000. Likewise the records show that the exportations of wheat in 1916 were 15,000,000 bushels greater than in 1917. So that we have in the country 29,500,000 more bushels of wheat from last year's crop than was left over from the crop of 1916. Yet Mr. Hoover's complaint is that the wheat does not reach the market. The trouble is not hard to discern. Either the farmers have fed it to their stock or are holding it back. Just as in the French Revolution the French farmer refused to sell his crop for assignats of a nominal value, so our farmers refuse to sell their wheat for a forced and inadequate price.

I continue reading:

To such a pitch did this evil arise in the beginning of May, 1793, that the convention was forced to issue a decree compelling the farmers and grain merchants to declare what stock they had in their possession and to bring it to the public markets at a price fixed by each commune. Domiciliary visits were authorized, to inspect the stock of each holder of grain, and false returns punished by a forfeiture of the whole. In addition to this the distribution of bread by the bakers was provided for in the most minute manner; no one could obtain bread without producing a carte de sureté issued by the revolutionary committees; and on that carte was inscribed the number of his family and the quantity to be delivered to each member. Finally, to put an end to the scandalous scenes which generally took place at the bakers' doors, it was enacted that each bread shop should have a rope attached to it; each person, as he arrived, was obliged to take it in his hand, and remain quietly there till all before him were served. But in the struggles of discontent and famine, the cord was frequently broken; fierce conflicts ensued, and nothing but a prompt interposition of military force was able to restore tranquillity. To such minute and vexatious regulations are governments reduced when they once violate the freedom of human action; and to such a load of fetters do the people subject themselves when they abandon themselves to the insane passion for democratic power.

Insane passion *for* democratic power! Are we not indulging in an insane passion *of* arbitrary power?

An odious feature of the Reign of Terror was domiciliary visits. The press of Washington for days have told us that it is proposed now to inspect the houses of people to ascertain how much food they have on hand, lest they may be hoarding.

This is but domiciliary visitation—a right claimed by tyrants, but denounced by the fourth amendment to the Constitution in these words:

The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized.

We are also informed that our highly intelligent and efficient local fuel administrator has returned from the sunny glades of Florida, whither he hied himself during the cold winter months, and that he proposes to inspect our cellars and to limit the amount of coal we can have in this land of the free, the home of the brave, and the Capital of the greatest Nation on earth. Of course he has not yet set up his guillotine. Up to this time the only guillotine is public opinion, excited sometimes by the assertion of some foul-mouthed coward that all are slackers who refuse to truculently obey the mandates of petty usurpers and contemptible tyrants.

I read some more of Allison:

All the other articles of life besides corn speedily rose with the increased issue of the assignats, and the people persisted in ascribing to forestallers the natural consequence of a depreciated circulation.

Repeating the lesson of French history, we find ourselves today ascribing many conditions to profiteers that have resulted logically from world conditions. Twenty million men have been taken from the creative industries and employed in the destructive business of war. An inevitable shortage follows. The things man desires are scarcer. But the money with which to procure the things man desires has more than doubled, which means that the value of the circulating medium has been reduced at least 50 per cent.

I continue to read:

Frightful tumults arose; the boats which descended the Seine with groceries, fruits, and wood were seized and plundered; by the advice of Marat, they on one occasion rose and plundered all the confectioners' shops.

Observe the French revolutionists had both a food regulator and a food administrator combined in the single person of Jean Paul Marat. Candor compels me to concede that his methods were somewhat ruder than those now being employed.

I continue to read:

Terrified at the continued recurrence of these disorders, the capitalists declined investing their money in purchases of any sort; and the shares in foreign mercantile companies rose rapidly from the increased demand for them as the only investment affording a tolerable degree of security—another striking proof of the consequences of the disorders consequent on popular ambition, and their tendency to turn from the people the reservoirs by which their industry is maintained.

During the perils and chances of a revolution the tendency to gambling of every sort prodigiously increased. Men who had the sword of Damocles continually suspended over their heads sought to make the most of the numerous chances of making money.

* * * * * * *

To such a length did the dictators carry their principle of managing everything of their own authority that they compelled a return of the whole subsistence in every part of the country and endeavored to purchase it all and distribute it either to the armies or at a low price to the imperious citizens of the towns.

Have you recently heard a proposition like that, namely, that the Government should buy everything and distribute it? A few more foolish suggestions put into practice and we will have bread tickets. A few more Fuel Administration orders and we will be confronted by a real fuel famine.

Where are my tomato friends? Not one of them remains. [Laughter.] Yet but a short hour ago this historic Hall burned with the passionate fervor of an eloquence inspired by the fact that the finger of the Food Administrator had touched the tomato crop and blighted it. Yet I can not but recall with what glee they voted for the creation of a Food Administrator. How insistently they clamored that his powers should be made great. How confidently they predicted that the Food Administrator, like the king, could do and would do no wrong. I am aware that their intentions were good. Their intentions are yet, perhaps, highly honorable; and yet I fear if they can but get the Food Administrator to lift his heavy hand from their tomato patches they will be in favor of permitting him to retain all the power he at present exerts over the cattle upon the thousand hills of the West and over all the flocks and herds so necessary to feed the world.

I appeal to them to assist me in removing the baneful influence from these great products, just as they seek to remove it from the tomato crop of their own States. But I wonder if they will assist. I wonder whether, once they have their own products relieved from the regulatory processes of Mr. Hoover, they will follow the example of my very good friends from the South, who when the food bill was about to be enacted were ready to defeat it because cotton was included, but were willing to affect a compromise by which they threw the wheat farmer, the hog raiser, and the cattle herder to the wolves upon condition that their cotton should escape.

I do not say that harshly, for my friends from the cotton States are just as good as anybody else. Maybe I would have been equally selfish; but there is one appeal I can make to every one of the men from the cotton States. If I can convince them that these orders that are being applied now are reducing the efficiency of the United States in this war, I know I am going to have their support, whether their cotton is put into the

next bill or not—the bill for more power that is on the way, romping over here from the House.

Now, Mr. President, I want to read a little bit more from Allison. It is a very good thing to go back to these old books. We have all read them. I am not presenting this as a new discovery. This is not The River of Doubt. I am just calling attention to it as an old and undoubted authority.

Mr. WARREN. Will the Senator tell us the author?

Mr. REED. This is Allison's History of Europe, Volume I. I am reading from page 427 of this edition. After describing how interference with the laws of business had produced a shortage everywhere, the author states:

> No one ventured to indulge in any luxury, or abandon himself to any gratification; metallic currency had almost disappeared, and the poor received their wages merely in paper currency, with which they were unable to purchase the necessaries of life. If they were shopkeepers, they were compelled to sell at a fictitious price; if they were purchasers, they were under the necessity of buying the most wretched articles, because the best were withdrawn by the effect of the forced sales enjoined by government. Only one kind of bread, of the blackest and coarsest kind, was to be had, and that could be obtained in no other way but by receiving tickets from the revolutionary committees, by waiting half the night, or for hours during the day, at the doors of the bakers with a rope in their hands. The names of the weights and measures, of the days and months, were changed; the laboring poor had only three Sundays in the month instead of four; the consolations of religion, the worship of the Deity, were at an end.
>
> All the efforts of the Committee of Public Safety after some time became insufficient to procure an adequate supply of subsistence. Commerce escaped the ruinous law of the maximum, and it escaped it in the most disastrous of all ways, by a total cessation. Want of the severest kind was experienced in every branch of human consumption. * * *

A little further on the author says:

> Never before, since the beginning of the world, had so great an experiment been made, and never had the disastrous consequences of giving the reins to popular ambition been so fully exemplified.

What had really happened was that this popular ambition had applied false laws to trade and commerce and exchange, just as the ambition of certain gentlemen now to read their names in newspapers and to send out tons of literature praising their own acts is more of a controlling force than a desire to serve our Republic.

THE COAL SHORTAGE.

Mr. President, lest I should forget it later on, I desire to advert most briefly to the disastrous consequences springing from the attempt to interfere with the fuel situation, because the lesson that I am trying to impress this afternoon, if I can impress any, is this, that uncertainty is the death of business; that no business in the world can thrive unless the proprietor of that business is reasonably assured of the conditions under which he can produce and can market. Every element of uncertainty you introduce is bound to bring the most disastrous consequences. It is because of this element of uncertainty, forced upon the coal business, that I invite your attention for a brief time to the developments in that industry.

I invite the attention of Senators to a brief résumé of facts. Prior to 1914 the potential coal production of our mines was so much greater than the consumption that coal was being mined at a very narrow margin. I will not say how that may be with reference to anthracite coal, but it is certainly true as to bituminous coal. In many places mine-run coal was being contracted at as low as $1.25 a ton, and slack coal or steam coal was being sold frequently for 75 cents a ton. Railroads and other great consumers had contracts at these extremely low prices, and the general public received its coal at the mouth of the mine at prices correspondingly moderate.

That condition of affairs continued to exist until the outbreak of the European war. At once there was an awakening of our industries, accompanied by a gradual increase in the quantity of coal consumed. There began also a slight increase in the prices of the coal. There was, however, no very marked trouble until the year 1916, wher it became apparent that there was actually a coal shortage, and coal prices began to run up to an astonishing figure.

That produced among the great consumers of the country a good deal of anxiety and they began to rush to the coal mines and ask for a contract. Along with these facts came alarming reports sent out from Washington. These early reports were to the effect that there was almost certain to be a coal famine during the year 1917. The great consumers were frightened and began bidding for coal. The panic spread. Soon we had in the coal markets a condition akin to a bank panic.

Coal that had sold from $1.75 to $2.50 per ton was advanced to $4 and $5.50, and even $6 a ton. I confidently believe that if not one single thing had been done the production of the mines would have been run up in a short time to a point where gentlemen who bought coal for $5.50 a ton would have regretted it and prices would have regulated themselves. I feel as sure of that as I can feel of anything that I do not absolutely know.

Let me submit to your candid consideration some of the reasons: First, it is admitted by every man who appeared before the committee that there is no shortage of coal in the ground. The fact is there is enough coal in the ground and discovered, within 3,000 feet of the surface, to last the world, at the present rate of consumption, 4,000 years, and there is new coal being found every day.

Mr. SHAFROTH. It is estimated that there is enough to last for 7,000 years.

Mr. REED. Very well.

Mr. THOMAS. That is still more encouraging.

Mr. REED. It is still more encouraging. I thank the Senator. I have the number of tons here, but I will not stop to read them. So the coal is there.

Second, it is admitted that there was no shortage of labor. There was, it is true, some labor disputes, but plenty of labor could be obtained, and the disputes were speedily composed when the wages of the men were raised.

Accordingly we have the condition of an unlimited supply of coal and an abundance of labor. So if everything had been allowed to take its course what would have happened? The great dealers of the country having contracted for their coal at the mines, the mine owners would have desired to get it out because of the great profit that would have been paid. As to the rest of the people, as long as the prices were high the mines would be encouraged to run to their maximum.

Between the mines and the people there was an organized machinery. It consisted of the wholesale and retail coal dealers, who had grown up with the business and who knew the wants of every part of the country. In the aggregate they constituted a great board of experts, familiar with every part of the United States, and knowing absolutely the wants of the people in every hamlet and village of the land. These experts knew the season when coal was needed, they knew how much was wanted, and they knew how to get the coal from the mines to their communities, and how to deliver it to the ultimate consumer. They not only had the knowledge, but the necessary equipment and machinery. These men knew how to get cars, how to get the coal shipped, the best seasons of the year to have the coal hauled to the market, the best means of getting the people to buy it in season and getting it into their cellars.

This machine was still in full operation in the spring of 1917. It operated in response to a great and constant force. The local dealer knew that he could not make money on the splendid prices then obtaining unless he acquired the coal and then sold it to his customers. The wholesale dealer knew that he could not make money on the splendid prices unless he sold his coal and delivered it to his customers, the retail men. The mine owner knew that he could not make money on the splendid prices unless he mined the coal and was ready to deliver it. The result was that back of the entire problem of coal production and distribution was the selfish interest of these men operating constantly day and night and urging them to the highest possible efficiency. If this condition had been permitted to remain undisturbed, the inevitable consequence would have been that each one of these coal dealers would have been after the railroads to haul their coal for them. The railroads being then in competition, if they had been let alone, would have sought to outdo their rivals in furnishing the cars necessary to get the coal to market. It is admitted now that there was unlimited coal; that there was practically unlimited labor; and it is admitted if there had been enough cars furnished and prices had been let alone coal would have been furnished to the country in abundance and there would have been no shortage.

Now, I come to the question of interference. I have referred to the existing coal production and distribution machine. It covered this whole country. It covered every line of the coal business. It covered the bunkering of ships. There were men who appeared before us who themselves all their lives and whose fathers before them had been engaged in the business of bunkering ships and doing nothing else.

What was done? Let me proceed and follow along in natural sequence, coming to the point of interference. When prices began to go sky-high the President, or at least somebody connected with the Council of Defense, did a very proper thing indeed.

The coal men were summoned. At their head was Mr. Peabody, one of the largest coal producers in the world. Mr. Peabody assembled in Washington approximately 500 coal dealers, as I recollect. They constituted over 90 per cent of all the bituminous coal producers of the United States. Mr. Lane and Judge Fort, of the Federal Trade Commission, met with these coal dealers and appealed to their patriotism. The coal dealers finally agreed that they would leave to Judge Fort,

to Secretary Lane, and to Mr. Peabody the question of a maximum price that they would pledge themselves not to go beyond. These men, one of them representing the Trade Commission, the other holding a Cabinet position, and the other being a representative of the coal men, met and agreed in round numbers upon $3 for bituminous coal in the East and $2.75 for western bituminous.

Now, mark you, this was not the price of the coal but this was a price that they agreed they would not exceed. It was a voluntary maximum price. Secretary Lane and Judge Fort testify that they believe these prices would stimulate production and that competition would speedily work reduction. Mr. Peabody had for some 40 or 50 days been at work stimulating production. The prevailing high prices had also been at work, and the production was advanced from approximately 1,500,000 tons a day to over 1,900,000 tons a day.

If that rate had been maintained throughout the year there would have been supplied enough coal to have met every demand of the market, as now estimated by Dr. Garfield, less about 11,500,000 tons, which is a negligible quantity. Besides the coal production had been increasing day by day and it by no means follows that the maximum had been attained.

Let me pause here long enough to say that the production of our mines last year was only 65 per cent, and if they had been increased to 71 per cent there would have been no coal shortage. An increase from 65 per cent to 71 per cent would have furnished every pound of coal that we needed in the United States.

Mr. President, after the agreement between the producers and the Lane Commission had been effected, the coal situation was exceedingly promising. Prices had in a measure been stabilized. The producers and dealers knew with reasonable certainty the basis upon which contracts could be safely made. The mine owners could therefore put in additional machinery and enlarge their facilities for coal production. The railroads could also count with approximate certainty the number of cars that would be demanded.

With that condition existing, what happened? Unfortunately, Secretary Baker, who was chairman of the Council of National Defense, at once issued a letter in which he denounced this whole agreement as having been made without authority of law and as extortionate and oppressive. The result was that the coal business was again thrown into chaos.

Coincidently with the Baker letter it was publicly announced that the Government proposed to further fix prices. But what prices? The country was told there would be a price fixing of coal, but nobody knew what that price would be.

I am discussing this question now with reference to its effect upon production. The coal miner was now expected to increase the production of his mines; to make contracts for labor and contracts for material; to make contracts for new machinery; to expend tens of thousands of dollars or hundreds of thousands of dollars in developing his mine; but he was told in effect when you have gone to all that expense you do not know what you will be permitted to charge for your coal. You may be obliged to expend a half million dollars to put in new and improved machinery, and you must buy new and improved machinery at prices that are two and three or four or five times what they were a few months ago, but when all is done you will not know what we will permit you to charge for your coal. We propose to take your market away from you; we will fix some price; but the price which we fix is still in our inner consciousness; aye, it is not even there; we have not yet made up our minds what it will be. It will be something, but the God who looks into the future alone can tell what price we are going to fix.

For a period of practically 60 days, embracing the long summer months, when railroads ought to have been hauling coal, when every mine ought to have been running at its maximum, when coal ought to have been passing over the streets of Washington and Chicago, New York and Kansas City, and every other one of the great cities of this country and to every hamlet and village, going into the cellars of the people, the mines had reduced their capacity below the maximum which they had attained before the Government interfered. The evidence shows that many mines would have shut down if it had not been for the fact that they had made the high-priced contracts of which I have spoken. Those high-priced contracts saved this country from a frightful calamity. If they had not existed mines would have been either shut down or so reduced their capacity that there is no doubt people in the cities of America would have been frozen to death. But the contracts did keep the mines running at a fair rate of speed.

I call attention to some other circumstances which show how foolish it is for the uninformed to trifle with great economic principles. As early as the month of May the Federal Trade Commission began to issue its manifestoes. It told the people not to pay the prevailing prices. It asserted, "There is plenty of coal." It said, "There are plenty of cars." It insisted "There is no occasion for alarm." It advised the people of this country, in circular after circular, not to buy coal; not to lay in their supply of coal. Of course, that meant that the demand upon the coal dealer immediately slackened down. Of course, that meant that the cars did not come loaded, as they should have come. Of course, that meant that the coal dealer was afraid to buy.

He could not buy at prices that were to be paid at the mines with any safety, for if he bought and stored up in his yard and the price was afterwards reduced he might be bankrupted in a minute. Bankrupted by the mandate of the Federal Trade Commission or of some man appointed to exclaim "Thus saith the Lord; the price shall go up or the price shall go down!"

Mr. President, that is not all they did. As I say, and it is admitted, the question of transportation was a crucial thing. Let it be said now for the edification of those who may not have had occasion to study the question that coal mines do not run unless they have cars at the mouth of the mine. Therefore whoever stops the getting of cars to the mine stops the mines and stops the production of coal.

Now, what happened? There were issued by this Government of our four or five general priority orders.

In these priority orders, as they were construed, coal for ordinary consumption came away down in the list. Everything that was to go for the Government was to be given a priority. First and last, according to various estimates, from 50 to 85 per cent of all the things that were being shipped had a priority tag attached to it.

Mr. STONE. If my colleague please, will he state just what the term "priority" means and how it was enforced? What was the process?

Mr. REED. The process of enforcing the priority order, as I understand it, speaking roughly, was this: Four or five railroad presidents were brought to Washington. They were told that they were to manage the railroads and the shipment of goods in accordance with directions which they received, and Judge Lovett issued these priority orders. I can read you Judge Lovett's order. I call attention to certain language appearing in this order. It clearly demonstrates that the contention I have frequently made that it is not the President who executes the numerous powers we are thrusting upon him, but some agent, informed or uninformed, who assumes to speak for the President.

Listen to priority order numbered 5:

> Whereas by the act of Congress entitled "An act to amend the act to regulate commerce, as amended, and for other purposes," approved August 10, 1917, it is provided that during the continuance of the war in which the United States is now engaged the President of the United States is authorized, if he finds it necessary for the national defense and security, to direct that such traffic or such shipments of commodities as, in his judgment, may be essential to the national defense and security, shall have preference or priority in transportation by any common carrier by railroad, water, or otherwise; and
>
> Whereas by virtue of the power conferred upon him by said act, the President has designated the undersigned as the person through whom the orders and directions authorized by said act shall be given; and
>
> Whereas it has been made to appear, and the President, through the undersigned, finds, that under present conditions and volume of shipment sufficient bituminous coal will not be transported, etc., to Lake Superior and Lake ports before the close of navigation to supply the requirements of the territory contiguous thereto—

Then follows the order that sent the coal to the Northwest. All the other orders are similar in their language. Order No. 5 specifies that goods shall be shipped in the following order:

> Steam railroad fuel.
> Live stock.
> Shipments of military supplies.

And that was made to include practically everything that the Government wanted to handle. It embraced a vast body of supplies that were being shipped, whether shipments by the United States or not. Finally away down in No. 5 on the list the last thing was "Coal for curent use but not for storage."

Yet, everybody outside of the Fuel Administration knew that if we did not get a large amount of coal stored up in the country during the summer months we could not haul it through a winter blizzard and would be absolutely bound to be in want. Why, the children of the street know that much. The squirrels out here in the woods know that they must lay up during the summer months for the winter demands, and if the squirrels are as wise as they are reputed to be I am afraid some of them will abandon their cool and shady habitats for a downtown department district.

The railroads were forced first to move the cars having priority tags attached. The railroads and the railroad yards were already filled with goods in transit. Because of the priority orders, the railroad companies were required to pick

out the cars having priority orders and to move them, and leave the other cars standing upon the sidetracks. Of course, this lost the country the use of these cars, and threw the railroad business into chaos.

Every car that they left standing on the sidetrack meant that much less coal would be mined that day in some mine of the United States.

Mr. OWEN. Mr. President, will the Senator from Missouri allow me to interrupt him to state that I shipped a carload of furniture from Oklahoma on the 5th of last January and only about five or six days ago I was informed that it had been delivered to the Alton Road at Alton, Ill.?

Mr. REED. Yes; and during all that time the car was out of commission.

Mr. THOMAS. May I interrupt the Senator from Missouri to contribute this fact to his argument? In the Rocky Mountain section of the United States the repudiation by Secretary Baker of the so-called Lane agreement resulted in the refusal of consignees who had already agreed to purchase coal, either in great bulk or in carload lots, to receive it, they expecting that as a result of the letter the price fixed would be much less than that agreed upon by the Lane Commission, in consequence of which the consignor was compelled to pay the demurrage and the car congestions upon the sidetracks all over the country were consequently increased.

Mr. GALLINGER. Mr. President, if the Senator from Missouri will permit me, I desire to say that I am listening with great interest to this debate, and I observe that these are wonderful tributes to Government ownership and control of railways.

Mr. REED. I think the Senator from New Hampshire ought to mention his "daughter" once in a while—not to "harp" upon her, but just to mention her. [Laughter.]

Mr. GALLINGER. Does the Senator from Missouri have any objection to my interruption?

Mr. REED. Not at all. I thank the Senator for it.

Mr. GALLINGER. I thought it was entirely in order.

Mr. REED. It was.

Mr. GALLINGER. And I think it was very appropriate.

Mr. REED. I think there is some force in the Senator's suggestion.

Mr. SUTHERLAND. Mr. President——

Mr. REED. I yield to the Senator from West Virginia.

Mr. SUTHERLAND. I should like to ask the Senator from Missouri if he is aware of the fact that many of the railroads of the country last spring, when the car shortage began to be felt, and ever since, have used large numbers of cars for the storage of fuel coal very much in excess of their need? One of the roads between the city of Huntington, W. Va., and Cincinnati, Ohio, had 3,000 cars of coal stored, ostensibly for fuel; and many other thousands of cars were on other tracks very much in excess of their fuel needs, thus taking those cars out of the coal business and preventing their use by coal shippers and consumers.

Mr. REED. Mr. President, I of course have not investigated that particular instance, and it may be possible that railroads have done the very thing which the Senator states; but I suspect that if we went into the question thoroughly we should find that that coal was being held because of some priority order; at least I can say that Dr. Garfield did not make any such charge in his testimony. Lest I shall be accused of heresy in making these charges in regard to priority orders, let me speak to you with the words of one whose authority can not be challenged by those who sustain the Fuel Administration. This is what Dr. Garfield had to say of the priority orders:

> The actual result of priority order No. 5, as originally put out, has been to hurt rather than to help the movement of coal. * * * There are thousands and thousands of loaded cars [of coal] to-day—

This testimony was delivered in January—

> standing on the tracks; there are always many, but the number has been vastly increased in the last few months. * * *
> Coal constitutes perhaps one-half in number of cars used. Coal has therefore clogged the roads. It has been impossible to move the coal, and hence in producing more coal we have produced more difficulty for the railroads.

Mr. Snead, the agent of Dr. Garfield—and I may say he is the expert of the Fuel Administration, if Dr. Garfield has an expert—in speaking of all the priority orders said to the committee, after we had sat there many days laboriously trying to work out this problem:

> I think if we could get rid of all the priorities and start over again, we would be better off. * * * There is no character of freight of more importance to the people than coal. That is our position. We have not been able to have the railroads treat it that way. The decision rests in the priority board—

Not in the railroads.

Again:

> We have priority on all Government supplies, whether they go to the plant manufacturing urgent Government munitions or whether munitions are from the plant to the seaboard. These priorities complicate the situation and affect the ability of the railroads to move freight, and it interferes with the movement of coal, as well as with everything else, so that we have too many priorities. * * * We have suggested repeatedly that coal, which is so absolutely essential and of which we are short, be given preference in movement first, to clean up congestion.

Speaking of these priority orders, he said that if this investigation did nothing else but get rid of priority orders it was a good thing for the country. I could read you the testimony of a large number of witnesses, but this is enough. Unfortunately, however, while the Fuel Administration condemn priority orders, they have issued and are issuing priority orders. They issued priority orders then; they have been issuing priority orders ever since; and they are issuing them to-day.

The trouble with the Fuel Administration on the priority question was that it took the same view of priority orders that some people do of children. Everybody else's children are nuisances, but their children are all right all the time. A priority order was issued by Judge Lovett to move coal to the Northwest.

In effect this order provided that all coal billed to the Northwest should have priority. The result was that the coal of Pennsylvania, West Virginia, and Ohio was rushed to the lake ports, to be there put upon boats and ships for northwestern points.

I see sitting in front of me the Senator from Minnesota [Mr. KELLOGG]. I congratulate him upon the acumen and shrewdness of his people. I concluded when I heard this testimony that the gentlemen from Minnesota were the Yankees of the Northwest. They realized in Minnesota and in the Dakotas and in parts of Wisconsin that there might be coal trouble; they came to Washington early, and they got a priority order issued by Judge Lovett, under which coal was to be sent to them. They convinced Judge Lovett that the way to get that coal up there was in the boats; that the Lakes would freeze up after a while; and that he must get it up at once. And so, without any limitation whatever, they began to start coal to the Northwest.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER (Mr. HENDERSON in the chair). Does the Senator from Missouri yield to the Senator from Minnesota?

Mr. REED. I yield.

Mr. KELLOGG. I suppose the Senator from Missouri is aware of the fact that the coal for northern Wisconsin, northern Minnesota, and North Dakota is never shipped by rail? It could not be shipped by rail. All of the coal going to that section must be shipped by the Lakes. The coal was not being shipped in boats which were carrying ore; the boats were returning empty, and the people of the Northwest naturally became somewhat alarmed, as the coal was being hoarded in big manufactories nearer the coal mines. So they did come down here, but they did not get any more coal than they needed; in fact, they did not get as much as they needed; and if they had not gotten the coal by ships in the summer time, they would not have gotten it at all.

Mr. REED. Mr. President——

Mr. SMITH of Georgia. Will the Senator from Missouri yield to me?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Georgia?

Mr. REED. In just one second I will do so. I know now who it was got up the argument that imposed upon the credulity of Judge Lovett. I do not know who delivered it, but I know whose brain originated it. [Laughter.]

Now I yield to the Senator from Georgia.

Mr. SMITH of Georgia. Mr. President, I merely want to say that we never obtained a revocation of that order, so far as the coal fields of east Tennessee and eastern Kentucky were concerned, which supply the section in which I live, until the 30th day of November. I do not mean to say that all that coal went to Minnesota, but I do mean that that order was a hindrance to every shipment of coal until the 30th of November.

I want to add further that in seeking to calculate what became of the coal that started from the mines of that section toward the Northwest I was unable to locate any large part of it in the section to which it was supposed to have been going.

Mr. KELLOGG. Mr. President, will the Senator from Missouri pardon me for an interruption?

Mr. REED. Yes.

Mr. KELLOGG. Of course, a great deal of coal was shipped under these priority orders to Lake Superior ports which did

not go to the Lake Superior ports delivering coal to northern Minnesota and northern Wisconsin. A great deal of it went to Canada. Until the Government stopped the export of coal to Canada, a great deal of coal went to other places, but no coal could go to that section of country in the Northwest that did not go by boat. Those orders expired at the close of navigation.

Mr. REED. The Senator from Minnesota, for once in his life, is utterly, from beginning to end, mistaken as to his facts. I never knew him to be so badly off on facts before, although his conclusions are frequently hard to accept. The fact of the matter is that in this blessed year of grace millions of tons of coal did go to the Northwest by rail. It is not the customary way, but it so went. What was done up there was to get all the coal they were entitled to by boat, and then they got some millions of tons by rail.

Mr. KELLOGG. Mr. President, millions of tons of coal did not go to northern Minnesota.

Mr. REED. Not to northern Minnesota; but I am talking about the entire State.

Mr. KELLOGG. Coal has always gone to southern Minnesota from the Illinois district by rail, and it went there this winter only in the usual way.

Mr. REED. The Senator is getting this down to very narrow geographical limits; he is emphasizing the Northwest.

Mr. KELLOGG. If the Senator from Missouri does not understand the geography of the Northwest, of course the Senator from Minnesota is not to blame.

Mr. REED. I understand the geography of the Northwest, not so well as the Senator who lives there, but I understand the coal question a good deal better than the Senator, for I have investigated it, and he has not, and I have the sworn testimony of witnesses to rely on, and he has not. This is what I say, that northern Minnesota ordinarily—and I so stated in my previous remarks—gets its coal by water; but representatives from that section came down to Washington and convinced the Fuel Administration that they were about to freeze to death, and the Fuel Administration stopped the shipment of coal to practically every other place all over the East and diverted it all to the Northwest. I pause long enough to say that there was sent to the Northwest and to Canada together over 6,000,000 tons more coal in 1917 than in any year in the world's history since Adam was a boy. The sworn testimony sustains my statement.

Mr. LODGE. Mr. President, will the Senator allow me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. REED. Certainly.

Mr. LODGE. Let me remind the Senator that coal, dock coal, as it is called, was sent in such large quantities from the East into the Northwestern States, northern Minnesota, and so on, that they actually took that coal and forced it into the territory covered usually by Illinois coal, and made the people pay over $2 a ton more for it.

Mr. REED. Yes. As the Senator from Minnesota has invited me into this field for mowing June grass with a dull scythe I will stop in it long enough to read from the testimony of Mr. Peabody:

> The CHAIRMAN. I want to ask you a question on another proposition. You spoke about dock coals having been shipped to the Northwest last summer. Can you tell me whether there was more or less shipped last summer than the year before?
>
> Mr. PEABODY. I can tell you up to the 15th of November, when my records stopped. Illinois shipped 2,519,000 tons into the territory tributary to the docks in 1917, as against 869,000 tons last year, during the whole period of the year. I estimate that in October and November there were 1,200,000 tons additional sent over there, so that the Illinois figures for coal going into the territory that I call the dock territory are 3,719,000 tons as against 868,000 tons last year, almost 3,000,000 tons in excess.
>
> The CHAIRMAN. That went from the Illinois field?
>
> Mr. PEABODY. That went from the Illinois fields.
>
> The CHAIRMAN. Into what you call the dock territory?
>
> Mr. PEABODY. Into St. Paul and Minneapolis; Minnesota, except St. Paul and Minneapolis; North Dakota and Sioux Falls; South Dakota, except Sioux Falls; and Milwaukee.

There are other witnesses, among them a former official of the railroads, now engaged in the Fuel Administration and an expert on the movement of cars, who checked up these coal figures by the cars that had been shipped. But I am spending too much time on this proposition.

Mr. President, it is in evidence by Mr. Dugan, the public-service commissioner of Ohio, that on January 9, 1917, there were upon the docks at Duluth 4,000,000 tons of coal that he swore could not be moved until the spring of 1918, and at that time and while that coal was being sent to the Northwest there was not coal enough in Ohio for the farmers to run their thrashing machines. That fact is testified to by a number of the officials of the State of Ohio. While that condition obtained they were crowding the cars up to the Lake ports so fast that the boats could not receive the coal, and there was nothing to do but to allow the cars to stand on the sidings. They got them into what they call "bottle necks," into places that were so congested that they could not get them through.

One witness testified that on October 23 there were 24,994 cars of coal on tracks in Ohio, and that over 11,000 of those cars were consigned to the Northwest. Another witness testified that in the Sandusky yards alone, at Sandusky, Ohio, there were from August 1 to August 6, on one railroad, 7,791 cars of coal bound for the Northwest, "forced to the Northwest," as he stated it. Another witness testified that there were as many as 25,000 cars a day consigned to the Lake ports, and this continued during the cold weather; it continued up to the time when the boats were frozen in at the docks. They were loading coal into ice-bound boats while the people of Ohio were freezing for want of coal. It was in testimony also that the national fuel administrator of Ohio, upon his return from the South, told the people who came to him for relief "that this was war time and they must be prepared to sacrifice," and, "if necessary they must burn their furniture and their fences." There was other testimony that I would hesitate to repeat, but it was delivered by officials of the State of Ohio.

Mr. President, understand I am now dealing with the question of car shortage. They had compelled this coal to be hauled from West Virginia, and even from the mines of Ohio, but principally from West Virginia and Pennsylvania, in these vast quantities to the Northwest and to Canada, Canada getting over 3,000,000 tons more this year than she ever obtained before. That meant a haul of this coal away from the mines about 1,000 miles, and that took cars and engines and tracks, and every car that was being sent in that direction meant the consumption of the precious thing—transportation; it meant the stoppage of the coal mines. The thing is so plain that I hesitate to dwell upon it, and yet the country has not understood it.

Mr. President, everybody knows that if we are to win this war we must keep the boats crossing the Atlantic. Everybody has known that we were desperately short of boats. Pershing well expressed it when he said, "We must bridge the Atlantic"; and, God knows, I fear that we may not bridge it soon enough. Just in proportion as boats were scarce it was necessary that they should be actively employed. A boat tied to a dock is for the time being not a boat unless it is being loaded or unloaded. A boat that loses 10 days at the dock is a boat out of commission and out of use.

Now, who had before we had a Fuel Administrator been getting bunker coal to these ships? There had been a set of men doing it for many years, but the Federal Trade Commission established a fixed price for coal, and the Government established priority orders, but you can read these priority orders from beginning to end, and you can not find a single order that proposed to get a single ton of bunker coal to those ships. The demand was known through all these months; the fact that the ships would be there to bunker was known through all these months, and yet, under the orders that were issued, coal men who had been bunkering the ships were practically put out of business, it was made practically impossible for them to handle that coal. Having created that condition and having issued priority orders the coal administration did what? They sent 6,000,000 more tons of coal to the Northwest and to Canada than had ever been sent there in any other year of history, and yet it only required but little over 4,000,000 tons of coal to bunker every ship that sailed from the ports of the East during the entire winter. They sent to the Northwest nearly 6,000,000 tons of coal in excess of what had ever gone there before, and nearly 2,000,000 more tons of coal than would have been required to bunker all the ships sailing from eastern American ports. So this wise body of men interfered with the machinery of commerce that has been growing up for years, and having paralyzed it failed to set up in its place any adequate machinery whatever.

Mr. STONE. Why was that sort of thing done?

Mr. REED. I may answer my distinguished colleague by summing it all up in the one word "ignorance." There is absolutely no relation between the ability to discover an obscure Greek root and the bunkering of ships with coal; there is absolutely no more relation between those two things than there is between the stopping of a sawmill in South Carolina and the bunkering of a ship in New York. I have never climbed to such intellectual heights as to be able to fathom this particular kind of logic and to understand these mysteries of trade and commerce. All that I can say, in answer to my colleague, is that evidently the bunkering of ships was totally forgotten.

Nor can it be claimed that they were met by any unusual demand from New York for bunker coal, because bunker coal for the year 1916 ran over 6,000,000 tons, while in 1917 it ran only to a little over 4,000,000 tons; in other words, submarine warfare, or the exigencies of commerce, had driven so many boats from the ocean that the demand for bunker coal was only about two-thirds what they might have anticipated.

If they had stopped sending coal to the Northwest for three days' time they could have put enough coal down in New York City so that every ship might have been bunkered, and in the other Atlantic ports every ship likewise could have been bunkered. Why were these things done? Because no man that God has ever made is wise enough to step out of a classroom or a counting house or from a farm or any other business totally unrelated to the coal business and in a few days' time grasp this great and intricate problem that reaches every home in the land and that touches all of the myriad industries in which our people are engaged. It can not be done. It would take years to produce machinery; it would take the wisdom of omniscience to conceive it; it would take the power of omnipotence to accomplish it.

Mr. President, lest I should forget it later on, let us observe the remedy. They evidently had forgotten about bunkering ships. The ship was a waif, an orphan, that had been dropped upon the doorstep, nobody was thinking about it. Then suddenly we were told that all the factories east of the Mississippi River were to be closed down in order to get a few tons of coal to New York. I had read in the papers of a threatened strike in Austria. It was said that 2,000,000 people might lay down their tools and quit their workshops. I said to myself: "If that shall happen and it shall continue only for a short time, then indeed may our hopes mount, for our enemy is about to commit suicide."

About the time that I arrived at that delectable conclusion I picked up the morning paper and read that a Government official—not a strike organizer, not a Bolsheviki, not an enemy of the Republic, not the leader of a mob, but a Government official—had ordered a general lockout in the mills of the whole eastern half of the United States! The hammers fell from the hands of the mechanics; the artillery, if I may use that term, of the riveting machines, the pulsation of mighty engines, all stopped. Men walked the streets. The vast creative machine of America was paralyzed. We inquired why, and were told that it was to save fuel.

But we inquired: "Why shut down the factory that has fuel? Why not let it run?" The answer was: "It is not fair to the factory that has not fuel to let a factory run that has fuel." We inquired: "What do you intend to do with factories that run by water power and use no fuel?" The answer was: "We have not the authority to compel them to stop, but we expect to use our moral power to persuade them to stop." We inquired why, and they said it was not fair for a mill that was run by water power—by the force of gravity that God Almighty made and that man had harnessed—to run if somebody else had a factory and he did not have coal.

Then we asked, "What are you going to do with the sawmills—the sawmills that burn their own sawdust, that make their own fuel, and, more than that, make fuel that is shipped to other parts of the country, that supply the towns and villages about them? What about these mills?" They said, "They must stop." We asked, "Why?" They replied, "Because it is not fair for a sawmill in South Carolina or Florida to run if a woolen mill or a flour mill in Maine or Massachusetts or Ohio or some other State is out of coal."

Then we inquired if this question was to be settled according to the rivalries and race for business that happen to exist between various manufacturers; whether the country was to be sacrificed in order that factory A might not get some slight advantage over factory B because factory A, like the wise virgins, had oil in its lamps and factory B, either like the foolish virgins, had forgotten to get the oil or else was not able to get it. I think the Senator from Massachusetts [Mr. LODGE] used that illustration once. I credit him with it, although I decline to admit he originated the parable. [Laughter.]

Then we said, "But what are you going to do with the coal that is in these factories that you stop? Are you going to take it from the factories that make nonessentials and give it to the factories that make essentials?" They said, "No; we are going to stop them all." We asked, "Well, are you going to take the coal from the factories that you refuse to allow to use coal and give it to the people to keep them from freezing?" They said, "No; we are going to let it stay where it is and let the people freeze. We are just going to close down the factories." "But why are you going to close down the factories?" "We are going to close down the factories in order that the railroads may catch up."

"But you would not put any burden on the railroads if you let the factories run, would you, and you did not let them load their goods? If you let them make shoes by the thousands of pairs and pile them on their shelves and in their warehouses, so that we would have them when we do need them, but did not let them ship them, that would not burden your cars, would it? If you let the sawmill run and let it make lumber that needs to be seasoned, and pile it up so that it can be shipped when we get more transportation, that will not put any burden upon the railroads, will it? There is plenty of room down there in the pine woods to stack up their lumber. That will not do any harm, will it?" But the answer was, "They must stop." And so we proceeded with the argument, but you could make no more impression upon the mind of the gentleman who had issued the order to close business than one would naturally expect to make upon a mind capable of conceiving such an order.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER (Mr. SHAFROTH in the chair). Does the Senator from Missouri yield to the Senator from New Hampshire?

Mr. REED. I do.

Mr. GALLINGER. Would it interrupt the Senator if I should cite a striking illustration along the line the Senator is discussing?

Mr. REED. Not at all. I am glad to yield to the Senator.

Mr. GALLINGER. The Amoskeag Corporation, of Manchester, N. H., employing about 18,000 operatives, operating their establishment mostly by water power, but having to use coal in the shape of culm, having their equipment made especially for the purpose of burning that kind of coal, and no other establishment in the State being able to use it, were ordered to cease their operations for a certain number of days, denying the 18,000 operatives the opportunity of earning very large wages. That order was put in operation, and no appeal that was made to the authorities could induce them to allow that great establishment to continue its operations. I want to emphasize the fact that they were using culm, that could not be used by any other factory in the State; and they had that on hand and wanted to continue their operations, but were denied that right.

Mr. SMITH of Michigan. Mr. President, if the Senator will allow me to interrupt him, in the case of the great furniture factories of Grand Rapids, the greatest in the world, it took more coal for them to remain idle than it did for them to run.

Mr. REED. Why did it take more? I wish the Senator would state that.

Mr. SMITH of Michigan. Because they used their refuse to keep their furnaces going, and when they did not make the refuse it was necessary that they should use coal to keep their plants at the proper temperature and preserve their fire protection.

Mr. REED. I knew the reason, but I wanted the Senator to state it for the RECORD. That was the point. I thank the Senator.

Mr. SMITH of Michigan. I think the Senator heard me say once—if he did not, I should like to put it in the RECORD right here—that on one "heatless Monday" 37 furniture factories closed down, and there were saved in our community 6 tons of coal, which cost the people of that community about $23,000.

Mr. REED. I should like to add that probably there was 6 tons of coal more than usual burned in some other part of the town that day because the men were not at work.

Mr. GALLINGER. That is right.

Mr. REED. And if you did not have a good prohibition country up there I would suggest that probably there were other kinds of fuel employed. [Laughter.]

Mr. DILLINGHAM. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Vermont?

Mr. REED. Certainly.

Mr. DILLINGHAM. Do I understand the Senator to say that it was the policy of the Government to stop manufacturing as well as to save fuel?

Mr. REED. Yes, sir. That clearly appears in the testimony of Mr. Garfield.

Mr. DILLINGHAM. May I be permitted to add that I received a communication from the Vermont Marble Co. saying that they had one room in which they employed 840 men. They were permitted by the order to maintain heat enough to prevent their water pipes from freezing. They made a careful experiment and found that in order to heat that building sufficiently to make the men comfortable it required only 1½ tons

of coal daily in addition to that which they were permitted to run. I received a communication from the department saying that it was their purpose not simply to save coal but temporarily to suspend manufacturing, which, of course, sustains what the Senator has said.

Mr. REED. Exactly.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Colorado?

Mr. REED. Certainly.

Mr. THOMAS. I hope the Senator will not omit to mention that after the order went into effect our Intelligence Bureau published a list of the institutions which were permitted to run, thus inviting the attention of alien enemies to the points where they might effectively strike during that period.

Mr. REED. Mr. President, if we keep on with this "experience meeting"—and it has been very entertaining—I suspect that every man here can contribute many instances. Let it be understood now that the theory of the Fuel Administration, as plainly set forth in Mr. Garfield's testimony, was that they proposed to stop manufacturing in order that transportation could catch up with manufacturing.

Now, in my boyhood days I often heard the anecdote told to illustrate how great a fool a born fool could be. As the story ran, the fool of the farm was sent to the mill with wheat in a sack. Not knowing enough to divide the wheat on different sides of the horse, and thus balance the sack, he put the wheat in one end and a stone in the other. He has always stood as the supreme type of stupidity, because he did not know enough to throw away the stone and divide the wheat.

It seems to me that a good parallel for that anecdote is the story of a great man who, finding that the factories of the country were producing faster than the railroads could just then haul, ordered the factories to stop, instead of ordering the railways to speed up.

I challenge any man to point to a similarly unjustifiable and wholly foolish act ever committed in all the tides of time by any government or any government agent.

Let me give my contribution in the way of experience:

There is an association of lumbermen that first and last embraces nearly all the great pine-lumber mills of the United States. I received a telegram from their attorney. I can not quote it exactly, but it read in substance as follows:

Forty per cent of our mills have contracts for furnishing lumber for the Government ships, but under the fuel order, as construed, they can only cut the lumber for the ships and can not cut anything else. We can not get the heart out of the trees without cutting off the outside, and the heart is what the Government needs.

[Laughter.]

Sixty per cent of our mills do not have contracts direct, but, in fact, 10 per cent of what they produce goes to the ships. We can not run these mills. All of our mills need to manufacture for the purpose of drying their lumber. All of our mills run without use of coal and nearly all of them supply the neighboring country with fuel in the shape of the blocks and refuse parts of the timber. Is there not a possibility of doing something?

I did not go to the professor. I went to a practical man, who has done practical things. I telephoned Mr. Hurley, and I read him the telegram, and I said to him, "It does seem to me that something ought to be done, in view of the fact that we need every particle of energy constantly employed in order to meet the emergency now confronting the world and in view of the fact that lumber is one of the great essentials." I shall not quote what Mr. Hurley said, further than this. He said, in part, "If you will wait a few minutes I will telephone you back." In a few minutes he telephoned, "I have conferred with the proper people, and they have agreed, first, that the 40 per cent of the mills that have contracts can cut the whole 100 per cent of lumber in order to get out the lumber for the ships." They can actually cut the outside off the trees. He did not use that expression; that is mine. "Second, they have agreed that the mills that do not have contracts but produce lumber that is used in the ships can continue to run."

That, of course, released the whole 100 per cent. He further said, "It is understood that any mill that wants to season its lumber can continue to run"; and that, surely, included every sawmill in the world at large. And so, inside of 25 minutes by the watch, when I got to a practical man I obtained a rescission as to all those mills, and the next day I suppose not less than 20,000 axes were ringing in the forests, and the saws of a vast number of mills were tearing their way through the great logs, boards were being turned out and piled up, and industry had resumed its wonted course.

That is only one of many illustrations. But now, Mr. President, I come to what I regard as the capsheaf of this most marvelous piece of management.

As an afterthought, we were told that the principal reason for this order was to the end that the coal might be gotten out to bunker the ships. We stopped the sawmill in South Carolina to get coal into New York Harbor, to there bunker a ship. We stopped the water mill in Maine to get coal into the bunkers of a ship at Newport News. Now, in order to understand the philosophy of that you have got to be a plumb natural-born idiot. [Laughter.] Pardon the expression; other language is inadequate. And then came the excuse!

I am sorry to say that Dr. Garfield published that excuse. A hard case sometimes makes hard excuses. He said, in good, set terms: "As a result of the fuelless days, 480 ships have been released from American harbors between January 17 and January 29.

I went and got the figures, and I got the figures right. I got them from the Shipping Board. Within the period of time he named there had been a net reduction in the number of ships in all American ports of just 56—just 56. There had sailed from all American ports only 519 ships. There had sailed from all American ports, leaving out three southern ports, just 480 ships. Dr. Garfield had credited his fuelless days with every ship that had left American ports during that period of time. Ships had been coming and going for a hundred years; and although the ships had been coming and going before he issued his order, almost but not quite as fast as they did afterwards, the American public were told by every newspaper of the land that carried Dr. Garfield's report that 480 great ships, carrying our munitions, carrying our soldiers, and carrying our goods, had been released by this fuelless-day order!

I am sorry that statement was made. I am sorry that kind of information was given out. It was not the truth. We can not win this war on anything but facts—cold, hard, steely facts. All the verbal camouflage that ever fell from the lips of man has never stopped a 16-inch shell, captured a trench, turned aside the shining point of a bayonet, put food in a stomach or clothing upon a back. Let me say, in an aside, that you can have witnesses appear before the Military Affairs Committee and solemnly swear that shoddy is as good as wool, but you can not make shoddy as good as wool by swearing to it until you are black in the face; and Gen. Pershing, I understand, has sent over his gentle reminder that he is tired of putting that sort of stuff on the backs of American soldiers, and he is right. Only a man that can understand how stopping a sawmill in the South will move bunkering coal into a ship in New York Harbor is able to understand how shoddy wool that has been worn and cut and ground is as good as wool fresh off a sheep's back.

Mr. President, I do not want to say anything harsh, but I appeal for efficiency, and do so from my heart.

I look across the sea at our antagonist. Germany for years and years was preparing for this war. It had every horse numbered and ready to be moved to the proper point. It had the wagons numbered. It had the men numbered and drilled. It had their uniforms ready for them. Citizens of this country who saw the early days of the German mobilization told me that they witnessed this scene—groups of men coming along the highways, farmers riding horses and leading those that had been already requisitioned; other groups of men plodding afoot, some of them coming in wagons. They wore the clothing of the farm or factory; they came with the grime of the mine. They then stepped into a room—the farmer, the mechanic, or the miner—and in less than 10 minutes by the watch a soldier stepped out of the door wearing his uniform, with his steel helmet glittering in the sun, his knapsack strapped to his shoulder, his rifle in hand. He saluted his officer and fell into line at right dress. In a few moments the sharp command came and company after company moved to the field of war. Germany had every resource of the country tabulated. When German officials undertook to interfere with that machinery they knew every cogwheel, they understood every spindle. All had been counted, every detail had been mastered, and they interfered only in such matters as were necessary and left freedom of action outside of that.

That is the antagonist we meet, and how do we meet it? We have a great business organization in this country, a great productive machinery. It began out on the farm, where 45,000,000 people make their living. These farmers knew how to till their fields, their wives knew how to make their butter and how to care for their household duties. The farmers knew how to watch the market. They knew what to plant; they knew when to plant. They needed mighty little advice, and the less they get, generally speaking, the better it is for the farmer.

We had a railroad system to haul the goods to market. We had towns in which there were men engaged in the mercantile business. We had great factories, we had mighty mines, and

men who had devoted their entire lives to these business avocations. Speaking broadly, they were all experts. Every man in the United States knew a little better what he ought to do than anybody else knew for him.

You, sir, found your niche in life; and, whether you have done well or done ill, you have done better than would have been possible if some man 3,000 miles away, who did not know the color of your eyes or hair, had undertaken to tell you what you ought to do. What is true of you is true of everybody else. Men have found their niches in this life; not all, of course. There is always some waste; there is always some surplusage; there is always some dross; but, speaking broadly, this great machinery of production answered to the economic law that each man will find his niche in life; that each will do that which will bring forth the best that is in him. In the aggregate that means the highest productivity of all. Such being the fact, the man who interferes with the orderly course of life reduces the efficiency of the country, and does so in proportion to his interference.

Now, lest I be misunderstood, I want to make this point: There is a thing you might say is interference which I say is not interference. When we pass a law that a man shall not charge more than a certain rate of interest, a law against usury, we do not interfere with business; we simply interfere with a thing which, in its last analysis, is little less than robbery. That kind of a law really promotes honest business. When we pass a law against combinations in restraint of trade we do not destroy trade; we, in fact, aid trade, for we release the trade and commerce of the country from the piratical institutions that destroy the trade and commerce.

So wherever you propose to employ the law to stop some great act of injustice I applaud. When you propose to interfere with the ordinary rules of supply and demand, when you propose to interfere with the farmer, go into the household, and interfere with the domestic affairs of the people, you make trouble.

Mr. President, I repeat to you, this is the message I carry to you to-day, and it comes with all the earnestness of my heart. I hope it will find lodgment and kindly reception in your opinion. You can not do business in this country unless you remove uncertainty; I mean artificial uncertainty. In the name of common sense I appeal to you to rescind the foolish order which declares that men can not contract their coal. What mine owner will not produce coal better if he is allowed to contract his output. You want coal distributed, do you? Then in the name of reason repeal the foolish order which proposes to put the wholesale coal dealer out of business. You want the mine to run, do you? Then in the name of goodness tell the mine owner at least what price you will not interfere with during the next 12 months. Let him know what he is going to do. The 1st of April will be here in about three weeks, and on the 1st of April practically every great coal contract ends. Unless before that time the mine owners are told what they can do there will be a slackening up. These mines ought not to slacken up for a single hour, not for a single moment.

Mr. President, you must do another thing. We are at the planting season. Already the farmers are turning over the soil. Away up north the planting has not yet come where the spring-wheat district is, but it will be here in a very few weeks, if not in a few days. Are they to sow spring wheat in that country or are they to wait to plant oats or are they to wait longer and plant corn? These farmers are entitled to know; they are entitled to be told if they will be allowed to sell their wheat in the open market. They are entitled to be told that usurpation of power will cease; that Congress has given no man on earth the right to take away their market; that whoever has done so has usurped power, trampled upon the rights of American citizens, is guilty of oppression in office, and is an enemy of liberty.

Ah, Senators, you will have a shortage sure enough if you do not take your hands off the people who produce and let them run their own business.

I warn you with all the strength of my voice and with all the fervor of my soul if you do not stop meddling with the farmers of the country you will reduce the national efficiency. You are reducing it. You are reducing it lamentably, and you are doing it without any reason whatever.

Mr. President, I believe American patriotism is of such metal that rather than lose this war it would go barefooted through winter snows, it would stand hungry in the trenches, it would suffer and die, and with its last gasp it would declare for carrying on the war until it can be honorably ended and America's rights vindicated. But we try the patience of these brave people. Why should a man who knows nothing of their business be permitted to interfere with their affairs?

I would rather have back of this war the enthusiastic, hearty support of all elements of the American people than any other force whatsoever upon this earth. The time may come, I warn you, when you will need to draw upon that great reservoir of patience. Let us not draw on it unnecessarily. Let us put no burdens upon it that are of such a nature that they are borne as men bear chains that rust and eat into their flesh. Let us not do that.

The time, I say, may come when we will need all this patience, for I do not see in the situation anything that gives promise of an early end of this war upon terms satisfactory to us. It seems to me that the great question is, Can our allies hold the line until we can get there in force? That will require at least 18 months of time. We must wait until we can produce mighty fleets and until we can create greater armament—until more and more soldiers can be trained. And as you take our boys from the bosoms of their mothers, as you rend them from the household where they were born, at least leave in the bleeding hearts of the people the feeling that the Government is imposing no burden it can escape, heaping upon them no weight that it can lift.

My countrymen, for so I desire to address you, I appeal with all the sincerity of my soul that these foolish things shall be stopped, that security shall be given to the people of this country and to its business, that the farmer shall be restored to his rights.

I leave off as I began, by saying that this is not a question of tomatoes, it is a question involving success in this great war.

Mr. THOMAS. Mr. President, it is appropriate, in connection with the speech to which we have just listened, to call attention to an order, a copy of which I have just received, from the United States Fuel Administration as affecting the mines in the States of Colorado, Utah, Montana, and Wyoming. It is to become effective upon the 11th day of March and greatly reduces the prices fixed for coal last November, under which a very considerable increase of production has been noted.

The mines of my State, Mr. President, during the past year increased their production, nothwithstanding the interference to which the Senator from Missouri has referred, something more than 2,000,000 tons, and the mine owners planned to more than double that increase during the present year.

The order just issued I will ask to have published in the RECORD without reading.

UNITED STATES FUEL ADMINISTRATION,
Washington, D. C., March 8, 1918.

Hon. CHARLES S. THOMAS,
United States Senate, Washington, D. C.

MY DEAR SENATOR THOMAS: We telegraphed last night the following new schedule of prices for Colorado, Montana, Wyoming, and Utah, effective at 7 a. m., March 11, 1918:

Colorado.

Bituminous domestic coal:	
Run of mine	$2.25
Prepared sizes	3.50
Slack or screenings	1.25
Bituminous steam coal, Trinidad district:	
Run of mine	2.35
Prepared sizes	3.25
Slack or screenings	1.65
Lignite coal:	
Run of mine	2.25
Prepared sizes	3.25
Slack or screenings	1.00

The above prices are subject to the following summer reductions:

	Cents.
Bituminous domestic coal:	
April 1	70
May 1	50
June 1	35
Aug. 1	15
Bituminous steam coal, Trinidad district:	
April 1	40
May 1	30
June 1	20
July 1	10

Utah, Montana, Wyoming.

Run of mine	$2.65
Prepared sizes	3.30
Slack or screenings	1.50

I hope that this new schedule of prices will appeal to you as just to both the consumers and the operators. It has been the result, as I think you will agree, of no small amount of study on our part, and of what at best has been a very difficult situation with which to deal.

Very truly, yours,

UNITED STATES FUEL ADMINISTRATION.

It announces on the 11th day of March a schedule of reductions, ranging from $1.20 down to 70 cents, upon all classes of coal except one, which is increased but 5 cents.

The order also announces that the above prices are subject to summer reductions begining with April.

We live, Mr. President (Mr. SHAFROTH in the chair), in a State the greater part of which is more than a mile above sea level, and April is quite as inclement and cold as the months of December and January.

Mr. President, the statements required by the food and fuel conservation act from the owners of the various mines to the Trade Commission for the months of August, September, October, and November, 1917, show, under prevailing prices, a net profit of 10.4 cents per ton, together with a considerable list of mines sustaining a loss much in excess of this average.

They also show that the Colorado Fuel & Iron Co., the great coal concern in my State, a company which perhaps produces more than 30 per cent of the entire output, sold coal under this schedule of prices at a loss of 10 cents per ton, relying for its profits upon its war contracts requiring the manufacture of steel products.

Mr. President, this order, in my judgment, and I have given the subject considerable consideration, will close from 30 to 40 per cent of the coal mines in my State. I do not believe it will be possible for the production to reach a maximum of 60 per cent of what it was last year if this order is permitted to go into effect.

I am sure when the so-called summer schedule, beginning with April, is to take effect many of these mines will either close or the Government must take possession of and run them on its own account. That will ultimate in the monopolization of the coal output by the Colorado Fuel & Iron Co., which is engaged in other and vaster enterprises than the production of coal. The effect of this order will be to destroy the independents and place the Colorado Coal & Iron monopoly in the State more firmly in the saddle than ever.

I hope that my forebodings regarding the operation of this order will not be verified by events. I shall be delighted if, notwithstanding the gloomy outlook for the coal operators of my State under this order, which, if my information is correct, the engineers connected with the Fuel Commission did not advise or recommend—I say I shall be delighted if the prospect now confronting these producers shall prove by experience to be less gloomy than it seems, but I can see no other result.

Mr. President, when I read this letter—and I received it about half past 2 o'clock—I compared it with some of the provisions of the act under which it assumes to have been promulgated. The act is one "to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel." If there is anything in this last order—and God alone knows, if anybody does, how long it will be in force before another change is made—which encourages the production, conserves the supply, or controls the distribution of fuel, I am unable to find it.

Mr. President, I am as stanch a supporter of the administration as any Member of the Senate; I shall stand by it during the war whatever the consequences. I know that it is doing the best it can; I attribute to it and to those who act for it the loftiest motives and the highest patriotism; but I verily believe that if these constant interferences with production, and particularly with the production of coal, which is the basis and foundation of all our material industries, which is as essential to life as food, is to be subjected to these continual interferences, the winter of 1918–19 will be far more severe upon the people than that through which we are now passing. We must have coal; the only way to obtain it is to encourage its production, and its production can not be encouraged by drastic orders like this.

GIFT OF RED CROSS AMBULANCE BY SENATE EMPLOYEES.

Mr. OVERMAN. Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. KIRBY. Mr. President, I will ask the Senator to withhold his motion for a moment in order that I may present a letter, which I think is deserving of perpetuation in the RECORD.

Mr. OVERMAN. I withhold the motion.

Mr. KIRBY. Mr. President, I have here a letter from the American Red Cross Society acknowledging the receipt of the ambulance presented by the employees of the United States Senate. I should like to have the letter go into the RECORD as a memorial to their generous and patriotic contribution to the cause.

Mr. WILLIAMS subsequently said: Mr. President, a few moments ago the Senator from Arkansas presented an acknowledgment from the American Red Cross of an ambulance presented by the employees of the Senate. I think this is a matter of sentiment and patriotism. He asked that the letter be printed in the RECORD. I ask that it be read aloud to the Senate before it goes into the RECORD.

The PRESIDING OFFICER. Without objection, the letter will be read.

The letter was read by the Secretary, as follows:

AMERICAN RED CROSS,
Paris, February 16, 1918.

THE EMPLOYEES OF THE UNITED STATES SENATE,
Washington, D. C.

DEAR SIRS: It gives me great pleasure to inform you that the ambulance presented by the employees of the United States Senate to the American Red Cross has arrived. It is regrettable that your gift remained in transit for so great a length of time, but I realize you can understand the tremendous task that transportation was suddenly called upon to perform. However, your gift is most welcome, though I am sorry to say it will no doubt be in constant use for many months to come. The splendid thought and desire to help in every way our wonderful men is most magnificent. The American people certainly have risen to a point of patriotism and generosity that surpasses in every way the most optimistic ideals, and I wish most sincerely to thank you in the name of the American Red Cross and the American Army for your splendid gift.

Yours, very truly,

SECTION OF DONATIONS,
GEORGE T. RICE, *Chief.*

PROTECTION OF WAR MATERIAL AND TRANSPORTATION FACILITIES.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 383) to punish the destruction or injuring of war material and war transportation facilities by fire, explosives, or other violent means, and to forbid hostile use of property during time of war, and for other purposes.

Mr. OVERMAN. I move that the Senate disagree to the amendments and request a conference with the House on the disagreeing votes of the two Houses thereon, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. OVERMAN, Mr. FLETCHER, and Mr. NELSON conferees on the part of the Senate.

EXECUTIVE SESSION.

Mr. OVERMAN. I renew my motion that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS.

Mr. MARTIN. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Saturday, March 9, 1918, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 8, 1918.

AIRCRAFT BOARD.

Harry B. Thayer to be a member of the Aircraft Board.

UNITED STATES DISTRICT ATTORNEYS.

John E. Green, jr., to be United States attorney, southern district of Texas.

Francis A. Garrecht to be United States attorney, eastern district of Washington.

UNITED STATES MARSHALS.

James E. McGovern to be United States marshal, eastern district of Washington.

John M. Boyle to be United States marshal, western district of Washington.

RECEIVERS OF PUBLIC MONEYS.

Grant T. Stahl to be receiver of public moneys at Buffalo, Wyo.

Charles R. Yeoman to be receiver of public moneys at Sundance, Wyo.

REGISTER OF THE LAND OFFICE.

Carl H. Massie to be register of the land office at Sundance, Wyo.

APPOINTMENT IN THE NATIONAL ARMY.

JUDGE ADVOCATE GENERAL'S DEPARTMENT.

Lieut. Col. Edward A. Kreger to be brigadier general.

APPOINTMENTS IN THE ARMY.

QUARTERMASTER CORPS.

Brig. Gen. Harry L. Rogers to be brigadier general.

INFANTRY ARM.

Harry Graham to be captain.

MEDICAL CORPS.

To be first lieutenants.

Joseph Price,
Laurence Arthur Petty,
William Sharp McCann,
Joseph Richard Turner, jr.,
Joseph Emmerson Strode,
Frederick Franklin Alsup,
William Philip Smale,
William Edward Nesbit,
Stewart Lawwill,
Rollo Preston Bourbon,
Wesley Cintra Cox,
Joe Harold St. John,
Robert Archie Sherwood,
Nuckols Thornton Davie,
Harold Vincent Raycroft,
John Darlington Nourse,
Joseph Duerson Stout,
William Stanton Martens,
Raymond Osborne Dart,
Alfred Alexander Schwartz,
Frank Hernon Chase,
John Manning Venable,
Alfred Edward Jones,
Floyd Vern Kilgore,
Adolph George Christian Schnack,
John Christopher Woodland,
Walter Leslie Perry,
Zera Exley Bolin,
Joseph Wheeler Smith, jr.,
Martin Joachim Seid,
Leo Edward Reimann,
Bernard Lipscomb Jarman,
Roy Terry Haskell,
Edmund Anderson Lodge,
John Frank Lieberman,
Lucius Lamar Handly,
John Albert Randall,
Robert Shoemaker, 3d,
Harvey Robinson Livesay,
John Earl Kiley,
William Otto Fischer,
Harry Beauvoir Hansen,
Arthur Nellon Henson,
Don Clio Bartholomew,
Cedric Eugene Filkins,
Henry Andrew Rasmussen,
Clyde Everett Shedd,
Benjamin Franklin Frazer,
Cornelius Stephen Conklin, and
Guy Blair Denit.

APPOINTMENT, BY TRANSFER, IN THE ARMY.

FIELD ARTILLERY.

Second Lieut. Frederick D. Sharp, Infantry, to be second lieutenant of Field Artillery.

PROVISIONAL APPOINTMENTS, BY TRANSFER, IN THE ARMY.

FIELD ARTILLERY.

Second Lieut. Irvin H. Zeliff, Coast Artillery Corps, to be second lieutenant of Field Artillery.

Second Lieut. Stewart F. Miller, Twenty-fourth Cavalry, to be second lieutenant of Field Artillery.

INFANTRY ARM.

Second Lieut. Mark A. Van Liew, Field Artillery, to be second lieutenant of Infantry.

PROVISIONAL APPOINTMENT, BY PROMOTION, IN THE ARMY.

INFANTRY.

To be captains.

First Lieut. Irving C. Avery,
First Lieut. James V. Ware,
First Lieut. Robert W. Brown,
First Lieut. James R. Manning,
First Lieut. Charles L. Steel,
First Lieut. Stuart R. Carswell,
First Lieut. Gilbert S. Harter,
First Lieut. John W. Cotton,
First Lieut. Ralph E. Wallace,
First Lieut. Lawrence W. Fagg,
First Lieut. Maury Mann,
First Lieut. Rupert L. Purdon,
First Lieut. Richard S. Jones,
First Lieut. William C. Hanna,
First Lieut. Leon G. Harer,
First Lieut. Edwin M. Scott,
First Lieut. Paul J. Dowling,
First Lieut. John H. Jones,
First Lieut. Rufus E. Wicker,
First Lieut. Charles L. Briscoe,
First Lieut. Hermann C. Dempewolf,
First Lieut. Frank E. Hinton,
First Lieut. Frank P. Tuohy,
First Lieut. John R. Hermann,
First Lieut. Louis T. Roberts,
First Lieut. James M. Palmer,
First Lieut. Ralph A. W. Pearson,
First Lieut. Alfred Millard,
First Lieut. Harry A. Ambs,
First Lieut. William H. Bittenbender,
First Lieut. Raymond H. Bishop,
First Lieut. James A. Summersett, jr.,
First Lieut. Hugh C. Gilchrist,
First Lieut. Allen T. Veatch,
First Lieut. Sigurd J. Simonsen,
First Lieut. Thomas G. Bond,
First Lieut. John E. Haywood,
First Lieut. Willis H. Hale,
First Lieut. Noe C. Killian,
First Lieut. Lindsay P. Johns,
First Lieut. Walter R. Mann,
First Lieut. Henry W. Lee, and
First Lieut. Charles A. Shamotulski.

To be first lieutenant.

Second Lieut. Robert R. O'Loughlin.

To be second lieutenant.

Robert Roy O'Loughlin.

PORTO RICO REGIMENT OF INFANTRY.

Second Lieut. Modesto E. Rodriguez to be first lieutenant.

PROMOTIONS IN THE ARMY.

QUARTERMASTER CORPS.

To be colonels.

Lieut. Col. Robert S. Smith, and
Lieut. Col. Richmond McA. Schofield.

To be lieutenant colonels.

Maj. Morton J. Henry, and
Maj. William Elliott.

VETERINARY CORPS.

Asst. Veterinarian Jules H. Uri to be veterinarian.

TEMPORARY PROMOTIONS IN THE ARMY.

INFANTRY.

Maj. Lorenzo D. Gasser to be lieutenant colonel.

To be majors.

Capt. Lorenzo D. Gasser and
Capt. Sydney Smith.

COAST ARTILLERY CORPS.

To be colonels.

Lieut. Col. Robert H. C. Kelton,
Lieut. Col. Percy P. Bishop,
Lieut. Col. Henry J. Hatch,
Lieut. Col. William F. Hase, and
Lieut. Col. William R. Doores.

To be lieutenant colonels.

Maj. Hugh K. Taylor,
Maj. Alden Trotter,
Maj. Frank S. Long,
Maj. John P. Spurr,
Maj. Francis W. Ralston,
Maj. Adna G. Clarke,
Maj. Samuel G. Shartle,
Maj. Michael H. Barry,
Maj. Clarence G. Bunker,
Maj. William H. Tobin,
Maj. Harry J. Watson,
Maj. Jacob E. Wyke,
Maj. Charles O. Zollars,
Maj. John Storck,
Maj. Jacob M. Coward,
Maj. John L. Roberts, jr.,
Maj. Frederick L. Buck, and
Maj. Jay P. Hopkins.

CORPS OF ENGINEERS.

To be colonels.

Lieut. Col. William P. Stokey,
Lieut. Col. Lewis M. Adams, and
Lieut. Col. William D'A. Anderson.

To be lieutenant colonels.

Maj. Charles L. Hall,
Maj. Virgil L. Peterson,
Maj. George R. Goethals,
Maj. John W. N. Schulz,
Maj. Richard T. Coiner,
Maj. Robert S. A. Dougherty,
Maj. Cleveland C. Gee,
Maj. John M. Wright,
Maj. John R. D. Matheson,
Maj. Earl North, and
Maj. Albert H. Acher.

To be majors.

Capt. John S. Bragdon,
Capt. George J. Richards,
Capt. Alexander P. Cronkhite,
Capt. John S. Smylie,
Capt. Lehman W. Miller,
Capt. Douglas L. Weart,
Capt. Earl E. Gesler,
Capt. Edwin A. Bethel,
Capt. John F. Conklin,
Capt. Alfred L. Ganahl,
Capt. John E. Harris,
Capt. William F. Tompkins,
Capt. Douglas H. Gillette,
Capt. Paul A. Hodgson,
Capt. Donald A. Davison,
Capt. Thomas B. Larkin, and
Capt. Edwin C. Kelton.

JUDGE ADVOCATE GENERAL'S DEPARTMENT.

Maj. Edwin O. Saunders to be lieutenant colonel.

QUARTERMASTER CORPS.

Maj. William B. Rochester to be lieutenant colonel.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Lieut. William A. Hall to be a lieutenant commander.

Surg. William Seaman to be a medical inspector with the rank of commander.

Passed Asst. Surg. George B. Trible to be a surgeon with the rank of lieutenant commander.

Paymaster George P. Dyer to be a pay inspector with the rank of commander.

The following-named passed assistant paymasters to be paymasters with the rank of lieutenant commander:

Charles E. Parsons,
William J. Hine,
Kenneth C. McIntosh,
Francis J. Daly,
Roland W. Schumann,
Franklin P. Williams, and
Leon N. Wertenbaker.

The following-named assistant paymasters to be passed assistant paymasters with the rank of lieutenant (junior grade):

Josiah Merritt,
Charles G. Holland, and
Hiram P. Tudor.

Gunner Edward C. Wurster to be a chief gunner.

Gunner Harry R. Hayes to be an ensign.

Carpenter Alfred L. Johnson to be an ensign.

The following-named warrant officers to be ensigns:

Stephen E. Haddon,
Clarence E. Jackson,
Arthur V. Holmes,
Frederick Ellison,
James K. Smallwood,
Thomas J. Malarkey,
Frederick T. Mayes,
Edward J. Murnane,
Harold H. Ralph, and
Matthew Woessner.

The following-named enlisted men to be ensigns:

Albert Woods,
Kenneth H. Stetson,
Joseph Murtagh,
John E. Pedersen,
Lansford F. Kengle,
Stanley A. Jones,
Frank A. Brandecker,
Arthur Wrightson,
Joseph A. Clark,
Arthur A. Hewitt,
William A. Lynch, and
Edward H. Smith.

The following-named ensigns of the United States Naval Reserve Force to be ensigns:

Martin F. Comeau,
Robert B. McEwan, jr.,
Watson K. Blair,
Francis H. Cabot,
Ralph Horween, and
Harold K. Smoot.

The following-named ensigns of the National Naval Volunteers to be ensigns:

Clifford F. E. Ward,
Forest W. Allen,
Dwight L. Jennings,
Robert A. Haynie, and
Adolph Bloom.

POSTMASTERS.

ALABAMA.

Edmund P. Lakeman, Haleyville.

CALIFORNIA.

Elmer S. Slade, Calipatria.
Myrtle M. Crawford, Ceres.

COLORADO.

Marshall Q. Starr, Hayden.
Cornelia C. Simpson, La Veta.

HAWAII.

M. G. Santos, Lihue.

IDAHO.

Lida Cox, Rigby.

INDIANA.

Harry C. Harness, Hamlet.

KENTUCKY.

Henry H. Caudill, Morehead.

MISSISSIPPI.

Guy Jack, Scooba.

MISSOURI.

Willard N. Bledsoe, Atlanta.

MONTANA.

Louis C. Bade, Bigtimber.
Clarence R. Miller, Circle.
Chauncey W. Griffin, Dodson.
James S. Honnold, Joliet.

NEW MEXICO.

Robert J. Lentz, Magdalena.

NEW YORK.

Lewis O. Wilson, Long Beach.

NORTH CAROLINA.

Bessie F. Nicholson, Maxton.

OHIO.

Fred W. Pace, Roseville.

TEXAS.

Robert E. Watson, Crowell.
Grace Lemmon, Garland.
Hoyte H. Burchard, Harlingen.
Florence K. Winsett, Higgins.
William J. Hamlett, Milford.
Sallie P. Lunday, Naples.
Ben B. Ward, Newcastle.
Annie Kilpatrick, Ratcliff.

UTAH.

Scerinda Rasmussen, Fairview.
John M. Andersen, Lewiston.

VIRGINIA.

G. C. Turner, Dante.
Ethel V. Vaughan, Timberville.

WEST VIRGINIA.

William E. McDowell, Mount Hope.
Armistead S. Lucas, Shepherdstown.

WYOMING.

J. Arthur Mecham, Afton.
Edith E. Sumner, Glenrock.
Walter E. Patterson, Wheatland.

HOUSE OF REPRESENTATIVES.

FRIDAY, *March 8, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou God and Father of us all, above all, through all, and in us all, Thou knowest the terrible condition in which the world has been plunged, in an unparalleled war, for its cruelty, hate, and revenge.

Heal, we beseech Thee, the broken hearts, comfort the sorrowing, strengthen the weak, encourage every legitimate effort to bring peace again to the world; that the wrecked homes may be restored and hope again reign in the hearts of mankind; that the prayer of prayers may be answered and Thy will be done in earth as in heaven, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO ADDRESS THE HOUSE.

Mr. RANDALL. Mr. Speaker, I ask unanimous consent for three minutes.

The SPEAKER. The gentleman from California asks unanimous consent to speak for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. RANDALL. Mr. Speaker, in the time granted me I desire to have the Clerk read a telegram sent by order of the Prohibition national convention and directed to the House of Representatives.

The SPEAKER. The gentleman from California asks unanimous consent to have a telegram read. Is there objection?

Mr. WALSH. I did not understand on what subject the telegram was.

Mr. RANDALL. The telegram was sent by order of the Prohibition national convention, and naturally it is on the subject of prohibition.

Mr. WALSH. I did not understand.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

CHICAGO, ILL., *March 6, 1918.*

HOUSE OF REPRESENTATIVES,
Care Hon. CHARLES H. RANDALL,
Washington, D. C.:

The Prohibition Party in national convention assembled would first of all declare our loyal Americanism and pledge our loyalty to our President and every branch of the Government in every effort to protect American rights and to make the world safe for democracy; but at the same time democracy should be made safe for the world. To do this the Government must set its face against every evil in the present conflict with Germany. The greatest ally of the Kaiser in our land is the liquor traffic. We demand the immediate killing of this traitor by the enactment of war prohibition for the Nation. We assure you that the declaration that organized labor would band itself against the Government if prohibition were enacted is a libel upon our toilers, and we brand as traitors those so-called labor leaders who by this threat would take the Government by the throat. We declare it not merely pitiful but disloyal to worse than destroy, in making drink, enough foodstuffs to feed the armies at the front. We protest against permitting this to be done, while calling upon our children to do without bread and meat and sweets. Do the right and give us nation-wide prohibition at once, and call upon our allies to do the same for their lands.

By order of Prohibition national convention.

T. MARCELLUS MARSHALL,
B. E. P. PRUGH,
W. M. GODWIN.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed the bill (S. 3714) to provide further for the national security and defense and for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes, in which the concurrence of the House of Representatives was requested.

PERMISSION TO ADDRESS THE HOUSE.

Mr. CANNON. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Illinois rise?

Mr. CANNON. I ask unanimous consent for three minutes to make a statement.

The SPEAKER. The gentleman from Illinois asks unanimous consent for leave to address the House for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CANNON. Mr. Speaker, I have just listened to the telegram read at the request of the Member from California. I, too, get telegrams of the same tenor from individuals. Congress enacted a law prohibiting the making of alcoholic drinks for beverage purposes, and the same law authorized the President to prohibit or regulate the making of beer, and the President did prohibit the making of beer containing more than 2½ per cent of alcohol and can now prohibit the making of beer that contains any alcohol.

We are sending to our allies barley, corn, and oats, and these are used by our allies for the making of beer.

I voted, voicing the sentiment of my constituents, to submit a constitutional amendment for national prohibition. I just want to make that statement.

We are in this greatest of all wars in the history of the human race for democracy. Our boys are in the trenches. We are feeding and financing our allies. Our allies are making beer from our grain exported to them. Shall we embargo our exports of grain?

As legislators, we must look over the whole situation at home and abroad. Is it wise to embargo grain supplies to our allies because they make a portion of it into beer? If so, we go without markets for a part of our product. If the President prohibits the production of beer 2½ per cent alcohol, we lose a home market for a large per cent of our corn, barley, and oats, and a large per cent of internal-revenue tax upon the same.

I know there are good people who believe it wise to so prohibit, and there are some people who look to that end without regard to other matters and some who look at the universe through a gimlet hole, and the universe is according to the range of their vision. [Applause.]

SPEAKER PRO TEMPORE SUNDAY.

The SPEAKER. The Chair appoints the gentleman from North Dakota (Mr. NORTON) to preside as Speaker pro tempore next Sunday.

EXTENSION OF REMARKS.

Mr. HICKS. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. HICKS. I ask unanimous consent to extend my remarks in the RECORD on the subject of manning the merchant ships with naval crews.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

SOLDIERS AND SAILORS' INSURANCE.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to take up at this time and pass Senate joint resolution 133.

The SPEAKER. The gentleman from Texas asks to take from the Speaker's desk and consider at this time Senate joint resolution 133. Is there objection?

Mr. GILLETT. Reserving the right to object, let it be reported.

Mr. COX. Mr. Speaker, reserving the right to object——

The SPEAKER. That is what the Chair has ordered done.

The Clerk read as follows:

Joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured.

Resolved, etc., That insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, shall be granted by the Bureau of War-Risk Insurance on application made by the person to be insured or, subject to such regulations as the bureau may prescribe, by any other person.

The SPEAKER. Is there objection?

Mr. COX. Mr. Speaker, reserving the right to object, I think the gentleman from Texas ought to make some explanation of this resolution.

Mr. RAYBURN. Mr. Speaker, yesterday afternoon when I tried to get this up I explained the reason for it. The reason for the introduction of this resolution at this time is that there are a good many men in the service now whose position is such that it is impossible for them either to apply for insurance or indorse an application for insurance.

Mr. COX. Who are they?

Mr. RAYBURN. For instance, we have a good many men in prison in Germany and they can not do it. We have them scattered in different services over the world and——

Mr. COX. Are they in the Army or some branch of the military service?

Mr. RAYBURN. Those fellows captured are in the Army.

Mr. COX. That is true. As I caught the reading of the resolution—I may be wrong—it seemed broad enough to permit the wives of soldiers or fathers and mothers of soldiers to take out insurance for those soldiers.

Mr. RAYBURN. That is what it is intended for.

Mr. COX. Let me ask the gentleman this question: Suppose a soldier who is now in the service had already taken out insurance. Would this provision permit his wife to take out additional insurance?

Mr. RAYBURN. No; this is for people who have not made any application for insurance at all.

Mr. COX. How is that?

Mr. RAYBURN. This is for people who have not made application for insurance at all.

Mr. COX. It would be those people now who are in the military service in some way?

Mr. RAYBURN. And the time for which they can apply for this insurance will expire on the 12th of April.

Mr. BARKLEY. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. BARKLEY. Suppose the soldier had applied for $5,000 insurance, would this enable his wife or some other member of the family to apply for an additional $5,000?

Mr. RAYBURN. It would not. This is to cover cases where they have not applied. It would not cover a case where there has been an application filed. This says that it must be applied for by the soldier himself or by another person. I am going to offer an amendment, however, if we are able to get the bill up, which will provide to strike out the words "by any other person," because I think that is a little too broad, and insert in lieu thereof "by any person who under the law can be named as a beneficiary under the policy."

Mr. BARKLEY. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. BARKLEY. I was informed the other day by the Bureau of War-Risk Insurance that under the present regulations, where the soldier has made an application for, say, $5,000 of insurance, and has obtained it, any member of his family who might be a beneficiary could make an application for an additional $5,000, but the application for the additional amount would have to be approved by him and sent back before it was issued. Does this resolution cover that situation?

Mr. RAYBURN. No. This resolution simply covers persons who have made no application whatever. The regulations now are that the soldier if he makes the application himself, or if somebody else makes it, must indorse the application, and some of these fellows are in a position where they can neither make the application themselves nor indorse an application. And it is supposed to cover cases of that kind.

Mr. BARKLEY. Where the application is made by some other than the soldier himself, does that contemplate that the premium shall be deducted from his pay as a soldier?

Mr. RAYBURN. They are not going to question where that premium is paid. It can be paid by him or by somebody else.

Mr. BARKLEY. But where it is applied for by somebody else, it would not be deducted from his pay unless he consented to it?

Mr. RAYBURN. No, sir.

Mr. McKENZIE. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. McKENZIE. The question I wanted to ask is the one brought out by the gentleman from Kentucky [Mr. BARKLEY]. I understand that under this law where the soldier applies for insurance and it is granted, then the premium is taken out of the soldier's pay. Now, in case the soldier does not care to take out the insurance and somebody else takes out the insurance under this resolution, after the policy is issued, would it be possible then for the War-Risk Insurance Bureau to take from the soldier's pay the premium for insurance which perhaps he does not care for?

Mr. RAYBURN. That, of course, would be subject to regulation, and I do not think, however, that the bureau would make a regulation that a fellow should pay out money for something he had not applied for.

Mr. GILLETT. Mr. Speaker, this law ought not to be broadened in this way by unanimous consent. I think it ought to be discussed fully; so I object.

Mr. RAYBURN. Will the gentleman reserve his objection for just a moment?

Mr. GILLETT. Certainly.

Mr. RAYBURN. It is most important, if we are going to pass this resolution, that it be passed pretty soon. This time absolutely expires on April 12, and that is after we have given a 60-day extension on it. After April 12 it will not do any good to pass a law like this for the fellows in the service now, more than 2,000,000 of them, but it might do good to the fellow that goes in the service hereafter.

Mr. GILLETT. I do not wish to delay it, but it does not seem to me right that such a broadening of the original law should be permitted without a full discussion. If it was right it should have been put into the original law.

Mr. RAYBURN. I will say to the gentleman it was the intention of the framers of the original law, but the Attorney General in a ruling asked for by the bureau on that very point held they could not take out the insurance unless the soldier applied for it or indorsed the application.

Mr. GILLETT. It seems to me that was right. It does not seem to me anybody ought to be allowed to take it out. I recognize the exception that the gentleman stated yesterday, of a man being a prisoner so that he could not apply himself, and if the gentleman would limit it to that I would be glad to consent, but I do not see any other reason for it.

Mr. RAYBURN. I would be willing, of course, to limit it to such a limitation on it as would cover the case. But there are other cases that have been specifically called to my attention, of men who are in a position, besides the men who are in prison, to not get this insurance.

The SPEAKER. Is there objection?

Mr. GILLETT. I object, Mr. Speaker.

FURLOUGHS TO ENLISTED MEN.

Mr. DENT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 9100, a bill authorizing the Secretary of War to grant furloughs.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 9100) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States, and for other purposes.

Be it enacted, etc., That whenever in the opinion of the Secretary of War the interests of the service or the national security and defense render it necessary or desirable, the Secretary of War be, and he hereby is, authorized to grant furloughs to enlisted men of the Army of the United States with or without pay and allowances or with partial pay and allowances, and for such periods as he may designate, to permit said enlisted men to engage in civil occupations and pursuits.

Also the following committee amendment was read:

Add at the end of the bill the following proviso, after the word "pursuits" in line 10, page 1:

Provided, That such furloughs shall be granted only upon the voluntary application of such enlisted men under regulations to be prescribed by the Secretary of War."

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

ADDITIONAL ASSISTANT SECRETARIES OF WAR.

Mr. DENT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 9352, increasing the number of the Assistant Secretaries of War by two.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes.

Be it enacted, etc., That an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890 (26 Stats., p. 17), be, and the same hereby is, amended to read as follows:

"There shall be in the Department of War an Assistant Secretary, a Second Assistant Secretary, and a Third Assistant Secretary, each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall be entitled to a salary of $4,500 a year, payable monthly, and shall perform such duties in the Department of War as shall be prescribed by the Secretary or as may be required by law."

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. This bill is on the Union Calendar.

Mr. DENT. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Alabama asks unanimous consent that this bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. DENT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. SHOUSE rose.

Mr. DENT. Mr. Speaker, I would like to ask unanimous consent for the present consideration of another bill.

The SPEAKER. I think the gentleman is too greedy. [Laughter.] The gentleman from Kansas is recognized.

PENSIONS.

Mr. SHOUSE. Mr. Speaker, I want to call up a pension bill, H. R. 10477.

The SPEAKER. The Clerk will report it.

The Clerk read the title of the bill, as follows:

A bill (H. R. 10477) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Mr. SHOUSE. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Kansas asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

Mr. SHOUSE. Mr. Speaker, I ask unanimous consent to dispense with the first reading of the bill.

The SPEAKER. The gentleman from Kansas asks unanimous consent to dispense with the first reading of the bill. Is there objection?

There was no objection.

The bill is as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of James H. Woods, late of Company I, One hundred and twentieth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Thomas C. Thodey, late of Company B, Sixteenth Regiment Michigan Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Lilla J. Darling, helpless and dependent child of Nelson Darling, late unassigned, Twenty-second Regiment Wisconsin Infantry, and pay her a pension at the rate of $12 per month.

The name of John Wilson, late of Company I, Twenty-third Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Annie Garner, helpless and dependent child of William H. Garner, late of Company C, One hundred and ninety-fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $12 per month.

The name of George H. Bostwick, late of Company I, Seventy-second Regiment New York Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Jeremiah Wilson, late of Company K, Ninth Regiment, and Company C, First Regiment, West Virginia Veteran Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of William S. Snodgrass, late of Company D, Seventeenth Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $27 per month in lieu of that he is now receiving.

The name of Elijah Pew, late of Company E, Fifty-third Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Henry Cutberth, late of Company E, Sixth Regiment Provisional Enrolled Missouri Militia, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Ellory P. Willett, late of Company K, Seventh Regiment Indiana Volunteer Cavalry, and Company C, Fifteenth Regiment Veteran Reserve Corps, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Alvin Eck, late of Company A, Twelfth Regiment Michigan Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Margaret Dunham, widow of Mathew L. Dunham, late of Company H, Twenty-second Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of John A. Baker, late of Company K, Eighty-second Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Lydia Elliott, dependent mother of John J. Elliott, late of Company A, Seventh Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $25 per month in lieu of that she is now receiving.

The name of Cyrus C. Marston, late of Company B, Brackett's Battalion Minnesota Volunteer Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Phebe Morgan, widow of John H. Morgan, late of Company F, Seventy-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of James L. Johnston, late of Company B, One hundred and twenty-third Regiment New York Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of George H. Skym, late of Company G, One hundred and fifteenth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of George W. Bradshaw, late of Company G, Forty-fifth Regiment Kentucky Mounted Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of William A. Nichols, late of Company B, Seventy-eighth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Nathaniel Parshall, late of Company A, Sixty-ninth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Louis Rinart, late of Company H, One hundred and forty-sixth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Edward Flowers, late of Company A, Tenth Regiment Ohio Volunteer Cavalry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Charles G. Wilson, late of Company G, Fifth Regiment Illinois Volunteer Cavalry, and Companies F and K, Ninety-ninth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Stillman P. Daily, late unassigned drafted man, nineteenth congressional district, Pennsylvania, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Henry M. Means, late of Company C, Second Battalion Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Sanford Smith, late of Company B, Twenty-fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Anna M. Venus, helpless and dependent child of John T. Venus, late of Company I, Sixty-ninth Regiment New York State Militia, and pay her a pension at the rate of $12 per month.

The name of Jeremiah M. Fitger, late of band, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of John W. Randels, late of Company G, One hundred and seventy-ninth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Harriet Botham, widow of George W. Botham, late of Company G, Eighty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of Jacob Crist, late of Company F, Fourteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Charles D. Monroe, late of Forty-eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of James A. Nichols, late of Company I, One hundred and eighty-second Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Wilber D. West, late of Company F, Eleventh Regiment Kansas Volunteer Cavalry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Edward G. Burnet, late of Company K, Fortieth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Alfred A. Gambill, late of Company A, Thirteenth Regiment Kentucky Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Richard M. J. Monroe, late of Company C, Eighth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Gen. W. H. Harrison, late of Company E, Eighth Regiment West Virginia Volunteer Infantry (subsequently Seventh Regiment West Virginia Volunteer Cavalry), and pay him a pension at at the rate of $36 per month in lieu of that he is now receiving.

The name of Theodore H. Robbins, late of Company E, First Ohio Volunteer Light Artillery, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Charles Nack, late of Company D, Thirty-seventh Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of George W. Coughanour, late of Company H, Sixty-fourth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $27 per month in lieu of that he is now receiving.

The name of Thomas Conley, late of Sixteenth Battery, Indiana Volunteer Light Artillery, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Samuel Dir, late of Company B, Twelfth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of William W. Wolf, late of Company B, Ninety-third Regiment Ohio Volunteer Infantry, and Company B, Fifteenth Regiment Veteran Reserve Corps, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Joshua J. Bender, late of Company H, Fourteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Orrin T. Blood, late of Company G, One hundred and twelfth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Rodney S. Cathcart, late of Forty-ninth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Joseph H Rutroff, late of Company A, Eighth Regiment West Virginia Volunteer Infantry (subsequently Seventh Regiment West Virginia Volunteer Cavalry), and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Michael C. Bierring, late of Company I, Sixty-first Regiment Massachusetts Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Peter Wetterich, late of Company G, Ninth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of John Daily, late of Company A, Second Regiment Provisional Enrolled Missouri Militia, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of John Cherry, late of Company C, Ninth Regiment Iowa Volunteer Cavalry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of William H. Snedaker, late of Company B, One hundred and seventy-second Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Irwin Beach, late of Company D, Seventeenth Regiment Illinois Volunteer Cavalry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Peter Beichler, late of Company F, Seventy-ninth Regiment, and Company G, One hundred and thirty-third Regiment, Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of John C. Kuhn, late of Company F, One hundred and seventy-seventh Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Tilman H. Elrod, late of Company I, Thirteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of John T. McGown, late of Company F, One hundred and thirty-sixth Regiment, and Company G, Forty-ninth Regiment, Illinois Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of James H. Kabrick, late of Company F, One hundred and twenty-sixth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Albert Vantassel, late of Company C, Thirty-eighth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Mary E. Selby, widow of Francis M. Selby, late of Company I, Ninety-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of Levi Lightfoot, late of Company E, Fifteenth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of David D. Bryant, late of Company F, First Pennsylvania Volunteer Light Artillery, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of James M. Turley, late of Company H, Thirteenth Regiment Missouri Volunteer Cavalry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Amanda L. Townsend, widow of Jacob Townsend, late of Company D, Twelfth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of Oren M. Harlan, late of Company A, Fourteenth Regiment, and Company E, Sixth Regiment, Tennessee Volunteer Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Isaac M. Glasford, late of Company A, Twenty-ninth Regiment Iowa Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Henry D. Loveland, late of Company E, Seventh Regiment Pennsylvania Volunteer Cavalry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of James Knight, late of Company K, Forty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Denton Williams, late of Company B, Thirty-seventh Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of William Starling, now known as William Hopkins, late of Company B, One hundred and eighteenth Regiment United States Colored Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James Gallagher, late of Company I, Eighty-first Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Michael T. Wertz, late of Company B, One hundred and seventy-second Regiment Pennsylvania Drafted Militia Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Benjamin D. Cole, late of Company A, One hundred and seventy-eighth Regiment Pennsylvania Drafted Militia Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Thomas A. Pine, late of Company B, One hundred and forty-fourth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of George Pugh, late of Company D, Fourth Regiment Missouri State Militia Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Mary E. Beitzell, widow of Marcellus Beitzell, late of Company F, Seventy-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of James Altic, late of Company K, Thirty-third Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Walden Kelly, late of Company F, Twenty-sixth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Charles F. Deivert, late of Company B, One hundred and twenty-ninth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Alexander Clark, late of Company H, Seventy-eighth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Alvanes P. Henery, late of Company E, One hundred and ninety-third Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of John Douglass, late of Company A, Forty-third Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of William A. Mitchum, late of Company E, Fifty-fifth Regiment Kentucky Volunteer Mounted Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Lena Derl, helpless and dependent child of Charles Derl, late of Company B, Forty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $12 per month.

The name of Henry R. Riner, late of Company G, One hundred and thirty-second Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of William Johnson, late of Company I, First Regiment United States Veteran Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Maggie A. Skinner, former widow of Zachariah D. Epperly, late of Company F, Thirty-fifth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of Albert B. Cornell, late of Company M, Twenty-first Regiment New York Volunteer Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Josephus H. Spann, late of Company C, Thirteenth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of John H. Travis, late of Company I, Tenth Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of George F. Bostwick, late of Company G, Twentieth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of James Flanagan, late of Company E, Fifteenth Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of George Rush, late of Company B, Seventh Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Robert Dignan, late of Companies M and B, Twenty-second Regiment Pennsylvania Volunteer Cavalry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Mary R. Butler, widow of Adon Butler, late of Company H, Ninth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $25 per month, and $2 per month additional for each of two minor children of the soldier in lieu of that she is now receiving.

The name of William J. Lawless, late of Company I, Fifth Regiment Kentucky Volunteer Cavalry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of William McCommon, late of Company H, One hundred and forty-ninth Regiment Ohio Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Joseph S. Wiley, late of Company K, Eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of George H. King, late of Company L, Second Regiment Massachusetts Volunteer Heavy Artillery, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Benjamin G. Bridges, late of Company A, Seventh Regiment Missouri State Militia Cavalry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Thomas O. Forbes, late of Company D, Thirty-ninth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $27 per month in lieu of that he is now receiving.

The name of Jacob Shinaberger, late of Company C, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of David E. Tussing, late of Company A, One hundred and sixty-seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Francis M. Wall, late of Company K, One hundred and eighty-fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of William C. Wagoner, late of Company G, Twelfth Regiment Ohio Volunteer Cavalry, and pay him a pension at the rate of $27 per month in lieu of that he is now receiving.

The name of Newell S. Lord, late of Company G, Twelfth Regiment Vermont Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of John H. Ellett, late of Company C, Twenty-seventh Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of William F. Thornberry, late of Company H, Ninth Regiment Kansas Volunteer Cavalry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Joseph Wagoner, late of Company E, Eighty-first Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Frederick Althans, late of Company H, Twentieth Regiment New York Volunteer Infantry, and Company B, Fifth Regiment New York State Militia, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of William Haines, late of Company C, Fiftieth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Ellen M. Davenport, widow of John L. M. Davenport, late of Company K, Twenty-third Regiment Maine Volunteer Infantry, and pay her a pension at the rate of $25 per month.

The name of William G. Fearing, late of United States Navy, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of James T. Rollf, late of Company I, One hundred and eighty-seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $27 per month in lieu of that he is now receiving.

The name of Joseph Brown, late of Company D, Two hundred and tenth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Daniel W. Butt, late of Company I, One hundred and forty-eighth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of James C. Stevenson, late of Company E, One hundredth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of John Short, late of Company B, Fifth Regiment Kentucky Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Stephen K. Hamilton, alias Stephen Kerrigan, late of Company C, Thirty-sixth Regiment New York Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Francis Roy, late of Company K, Eleventh Regiment Vermont Volunteer Infantry (First Vermont Volunteer Heavy Artillery), and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of James Wakefield Carver, late of Company F, Sixty-first Regiment Massachusetts Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Henry Merida, late of Company D, Forty-seventh Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Albert N. Hopkins, late of Regimental Band, Second Regiment Michigan Volunteer Cavalry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Henry C. Fuson, late of Company E, Fifty-third Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Charles H. Peck, late of Company G, First Regiment New York Engineers, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Oliver R. Kazee, late of Company G, Thirty-ninth Regiment Kentucky, Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Allen Farler, late of Company I, Fifty-third Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Joseph Halcomb, late of Company H, Forty-seventh Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Allen Wright, late of Company F, Second Regiment Arkansas Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Anthony O'Grady, alias John Davis, late of Company F, Nineteenth Regiment Massachusetts Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of William Tomlinson, late of Company I, Third Regiment West Virginia Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Albert Wentink, late of Company K, Fiftieth Regiment Wisconsin Volunteer Infantry, and pay him a pension at the rate of $36 per month in lieu of that he is now receiving.

The name of Simeon Chapman, late of Company E, Sixteenth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The name of Cyrus B. Bristol, late of Company B, Sixty-fifth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Mathias Steffas, late of Company A, Fourteenth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The name of Eli Pealer, late of Company D, Thirty-fifth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The foregoing is a substitute for the following House bills referred to the Committee on Invalid Pensions:

H. R. 518. James H. Woods.
H. R. 683. Thomas C. Thodey.
H. R. 786. Lilla J. Darling.
H. R. 870. John Wilson
H. R. 874. Annie Garner.
H. R. 1032. George H. Bostwick.
H. R. 1315. Jeremiah Wilson.
H. R. 1394. William S. Snodgrass.
H. R. 1473. Elijah Pew.
H. R. 1478. Henry Cutherth.
H. R. 1487. Ellory P. Willett.
H. R. 1557. Alvin Eck.
H. R. 1800. Margaret Dunham.
H. R. 1982. John A. Baker.
H. R. 2078. Lydia Elliott.
H. R. 2265. Cyrus C. Marston.
H. R. 2392. Phebe Morgan.
H. R. 2517. James L. Johnston.
H. R. 2518. George H. Skym.
H. R. 2553. George H. Bradshaw.
H. R. 2559. William A. Nichols.
H. R. 2754. Nathaniel Parshall.
H. R. 2989. Louis Rinart.
H. R. 3187. Edward Flowers.
H. R. 3697. Charles G. Wilson.
H. R. 3734. Stillman P. Daily.
H. R. 3926. Henry M. Means.
H. R. 4360. Sanford Smith
H. R. 4756. Anna M. Venus.
H. R. 4764. Jeremiah M. Fitger.
H. R. 4791. John A. Randels.
H. R. 4825. Harriet Botham.
H. R. 4835. Jacob Crist.
H. R. 4978. Charles D. Monroe.
H. R. 5062. James A. Nichols.
H. R. 5125. Wilber D. West.
H. R. 5161. Edward G Burnet.
H. R. 5222. Alfred A. Gambill.
H. R. 5356. Richard M. J. Monroe.
H. R. 5463. General W. H. Harrison.
H. R. 5631. Theodore H. Robbins.
H. R. 5690. Charles Nack.
H. R. 5877. George W. Coughanour.
H. R. 5915. Thomas Conley
H. R. 6205. Samuel Dir.
H. R. 6673. William W. Wolf.
H. R. 6684. Joshua J. Bender.
H. R. 6685. Orrin T. Blood.
H. R. 6731. Rodney S. Cathcart.
H. R. 6741. Joseph H. Rutroff.
H. R. 6863. Michael C. Bierring.
H. R. 7204. Peter Wetterich.
H. R. 7211. John Daily.
H. R. 7218. John Cherry.
H. R. 7286. William H. Snedaker.
H. R. 7370. Irwin Beach.
H. R. 7431. Peter Beichler.
H. R. 7444. John C. Kuhn.
H. R. 7483. Tilman H. Elrod.
H. R. 7582. John T. McGown.
H. R. 7758. James H. Kabrick.
H. R. 7762. Albert Vantassel.
H. R. 7868. Mary E. Selby.
H. R. 7937. Levi Lightfoot.
H. R. 8021. David D. Bryant.
H. R. 8038. James M. Turley.
H. R. 8092. Amanda L. Townsend.
H. R. 8093. Oren M. Harlan.
H. R. 8221. Isaac M. Glasford.
H. R. 8228. Henry D. Loveland.
H. R. 8267. James Knight.
H. R. 8306. Denton Williams.
H. R. 8307. William Starling, now known as William Hopkins.
H. R. 8318. James Gallagher.
H. R. 8366. Michael T. Wertz.
H. R. 8370. Benjamin D. Cole.
H. R. 8451. Thomas A. Pine.
H. R. 8504. George Pugh.
H. R. 8515. Mary E. Beitzell.
H. R. 8539. James Altic.
H. R. 8645. Walden Kelly.
H. R. 8669. Charles F. Delvert.
H. R. 8687. Alexander Clark.
H. R. 8690. Alvanes P. Henery.
H. R. 8868. John Douglass.
H. R. 8882. William A. Mitchum.
H. R. 8949. Lena Derl.
H. R. 8951. Henry R. Riner.
H. R. 8990. William Johnson.
H. R. 9078. Maggie A. Skinner.
H. R. 9135. Albert B. Cornell.
H. R. 9176. Josephus H. Spann.
H. R. 9235. John H. Travis.
H. R. 9254. George F. Bostwick.
H. R. 9262. James Flanagan.
H. R. 9263. George Rush.
H. R. 9276. Robert Dignan.
H. R. 9325. Mary R. Butler.
H. R. 9377. William J. Lawless.
H. R. 9420. William McCommon.
H. R. 9436. Joseph S. Wiley.
H. R. 9451. George H. King.
H. R. 9578. Benjamin G. Bridges.
H. R. 9605. Thomas O. Forbes.
H. R. 9629. Jacob Shinaberger.
H. R. 9630. David E. Tussing.
H. R. 9639. Francis M. Wall.
H. R. 9640. William C. Wagoner.
H. R. 9669. Newell S. Lord.
H. R. 9779. Joseph Wagoner.
H. R. 9790. John H. Ellett.
H. R. 9794. William F. Thornberry
H. R. 9806. Frederick Althans.
H. R. 9839. Ellen M. Davenport.
H. R. 9849. William G. Fearing.
H. R. 9857. James T. Rollf.
H. R. 9877. William Haines.
H. R. 9879. Joseph Brown.
H. R. 9883. Daniel W. Butt.
H. R. 9891. James C. Stevenson.
H. R. 9910. John Short.
H. R. 9917. Stephen K. Hamilton, alias Stephen Kerrigan.
H. R. 9922. Francis Roy.
H. R. 9944. James Wakefield Carver.
H. R. 9949. Henry Merida.
H. R. 9952. Albert N. Hopkins.
H. R. 9977. Henry C. Fuson.
H. R. 9979. Charles H. Peck.
H. R. 9984. Oliver R. Kazee.
H. R. 9993. Allen Farler.
H. R. 9994. Joseph Halcomb.
H. R. 10035. Allen Wright.
H. R. 10037. Anthony O'Grady, alias John Davis.
H. R. 10046. William Tomlinson.
H. R. 10060. Albert Wentink.
H. R. 10073. Simeon Chapman.
H. R. 10076. Cyrus B. Bristol.
H. R. 10087. Mathias Steffas.
H. R. 10167. Eli Pealer.

The SPEAKER. The Clerk will read the bill for amendment.

The Clerk read as follows:

The name of Cyrus C. Marston, late of Company B, Brackett's Battalion Minnesota Volunteer Cavalry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

Mr. SHOUSE. Mr. Speaker, I offer the following committee amendment.

The SPEAKER pro tempore (Mr. HILLIARD). The gentleman from Kansas offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 4, line 9, strike out lines 9, 10, 11, and 12.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

The name of Stillman P. Daily, late of unassigned drafted man, nineteenth congressional district, Pennsylvania, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

Mr. SHOUSE. Mr. Speaker, I offer a committee amendment.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 6, line 1, after the word "late," strike out the word "of."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

The name of David E. Tussing, late of Company A, One hundred and sixty-seventh Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

Mr. SHOUSE. Mr. Speaker, I offer a committee amendment.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 19, line 12, after the word "and," strike out the words "sixty-seventh" and insert the words "seventy-sixth."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will read.

The Clerk read as follows:

The name of Eli Pealer, late of Company D, Thirty-fifth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

Mr. DYER. Mr. Speaker, I move to strike out the last word.

The SPEAKER pro tempore. The gentleman from Missouri moves to strike out the last word.

Mr. DYER. Mr. Speaker, I would like to ask the gentleman in charge of this bill if the Committee on Invalid Pensions has given any consideration to a general pension bill to make the pension of all veterans of the Union Army who served 90 days or more some specific amount, say $50?

Mr. SHOUSE. I am glad the gentleman has asked that question. The Committee on Invalid Pensions has agreed upon a bill which will increase all pensions 30 per cent, with a minimum of $25 and a maximum of $50 a month. That bill has been reported favorably by the committee.

Mr. DYER. Will it be taken up at an early date?

Mr. SHOUSE. At the earliest possible date.

Mr. DYER. I think that is something that ought to be done, giving justice in a larger measure to these old soldiers than these special pension bills.

I want to ask the gentleman about two or three widows here who are named at the bottom of page 20. What is the occasion for a pension for Ellen M. Davenport? We have a law now which gives to widows of Civil War veterans $25 a month.

Mr. SHOUSE. This widow was married June 4, 1907. The existing law does not allow a pension in case of a marriage following June, 1905. There are cases of widows who have married more than once after the death of a soldier husband.

Mr. DYER. Where the widows have married more than once, does the Committee on Invalid Pensions give consideration to those cases?

Mr. SHOUSE. Yes; it does.

Mr. DYER. I withdraw the pro forma amendment.

The SPEAKER. The pro forma amendment is withdrawn. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. SHOUSE, a motion to reconsider the last vote was laid on the table.

FURLOUGHS FOR CIVIL AND INDUSTRIAL OCCUPATIONS.

Mr. DENT. Mr. Speaker, I renew my request for present consideration of H. R. 9100, authorizing the Secretary of War to grant furloughs for civil and industrial occupations.

The SPEAKER. The Clerk will report it by title.

The Clerk read the title of the bill (H. R. 9100) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States, and for other purposes.

The SPEAKER. The gentleman asks present consideration of the bill. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object——

Mr. WALSH. Reserving the right to object, I do not intend to object. I did object before, but representations have been made to me of the great importance of this matter, particularly to the farming and agricultural communities, and the great need for assistance to get the crops planted; and while I do not think an important matter like this should be brought in without some notice, I have no objection to it, and hope no objection will be raised to it.

Mr. DENT. I am glad the gentleman withdraws his objection. Unless this bill is passed now, it will be of no use to pass it, so far as the farmers are concerned.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I wish to inquire of the gentleman whether this bill is intended to apply only during the present war, or whether for all time?

Mr. DENT. During the continuance of the present war. It says so expressly.

Mr. STAFFORD. Where is that language?

Mr. DENT. In the first line after the enacting clause of the Senate bill it is provided—

That, whenever during the continuance of the present war.

I will state to the gentleman from Wisconsin that this bill has passed the Senate, but the House bill and the Senate bill got crossed in some way. If I am given consent for the consideration of this bill, I shall ask to substitute the Senate bill, which has that language in it, together with the House proviso.

Mr. STAFFORD. Will the gentleman then be kind enough to have the Senate bill read for information, so that we can know exactly what are its provisions?

Mr. DENT. Yes.

The SPEAKER. Is there objection?

Mr. STAFFORD. Still reserving the right to object, let us see what the terms of the Senate bill are which the gentleman intends to substitute if consent is granted.

The SPEAKER. The Clerk will read it.

The Clerk read the bill (S. 3471) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States, as follows:

Be it enacted, etc., That, whenever during the continuance of the present war in the opinion of the Secretary of War the interests of the service or the national security and defense render it necessary or desirable, the Secretary of War be, and he hereby is, authorized to grant furloughs to enlisted men of the Army of the United States with or without pay and allowances or with partial pay and allowances, and, for such periods as he may designate, to permit said enlisted men to engage in civil occupations and pursuits.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield? Is it the intention of this bill to grant unlimited furloughs to enlisted men, so that they may be exempted from Army service entirely?

Mr. DENT. No; they are not exempted from Army service entirely. They are only exempted during the period that they are actually performing some service that will aid or assist in the maintenance of the Army.

Mr. STAFFORD. It can be reasonably claimed that the son of a farmer is needed all the year on a farm, and that might be the basis of his claim for a continuous furlough.

Mr. DENT. Of course, the Secretary of War has the power to grant the furlough for any length of time that he wants to; but we are obliged to leave some discretion somewhere, and that is the only place I can see where it can be left.

Mr. STAFFORD. Is it the intention of the Secretary of War to grant unlimited furloughs, so as to exempt the sons of farmers, granting them an exemption for all time for military service?

Mr. DENT. No; it is not intended to do that.

Mr. KAHN. One of the main reasons of the department for presenting this bill is this: The Secretary can now grant furloughs to the soldier, but while he is on furlough he gets his pay and allowances. This bill gives the Secretary of War the right to furlough him without pay and allowances.

Mr. TOWNER. Either with or without.

Mr. KAHN. Yes. He will get his pay from the farmer while he is working.

Mr. CARTER of Oklahoma. Is it not also a fact that if he were furloughed under the present law he could not engage in any other occupation?

Mr. KAHN. That is true.

Mr. STAFFORD. If it is intended merely to grant limited furloughs, I have no objection to the purposes of the bill. [Applause.]

Mr. DENISON. Reserving the right to object, will the gentleman yield?

Mr. DENT. Yes.

Mr. DENISON. This authorizes the granting of furloughs to enlisted men of the Army. Whom does that include? Does that include drafted men?

Mr. DENT. Drafted men and volunteers. Everybody in the Army except officers.

Mr. TOWNER. Mr. Chairman, reserving the right to object, I will say that it is well understood by the Secretary of War, and I think perhaps that in these cases I may say most of the furloughs will be only for a limited time. It is a fact that most of the men who will be benefited by the furloughs are those in the cantonments, not far from their own homes in many instances, who can be furloughed when needed, and probably for a limited time; but it is not expected that any extended furloughs will be granted under the terms of this act, and they will be granted, of course, principally for farming purposes.

Mr. FESS. I notice in the Senate bill there is no provision for furlough upon application.

Mr. DENT. I will state to the gentleman from Ohio that if there is no objection to the consideration of this bill, it is my intention to substitute the Senate bill and request that the House proviso to the Senate bill be adopted.

Mr. FESS. That will cover it.

Mr. HICKS. Will the gentleman yield?

Mr. DENT. I will.

Mr. HICKS. This provides for the issuance of furloughs under regulations by the War Department?

Mr. DENT. Yes.

Mr. HICKS. Does that go back to the local board?

Mr. DENT. No.

Mr. HICKS. How will the soldier apply?

Mr. DENT. To his superior officer.

Mr. HICKS. And it will go from there right to the War Department?

Mr. DENT. Yes; the local boards will have nothing to do with it.

Mr. HAUGEN. Will the gentleman yield?

Mr. DENT. Yes.

Mr. HAUGEN. As I understand, the purpose of the bill is to relieve the labor congestion on the farm?

Mr. DENT. Yes; and also in the industries.

Mr. HAUGEN. But more particularly to relieve labor congestion on the farm?

Mr. DENT. Yes.

Mr. HAUGEN. Is the question of skill to be taken into consideration?

Mr. DENT. No; skilled or unskilled labor has nothing to do with it.

Mr. DENISON. Will the gentleman yield?

Mr. DENT. I will yield to the gentleman.

Mr. DENISON. I would like to ask the chairman if he has thought what effect it would have on the insurance of the men. Would a man be considered as in the military service when furloughed?

Mr. DENT. Undoubtedly.

Mr. DENISON. If he is injured, would he be considered as injured in the military service?

Mr. DENT. The gentleman means whether he would come within the terms of the insurance?

Mr. DENISON. Yes.

Mr. DENT. I hardly think so; but I am not familiar with the insurance bill. It did not originate in the Committee on Military Affairs.

Mr. DENISON. But I suppose the committee and the chairman have thought of that question.

Mr. DENT. Well, I have given the gentleman my opinion—I do not think he would come under the provision of the insurance while on a furlough.

Mr. BLACKMON. Will the gentleman yield?

Mr. DENT. I will.

Mr. BLACKMON. I would like to ask the gentleman this question: The bill requires the soldier to make application himself. Suppose the soldier is never able to get his application presented to the Secretary of War? In an application for a dismissal or a relief from the Army he can only present it himself, and a Member of Congress can not present it.

Mr. WILLIAMS. Regular order, Mr. Speaker.

The SPEAKER. The gentleman from Illinois calls for the regular order. The regular order is, Is there objection?

Mr. BLACKMON. I am reserving the right to object.

The SPEAKER. But the gentleman from Illinois demands the regular order. Is there objection? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. DENT. Mr. Speaker, I ask unanimous consent to consider the bill in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Alabama asks unanimous consent to consider the bill in the House as in Committee of the Whole. Is there objection?

There was no objection.

Mr. DENT. Now, Mr. Speaker, I ask to substitute for the House bill Senate bill 3471.

The SPEAKER. The gentleman from Alabama asks unanimous consent to substitute for the House bill Senate bill 3471. Is there objection?

There was no objection.

The Senate bill is as follows:

An act (S. 3471) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States.

Be it enacted, etc., That, whenever during the continuance of the present war in the opinion of the Secretary of War the interests of the service or the national security and defense render it necessary or desirable, the Secretary of War be, and he hereby is, authorized to grant furloughs to enlisted men of the Army of the United States with or without pay and allowances or with partial pay and allowances, and for such periods as he may designate, to permit said enlisted men to engage in civil occupations and pursuits.

Mr. DENT. Mr. Speaker, I move that the proviso to the House bill be adopted as a proviso to the Senate bill.

The SPEAKER. The gentleman from Alabama moves that the proviso to the House bill be adopted as a proviso to the Senate bill.

Mr. SAUNDERS of Virginia. I ask to have the proviso reported.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Provided, That such furloughs shall be granted only upon the voluntary application of such enlisted men under regulations to be prescribed by the Secretary of War.

Mr. WALSH rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. WALSH. I understand the gentleman from Alabama has made a motion to adopt the proviso of the House bill. I want to ask a question with reference to it. Does the gentleman know what is contemplated to promulgate in the way of regulations before a furlough can be granted?

Mr. DENT. I can not answer the question in detail, but I understand, from statements made before the committee by the Secretary of War, that regulations will be so promulgated that each soldier will have his opportunity to know what his rights on the subject are and will be given his day in court and a fair hearing.

Mr. WALSH. He will have to submit his request for a furlough through the usual military channel. If the commanding officer should decline to approve it, it would never reach the Secretary of War. If he should happen to be a particularly valuable man in his company as well as a valuable man on the farm, it might not reach the Secretary of War.

Mr. DENT. I will state that my colleague from Alabama [Mr. BLACKMON] was raising that question a moment ago when the regular order was demanded. Personally, I would not object to an amendment to the bill as suggested by him, that the parent or guardian could make the application, but it would delay the passage of the bill and perhaps make the bill objectionable to the War Department. I think it ought to go through the regular channel. It is true that there will be occasions where some autocratic officer may refuse to do justice to his men, but you can not help that to save your life. The only way we can get around that is to request the War Department that when cases of that kind are called to the attention of the Secretary of War, Chief of Staff, or The Adjutant General the matter shall be handled directly. I will state that so far as my influence goes with the Secretary of War and the War Deparment, I shall undertake to see that each man is fairly treated.

Mr. SAUNDERS of Virginia. Will the gentlemtn yield?

Mr. WALSH. I had not finished my question.

Mr. DENT. I will yield to the gentleman from Massachusetts further, and then I will yield to the gentleman from Virginia.

Mr. WALSH. The gentleman from Virginia will pardon me for a moment. Would not the distinguished chairman of the Military Committee suggest a way whereby these men who are needed for the particular purpose that is sought to be accomplished by this bill can be assured that when they apply for furloughs for this purpose that their application will reach the Secretary of War's office, whether approved or disapproved by the commanding officer?

Mr. DENT. I can only repeat what I stated a moment ago—that that can be done and must be done, necessarily, by regulation—and I hope and believe that regulations will be adopted to carry out that purpose.

Mr. WALSH. That is the purpose of this proviso?

Mr. DENT. That is the purpose of this proviso.

Mr. SAUNDERS of Virginia. Mr. Speaker, the gentleman from Alabama [Mr. DENT] said that to adopt the amendment referred to, that is the amendment of his colleague, Mr. BLACKMON, would delay the passage of this bill. Why would that action delay the passage of the bill? The bill will be returned to the Senate, should the amendment of the gentleman from Alabama [Mr. DENT] be adopted.

Mr. DENT. Because I do not think the Senate would adopt it.

Mr. SAUNDERS of Virginia. That is quite another matter. But if we adopt this proviso, the bill of necessity will be returned to the Senate.

Mr. DENT. Yes.

Mr. SAUNDERS of Virginia. So that we will not delay consideration of this resolution a moment by adding the amendment suggested, an amendment which the gentleman from Alabama says he favors.

Mr. DENT. I said that I had no personal objection to it. I will state to the gentleman, but I believe that if that question is raised on the floor of the House, it will get up an argument over this bill, and the bill will likely fail, and I think that we ought to trust somebody down in the War Department to adopt regulations that will carry out the true spirit of the matter.

Mr. SAUNDERS of Virginia. I recall perfectly well that when the amendment providing for conscription, was under consideration, the House was advised of the procedure that would prevail with respect to bringing applications for exemption before the War Department. Yet it is within the experience of every Member of this House, that it is almost impossible for the papers of individual applications submitted at the several camps to reach the War Department for the purposes of review. Why not provide by some explicit provision of law, that these papers shall be transmitted to the War Department, whatever may be the action of the subordinate military authorities? That is a proposition so palpably right that I can see no reason why it should not be enacted into law.

Mr. GREENE of Vermont. Mr. Speaker, if the gentleman from Alabama will permit, if the gentleman from Virginia will bear in mind one feature of this matter, perhaps he will find part of the explanation that he seeks. I think this proviso is written into the law not so much to provide a means whereby a soldier may make application for a furlough as it is to prevent his being furloughed against his will.

Mr. SAUNDERS of Virginia. I never heard of a case of a soldier being furloughed against his will.

Mr. GREENE of Vermont. A man already in the military service may not want to go out and work in civil employment at the behest of some guardian, father, or other interested person. He has already established his status according to his own desires, and if you allow outside influences to carry it to the War Department or anyone else to carry it up there, a demand for his furlough without his own consent, the soldier may find himself furloughed against his will.

Mr. SAUNDERS of Virginia. I will say that I have never heard of such a case, and a gentleman of large military experience has just stated to me, that there are no such cases.

Mr. DENT. I have had experience with just such cases.

Mr. SAUNDERS of Virginia. That is the one exception that proves the rule.

Mr. CARTER of Oklahoma. I have had one of those cases.

Mr. SAUNDERS of Virginia. The department will not be burdened with many such cases. It is certainly something greatly out of the ordinary situation, indeed a most unusual and extraordinary experience, for a young man in the service and anxious to fight, to be furloughed against his consent and taken out of the Army.

Mr. MILLER of Minnesota and Mr. SLAYDEN rose.

Mr. SLAYDEN. Mr. Speaker, the gentleman from Alabama has yielded to me or has tried to yield to me

The SPEAKER. The gentleman from Alabama had an hour. How much time does the gentleman yield to the gentleman from Texas?

Mr. DENT. Mr. Speaker, I hope the gentleman from Texas will take his time by asking a question.

Mr. SLAYDEN. I do not want to consent to that.

Mr. MILLER of Minnesota. Mr. Speaker, I would like to ask a question, if the gentleman will yield for that purpose. As I understand the proviso it contemplates the sending of these applications to Washington. Before whom or what will these applications go in Washington for consideration and decision?

Mr. DENT. Through the regular military channels.

Mr. MILLER of Minnesota. To what individual here?

Mr. DENT. Through The Adjutant General to the Chief of Staff and up to the Secretary of War.

Mr. MILLER of Minnesota. The Secretary of War, of course, can not do anything of the kind, he can not take up these individual cases and decide them. Who is the man that is going to do it?

Mr. DENT. The gentleman knows that I can not tell. I certainly would not be able to name what individual or individuals would be designated by the Secretary of War or the Chief of Staff to handle these matters.

Mr. MILLER of Minnesota. That leads me to this inquiry. Will not that result in this situation: Every father throughout the country, or every mother who wants her boy away from the military service, will be beseeching every Member of Congress to rush down to some person, some commission, or some committee or the Secretary of War to have one of these furloughs granted. Should not the decision of these matters rest out in the field immediately where the man is? I am seriously opposed to that proviso.

Mr. DENT. I would state to the gentleman that I raised that very question with the Secretary of War when he first submitted this bill to me, and he told me that it was to be his purpose in ordinary cases—in 90 per cent of the cases, in fact—to allow the division commander, the man on the ground who knew about the situation, to pass on the case, except in those cases where it was shown that an injustice was done. Of course, that is the only way it can be handled.

Mr. MILLER of Minnesota. Is the gentleman going to insist on a vote on this without any further discussion of the bill?

Mr. DENT. Of course, I am not going to insist upon it without any further discussion, but I thought we had had enough discussion of the bill.

Mr. MILLER of Minnesota. I would like to have five minutes in which to discuss it.

Mr. DENT. How much time have I, Mr. Speaker?

The SPEAKER. The gentleman has 45 minutes remaining.

Mr. DENT. How much time does the gentleman from Texas want?

Mr. SLAYDEN. I was preparing an amendment to offer when the bill is read.

The SPEAKER. How much time does the gentleman from Alabama yield to the gentleman from Texas?

Mr. SLAYDEN. I am going to propose an amendment to provide that the application of an enlisted man for a furlough shall be transmitted to the Secretary of War.

Mr. QUIN. Will the gentleman yield?

Mr. SLAYDEN. Not yet.

Mr. DENT. Does the gentleman want any time?

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. SLAYDEN. Mr. Speaker, I ask the gentleman from Alabama to grant me a moment or two to ask a question.

Mr. DENT. Does the gentleman want to know whether I have objection to that amendment?

Mr. SLAYDEN. Yes.

Mr. DENT. Personally I have not, but the more amendments we tack on the bill that much more you affect the chances of its getting through.

Mr. SLAYDEN. I realize that objection, but let me get through with my question, as I understand the gentleman has yielded to me. I want to see a precedent established in this matter that would be followed in other legislation touching the Navy. Now, I know personally of a case, I know of two cases right now, where unless this privilege is conceded to the soldier, who happens to be the only laboring man and, in fact, the only man in the family who can do farm work, ground will be uncultivated this year upon which food crops are ordinarily produced. One of these men is in the Navy and is on the Great Lakes. I do not know where the other is.

Mr. STEVENSON. Will the gentleman yield?

Mr. SLAYDEN. In a moment. I should like to see this amendment agreed to as a precedent. Now, the gentleman from Alabama knows as well as I do that if the application of a soldier, of an enlisted man, for a furlough for the purpose that is contemplated in this bill, should happen to be disapproved by the captain of his company or the colonel of his regiment, under the language that the bill now carries it would never reach the Secretary of War.

Mr. DENT. Unless regulations, as I stated, were adopted to require that to be done.

Mr. SLAYDEN. We can require it to be done.

Mr. DENT. And I will state to the gentleman——

Mr. SLAYDEN. And we ought to require it.

Mr. STEVENSON. Will the gentleman yield?

Mr. SLAYDEN. I will.

Mr. STEVENSON. Do I understand the gentleman's amendment provides that all of the applications are to be sent here? The gentleman means those refused, does he not? What is the necessity of sending those granted to the Secretary of War?

Mr. SLAYDEN. If the gentleman will permit——

Mr. STEVENSON. Those that are approved and the furlough granted——

Mr. SLAYDEN. The bill says they must go to the Secretary of War; he is the authority to pass on it.

Mr. STEVENSON. He passes on it by a subordinate officer.

Mr. SLAYDEN. That is another matter.

Mr. STEVENSON. Does the gentleman mean to say that if the officer grants the furlough, then is there any necessity of sending it up here?

Mr. SLAYDEN. But the Secretary of War can delegate that power and probably will. Of course, if the application should be approved there will be no necessity for sending it on to the Secretary of War. I will correct my amendment to that extent. It was hastily drawn in the last five minutes.

No one wants to cripple the Army. But it is certain that where farms are stripped of all labor the growing of food crops, an essential for successful military enterprises, will be much reduced.

Mr. CANNON. Will the gentleman from Alabama yield for a question or a suggestion?

Mr. DENT. I will.

Mr. CANNON. It seems to me that if there are to be appeals constantly as indicated that we will get into a great tangle and confusion with probably two or three hundred clerks to be added in the War Department.

Mr. DAVIDSON. Thousand.

Mr. CANNON. Two or three thousand, my friend says. Now, the only necessity for this legislation, as it seems to me, is that the time may come when mechanics are needed in the munition factories or elsewhere or in the shipyards, or farmers temporarily or permanently to raise or harvest the crops, as the case may be. Therefore I apprehend if there should be a condition of that kind, perhaps even under existing law, I ask for information, the Secretary of War or the President of the United States might so state and direct that the names should be furnished to him of the skilled people and that they might be temporarily granted a furlough during the stress all along the line.

Mr. DENT. Except they would have to pay them now and under this resolution there would be no pay.

Mr. CANNON. Now, the only question about it is whether they get that pay, or transportation, or both, and it might be fixed by regulation. I could conceive that you might take in farmers during the crop season and the harvest season and that you might ask that the farmers in whole or part pay their way, and so on, so that if we leave it subject to regulation it seems to me that there can be no real danger, especially if the want was so great that from the standpoint of winning the war it was necessary to have men of various callings doing piecework temporarily or otherwise during the continuance of the war.

Mr. DENT. I thoroughly agree with the gentleman from Illinois.

Mr. FERRIS. Will the gentleman yield for a question? I understand the gentleman does not desire to yield for speeches, but will yield for a question.

Mr. DENT. I will.

Mr. FERRIS. If an applicant applies for a furlough now, however great the emergency, the Provost Marshal's office of the War Department can do only two things, either discharge him entirely or keep him. Is that true?

Mr. DENT. Oh, no; they grant a furlough now, but we have to pay a man while on furlough. I think the Secretary of War could now grant a furlough to a man in the Army on the condition that he should do work on a farm during the period of his furlough, and if he violated that condition put him back in the Army, so that really the only change in this law is the matter of furlough without pay.

Mr. FERRIS. I hesitate to make the statement I am going to make, but I took up a very pathetic case this morning with the Provost Marshal's office, and they advised me that until this bill passed only one of two things could well be done, either discharge the soldier or retain him. And if that is the situation either in law or regulation this should be put through promptly. The draft law was put through under great stress and pressure, and doubtless there were some oversights in it. It was impossible to legislate into the minds of the several local boards an equal view of the law or of the regulations. And it resulted in many cases in taking men into the Army and leaving three or four hundred acres of wheat behind, with the wife in delicate condition, and a family dependent upon them. There is no way to get them out until such a law as this is passed. It is so essential in the farming sections that this be done to prevent, in many cases, hardships that can be avoided. I feel this will help out. I am glad the department is helping to arrange it. I am glad the

committee is urging it. I hope the regulations will be carefully framed, so it will be effective and beget early results. If there is much delay about it, it will not be effective for this year's crop. The growing and harvesting of crops is so essential we must make no mistakes.

Mr. DENT. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. MILLER] three minutes, and then I am going to move the previous question.

Mr. GREEN of Iowa. What is the gentleman's reason for cutting it off in this kind of way?

Mr. DENT. I think the House has generally discussed it, and is thoroughly familiar with it. However, I will withdraw the statement to the effect that I would move the previous question.

The SPEAKER. The gentleman from Minnesota [Mr. MILLER] is recognized for three minutes.

Mr. MILLER of Minnesota. The gentleman from Illinois [Mr. CANNON] has just stated the only circumstance that would in any degree justify taking men from the Military Establishment and putting them on the farm or at work in factories. That position has been indorsed by the chairman of the committee. It may be possible that legislation of this character may be desirable to accomplish that purpose. The form proposed for this legislation makes it possible to corrupt our entire Military Establishment.

Mr. QUIN. Will the gentleman yield?

Mr. MILLER of Minnesota. Wait a moment. I have only three minutes.

The result of this would be, if the amendment is adopted, that political pressure will come from all over the United States in the effort to have released men from active military work—a pressure for interference that will punish the membership of this House and of the Senate beyond measure. You will be opening a barrel of hornets to afflict us all. There is peril in any weakening of our military grasp. The selective draft is working splendidly. Men once in must be kept in as completely as our military needs may require. When men go into the Military Establishment they must be under military control, kept there for military purposes, and be not allowed to go out for any other reason. The amendment proposed by the gentleman from Texas and the gentleman from Virginia opens up the door for every father, and mother, and wife, and sister, and child in the United States to besiege military officers and this Congress to make slackers, if you please. It does that very thing. Many will not hesitate to make slackers of their relatives in order that they may escape military burdens. In this military game we must play no favorites. Everybody in and everybody out of the military service must be given to know that military consideration will control the assignment of every soldier to duty. Every morning's mail we pick up now is filled with requests for a transfer of soldiers from the Infantry or Artillery to some place where they think there is no danger. This would put a premium upon that, and will advertise to the people of the country that that can be done. Now, if it is the disposition of the House to pass this bill at all, for goodness sake do not couple with it the requirement that all of these applications shall come to Washington, before a man or a commission before which you and I and everybody else will be solicited to present the cases of these deserving individuals. A purely military consideration should control, so the decision in these cases should rest with the military authorities. That is all I have to say. [Applause.]

Mr. DENT. Mr. Speaker, I yield three minutes to the gentleman from Illinois [Mr. MCKENZIE].

Mr. MCKENZIE. Mr. Speaker, I do not know that I will use the three minutes, but I simply wish to say that in the consideration of this bill by the Committee on Military Affairs we had some very grave apprehensions of the danger connected with it, and we have tried to guard it in the best way we could find to guard it, in our judgment. The Secretary of War wants this legislation for certain purposes, which he explained to us, and to be used not to let all of the men out of the Army but to give him control of certain men whom he believed by furloughing to certain occupations can do better than by keeping them in the service. Now, if the proposition was, as one gentleman fears, to disrupt the Army, and it was going to let large numbers out, this bill ought to be defeated. We have undertaken to build up a great Army in this country, and we now have one. We do not want to pass any legislation that will make it possible to destroy that Army by giving anybody the power to furlough out regiments or companies of men by the hundreds, and to guard against that we put in the provision that a soldier could not be furloughed except on his own application. There is a good reason for that, in my judgment. I am one of those who believe that the man who puts on the uniform of our country and fights our battles should not be asked or required to take a furlough in order to go home and go on to the farm or into the shop in the summer time for the purpose of producing food or materials with which to feed and clothe those of us who are not in the Army. I want these men to be soldiers. That is what they are in the Army for; and I want them to have furloughs occasionally. When they go home I want them to have the privilege of enjoying two or three weeks with their friends in that kind of recreation that a soldier ought to have. And to expect these boys to go out of the Army and back to the plow and into the fields to do the work that the men at home ought to do, I do not believe in, except when with the soldier's consent. And therefore we put in the provision that the soldier must ask for the furlough before he will be furloughed out into civilian life, with or without pay.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. MCKENZIE. I will.

Mr. GARRETT of Texas. In the letter from the Secretary of War to the chairman of the committee the whole thing is explained in these words—it is really an emergency measure in time of harvest. He says:

> The main purpose for which it is intended to use this authority is to furlough soldiers in the National Army during harvest and planting time to enable them to assist in the agricultural production of the country.

It is only a question of emergency with the Secretary of War. If your section of the country and my section of the country are in dire need of these men they could be furloughed.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. DENT. Mr. Speaker, I yield three minutes to the gentleman from Virginia [Mr. SAUNDERS].

Mr. SAUNDERS of Virginia. Mr. Speaker, I desire to submit an amendment to the amendment to the joint resolution, the substance of which has been intimated heretofore. This amendment provides that the application for this furlough may be made by other persons as well as by the soldier; that it may be by his parents, or guardian. If this joint resolution is to accomplish any results of benefit, then it should be so framed, that the facts of a meritorious situation may be brought to the attention of the Secretary of War by the application of other persons than the soldier. It should not be limited to the soldier. The environments and conditions of a camp are such that they restrain young men from making applications entirely proper to be made. The superior officers often treat these applications in such a contemptuous fashion, that a young man is unwilling to expose himself to this treatment. No such limitations will surround the parents, or guardians in such cases. If this resolution is to accomplish anything, if it is to be something more than sounding brass, and tinkling cymbal, if the Secretary of War is to give furloughs in meritorious and deserving cases, then provision should be made by which such cases will inevitably be brought to his attention.

We were told time and time again that the purpose of the draft act was to provide a selective system for taking men into the Army, under which agriculture, and other essential industries would not suffer. And yet this body knows perfectly well, from statements made on the floor by numerous Members that time and time again they have been to the War Department with cases of the very greatest merit, cases in which it was incontrovertibly shown by the evidence before the district and local boards, that the individual in question ought to have been exempted either on the ground of his vital relation to some industry, or of dependents upon his labor, only to be told that nothing could be done. I have taken up cases with officials in the Provost Marshal General's office and upon the facts stated, been told that these cases were meritorious, and entitled to relief, but that this relief could not be secured at the department upon appeal, that it should have been afforded by the boards. In many of these cases the parties concerned were ignorant of their rights, or were advised that the time had passed for action upon their applications. That has been the experience of many Members of this body.

Mr. QUIN. Mr. Speaker, will the gentleman yield?

Mr. SAUNDERS of Virginia. Yes.

Mr. QUIN. Does not the gentleman think it would embarrass the War Department to allow the parent or guardian to do it?

Mr. SAUNDERS of Virginia. No; I do not. The conditions at the camps are such that the individual soldier, by reason of the sentiment prevailing there, would decline to make the application, although he might be urgently needed at home. I would like to see this resolution put in such a shape that a real remedy for many cases of hardship will be afforded, and meritorious cases will be brought before the Secretary of War, or the tribunal that he will create to hear these applications. This House should provide by appropriate amendment that those

cases when acted on adversely at the camps shall be transmitted to the Secretary of War, so that upon the evidence transmitted justice may be done in each case upon the merits of the same. Unless this is going to be done, unless the meritorious cases of individuals without influence, or means, will be brought in some positive and affirmative way before the Secretary of War, for final action, then this bill will be worthless. It merely holds out a hope of relief that in the result will never be realized. There has been no adequate time given in which to discuss a matter of such importance as this. If the House would take up this resolution under circumstances admitting of a full presentation of the facts, it would soon reach the conclusion that conditions, on the homes, and the farms are such that a measure of real relief is needed, such a measure as this resolution would be, if appropriate and necessary amendments were adopted.

The SPEAKER. The question is on adding the proviso to the Senate bill.

Mr. SAUNDERS of Virginia. Mr. Speaker, I have an amendment to the proviso which I sent to the desk.

Mr. DENT. I did not yield the floor for anything except debate.

The SPEAKER. If the gentleman's amendment is up——

Mr. SAUNDERS of Virginia. I did not want to take advantage of the situation. I did not get permission from the gentleman to offer an amendment. I sent the amendment to the desk. When the Speaker said there was an amendment pending, I thought he referred to my amendment.

Mr. DENT. Mr. Speaker, has my time expired?

The SPEAKER. No. The Speaker was simply trying to cut it off.

Mr. DENT. Then, Mr. Speaker, I will cut it off by moving the previous question on the resolution and all amendments thereto to final passage, with the right to anybody to offer amendments.

Mr. SLAYDEN. I have an amendment which I made applicable to the House bill. It can follow the amendment of the gentleman from Alabama, the chairman of the committee.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. SLAYDEN to amendment offered by Mr. DENT: Add at the end of the proviso the following:

"*And provided further*, That the application by the soldier for furlough not approved by the officer to whom power to pass on the same is given shall be transmitted to the Secretary of War for approval or disapproval."

The SPEAKER. Is that the Slayden amendment?

Mr. SLAYDEN. Yes.

The SPEAKER. Now the Clerk will report the Saunders amendment.

The Clerk read as follows:

Amendment offered by Mr. SAUNDERS to the amendment offered by Mr. DENT: After the words "enlisted men," in the proviso, insert the words "or of a parent or guardian of an enlisted man."

Mr. GREEN of Iowa. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GREEN of Iowa. Is a motion to strike out the last word in order?

The SPEAKER. No. The gentleman from Alabama [Mr. DENT] moved the previous question. The question is on the motion for the previous question.

The previous question was ordered.

The SPEAKER. The vote will be taken first on the Saunders amendment, inasmuch as that simply perfects the text of the proviso.

Mr. QUIN. Mr. Speaker, I would like to have the Saunders amendment read again, please.

The SPEAKER. Without objection, the Clerk will again report the Saunders amendment.

The Clerk read as follows:

Amendment offered by Mr. SAUNDERS of Virginia to the amendment offered by Mr. DENT: After the words "enlisted men" in the proviso insert the words "or of a parent or guardian of an enlisted man," so that as amended the proviso will read:

"*Provided*, That such furloughs will be granted only on the voluntary application of such enlisted men or the parent or guardian of an enlisted man under regulations to be prescribed by the Secretary of War."

The SPEAKER. The question is on agreeing to the Saunders amendment to the proviso.

The question was taken, and the Saunders amendment was rejected.

The SPEAKER. The question is on the Slayden amendment to the proviso.

The question was taken, and the Slayden amendment was rejected.

The SPEAKER. The question is on adding the proviso to the Senate bill.

The question was taken, and the proviso was agreed to.

The SPEAKER. The question is on the third reading of the Senate bill as amended.

The Senate bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. DENT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The House bill (No. 9100) of similar tenor will, without objection, lie on the table.

There was no objection.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The motion was agreed to.

The SPEAKER. The gentleman from Virginia [Mr. SAUNDERS] will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the same being the legislative, executive, and judicial appropriation bill. The Clerk will report it by title.

The Clerk read as follows:

A bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes.

Mr. HARRISON of Mississippi. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

By unanimous consent, the following Members were given leave to extend remarks on the bill (S. 3471) just passed: Mr. SCHALL, Mr. WILLIAMS, Mr. MANSFIELD, Mr. BURNETT, Mr. HAMLIN, Mr. HAUGEN, Mr. SLEMP, Mr. SLOAN, Mr. GREEN of Iowa, and Mr. FOCHT.

The Clerk proceeded with the reading of the bill, and read as follows:

Collecting the income tax: For expenses of assessing and collecting the income tax as provided in Title I of an act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, and subsequent acts, including the employment of agents, inspectors, deputy collectors, clerks, and messengers in the District of Columbia, and the several collection districts, to be appointed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, and the purchase of such supplies, equipment, mechanical devices, and other articles as may be necessary for use in the District of Columbia and the several collection districts, $3,000,000: *Provided*, That not more than $215,000 of the foregoing sum may be used for the employment, in the Bureau of Internal Revenue in the District of Columbia, of necessary clerical and other personal services, and the purchase of such supplies, equipment, mechanical devices, and other articles as may be necessary for use in the District of Columbia.

Mr. HAMLIN. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question. There seems to be about three different organizations in the Bureau of Internal Revenue to collect three different kinds of taxes. I would like to inquire if there are really three different organizations or forces, and if so, if there is any duplication of work?

Mr. BYRNS of Tennessee. I will say that there is no separate organizations in the sense to which the gentleman apparently refers. These appropriations have been carried in this way owing to the passage of different acts for the Bureau of Internal Revenue.

Mr. HAMLIN. I suspected that that might be true.

Mr. BYRNS of Tennessee. The Commissioner of Internal Revenue, Mr. Roper, who was before the committee, said that he had only come into office in December, and in response to a question stated that there was no reason why these sums could not be lumped together, but that it had been impossible for him to give consideration to it owing to the short time that he had been in office.

Mr. HAMLIN. I understand that there are different salaries——

Mr. MADDEN. Mr. Chairman, I think that the gentleman from Missouri and the gentleman from Tennessee ought to recognize the fact that this is the House of Representatives, and not a Democratic caucus.

The CHAIRMAN. The gentleman from Missouri has the floor.

Mr. HAMLIN. I would not for a moment, Mr. Chairman, overlook the interest that the gentleman from Illinois has in all

these matters, and I commend him for it, and I did not mean that the gentleman from Illinois should not hear what I was saying.

Mr. MADDEN. I thought that the gentleman from Missouri and the gentleman from Tennessee were having a private colloquy.

Mr. HAMLIN. The point I wanted to get at is this: There seems to be three different kinds of services in the Internal-Revenue Bureau. The income tax, the ordinary tax, and another class of taxes. I was asking the chairman of the committee if there was any duplication of work, and he says there is not. What I want to inquire further about is this: In the collection of the income tax, for instance, certain salaries are paid to those agents. In the collection of the ordinary tax in the internal revenue there are different salaries paid for practically the same class of work. The impression I had was that sometimes the same agent is used to do both kinds of work.

Mr. MADDEN. Does the gentleman want to know why that is?

Mr. HAMLIN. I am asking the question.

Mr. MADDEN. I can answer the gentleman. The reason for that is that when we passed the law organizing the force to collect the income tax the organization of that special force was outside of the civil service, and, of course, that was political patronage, and therefore entitled to a little greater compensation than men who had to go on the pay roll as the result of an examination and prove their qualifications.

Mr. BYRNS of Tennessee. That is not the answer that I would have given the gentleman. [Laughter.]

Mr. MADDEN. It is true just the same.

Mr. HAMLIN. I do not regard the explanation of the gentleman from Illinois either as very lucid or satisfactory.

Mr. MADDEN. It is lucid. It may not be satisfactory, but it is true.

Mr. HAMLIN. I am not sure that that is the correct answer.

Mr. MADDEN. Will not the gentleman do me the credit to believe that I would tell the truth on such a subject?

Mr. HAMLIN. Yes; so far as the exigencies of the occasion would permit. [Laughter.]

Mr. BYRNS of Tennessee. I will state that when the different acts were passed providing for increased work on the part of the Internal Revenue Bureau, the commissioner submitted estimates to Congress in each case for such force as he considered would be necessary in order to carry out the will of Congress. He estimated not only the amount of money to be needed, but the number of employees, and they have been carried in the bill in that way.

Mr. HAMLIN. But there is no duplication of work.

Mr. BYRNS of Tennessee. No duplication of work. It is just as the gentleman said a moment ago; a man may be employed under one of these appropriations and he may be charged not only with the duty of carrying out the particular duties for which he was appointed in the first instance, but he may have other duties in connection with the collection of internal revenue.

Mr. HAMLIN. It may be economy for him to look after another branch of the service while he is in the field?

Mr. BYRNS of Tennessee. Yes.

Mr. HAMLIN. I can appreciate that.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HAMLIN. I ask for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAMLIN. Now, in that same connection, is it not true, speaking seriously——

Mr. MADDEN. I hope the gentleman does not mean to intimate that I was not serious.

Mr. HAMLIN. Is not the trouble this—and it goes to other parts of this bill—is it not true that the large salaries are paid where we furnish the department or bureaus with a lump-sum appropriation? Is not that the trouble, and is not that a vice we are somewhat responsible for, not only in this bureau but other departments of the Government, by making lump-sum appropriations? Does not that demonstrate the unwisdom of giving any bureau or department a lump sum of money out of which they can pay salaries? Is it not true that they pay larger salaries than where salaries are fixed by law?

Mr. BYRNS of Tennessee. I think in the main the salaries paid out of a lump sum are higher than those fixed by Congress.

Mr. HAMLIN. I want to ask the gentleman if he does not think and does not agree with me that, in so far as we can do it, we ought to quit appropriating money in lump sums for the payment of salaries?

Mr. BYRNS of Tennessee. I do; and I will say that the committee has been making earnest efforts to change that practice as far as it can do so, consistent with the best interest of the service.

Mr. SLOAN. Will the gentleman yield?

Mr. HAMLIN. Yes.

Mr. SLOAN. I was much interested in the statement made by the gentleman from Illinois [Mr. MADDEN], but not wholly accepted by the gentleman from Missouri as being entirely accurate. I would like to have the gentleman state wherein it is inaccurate.

Mr. HAMLIN. I could give the gentleman a concrete case where it does not seem that his statement is entirely accurate or else it is not appreciated by those in the employ of the Government. I know a young man who is now in the Internal-Revenue Service who was appointed, not under the civil service, but he has recently taken the civil-service examination and is anxious to get into the other branch that is under the civil service.

Mr. MADDEN. So that he could have permanent tenure?

Mr. HAMLIN. That was not it so much as it gives him an opportunity for promotion. There are advantages under the civil service in that service, and I think it is a good thing.

Mr. SLOAN. I expect the gentleman's exception is the exception that proves the rule.

Mr. HAMLIN. No; I do not concede that; but what I wanted to emphasize is my opposition to appropriations by lump sums for the purpose of paying salaries. I think that money is used extravagantly frequently and ought not to be thus handled.

Mr. FESS. Mr. Chairman, I rise in opposition to the pro forma amendment. I want to make an observation and then get the opinion of the chairman of the committee on the matter of the payment of the income tax and the excess-profits tax, which would go more, of course, to the Committee on Ways and Means than to this committee, but in order to have a statement that I might make somewhat authoritatively, although not entirely so, I would like to have the opinion of the chairman of this committee. The requirement of the law to pay the income tax at certain periods seems to put a great many people in considerable distress, at least in anticipation of their inability to pay in lump sums. I have a communication from the Columbus Chamber of Commerce which says:

> In the absence of such an extension most of our large businesses will be required either to pay the money out of working capital and reduced profits or to borrow the money from the banks. Moreover, men and business institutions who must be relied upon to absorb the great bulk of liberty bonds will not be in a position to purchase them and at the same time accumulate money for their taxes. Either one or the other must give way. Local bankers estimate that the total payments due from the Columbus district will aggregate at least one-half of the total deposits of the banks of Columbus, and it would seem the same situation exists elsewhere. If, on the other hand, payments may be made in installments, extending over the latter half of the year, by a natural process the Government will have time to redistribute this money in the local channels of trade without serious disturbance to business.

I have another from the Chamber of Commerce of Akron, Ohio. I do not know whether there is a propaganda on behalf of business men to induce a ruling of the Treasury to extend this payment in installments if the Treasury has the power without change of law, but I am getting so many letters asking the question that without definite information I am considerably embarrassed. These letters, whether the result of propaganda or not is not important, come from chambers of commerce from various parts of the State, and very many from individual business men in Springfield, Ohio, and many other places within my own part of the State. I addressed a letter yesterday to Mr. KITCHIN, after speaking to him about it, on the possibility and feasibility of making the proposed change, and have, up to date, not received a reply. I should like to have the privilege of extending that reply in the RECORD when it does come. What I wanted the chairman to state, if he could, is whether it is within the province of the Treasury without further law to extend the payment in installments rather than in lump sums.

Mr. BYRNS of Tennessee. Mr. Chairman, as the gentleman stated, that is a question that could be answered with a great deal more satisfaction and certainty by the chairman of the Committee on Ways and Means, which has jurisdiction of the subject matter. I do not hesitate to say to the gentleman, however, that from some investiagtions I have made I am under the impression that the Treasury Department now has the authority to make some regulations along that line, and I say that for this reason. I had a letter similar to those the gentleman has been receiving, from a very prominent firm in my own city, suggesting that it would be a great convenience to the business people of the entire country if some plan could be devised whereby the income tax could be paid quarterly instead of at one time, as is now required. I took the matter up with the Commissioner of Internal Revenue, and he stated to me, as I now recall, that the matter had been the subject of a conference between him

and the Treasury officials. Personally, he felt that there was a good deal of force and logic in the contention made, but it was not adopted as a result of this conference, primarily because at this particular time the Government is in great need of funds, and on that account it was no thought wise to adopt any such provision or regulation. That was the reason given to me by the department for not adopting the suggestion, and it is for that reason that I have expressed the opinion that the Treasury Department would possibly have the power to put such a regulation into existence if it wanted to within the limitations of the act, which makes provision as to the limit of time when the tax must be finally paid. I have no other reason for making that statement.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FESS. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FESS. In reading over the hearings of the Ways and Means Committee on the war-finance proposition I noted a statement from the Secretary of the Treasury when a member referred to this matter that liberty bonds and short-time certificates might be received for the payment of taxes, and I take it from what he stated that as the liberty bonds are issued at various times persons by purchasing the bonds at various times could utilize those later on and in that way it would not all come in bulk. That is, by periodic purchases of these Government securities the taxpayer could avoid the complete outlay in one payment. I took it from that statement that in all probability the Secretary of the Treasury was not inclined favorably to distributing it in installments. However, purchasers of such securities had no such purpose when they took them, which was purely on patriotic grounds.

Mr. BYRNS of Tennessee. Of course the Secretary of the Treasury is bound by the provisions of the law. As I remember, the law provides these taxes shall be paid on or before a certain date, and if not paid at that time then a penalty attaches, but I take it that within those limitations the Treasury Department could provide for partial payments, and that is what I meant to say a few moments ago.

Mr. FESS. If that arrangement could be made, it would be a great relief; otherwise from the statement of these men there is going to be considerable absorption of the ready money of the country that will be required in payment of these taxes at one particular time. Mr. Chairman, I ask unanimous consent to extend my remarks by printing some letters on this subject.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to extend his remarks by including some letters. Is there objection? [After a pause.] The Chair hears none.

Mr. FESS. The following are but a few of the many letters of similar import which come to me from day to day:

SPRINGFIELD, OHIO, *February 25, 1918.*

Hon. SIMEON D. FESS,
House of Representatives, Washington, D. C.

DEAR MR. FESS: I am inclosing herewith a copy of a letter which I addressed to Hon. W. G. McAdoo to-day, and if there is anything that you might do to bring about the desired situation I wish you would give the matter your attention.

We have a number of manufacturers right here in Springfield that will be face to face with ruin if they are compelled to pay this tax on June 15. I think you know enough about manufacturing to realize that increased profits can only come from increased equipment, and since a number of manufacturers have anticipated their profits by installing the necessary equipment they are now in the unfortunate position of having a lot of equipment on their hands and no money to pay this tax.

I am calling this matter to the attention of Messrs. KITCHIN, HARDING, SIMMONS, and POMERENE so that they will be familiar with the situation when you take it up with them.

Thanking you in advance for anything that you can do for us in this matter, I beg to remain,

Yours, very truly,

GEO. CUGLEY,
President the Buckeye Incubator Co.

SPRINGFIELD, OHIO, *March 2, 1918.*

Hon. S. D. FESS,
Committee on Foreign Affairs, House of Representatives, Washington, D. C.

DEAR MR. FESS: Your letter under date of February 27 to our Mr. Cugley is received during his absence and has been referred to the writer.

We certainly appreciate your expression of interest and cooperation in the matter of adjusting the payment of war taxes so that manufacturers will not be obliged to pay this in one lump sum. I am quite sure that the feeling of this company is in hearty accord with other manufacturers, as it can be very readily appreciated that this war tax should be distributed in payments instead of being collected in one lump sum, as war taxes are to cover 12 months' period, and by handling it on a payment basis it would be eliminating the hardship which it would otherwise work on manufacturers.

We will surely appreciate the good work that you can do in this connection, and beg to remain,

Yours, very sincerely,

THE BUCKEYE INCUBATOR CO.,
ARTHUR R. HILL,
General Sales Manager, the Buckeye Incubator Co.

These letters and resolutions come from Springfield, Ohio, where the tax will have a hurtful effect:

FEBRUARY 22, 1918.

Hon. S. D. FESS,
House of Representatives, Washington, D. C.

HONORABLE SIR: The day is fast approaching when, in our modest judgment, there will be a calamity if some relief is not given by your honorable body, together with the Senate. On June 15 excess-profits tax payment must be paid.

Some method of spreading this payment over a few months should—and we are inclined to say, must—be solved, and we urge upon you your best efforts along these lines, which we know will be appreciated by the world at large.

Very truly, yours,

THE RIDGELY TRIMMER CO.,
J. K. WILLIAMS,
General Manager.

Resolution of Springfield Clearing House Association, Springfield, Ohio.

Whereas by the requirements of the Federal income and war-tax laws, taxes assessed thereunder for the year of 1917 must be paid on or before June 15, 1918, and involve an abnormal burden on the taxpayers of the city of Springfield and of Clark County, Ohio, amounting to several millions of dollars, the major portion of which will be borne by the manufacturers of said city, and substantially all of which will have to be handled through the banks thereof; and

Whereas by reason of a maximum of unfavorable conditions, growing out of the past rigid winter, transportation problems, scarcity of fuel, labor, and materials, and excessively high wages, and prices of materials, added to the handicaps consequent upon the war, the manufacturers aforesaid have been unable to accumulate surplus funds and credits requisite to pay the taxes aforesaid; and

Whereas the available resources of the banks of said city will not permit them to loan to said manufacturers the amount necessary to pay said income and war taxes in addition to providing them with requisite funds and credits for their normal business demands; and

Whereas by reason of the causes and conditions aforesaid it is imperative that adequate relief be provided against the payment of all of the income and war taxes aforesaid, within the period aforesaid; otherwise not only will the legitimate and essential operations and business of the manufacturers aforesaid be seriously curtailed and impaired but the ability of said banks to finance the allotment of said city and county of the impending third liberty loan also will be dangerously restricted: Now, therefore, be it

Resolved by the clearing-house banks of the city of Springfield, Ohio, and by the Manufacturers' Association of said city, in joint meeting assembled, as follows, to wit:

1. That it is our unanimous sentiment and conviction that adequate relief must be provided against the dangers and evils which will inevitably ensue from execution of the existing legal requirements that all of said income and war taxes be paid on or before June 15, 1918.

2. That we recommend, as such relief, that the payment of said taxes be apportioned into equal monthly installments throughout the remainder of the present calendar year, beginning with June, 1918.

3. That we recommend that such relief be made effective either by congressional or departmental action, as the law and facts may require.

4. And that copies of this resolution be sent to Hon. William G. McAdoo, Secretary of the Treasury; Hon. CLAUDE KITCHIN, chairman Ways and Means Committee of the House of Representatives; Hon. FRANCIS M. SIMMONS, chairman Finance Committee of the Senate; Hon. ATLEE POMERENE, Senator from Ohio; Hon. WARREN G. HARDING, Senator from Ohio; and Hon. S. D. FESS, Congressman from this district.

GEO. W. WINGER,
President Springfield Clearing House.
W. S. THOMAS,
For the Manufacturers' Association.

This letter comes from a very substantial business firm:

Hon. S. D. FESS, M. C.,
Washington, D. C.

DEAR SIR: Under the terms of the Federal statute income and excess-profits taxes are required to be paid in a lump sum on June 15. Unless this requirement is modified so as to permit a distribution of these payments over a considerable period of time in installments, the result may be disastrous.

In the absence of such an extension most of our large businesses will be required either to take the money out of working capital and reduce operation or to borrow the money from banks. Moreover, the men and business institutions who must be relied upon to absorb the great bulk of liberty bonds will not be in a position to purchase them and at the same time accumulate money for their taxes. Either one or the other must give way.

The impairment of the country's financial resources or the curtailment of industry at this time might seriously jeopardize the successful progress of the war.

While this company probably is in a position to pay its income and excess-profits taxes without injury or inconvenience, we think this statement does not apply to most of the larger companies, firms, or individuals. In writing you we are not speaking for ourselves so much as for the general good.

Very truly, yours,

THE DEWEY BROS. CO.

I here append a letter which I referred to Mr. KITCHIN, and also his answer:

THE TRANCHANT & FINNELL CO.,
Osborne, Ohio, March 1, 1918.

Hon. S. D. FESS,
Washington, D. C.

DEAR MR. FESS: We find there is an agitation on the part of the manufacturer and others who will have income and excess-profit taxes to pay to try and have the payment of same distributed over a considerable period of time in installments.

In the absence of such an extension a number of the larger firms will be required either to take the money out of working capital and reduce operations, or to borrow the money from the banks, and we believe on account of the tightness of money that it is a difficult matter for the banks to increase the line of credit to their depositors over what they are now loaning them. Moreover, the men and business institutions whose money has been relied upon to absorb a large number of liberty bonds will not be able to purchase them and at the same time accumulate money for their taxes. Either one or the other must give way.

If, on the other hand, payments may be made in installments extending over the latter half of the year by a natural process the Government will have time to redistribute this money in the regular channels of trade without a serious disturbance to business.

We kindly ask you to use your influence in bringing about the proper adjustment of this very important matter.

Courteously,

THE TRANCHANT & FINNELL CO.,
Per M. L. FINNELL.

WASHINGTON, D. C., *March 8, 1918.*

Hon. S. D. FESS.
House of Representatives, Washington, D. C.

MY DEAR MR. FESS: In reply to your letter of the 7th instant, inclosing a letter received by you from Mr. M. L. Finnell, president of the Tranchant & Finnell Co., Osborne, Ohio, with reference to extending the time of payment of the income and excess-profits taxes, I beg to advise that probably no single proposition involved in financing this war has received more careful attention and consideration than the question of extending the time of payment of the income and excess-profits taxes, which become due and payable on June 15, 1918. The war-revenue act became a law on October 3, 1917, and everyone has known since that time that these taxes will have to be met by June 15. The law also provided that these payments might be anticipated by turning in money monthly throughout the year and a credit of 3 per cent would be given for such advance payments. The Secretary of the Treasury has issued certificates of indebtedness bearing 4 per cent interest which taxpayers could buy and which could be used for the payment of these taxes. I am advised that about $1,250,000,000 worth of such certificates have been sold for this purpose.

To extend the time of payment of these taxes only means that the Government will have to issue that many more bonds in order to meet its obligations coming due by June 15. It also makes the amount of money available for use by the Secretary of the Treasury uncertain and might place the Federal Government in a very hazardous position.

Personally, hoping that the time of payment could be extended, I have had several conferences with the Secretary of the Treasury with reference to this matter, and after considering all phases of the matter we have concluded that it will not be for the best interest of the Government to extend the time of such payments. I think the Ways and Means Committee is pretty well agreed that the extensions of the time of payment of these taxes would be inadvisable. If a business concern has a Government contract and is really performing a service that is useful to the conduct of the war, and if such concern can not get relief through its bank, I think that in such a case the War Finance Corporation, when organized, will consider an application from the concern and give relief if found necessary.

Yours, very truly, CLAUDE KITCHIN, *Chairman.*

Mr. MADDEN. Mr. Chairman, I move to strike out the last two words. While we are on this income-tax collection I think it may be well enough to say that neither the Secretary of the Treasury nor the Commissioner of Internal Revenue have the power to make regulations for the payment of taxes in periods. The tax-payment period is fixed by law. Before the revenue law was passed the business public were very urgent in their demand for a provision which would authorize the payment of taxes quarterly, and that demand had two objects. One was that the banks should not be drawn against for so large an amount of money as will be required to pay the taxes at a particular date. Another was that most of the people engaged in business would have to borrow the money to pay the taxes, and it might be hard for the banks to accommodate them. Many gentlemen in the House thought there ought not to be quarterly periods of payment. I think one leading financial authority, the former chairman of the Appropriations Committee, Mr. Fitzgerald, offered an amendment to the revenue bill to provide that returns should be filed on a fixed day, and that checks should accompany the statements. Of course his advocacy of that proposition was based on the theory that every man who has a return to make always has a large bank account. But the reverse of that is true and is particularly true since the war began, for in all lines except lines directly connected with the war, business has fallen off, incomes have decreased, profits have dwindled, and losses have taken the place of profits in a large line of industrial institutions throughout the country, and that is going to happen to a greater and greater degree as the war proceeds, for all industries not essentially necessary for the war are going to find themselves without business. For, as the war needs grow greater, a larger percentage of our men will be called upon to engage in war activities either at the front or back of the lines, and a great many institutions of different kinds will go out of business. They are going out of business already. One of the most important business industries in the United States is the building trades. It ramifies into more activities than any other line of business, but in every place in the United States, except where a need is found for building construction in connection with the war, that line of industry has stopped, the men previously engaged in it are idle except those who have been able to find employment in the shipbuilding yards and in the construction of gun factories and similar institutions for the Government, and there are thousands of men, mechanics, trained in the art of building, who are out on the street looking for employment, and the men who formerly employed them are out on the street looking for a job themselves. We can not gauge what has happened to the country by looking——

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman? [After a pause.] The Chair hears none.

Mr. MADDEN (continuing). At the rent rolls in Washington or the price of food in restaurants here or the charges of the hotels here and the difficulty in getting a place to sleep. This is the only city in the United States that has profited by the war. All the other cities find themselves in a condition of distress caused by the war, and if those gentlemen who are responsible for the enactment of revenue laws have a care for the proper protection of the business of the country they will in the next revenue bill provide for periods of payment in quarterly installments of those taxes, because there is nothing more difficult to understand than the fact that men prosperous in other times are to-day on the ragged edge of despair. We have got to look the facts in the face. We have got to meet the situation as we find it and encourage the people, in every way we can, to cooperate with the Government in the great undertaking in which it is engaged.

Mr. HAMLIN. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. HAMLIN. Will not the gentleman join me in the wish, also, that in the next revenue bill all the present revenue laws will be combined——

Mr. MADDEN. I should like to see that done.

Mr. HAMLIN. So that the people could understand just how they are taxed and for what?

Mr. MADDEN. I really used to think myself an expert accountant—so classed sometimes—but I have had great trouble to find out how to make my income-tax returns. The forms which are furnished upon which to make those returns are so complicated that it is hard to tell where to enter any particular item of income, and the law itself covers such a wide range of complications that often a lawyer is obliged to employ an expert accountant to figure out the intricate problems that must be solved in making out an income-tax return. I hope the wise men in this House, who are sitting on the Ways and Means Committee because of their wisdom and knowledge and experience, will take into account the fact that most of us laymen in the House are not as wise as they are and can not see as far through complicated problems as they can, and that the next legislation will be simplified so that an ordinary man will be able to understand it. Take notice, Brother MOORE, that is what we are looking for.

Mr. MOORE of Pennsylvania. Mr. Chairman, I do not like my friend from Illinois to take advantage of the absence of the chairman of the Ways and Means Committee, who is now engaged on another revenue bill which may attract the attention of the gentleman even more than those hitherto passed may have done——

Mr. MADDEN. The revenue bill he is considering now, if he is considering it, is one of the problems of the war.

It establishes a new corporation of $500,000,000 capital and authorizes a board to be appointed by the President, formerly authorized to be appointed by the Secretary of the Treasury and discharged by him, and they may create obligations of $4,000,000,000 more.

Mr. MOORE of Pennsylvania. There is an effort being made to prevent the wildcat business to which the gentleman refers.

Mr. MADDEN. I am proud to say that the members of the Ways and Means Committee, both on the Republican and on the Democratic side, have been awake to the necessity of protecting the interests of the people in connection with the creation of this great corporation, and I congratulate them on the wisdom they have displayed up to now, and I hope that they will be able to take a broader view and display vision, and that they will see that nothing is done in which the people are not properly protected.

Mr. MOORE of Pennsylvania. Does the gentleman at this time, with his vast experience, admit on the floor that he is not sufficiently expert to comprehend the revenue bills that are brought out?

Mr. MADDEN. No man can understand the revenue bills that are on the statute books to-day—not even the Commissioner of Internal Revenue. He has had a board of special experts sitting as a court, or something, and they have not yet been able to enlighten him to the extent of enabling him to find out what the regulations should be; and so he has extended the period in which the returns shall be made from the 1st of March to the 1st of April. So even the wise men that have been sitting on this court—and I admit many wise men have been sitting on it, and some of vast experience—have not been able to fathom the difficult problems that are contained in the law, in this wonderful fabrication or system brought out in the

form of a revenue bill by the genius and the labor of the Ways and Means Committee of the House.

Mr. NORTON. Mr. Chairman, in connection with the internal-revenue law, I want to say that I have received a letter this morning from the Commissioner of Internal Revenue, replying to an inquiry that I made, in which he stated that his office was getting out a ruling on the particular subject concerning which I made an inquiry and had not at that time decided just what the ruling as to the amount of income tax to be paid would be in the case of where a man who had a large number of cattle which he had bred and raised on his farm during the past five or six years sold all these cattle during the year 1917 and placed the proceeds of the sale in a bank on a time certificate of deposit. I particularly wanted to make an inquiry of the chairman of the subcommittee as to the cost of collecting income taxes and the internal-revenue taxes. Has the gentleman any figures showing the percentage of the cost of collecting internal-revenue taxes?

Mr. BYRNS of Tennessee. I will say to the gentleman that the Internal Revenue Commissioner stated that his estimate of cost for 1919 is fifty-six hundredths of 1 per cent, compared with ninety-five hundredths of 1 per cent in 1917. Answering further, I will state to the gentleman that in 1914 the collection of internal revenue cost 1.64 per cent. In 1916 the percentage of cost was 1.40 per cent, and in 1917 ninety-five hundredths of 1 per cent.

Mr. NORTON. How does that compare with the cost of the collection of the income taxes?

Mr. BYRNS of Tennessee. The figures I have given to the gentleman are for all the taxes.

Mr. NORTON. Including internal-revenue taxes and the income taxes as well?

Mr. BYRNS of Tennessee. Yes.

Mr. NORTON. Has the gentleman any figures showing a comparison of cost of the collection of the income taxes with the cost of collection of internal-revenue taxes?

Mr. BYRNS of Tennessee. I can not furnish the gentleman with that information. Of course the very large percentage of the taxes collected come from excess profits and from corporation and individual income taxes.

Mr. NORTON. The figures that the gentleman gives as to the cost in 1914 being 1.64 per cent and the estimated cost of 1919 being fifty-sixth hundredths of 1 per cent, of course, would not be a comparison that would be of any particular value, inasmuch as a large proportion of the taxes now are income taxes, whereas in 1914 they were chiefly internal-revenue taxes. If the gentleman had the figures, I wanted him to make a comparison between the cost of the collection of the internal-revenue taxes and the personal and corporation income taxes.

Mr. BYRNS of Tennessee. I will say to the gentleman that one difficulty in giving the exact figures or estimating the exact figures with reference to the collection of any particular tax lies in the fact that these tax collectors who were appointed are not altogether confined in their work to one particular phase of the tax. In other words, their duties are general in the collection district, and they may be engaged on income-tax work, and in the same county where they are working they may have something to do with the inheritance tax. This is done in the interest of economy. A different policy would require a much greater number of employees.

Mr. NORTON. Is it the fact that the collectors of general internal-revenue taxes throughout the country also employ their services in the collection of income taxes? Is it the fact that those who are employed in the Internal-Revenue Bureau in the work of collecting general internal-revenue taxes also do work in connection with the collection of income taxes?

Mr. BYRNS of Tennessee. Yes. I have just explained that these collectors are not confined to looking after one particular form of tax.

Mr. NORTON. From observations in my own section of the country I was led to believe that two sets of officials were employed in the work of collecting taxes. One set of these men look after the collection of income taxes and another set take care of the collection of general internal-revenue taxes.

Mr. BYRNS of Tennessee. To what taxes does the gentleman refer when he says internal-revenue taxes?

Mr. NORTON. Taxes such as stamp taxes, Government license fees, and all internal-revenue taxes other than those derived from taxes on incomes and excess profits.

Mr. BYRNS of Tennessee. Of course there are storekeepers and gaugers who are concerned particularly with the collection of taxes on liquors.

Mr. NORTON. The income tax, of course, is an entirely different tax to the general internal-revenue taxes which were levied before the income-tax law was enacted.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk will read.

The Clerk read as follows:

For expenses of assessing and collecting the internal-revenue taxes, as provided in an act entitled "An act to provide revenue to defray war expenses, and for other purposes," approved October 3, 1917, including the employment of necessary officers, attorneys, experts, agents, inspectors, deputy collectors, clerks, janitors, and messengers in the District of Columbia and the several collection districts, to be appointed as provided by law, telegraph and telephone service, rental of quarters, postage, and the purchase of such supplies, equipment, mechanical devices, printing, stationery, law books and books of reference, and such other articles as may be necessary for use in the District of Columbia and the several collection districts, $8,000,000: *Provided*, That not more than $500,000 of the total amount appropriated herein may be expended by the Commissioner of Internal Revenue for detecting and bringing to trial persons guilty of violating the internal-revenue laws or conniving at the same, including payments for information and detection of such violations: *Provided further*, That not more than $1,172,000 of the total amount appropriated herein may be expended in the Bureau of Internal Revenue, in the District of Columbia.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, I observe in this paragraph and in the preceding paragraph—also in some of the paragraphs following—that lump-sum appropriations are used to a large extent, as I understand, for the payment of employees who are not under civil-service rules. Let me, in that connection, ask the distinguished chairman of the committee whether the President could not, if he so desired, put these employees under civil-service rules?

Mr. BYRNS of Tennessee. Well, as I understand it, practically all these employees in this paragraph are under the civil-service rules, except the deputy collectors, and they were exempted by express provision of law, as the gentleman will recall, a year or two ago.

Mr. GREEN of Iowa. Yes; I remember that; and I also remember that the employees under the preceding paragraph were exempted by an express provision of law. But I had not supposed that that placed the matter beyond the control of the President.

However, I do not profess to be sufficiently well informed on that point to say positively whether the President could or could not place these employees under the civil-service rules, but it seemed to me that the time ought to have come when it is no longer necessary that we should, in the language of a former distinguished Secretary of State, feel compelled to provide "places for deserving Democrats" by exempting them from the civil-service rules. But as we go on and on in these appropriation bills we see the same policy that has manifested itself so often persists.

Now, so far as these persons who are employed to collect the income tax are concerned, if anybody ought to be under the civil-service rules they ought to be. If we are to continue to keep some of our departments under the civil-service rules, these employees should also be placed under them. Otherwise we ought to abolish the civil-service rules entirely and go back to the old system.

Of course it is too much to ask of this administration that it should be consistent. I find that gentlemen on the other side of the aisle, when they want to justify some act in kicking over the party traces, always find some declaration of the party leader or some act which they think constitutes a sufficient precedent, and I do not think they have very much difficulty in hunting up something of that kind.

When I was a young lawyer I was inquiring whether I had better purchase the New York Reports, and an old lawyer told me to do so by all means, because if I hunted long enough I would find any law I desired in any direction. Without attempting to determine whether that is the case with reference to the precedents supplied by the present administration, I might refer briefly to the figures which have been given by the distinguished gentleman from Tennessee as to the cost of collecting the revenue and the apparent justification of present methods, so far as the mere face of the figures is concerned. The percentage of cost has greatly decreased, as the gentleman quite correctly stated, but there is a very plain and obvious reason why it should be so. It costs no more to collect a million dollars of income tax from Mr. Rockefeller than it did to collect the comparatively small sum that was exacted of him before the income taxes were raised so high. That expense is trifling, and it costs but little more to run the whole internal-revenue machinery, comparatively speaking, since we have provided for these increased taxes. Now, we have raised the taxes everywhere. Larger amounts are required under the same circumstances without, of course, in any way increasing the expense of collection. Naturally the percentage of the cost of collection

has fallen. But this affords no justification for the unnecessary amounts which I think we are spending in salaries largely because they are fixed without reference to a decision of Congress under lump-sum appropriations. If there is no other way of bringing these parties under civil-service rules, the Committee on Reform in the Civil Service ought to get busy and Congress ought to get busy and bring these employees under the rules to which others holding similar positions are required to conform.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. STAFFORD. Mr. Chairman, I wish to be recognized in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized.

Mr. STAFFORD. Mr. Chairman, the manner of the employment of these employees under the jurisdiction of the Commissioner of Internal Revenue for the collection of the income taxes, war excess-profits tax, and corporation taxes was given considerable attention during the hearings in the preparation of this bill. I inquired of the Collector of Internal Revenue as to what employees were exempted from the provisions of the civil-service law, and he said in reply to my question that special employees and deputy collectors were so excepted. I asked him to state the amounts of money that are available for the employment of employees and the character of employees who are not under civil service and which he has authority to appoint. Mr. Roper replied, "I will insert that in the record," and following that is inserted a table on page 367 of the hearings, giving the total appropriation of $14,800,000, which is available for the employment of employees by Mr. Roper and the collectors in the field that will not be under the civil service. He lists in that schedule salaries and expenses of collectors of internal revenue, total amount appropriated, fiscal year 1918, $2,565,000; salaries and expenses of agents and subordinate officers of internal revenue, $2,200,000; collecting the income tax, $1,700,000; collecting the excess-profits tax, $2,000,000; collecting the tax on estates, munitions, etc., $340,000; restricting the sale of opium, $300,000; collecting the cotton-futures tax, $20,000; collecting the war revenue, $4,583,000; punishment for violating of internal-revenue laws, $175,000; miscellaneous expenses Internal-Revenue Service, $100,000.

Mr. Roper was very frank in answer to the queries put to him as to how this method was accomplished in evasion of the civil-service law.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BYRNS of Tennessee. The gentleman does not mean to say that the Internal-Revenue Commissioner said that all the employees under these funds to which the gentleman alluded were appointed without the civil service?

Mr. STAFFORD. He did not say that all were, but I asked him that plain question on page 367—

> Will you please state the amounts of money that are available for the employment of any character of employees who are not under the civil service and which you now have authority to appoint?

Mr. BYRNS of Tennessee. The trouble with the gentleman is that he has not noticed the last column, in which the status of the employees are fixed. The only employees excepted are deputy collectors and district surveyors, and as a matter of fact the commissioner states that all the other employees are under civil service.

Mr. STAFFORD. I stated when I was interrupted by the chairman that Mr. Roper was very frank as to the way the civil-service law is gotten around in its operation by the department and the respective collectors. The collectors in the respective districts are privileged to appoint men without the civil service as special agents or deputy collectors, if they are to give bond, not to the department but to the collector. So the collectors in the respective districts, I assume, are now proceeding in that way, because I am receiving letters not only from my home district but from other parts of the country asking me to use my influence in the appointment of a deputy collector outside the civil service by writing to the local collector, which I have declined to do. Of course, the collectors select some of the faithful.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. STAFFORD. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. They select some one who has been recommended, I assume, by a political friend. The local collector gives him an appointment as a deputy collector, who is accountable to him directly in the performance of his duty. Later on an examination is held for one of these positions covered by the civil service which, under the law, and for which these funds are available for appointment, are required to be civil-service appointees. If they qualify under the subsequent examination, show that they have the ability, then they are appointed; but the vice of that system is that the collector originally selects the men who may take the appointment, and then if they can qualify they are put into the civil-service list in a similar fashion to the way the post-office inspectors were appointed years ago, and are still appointed. That limits the appointment to those who have first been selected by the local collector and does not open it to the public generally to secure the best character of men. They are turned into permanent employment in the civil-service register provided they can meet the qualifications of the Civil Service Commission.

Mr. LINTHICUM. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. LINTHICUM. I went into one of the largest bureaus in the city the other day and sought to have a party employed, and they told me that everything was under civil service; that they had had the right to put people on and afterwards give them a civil-service examination, but, he said, "I am not now getting the class of people that I was when I was able to select them myself."

Mr. STAFFORD. There have been criticisms made on the floor of the House in the past few days as to the department appointing people not within the civil service. There was an exigent condition that confronted the department by not having a sufficient number of employees to perform the necessary work, but I am calling attention to these places in the field, where high-grade men are required to enforce the law and protect the Government in the collection of the war revenue. I must say that I was surprised when I saw these big amounts running into millions open to the spoils system, and the Civil Service Commission say that they are in no position to overcome it when the collector appoints them as deputy collectors. Mr. Roper himself stated that the plan that was being followed all along the line was for the local collectors to designate the men for temporary appointment, and then if perchance they could qualify, go to the civil-service register in a different capacity. In two of the items alone—that for salaries and expenses of collectors and that for collecting the war revenue—the pending bill has increased the first appropriation by a million and the other by three and a half million, all available for the appointment of additional deputy collectors that may be appointed by the local collectors without regard to the civil service, and retain their places for all time, so long as the collector decrees, without civil-service examination. The Civil Service Commission have said that they are helpless. They have said that there are available civil-service lists of eligibles, and yet the local collectors are privileged under the practice now being indulged in to take these men outside, put them in temporarily, and then turn them over into another class or continue them temporarily in the employment as deputy collectors, provided that they can give bond. This is the most outrageous evasion of the civil-service law that has been called to my attention. There are occasions when it is necessary to lift the civil-service requirements, as was the case when we needed a large temporary employment, but it is not necessary in this field. We can not look for good administration of the all-important revenue laws, with their resulting revenue, aggregating hundreds of millions, when the force employed for its collection largely comprise political appointees.

Mr. LINTHICUM. Mr. Chairman, there is no man in this House who has been stronger for the civil service than I have been. When the provision omitting the deputy collectors from civil service was put in the bill by Congress some time ago I voted against it, and I have voted consistently against any encroachment on the civil-service system. The gentleman from Wisconsin seems to overlook the fact that these are extraordinary times, when it is absolutely impossible for the department to get the men from the civil-service list as fast as they are needed. The Civil Service Department has been unable to supply them. They have been taking men on the temporary list and afterwards letting them take the civil-service examination. If they pass they are continued, and if they do not pass they are separated from the service. It would have been absolutely impossible for the Government to perform the duties required since the war was declared if they had not taken these extraordinary steps. I know that Mr. Roper told me not more than two days ago that he was unable to take any man now, except these deputy collectors, unless they came through the Civil Service Commission. Another head of a bureau told me that he could not take any-

body unless recommended by the Civil Service Commission, and he said, in addition to that, that he was sorry for it, because when he had the selection in his own hands and would afterwards let them take the examination he got a whole heap better people than he is getting to-day, because he had a larger field to draw from and could make his own selections of men well fitted for the position. I do not think the criticisms of the gentleman as to what is being done at the present time are fair. Certainly, as one gentleman said previously about deserving Democrats, I have not found that the department is asking any questions about what a man's politics are, or what his people's politics are. They want good people who can perform the service, and in taking people and asking for these places I have never even known their politics, but I have endeavored to give the department good people whenever I could recommend them, regardless of what their politics were. The Government needs good men, there are positions for all fit men whether Democrats or Republicans.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I am curious about what seems to be an inconsistency in this matter. I raised the question with the gentleman from Tennessee [Mr. BYRNS] the other day. In the bill before us we find that when we come to the employment of clerks for Congressmen, or for those who are to give service round about the House of Representatives, for instance, every man is detailed, every item of salary is carefully set out and scrutinized, but when we come to the expenditure of $16,000,000 in the aggregate, we pass it over to the Collector of Internal Revenue in a lump sum so that there can not be any scrutiny on this floor or any point of order as is constantly made in other cases.

Mr. LINTHICUM. I would say in reply, that the explanation of the gentleman from Kentucky [Mr. SHERLEY], the chairman of the Committee on Appropriations, which he made the other day amply explains that. There is a very good reason for it If you put these people on the rolls with a salary attached, and make it the law, they will continue on after the war is over, but if you give a lump sum we have a chance after the war is over of separating some of them from the Government employ. I do not know how many will be separated, as I have always found that very few of them want to give up their jobs, but we will be able to discontinue them after the war is over.

Mr. CAMPBELL of Kansas. It would be almost as hard to separate clerks from the Government employ as to discontinue these Subtreasuries.

Mr. LINTHICUM. I do not think you are going to discontinue the Subtreasuries, because they are so useful to the United States and to the cities where they are situated that I do not believe Congress will be so mean as to discontinue them.

Mr. MOORE of Pennsylvania. Is it not a fact that the Subtreasuries are so hedged about that every dollar spent on them is known and scrutinized?

Mr. LINTHICUM. Why, certainly. You take the Subtreasury in Baltimore, which does a business of $314,000,000, and all it costs the Government is $31,500 a year.

Mr. BYRNS of Tennessee. Mr. Chairman, the trouble with the remarks of the gentleman from Wisconsin [Mr. STAFFORD] is that they are based on incorrect premises. As a matter of fact, every person employed in the collection of internal revenue is under the civil service except the collectors themselves, who are appointed by Executive authority, the deputy collectors, and special employees, who can not be appointed for a period exceeding six months, and are only appointed when the needs of the service require it.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. In just a moment. That statement was very clearly set forth by the Internal Revenue Commissioner in his statement. He stated that even in the case of deputy collectors, where the collectors are empowered under express provision of law to make the appointment without regard to the civil service, he had in all cases instructed the collectors to observe and follow the civil-service rules and regulations in making the appointments. In other words, his instructions were to the collectors not to appoint any man as a deputy collector who could not qualify under the civil-service rules and regulations in respect to the experience he had had in bookkeeping and the other various qualifications requisite for a civil-service appointee.

Mr. STAFFORD. The gentleman does not mean by that statement that they were on the civil-service eligible list at the time of their appointment?

Mr. BYRNS of Tennessee. I do not, and I did not say so. My statement was that in making these appointments outside of the civil service the Internal Revenue Commissioner stated that the collectors were instructed not to appoint a person who could not, if required, qualify under the civil-service rules and regulations.

Mr. STAFFORD. I assume that has always been the representation when they have had the spoils system established in full force—that they were able to qualify if necessary.

Mr. BYRNS of Tennessee. The gentleman knows more about the spoils system than I do, because his party was in power for a very long number of years.

Mr. STAFFORD. I think the Republican Party has a more consistent policy in regard to the civil service than has the gentleman's party, because under its administration we passed legislation requiring that all employees should be under the civil service, but here in the field service which is now being established as a political machine, there are more exempted from the civil service than ever before.

Mr. BYRNS of Tennessee. The gentleman is simply repeating the errors that he made in his statement a while ago. The facts are, and I repeat, that the Commissioner of Internal Revenue stated that every one in the employ of the Internal-Revenue Service is under the civil service and required to take the civil-service examination except these deputy collectors who are exempted by express provision of law, and the special employees, who can not be appointed for a period exceeding six months.

Now, the gentleman has referred to the table printed on page 367 of the hearings——

Mr. STAFFORD. Will the gentleman yield in that particular before he proceeds on that line? Does not the gentleman remember that Mr. Roper testified to the fact that the way these deputy collectors got under the civil-service protecting arm of the Government was that the local collectors first appointed the men and then later they took the civil-service examination, and if they were able to qualify they were taken into the service in other grades?

Mr. BYRNS of Tennessee. Oh, certainly; if they take the civil-service examination. They are not precluded from taking the civil-service examination and securing a civil-service status after their appointment.

Mr. STAFFORD. Only those were able to take the civil-service examination who had first been designated by the local collector. That is the testimony.

Mr. BYRNS of Tennessee. I beg to differ with the gentleman very positively on that point. I have in mind, I will say to the gentleman, one individual who has never been a deputy collector but who took the civil-service examination and made one of the highest grades, and he was appointed only the other day by reason of the fact that he stood at the top of the eligible list.

Mr. STAFFORD. To what position?

Mr. BYRNS of Tennessee. As an income-tax collector.

Mr. STAFFORD. But not a deputy collector, which is outside of the civil service.

Mr. BYRNS of Tennessee. I have never contended that deputy collectors were appointed under civil service.

Mr. STAFFORD. That brings the question I wished to ask the gentleman originally. How many deputy collectors are there in the service who are not under civil service——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask for three minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Now, Mr. Chairman, I do not want to consume the time of the committee, but the gentleman from Wisconsin in his remarks a few moments ago referred to a table which was submitted by the Internal Revenue Commissioner at his request and is printed on page 367 of the hearings. He read from that table, but the gentleman unintentionally, I am sure, overlooked the material facts contained in that table, and that is the last column of the table which shows the status of the employees so enumerated. This table undertakes to set forth all the employees under the lump sums carried in the current law, and then in the last column of the table the internal-revenue collector designates those who were appointed under the civil service and those appointed outside of the civil service, and in order that the House may understand just how these employees are appointed I ask unanimous consent to extend my remarks by printing the table referred to.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The table is as follows:

Appropriations.	Total amount of appropriation, fiscal year 1918.	Statutory amount available for bureau and stationery.	Designation.	Status.
Salaries and expenses of collectors of internal revenue.	$2,565,000	None	Collectors	Executive appointment.
			Deputy collectors	Excepted.
			Clerks	Civil service.
			Janitors	Do.
			Messengers	Do.
			District surveyors	Excepted.
Salaries and expenses of agents and subordinate officers of internal revenue.	2,200,000	None	Revenue agents	All civil service with exception of deputy collectors appointed by collectors.
			Storekeepers	
			Storekeeper-gauger	
			Gaugers and special gaugers.	
			Deputy collectors	
			Inspectors	
Collecting the income tax.	1,700,000	$40,000 bureau. $32,000 stationery.	Agents	All civil service.
			Inspectors	
			Deputy collectors	
			Clerks	
			Messengers	
Collecting the excess-profits tax, etc.	2,000,000	$175,000 bureau. $10,000 rent.	Agents	All civil service with exception of attorneys.
			Inspectors	
			Attorneys	
			Deputy collectors	
			Clerks	
			Messengers	
			Janitors	
			Experts	
Collecting the tax on estates, munitions, etc.	340,000	$40,000 bureau.	Experts	All civil service.
			Agents	
			Inspectors	
			Deputy collectors	
			Clerks	
			Messengers	
			Janitors	
			Necessary officers	
Restricting the sale of opium.	$300,000	Not limited.	Agents	All civil service.
			Inspectors	
			Deputy collectors	
			Chemists	
			Assistant chemists	
			Clerks	
			Messengers	
Collecting the cotton-futures tax.	20,000	None	Attorneys	All civil service with exception of attorneys.
			Agents	
			Inspectors	
			Deputy collectors	
			Clerks	
			Messengers	
Collecting the war revenue.	4,583,000		Attorneys	All civil service with exception of attorneys and deputy collectors appointed by collectors.
			Experts	
			Agents	
			Inspectors	
			Deputy collectors	
			Clerks	
			Janitors	
			Messengers	
			Necessary officers	
Punishment for violation of internal-revenue laws.	175,000	None	Special employees	Civil service if employed over six months.
Miscellaneous expenses, Internal-Revenue Service.	100,000	$14,000 stationery.	None	None.

Mr. STAFFORD. Will the gentleman yield before he takes his seat?

Mr. BYRNS of Tennessee. My time has expired.

Mr. STAFFORD. Mr. Chairman, I ask that the gentleman's time be extended two minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. STAFFORD. Can the gentleman give the committee information as to the number of deputy collectors who are paid from this $15,000,000 appropriations or the amount of money that is paid to them. I asked that question of the Commissioner of Internal Revenue, Mr. Roper, and he failed to incorporate it in the hearings, as he said he would. A large amount of this appropriation is paid to deputy collectors. That is the way they are being appointed to-day outside of the civil service.

Mr. BYRNS of Tennessee. Now, if the gentleman will turn to page 412, and subsequent pages of the hearings, extending down to and including page 417, he will find a specific, definite statement from the Internal Revenue Commissioner giving that information. I have not the time to count them up, but the gentleman can do that.

Mr. STAFFORD. I ask unanimous consent to insert in the RECORD at this point——

The CHAIRMAN. The gentleman from Tennessee has the floor.

Mr. STAFFORD. I assumed he yielded to me for that purpose.

The CHAIRMAN. Does the gentleman from Tennessee yield?

Mr. BYRNS of Tennessee. I yield the floor.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last two words. I ask unanimous consent that there may be printed in the RECORD at this point a list of the deputy collectors under these various appropriations, as shown in the respective pages of the hearings referred to by the gentleman from Tennessee.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent to extend his remarks in the RECORD by including the list of deputy collectors. Is there objection. [After a pause.] The Chair hears none.

The list referred to is as follows:

Statement showing present allowances to collectors of internal revenue under the several internal-revenue appropriations.

Designation.	Number.	Salary.	Traveling expenses.	Total per annum rate.
SALARIES AND EXPENSES OF COLLECTORS OF INTERNAL REVENUE.				
Deputy collectors	8	$1,600	$800	$19,200
Do	1	1,600	720	2,320
Do	8	1,600	600	17,600
Do	1	1,600	500	2,100
Do	1	1,600	400	2,000
Do	4	1,600	300	7,600
Do	3	1,600	250	5,550
Do	1	1,600	240	1,840
Do	3	1,600	200	5,400
Do	1	1,600	150	1,750
Do	1	1,600	100	1,700
Do	9	1,500	1,200	24,300
Do	13	1,500	1,000	32,500
Do	8	1,500	900	19,200
Do	3	1,500	800	6,900
Do	3	1,500	600	6,300
Do	1	1,500	500	2,000
Do	2	1,500	200	3,400
Do	1	1,500	120	1,620
Do	3	1,500	100	4,800
Do	3	1,450	30	4,440
Do	1	1,400	1,400	2,800
Do	1	1,400	1,350	2,750
Do	12	1,400	1,200	31,200
Do	21	1,400	1,000	50,400
Do	20	1,400	900	46,000
Do	9	1,400	800	19,800
Do	1	1,400	720	2,120
Do	4	1,400	700	8,400
Do	1	1,400	650	2,050
Do	12	1,400	600	24,000
Do	1	1,400	540	1,940
Do	9	1,400	500	17,100
Do	1	1,400	480	1,880
Do	2	1,400	450	3,700
Do	12	1,400	400	21,600
Do	1	1,400	360	1,760
Do	1	1,400	350	1,750
Do	1	1,400	320	1,720
Do	20	1,400	300	34,000
Do	4	1,400	250	6,600
Do	11	1,400	200	17,600
Do	5	1,400	150	7,750
Do	4	1,400	120	6,080
Do	29	1,400	100	43,500
Do	4	1,400	75	5,900
Do	2	1,400	60	2,920
Do	1	1,400	50	1,450
Do	1	1,400	25	1,425
Do	1	1,350	1,100	2,450
Do	3	1,350	1,000	7,050
Do	4	1,350	75	5,700
Do	1	1,300	1,400	2,700
Do	5	1,300	1,200	12,500
Do	32	1,300	1,000	73,600
Do	1	1,300	960	2,260
Do	18	1,300	900	39,600
Do	2	1,300	840	4,280
Do	29	1,300	800	60,900
Do	19	1,300	720	38,380
Do	8	1,300	700	16,000
Do	3	1,300	650	5,850
Do	9	1,300	600	17,100
Do	2	1,300	500	3,600
Do	1	1,300	480	1,780
Do	2	1,300	450	3,500
Do	1	1,300	400	1,700
Do	1	1,300	375	1,675
Do	2	1,300	360	3,320
Do	3	1,300	350	4,950
Do	2	1,300	300	3,200
Do	2	1,300	250	3,100
Do	1	1,300	240	1,540
Do	1	1,300	200	1,500
Do	2	1,300	150	2,900
Do	1	1,300	120	1,420
Do	3	1,300	100	4,200
Do	1	1,300	75	1,375
Do	2	1,300	30	2,660
Do	1	1,300	20	1,320
Do	8	1,200	1,200	19,200
Do	15	1,200	1,000	33,000
Do	17	1,200	900	35,700

Statement showing present allowances to collectors of internal revenue under the several internal revenue appropriations—Continued.

Designation.	Number.	Salary.	Traveling expenses.	Total per annum rate.
SALARIES AND EXPENSES OF COLLECTORS OF INTERNAL REVENUE—continued.				
Deputy collectors	1	$1,200	$840	$2,040
Do	8	1,200	800	16,000
Do	3	1,200	720	5,760
Do	4	1,200	700	7,600
Do	9	1,200	600	16,200
Do	3	1,200	500	5,100
Do	1	1,200	480	1,680
Do	2	1,200	360	3,120
Do	6	1,200	300	9,000
Do	1	1,200	250	1,450
Do	2	1,200	240	2,880
Do	1	1,200	200	1,400
Do	1	1,200	150	1,350
Do	1	1,200	120	1,320
Do	9	1,200	100	11,700
Do	2	1,200	75	2,550
Do	2	1,200	60	2,520
Do	1	1,200	50	1,250
Do	2	1,200	30	2,460
Do	1	1,100	600	1,700
Do	2	1,100	500	3,200
Do	3	1,100	450	4,650
Do	2	1,100	350	2,900
Do	2	1,100	250	2,700
Do	1	1,100	150	1,250
Do	1	1,100	100	1,200
Do	1	1,100	75	1,175
Do	2	1,000	100	2,200
Do	2	1,000	75	2,150
Do	1	1,000	60	1,060
Do	2	1,000	50	2,100
Do	2	1,000	25	2,050
Do	3	900	100	3,000
Do	1	900	60	960
Do	1	900	50	950
Do	1	720	60	780
Do	1	600	120	720
Do	1	600	50	650
Do	2	600	30	1,260
Do	1	500	100	600
Do	1	500	78	578
Do	1	500	75	575
Do	1	500	60	560
Do	1	400	36	436
Do	2	200	50	700
Do	2	300	36	672
Do	3	200	30	990
Do	1	300	24	324
Total	1,446			2,449,303
COLLECTING THE WAR REVENUE.				
Deputy collectors	1	3,000		3,000
Do	2	2,750		5,500
Do	1	2,400		2,400
Do	3	2,200		6,600
Do	9	2,000		18,000
Do	1	1,900		1,900
Do	5	1,800		9,000
Do	6	1,700		11,200
Do	22	1,600		35,200
Do	1	1,575		1,575
Do	34	1,500		51,000
Do	189	1,400		264,600
Do	1	1,375		1,375
Do	1	1,350		1,350
Do	29	1,300		37,700
Do	2	1,260		2,520
Do	2	1,250		2,500
Do	363	1,200		435,600
Do	28	1,100		30,800
Do	77	1,000		77,000
Do	1	990		990
Do	32	900		28,800
Do	2	840		1,680
Do	2	800		1,600
Do	2	750		1,500
Do	3	720		2,160
Do	2	660		1,320
Do	1	600		600
Do	2	2,000	1,200	6,400
Do	1	1,800	1,000	2,800
Do	1	1,800	200	2,000
Do	1	1,800	50	1,850
Do	1	1,750	1,200	2,950
Do	2	1,600	1,200	5,600
Do	5	1,600	1,000	13,000
Do	3	1,600	800	7,200
Do	5	1,600	600	11,000
Do	1	1,600	200	1,800
Do	5	1,600	100	8,500
Do	4	1,500	1,200	10,800
Do	18	1,500	1,000	45,000
Do	139	1,500	800	2,159,700
Do	1	1,500	500	2,000
Do	5	1,500	200	8,500
Do	1	1,500	100	1,600
Do	1	1,500	20	1,520
Do	1	1,470	1,200	2,670
Do	3	1,400	1,200	7,800
Do	12	1,400	1,000	28,800

Statement showing present allowances to collectors of internal revenue under the several internal-revenue appropriations—Continued.

Designation.	Number.	Salary.	Traveling expenses.	Total per annum rate.
COLLECTING THE WAR REVENUE—con.				
Deputy collectors	4	$1,400	$900	$9,200
Do	24	1,400	800	52,800
Do	1	1,400	700	2,100
Do	1	1,400	600	2,000
Do	1	1,400	550	1,950
Do	7	1,400	500	13,200
Do	1	1,400	450	1,850
Do	1	1,400	400	1,800
Do	2	1,400	350	3,500
Do	4	1,400	100	6,000
Do	1	1,300	1,000	2,300
Do	1	1,300	900	2,200
Do	1	1,300	700	2,000
Do	3	1,300	600	5,700
Do	1	1,300	350	1,650
Do	1	1,300	120	1,420
Do	1	1,260	800	2,060
Do	1	1,260	300	1,560
Do	1	1,260	50	1,310
Do	3	1,200	900	6,300
Do	2	1,200	800	4,000
Do	1	1,200	600	1,800
Do	2	1,200	500	3,400
Do	1	1,200	400	1,600
Do	3	1,200	200	4,800
Do	1	1,200	200	1,400
Do	1	1,100	90	1,190
Do	1	1,100	60	1,160
Total	1,905			3,508,010

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Young, one of its clerks, announced that the Senate had passed without amendment bill of the following title:

H. R. 175. An act to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915, and for prior years, and for other purposes."

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3700. An act for the relief of John McW. Ford.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

Restricting the sale of opium, etc.: For expenses to enforce the provisions of the act approved December 17, 1914, entitled "An act to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon, all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or cocoa leaves, their salts, derivatives, or preparations, and for other purposes," including the employment of agents, deputy collectors, inspectors, chemists, assistant chemists, clerks, and messengers in the field and in the Bureau of Internal Revenue in the District of Columbia, to be appointed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, and for the purchase of such supplies, equipment, mechanical devices, and other articles as may be necessary for use in the District of Columbia and the several collection districts, including not to exceed $4 per diem in lieu of subsistence, $325,000.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. With respect to the opium item, was there any testimony before the committee showing that there was an increase in the use of narcotics?

Mr. BYRNS of Tennessee. There were no statements made as to increase, except in a general way showing that there was a need for an additional number of employees. I will state to the gentleman that the commissioner stated:

Many requests from various parts of the country are received asking that assistance be rendered in preventing traffic in narcotic drugs, and this condition has been intensified due to congestion in the cities and elsewhere on account of war conditions.

I think that answers the gentleman.

Mr. MOORE of Pennsylvania. It does; but I would like the gentleman to listen to this brief statement. I have been informed the opium and drug habit has been on the increase, and particularly in some of the large cities and within the environments thereof, and it has been charged that this increase has come along very largely in consequence of the prohibitory laws with respect to the sale of liquor. Is there any testimony before the committee along that line?

Mr. BYRNS of Tennessee. There was not. The committee made no inquiry along that line.

Mr. MOORE of Pennsylvania. A very careful and conscientious judge of my city has indicated recently that there

has been an increase in the number of addicts who appear before him. I have been informed also that there have been increased activities in the department.

Now, Philadelphia is a large city and prohibition has not yet struck it. But if the dope habit is growing——

Mr. LINTHICUM. How large is Philadelphia?

Mr. MOORE of Pennsylvania. It is about four times the size of Baltimore. [Laughter.]

Mr. LINTHICUM. Baltimore has nearly a million people. What is the size of Philadelphia?

Mr. MOORE of Pennsylvania. It is still growing, and the suggestion is that a great many of these addicts are coming from suburbs like Baltimore to Philadelphia.

Mr. LINTHICUM. They do not have to come over there for wet goods.

Mr. MOORE of Pennsylvania. They do not; but they drift into Baltimore for wet goods from dry territory, and after smoking a few cigarettes and taking a cocktail they get into the opium habit.

I am satisfied to vote for a larger appropriation to stamp out this evil, but I want to call the attention of the committee to the fact that the reports indicate that the habit is growing. How do they get this stuff? It may be due to a lack of vigilance on the part of the officers charged with the administration of the antinarcotic law, or it may be that the law itself is inefficient. At any rate, it is a serious problem and one that affects the morale of our communities.

Mr. STEVENSON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. STEVENSON. I will state that there was a very large percentage of our population addicted very largely to narcotics in the South—the colored people—and the addiction to drugs has been very greatly diminished by the passage of this law, notwithstanding the fact that we have made that territory bone dry at the same time. It was a great scourge amongst the colored people, and it has been very materially reduced.

Mr. MEEKER. Will the gentleman yield?

Mr. STEVENSON. I will.

Mr. MEEKER. I wanted to know whether or not the gentleman would like to say here now that the illicit distilling is decreasing in his territory?

Mr. STEVENSON. I do not think it is increasing in my territory.

Mr. MEEKER. You are willing to let that statement stand, are you?

Mr. STEVENSON. It is not increasing, but it is because of the vigilance of the officers. The cupidity of the human family would make it increase if we did not catch the offenders, but we catch them down there.

Mr. MEEKER. I wanted to get you on record as to that.

Mr. MOORE of Pennsylvania. I hope the enforcement may be brought about as effectively in one section of the country as it is in another.

I withdraw the pro forma amendment.

The Clerk read as follows:

The Secretary of the Treasury is authorized and directed to discontinue the offices of the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco within six months after the President shall have proclaimed the termination of the existing state of war between the United States and Germany; and section 3595 of the Revised Statutes of the United States is repealed from and after the discontinuance of the said offices. The Secretary of the Treasury further is authorized to retain only such of the employees in the offices of the assistant treasurers as may be necessary to safeguard the property and funds of the United States and to transfer to Washington to the office of the Treasurer of the United States such others as in his judgment may be necessary in connection with the discontinuance of the said offices.

Mr. IGOE. Mr. Chairman, I make a point of order on the paragraph.

Mr. BYRNS of Tennessee. On what ground?

Mr. IGOE. I make the point that it changes existing law.

Mr. MOORE of Pennsylvania. Mr. Chairman, is the gentleman from Missouri [Mr. IGOE] intending to make a speech on this subject?

Mr. IGOE. I think the point of order is so well taken and so apparent that I did not suppose it was necessary to argue the matter. I suppose the chairman will oppose the point of order.

Mr. BYRNS of Tennessee. I think so. This amendment, I insist, is in order under the so-called Holman rule, since it serves to retrench expenditures. I am not going to discuss the matter at any length, because I recognize the fact that the present Chairman has heretofore had occasion to construe that rule and its application and has delivered a very able opinion upon the subject, which will be found in the Manual, on page 507. The Chairman is recognized as one of the very ablest parliamentarians of this body, and therefore it is not necessary for me to do more than call attention to this ruling. This ruling, if the Chair pleases, was made on an amendment offered to the military appropriation bill by the chairman of the Committee on Military Affairs, who at that time was Mr. Hay, of Virginia, by which he sought to reduce the number of Cavalry regiments from 15 to 10, there being nothing in the bill to show that it meant retrenchment of expenditures except the fact that the number of regiments was reduced from 15 to 10. As I have stated, the Chairman acting then as he is now, delivered an exhaustive opinion upon the subject, in which he held that it was not necessary for the bill to show specifically upon its face that it did serve to retrench expenditures. I quote from a portion of that opinion, as follows:

The words "amounts of money covered by the bill" refer not only to the amounts specifically appropriated by the bill but to the amounts required under the different heads or items of expense to which the bill relates. And if the necessary effect of an amendment is to reduce, in the operation of the departments or bureaus for which appropriations are made, the amount otherwise required for any one or more heads or items of expense, then a retrenchment has been effected by a reduction of the amounts of money covered by the bill.

And further on the Chair said:

But it is not necessary for this conclusion of reduction to be established with the rigor and severity of a mathematical demonstration. It is enough if the amendment, in the opinion of the Chair, will fairly operate by its own force to retrench expenditures in one of the three ways indicated. This result must be a necessary result, not a conjectural result or a problematical result.

Mr. COADY. Will the gentleman yield?

Mr. BYRNS of Tennessee. In just a moment.

I quote further:

It is true that, having reference to the difference of minds, one chairman might hold that retrenchment would be the necessary result of an amendment, while another chairman or the committee on appeal might be of a different opinion. But this is inevitable.

Clearly, Mr. Chairman, if this amendment is adopted it will result in a reduction of more than $600,000 in expenditures, because that is the sum that is appropriated for these nine Subtreasuries.

Mr. COADY. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. COADY. Where is there any language in that section that justifies the gentleman in making the statement that he just has made, that it will save $600,000? Does not this section authorize the Secretary of the Treasury to retain all these men?

Mr. BYRNS of Tennessee. Not all of them. It authorizes him to retain——

Mr. COADY. Such number as he may deem necessary.

Mr. BYRNS of Tennessee. Such employees as he may deem necessary.

Mr. COADY. He may deem all of them necessary.

Mr. BYRNS of Tennessee. That is not the total expense of the Subtreasuries. There is the expense of rent, of heat and light, and water, and all those accessories that are necessary to maintain them. And, in addition to that, there is the specific saving of the salaries of nine assistant treasurers, who get $4,500 each.

Mr. COADY. Not necessarily so. The Secretary of the Treasury may deem it necessary to employ more men, and he would be authorized to do it under that section.

Mr. BYRNS of Tennessee. This section refers to civil-service employees. It does not refer to the nine assistant treasurers who are appointed by executive authority.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield for a question?

Mr. COADY. Is it not true that most of these Subtreasuries are in Government buildings?

Mr. BYRNS of Tennessee. Probably all of them are.

Mr. COADY. Then how would it save rent and light and heat and janitor service if they are in Government buildings?

Mr. BYRNS of Tennessee. If they were not needed for this purpose, they could be used for some other purpose, and such expenses would be charged to other appropriations and not to this.

Mr. COADY. That is a mere speculation.

Mr. BYRNS of Tennessee. And if they were vacated they would not need light, heat, and water. But I am willing to waive that, if it disturbs the gentleman, and rest it upon the statement that the adoption of this amendment would absolutely save the Government the salaries of nine assistant treasurers at $4,500 a year each.

Mr. DUPRÉ. Mr. Chairman, will the gentleman yield for a question?

Mr. BYRNS of Tennessee. I yield.

Mr. DUPRÉ. I want to know when will the saving take place? Do you know when six months after the war will be?

Mr. BYRNS of Tennessee. I hope very soon. I can not state exactly.

Mr. DUPRÉ. I will send you across. [Laughter.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I call attention to the fact that every one of these officers is authorized by statutory law, and that there is a well-known method recognized in this House and elsewhere to change statutory law. It is well known under the rules that while the Committee on Appropriations has authority to report appropriations, the power to report legislation relating thereto belongs to other committees. In fact, if that were the only question, this committee could not change existing law in the manner it is proposed to do it here, and the point of order must be sustained. These Subtreasuries were created by statute, and when the time came when there was to be a change of existing law as to one of them it was changed by statute. The original law provided for the creation of offices at Boston, New York, Philadelphia, Baltimore, Charleston, New Orleans, San Francisco, St. Louis, Cincinnati, and Chicago. Every one of those cities has a Subtreasury now, with the single exception of Charleston. The Charleston Subtreasury is no more, because by a statute brought in here and passed in the regular way, and not upon an appropriation bill, the office at Charleston was abolished. It was done in the regular way by statute.

Now, that is the first proposition. The point raised by the gentleman from Tennessee, however, is that under the Holman rule, or Rule XXI, a point of order would not lie, because there would be retrenchment of expenses if the committee were to accept the amendment as proposed in the bill. I respectfully submit to the Chair that no retrenchment of expenses is provided for or suggested in the amendment itself; that on the contrary, the objectionable paragraph contemplates action some time in the future, after the usual appropriations have been made, possibly long after this Congress has adjourned. The bill provides for the appropriation of salaries to continue these offices in the usual way and for no actual retrenchment of expenses except as some offices may be abolished some time in the future.

Now, that is the legislative status. What does the committee suggest in this paragraph? That after a certain period after the close of the war—and the Lord only knows when that will be—these offices are to be dispensed with, and the Secretary of the Treasury is further authorized to do what? To discharge, dispense with, reduce expenses? No; but to retain only such employees in the offices of the assistant treasurers as may be necessary to safeguard the property and the funds. It contemplates a retention of the existing force.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield for a question?

Mr. MOORE of Pennsylvania. I do.

Mr. LINTHICUM. Let the gentleman read a little further, and he will see that the Secretary of the Treasury is given discretion to transfer the balance of them to Washington, so that there will be no saving of employees at all.

Mr. MOORE of Pennsylvania. I thank the gentleman for his suggestion. It provides, as the gentleman says, that the rest of the employees may be transferred to similar service in Washington.

Now, where is the saving of expense? The gentleman from Tennessee suggests it may be in rent. On the contrary, rather than a saving of expense in rent, where there is no rent to pay, the Government being already in the possession of the property, the Government will then actually lose money because of the expense incurred in keeping the abandoned premises in order.

Mr. BYRNS of Tennessee. Will the gentleman point out any authority to retain the assistant treasurers?

Mr. MOORE of Pennsylvania. I point to the statutory law creating them. Here is an act of Congress providing that Assistant Treasurers of the United States shall be appointed by the President from time to time at the following places, and they are to be confirmed by the Senate.

Mr. BYRNS of Tennessee. That section is repealed by this amendment.

Mr. MOORE of Pennsylvania. I know; and I contend that the gentleman has no right to bring in here a repealer of an existing statute on an appropriation bill. That is the very point I make.

Mr. BYRNS of Tennessee. The very fact that it is repealed shows that the adoption of the amendment will dispense with nine places at $4,500 each.

Mr. MOORE of Pennsylvania. I answer that by saying that the gentleman has provided for every one of those officials under this bill.

Mr. BYRNS of Tennessee. These appropriations will necessarily be inoperative.

Mr. MOORE of Pennsylvania. But the gentleman has nevertheless provided for them.

Now, Mr. Chairman, the gentleman contends that we will have a saving in the matter of rent if we close up these offices. I contend that instead of having a saving we will have to employ other watchmen and other caretakers, and that therefore there will be an actual expense to the Government by reason of closing these offices.

But I contend that there will be no saving, for other reasons. The gentleman has very cleverly quoted the present Chairman as passing upon a point of order on a previous occasion. What did the gentleman from Virginia [Mr. SAUNDERS], the present Chairman, say in connection with the proposition he passed upon then? He said that the amendment, in itself a complete piece of legislation, must operate ex proprio vigore to effect a reduction of expenditure; that the reduction must appear as a necessary result; that it must be apparent to the Chair that the amendment will operate of its own force to effect a reduction.

Now, if it is not apparent to the Chair that there will be a reduction, whose word does he take for it? Does he take the word of the gentleman from Tennessee, who says it will save in rental, or does he take the word of the Efficiency Commission, which recommends this change? Or does he take the word of the Secretary of the Treasury? Or, instead of taking the word of the board or the Secretary of the Treasury, will he require that "it must be apparent to the Chair" himself, as he indicated in the decision quoted by the gentleman from Tennessee, that there is an actual retrenchment?

The CHAIRMAN. Let the Chair ask the gentleman from Pennsylvania a question which is, of course, vital to the determination of the point of order: What would be the effect of this paragraph, should it remain in the law, upon the offices at the point designated; will they or not remain after this law is passed?

Mr. MOORE of Pennsylvania. The establishments would remain at the expense of the United States. They would be vacated, and the Government would have to care for them, and the employees would probably be transferred to other positions—except for new caretakers.

The CHAIRMAN. That is what the Chair is trying to ascertain with respect to the offices of the assistant treasurers; would there be, in the gentleman's judgment, still assistant treasurers at these points?

Mr. MOORE of Pennsylvania. Of course, if abolished there would not be assistant treasurers.

The CHAIRMAN. Then, the effect of it would be to abolish the office of assistant treasurer.

Mr. MOORE of Pennsylvania. There is no suggestion of the abolition of them now, but sometime in the future, perhaps after two or three Congresses—six months after the close of the war.

The CHAIRMAN. The Chair is not bringing up the question of time. The Chair is looking at the bill as enacted into law. If enacted into law, the assistant treasurers at some time will be abolished?

Mr. MOORE of Pennsylvania. Six months after the end of the war, whenever that may be. That is the condition set forth in the paragraph.

The CHAIRMAN. The effect will be that six months after the war is ended the offices will be abolished?

Mr. MOORE of Pennsylvania. That would be the effect of it.

The CHAIRMAN. Then, that is agreed to as far as the construction of the paragraph is concerned.

Mr. MOORE of Pennsylvania. As to that I desire to be heard further.

The CHAIRMAN. The Chair is not intimating any opinion, but he is trying to get at the agreed facts.

Mr. GALLIVAN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GALLIVAN. Is it the gentleman's opinion that if another year should elapse and the war still be going on and these treasurers are still in existence, would it not be necessary to bring in an appropriation for the Subtreasuries, and would it not be necessary to repeat the language in this paragraph?

Mr. MOORE of Pennsylvania. It would be necessary to bring in new appropriations for the Subtreasuries, because they would not be abolished if the war continues over another Congress. There could be no saving in that.

Mr. VARE. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. VARE. Assuming that these employees would be transferred to Washington to the Treasury Department, which is already crowded, is it not fair to presume that there would have to be additional floor space?

Mr. MOORE of Pennsylvania. Either that or a waste of existing floor space, and that would be a charge against the Government.

Mr. VARE. Is not that an increase of expense?

Mr. MOORE of Pennsylvania. Yes. I am trying to impress that on the Chair. Who is going to decide the question whether there is a retrenchment under the Holman rule? No one can

tell when the retrenchment is to take place, following the suggestion of the gentleman from Massachusetts, and it may not take place until subsequent Congresses have continued the appropriation in order to perpetuate the offices as now provided by statute. Who is to determine whether there is to be a retrenchment? We can not accept wholly the statement of the gentleman from Tennessee, and I question whether the Chair, in view of his own ruling, would attempt to decide this question for himself.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. COOPER of Wisconsin. There is no presumption either of law or of fact that war will ever end, is there?

Mr. MOORE of Pennsylvania. No; no one can tell.

Mr. COOPER of Wisconsin. Some wars have lasted 5 years, some 10 years, and one war lasted 30 years.

Mr. MOORE of Pennsylvania. We hope this one will not last that long.

Mr. COOPER of Wisconsin. Is anything more indefinite than that, and can you say that such a law, if passed, will curtail the expenses of the Government, when you can not tell within 5, 10, or 30 years when the war is going to end?

Mr. MOORE of Pennsylvania. I am making that contention. I wish to call the attention of the Chair to such language as we have as to the probable retrenchment of expenses. The Chair stated that "it must be apparent to the Chair"; there must be something to convince the Chair on that point. Where does this proposition originate? Who brought it in? We have the report of the Bureau of Efficiency. It is a lengthy report, covering a great many pages, and also covers a great many points that the gentleman from Tennessee does not refer to in his objection to the point of order. The Bureau of Efficiency states this:

> In the opinion of the Bureau of Efficiency, however, the seeking of other employment should be optional and not necessary. The bureau states that it would be wrong to drop any of these men or women from the pay roll unless they go of their own volition; that they ought to be retained in the service either in Washington or elsewhere, although it might be economical to drop some of them.

Hence we have the suggestion from the body making the proposition that everybody to be abolished shall be retained. What did the Secretary of the Treasury say upon this question? He is the one officer of the Government most concerned. He has the direction of these officials in the Subtreasury and the Subtreasuries come under his control. Is the Chair to be influenced solely by the statement of the Bureau of Efficiency, which makes the recommendation of the abolition, that they propose to retain everybody? Let us see what the Secretary of the Treasury says on this very point.

Mr. McAdoo, in a letter to the Speaker of the House, received December 6, 1916, a long letter defending these Subtreasuries and going into detail as to their usefulness to the country and their serviceableness to the Treasury of the United States, among other things, said:

> It will be seen that the cost of maintaining these institutions, treating the Subtreasury system as a whole, is only one one-hundredth of 1 per cent, approximately, on the total transactions involved—an insignificant sum compared with business done, the important service performed, and the conveniences afforded to the public. Aside from New York, the cost of maintaining the other eight Subtreasuries is $347,416.88, which is a comparatively small sum to pay for the service and convenience they provide. If these institutions were abolished the total cost of operating them would not be saved, as a counter expenditure by the office of the Treasurer in Washington resulting from the increased work that would be thrown upon that office would be entailed.

Mr. Chairman, I respectfully submit that the best witness as to whether we are going to save money is the Secretary of the Treasury, and he states here emphatically that there would be no saving, that the cost which apparently would be saved would be entailed on another branch of the service perhaps in aggravated form. But the Secretary is not done with that. He goes on further and says:

> Aside from the custody of the trust funds of the Government, the Subtreasuries perform a highly useful service to the public in making exchanges of money, supplying money and coin where needed, and reducing the cost and expense of shipments of money and coin from a common center. It is necessary to maintain the facilities and conveniences provided by the Subtreasuries in the large centers of business in the country, such as the cities in which the Subtreasuries are now located.

Mr. DUPRÉ. Mr. Chairman, will the gentleman yield there?

Mr. MOORE of Pennsylvania. Yes.

Mr. DUPRÉ. Has the Secretary of the Treasury joined in the report of the Bureau of Efficiency?

Mr. MOORE of Pennsylvania. He certainly has not, so far as this letter would indicate. Now I come to that section of the Secretary's statement on this question which I think is vital and answer thoroughly the Bureau of Efficiency and the gentleman from Tennessee. Secretary McAdoo says:

> It has been suggested that the Subtreasuries are merely conveniences and not necessities, and that their duties might be performed entirely by the Treasury in Washington. This is in a sense true, but the cost of handling all the business from a common center in a country so extensive as the United States might be greater than the expense of the Subtreasury system, whereas the delays and inconveniences which the public would have to suffer might prove a very serious handicap upon business.

Can there be any better testimony than that? I submit, first, that the Committee on Appropriations can not change existing law in this way, and, second. I submit there will be no retrenchment such as is contemplated by the Holman rule if this paragraph remains in the bill.

Mr. DUPRÉ. Mr. Chairman, it is very distasteful for me to engage in a discussion upon a parliamentary question like this, because there are certain professional "sharps" around here who monopolize this particular form of legislative diversion, and I have never aspired to a place in that galaxy; but I merely want to stress this aspect of the case. I am willing to concede that under the amendment, if it should be enacted into law, there will be a reduction to the extent of the salaries of the assistant treasurers who will be eliminated, though their salaries may possibly be spent in the increased salaries of additional clerks to handle the work that the assistant treasurers have heretofore performed. The point I want to make and impress upon the mind of the Chair is this, that it is not within his power to tell whether that event will ever take place, whether a particular time within his knowledge or foresight or within a date reasonably to be fixed can be anticipated from the amendment that the committee now presents. It says what? That six months after the President's proclamation of peace the assistant treasurers shall be abolished and their salaries eliminated. When is that to take place? Can the Chair tell whether within the life of this Congress, whether within the fiscal year for which these appropriations are to be made, such a "consummation so devoutly to be wished" as the arrival of peace and six months thereafter will come to pass? Therefore may not the Chair reasonably take into consideration the satisfaction to his own mind that he must have that a retrenchment will some day take place, bringing such an amendment under the Holman rule, before he can hold the words of the committee in order? That is all I care to say. [Applause.]

The CHAIRMAN. The application of the Holman rule is a matter that has been the subject of many rulings, but it seems to the Chair that the case under consideration, while not entirely novel, presents a somewhat unusual aspect of this rule.

In connection with the Holman rule, it may be said in a preliminary way that the authorities are agreed that the rule is a wholesome one, and therefore proper to be liberally construed. Hence if the question presented is difficult of decision under that rule, the Chair in case of doubt should resolve that doubt in favor of an interpretation which will submit the paragraph, or amendment under consideration to the judgment of the House, which will thereby be put in a position to pass upon the merits of the substantial question in issue. A former Speaker of this body announced the canon of construction for the Holman rule as follows:

> The purpose of the rule is most beneficial and proper, and it should have a liberal construction in the interest of retrenchment.

To the same substantial effect Mr. Chairman CRISP:

> The Holman rule is intended to have a beneficial effect upon the Treasury of the United States. If the Chair is in doubt whether an amendment is in order this doubt should be resolved against the point of order, for by so doing the Chair works no hardship upon anyone, but submits to the committee itself the privilege of passing upon the amendment. If the committee favor it, then a majority can adopt it. If a majority is opposed to it, then that majority can reject it. (Manual House Rules, 1916, p. 505.)

If the contention that the paragraph under consideration was in order, rested exclusively upon the ground that it effected a reduction in the amounts of money covered by the bill, the Chair would be constrained to sustain the point of order raised by the gentleman from Pennsylvania [Mr. MOORE]. Plainly the paragraph will not necessarily reduce the amounts covered by the bill, since the provision relating to the offices proposed to be abolished, may not take effect within the periods for which this bill makes appropriations.

There is no effective proposition to reduce the amounts covered by this bill for the obvious reason that the reductions which the repealing provision will effect, will not of necessity occur within the life of the bill which is limited to a duration of two fiscal years. There is another feature, however, of the paragraph which has apparently been overlooked, and that is the reduction effected in the number of the officers of the United States. It seems to be conceded as a matter of fact, that this paragraph, if it remains in the bill, will eliminate a very definite number of Federal officials, receiving considerable salaries fixed by law. Looking to the Holman rule, as it appears in the House Manual, section 21, subsection 2, it will be noted that a retrenching amendment, changing existing law,

will be in order, if it accomplishes any one, of several results. The rule is as follows:

Nor shall any provision in any such bill, or amendment thereto, changing existing law, be in order, except such as being germane to the subject matter of the bill, shall retrench expenditures by the reduction of the number, and salary of the officers of the United States, by the reduction of the compensation of any person paid out of the Treasury of the United States, or by the reduction of amounts of money covered by the bill.

As pointed out, it is not possible to bring the paragraph under consideration, within the benefit of the last portion of the language cited, on account of the uncertainty of the date at which the repealing clause of the paragraph will become operative. But the rule contains another provision, or head to which the paragraph may be related. The Chair in this connection will call the attention of the committee to this language of the rule:

except such, as being germane to the subject matter of the bill shall retrench expenditures, by a reduction of the number and salaries of the officers of the United States.

The rule does not say at what time this reduction of officers shall take place, but that expenditures shall be retrenched by a reduction of the number and salary of the officers of the United States. This reduction may be effected eo instanti, or at some future date. The one thing needful is that the reduction of the number and salaries of Federal officials shall be effected. Now a very definite number of Federal officials and incidental salaries will be eliminated if this paragraph is retained in the bill.

Mr. IGOE. Mr. Chairman, will the Chair permit an interruption?

The CHAIRMAN. Yes.

Mr. IGOE. The section cited in the proposition of the committee is section 3595 of the Revised Statutes, which simply provides that there shall be assistant treasurers appointed from time to time at certain cities. Following that there is another section—3596—that is not mentioned here, and it says that the assistant treasurers shall be entitled to the following salaries, and then mentions the places where they are to be appointed and the salaries. Now, if section 3595 is repealed and section 3596 and subsequent sections still remain the law, under those sections assistant treasurers might be appointed at the salaries fixed.

The CHAIRMAN. Is it the contention of the gentleman, in point of fact—the Chair desires to get the facts straight—that if this paragraph remains in the bill there will still be assistant treasurers at the indicated cities?

Mr. IGOE. My contention is, under section 3596 and subsequent sections assistant treasurers are still authorized and their salaries fixed and the cities designated.

The CHAIRMAN. In other words, this paragraph, as it remains in the bill will not abolish the assistant treasurers?

Mr. IGOE. That is my contention, that they can still be continued.

The CHAIRMAN. What is the statement of the chairman of the committee on that proposition?

Mr. BYRNS of Tennessee. Section 3595 is the section which confers upon the President the authority to appoint assistant treasurers. That is the particular section which was repealed when the Subtreasury at Charleston was discontinued.

Mr. IGOE. Was not the section amended?

Mr. MOORE of Pennsylvania. Is it not a fact that the amendment proposed now for the first time repeals section 3595? If the Chair will permit, section 3595 provides as follows:

There shall be assistant treasurers of the United States appointed from time to time by the President, by and with the consent of the Senate, to serve for the term of four years, as follows—

And then they are enumerated.

Mr. BYRNS of Tennessee. That answers the Chair's question. When we repeal that section there shall be no assistant treasurers, and there will be none if we repeal the particular section which is the only authority there is for them.

Mr. IGOE. The only thing it says is that they shall be appointed and confirmed by the Senate, and in section 3596 it authorizes and fixes the salaries.

Mr. SHERLEY. If the Chair will permit as to the facts. Section 3595 provides:

There shall be assistant treasurers of the United States, appointed from time to time by the President, by and with the advice and consent of the Senate, to serve for the term of four years, as follows: One at Boston, one at New York, one at Philadelphia, one at Baltimore, one at Charleston, one at New Orleans, one at St. Louis, one at San Francisco, one at Cincinnati, one at Chicago.

Now, the repeal of this section takes away any law for such assistant treasurers at such places.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. SHERLEY. Certainly.

Mr. MOORE of Pennsylvania. Is it not true a statute was enacting repealing the law as to Charleston when Charleston was discontinued——

Mr. SHERLEY. Yes.

Mr. MOORE of Pennsylvania. It was not done through the medium of an appropriation bill.

Mr. SHERLEY. The authorization in reference to Charleston was repealed some time ago.

Mr. MOORE of Pennsylvania. Was it because confirmation was required of the Senate?

Mr. SHERLEY. No. Now, the law as it exists to-day, the only law that makes possible these assistant treasurers at these particular places, is section 3595. If that law should be taken off the statute book there would be no law authorizing such assistant treasurers at any such places.

The CHAIRMAN. The Chair is very glad to have had the sections cited, called to his attention. This citation will serve to keep the RECORD straight. Section 3595 provides that there shall be assistant treasurers at certain designated places. Section 3596 determines the salaries for these officers. Very well. If the paragraph under consideration repeals the law providing for the assistant treasurers at the places indicated, how can it be argued that salaries can be paid to nonexistent officers. The shadow follows the substance. If the office falls, the officer and the salary falls with it. All that the next section in succession proposes to do, is provide salaries for the officers authorized by the preceding section. The section fixing the salaries of the assistant treasurers is of importance, in the determination of the point of order. It affords the most positive and reliable information as to the extent of the salary reductions effected by the paragraph to which the point of order is directed. Looking to the first section cited and then to the section which provides the salaries for the officers created by the first section, it is easy to determine precisely the aggregate amount of reduction of official salaries effected by the paragraph under discussion, should it be retained in the bill by the action of the committee. As to the right of the Committee on Appropriations to submit a repealing provision germane to the subject matter of the bill and retrenching expenditures by reducing the number and salaries of Federal officials, the Chair is content to rest his ruling upon the precedents afforded by numerous decisions construing the Holman rule. Judge CRISP rendered a very interesting and instructive opinion in this connection.

Mr. MOORE of Pennsylvania. If the Chair will permit me to call attention to the ruling of Judge CRISP, he ruled on a case preceding the gentleman from Virginia [Mr. SAUNDERS], in a case somewhat similar to this, and he said:

The Chair is of the opinion that it does not reduce the amount of money covered by the bill.

In other words, there was a distinction there which pertained to a bill as of that time and here where a provision pertains to the future and is indefinite.

The CHAIRMAN. The Chair has sought to point out that this paragraph can not be sustained on the ground that it reduces the amounts covered in this bill. But the Chair has also endeavored to point out as a part of his ruling that the paragraph can be sustained under another head, or portion of subsection 2 of Rule XXI. The language of that portion defines precisely how the retrenchment of expenditures may be effected, namely by a reduction of the number and salary of Federal officials. In order to qualify so to say, under that language, it is only necessary to show first that the number of Federal officials has been reduced, second that salaries of these officials have also been reduced. Retrenchment of expenditures is established, by the mere fact of reduction in the number and salaries of the officers of the United States. The subsection reads:

Which shall retrench expenses by the reduction of the number and salary of the officers of the United States.

The repealing language of the paragraph provides a very distinct reduction in the number and salaries of officers of the United States. Should this bill become a law, it will be possible to state very definitely the number of officers that will be eliminated, and the consequent reduction in salaries that will be effected. There is no doubt in the mind of the Chairman, and I suppose none on the part of any member of the committee, that this paragraph, once enacted into law, will abolish all of the offices provided for in section 3595, and at the same time eliminate the salaries fixed for these offices by section 3596.

This being so, this paragraph, in the very language of the Holman rule, will retrench expenditures, and, retrenching expenditures, it thereby becomes in order.

Mr. RUSSELL. Will the Chair permit me to make a suggestion?

The CHAIRMAN. Certainly.

Mr. RUSSELL. As I understand, in order to make the repeal of this statute permissible in this bill it must appear that the paragraph is germane, and it must also appear that the committee reporting this to the House has jurisdiction of that subject.

The CHAIRMAN. The paragraph must be germane to the subject matter of the bill and retrench expenditures in the manner provided.

Mr. RUSSELL. Now, the Chair states this statute can properly be repealed.

The CHAIRMAN. Yes.

Mr. RUSSELL. That might be true, and still it might not be germane and proper in this bill, because it occurs to me if this statute is repealed by an independent bill, the bill ought to come from some other committee and not the Committee on Appropriations. And under the rule in the Holman case it must be germane, and it must appear that it is a subject matter over which the committee has jurisdiction.

Mr. CARTER of Oklahoma. If the Chair will permit, that is only under the requirements under which the committee can offer amendments. The Chair, as I understood, was discussing that part of the Holman rule which permitted not only the committee but any Member of the House to suggest an amendment.

Mr. RUSSELL. The same rule applies.

The CHAIRMAN. The Chair apprehends the point suggested by the gentleman from Missouri [Mr. RUSSELL], but I call his attention to the fact that if his point is well taken the Appropriation Committee could never effect any change of law, whatever might be the amount of reduction secured by the change.

Mr. DUPRÉ. And should never.

The CHAIRMAN. But the right of the Appropriations Committee to propose repealing provisions in an appropriation bill has been sustained.

Mr. CARTER of Oklahoma. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CARTER of Oklahoma. Can not any Member from the floor of the House, who is not a member of the committee having the bill in charge, offer an amendment, which would retrench expenditures by the reduction of the number and salaries of officers in the United States, to any bill to which that might be germane?

The CHAIRMAN. The Chair will make answer by referring once more to the positive law of the House to the effect that a provision in an appropriation bill changing existing law shall not be in order, unless being germane to the subject matter of the bill, it shall retrench expenditures in one of the ways provided.

Mr. Chairman CRISP has ruled on this precise question on March 14, 1916, in a decision reported in the House Manual on page 502. The legislative, judicial and executive bill was under consideration, and the ruling was upon an amendment offered by the gentleman from Missouri [Mr. BORLAND]: This amendment in substance provided for a reduction in the number of persons in the classified service, to be effective on or before June 30, 1917, and effected certain changes in existing law. The point of order was made that the amendment proposed legislation, and therefore was out of order on an appropriation bill. The Chair first proceeded to determine whether the amendment was germane, and in that connection used the following language:

> The bill before the House is the legislative, executive, and judicial appropriation bill, dealing generally with the salaries of officers and employees of the United States Government. In the main this is the appropriation bill which carries the salaries for the officers and employees of the Government. The amendment seeks to deal with a certain number of the employees of the Government, and the Chair thinks the amendment proposing a new section, dealing with a certain class of Government employees, is germane to the bill. * * * The amendment clearly reduces the salaries to be paid out of the Treasury. The Chair is clearly of opinion that where an amendment is offered reducing the number of salaries paid out of the Treasury, coupled with legislation, that legislation to be in order must be connected up with, related to, or logically follow from the part of the amendment, reducing the number of employees, or the amounts of money covered by the bill. The Chair can not escape the conclusion that if you reduce the number of clerks, the business of the Government will require those remaining in the service to work longer hours. The Chair thinks the legislation naturally and logically follows the provision reducing the number of clerks.

The principles of this decision and of other decisions quoted by Judge CRISP may be readily applied to the case in hand. The same bill is under consideration. It deals with the salaries of these assistant treasurers. In part they are the subject matter of the bill. The repealing language of the paragraph will eliminate these officers and their salaries. It deals with officers to which the bill relates, and for whom it will make appropriations, so long as the offices are in existence. It proposes to change the law which affords the very offices that will be filled by the assistant treasurers, until the offices themselves are abolished. Hence the amendment, that is the repealing and reducing language is germane to a bill which proposes to appropriate for these officers. It is not only germane, but it retrenches expenditures in the very manner contemplated by the rule, that is by reducing the number and salaries of Federal officials. Being both germane, and retrenching expenditures, it is in order. It is not material that the officers will be abolished in future. The rule does not require them to be abolished eo instanti. It is enough that they will be abolished at some sufficiently definite date. The abolition effects the retrenchment.

Mr. DUPRÉ. Will the Chairman permit?

The CHAIRMAN. Yes.

Mr. DUPRÉ. If the matter was an original proposition, and a bill on this subject were offered, and the present occupant of the chair, one of the most distinguished and learned in this whole body, had the disposition of the measure, would he refer it to the Committee on Appropriations, the Committee on Ways and Means, or say, the Committee on Banking and Currency?

The CHAIRMAN. It is not necessary to answer that question. The Committee on Appropriations is not incapacitated from offering a repealing section effecting a reduction of expenditures. A ruling to the contrary would in substance mean, that the Committee on Appropriations could never bring itself within the Holman rule, since that rule contemplates legislation upon an appropriation bill, provided it is germane, and retrenches expenditures. The Committee on Appropriations has no general jurisdiction to enact legislation. It is concerned exclusively with appropriations. In order that it may come within the provisions of the Holman rule, and enact legislation, it must appear that the proposed legislation is related to the subjects for which the committee appropriates, and if enacted will reduce expenditures.

Mr. DUPRÉ. Why would the Chair view it from that standpoint, even for the first time?

The CHAIRMAN. For that matter, I am not trying to view this situation for the first time. I have ruled on it several times, and do not think that it is a just interpretation or construction of the Holman rule, to say that it contemplates under certain conditions, that an amendment proposing new legislation is in order, and then so construe the rule, as to make it impossible for any amendment reported by the committee, and containing legislation, to be in order.

Now, so far as the suggestions of the Secretary of the Treasury, and the merits of the paragraph are concerned, the Chair can not take them into consideration in passing on the point of order. The only thing proper to be considered is, whether this paragraph is within the principle of the Holman rule. The Chair thinks it is, and overrules the point of order.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the paragraph.

Mr. BYRNS of Tennessee. Mr. Chairman, I want to see if we can not agree upon time to dispose of this question. It seems to me it ought not to take all the afternoon. I would like to know if we can not agree upon 30 minutes.

Mr. DUPRÉ. I will be very glad to join with the gentleman in an effort of that kind to limit debate.

Mr. RUSSELL. Mr. Chairman, I would like to have a couple of minutes.

Mr. MOORE of Pennsylvania. Gentlemen, bear in mind there are nine cities.

Mr. BYRNS of Tennessee. Does that mean——

Mr. MOORE of Pennsylvania. That means a fight, I suppose.

Mr. BYRNS of Tennessee. Will the gentlemen who are opposed to this provision agree to limit the time to five minutes in opposition? That is five minutes for each Subtreasury city.

Mr. DUPRÉ. There are 17 Members from the city of New York alone. I will agree to that. [Laughter.]

Mr. MOORE of Pennsylvania. How much time does the gentleman suggest?

Mr. BYRNS of Tennessee. I was thinking that gentlemen would agree to 30 minutes, or 45 minutes in all. Can we not agree upon an hour, 30 minutes for and 30 minutes against?

Mr. COADY. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. COADY. Suppose that this section was stricken out. Does the gentleman then, after that, propose to offer an amendment providing for each of these cities?

Mr. BYRNS of Tennessee. That is a stream that we will cross when we come to it.

Mr. COADY. I want to know that for the purpose of fixing the time. I think in that case we ought to have more time. Will the gentleman agree upon 45 minutes to a side?

Mr. BYRNS of Tennessee. Will not the gentleman agree to an hour, half an hour on a side? I submit that we ought to dispose of this matter to-day.

Mr. MOORE of Pennsylvania. Make it 40 minutes. I will cut my own.

Mr. GALLIVAN. That is, 40 minutes to a side.

Mr. COADY. Do you mean the Republican side or those in favor of the motion?

Mr. MOORE of Pennsylvania. Those in favor of the motion to strike out.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that 1 hour and 20 minutes be allowed for debate, to be equally divided for and against the paragraph, the time to be controlled by the Chair.

Mr. MOORE of Pennsylvania. I must ask the gentleman to raise that five minutes.

Mr. BYRNS of Tennessee. I adopted the suggestion made by the gentleman himself, who said he would agree to 40 minutes.

Mr. MOORE of Pennsylvania. Very well. I will cut my own.

Mr. BYRNS of Tennessee. The gentleman has already made a very able speech.

Mr. DUPRÉ. I hope that will go in the RECORD.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the debate on this paragraph close in 80 minutes, 40 minutes on a side, the time to be equally divided between those favoring and those opposing.

Mr. BYRNS of Tennessee. My suggestion was that the time be equally divided for and against the proposition, under the control of the Chair, so that if it should happen that 40 minutes was not desired the Chair would control it.

Mr. DUPRE. Mr. Chairman, would the gentleman so arrange his request as to say that the vote be taken at a particular time?

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that the time be limited to 80 minutes, 40 minutes to be controlled by myself and 40 by the gentleman from Pennsylvania [Mr. VARE], a member of the committee.

Mr. LINTHICUM. I object to that.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the time be limited to 80 minutes, 40 minutes to be controlled by himself and 40 minutes by the gentleman from Pennsylvania [Mr. VARE].

Mr. LINTHICUM. Reserving the right to object, I would like to know if I could get a little time on this. I would like five minutes. I had an understanding with the gentleman from Pennsylvania [Mr. MOORE], but I have none with the gentleman from Pennsylvania [Mr. VARE].

Mr. MOORE of Pennsylvania. In view of the request, I will withdraw and leave it to my colleague [Mr. VARE].

Mr. VARE. Mr. Chairman, as I understand it, the 40 minutes contemplates that there shall be 5 minutes to a city. In my opinion that is a very insignificant portion of time for each of these great cities to devote to such a very important proposition. However, if this motion prevails, if the gentleman from Maryland represents one of the cities——

Mr. LINTHICUM. No; my colleague [Mr. COADY] must have some time, because the Subtreasury is in his district.

Mr. VARE. I agree that five minutes to a city is a very limited time to devote to such an important subject.

Mr. LINTHICUM. I object to it unless Baltimore shall have more than five minutes.

Mr. WALSH. It is impossible to satisfy individual Members.

Mr. IGOE. Mr. Chairman, what is pending before the House?

The CHAIRMAN. The motion to strike out the paragraph; and, pending that, there is a discussion as to the limitation of time.

Mr. BYRNS of Tennessee. What became of the unanimous-consent request?

The CHAIRMAN. There was objection to the 80-minute proposition.

Mr. DUPRÉ. Mr. Chairman, I renew my suggestion to the gentleman from Tennessee that we agree upon this vote to strike out the paragraph at 5 o'clock.

Mr. BYRNS of Tennessee. I am willing to close the debate at 5 o'clock.

Mr. GOOD. I suggest to the gentleman from Tennessee that he had better ask to close debate at quarter to 5, as his committee meets at 5 o'clock.

Mr. GALLIVAN. Mr. Chairman, I move that all debate on this section and all amendments thereto close at 5 o'clock.

Mr. FESS. That is not in order.

Mr. BYRNS of Tennessee. That is not in order. We have had no discussion on the amendment.

Mr. GALLIVAN. Mr. Chairman, I understood the Chair to say that the motion was in order.

The CHAIRMAN. The Chair did not rule on any specific motion. Does the gentleman submit a motion?

Mr. GALLIVAN. Is my motion in order?

The CHAIRMAN. Not until there has been discussion on the paragraph.

Mr. BYRNS of Tennessee. I ask unanimous consent that all debate on this paragraph and all amendments thereto close at 5 o'clock.

The CHAIRMAN. And the control of the time to be as it has been heretofore?

Mr. BYRNS of Tennessee. Yes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this paragraph and all amendments thereto close at 5 o'clock, the time to be in the control of the Chair.

Mr. LINTHICUM. I will object to that unless I can have some time.

Mr. BYRNS of Tennessee. I have no doubt the gentleman from Pennsylvania [Mr. VARE] will yield the gentleman time.

Mr. LINTHICUM. Then I will withdraw my objection.

The CHAIRMAN. The Chair will again submit the unanimous-consent request. The unanimous-consent request is this: That the debate on this paragraph and all amendments thereto shall close at 5 o'clock, the time between the present and 5 o'clock to be divided in equal portions, one half to be controlled by the gentleman from Tennessee [Mr. BYRNS] and the other by the gentleman from Pennsylvania [Mr. VARE]. Is there objection?

Mr. WALSH. I object.

Mr. IGOE rose.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. IGOE. Mr. Chairman, the motion to strike out the paragraph will mean, if adopted, that all the Subtreasuries will be continued as heretofore. A year ago, when the question was up, the matter was referred to the Bureau of Efficiency for investigation, and that b reau has made its report, recommending, first, the immediate suspension of the Subtreasuries at Baltimore, Philadelphia, and Cincinnati; and, second, the immediate release of the assistant treasurers at the remaining six Subtreasuries; and, finally, the consolidation of the entire Subtreasury system with the Federal reserve bank six months after the end of the present war.

The committee has reported a provision abolishing the Subtreasuries six months after the war ends. The Treasury Department, through the Assistant Secretary of the Treasury, in the hearings had before the committee, took the position that at this time no legislation of any kind affecting the Subtreasuries should be enacted. Ordinarily we find Appropriation Committees willing to act upon the suggestion of officials of the Government who have charge of these particular activities, but in this case we find that the recommendation of the Secretary of the Treasury and of the Assistant Secretary of the Treasury immediately in charge of the Subtreasuries has been disregarded absolutely and this provision inserted in the bill against their recommendations.

I have not time to read all of this testimony, but the Assistant Secretary was very positive in his statement that it was wrong to pass this legislation at this time. I know that the committee believe that through the abolition of the Subtreasuries they will be able to save some money, and the Efficiency Bureau in an exhaustive report undertakes to state how much money will be saved. But, strange to say, the Assistant Secretary of the Treasury, who is in immediate touch with this matter, says that he does not believe that a single cent can be saved by any such proposition.

Furthermore, there is not a statement of a single bank or a business man anywhere in the United States in favor of the proposition which the committee submits. The Treasury Department is opposed to it, and I venture to say, from the personal knowledge I have of the conditions that exist—and my knowledge is confined to the Subtreasury at St. Louis—no money will be saved by the abolition of that Subtreasury, because if that work is turned over to the Federal reserve banks they must receive compensation for it. Two officers of the Federal reserve bank in St. Louis to-day receive as much money as the assistant treasurers and all the employees of the St. Louis Subtreasury combined. Even the rent of vault space in the city of St. Louis to accommodate the funds now in the Subtreasury would cost more than this Government is now paying for the operation of the whole Subtreasury system in that city.

There is an impression that the Subtreasury is a mere convenience for a few banks in the city in which it is located, but that is a mistake. The Subtreasury serves not only the banks in that city but it serves the banks in the States immediately adjoining to it. The banks of 17 States do business through the St. Louis Subtreasury. There is nowhere in these hearings a statement of a single banker, or a single business house, in favor of this proposition, and, on the contrary, the Treasury Department is opposed to it.

The service by the Subtreasuries to the country banks throughout the United States can not be as well rendered by any other system nor can it be rendered at as small a cost as under the present system. The Federal reserve banks are not ready to take over this work, and if they do it will be necessary to compensate them for the work. It is apparent to anyone who has studied this matter that it will not result in a saving; but, even if it did, that in itself would not justify such action in view of the very valuable and necessary service rendered to the country banks and business interests generally. The business of the country deserves consideration and in a purely governmental function, such as that performed by the Treasury Department, it is right and proper that full and complete facilities should be supplied the financial and business interests, and the best means possible should be adopted.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MEEKER. I ask unanimous consent that the gentleman have five minutes more.

Mr. WALSH. I object.

Mr. COADY. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I have read with considerable interest the report of this so-called Efficiency Commission. I think the word "efficiency" as used in connection with that commission is a misnomer. It ought to be called the inefficiency commission. I think a cursory examination of this report will bear me out in my statement in that connection. The recommendations made by this commission are absurd.

Mr. WALSH. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. The gentleman has made a motion to strike out the last word. The last word is "offices." He is discussing the Efficiency Commission. I desire to state that I shall make this point as often as the motion is made to strike out the last word.

Mr. IGOE. Does the gentleman mean during the remainder of the Congress?

Mr. WALSH. During the remainder of this discussion.

Mr. IGOE. Does not the gentleman think we ought to have a quorum here?

Mr. WALSH. I am perfectly willing.

Mr. HAMLIN. Mr. Chairman, I ask unanimous consent that the gentleman from Maryland may proceed five minutes out of order.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the gentleman from Maryland may proceed five minutes out of order. Is there objection?

There was no objection.

Mr. COADY. Mr. Chairman, an examination of page 1 of the report of the Efficiency Commission shows this language:

> Furthermore, the bureau is convinced that the abolition of the Subtreasuries will effect a large saving to the Government.

And yet on page 7 of the same report this commission recommends that this work now performed by the Subtreasuries and the important functions and duties now performed by them shall be transferred to the Federal reserve banks and to the branches thereof.

Mr. IGOE. Will the gentleman yield?

Mr. COADY. Yes.

Mr. IGOE. Is it not true that the Assistant Secretary of the Treasury states that now we are paying the Federal reserve banks for work they are doing on the bond issues?

Mr. COADY. That is absolutely true. They recommend that this work be performed not only by the Federal reserve banks, 12 in number, but by the branch banks, which are 11 in number, thereby transferring the work now performed by 9 offices, so thereafter it will be performed by 23 different offices of the country. They further recommend in their report that an additional employee be provided for in each of the 23 branches.

Therefore, instead of having the employees now provided for in this law in the different Subtreasuries of the city, we will have those same employees, barring, of course, the assistant treasurers and 23 coin clerks, and in addition to that there is a certain equipment required in these Subtreasuries. We have nine of these equipments now, and if the recommendations of this commission are adopted and enacted into law we will have to obtain 23 of these equipments for 23 cities of the United States. Mr. Leffingwell, the Assistant Secretary of the Treasury, appeared before the Committee on Appropriations, and recommended strongly the continuance of these Subtreasuries. On page 448 of the printed report of the hearings had on this bill he has this to say:

> The department is not ready to recommend that any be abolished. Since the Secretary made his report of a little over a year ago the condition of the world's affairs and of the United States has been changed by the great war, and the department has been called upon to multiply its activities vastly. The Subtreasuries have had to do more than ever before.

I know that is true. In our own city of Baltimore from February, 1917, until January, 1918, the receipts and disbursements amounted to over $314,000,000, an increase of $90,000,000 over the business done there the previous year. That vast amount of business in the Subtreasury at the city of Baltimore was done at an expense of only $31,500—one one-hundredth of 1 per cent of the entire business done. The Subtreasury at Baltimore meets the needs and necessities of 700,000 people. The United States Naval Academy uses it for small coins. The proving ground at Aberdeen, a permanent institution, uses it. The great shipbuilding plants in Baltimore use it, and this amendment provides that these shall be discontinued six months after the war.

Mr. Chairman, these shipbuilding industries will be busy, not only 6 months after the war, but for 10 years after the war, replacing the ships that have been destroyed and sent to the bottom of the ocean.

Mr. HAMLIN. And if the Baltimore Subtreasury or any of them were abolished, you would only save the salary of the subtreasurer.

Mr. COADY. That is true.

Mr. HAMLIN. The overhead charges would go on.

Mr. COADY. Yes; and I do not think under the recommendations of the Bureau of Efficiency we would save those, because they recommend additional offices be employed in 23 different cities of the United States and the salaries of those would more than offset the little saving obtained by abolishing the offices of subtreasurers.

The business and financial people of Baltimore who have put millions of dollars of their own money in Red Cross work, Y. M. C. A. work, and K. of C. work, are now asking the Government to continue the small annual appropriation of $31,500 for the maintenance of the Baltimore Subtreasury, not for their personal benefit but to enable them to serve their customers who furnish the money that finances the big industrial plants which employ thousands of workmen. These manufacturers need a large amount of fractional currency every week for their pay rolls, and they obtain it at the Subtreasury. The Baltimore Subtreasury serves not only our own community of 700,000 people but it also meets the needs of the people of Virginia, West Virginia, North Carolina, South Carolina, and a part of the State of Pennsylvania.

The figures that I have mentioned demonstrate beyond any question the value of the Subtreasury in Baltimore to the communities it serves. If we transfer the functions of these Subtreasuries to the Federal reserve banks, it will be, in my judgment, a serious mistake. The Federal reserve banks are now overworked, and so are the Subtreasuries. I know that the 21 men employed in the Baltimore Subtreasury are a hard-worked class of men, and that for some time past they have been constantly employed in the performance of their duties from 9 in the morning until 6.30 in the evening. It is inconceivable that the force of clerks in Federal reserve banks or any of the Federal reserve bank branches could, in addition to their present duties, perform the additional work that would be imposed upon them if the functions of the Subtreasuries were imposed upon them.

Mr. GALLIVAN. Mr. Chairman, I am only going to take a few minutes in support of the amendment offered. I was rather surprised that the point of order was raised by the distinguished chairman of this committee. We discussed this matter in our committee. There were not any real sound reasons advanced for the abolishing of these Subtreasuries, and I can not gather why the gentlemen who have been so unanimous in support of practically every proposition to give the present Secretary of the Treasury increased powers are now unwilling to take his word for it that these Subtreasuries ought not to be abolished. The Assistant Secretary, speaking for Mr. McAdoo, said something else before the committee. He said that since the organization of the Federal reserve banks the Subtreasuries have been actually called upon in the Federal reserve cities to assume subsidiary labors for these banks, and that since his own brief term of office began his principal burden in connection with the Subtreasuries has been to resist the appeals of the Assistant

Treasurers for additional assistance. He believed that the work of the Subtreasuries had been increased instead of reduced by the establishment of the Federal reserve banks. It was difficult to resist the appeals of the assistant treasurers for additional assistance.

Yet—

Said he—

I had to resist when I felt that there was real merit in those appeals, because I knew it was the wish of the Secretary and of your committee that there should not be an increase in the activities of the Subtreasuries.

Mr. Chairman, I speak in part for the city of Boston, where the Subtreasury there takes care of the wants not only of the citizens of Boston, but of about 2,000,000 or more of the people of Massachusetts. Every business interest in Massachusetts stands back of the Subtreasury in my city, and I can not, as I said before, for the life of me understand what sound argument can be advanced for this committee to produce such a suggestion as is offered in the bill. Our committee was not unanimous, and I do not want the impression to prevail that the entire Committee on Appropriations stands back of this report. I can recall at least five of us on that committee who did not agree to it.

Mr. JOHNSON of Washington. Mr. Chairman, I make the point of order that the gentleman has no right to discuss what occurred in the committee.

Mr. GALLIVAN. My good friend, we, the minority, reserved our rights and agreed that we would not support this suggestion of the committee. There was nothing confidential about it.

Mr. JOHNSON of Washington. That does not give the gentleman the right to discuss what occurred in the committee.

Mr. MADDEN. There is nothing sacred about the committee, is there?

Mr. GALLIVAN. No, even though I do happen to be a member of it.

Mr. RUCKER. Can not a gentleman on the committee say he does not agree to what the Efficiency Bureau does?

Mr. JOHNSON of Washington. Oh, yes.

Mr. RUCKER. If he could not do that, we had all better adjourn and go home. I am tired of this Efficiency Bureau.

The CHAIRMAN. The general rule is that Members shall not bring into the House matters that took place in the committee which are likely to bring about a controversy in the House.

Mr. GALLIVAN. Mr. Chairman, whether I have the right to say it or not, I have said it. I told the committee I would say it on the floor of the House.

Mr. VARE. Is it not the fact that gentlemen desire to be extremely courteous to the chairman of the committee and did not file a minority report.

Mr. GALLIVAN. Exactly; and my colleague from Pennsylvania agreed with me, but it was well understood that the committee was not unanimous and that the minority would be heard from in the discussion.

Mr. MADDEN. What else could they expect from two such agreeable gentlemen?

Mr. GALLIVAN. Mr. Chairman, we had this fight once before, and this branch of Congress overwhelmingly refused to abolish these Subtreasuries.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. GALLIVAN. Yes.

Mr. MADDEN. I thought from the beginning of the gentleman's speech that he was opposed to the continuation of these Subtreasuries.

Mr. GALLIVAN. I am afraid that the gentleman has been lost in reading a speech which he delivered a few hours ago, and is so wrapped up in it that it is hard for him to follow an intelligent discussion from any other source. [Laughter.]

Mr. MADDEN. I will say to the gentleman that it is a good deal easier to get wrapped up in a thing of that sort than a package of sugar these days.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. RUCKER. Mr. Chairman, I have been somewhat interested in this debate during its short progress.

Mr. WALSH. Mr. Chairman, I would like to inquire what is before the House. I make the point of order.

Mr. RUCKER. I am before the House. Mr. Chairman, I ask unanimous consent to address the committee for five minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to speak for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. WALSH. Let us keep the record straight.

Mr. RUCKER. Mr. Chairman, I am glad I have the consent of the gentleman from Massachusetts [Mr. WALSH], because, it seems to me, the gentleman from Massachusetts and the Efficiency Board are running Congress.

Mr. MADDEN. That is why it is being so economically managed.

Mr. RUCKER. I submit to the gentleman from Massachusetts with more grace than I do to the Efficiency Board. My colleague from Missouri [Mr. IGOE] and the distinguished gentleman from Massachusetts [Mr. GALLIVAN] tell us that the Secretary of the Treasury, into whose hands we have placed almost unlimited power by practically unanimous vote, says these Subtreasuries ought not to be abolished. But what difference does that make now? A certain concern has sprung up like a mushroom and named itself "Efficiency," and gentlemen connected with the Committee on Appropriations consider it efficient and whatever that concern says has at least the support of some gentlemen of the Committee on Appropriations. Now, "efficiency" is a pleasing term, it is an euphonious term, and, as far as I know, the bureau is self-named. I doubt if any gentleman on the Committee on Appropriations has the genius to find a name suitable for this magnificent and, pardon me, this autocratic aggregation, composed of a few men, who arrogate to themselves the right to say that one department must do thus and so, and other great departments of the Government shall do nothing, because we, the chairman and members of the Efficiency Bureau, acting through the chairman, have arrayed our infallible judgment against the combined wisdom and judgment of all the departments of the Government, and since the gentleman from Massachusetts [Mr. WALSH] has generously permitted me to proceed out of order, I am going to remain out of order long enough to say that, so far as I am concerned, the Efficiency Bureau has no weight or influence with me. [Applause.] I regret to see this great committee, clothed with the stupendous power that it has, come in here and attempt to override and crush to earth the recommendations of high officials of the Government in obedience to the dictations of this great efficiency expert, who gladly took a job at $4,000 a year.

Mr. WALSH. Will the gentleman yield?

Mr. RUCKER. I will be glad to do so.

Mr. WALSH. The gentleman is aware this Bureau of Efficiency is the child of the Democratic administration now in power?

Mr. RUCKER. Let me say there are so many Democrats in the country now that I do not know upon whom to fix the blame, but, so far as I am concerned, speaking as a Democrat, I repudiate the suggestion and assure the gentleman that my conduct has been honorable. This bureau, however, is of Republican origin. It could not claim Democratic paternity—its conduct is too objectionable.

Mr. HOWARD. Will the gentleman yield?

Mr. RUCKER. I yield.

Mr. HOWARD. I understand the Efficiency Board and the efficiency investigations, out of which this thing grew, were originated by Mr. Taft and his administration.

Mr. RUCKER. I understand the head of the Efficiency Bureau came from that side of the House.

Mr. MEEKER. Will the gentleman yield?

Mr. RUCKER. I will yield.

Mr. MEEKER. In reply to the gentleman from Massachusetts, would not the gentleman be bound to say that accidents sometimes occur in the best-regulated families?

Mr. RUCKER. I want to say to my colleague [Mr. MEEKER] the gentleman from Massachusetts did not make an accusation against him, and I regret that he deems it necessary to make a defense. [Laughter.] Seriously, Mr. Chairman, I believe the time has come when the Members of this House ought to assert their individual manhood. If this Congress is going to legislate, we ought to legislate without seeking or obeying the mandate of the Efficiency Bureau. I am sick and tired of hearing gentlemen come here and justify their conduct by saying that a $4,000-a-year man, who was glad to take a position at that price, is now the guardian and director of congressional action and the keeper of congressional conscience.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RUCKER. I hope the time will come when this thing will stop. [Applause.]

Mr. VARE. Mr. Chairman——

Mr. CAMPBELL of Kansas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CAMPBELL of Kansas. Under what rule are we proceeding?

The CHAIRMAN. Why, we are proceeding under the five-minute rule.

Mr. CAMPBELL of Kansas. Under what rule are gentlemen selected or preferred for recognition?

The CHAIRMAN. The Chair is just trying to alternate between the different sides of the House and the different sides of the question. The gentleman who now has the floor is a member of the committee that reported the bill.

Mr. CAMPBELL of Kansas. The Committee on Appropriations?

The CHAIRMAN. Yes. Everybody so far has had to get time by unanimous consent; there has been no motion.

Mr. MEEKER. Mr Chairman, I ask unanimous consent that the gentleman from Pennsylvania may be permitted to proceed out of order or in order as he chooses.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the gentleman from Pennsylvania may proceed either in or out of order for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. VARE. Mr. Chairman, it is very seldom as a member of the Committee on Appropriations that I disagree with the distinguished chairman of the committee [Mr. SHERLEY], for whom I have the very highest regard, and likewise concerning the chairman of the subcommittee which reported this bill [Mr. BYRNS of Tennessee], and I regret very much that they do not come from great centers of business activity wherein they would have the opportunity of observing the importance of the great business interests of the community to a much greater extent, because that, combined with their great knowledge and ability, would make them a tower of strength to the business interests of the country by being more familiar with its operation. I have listened to the discussion on the floor to-day concerning the abolishment of these nine Subtreasurers' offices. It seems to me, on the one hand, we have the report of the Efficiency Commission recommending the discontinuance of these offices, and, on the other hand, we have absolutely no sympathetic favorable consideration or agreement with the commission from the Secretary of the Treasury or the Assistant Secretary of the Treasury.

Based on their knowledge of the service of this time-honored institution, the various interests in Philadelphia which go to make up the industrial life of the community and the prosperity of the surrounding territory, every business man whom I have approached, every commercial organization to whose attention this matter has been brought have been loud in their denunciation of the movement to destroy the Subtreasury system of the United States.

This bill provides that the action should be taken six months after the conclusion of the war, and that the activities of these institutions should be transferred to Washington. It is true that the Nation is looking to the centralization of authority and management, but is it well to make provision for such action in a matter where a broader scope of activity will be needed at the conclusion of the war? We might devote our attention to the better working order of things in the present era of commissions, boards, and committees to scatter broadcast the duties of our well-established Government. It seems to me that there has been too much legislation to hamper and interfere with business.

I have in my possession a letter from the Philadelphia Chamber of Commerce, in which Ernest T. Trigg, the president of that body, declares the "Philadelphia Subtreasury performs important functions in the commercial, industrial, and banking life of this community." I have another from Alfred E. Burke, chairman of the finance committee of the Manufacturers' Club of Philadelphia, in which he says that the "Subtreasury has been of immense value to the business and banking interests of the city of Philadelphia, and that the removal of the same would be nothing short of a calamity."

I could mention another from Emil Albrecht, president of the Philadelphia Bourse, where he says, "The Subtreasury here is of great assistance both to the Government and to the Federal reserve bank in the operation of Government work." And, mark you, gentlemen, these men, members of the three great commercial institutions and associations in the city of Philadelphia, are doing Government work second to none in any city in the United States. Is their "will" to be set aside for the recommendations of a committee on investigation, whose very report shows a narrow view on the subject at its best?

It is useless to go through the large list of banks and bankers who have protested against this provision, as it includes practically every bank in Philadelphia. The Philadelphia Clearing House, an organization in which the large banks of Philadelphia are represented, at its meeting last week protested against the removal of the Subtreasury by a unanimous vote.

Edwin S. Stuart, former governor of Pennsylvania and one of the most able and respected business men of the city, writes "that you can do no better service to the business interests of Philadelphia than making the effort to prevent the removal of the Subtreasury from this city." Fred T. Chandler, president of the Philadelphia Stock Exchange, assures me that the Subtreasury is of great benefit to Philadelphia, as well as its neighboring communities.

The removal of the Subtreasury would cause confusion and delay, and I can not see why the present system should be disturbed. If it is because some sections of the country can not share in its benefits, enlarge its scope, do not destroy it. The Subtreasury in Philadelphia operates at a cost of about $50,000 a year to the country, and it handles more than a billion dollars a year in receipts and payments. This work must be done somewhere, and I fail to see where it could be done with less cost or with as little confusion.

The importance of the Subtreasury can not be overestimated. It occupies a position in our financial structure which is of great importance. It is the medium through which gold exchanges are made, and I understand that it issues certificates for gold payments which under certain conditions can not be issued by the Federal reserve bank or any other agency under the present law.

Conditions will be very different six months after the war is brought to an end than they are at the present time. We can not estimate the relative value of our financial institutions for that time on present conditions, even if the Subtreasury were giving little or no service now. I feel that the prompt and unhampered transaction of all business at that time, when we again enter into competition with our presen. allies, will be more necessary than now, and to endeavor to legislate for a period six months from an unknown date is not businesslike.

I have sat in this House since May, 1912, and I have voted sympathetically with organized labor at all times, and I have supported the President on every occasion since his declaration of war in so far as his recommendations apply to war matters. [Applause.] I believe that we as Members of this House should stand with him in the conduct of the war. And I have no sympathy with those on either side who may on this question only give their half-hearted support, if there be a Member of this body who is so doing. I do not speak from a partisan standpoint, although I have the honor of representing the greatest Republican district in this country, Republican on every and all things, and I come from the greatest Republican city in this country, Republican on all occasions. In a recent campaign in my city the two elements of Democracy united, and with every great newspaper in that city favoring a combination Democratic ticket, the senior United States Senator from Pennsylvania subscribing and bolting his party and uniting with the Democrats, that great constituency could not be fooled, and the entire Republican ticket was triumphantly elected.

Mr. MEEKER. I would like to say that St. Louis was the first one back into the Republican column since 1912. Do not forget that.

Mr. VARE. But we stayed in the Republican column in 1912. Do not forget that. [Applause.] We never left the Republican column and did not leave it last fall, notwithstanding the fact that there was not a single newspaper but that opposed the party.

Mr. Chairman, it seems to me that inasmuch as there is a division of opinion on the question of Subtreasuries, the Efficiency Commission on the one side and the opinion of the Secretary of the Treasury and his assistant on the other, that the needs and requirements of the great business interests of Philadelphia, as well as of the other communities, should be considered. Therefore I hope that the committee will strike out this provision and that the splendid service which has been rendered to the different communities for more than half a century, at least so far as Philadelphia is concerned, shall be maintained. [Applause.]

I insert the following letters:

[Letter from former Gov. Edwin S. Stuart, of Pennsylvania, now director in the Federal reserve bank.]

MARCH 1, 1918.

Hon. WILLIAM S. VARE,
Washington, D. C.

MY DEAR CONGRESSMAN: Much obliged for the copy of the report of the Bureau of Efficiency, relative to the question of the Subtreasury, in your telegram of yesterday. You can render no better service to the business interests of Philadelphia than making the effort to prevent the removal of the Subtreasury from this city.

With kind regards, I remain,

Yours, sincerely, EDWIN S. STUART.

[Letter from Ernest T. Trigg, president of the Philadelphia Chamber of Commerce.]

MARCH 1, 1918.

Hon. WILLIAM S. VARE,
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN: In response to your wire of the 27th, regarding legislation being considered to eliminate the Subtreasury at Philadelphia and other cities, permit us to say that we consider the Philadelphia Subtreasury performs important functions in the industrial, commercial, and banking life of this community.

Philadelphia has a tremendous total pay roll. In supplying the different varieties of bills and coin the Subtreasury performs an invaluable service. Unless other machinery equally well adapted for this purpose is supplied, elimination of the Subtreasury would entail enormous inconvenience upon manufacturers, banks, and merchants. The banks of Philadelphia transferred most of their cash to the Federal reserve bank, with the understanding that an assortment of cash would be ready at hand for their use in the Subtreasury, and its supplies are, therefore, being used daily by the important banks for the benefit of the entire third Federal reserve district.

All forms of money, except Federal-reserve notes and national-bank notes, are being constantly redeemed at the Subtreasury. In short, it is a clearing house for currency and coin.

We sincerely trust that you will use your influence to retain the Subtreasury here.

Yours, very truly, ERNEST T. TRIGG, *President.*

—

[Letter from Alfred E, Burk, chairman finance committee of the Manufacturers' Club of Philadelphia.]

PHILADELPHIA, *March 1, 1918.*

Hon. WILLIAM S. VARE,
House of Representatives, Washington, D. C.

DEAR SIR: Your telegram of the 28th, addressed to Mr. N. T. Folwell, president of the Manufacturers' Club, in reference to legislation eliminating the Subtreasury at Philadelphia, at hand. The Manufacturers' Club seriously protests against this legislation. The Subtreasury has been of immense value to the business and banking interests of the city of Philadelphia, and the removal of the same would be nothing short of a calamity. On behalf of the Manufacturers' Club, you can not too strongly protest against such legislation.

Respectfully, yours, ALFRED E. BURK,
Chairman Finance Committee.

—

[Letter from Fred T. Chandler, president of the Philadelphia Stock Exchange.]

FEBRUARY 28, 1918.

Hon. WILLIAM S. VARE,
Representatives Office Building, Washington, D. C.

MY DEAR CONGRESSMAN VARE: Your wire of the 27th instant is received. I feel that the Subtreasury at Philadelphia is a big and necessary asset to our banking institutions and large commercial interests, and should by all means be retained. I feel certain that the banking institutions as well as our business interests here will enter a strong protest against its removal.

If you will permit me, I would suggest that you communicate with the heads of our several banks, the chamber of commerce, etc., so that their protests may be forwarded to you.

If there is any way in which I can further assist you, I will be glad to receive your commands.

With kindest regards, I am,

Very truly, yours, FRED T. CHANDLER.

—

[Letter from Edwin Wolf, of Wolf Bros. & Co., bankers.]

FEBRUARY 28, 1918.

Hon. WILLIAM S. VARE,
Washington, D. C.

DEAR SIR: Am opposed to the removal of Subtreasury from Philadelphia and other cities to Washington, as proposed in legislation now before Congress.

Their removal would cause untold confusion and delay, not only to the banks and banking community but to all business, and I certainly feel the present system should not be disturbed, and would urge you to use your endeavors to prevent such removal.

Respectfully, CLARENCE WOLF.

—

PHILADELPHIA BOURSE,
Philadelphia, February 28, 1918.

Hon. WILLIAM S. VARE,
House of Representatives, Washington, D. C.

MY DEAR MR. VARE: I have your telegram in relation to the legislation designed to discontinue the Subtreasuries at Philadelphia and other cities and asking for information as to the service rendered to the community by the Subtreasury and the effect it would have upon business in general if the same were removed to Washington.

I had the impression that the provision in one of the bills recently before the House for discontinuing these Subtreasuries had been stricken from the bill, but I suppose from your telegram that the matter has been revived in some other form.

It seems to us unfortunate, and we fail to understand the necessity, that the question of removing the Subtreasuries from Philadelphia and from other cities should be raised almost every session of Congress. We fail to see that any arguments have yet been made which would indicate that greater efficiency would be obtained or any less expense incurred by such removal.

We understand that the Subtreasury in Philadelphia is operating at an expense of about $50,000 per annum and handles very close to $1,000,000,000. The work here performed must necessarily be done somewhere, and the expense we feel could not be reduced, while the convenience to the banking and general business interests of this city and vicinity would be very much curtailed if the operations now performed by the Subtreasury had to be carried on in Washington.

The Subtreasury here is of great assistance both to the Government and the Federal reserve bank in the operation of Government work, and it does not appear feasible or practicable to combine these institutions, consequently for this, if for no other reason, in our judgment and in that of representatives of the largest banks, the Subtreasury should remain in Philadelphia.

The Philadelphia Clearing House Association at its meeting to-day had this proposed legislation up for consideration, and finally decided to wire you and other Members of Congress from this city asking that you do everything you can to prevent the enactment of this measure.

Philadelphia is one of the leading financial centers of the country. The dealings of the financial institutions here and in the vicinity of this city with the Subtreasury are heavy. If these institutions were obliged to have these dealings with Washington, it would entail considerable expense and delay; and we submit that as an aid to these financial institutions the importance of the Subtreasury can not be overestimated. Furthermore, the Subtreasury acts as a clearing house for the large requirements of the banks of Philadelphia and vicinity in the matter of the supply of minor coins, which are vitally necessary in payroll work and as a place of deposit for the banks and public-service corporations of their excess of subsidiary coins, and we doubt very much whether these could be successfully handled by the Federal reserve bank.

We understand further that the Subtreasury is the medium through which gold exchanges are made, and that it issues certificates for gold payments under certain conditions, which could not under the present law be issued by the Federal reserve bank or any other agency.

The Subtreasury occupies a place in our financial structure which is of great importance. We can see no reason or excuse on the grounds of economy or efficiency that it should be closed and the community thereby be put to the delay and inconvenience that would be caused by its discontinuance. Finally, as we understand from your message that the proposed legislation provides for the discontinuance of the Subtreasuries six months after the war, we feel that we can not protest too strongly against the enactment of legislation which is to take effect six months after an unknown date in the future and at a time when conditions may be very different from those at the present time and require even more than now every facility for the prompt transaction of business that we possess. We respectfully submit that after the end of the war there will be ample time to consider the necessity for making such a radical change, and sincerely trust that any attempt to change the present condition may be at least laid aside until after the war is over.

I hope to be able to send you to-morrow some additional information on the subject, as I have requested the banking interests of the city to give prompt consideration to the subject, and I am advised that it will have the attention of the clearing-house committee to-morrow morning, after which I will write you further or you will hear directly from that committee.

Thanking you for giving us this opportunity of expressing our views, and assuring you of our appreciation of your efforts to prevent the discontinuance of any of the facilities already possessed by our city, I remain,

Very truly, yours, EMIL P. ALBRECHT, *President.*

Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

Mr. WALSH. I do not think it is hardly fair, Mr. Chairman, that the request should be granted. I appreciate the gentleman is a member of the committee, and if he insists I will not object.

Mr. VARE. I hope the gentleman will withdraw his objection. I will finish very soon.

Mr. RUSSELL. Mr. Chairman, reserving the right to object, I have no objection, except I would like to know if in allowing one Member 10 minutes some of the balance of us may be able to get two or three minutes? I am a little afraid that they may close debate and some of us who want to say a few words may not get any time at all.

However, I will not object.

Mr. BYRNS of Tennessee. Mr. Chairman, may I submit a request for unanimous consent? The opposition to this paragraph, those who favor striking it out, have had 20 minutes. Now, I ask unanimous consent that further debate upon the paragraph and all amendments thereto be limited to one hour, one-half to be controlled by myself and one-half by the gentleman from Pennsylvania.

Mr. MADDEN. Is this in addition?

Mr. BYRNS of Tennessee. In addition. My request gives to the opposition to this paragraph 20 minutes the advantage. In other words, it gives them 50 minutes and gives 30 minutes to the other side.

Mr. PLATT. Reserving the right to object, I want to speak against the amendment, striking it out.

Mr. BYRNS of Tennessee. The gentleman is against the amendment?

Mr. PLATT. Yes.

The CHAIRMAN. The gentleman from Tennessee [Mr. BYRNS] asks unanimous consent that debate on this paragraph and all amendments thereto be extended one hour, one-half to be controlled by him and one-half by the gentleman from Pennsylvania [Mr. VARE]. Is there objection?

Mr. GARD. Reserving the right to object, who has control of the time in favor of striking out the paragraph?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. VARE].

Mr. GARD. May I have five minutes of the gentleman's time?

Mr. VARE. I shall be happy to divide the time equitably among all those who speak, but I have not any list of those who desire to speak.

A MEMBER. The regular order, Mr. Chairman.

The CHAIRMAN. The question being the regular order, the regular order is, Is there objection? [After a pause.] The Chair hears none.

The gentleman from Tennessee [Mr. BYRNS] is recognized.

Mr. BYRNS of Tennessee. I understand, Mr. Chairman, the gentleman from Pennsylvania [Mr. VARE] controls——

The CHAIRMAN. The gentleman from Pennsylvania controls 30 minutes and the gentleman from Tennessee 30 minutes.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from New York [Mr. PLATT] five minutes.

Mr. PLATT. Mr. Chairman, I have been in favor of abolishing the Subtreasuries ever since the Federal reserve banks were established, and I think I have either made a motion to cut out

the appropriations for the Subtreasuries in this appropriation bill each year since 1913 or else have supported such a motion, and I am very glad to find that the great Committee on Appropriations, after full hearings, has at last decided to recommend that the Subtreasuries be abolished six months after the end of the war and has so written the paragraph under discussion of the legislative, executive, and judicial appropriation bill.

I am strongly opposed to the pending amendment to strike out the paragraph. I do not see how anybody can read the report of the Bureau of Efficiency without being convinced that this paragraph should remain in the bill and that the Subtreasuries should be abolished as useless and as a very considerable source of expense to the people of the United States. The Bureau of Efficiency "has found no function at present exercised by the Subtreasuries which can not be performed as well by Federal reserve banks or other agencies." The Subtreasuries cost $604,042 in the last fiscal year, $455,705 of which was for salaries alone. It is estimated that 75 per cent of this can be saved by abolishing the system. Why, in the name of common sense, then, should it be retained, especially at a time when the resources of the Nation will be strained to the utmost to pay the enormous expenses of the war?

The report of the Bureau of Efficiency is absolutely convincing to anyone who knows anything about the financial affairs of the Government and the workings of the Federal Reserve Banking System. It shows that the old-time functions of the Subtreasuries have, in fact, been gradually absorbed by the banks, a process that has been going on for years, until now most of the fiscal functions have already been transferred.

> The majority of the receipts and disbursements of the Government go through the national depository banks, including the Federal reserve banks. Every day the collectors of internal revenue and of customs put their receipts in the depository banks. The postmasters deposit their surpluses. All checks are now drawn directly against the Treasurer at Washington. These checks will be cashed as readily at any depository bank as at the Subtreasury.

The Subtreasuries are therefore simply a fifth wheel on the wagon—useless and even cumbersome.

It does not seem to me that the Bureau of Efficiency has stated all of its arguments as strongly as they might well be stated. It has indeed hinted that the abolition of the Subtreasuries would be in the direction of a mobilization of our resources, but it has not stated strongly enough that every bit of gold or silver held in the Subtreasuries beyond the trust funds which are back of the gold certificates and the silver certificates and the greenbacks, is hoarded and out of circulation—a source of weakness rather than strength to our whole fiscal system. Such money belongs in the banks, where it can be loaned under proper safeguards to uphold the business of the country. The bureau, too, has understated the advantages that would accrue to the banking system, and especially to the Federal Reserve banks, from the abolition of the Subtreasuries. It has failed entirely to state that two sets of paper money issued against the same piece of gold are unnecessary. To-day gold certificates are issued against a certain sum of gold, and then the Federal reserve banks take the certificates and issue Federal reserve notes against them dollar for dollar, impounding the certificates in their reserves. They might just as well have the gold itself in their reserve vaults instead of having it in the custody of the Subtreasuries and issue their notes directly against it, thereby saving the overworked Bureau of Engraving and Printing the entirely unnecessary labor of printing the certificates, which add nothing whatever to the circulation of the country.

Do not misunderstand me. I do not mean to say that no gold certificates whatever would need to be printed if the Subtreasuries were abolished, but I do mean that those against which the Federal reserve banks issue notes would not be printed, because the gold itself would be taken out of the Subtreasuries and put in the custody of the reserve banks where it belongs.

Mr. Chairman, I have listened with some amazement, not to say amusement, to the arguments of the gentlemen from Philadelphia and Boston and Baltimore, who have told us what a great blow to their cities the abolition of their particular Subtreasuries would be. Nobody has expressed the opinion that the city of New York would be injured if its Subtreasury, which does far more business than all the others put together, were abolished, nor has anybody yet suggested that Chicago would be seriously damaged by the loss of its Subtreasury, which is second in amount of business transacted. But Philadelphia—well, I had always supposed that those stories about the slowness of Philadelphia were fakes until I heard the eloquent gentlemen who represent that overgrown village tell us how they would suffer without this antique institution. I do not know how much of this argument is genuine and how much of it is just an effort to hold the jobs of the assistant treasurers and their subordinates. It is a mighty difficult thing to abolish a job once well established, no matter how useless it has become.

Mr. GALLIVAN. I regret to say that the gentlemen who are holding the jobs in Boston are, 99 per cent of them, Republicans, and yet I speak for them.

Mr. PLATT. I am not at all unwilling, although they are Republicans, that they shall lose their jobs at the present time in the interest of the Government. There is plenty of more useful work that they can find to do.

Now, the Subtreasuries have in their vaults a part of the trust funds that are kept back of the gold certificates and silver certificates. The report of the Bureau of Efficiency shows that these trust funds are not segregated by themselves, but are kept separate in the bookkeeping. It shows that all this metallic money can easily be taken care of in the Treasury at Washington, in the assay office and in the mints. In Philadelphia these funds are partly in the mint, in New York largely in the assay office now, and they can just as well be kept there. The vaults at Washington contain an enormous quantity of silver dollars. The gold is far more concentrated in volume, and presents no great difficulty. It is conclusively shown that the vault space in the Subtreasuries is not absolutely necessary for the safekeeping of the gold and silver of the United States. The Federal reserve banks have vaults, and the Treasury here at Washington has vaults. The free gold and silver—that which is not a part of the trust funds—ought to be in the banks. Every consideration of economy and of sound finance demands that the Subtreasuries should be abolished. The amendment ought to be defeated. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman from Pennsylvania [Mr. VARE] use some of his time?

Mr. VARE. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. LINTHICUM].

The CHAIRMAN. The gentleman from Maryland is recognized for five minutes.

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, I can not understand why at each session of Congress we are compelled to make this fight for the retention of our Subtreasuries. We are voting billions of dollars in this great war, and here you propose to come to Baltimore and to these other cities and absolutely disrupt the financial system which has existed there for the last 72 years. We have been doing business at these Subtreasuries, including the one at Baltimore city, for 72 years. Federal reserve banks have been assigned to all the cities as large as Baltimore throughout the country, and just the other day you established a Federal reserve branch in Baltimore.

I might say that even in this report this Bureau of Efficiency recommends that the Subtreasuries at Baltimore and Cincinnati be abolished at once to see if it works out all right, and if it works out all right that the others be abolished also. In other words, the plan is to "try it on the dog," and if it works out all right on the "dog," then to try it on the other cities.

Now, the expense is not very large—$31,500 to do a business of $314,000,000. I do not see anything in the Government service, as far as I can notice, that is anything like so efficiently and economically performed as these Subtreasuries. Nine of the largest cities in the country have been doing their business through these Subtreasuries, and at this time, when the war is in progress and everybody is making sacrifices, all the strength of our people and the revenue ought to be put into the prosecution of this war instead of trying to trim off some little matter of $31,500 in our city. You appropriate billions of dollars, you appropriate in blocks millions of dollars, and yet you come and talk about lessening the expenses of the Government by cutting off a few Subtreasuries.

Baltimore is trying to do its part. All the other cities are doing their part, and it does seem to me that, Congress having passed upon this matter within the year and having definitely decided not to do away with the Subtreasuries, we ought not to be compelled to come again each year and make the fight over again. When is the fight to cease? I heard the gentleman from Wisconsin [Mr. COOPER] in private conversation say that Congress had been making the fight against these Subtreasuries for 15 years. If you would count the time and the value of the time that Congress has consumed in trying to do away with these Subtreasuries, you would find that it amounts to more in dollars and cents than the Subtreasuries have been costing the Government.

Now, I think that you ought to be fair in this matter. The Secretary of the Treasury tells you not to do away with the Subtreasuries. He said so in his letter, and gives specific rea-

sons for his opinion. Every man in these Subtreasuries, if they are abolished, will be located in some other department of the Government, and you will not save any expense. They will either be brought to the Treasury Department here or they will be put in other local institutions conducted by the Government in the various cities. They are all good and efficient men and the Government needs them; and if they do not carry on the work of the Subtreasuries in their respective cities, where they are most accessible, they will have to do the same work here in Washington in the Treasury Department. The work must be performed. It is necessary work, and whether it is done locally or in the National Capital, in Washington, it will not save any expense to abolish them.

I want to say to the committee that it should be fair about this matter. The Secretary of the Treasury has recommended that these Subtreasuries be continued. Congress not more than a year ago passed upon the subject and determined by a large vote that the Subtreasuries ought to be continued. The Efficiency Board has made only slight examination. It is not right and proper that the fight should be continued every year. Let us have peace in this matter. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. Cox].

The CHAIRMAN. The gentleman from Indiana is recognized for five minutes.

Mr. COX. Mr. Chairman, this is a repetition of the old, old fight that Congress observes every time it undertakes to remove some old barnacle fastened on the country which is good for nothing but to give somebody a job. That is all there is in it, and all there is about it. Many of you Members here to-day were here five or six years ago when Congress undertook to unhorse and throw out a lot of old antiquated pension agencies throughout the United States. It was proven by various Secretaries of the Interior that they could be abolished and save $125,000 a year to the Treasury of the United States. If I recollect correctly, it took three years of constant, continuous, hard, eternal hammering before that bunch of men were dislodged. One of them was in my own State, in the city of Indianapolis, where they paid approximately $10,000,000 a year to the soldiers. The banks in the city of Indianapolis had an interest in it. During that period of time I got letters and telegrams by the hundreds from banks in the city of Indianapolis asking me to oppose the demolition of the pension agencies through the United States, but Congress eventually abolished them and the old soldier got his pension on schedule time just as he had before.

You all remember in the last three years the desperate fight that the gentleman from New York, Mr. Fitzgerald, had in trying to dislodge a lot of trustees at the Soldiers' Home, and if he had not been joined by the able and distinguished gentleman from Illinois [Mr. CANNON] I doubt whether he would ever have been able to eliminate a lot of officials there.

Here is the same old fight. Just look at it. You may turn and twist the English language as much as you like. There is nothing in this whole business except holding a few jobs in these Subtreasury cities.

I was chairman of the Committee on Expenditures in the Treasury Department from 1910 to 1912, and my committee undertook to investigate this same identical question. We had before us Mr. McVeigh, a very prominent and able Secretary of the Treasury, and he said that he was not quite in favor of their abolition at that time, but he said if we had a central bank in this country that from that time on they would serve no purpose and no use and be of no benefit whatever to the financial interests of the country. It is hard for me to understand how a man can stand up here and argue that it would not bring about any economy to abolish them. I do not remember the exact amount that is paid out for salaries, but it is something like $700,000 paid out now to these officials of the Subtreasuries.

What can they do with that office force? Why, we are taking on employees here by the thousands. We are soon going to be asked to appropriate $50,000,000 to build buildings for the employees coming in here. We could release that number of employees now in the Subtreasuries and send them here without depletion of the civil service lists. It is a question of economy, and you can abolish every one of these Subtreasuries and not disturb the business interests of any city one iota; it will move onward and forward and upward just as fast as it is moving downward. [Applause.]

Mr. CAMPBELL of Kansas. Just as the pension offices were abolished.

Mr. COX. Absolutely; I have discussed that. There is nothing in it but the question of jobs.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. VARE. Mr. Chairman, I yield three minutes to the gentleman from Missouri, Mr. RUSSELL.

Mr. RUSSELL. Mr. Chairman, I am in favor of this amendment proposing to strike out that clause of this bill that undertakes to abolish the Subtreasuries of the country, and for the information of the Members I may say I do not live in one of the cities where a Subtreasury is located. While I am in the same State where there is one—in the city of St. Louis—I am not very close to that city, but, in fact, a long ways from it. I know that the banking interests of that State, and I believe of the entire country, appreciates the Subtreasuries of the country as an important part of the financial system of this Government and want them preserved.

This is a proposition to strike down the Subtreasuries, as I understand, without any information as to what is to take the place of them. I am advised that the work which to-day is being done by the Subtreasuries must be done somewhere, and if the Subtreasuries are abolished that work must be transferred to some other branch of the Government; and when you do that, the expenses—as I am informed by those who are in position to know the most about it—will probably be just as much as they are to-day, and the work will likely not be done as well or as satisfactorily as at present.

I am opposed to sudden and radical changes in our financial system, and especially so unless there is to be something beneficial accomplished as a result of the change. I am not convinced that there will be any improvement by the proposition suggested here. My information is that the able Secretary of the Treasury, the recognized head of our Government's fiscal affairs, has not advised the abolition of these institutions, but that his judgment is against such action.

Let me suggest that this is a proposition to abolish the Subtreasuries, putting them out of business six months after the war is closed, which is an indefinite time. This war may last, although I hope it will not, but may last two or three or four years. Why hasten to-day to pass this act to repeal the law establishing these Subtreasuries at an indefinite time like that without substituting anything in their place? As this is not to take effect until six months after the war is over, I submit that the sensible thing to do would be to delay action till that time comes, and then in the time and light of peace to determine what is best.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VARE. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. KAHN].

Mr. KAHN. Mr. Chairman, San Francisco is a Federal reserve city, and it also has a Subtreasury. So that if the work of the Subtreasury be given over to the Federal reserve bank, San Francisco, in one sense, will not be a loser. But what is the condition in the Subtreasury and in the Federal reserve bank in San Francisco at the present time? I understand that the Federal reserve bank in that city has been having so much work that it has had to rent additional quarters in one of our large office buildings. I am informed it has a force of about 100 clerks. These are undoubtedly necessary to do the voluminous work of the Federal reserve bank alone. The Subtreasury has been doing and is now doing a very large percentage of the work in connection with cashing the coupons of the bonds issued, the payments of large sums of money in other directions, and the transferring of the bonds from the Treasury of the United States to the Federal reserve bank with a clerical force that was fixed by law many years ago, and at a stipulated cost. It is being done much cheaper, I dare say, under the present system than it could possibly be done under the Federal Reserve Bank System. If the Federal Reserve Bank System requires in that city alone the employment of a hundred clerks, how many additional clerks will be required to do the added work of the Subtreasury?

Mr. PLATT. Will the gentleman yield?

Mr. KAHN. Yes.

Mr. PLATT. As a matter of actual fact, all of the warrants and the notes that go to the Subtreasury to be cashed go through the Federal reserve banks and the national banks now. All you have got to do is to stop them there and not allow them to go to the Subtreasury.

Mr. KAHN. I understand the Subtreasury pays large numbers of those demands, and I shall ask leave to insert in my remarks some figures to show just what the Subtreasury in San Francisco is doing—work entirely independent of the Federal reserve bank.

Mr. PLATT. Is it not a fact that the payments they make are on business that comes to them through the banks?

Mr. KAHN. No; that is not altogether so.

Mr. PLATT. That is what the report of the Bureau of Efficiency shows.

Mr. KAHN. I think they have been misinformed. I shall state, as I proceed in my remarks, quite a list of work that has been done by the Subtreasury at San Francisco that is not being done by the Federal reserve banks. I suppose that you could pass a law to have the Federal reserve banks do that work. I want to be fair about it. I say, however, that if that is done they will have more employees doing it than the Subtreasury has and that instead of saving money to the Treasury you will add largely to the expense of the taxpayer. This House fixes the number and status of employees in every one of the Subtreasuries. It fixes their salaries; there is a legislative limitation. How will you limit these things if the Federal reserve bank does the work? Why, the managers of the Federal reserve banks get larger salaries in practically every Federal reserve-bank city than the Subtreasurer and two or three of the leading employees, put together, get in the Subtreasury.

I do not know what the conditions may be in the other Subtreasury cities of this country, but I am fairly familiar with the conditions in San Francisco. And I may say that the conditions are apt to be so different in the various cities that each case ought to stand on its own merits. There should be a full investigation made by the Treasury Department as to this entire matter. I understand that neither the Secretary of the Treasury nor the Assistant Secretary of the Treasury has recommended the legislation for the abolition of the Subtreasury at this time or even in the immediate future.

At San Francisco all Federal reserve notes issued are forwarded to the Subtreasury and there delivered to the Federal reserve banks on order of the Treasury Department. All coupon bonds of the Government are dealt with in the same way, the Subtreasury acting for its principal in Washington. In this way the San Francisco Subtreasury has delivered to the Federal reserve bank, fiscal agency for the twelfth district, coupon bonds of the liberty loans amounting to $350,000,000. It pays all demands of the Government that are presented over its counters by individuals, banks, and Federal reserve banks. It issues and redeems all Government currency in coin for the entire Pacific coast, thus saving the banks the cost of transportation that would be assessed if the business had to be carried on from Washington. The war has added greatly to the amount of work of the San Francisco Subtreasury. The amount of money required, the increased number of disbursing officers' checks handled and paid, the distribution to the Federal reserve banks and other banks of their currency, the keeping and distributing of liberty bonds, and the payment of interest coupons on these bonds, with other additional duties has required the office force of the Substreasury, which has not been increased since the war, to constantly work overtime.

The Subtreasury is paying most of the interest coupons on the liberty bonds for the twelfth Federal reserve district, the payments on these coupons running as high as $65,000 a day.

As I have already stated, if this work be transferred to the Federal reserve banks, I feel confident that a large clerical force will be necessary to handle it, and the $27,000 a year which the Government now pays for the maintenance of the Subtreasury will be materially augmented by the reserve bank. Congress, of course, will not have the right to limit the number and the pay of these employees.

For these reasons I am in favor of the pending motion to strike out the paragraph from the bill.

I desire to print as a part of my remarks the statement of William J. McGee, Assistant Treasurer of the United States in San Francisco, which was published in one of our newspapers about a year ago:

STATEMENT OF WILLIAM J. McGEE, ASSISTANT TREASURER OF THE UNITED STATES AT SAN FRANCISCO.

Several articles have recently been published in favor of the abolition of United States Subtreasuries.

It was contended in these articles that the Subtreasuries should be abolished because their employees were appointed as a reward for political services, and that the duties and functions of the Subtreasuries could be absorbed by the Federal reserve banks, and thus great expense saved to the Government.

All of the Subtreasury employees, except the assistant treasurers, are under civil service; no one can be appointed to this service except eligibles who have passed civil-service examinations and are certified by the Civil Service Commission, and then the selection must be made from one of the three highest on the list; nearly every employee of the San Francisco Subtreasury has held his position for from 15 to 25 years; recently an employee resigned; all the employees under him were promoted one position, and the Civil Service Commission held a competitive examination for the vacant clerkship thus created; over 50 bright young bank clerks took this examination, which was a rigid one; a dozen passed, and the 3 highest were certified as eligibles, and from their number 1 was chosen.

FUNCTIONS ARE VARIED.

The functions of the Subtreasuries are generally as follows: The payment of United States coupons and interest checks, payment of checks, warrants, and drafts drawn against the Treasurer of the United States and presented at a Subtreasury for payment; deposits of postal savings funds direct and money-order funds, direct and indirect; deposit of post-office funds, direct and indirect; deposit on account of 5 per cent redemption fund; deposit of funds belonging to disbursing officers; deposit of interest on public deposits; funds deposited for transfer to some other point through a payment by a Subtreasury located thereat; exchange of various kinds of money for other kinds that may be required; remittance from United States depositary banks of their surplus deposits of internal revenue, customs, money-order, postal, and similar funds; laundering of unfit currency which permits of this process; cancellation (before shipment to Washington) of unfit currency; acceptance of gold and silver certificates for redemption; issue of gold-order certificates on gold deposits; acceptance of Treasury notes for redemption; acceptance of gold coins for exchange; acceptance of United States notes for redemption; acceptance of minor coins for redemption; acceptance of fractional silver for redemption.

THIRTY MILLION DOLLARS HANDLED WITHOUT LOSS.

In addition the Treasury Department often assigns special duties to the Subtreasuries. For instance, the assistant treasurer at San Francisco represented the Comptroller of the Currency during the money stringency in 1914 and was chairman of the committee that passed on the securities offered for emergency currency.

Thirty million dollars was handled by the San Francisco Subtreasury on these emergency currency loans without a loss. The interest collected would pay the expenses of the San Francisco Subtreasury for years. This entire work was done without cost to the Government.

The San Francisco Subtreasury has now in process of collection 200 promissory notes of American refugees living in this vicinity who were in Europe at the beginning of the war, and who, under an act of Congress, were loaned funds for their return passage. These collections are also made without expense to the Government.

Panama Canal tolls are paid at this Subtreasury, and the owner of a vessel may pay the toll the day the ship is ready to enter the canal and have the canal advised by wire, which is a very great convenience to commerce.

Just now the San Francisco Subtreasury is receiving subscriptions for stock in the Federal land bank at Berkeley.

It is true that the Federal reserve banks could discharge most of the duties of the Subtreasuries, but they could not do this without employing an additional force of employees with similar skill and experience as those now doing the Subtreasury work, and the reserve banks would have to pay as high, if not higher, salaries for this service than are now being paid by the Government.

WOULD EFFECT NO SAVING.

I dislike to make personal comparison, but in support of this contention a comparison might be made between the salaries of the governors of the Federal reserve banks and those of the assistant treasurers, or between the salaries of the cashiers of the reserve banks and those of the cashiers of the Subtreasuries, and I venture to suggest that it will be found that the principal employees of the reserve banks are receiving more than twice as much salary as the principal employees of the Subtreasuries.

The Federal reserve banks are private corporations, like national banks, and the duties of the Subtreasuries could not be imposed upon the reserve banks without compensating them.

It might not be necessary or wise to continue indefinitely all of the Subtreasuries where even most of the business could be taken over by Federal reserve banks, but such a change can not be made except by proper legislation and negotiation and agreement regarding compensation to the reserve banks for the service; it certainly would be most unwise to stop abruptly all the business of the Subtreasuries by failure to make provision for their maintenance, as was recently attempted in Congress, without transferring their functions by proper legislation.

The amount of Government funds held by the nine Subtreasuries on June 30, 1916, was $700,000,000 and the total transactions of these nine Subtreasuries during the fiscal year ended June 30, 1916, was nearly $5,000,000,000 and at an expense of about $500,000, or approximately one one-hundredth of 1 per cent.

LEAST IN EXPENSE.

The San Francisco Subtreasury is third in number in assets, ranking next to New York and Chicago, third in the list of business transactions, and yet ninth, or the least of all the Subtreasuries, in expense of maintenance.

This Subtreasury at the end of the last fiscal year carried about $100,000,000 in funds, its transactions during the last fiscal year amounted to nearly $300,000,000 and its cost of maintenance was, in round numbers, $25,000.

And as stated by the Secretary of the Treasury, if these Subtreasuries were abolished the total cost of operating them would not be saved, as a counter expenditure by the office of the Treasurer in Washington, resulting from the increased work that would be thrown upon that office, would be entailed, or if arrangement was made with the Federal reserve banks to do the work they would have to be compensated.

In addition to the foregoing duties and functions of the Subtreasuries, they have the custody of a large part of the reserve and trust funds, consisting of gold coin and silver dollars deposited to secure gold and silver certificates and greenbacks; vault space is required for the deposit of these trust funds, especially the silver dollars. The new San Francisco Subtreasury building, which has only been completed a year and a half, cost approximately $500,000, and its vaults, among the largest and best in the country, cost $130,000. Besides the large amount of gold coin stored in these vaults, they contain over $25,000,000 in silver dollars, nearly all of which are held as trust funds against outstanding silver certificates.

COULD NOT STORE FUNDS.

None of the Federal reserve banks have the facilities for storing these trust funds, and if they provide such facilities they would necessarily have to make a considerable charge for the safe-keeping of these prodigious sums of money.

The present Secretary of the Treasury and other Secretaries of the Treasury have always been very much opposed to committing the custody of these trust funds to any private institution or institutions; the custody of these trust funds, their maintenance, direction, control, and administration are distinctly a governmental function, and, according to the contentions of the Treasury Department, should be exercised by the Government.

A large portion of the money in the Subtreasuries are trust funds which really do not belong to the Government and can not be used by the Government, because they are held as security for the payment of gold and silver certificates and greenbacks; hence it is a fallacy to argue that this money should be put in circulation through the medium of Federal reserve banks; any agency that holds this trust fund must hold it as a trust fund, or, in other words, must hold it in storage.

San Francisco is a city of commerce, and the Subtreasury here performs a highly useful service in furnishing merchants full-weight gold coin for shipment to the Orient to settle trade balances. During the past six months $15,000,000 in gold coin has been withdrawn from the San Francisco Subtreasury for shipment across the Pacific.

Aside from the convenience to the business public provided by the Subtreasuries in the large centers of business in the country, it is not considered good business safety to have all the money held by the Treasury Department, about $2,000,000,000, nearly all of which is trust funds, stored in one place; and if it was that place would be a shining mark for the first enemy that undertook to invade the country.

In conclusion, it is not claimed that the Subtreasuries are necessities, but they are conveniences, and it is the duty of the Government to provide adequate facilities to meet the convenience of the public in all parts of the country. San Francisco is 3,000 miles from the Treasury at Washington, and if the Subtreasuries are to be reduced from nine to three, as recently suggested in Congress, shall the San Francisco Subtreasury, which is the only one west of the Mississippi River, and which serves also Alaska, the Philippines, and the Hawaiian Islands, be one of the three?

Mr. BYRNS of Tennessee. Mr. Chairman, I yield three minutes to the gentleman from Illinois [Mr. FOSTER].

Mr. FOSTER. Mr. Chairman, I am opposed to this amendment. Illinois has a Subtreasury, located in the city of Chicago. I suppose it does about as much business possibly as any Subtreasury in the United States, but it is a useless place, and we ought to abolish it. There is no excuse for retaining all these Subtreasuries. One of the arguments made, as I remember, when we passed the Federal reserve bank bill was that it would do away with the Subtreasuries of the United States. Still we are asked each year to appropriate a large amount for Subtreasuries. There are just nine reasons to my mind why we ought to appropriate for Subtreasuries, and that is to give nine men jobs. If there is any other reason, I do not know what it is.

Mr. IGOE. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Not now. I remember that year after year, I do not know how many, but for a number of years we fought here in Congress over a lot of pension agencies, just because these agencies scattered throughout the country, in the cities of Chicago, Des Moines, Indianapolis, Pittsburgh, Philadelphia, or New York, or wherever they were located, were affording jobs. We had all those pension agencies and we could not get rid of them. They told the soldiers that if we abolished the pension agencies they would not receive their money until a long time after it was due; but the pension agencies were finally abolished and the soldier received his pension more promptly than he did before.

Now, here we are asked to continue in a time of war, when we are taxing the people for every dollar they can stand, and will be compelled to do so for a long time, to maintain a lot of worthless offices. It might be a nice thing to have a Subtreasury in every city of any size, but it is unfair to the people we represent that we should be asked to appropriate simply because it favors Baltimore, or Chicago, or San Francisco, or Boston, or any other city in the United States. We should not waste the money. It costs more than $600,000 to maintain them. Most of this amount could be saved if they were abolished.

Mr. GALLAGHER. Will the gentleman yield?

Mr. FOSTER. No; I can not yield now.

Mr. GALLAGHER. I want to ask my colleague about the Subtreasury at Chicago.

Mr. FOSTER. Oh, I will yield to my colleague; certainly.

Mr. GALLAGHER. Does the gentleman know who the assistant treasurer at Chicago is, and where he hails from?

Mr. FOSTER. Yes; he hails from down the State, and he is a very good man, a splendid Democrat; but that does not alter the case one bit. We ought not to retain a man or the office just because he is a good man when the office he holds is useless. it does not make any difference from what political party he comes.

By unanimous consent, Mr. IGOE and Mr. PLATT were given permission to extend their remarks in the RECORD.

Mr. VARE. Mr. Chairman, I want to have the clerk read a letter from the ex-Governor of Pennsylvania, who is and has been a director in the Federal reserve bank in Philadelphia since it inception.

The CHAIRMAN. Without objection, the Clerk will read the letter referred to.

The Clerk read as follows:

PHILADELPHIA, *February 28, 1918.*

Hon. WILLIAM S. VARE, M. C.,
Washington, D. C.

DEAR MR. CONGRESSMAN: Your telegram in reference to the removal of the subtreasury at Philadelphia received. The subtreasury is a very necessary and useful institution to the business and banking interests of Philadelphia.

Philadelphia has become and is continuing to develop as an important financial center, and the subtreasury being located here is of great benefit to the business life of the city. It would be a great mistake to have it removed.

I think that the question of what shall be done six months after the conclusion of the war can be taken up at that time and not settled now.

With kind regards, I remain,
Yours, sincerely, EDWIN S. STUART.

Mr. VARE. I yield five minutes to the gentleman from Massachusetts [Mr. TAGUE].

Mr. TAGUE. Mr. Chairman, since I have been a Member of this House, on all appropriation matters, especially matters pertaining to the several departments, I have tried to get whatever information I could from those whom I thought were best fitted to give the information, and so on this question to-day I am going to follow the same course.

The information that we have received as to why these Subtreasuries should be abolished comes from a bureau recently appointed by this Congress. In the opening of their report to the Congress of the United States and to the country almost one of the first sentences is this:

The Bureau of Efficiency have not attempted to make an exhaustive study of the efficiency and economy with which the Treasuries are now run.

Mr. Chairman, this is the report of the Bureau of Efficiency, yet they have made no report as to the efficiency of the Subtreasuries, but go on to say that they are well managed, and have cared for the funds of the Government in a proper manner. If this were an appropriation for the War Department and I desired information, I would consult those who are in touch with conditions and know the wants of the War Department to tell this Congress what is best for that department. The same applies to every other department. In this instance the Secretary of the Treasury sends a letter to the Speaker of this House and he says that these Subtreasuries should not be abolished. But this Bureau of Efficiency comes in and says they should be abolished, for what reason? Not as a matter of efficiency, not as a matter of economy, but that the service of these departments is not required, and it should be given over to the private interests of the reserve banks, which are run by men elected by the banking institutions of the several cities where the reserve banks are located. Mr. Chairman, these reserve banks do not do the business of all the banks in the community, but merely with the members of their associations, while the Subtreasuries not only do business with the banking institutions but they do business with the business men in all the large communities wherever they are located.

Mr. Chairman. I have yet to hear one good, sound, substantial reason advanced by any member of this committee why these Subtreasuries should be abolished, other than that they should be abolished because they are barnacles on the ship of state and because they are unnecessary. Yet the men who know say that they are necessary and should be continued.

Mr. Chairman, if we are to believe that the men who are handling the affairs of the Government know what they want, if we believe that the men who are at the head of these great departments, and especially the gentleman who is at the head of the great Treasury Department of the United States—a man to whom we have intrusted immense problems—if we believe that he is right, if we believe that he knows, if we believe that he is intelligent enough to tell this Congress how the expenditures of this department should be met, then we should have confidence enough in him also when he says to this Congress that these Subtreasuries should not be abolished, instead of taking the word of a commission or bureau who admit in the opening of their report that they have not investigated the conditions that surround these institutions.

Now, Mr. Chairman, I do not care who the gentlemen are who are employed in these Subtreasuries. The Subtreasury in Boston is in the district that I have the honor to represent, and I know that many of the employees of that department have been there for many years and have rendered faithful service. They have given the best that is in them, and this commission comes forward and says their department should be abolished and these men should be transferred to the department that runs the Federal reserve banks. Mr. Chairman, I hope the amendment will pass.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Mr. Chairman——

Mr. WALSH. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] Sixty-eight Members, not a quorum.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee rise. Mr. Chairman, I hope I will be permitted to make this statement, that to-morrow I hope gentlemen will consent that we can run very late or at least until 6 o'clock because the trouble is that we have been several days upon this bill and we are not making the progress we should make.

The motion was agreed to.

Mr. RUSSELL. Mr. Chairman, I ask permission to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman asks permission to extend and revise his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. VARE. Mr. Chairman, I make the same request.

Mr. COX. Mr. Chairman——

Mr. STAFFORD. Mr. Chairman, I think those requests should be made in the House in view of the fact that the Chair has declared that there is no quorum present and no business can be done without a quorum.

The CHAIRMAN. Well, if it is done by unanimous consent the Chair does not think there is any difficulty.

The committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 10358 had come to no resolution thereon.

COMPENSATION OF PRIVATE EMPLOYEES.

Mr. COX. Mr. Speaker, I ask unanimous consent to insert in the RECORD some data which has been furnished me as to employees in private life which I think may have some bearing upon the legislation seeking to increase clerical salaries.

Mr. WALSH. Mr. Speaker, reserving the right to object, does it have any bearing on anything connected with this bill?

Mr. COX. I think it will before we get through with it. I am trying to get this in the RECORD for the information of Members of the House, pure and simple.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. GALLIVAN. Mr. Speaker, I ask unanimous consent to extend and revise my remarks on the Subtreasury matter.

Mr. SHERLEY. Mr. Speaker, I ask that those who spoke on the Subtreasury matter to-day may be allowed to extend their remarks in the RECORD.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that everybody who spoke on the Subtreasury business shall have five legislative days——

Mr. SHERLEY. No; just have leave to extend their remarks.

The SPEAKER. Have leave to extend their remarks in the RECORD.

Mr. WALSH. Does the gentleman desire to include those who may speak to-morrow?

Mr. SHERLEY. I have no objection to that. I thought gentlemen wanted to extend their remarks after to-morrow.

Mr. WALSH. I think it would save time to include all of those, too.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

MEMORIAL.

The SPEAKER. The Chair lays before the House the following memorial, which the Clerk will report.

The Clerk read as follows:

WASHINGTON, D. C., *March 1, 1918.*

To the House of Representatives, Washington, D. C.:

Mr. Speaker and gentlemen of the Sixty-fifth Congress, I beg to inform you that at a general election held in the second district of Ohio on November 6, 1917, I was duly and legally elected by the electors of that district as a Representative in Congress for that district to fill out the unexpired term of Capt. VICTOR HEINTZ, and that by reason of political chicanery, trickery, and other unlawful means I have been unable to obtain my regular credentials.

Having exhausted all lawful means in my State to obtain the usual credentials, I now appear before you with the evidence, written and oral, in support of my claim to a seat in this Congress.

And upon behalf of the electors of the second district of Ohio and myself I respectfully request that an opportunity may be afforded me to present to this House the evidence of my election.

Yours, respectfully,

DAVID L. BAUMGARTEN, Sr.,
Representative elect of the Second District of Ohio.

Mr. GARRETT of Tennessee. The Speaker is going to refer it?

The SPEAKER. Yes; the Chair is going to refer it.

Mr. STAFFORD. Mr. Speaker——

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry.

Mr. STAFFORD. Mr. Speaker, I was going to ask whether every communication that is addressed to the Speaker, upon being presented in this informal way, gives it the privilege to have it referred to a committee?

The SPEAKER. It does not; but there are precedents, three or four, about this very line of conduct.

Mr. STAFFORD. I thought it did not give the privilege to have it referred.

The SPEAKER. A communication that ought not to be referred will not be referred.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. May I inquire to what committee the Speaker will refer this?

The SPEAKER. The matter is referred to Elections Committee No. 3.

Mr. STAFFORD. Mr. Speaker, I make the point of no quorum. I think it is well to look into this matter, and overnight we may have the privilege of doing so. It comes here of a sudden, and involves the privileges of a Member of this House.

Mr. GARRETT of Tennessee. Well, the Speaker can refer it.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3700. An act for the relief of John McW. Ford; to the Committee on the Public Lands.

ADJOURNMENT.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 48 minutes p. m.) the House adjourned until to-morrow, Saturday, March 9, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. CARAWAY, from the Committee on the Judiciary, to which was referred the bill (H. R. 7796) to increase the salary of the United States marshal for the western district of Michigan, reported the same without amendment, accompanied by a report (No. 362), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 3563) to increase the salary of the United States district attorney for the district of Rhode Island, reported the same with amendment, accompanied by a report (No. 363), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. RUBEY, from the Committee on Agriculture, to which was referred the bill (H. R. 7795) to appropriate $50,000,000 for the purchase of seed, grain, and feed for live stock, to be supplied to farmers and stockmen, and to create boards in the respective States to assist in carrying out the provisions of this act, reported the same with amendment, accompanied by a report (No. 364), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KETTNER: A bill (H. R. 10587) granting to the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation, for dam and reservoir purposes for the conservation of water, and for other purposes; to the Committee on the Public Lands.

By Mr. DOUGHTON: A bill (H. R. 10588) authorizing the Postmaster General to cancel or readjust the terms of star-route and screen-wagon contracts; to the Committee on the Post Office and Post Roads.

By Mr. SABATH: A bill (H. R. 10589) to make valid certain certificates of naturalization; to the Committee on Immigration and Naturalization.

By Mr. CARTER of Oklahoma: A bill (H. R. 10590) to provide for a determination of heirship in cases of deceased members of the Cherokee, Choctaw, Chickasaw, Creek, and Seminole Tribes of Indians, in Oklahoma, conferring jurisdiction upon district courts to partition lands belonging to full-blood heirs of allottees of the Five Civilized Tribes, and for other purposes; to the Committee on Indian Affairs.

By Mr. CARY: A bill (H. R. 10591) to regulate and license the business of selling pianos, jewelry, furniture, clothing, and other commodities on installments; to the Committee on the District of Columbia.

By Mr. MONDELL: A bill (H. R. 10592) authorizing the addition of certain lands to the Wyoming national forest; to the Committee on the Public Lands.

By Mr. FRENCH: A bill (H. R. 10593) granting the consent of Congress to the county commissioners of Bonner County, Idaho, to construct a bridge across the Clarks Fork River at or

near the village of Clarks Fork, Bonner County, State of Idaho; to the Committee on Interstate and Foreign Commerce.

By Mr. DRANE: A bill (H. R. 10594) to safeguard cargo-laden vessels of the Navy; to the Committee on Naval Affairs.

By Mr. HADLEY: Joint resolution (H. J. Res. 262) relating to the establishment of an international memorial day; to the Committee on Foreign Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, favoring the investigation into the situation confronting dairy farmers and to take the necessary steps to remedy same; to the Committee on Agriculture.

Also, memorial relating to the privilege of sending mail without payment of postage; to the Committee on Ways and Means.

By Mr. CARY: Memorial of the Legislature of the State of Wisconsin, relating to the privilege of sending mail without the payment of postage; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Wisconsin, relating to excess profits and war revenues; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNHART: A bill (H. R. 10595) granting an increase of pension to George W. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10596) granting an increase of pension to George D. McKinney; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 10597) granting an increase of pension to Edward M. Hayhurst; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 10598) for the relief of Mathew Horrigan; to the Committee on Military Affairs.

By Mr. ELLIOTT: A bill (H. R. 10599) granting a pension to Joseph R. Cook; to the Committee on Pensions.

By Mr. HAMLIN: A bill (H. R. 10600) granting an increase of pension to R. P. Leach; to the Committee on Pensions.

By Mr. HILLIARD: A bill (H. R. 10601) granting a pension to William James McDermett; to the Committee on Pensions.

By Mr. LITTLE: A bill (H. R. 10602) granting an increase of pension to Nathaniel Singletary; to the Committee on Pensions.

By Mr. MILLER of Minnesota: A bill (H. R. 10603) authorizing conveyance by deed to William Orr of a one-eighth acre of land on Pelican Lake; to the Committee on the Public Lands.

By Mr. OVERMYER: A bill (H. R. 10604) granting an increase of pension to Jacob F. Hiner; to the Committee on Invalid Pensions.

By Mr. SWEET: A bill (H. R. 10605) granting an increase of pension to John D. Caswell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10606) granting a pension to Walter S. Hewett; to the Committee on Invalid Pensions.

By Mr. WASON: A bill (H. R. 10607) granting a pension to Fred F. Newell; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. DALE of New York: Petitions of Phillips-Jones Co. (Inc.) and of D. E. Sicher & Co., of New York City, urging the immediate passage of the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

By Mr. ELSTON: Memorial of Central Labor Council of Alameda County, Cal., condemning attacks on the loyalty of labor and pledging patriotic service to the country; to the Committee on Military Affairs.

By Mr. EMERSON: Resolutions of the Fraternity League of Northern Ohio, in relation to the pay of postal employees; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: Petition of New York Zoological Society, favoring migratory bird treaty act with Canada; to the Committee on Foreign Affairs.

Also, memorial of board of governors of the Investment Bankers' Association of America, relative to war-finance corporation bill; to the Committee on Ways and Means.

By Mr. FLYNN: Resolution of the board of representatives of Federal Employees' Union No. 2, protesting against the repeal of the law allowing post-office employees the right to organize; to the Committee on the Post Office and Post Roads.

Also, resolution of the New York Zoological Society, regarding enabling act for migratory-bird treaty with Canada; to the Committee on Foreign Affairs.

By Mr. HAMILTON of Michigan: Resolutions of the three churches and Farmers' Institute of Woodland, Mich., asking for immediate war-emergency prohibition; to the Committee on the Judiciary.

By Mr. HILLIARD: Petitions of Robert Ames Bennet and W. F. Murphy, of Denver, Colo., praying for the repeal of that section of the war-revenue act providing for increased postage rates on periodicals; to the Committee on Ways and Means.

Also, evidence to accompany House bill 10601, granting a pension to William James McDermett; to the Committee on Pensions.

Also, petition of members of campaign union, Woman's Christian Temperance Union, of Denver, Colo., praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Mrs. George L. Parker, Mrs. Draw Swift, Mrs. C. N. Cole, Mrs. D. F. Mason, Mrs. W. Q. Howell, Mrs. H. L. Esch, Mrs. E. R. Vanderhoof, Mrs. A. S. Lee, Mrs. H. V. Kepner, Mrs. W. H. Howell, Mrs. F. R. Hollenback, Mrs. G. A. Wiley, Mrs. C. J. Morley, Mrs. Fred Hendrickson, Mrs. K. Huffman, Belle M. Musser, Mrs. H. B. Kinney, Mrs. G. M. Eames, and Nellie Fay Eames, all of Denver, Colo., praying for prohibition as a war measure; to the Committee on the Judiciary.

By Mr. LONERGAN: Petition of the Woman's Christian Temperance Union of New Britain, Conn., in favor of Randall war-prohibition bill; to the Committee on the Judiciary.

By Mr. VARE: Memorial of the Philadelphia County Medical Society, urging passage of the Owen and Dyer bills; to the Committee on Military Affairs.

Also, memorial of Pennsylvania State Chamber of Commerce, relative to the payment of excess-profit taxes; to the Committee on Ways and Means.

SENATE.

SATURDAY, *March 9, 1918.*

(Legislative day of Friday, March 8, 1918.)

The Senate met at 12 o'clock meridian.

Mr. OVERMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hollis	Overman	Thomas
Culberson	Johnson, Cal.	Page	Tillman
Curtis	Jones, Wash.	Saulsbury	Townsend
Dillingham	Kenyon	Sheppard	Trammell
Fletcher	Knox	Sherman	Vardaman
Frelinghuysen	Martin	Smoot	Warren
Gallinger	New	Stone	Watson
Harding	Nugent	Swanson	Williams

Mr. FRELINGHUYSEN. I desire to announce the unavoidable absense of my colleague [Mr. BAIRD].

The PRESIDENT pro tempore. Thirty-two Senators have answered to their names. The Secretary will call the roll of absentees.

The Secretary called the names of absent Senators and Mr. GERRY, Mr. HALE, Mr. JOHNSON of South Dakota, Mr. KENDRICK, Mr. MCCUMBER, Mr. MCLEAN, Mr. MCNARY, Mr. POINDEXTER, Mr. SMITH of Maryland, Mr. SMITH of Michigan, and Mr. UNDERWOOD answered to their names when called.

Mr. SMITH of Arizona, Mr. COLT, Mr. SHIELDS, Mr. RANSDELL, and Mr. KIRBY entered the Chamber and answered to their names.

Mr. MCNARY. I desire to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness.

Mr. SUTHERLAND entered the Chamber and answered to his name.

Mr. SUTHERLAND. I wish to announce that my colleague, the senior Senator from West Virginia [Mr. GOFF], is absent by reason of illness.

Mr. STERLING, Mr. SHAFROTH, Mr. POMERENE, Mr. BORAH, Mr. THOMPSON, Mr. HARDWICK, Mr. BANKHEAD, Mr. WADSWORTH, and Mr. MCKELLAR entered the Chamber and answered to their names.

Mr. GERRY. I desire to announce that the senor Senator from Kentucky [Mr. JAMES] is detained by illness, and that the junior Senator from Kentucky [Mr. BECKHAM] is absent on official business.

The PRESIDENT pro tempore. Fifty-eight Senators have answered to their names. There is a quorum present.

FUEL ORDER AND BUNKERING OF SHIPS—CORRECTION.

Mr. REED. Mr. President, through some error a number of newspapers have misquoted me with regard to a matter which I desire to have corrected. I know they did not do so intentionally and that they will be generous enough to give the correction that I am about to make all reasonable publicity. The same error occurs in a number of papers, possibly because the accounts may have emanated from the same source. I read:

"I am sorry that Dr. Garfield gave out that statement, because it is not true."

He added—

Says this article—

that Shipping Board figures showed that 56 less ships were released than under normal conditions.

I saw this language, or practically this language, in several newspapers, and concluded that I might have said something that I did not intend to say; but I have the official report of my remarks in my hand, and I will read what I did say:

I am sorry to say what I am going to say now. Dr. Garfield published an excuse. A hard case sometimes makes hard excuses. He said, in good, set terms: "As a result of the fuelless days, 480 ships have been released from American harbors."

I went and got the figures, and I got the figures right. I got them from the Shipping Board. Within the period of time he named there had been a net reduction in the ships in all American ports of just 56.

So instead of saying that 56 less ships were released than under normal conditions, what I said was that the number of ships in the ports had been reduced by 56, which means that 56 more ships did leave the ports than were in the ports at the time the order took effect.

I want that correction made, because it ought to be made in justice to Dr. Garfield as well as myself, and in justice to the facts.

REGISTRATION OF ALIENS FOR MILITARY SERVICE.

Mr. STONE. Mr. President, I desire to call the attention of the Senate, in the presence of the senior Senator from Florida [Mr. FLETCHER], who is now acting as chairman of the Committee on Military Affairs, to Senate joint resolution 136. That resolution provides for such amendments to the law as will enable the Government in a proper way to enforce certain treaties between this Government and other governments with respect to the enrollment and drafting of their respective subjects or citizens into the military service. The joint resolution comes more directly from the War Department and was referred to the Committee on Military Affairs. I think it was a proper reference, but inasmuch as the Committee on Foreign Relations is now considering some of the very treaties involved, and will doubtless have others in the immediate future, I had intended to ask the Senator from Florida to allow the joint resolution to go to the Committee on Foreign Relations and to be studied by that committee in connection with the treaties themselves now pending before that committee. But upon talking with him I think every end worth while will be subserved by his statement to me that he would not call up the joint resolution for the action of the Senate until ample opportunity had been given to the Committee on Foreign Relations to go over the entire subject.

Mr. FLETCHER. I think there can be no possible conflict, because I think the joint resolution contemplates conforming entirely to any existing treaty or any that may be afterwards entered into. I think the best course would be to allow the joint resolution to remain on the calendar. It was reported unanimously by the Committee on Military Affairs. But the Committee on Foreign Relations will take the joint resolution, of course, and present it and consider it in any way they feel inclined. We shall just delay action upon it until that committee shall have had ample opportunity to thoroughly examine it.

Mr. STONE. Of course, I have not the remotest idea that there will be any conflict between the two committees; on the contrary, an easy agreement between them on any point; but what I had in mind to do, and to which the Senator consented, as I understood and as he now says, was that no action would be attempted on the joint resolution until the Committee on Foreign Relations had had ample opportunity to examine it in connection with the treaties themselves pending before that committee.

Mr. FLETCHER. That course is entirely agreeable, Mr. President. I did not mean to intimate that there was any possibility of a conflict between the committees. What I meant to say was that there is no conflict between this joint resolution and any treaty that might be reported by the committee or had already been reported by the committee. With the understanding the Senator from Missouri has mentioned, I shall not press the joint resolution until he is prepared to have it considered.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (S. 3471) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9352. An act to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes; and

H. R. 10477. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

The message further announced that the House insists upon its amendments to the bill (S. 383) to punish the destruction or injuring of war material and war transportation facilities by fire, explosives, or other violent means, and to forbid hostile use of property during time of war, and for other purposes, disagreed to by the Senate; agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon; and had appointed Mr. WEBB, Mr. CARLIN, and Mr. VOLSTEAD managers at the conference on the part of the House.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (H. R. 7998) granting the consent of Congress to the village of East Dundee and the village of West Dundee to construct a bridge across the Fox River, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS.

Mr. PAGE presented the petition of J. B. Silver and sundry other citizens of Greensboro Bend, Vt., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. FRELINGHUYSEN presented resolutions of the State Grange of New Jersey, remonstrating against the repeal of the tax on oleomargarine, favoring improved rural mail service, urging the necessity for Federal aid in the farm-labor problem, and for an appropriation for the construction of a bridge across the Delaware River between Philadelphia and Camden, which were referred to the Committee on Agriculture and Forestry.

Mr. MCNARY (for Mr. CHAMBERLAIN) presented a memorial of the congregation of the Mount Tabor Presbyterian Church, of Portland, Oreg., remonstrating against the further use of grain and fuel in the manufacture of intoxicating liquors during the war, which was referred to the Committee on Agriculture and Forestry.

Mr. PHELAN presented a petition of the Merchants' Association, of San Diego, Cal., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HARDING:

A bill (S. 4056) granting an increase of pension to Amos B. Horton; to the Committee on Pensions.

By Mr. HOLLIS:

A bill (S. 4057) for the relief of the legal representatives of George W. Soule; to the Committee on Claims.

By Mr. NEW:

A bill (S. 4058) granting a pension to Florence M. Anderson (with accompanying papers);

A bill (S. 4059) granting a pension to Jonora Legg (with accompany papers); and

A bill (S. 4060) granting a pension to Naomi Buck (with accompanying papers); to the Committee on Pensions.

By Mr. THOMPSON:

A bill (S. 4061) granting a pension to Ellen Merritt (with accompanying papers); to the Committee on Pensions.

By Mr. KING:

A bill (S. 4062) to authorize the exchange of certain lands within the Wasatch National Forest, Utah; to the Committee on Public Lands.

By Mr. FRELINGHUYSEN:

A bill (S. 4063) to amend an act entitled "An act to increase the revenue, and for other purposes," approved October 3, 1917; to the Committee on Finance.

A bill (S. 4064) granting authority, on certain conditions, to the Secretary of the Navy to reinstate George L. Davis in the Marine Corps; to the Committee on Naval Affairs.

A bill (S. 4065) granting an increase of pension to Thomas J. Wise;

A bill (S. 4066) granting a pension to James D. Ash; and

A bill (S. 4067) granting a pension to John B. Moore; to the Committee on Pensions.

By Mr. RANSDELL:

A bill (S. 4068) for the relief of Ella Oliver Richardson and Edmund Richardson, of New Orleans, La.; to the Committee on Public Lands.

AMENDMENT TO INDIAN APPROPRIATION BILL.

Mr. OWEN submitted an amendment providing for the fulfilling of treaties with the Cherokee Tribe of Indians, Oklahoma, intended to be proposed by him to the Indian appropriation bill, which was ordered to lie on the table and be printed.

RAILROAD CONTROL—CONFERENCE REPORT.

Mr. SMITH of South Carolina. I submit the report of the conferees on the part of the Senate on the disagreeing votes of the two Houses on Senate bill 3752, known as the railroad-control bill.

Mr. GALLINGER. The Senator will have it printed and go over, I presume.

Mr. SMITH of South Carolina. I merely ask to have it printed and go over.

The PRESIDENT pro tempore. Without objection, it will be so ordered.

The report is as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same, with an amendment as follows: In lieu of the matter proposed by the House insert the following:

"That the President, having in time of war taken over the possession, use, control, and operation (called herein Federal control) of certain railroads and systems of transportation (called herein carriers), is hereby authorized to agree with and to guarantee to any such carrier making operating returns to the Interstate Commerce Commission, that during the period of such Federal control it shall receive as just compensation an annual sum, payable from time to time in reasonable installments, for each year and pro rata for any fractional year of such Federal control, not exceeding a sum equivalent as nearly as may be to its average annual railway operating income for the three years ended June 30, 1917. That any railway operating income accruing during the period of Federal control in excess of such just compensation shall remain the property of the United States. In the computation of such income, debits and credits arising from the accounts called in the monthly reports to the Interstate Commerce Commission equipment rents and joint facility rents shall be included, but debits and credits arising from the operation of such street electric passenger railways, including railways commonly called interurbans, as are at the time of the agreement not under Federal control, shall be excluded. If any lines were acquired by, leased to, or consolidated with such railroad or system between July 1, 1914, and December 31, 1917, both inclusive, and separate operating returns to the Interstate Commerce Commission were not made for such lines after such acquisition, lease, or consolidation, there shall (before the average is computed) be added to the total railway operating income of such railroad or system for the three years ended June 30, 1917, the total railway operating income of the lines so acquired, leased, or consolidated, for the period beginning July 1, 1914, and ending on the date of such acquisition, lease, or consolidation, or on December 31, 1917, whichever is the earlier. The average annual railway operating income shall be ascertained by the Interstate Commerce Commission and certified by it to the President. Its certificate shall, for the purpose of such agreement, be taken as conclusive of the amount of such average annual railway operating income.

"Every such agreement shall provide that any Federal taxes under the act of October 3, 1917, or acts in addition thereto or in amendment thereof, commonly called war taxes, assessed for the period of Federal control beginning January 1, 1918, or any part of such period, shall be paid by the carrier out of its own funds, or shall be charged against or deducted from the just compensation; that other taxes assessed under Federal or any other governmental authority for the period of Federal control or any part thereof, either on the property used under such Federal control or on the right to operate as a carrier, or on the revenues or any part thereof derived from operation (not including, however, assessments for public improvements or taxes assessed on property under construction, and chargeable under the classification of the Interstate Commerce Commission to investment in road and equipment), shall be paid out of revenues derived from railway operations while under Federal control; that all taxes assessed under Federal or any other governmental authority for the period prior to January 1, 1918, whenever levied or payable, shall be paid by the carrier out of its own funds, or shall be charged against or deducted from the just compensation.

"Every such agreement shall also contain adequate and appropriate provisions for the maintenance, repair, renewals, and depreciation of the property, for the creation of any reserves or reserve funds found necessary in connection therewith, and for such accounting and adjustments of charges and payments, both during and at the end of Federal control as may be requisite in order that the property of each carrier may be returned to it in susbtantially as good repair and in substantially as complete equipment as it was in at the beginning of Federal control, and also that the United States may, by deductions from the just compensations or by other proper means and charges, be reimbursed for the cost of any additions, repairs, renewals, and betterments to such property not justly chargeable to the United States; in making such accounting and adjustments, due consideration shall be given to the amounts expended or reserved by each carrier for maintenance, repairs, renewals, and depreciation during the three years ended June 30, 1917, to the condition of the property at the beginning and at the end of Federal control and to any other pertinent facts and circumstances.

"The President is further authorized in such agreement to make all other reasonable provisions, not inconsistent with the provisions of this act or of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, that he may deem necessary or proper for such Federal control or for the determination of the mutual rights and obligations of the parties to the agreement arising from or out of such Federal control.

"If the President shall find that the condition of any carrier was during all or a substantial portion of the period of three years ended June 30, 1917, because of nonoperation, receivership, or where recent expenditures for additions or improvements or equipment were not fully reflected in the operating railway income of said three years or a substantial portion thereof, or because of any undeveloped or abnormal conditions, so exceptional as to make the basis of earnings hereinabove provided for plainly inequitable as a fair measure of just compensation, then the President may make with the carrier such agreement for such amount as just compensation as under the circumstances of the particular case he shall find just.

"That every railroad not owned, controlled, or operated by another carrier company, and which has heretofore competed for traffic with a railroad or railroads of which the President has taken the possession, use, and control, or which connects with such railroads and is engaged as a common carrier in general transportation, shall be held and considered as within 'Federal control,' as herein defined, and necessary for the prosecution of the war, and shall be entitled to the benefit of all the provisions of this act: *Provided, however*, That nothing in this paragraph shall be construed as including any street or interurban electric railway which has as its principal source of operating revenue urban, suburban, or interurban passenger traffic, or sale of power, heat and light, or both.

"The agreement shall also provide that the carrier shall accept all the terms and conditions of this act and any regulation or order made by or through the President under authority of this act or of that portion of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, which authorizes the President in time of war to take possession, assume control, and utilize systems of transportation.

"SEC. 2. That if no such agreement is made, or pending the execution of an agreement, the President may nevertheless pay to any carrier while under Federal control an annual amount, payable in reasonable installments, not exceeding 90 per cent of the estimated annual amount of just compensation, remitting such carrier, in case where no agreement is made, to its legal rights for any balance claimed to the remedies provided in section 3 hereof. Any amount thereafter found due such carrier above the amount paid shall bear interest at the rate of 6 per

cent per annum. The acceptance of any benefits under this section shall constitute an acceptance by the carrier of all the provisions of this act and shall obligate the carrier to pay to the United States, with interest at the rate of 6 per cent per annum from a date or dates fixed in proceedings under section 3, the amount by which the sums received under this section exceed the sum found due in such proceedings.

"SEC. 3. That all claims for just compensation not adjusted (as provided in section 1) shall, on the application of the President or of any carrier, be submitted to boards, each consisting of three referees to be appointed by the Interstate Commerce Commission, members of which and the official force thereof being eligible for service on such boards without additional compensation. Such boards of referees are hereby authorized to summon witnesses, require the production of records, books, correspondence, documents, memoranda, and other papers, view properties, administer oaths, and may hold hearings in Washington and elsewhere, as their duties and the convenience of the parties may require. In case of disobedience to a subpœna the board may invoke the aid of any district court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpœna issued to any person, corporation, partnership, or association, issue an order requiring appearance before the board, or the production of documentary evidence if so ordered, or the giving of evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. Such cases may be heard separately or together or by classes, by such boards as the Interstate Commerce Commission in the first instance, or any board of referees to which any such cases shall be referred may determine. Said boards shall give full hearings to such carriers and to the United States; shall consider all the facts and circumstances, and shall report as soon as practicable in each case to the President the just compensation, calculated on an annual basis and otherwise in such form as to be convenient and available for the making of such agreement as is authorized in section 1. The President is authorized to enter into an agreement with such carrier for just compensation upon a basis not in excess of that reported by such board, and may include therein provisions similar to those authorized under section 1. Failing such agreement, either the United States or such carrier may file a petition in the Court of Claims for the purpose of determining the amount of such just compensation, and in the proceedings in said court the report of said referees shall be prima facie evidence of the amount of just compensation and of the facts therein stated. Proceedings in the Court of Claims under this section shall be given precedence and expedited in every practicable way.

"SEC. 4. That the just compensation that may be determined as hereinbefore provided by agreement or that may be adjudicated by the Court of Claims, shall be increased by an amount reckoned at a reasonable rate per centum to be fixed by the President upon the cost of any additions and betterments, less retirements, and upon the cost of road extensions to the property of such carrier made by such carrier with the approval of or by order of the President while such property is under Federal control.

"SEC. 5. That no carrier while under Federal control shall, without the prior approval of the President, declare or pay any dividend in excess of its regular rate of dividends during the three years ended June 30, 1917: *Provided, however*, That such carriers as have paid no regular dividends or no dividends during said period may, with the prior approval of the President, pay dividends at such rate as the President may determine.

"SEC. 6. That the sum of $500,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, which, together with any funds available from any operating income of said carriers, may be used by the President as a revolving fund for the purpose of paying the expenses of the Federal control, and so far as necessary the amount of just compensation, and to provide terminals, motive power, cars, and other necessary equipment, such terminals, motive power, cars, and equipment to be used and accounted for as the President may direct and to be disposed of as Congress may hereafter by law provide.

"The President may also make or order any carrier to make any additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other equipment necessary or desirable for war purposes or in the public interest on or in connection with the property of any carrier. He may from said revolving fund advance to such carrier all or any part of the expense of such additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other necessary equipment so ordered and constructed by such carrier or by the President, such advances to be charged against such carrier and to bear interest at such rate and be payable on such terms as may be determined by the President, to the end that the United States may be fully reimbursed for any sums so advanced.

"Any loss claimed by any carrier by reason of any such additions, betterments, or road extensions so ordered and constructed may be determined by agreement between the President and such carrier; failing such agreement the amount of such loss shall be ascertained as provided in section 3 hereof.

"From said revolving fund the President may expend such an amount as he may deem necessary or desirable for the utilization and operation of canals, or for the purchase, construction, or utilization and operation of boats, barges, tugs, and other transportation facilities on the inland, canal, and coastwise waterways, and may in the operation and use of such facilities create or employ such agencies and enter into such contracts and agreements as he shall deem in the public interest.

"SEC. 7. That for the purpose of providing funds requisite for maturing obligations or for other legal and proper expenditures, or for reorganizing railroads in receivership, carriers may, during the period of Federal control, issue such bonds, notes, equipment trust certificates, stock, and other forms of securities, secured or unsecured by mortgage, as the President may first approve as consistent with the public interest. The President may, out of the revolving fund created by this act, purchase for the United States all or any part of such securities at prices not exceeding par, and may sell such securities whenever in his judgment it is desirable at prices not less than the cost thereof. Any securities so purchased shall be held by the Secretary of the Treasury, who shall, under the direction of the President, represent the United States in all matters in connection therewith in the same manner as a private holder thereof. The President shall each year as soon as practicable after January 1, cause a detailed report to be submitted to the Congress of all receipts and expenditures made under this section and section 6 during the preceding calendar year.

"SEC. 8. That the President may execute any of the powers herein and heretofore granted him with relation to Federal control through such agencies as he may determine, and may fix the reasonable compensation for the performance of services in connection therewith, and may avail himself of the advice, assistance, and cooperation of the Interstate Commerce Commission and of the members and employees thereof, and may also call upon any department, commission, or board of the Government for such services as he may deem expedient. But no such official or employee of the United States shall receive any additional compensation for such services except as now permitted by law.

"SEC. 9. That the provisions of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, shall remain in force and effect except as expressly modified and restricted by this act; and the President, in addition to the powers conferred by this act, shall have and is hereby given such other and further powers necessary or appropriate to give effect to the powers herein and heretofore conferred. The provisions of this act shall also apply to any carriers to which Federal control may be hereafter extended.

"SEC. 10. That carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control or with any order of the President. Actions at law or suits in equity may be brought by and against such carriers and judgments rendered as now provided by law; and in any action at law or suit in equity against the carrier, no defense shall be made thereto upon the ground that the carrier is an instrumentality or agency of the Federal Government. Nor shall any such carrier be entitled to have transferred to a Federal court any action heretofore or hereafter instituted by or against it, which action was not so transferable prior to the Federal control of such carrier; and any action which has heretofore been so transferred because of such Federal control or of any act of Congress or official order or proclamation relating thereto shall upon motion of either party be retransferred to the court in which it was originally instituted. But no process, mesne or final, shall be levied against any property under such Federal control.

"That during the period of Federal control, whenever in his opinion the public interest requires, the President may initiate

rates, fares, charges, classifications, regulations, and practices by filing the same with the Interstate Commerce Commission, which said rates, fares, charges, classifications, regulations, and practices shall not be suspended by the commission pending final determination.

"Said rates, fares, charges, classifications, regulations, and practices shall be reasonable and just and shall take effect at such time and upon such notice as he may direct, but the Interstate Commerce Commission shall, upon complaint, enter upon a hearing concerning the justness and reasonableness of so much of any order of the President as establishes or changes any rate, fare, charge, classification, regulation, or practice of any carrier under Federal control, and may consider all the facts and circumstances existing at the time of the making of the same. In determining any question concerning any such rates, fares, charges, classifications, regulations, or practices, or changes therein, the Interstate Commerce Commission shall give due consideration to the fact that the transportation systems are being operated under a unified and coordinated national control and not in competition.

"After full hearing the commission may make such findings and orders as are authorized by the act to regulate commerce as amended, and said findings and orders shall be enforced as provided in said act: *Provided, however*, That when the President shall find and certify to the Interstate Commerce Commission that in order to defray the expenses of Federal control and operation fairly chargeable to railway operating expenses, and also to pay railway tax accruals other than war taxes, net rents for joint facilities and equipment, and compensation to the carriers, operating as a unit, it is necessary to increase the railway operating revenues, the Interstate Commerce Commission in determining the justness and reasonableness of any rate, fare, charge, classification, regulation, or practice shall take into consideration said finding and certificate by the President, together with such recommendations as he may make.

"SEC. 11. That every person or corporation, whether carrier or shipper, or any receiver, trustee, lessee, agent, or person acting for or employed by a carrier or shipper, or other person, who shall knowingly violate or fail to observe any of the provisions of this act, or shall knowingly interfere with or impede the possession, use, operation, or control of any railroad property, railroad, or transportation system hitherto or hereafter taken over by the President, or shall knowingly violate any of the provisions of any order or regulation made in pursuance of this act, shall be guilty of a misdemeanor, and shall, upon conviction, be punished by a fine of not more than $5,000, or, if a person, by imprisonment for not more than two years, or both. Each independent transaction constituting a violation of, or a failure to observe, any of the provisions of this act, or any order entered in pursuance hereof, shall constitute a separate offense. For the taking or conversion to his own use or the embezzlement of money or property derived from or used in connection with the possession, use, or operation of said railroads or transportation systems, the criminal statutes of the United States, as well as the criminal statutes of the various States where applicable, shall apply to all officers, agents, and employees engaged in said railroad and transportation service, while the same is under Federal control, to the same extent as to persons employed in the regular service of the United States. Prosecutions for violations of this act or of any order entered hereunder shall be in the district courts of the United States, under the direction of the Attorney General, in accordance with the procedure for the collection and imposing of fines and penalties now existing in said courts.

"SEC. 12. That moneys and other property derived from the operation of the carriers during Federal control are hereby declared to be the property of the United States. Unless otherwise directed by the President, such moneys shall not be covered into the Treasury, but such moneys and property shall remain in the custody of the same officers, and the accounting thereof shall be in the same manner and form as before Federal control. Disbursements therefrom shall, without further appropriation, be made in the same manner as before Federal control and for such purposes as under the Interstate Commerce Commission classification of accounts in force on December 27, 1917, are chargeable to operating expenses or to railway tax accruals and for such other purposes in connection with Federal control as the President may direct, except that taxes under Titles 1 and 2 of the act entitled 'An act to provide revenue to defray war expenses, and for other purposes,' approved October 3, 1917, or any act in addition thereto or in amendment thereof, shall be paid by the carrier out of its own funds. If Federal control begins or ends during the tax year for which any taxes so chargeable to railway tax accruals are assessed, the taxes for such year shall be apportioned to the date of the beginning or ending of such Federal control, and disbursements shall be made only for that portion of such taxes as is due for the part of such tax year which falls within the period of Federal control.

"At such periods as the President may direct, the books shall be closed and the balance of revenues over disbursements shall be covered into the Treasury of the United States to the credit of the revolving fund created by this act. If such revenues are insufficient to meet such disbursements, the deficit shall be paid out of such revolving fund in such manner as the President may direct.

"SEC. 13. That all pending cases in the courts of the United States affecting railroads or other transportation systems brought under the act to regulate commerce, approved February 4, 1887, as amended and supplemented, including the commodities clause, so called, or under the act to protect trade and commerce against unlawful restraints and monopolies, approved July 2, 1890, and amendments thereto, shall proceed to final determination as soon as may be, as if the United States had not assumed control of transportation systems; but in any such case the court having jurisdiction may, upon the application of the United States, stay execution of final judgment or decree until such time as it shall deem proper.

"SEC. 14. That the Federal control of railroads and transportation systems herein and heretofore provided for shall continue for and during the period of the war and for a reasonable time thereafter, which shall not exceed one year and nine months next following the date of the proclamation by the President of the exchange of ratifications of the treaty of peace: *Provided, however*, That the President may, prior to July 1, 1918, relinquish control of all or any part of any railroad or system of transportation, further Federal control of which the President shall deem not needful or desirable; and the President may at any time during the period of Federal control agree with the owners thereof to relinquish all or any part of any railroad or system of transportation. The President may relinquish all railroads and systems of transportation under Federal control at any time he shall deem such action needful or desirable. No right to compensation shall accrue to such owners from and after the date of relinquishment for the property so relinquished.

"SEC. 15. That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation or the lawful police regulations of the several States, except wherein such laws, powers, or regulations may affect the transportation of troops, war materials, Government supplies, or the issue of stocks and bonds: *Provided, however*, That no State or subdivision thereof, or the District of Columbia, shall levy, assess, or collect an amount of taxes from railroad property within the State or subdivision thereof, or the District of Columbia, while under Federal control, in excess of the ratio which the taxes derived from railroad property bore to the total taxes of such State or subdivision thereof, or the District of Columbia, for the year previous to Federal control.

"SEC. 16. That this act is expressly declared to be emergency legislation enacted to meet conditions growing out of war; and nothing herein is to be construed as expressing or prejudicing the future policy of the Federal Government concerning the ownership, control, or regulation of carriers or the method or basis of the capitalization thereof."

And the House agree to the same.

E. D. SMITH,
ATLEE POMERENE,
JOE T. ROBINSON,
CHARLES E. TOWNSEND,
Managers on the part of the Senate.

T. W. SIMS,
FRANK E. DOREMUS,
JOHN J. ESCH,
Managers on the part of the House.

DIPLOMATIC AND CONSULAR APPROPRIATIONS.

Mr. OVERMAN. I ask that the unfinished business, House bill 9314, be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919.

The PRESIDENT pro tempore. The pending amendment of the Committee on Appropriations will be stated.

The SECRETARY. On page 7, in the item for transportation of diplomatic and consular officers in going to and returning

from their posts, in line 20, after the word "State," insert the words "at the rate of not exceeding 10 cents per mile."

Mr. OVERMAN. Inasmuch as the Senator from Massachusetts [Mr. LODGE] is not here, and he is interested in this amendment, I ask that it be temporarily passed over.

The PRESIDENT pro tempore. Without objection, the pending amendment will be passed over.

The next amendment was, under the subhead "International Boundary Commission, United States and Mexico," on page 10, line 21, after the word "Mexico," to strike out "$47,500" and insert "$25,000," so as to make the clause read:

To enable the commission to continue its work under the treaties of 1884, 1889, and 1905, between the United States and Mexico, $25,000.

Mr. SMOOT. I ask that this amendment be passed over temporarily, because in connection with it I also want to make some remarks in relation to the other international bureaus provided for in the bill.

Mr. OVERMAN. Very well, let it be passed over.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the amendment will be temporarily passed over.

The next amendment was, under the subhead "Boundary Line, Alaska and Canada, and the United States and Canada," under the item of appropriation enabling the Secretary of State to mark the boundary and make the surveys incidental thereto between the Territory of Alaska and the Dominion of Canada, etc., on page 12, line 9, after the word "allowed," to insert "a per diem or," and in line 11, before the words "per day," to strike out "$6" and insert "$8," so as to make the proviso read:

Provided, That when the commissioner is absent from Washington on official business he shall be allowed a per diem or actual and necessary expenses of subsistence, not in excess of $8 per day.

Mr. THOMAS. I suggest that the words "per day" at the end of line 11 be stricken out. As the proviso now stands it gives the commission a per diem of $8 per day.

Mr. OVERMAN. I think that is a proper amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The next amendment was, under the subhead "International Institution of Agriculture," on page 14, line 19, to strike out:

For salary of one member of the permanent committee of the International Institute of Agriculture for the calendar year 1919, $3,600.

Mr. FLETCHER. Mr. President, I should like to say that I disagree with the views of the committee upon the amendment striking out the paragraphs, and I hope the amendment will not be agreed to by the Senate. The item covers the salary of one member of the permanent committee of the International Institute of Agriculture for the calendar year 1919, $3,600. I do not think we ought to discontinue that salary. The American delegate to the International Institute, Mr. David Lubin, is now serving in this work. He is in Rome and is actually engaged in the work. I do not see why we should cut off his salary.

Mr. GALLINGER. Will the Senator from Florida tell the Senate precisely what work either this institute or the represenative from this country, Mr. Lubin, is performing in Rome at the present time?

Mr. FLETCHER. They are collecting data—statistics on agricultural subjects—from all portions of the world. Its name signifies the character of the work; it is international in scope. Prior to the war there were 52 nations participating in this institution.

Mr. GALLINGER. That is, the name was international. I will ask the Senator from Florida, further, whether this institute publishes the result of its arduous labors?

Mr. FLETCHER. It does publish them. It makes reports to the various governments that are represented there, including our own. So far as I am informed—and I think I am accurate in the statement—the work is being carried on as completely, as fully, and as energetically as it is possible to do at this time. Of course, there are difficulties now; I recognize that.

Mr. GALLINGER. There are very serious difficulties.

Mr. FLETCHER. But at the same time the work is being continued there, and I think a very considerable and important collection of information, data, and material is being made and sent out by the institute.

Mr. GALLINGER. Mr. President, I have had, first and last, a great deal of literature from Mr. David Lubin, and if there is any man in the United States or in Rome who has more vagaries on a great variety of subjects than has Mr. Lubin I have not come across him. It seems to me that Mr. Lubin might very properly be given a furlough, certainly until after the war is over. I do not believe the institute is doing anything that warrants our expending a copper upon it; but it is the fashion nowadays to spend money on everything and everybody. If this is insisted upon, I shall content myself by voting for the amendment of the committee, which saves half of the amount, I believe; and I shall feel that the committee will have done a good work, if we sustain the committee. I should like to wipe it all out.

Mr. KNOX. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Pennsylvania?

Mr. FLETCHER. I do.

Mr. KNOX. I hope that this amendment will not prevail. I am quite in sympathy with the suggestion that has been made by the Senator from Florida [Mr. FLETCHER] that these sums should be appropriated. I happen to have some personal knowledge of the work of this institute and of the work of Mr. Lubin, through whose efforts it was founded. Mr. Lubin had the conception of internationalism of effort to promote the agriculture of the world, and he presented it to various governments. Finally, it appealed to the imagination of the King of Italy, and this institute has been founded in Italy. Some 40 or 50 governments of the world are contributing to support it and are receiving the benefits of its labors. Its labors are of vast consequence; but they do not appeal to the imagination of those who have not made an investigation of it, because there is nothing for the imagination to operate upon.

However, I had the honor to report for four successive years to Congress the request that these appropriations should be made, and I think we have so committed ourselves to other nations that for the trifling sum involved here the United States ought not to be the Government to break up the harmonious operations of this institute, which has been progressing notwithstanding the war.

I trust that the Senate will put on its liberal glasses in looking at this amendment. The amount is not large and the work is good, not only in quality but it is good in its scope and in its sphere.

Mr. FLETCHER. Mr. President, I quite agree with the Senator from Pennsylvania. I have been more or less in close touch with the work in which Mr. Lubin has been engaged; I have been in constant correspondence with him. I get copies of these reports, and I know that they contain very valuable data as to the production of foodstuffs all over the world. This institute is the only international body, I think, that has continued its sessions after the beginning of the war, and, so far as I know, it still continues them. Some of the Governments may not be actively participating, but for a long while after the outbreak of the war they continued right along participating in the work of the International Institute of Agriculture at Rome.

The King of Italy erected the building which is the home of the institute. It is a magnificent marble structure, provided entirely by the King of Italy. The collection of this information as to the production of foodstuffs all over the world, their distribution, handling, prices, and all such information, is most valuable. The work is being conducted to-day, and Mr. Lubin is there on the ground and in the building attending to the work, and is one of the active participants. His salary of $3,600 is a mere nominal amount; it really costs him a great deal more than that to maintain himself there, but at the same time it is a recognition of his work, and it seems to me almost absurd to take that salary away from him and to practically call him home. He is there now in Rome engaged in the work.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Idaho?

Mr. FLETCHER. I do.

Mr. BORAH. Mr. President, I do not desire to vote against any appropriation which really serves the agricultural interests of the different nations of the earth, but I have been getting literature from Mr. Lubin for a number of years, and I frankly say that, with my limited knowledge of agricultural interests, I have been unable to see its application or its benefit. It is a lot of dry statistics, which we could get almost anywhere else, and I should like for the Senator from Florida to state what are the benefits derived from it? In what respect does it conserve or serve the agricultural interests of this country? It may be that, being located in Rome, the center of a great agricultural region, it is of some assistance there; but of what benefit is it, generally speaking, to the agricultural interests? If it has any benefit, I am willing to vote for the appropriation.

Mr. FLETCHER. I think it is material, Mr. President, for us to know and to have accurate data as to where wheat is grown, how much land has been planted in wheat in the different portions of the world in other countries, how much the yield is likely to be, how much it has been up to date, and what are the prospects for the future production of wheat, for instance,

merely as an illustration. The same thing is true as to corn, as to oats, as to rye, and as to the various agricultural products that enter into the food of the nations of the earth. Those data are collected. The institute has its resources, its agencies, its organizations for the collection of these data, and it seems to me it is important to the American farmer to know what is being produced in other portions of the earth and what can be depended upon as to the supply of food products, for thereby he can judge as to his own possible prospect in that regard.

Mr. GALLINGER. Mr. President, will the Senator permit me to ask a question?

Mr. FLETCHER. Certainly.

Mr. GALLINGER. Can the Senator state what instrumentality is used to get this valuable information to the farmer?

Mr. FLETCHER. It is communicated through the International Institute of Agriculture to our Department of Agriculture, to the various governments, and I do not know but that their publications are distributed to the agricultural organizations and the actual producers throughout the country.

Mr. KNOX. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Pennsylvania?

Mr. FLETCHER. I yield the floor, Mr. President.

Mr. KNOX. If the Senator from Florida will permit me, I do not want to take the floor, but I desire to suggest that it has been admirably put by some one in the past that this institute is the clearing house of the agricultural departments of the 40 or 50 different nations who are members of the institute, in the sense that interchangeability of crops is studied and also different questions as to the value of discoveries that crops which are made in one country may be transplanted to another country—a general interchange. The thing is entirely international in character.

Mr. BORAH. May I ask the Senator a question?

Mr. KNOX. Yes.

Mr. BORAH. Can not all that information be had, and is not all that information to be had, from our Agricultural Department and through our Agricultural Department, which gets consular reports from all over the world?

Mr. KNOX. The only answer I can make to that is that we voluntarily entered into this other arrangement that the information might be gathered in this way, and we have supported it up to this time. My point is that this is not the time, merely for the purpose of saving $3,600, to turn our back upon an orgaaiation in which we are coordinated with other nations.

I suppose the Senator from Idaho is entirely correct that we should be able to get the information through our own Department of Agriculture. How intimately the Department of Agriculture of the United States works with this institute in Rome I am not at this time prepared definitely to inform the Senate.

Mr. FLETCHER. I think on that question our Department of Agriculture depends very largely for its information on this institute. Our department is in constant touch with it; but I do not believe our Department of Agriculture has the organization for collecting these data even through the consular reports that this institute has. There are, I will say, 52 nations participating in it. The representatives of these different nations collect and furnish the information to the institute and then it is compiled and distributed through that institute. They have quite a force of people employed in collecting it, and the information is authoritative; it is as accurate as that sort of information can possibly be, I take it, and the institute is recognized as a dependable source for that character of information. Consular agents do not get it as the agents of the institute do, and the consular agents do not, of course, compile the information as does this institute.

Mr. STONE. Mr. President, will the Senator yield to me?

Mr. FLETCHER. I yield the floor.

Mr. STONE. Mr. President, just a word or two. There are a number of organizations known as institutes, commissions, and so forth, for the maintenance of which appropriations have been made for years, and this is one of them. There are certain of these organizations that have passed under my official observation in one way and another, and I have thought that some of them could be dispensed with without detriment to the public service.

Mr. President, concerning this particular organization, I shall not speak as to its value; I think enough has been said about that already by those who are more interested in it than I; but it is in fact an international organization, in which are represented 52 nations, I believe, who contribute to its maintenance and have representatives taking part in its deliberations and its work.

Now, Mr. President, if Congress thinks the institute is not worth while to be continued or, at least, our part in it continued, then we should withdraw from it altogether; but I submit that that might possibly be done in a different and better way, in a more respectful way, considering the fact that we are dealing with a question wherein so many other nations are concerned.

I told the Senator from North Carolina [Mr. OVERMAN] that I would take but a minute or two, and that is all I am going to take; I am practically, through, but I want to add this, if I may. Eight thousand dollars are appropriated that the United States may bear its share of the expenses of the institute. That concerns the general expenses of the institute, but if we have no representative in the institute then we are practically no part of it. Then $5,000 is appropriated to pay for publishing the reports of the institute, and that is a matter I believe the Senate ought to have some information about. Those reports are not ordinarily printed in English. Contributions are made by the British Government and the American Government separately to have them printed in English, and except for these contributions they would not appear in English. Now, if we refuse to contribute our share toward the publication of these reports in English, the United States as a whole will be without them unless, as has been stated here in a communication from the State Department on the subject, the generosity of Great Britain should be such as to supply them to our population. That is what the $5,000 is intended to cover.

Mr. OVERMAN. Mr. President, some years ago in considering diplomatic and consular appropriations your committee found a number of small items, amounting to $2,000 in one instance, perhaps $3.000 in another, $4,000 in another, $5,000 in another, and $10,000 in another, for commissions of various kinds, to enable them to go abroad, have trips to Europe, and so forth. Those items had crept into the law from time to time under resolutions. We succeeded in repealing about a dozen of them, under which money was appropriated that somebody might be sent to Europe, in the meantime the Senate having forgotten all about them. Many of these commissions did nothing on earth except to take trips. In this bill there are, as will be observed, a number of such items, but we found that many of them were to provide for organizations established by treaty. Your committee was inclined to ask the Senate to repeal them all, but, inasmuch as this particular item grows out of treaty arrangements agreed to among 52 nations, we felt obliged to appropriate some money in order to carry on our share of the work. For example, here is an item for the International Bureau for Publication of Customs Tariffs, $1,500. We need no such publications as that. Here is an appropriation of $2,895 for the International Bureau of Weights and Measures, and another for the International Bureau of the Permanent Court of Arbitration. Again, on page 12 there is an appropriation for the International Bureau at Brussels for Repression of the African Slave Trade.

These items have been in the law for years and years; every year we have appropriated for these things that amount absolutely to nothing and involve a waste of money. I have called the attention of Senators on the Foreign Relations Committee to this matter and asked that the treaties be abrogated in this respect.

Take the International Institute of Agriculture, which is now under consideration. It seems that the Senator from Pennsylvania [Mr. KNOX] thinks we have recommended the striking out of the entire appropriation, but we have not. The total appropriation was $16,000. We have looked into this matter, and I have yet to find anybody who has ever seen the reports of the institute except, I believe, the Senator from Pennsylvania and the Senator from Florida [Mr. FLETCHER], who said that he had seen something of them.

Mr. FLETCHER. I did not say I had seen "something of them"; I have seen them once a month, for they are issued monthly, and I do not know but that they may have a bulletin that is issued weekly. I receive and read the reports regularly, and have been receiving them for years, as I know the Agricultural Department has.

Mr. OVERMAN. As to the statistics they are furnishing concerning the amount of wheat and the amount of corn grown in various countries, I will say that we have every facility for gathering that information through our consular agents. Our consular agents are submitting reports on such questions all the time to the State Department, and they go, of course, to the Agricultural Department and other departments.

Your committee felt obliged to make an appropriation for our part of the quota as one of the 52 nations concerned to continue this institute in force. As the Senator says, a building

has been erected in Rome, and we have provided an appropriation in this bill of a sum amounting to $8,000 as our proportionate part of the cost of the institute; but during this war—and nearly all the nations of the world are at war—we do not need a man there at a salary of $3,600 a year. He can remain there and get his salary out of the $8,000 appropriated. I do not know whether or not the other nations are paying their quota; I doubt if there is a single one of the nations at war that is contributing a cent. I do not know what becomes of the $8,000, because no report of expenses is submitted by anybody. We do not know how the $8,000 is expended. All we know is that there is a man here getting $3,600 a year; and we have no report from anybody to show how this $5,000 for publications is expended. Therefore, during the war, we thought we would ask the Senate to repeal this part of the appropriation—the salary of $3,600 and the item for publications of $5,000—as in all probability nothing can be done while the war lasts.

Mr. SMOOT. Mr. President, it is true that the King of Italy built a costly building over at Rome for this institute to meet in, and it is true that in the past we have been appropriating some $8,000 per annum for the payment of the quota of the United States for the support of the International Institute of Agriculture. I do not think the support of that institution is as expensive now as it has been in the past, because most of the 52 nations that are supposed to belong to this institute are out of business entirely.

Mr. GALLINGER. Agriculturally and otherwise.

Mr. SMOOT. They have no one in Rome to represent them, and the expenses must be very small, if any, other than simply to maintain the building. The committee decided not to cut the $8,000, because that is the amount that we have been appropriating since the organization of this institute; but, Mr. President, in my opinion it is not even necessary to appropriate $8,000. It ought to have been cut in two, at least.

As far as the statistics are concerned, Mr. President, I want to say that I can telephone to the Agricultural Department asking the production and the amount of the same covering wheat or any other farm product in any country in the world for the last year or the years before, and I can secure that information from our Agricultural Department in a few moments. It has the reports of the agricultural department of every country in the world, the same as every other country in the world has our reports. They are interchanged; and the information as to the production, as to the cost, as to the quantity, and as to the disposition of all of these farm products can be found to-day in our Agricultural Department.

I have heard from Mr. Lubin many times, but it has not been in the way of a report from this institute. It has been articles prepared by him on reform questions that he himself believed ought to be adopted by all the world. It has cost the Government of the United States thousands and thousands of dollars to print them—not out of this fund of $5,000, but they have been printed as public documents—and I have never had a single, solitary call for one of them.

Mr. GALLINGER. Nor have I.

Mr. POINDEXTER. Mr. President, what did the Senator do with them?

Mr. SMOOT. I read some of them out of curiosity, and then they went into the wastebasket.

The Appropriations Committee decided, Mr. President, to appropriate the $8,000 in order that it may be shown that the Government of the United States is still willing to pay its share of maintaining the building. They did not want the King of Italy to feel that we refused to pay our share of maintaining the building; but, as far as anything else is concerned, while this war lasts, Mr. President, we might just as well throw the money into the ocean.

Mr. OVERMAN. Mr. President, we not only pay our share of maintaining the building, but the 52 nations that entered into this treaty agreed upon how much money each country should pay, not only to maintain the building but for the officers necessary. Our quota was $8,000. We have provided for that appropriation; but the $3,600 for this man's salary is an additional appropriation outside of the agreement between the nations.

Mr. SMOOT. The Senator is right. I did not go into the details, because I thought maintaining the building would cover the whole question; but I sincerely hope that the Senate will agree with the committee to strike out this useless appropriation. I know it is a small amount; it is only $3,600; but it is the principle of the thing that I am opposed to.

Mr. KNOX. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. SMOOT. Certainly.

Mr. KNOX. Then the fact is that we find ourselves in this position: We are willing to appropriate $8,000, which, with the appropriations made by the other nations of the world, will go toward keeping up an institute, and then we refuse to appropriate $3,600 in order that we may have a representative at the institute. It seems to me that it is an illogical proposition. It either ought to go out altogether as a worthless matter, one that we do not need to participate in; or, if it stays in, we ought to keep a representative there to see that the money is honestly expended.

Mr. OVERMAN. We have a great many of these institutions abroad. In fact, all of them—some 8 or 10—are abroad instead of in this country, and we have not a representative at any of them. Here is the International Sanitary Bureau. We have no representative there.

Mr. KNOX. I am not undertaking to defend the International Sanitary Bureau or any of the other divers and sundry bureaus to which the Senator from North Carolina has adverted. I am speaking about the International Institute at Rome. Any arguments that may be leveled at these other institutions, it seem to me, are not necessarily applicable to this. I may cooperate with the Senator from North Carolina in voting out the appropriations that the committee themselves have seen fit to put in for these institutions which they are now characterizing as practically worthless.

Mr. SMOOT. So far as I am concerned, I think the whole appropriation ought to be disagreed to, and that was my proposition to the Committee on Appropriations; but some of the members felt that we ought to appropriate the $8,000, so that it would not appear that we were withdrawing from it entirely without giving any reason. But as long as the war lasts nothing will come from it, and I say now that the good that has come from this institute has been so negligible a quantity in this country that it can not be discovered. As for the $16,600 a year that we have appropriated ever since the institute was begun, I say now that the country would be just as well off if we never had appropriated a dollar in the beginning.

Mr. FLETCHER and Mr. POINDEXTER addressed the Chair.

The PRESIDENT pro tempore. The Senator from Florida.

Mr. POINDEXTER. I should like to ask the Senator from North Carolina a question, since he has referred to several of these commissions and international bureaus.

Mr. FLETCHER. I yield to the Senator from Washington.

Mr. POINDEXTER. What is the exact meaning of the language used at the bottom of page 12 in the item for the International Prison Commission? I notice that there is an appropriation there of the large sum of $2,550 to maintain what is called in the bill an "adhering member." What kind of a member is an adhering member?

Mr. SMOOT. One that never lets go. [Laughter.]

Mr. POINDEXTER. What is the difference between the adhering member and the other members?

Mr. SMITH of Michigan. He sticks, of course.

Mr. SMOOT. He never lets go.

Mr. POINDEXTER. The ordinary meaning of the word "adhere" is "to stick to."

Mr. SMITH of Michigan. Certainly.

Mr. OVERMAN. This is to send a man to Europe. It is an appropriation of $2,550 every year to give a man a little trip, and he adheres to this sum of money so that he can go abroad. [Laughter.]

Mr. POINDEXTER. I suppose the word is used there feelingly and intelligently. He is glued onto it probably——

Mr. OVERMAN. He is glued onto it.

Mr. POINDEXTER. So that he can not be jarred loose. Is that the purpose of the word?

Mr. OVERMAN. I want to say to the Senator that we struck that out in conference here, and we sent for the Secretary of State, and he came down and said that that, too, was in a treaty; and he thought, inasmuch as it was included in a treaty, that good faith required us to make the appropriation. Since it is provided for in a treaty we thought we would ask the Foreign Relations Committee to give notice that all these commissions should be abolished by treaty.

Mr. STONE. Mr. President, when did the Senator discover that it was the duty of the Foreign Relations Committee to give notice of the abrogation of a treaty?

Mr. OVERMAN. I meant to give notice to them that they might consider the question as to how to get rid of these appropriations.

Mr. FLETCHER. Mr. President——

The PRESIDENT pro tempore. The Senator from Florida is again recognized.

Mr. FLETCHER. Of course we are not now dealing with the other various and sundry commissions and institutes in this

bill to which the Senator from North Carolina has referred. I do not know anything about them, and do not pretend to know anything about them, and do not care anything about them. In the first place, if they are not proper to be taken care of by this bill they ought to go out of the bill; and it is the committee's business to investigate it, and look into it, and see whether they ought to be in here or not. If the committee think that $125 a year is an outrageous appropriation to make for the International Bureau at Brussels, let them cut it out. I have nothing to do with that. Whether it ought to be here at all, I do not pretend to know.

I do know something about the work of the International Institute of Agriculture. I know Mr. Lubin. I have very great admiration for him. I think he is a man of extraordinary vision. He may be in some respects not sound as an economist in the estimation of other people. I do not know about that; but I do know, as one of the things that Mr. Lubin has accomplished over there, that he has made a study of the agricultural conditions and problems in European countries, and as a result of that he came to this country, and he brought to the attention of the people of this country the need of a rural-credits system; and although the farm-loan act is not in strict accordance with his recommendations it was his agitation of that question which very largely pioneered the way and produced that legislation which, I think, is of inestimable value to the farmers of this country. Mr. Lubin worked that out very largely by reason of his connection with the International Institute of Agriculture and his study of the solution of these agricultural problems which the older countries of Europe have made in the past. That is one of the results. I do not undertake to go into all the details of the work of this international institute. This appropriation, however, for the quota of the United States for the support of the institute has nothing to do with his salary. They have an office force. I do not know that the appropriation goes to maintain the building. I do not know about that; but they certainly have an office force, a clerical force, which must be kept up if the work is to go on.

Mr. POMERENE. Mr. President——

Mr. FLETCHER. I will state that the work is going on; and the fact that some nations are not able to participate in it to-day does not lessen the amount which we ought to appropriate to help carry on the expenses of that organization. On the contrary, it may call for increased demands upon those nations which do participate and carry on the work, by reason of the withdrawal of the support of some of those that are unable to participate under present circumstances.

Mr. POMERENE. Mr. President——

Mr. FLETCHER. So that the item of $8,000 has not anything to do with the amendment here. No part of it can go for salary. No part of it ought to be stricken out because of the inability of certain nations to participate to-day. It ought to remain. The salary of the man who goes to Rome and stays there, and, as our representative, carries on that work, it seems to me ought not to be taken away from him.

Mr. POMERENE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Ohio?

Mr. FLETCHER. I yield to the Senator from Ohio.

Mr. POMERENE. Is this man, Mr. Lubin, an American citizen?

Mr. FLETCHER. He is an American citizen—a citizen of the State of California.

Mr. POMERENE. How long has he resided in this country?

Mr. FLETCHER. All his life, so far as I know, until he became the permanent American delegate to this institute of agriculture.

Mr. POMERENE. How long ago was that?

Mr. FLETCHER. Why, when this institute was established, some 8 or 10 years ago; and these participations have been under treaties with these countries. The institute was established years ago.

Mr. POMERENE. I have been impressed with the fact that he has more knowledge of agricultural conditions abroad than he has of agricultural conditions in the United States.

Mr. FLETCHER. I might go into considerable discussion of that question with the Senator. I do not think so. I think Mr. Lubin has a very splendid idea of conditions here and the problems of agriculture in this country. I may not agree with him fully as to some of his theories and views; but he is a man of extraordinary ability, of extraordinary energy and force. You do not want to underestimate that.

Mr. GALLINGER. Mr. President, if I understood the Senator correctly, he says that Mr. Lubin is the "permanent representative." Is he made a permanent representative by statute?

Mr. FLETCHER. I think so. My recollection is that the statute provides for it.

Mr. GALLINGER. If he is not, I think the place ought to be passed around. A great many other American citizens would like that junket.

Mr. FLETCHER. I am not sure whether the statute provides for that or not. I have not examined the statute recently.

Mr. OVERMAN. No; there is no statute on the subject.

Mr. FLETCHER. At any rate, it is immaterial. He is the American delegate there. Whether somebody else can be given his place or not, I do not know. That is immaterial. It makes no difference. He is there on the ground, and it is simply a question of whether or not you want to take away his salary.

Mr. SMITH of Michigan. Mr. President, I was much struck by the suggestion of the Senator from North Carolina to the Senator from Missouri [Mr. STONE], the chairman of the Committee on Foreign Relations, when he suggested that that committee ought to take up these treaties. If I may do so without seeming to claim anything that the Senator from North Carolina may desire to retain, I would suggest that if the Diplomatic and Consular appropriation bill came from the Committee on Foreign Relations there would be an opportunity when these estimates came in to rectify some of the international conditions which surround these items. For one, I think that is where this appropriation bill ought to go. It ought to emanate from the Committee on Foreign Relations. There is not an item in it that does not concern our international affairs. While I think the appropriations are handled with great skill and ability by the Senator from North Carolina and his associates, yet the appropriate place for the bill to originate is with the Committee on Foreign Relations, who can rectify many difficulties that never come to their attention until the time they are presented for our adoption.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 14, after line 22, to strike out:

For the payment of the quota of the United States for the cost of translating into and printing in the English language the publications of the International Institute of Agriculture at Rome, $5,000.

The amendment was agreed to.

The next amendment was, on page 15, after line 2, to strike out:

Total, $16,600.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries and expenses, United States Court for China," on page 15, line 15, after the word "exceed," to strike out "$10 per day for the judge and $5 per day for the district attorney" and insert "$5 per day each," so as to make the clause read:

The judge of the said court and the district attorney shall, when the sessions of the court are held at other cities than Shanghai, receive in addition to their salaries their necessary actual expenses during such sessions, not to exceed $5 per day each, and so much as may be necessary for said purposes during the fiscal year ending June 30, 1919, is hereby appropriated.

The amendment was agreed to.

The next amendment was, on page 17, after line 9, to insert:

INTERNATIONAL HIGH COMMISSION.

To defray the actual and necessary expenses on the part of the United States section of the International High Commission, arising in such work and investigations as may be approved by the Secretary of the Treasury, $25,000, to be expended under the direction of the Secretary of the Treasury.

Mr. KENYON. I was not present at the meeting of the committee when this matter was considered. I should like to ask the chairman just what this International High Commission is. What is it doing? What is the necessity for this appropriation?

Mr. OVERMAN. Some years ago we had an International High Commission which met in this country, as the Senator will remember. Delegates from every South American country met with the representatives of our country here and had discussions. Committee sections were appointed to consider questions that were of great interest to the country and to the world. The commission was gotten up with the idea of making closer relations between this country and our South American countries. This High Commission have resolved that they will hold their next meeting in this country, and it was the understanding of the South American people that we would make an appropriation for the purpose. It may not be expended, but if the commission meet here it ought to be expended, because I think it is very wise to keep up as close a connection with our South American friends as possible.

I have a letter here from the Secretary of the Treasury which gives information.

Mr. KENYON. This is money to be expended in the future?

Mr. OVERMAN. Yes, sir; it is to be spent in the future.

Mr. KENYON. We have appropriated in the past for this High Commission.

Mr. OVERMAN. We appropriated $50,000 and that was expended four years ago. Every one of the South American countries, I think, was represented at the meeting. As the Senator will remember, I think, it was in session about three weeks.

Mr. KENYON. I remember some trip of some kind by the delegates to the High Commission, I think to South America.

Mr. OVERMAN. That was another mission.

Mr. KENYON. It was not this commission?

Mr. OVERMAN. No; it is the understanding that if the High Commission is held here this appropriation will be made to defray the actual and necessary expenses on the part of the United States. I should like to have the Secretary read the letter of the Secretary of the Treasury, because it gives all the information the Senator desires.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read.

The Secretary proceeded to read the letter, and before concluding,

Mr. OVERMAN. I think what the Secretary has read is enough to show the purpose of the amendment, and I ask that the further reading be dispensed with.

Mr. KNOX. May I inquire of the Senator from North Carolina if he thinks an economic millennium will be accomplished by this appropriation of $25,000?

Mr. OVERMAN. This is the report of the Secretary of the Treasury as to what has been done under a former appropriation of $25,000.

Mr. KNOX. I understand that is urged as a reason for making this appropriation.

Mr. OVERMAN. Yes; a part of it. A part of it shows what has been done. The Senator from Iowa asked for information, and I had the letter of the Secretary of the Treasury read.

Mr. STONE. If the Senator from North Carolina will permit me, I should like to have the last clause which the Secretary was upon the eve of reading when interrupted read to the Senate. It shows the present attitude of the United States in reference to this matter.

The PRESIDENT pro tempore. It will be read.

The Secretary read the part indicated, and the entire letter is as follows:

THE SECRETARY OF THE TREASURY,
Washington, January 22, 1918.

MY DEAR MR. FLOOD: When I appeared before your committee on January 12, 1916, I stated that a favorable recommendation on the appropriation for the International High Commission for the fiscal year ending June 30, 1918, would not mean a committal to further appropriations, and that a request for any further appropriations would have to be considered on its merits. I am now coming to you with the request for a further appropriation of $25,000 for the fiscal year ending June 30, 1919. I make this request in the confident expectation that the important work done and results accomplished by the International High Commission during the present fiscal year will lead your committee to recommend a continuance of the work. The amount asked is so small commensurate with the results to be obtained that I feel that all that it is necessary for me to do is to enumerate these results and to lay before your committee an outline of the plans for future usefulness.

The committee will, I am certain, appreciate the fact that the development of closer relations with Latin America can best be brought about through the cooperation of a number of agencies, each devoting itself to the fostering of community of sentiment and community of standards in the subjects intrusted to its care. Much can be accomplished in bringing about such uniformity of standards without formal international agreements, and the greater part of the work of the international high commission is intended to secure uniformity of fiscal administration and juristic standards through domestic legislation. It is needless for me to say that whenever it becomes evident that the fulfillment of any portion of the program requires formal international agreements the negotiations for such agreements will always be conducted through the regular channels of international intercourse.

The commission has steadily advanced in its task of carrying out the resolutions of the First Pan American Financial Conference held in Washington in May, 1915. Under authorization of Congress given in the act approved February 7, 1916, the United States section of the commission proceeded to Buenos Aires and took part in the first general meeting of the commission held in the Argentine capital April 3 to 12, 1916. A concrete and definite program of action was agreed upon at that meeting, and the organization of the commission for such period as would be necessary to carry out that program was perfected. The work of the entire commission was concentrated in the hands of the executive officials of the United States section—the chairman, vice chairman, and secretary general of the United States section thus becoming the central executive council of the entire commission. My colleagues in this council, the Hon. John Bassett Moore and the Hon. L. S. Rowe, feel with me that the results of our work give ample promise for the realization of the aims of the commission within a reasonable period. Texts of model laws have been distributed throughout Central and South America in careful translation and with authoritative commentary, and these texts are now the subject of study on the part of the national sections and in some cases in the national legislative bodies. Chiefly worthy of attention among these texts will be The Hague rules on bills of exchange as modified at our meeting at Buenos Aires. It is altogether probable that the law of bills of exchange throughout Latin America will be unified on the basis of this modification of The Hague rules.

Another aspect of the work of the commission which has assumed considerable importance, especially during this war period, has been the necessity of fostering international banking arrangements for the purpose of stabilizing international exchange. The embargo on the exportation of gold from the United States, combined with a balance of trade unfavorable to this country, with respect to the larger countries of South America, has led to the decline of the American dollar in those countries. The banking arrangements that have been entered into for the purpose of preventing further depreciation and wherever possible to make the exchange situation normal, have been greatly facilitated by reason of the existence of such international financial agencies as the High Commission.

Another question included in the program of the Pan American Financial Conference, toward which the commission has been able to make a real contribution, has been the reduction of cable rates. Delegates to the conference of 1915 were unanimously agreed that one of the real obstacles to commercial intercourse between the countries of America was the high cable tariff which until recently prevailed. The International High Commission has been instrumental in securing a marked reduction in existing rates.

Again, the convention of 1910 concerning trade-marks is about to be realized in part through the securing of a sufficient number of ratifications. The Cuban Government has just inaugurated the International trade-mark registration bureau at Habana, and this will stimulate the work of the commission in bringing about the corresponding bureau at Rio de Janeiro. Ratification of the patent and copyright conventions of 1910 is being vigorously sought by the central executive council. On the basis of the international statistical classification system agreed upon at the statistical conference of Brussels in 1913 the central executive council has laid before the various sections a plan for the uniformity of classification of merchandise of the American Republics, and it is gratifying to be able to report that within a very short time after the distribution of this plan four countries had accepted it without modification, and a fifth will accept it with certain slight additions, and only these five countries have been heard from as yet.

The mandate given to the United States section by the Congress in the act approved February 7, 1916, is being carried out in an eminently satisfactory manner. Notable advantages will, I am certain, accrue to the people of this country as well as to those of Latin America from the further advancement and completion of this work. Particularly is this the case in view of the fact that the delegates of all the other American Republics saw fit at the meeting at Buenos Aires in April, 1916, to intrust to the officers of the United States section the power and responsibility for the direction of the work of the entire commission.

The results accomplished and the confidence so clearly reposed in the central executive council warrant my hope that your committee will report favorably the bill now under consideration. At no time in our history has the question of removing all obstacles to the development of closer trade relations with the countries of Latin America assumed greater importance, and it would be particularly unfortunate, therefore, if anything were to occur to hamper the work of the International High Commission. The amount asked for is small in view of the character and significance of the work. As to the exact disposition made of the appropriation of $40,000 provided for by the act approved February 7, 1916, the secretary general of the commission, Hon. L. S. Rowe, will be happy to furnish you all details.

I am submitting herewith copy of an article published in the American Journal of International Law, in which I discuss the underlying principles of the work of the commission.

I have the honor to remain, my dear Mr. FLOOD,
Faithfully, yours, W. G. MCADOO.

Hon. HENRY D. FLOOD,
Chairman Committee on Foreign Affairs,
House of Representatives, Washington, D. C.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

Mr. NORRIS. Mr. President, I hope I will not be subject to any criticism to the effect that I am trying to oppose this appropriation when I make some observations in regard to it and ask some questions, because I am not opposed to it, as I understand it, although my information in regard to this high commission is somewhat limited. This question, however, arose in my mind from the reading of the amendment as well as the reading of the letter of the Secretary of the Treasury. Why does the amendment provide that this appropriation is to be expended under the direction of the Secretary of the Treasury? The query at once arises in my mind why the Secretary of the Treasury is selected as the official, first, who shall decide what shall be done, and, second, who shall decide what the money shall be used for and how it shall be expended. It seems to me that the decision as to the activities of this commission, as far as our Government is concerned, ought to be decided by the Secretary of State. This is an international matter entirely, as I understand the work of the commission, and its dealing is entirely and without exception an international consideration.

It strikes me, therefore, that the Secretary of State, if Congress does not wish to determine it in the first instance, should, instead of the Secretary of the Treasury, decide just what investigation shall be made. This high commission can not use any of this money to make any investigation under this amendment except such investigation as the Secretary of the Treasury shall prescribe. It says, "arising in such work and investigations as may be approved by the Secretary of the Treasury." So the Secretary of the Treasury, on the part of the United States Government, shall decide in the first instance what they shall do, and after that the Secretary of the Treasury shall prescribe just how this money shall be expended. The amount

is not large, it is true, but it gives to the Secretary of the Treasury absolute control. He can order that all this money shall be paid to one man whom he selects, for any purpose that he may want. He can decide that this international commission, as far as the United States Government is concerned, shall devote all its energy, use all the funds, for any particular purpose that he may designate.

As I said in the beginning, I do not want to be understood as saying that the Secretary of the Treasury is not competent to do that or that he would not do it well, but we have a Secretary of State, we have a State Department, that deals with international matters and relations with foreign governments.

Mr. FLETCHER. Mr. President——

Mr. NORRIS. I will yield in just a moment. It does seem to me, in the first place, it is almost a discourtesy to the Secretary of State to have this provision here so enacted that it will take away from him activities of work that are peculiarly within the scope of his jurisdiction. Now, I yield to the Senator from Florida.

Mr. FLETCHER. I think if the Senator understood the situation he would not press his criticism. The Secretary of the Treasury is the chairman of this Joint International High Commission.

Mr. NORRIS. He ought not to be chairman; it ought to be the Secretary of State.

Mr. FLETCHER. He is the chairman of the American section of the high commission and, of course, he knows precisely the work they are engaged in. He is the only man to direct as to the course that should be pursued in connection with that undertaking.

Mr. NORRIS. Mr. President, if that be the case, it only emphasizes, it seems to me, the importance of giving this matter to the Secretary of State. If that is good logic, because the present Secretary of the Treasury happens to be a member of this commission, then in making appropriations for the International Institute of Agriculture we ought to say that the investigations shall be made and the money appropriated as Mr. Lubin may see fit; and when we appropriate money to provide for the embassy in London, we ought to stipulate, if the rule suggested by the Senator from Florida is to be followed, that the money shall be expended as the ambassador shall determine.

Mr. OVERMAN. Perhaps the Senator has forgotten that a great Pan American convention was held here some three or four years ago.

Mr. NORRIS. I remember it.

Mr. OVERMAN. That convention was divided into certain sections having to do with finances, trade regulations, and so forth. Mr. McAdoo was chairman of that convention, and he has been also chairman of the Joint High Commission.

Mr. NORRIS. Yes.

Mr. OVERMAN. Somebody has got to supervise the expediture of this money, and he being familiar with the matter, was designated. The commission went to South America, with the Secretary of the Treasury at its head, and they held sessions in Buenos Aires and agreed on a certain program. The Secretary of the Treasury was the chairman, and it, therefore, seems to me eminently proper, as he has sustained an intimate connection with the convention which was held in South America and also the one held in Washington, that the expenditure of this money should be placed under his direction.

Mr. NORRIS. I remember when that commission went down there. I may be at fault, and if I am I should like to be corrected; and the Senator from Florida [Mr. FLETCHER], who is now facing me, was on that commission. He went with it to South America. I am informed that Mr. Untermyer was also a member of the commission and that he went down there. If because gentlemen were on the commission and know just how this money ought to be used, it should be placed in their control, then we should provide here that a portion of the money, at least, should be expended as the Senator from Florida shall determine, because he knows a good deal about it and can enumerate the social functions which this money was used to defray the expenses of probably better than can the Secretary of the Treasury.

Mr. FLETCHER. I will say to the Senator from Nebraska——

Mr. OVERMAN. Is the Senator from Nebraska charging that any of the money which was spent by this commission was spent in social functions?

Mr. NORRIS. I do not suppose so.

Mr. OVERMAN. Then the Senator ought not to make the charge.

Mr. NORRIS. I am not complaining if it was. I realize that is a great part of this work, and perhaps properly so.

Mr. OVERMAN. If the Senator makes such a statement, he ought to be able to prove it.

Mr. NORRIS. I think it goes without proof.

Mr. FLETCHER. I will say to the Senator from Nebraska, in that connection, that the Argentine Republic took care of all the expenses of social functions, so far as that matter is concerned. We were invited to hold the convention in Buenos Aires at their expense; so there was not a dollar of that fund used for social purposes. I presume the Senator is not serious about that.

Mr. NORRIS. I hope the Senator from Florida does not take seriously the little remark I made about social functions. There were a good many social functions. I suppose they were necessary, as they would have a tendency to draw the nations together.

Mr. FLETCHER. There were two weeks of hard work down there.

Mr. NORRIS. I have no doubt about that. As I said at the beginning, I think this commission, so far as I know about it, is a good thing; but I should like to see it discontinued. If the Senator from Florida had been made chairman of that high commission when it was down there at that meeting—and it would have done well to have done that, not that it did not do well as it was—he would have graced that position and have filled it with ability and honor, but would we have said now in making the appropriation that the money to continue it shall be expended under his direction, or would we say that the activities of that commission, because he has been or is the chairman of it, shall be along the lines that he shall map out and that he shall determine?

Mr. President, we have a regularly recognized mode of dealing with matters of this kind. This is entirely a foreign matter; and it seems to me there ought to be no question but that the Secretary of State should have charge of the activities of the commission so far as the American part of it is concerned. If we are not ourselves going to prescribe how the money shall be used in the appropriation itself, then the Secretary of State is the proper person to determine that.

There is another reason why that is true. The Secretary of the Treasury at the present time—that is, since he was elected president of this high commission, since he made the trip down to South America representing our Government—has been burdened with a great many additional responsibilities which have been placed upon his shoulders. We passed a bill only the other day where in almost every other line there was a clause providing that such and such a thing should be done "under rules and regulations to be prescribed by the Secretary of the Treasury." He can not, if he lives for a million years, personally give attention to the duties which it will be incumbent upon him to perform in the next year. Those duties are more important than is this particular duty; they are connected with the war. It will be an impossibility for the Secretary of the Treasury to determine just what the activities of this commission shall be so far as the American Government's part of it is concerned. He will not be able to give it any attention; and I say that without any criticism of him. It is beyond human possibility for him to give the matter any personal attention whatever.

Mr. SHAFROTH. Mr. President, I should like to ask the Senator from Nebraska whether the Secretary of State is not also a pretty busy man and whether he could give any more attention to this matter than could the Secretary of the Treasury?

Mr. NORRIS. The Secretary of State is pretty busy, Mr. President; but as compared with the burdens which have been placed by law upon the shoulders of the Secretary of the Treasury burdens of the Secretary of State are infinitesimal. He is not in the same class with the Secretary of the Treasury, so far as the burdens imposed upon him by law are concerned.

Mr. SHAFROTH. But the Senator from Nebraska must remember that the relations between the nations of the world are now very complicated and that an enormous amount of time and labor is necessary to keep in touch with those nations

Mr. NORRIS. I understand that, but to a great extent, those relations, and what we are doing in reference to them, are by law under the direct supervision of the Secretary of the Treasury—all our finances, all our bonds, all our banking system, all our loans, almost everything, is under the Secretary of the Treasury.

Mr. FLETCHER. Mr. President——

Mr. NORRIS. I yield to the Senator from Florida.

Mr. FLETCHER. I will say to the Senator from Nebraska, in the first place, that there is absolute cooperation among the various departments in reference to the work of the Joint High Commission. They cooperate not only with the State Department but with the Navy Department, particularly with reference

to radio communication subjects, in which the different departments are interested; but the main function of it has reference to the financial affairs, commercial affairs, and business relations between these countries. That is the reason why the Secretary of the Treasury, perhaps, is more intimately associated with the work and knows what is being undertaken and personally understands what is to be done, whereas the Secretary of State does not, because he has not been in touch with it. The Secretary of the Treasury has the work thoroughly organized.

One reason I can see why the direction of this work and the expenditure of this money ought to be under the guidance and orders of the Secretary of the Treasury is that more of the work which was outlined at Buenos Aires as the result of the conference there could not be well carried on now, and there has to be some limitation on what was undertaken there because of the inconvenience of getting together and holding conferences and that sort of thing. So that the Secretary of the Treasury has to determine the important things that have to be done and ought to be done, and he is the only man who is really qualified to do that.

Mr. KENYON. Mr. President, I will ask the Senator from Nebraska if I may put a question to the Senator from Florida?

Mr. NORRIS. I would rather the Senator would ask me, but I will offer no objection.

Mr. KENYON. Then I will ask the Senator from Nebraska.

Mr. NORRIS. Very well, ask me.

Mr. KENYON. How are the members of the Joint High Commission appointed; who appoints them and what are their terms of office?

Mr. NORRIS. I think they were originally appointed by the President.

Mr. OVERMAN. Mr. President, if the Senator will permit me, this Joint High Commission was provided for——

Mr. NORRIS. Is the Senator going to answer the question of the Senator from Iowa?

Mr. OVERMAN. I am, if the Senator will allow me.

Mr. NORRIS. Very well.

Mr. OVERMAN. I read from the act approved February 7, 1916, in the Sixty-fourth Congress, entitled "An act to provide for the maintenance of the United States section of the International High Commission." If the Senator desires me to do so I will read from that act.

Mr. NORRIS. If the Senator can state just who makes the appointment I think that would answer the question.

Mr. OVERMAN. That act begins:

That the appointment of the nine delegates by the Secretary of the Treasury to represent the United States in the proceedings of the International High Commission to be held at Buenos Aires, Argentina, during the year 1916—

And so forth.

Mr. KENYON. So that they are appointed by the Secretary of the Treasury.

Mr. OVERMAN. Yes.

Mr. NORRIS. The Senator says they are appointed by the Secretary of the Treasury, as I understand.

Mr. OVERMAN. Yes.

Mr. NORRIS. Now, I want to reply briefly to the next objection to this change made by the Senator from Florida. He says that the work of this commission has to do with finance, and he says that really the Secretary of the Treasury is the only man competent to fill this place. From the reading of the letter of the Secretary himself it develops that one of the subjects considered by the commission pertains to patents, which of course is an important matter. If the argument is good that because the commission deals with finance, the Secretary of the Treasury ought to be the man to supervise this expenditure, then, as it deals with patents, the Commissioner of Patents or the Secretary of the Interior, under whose jurisdiction the Commissioner of Patents acts, ought to have something to say about the expenditure. The commission has also to deal with commercial paper in the effort to secure similar laws in relation to it. If that is true, then, according to the argument which has been made, the Attorney General, who knows about such matters and who is a lawyer, ought to be charged with responsibility in this matter. The Secretary of the Treasury is not a lawyer.

So I might go on and take all the other subjects the commission are going to attend to. Every one of them, without exception, will be international in scope; and that brings us right to the door of the Secretary of State. You can not name one thing that the commission has done, or ever will be called on to do, that is not international in character.

I realize, Mr. President, that a motion to change this provision can not prevail, because we have gotten into the habit of doing things according to rules approved by the Secretary of the Treasury, and I suppose that we will continue to proceed along that line. It seems to me, however, it is a mistake. It seems to me that it is not fair to the Secretary of State; it seems to me we would have a better standing in this international activity if the Secretary of State, he officer of the Government who has charge of foreign matters, were in charge of our part of it. I do not fail to recognize the ability of the Secretary of the Treasury, but I do not agree with the statement of the Senator from Florida that he is the only man in America who is competent to undertake this task. If he is, then the work of this commission will not be successfully carried on, because the Secretary of the Treasury will not be able to give it his personal attention, but will have to act through some one else.

Mr. SHAFROTH. Mr. President, it seems to me that the position which the Senator from Nebraska [Mr. NORRIS] has taken does not take into consideration the nature of this high commission. It is unquestionable that there has been a desire upon the part of the United States to bring about closer relations with the South American Republics, especially in connection with banking institutions, for the purpose of facilitating commercial relations between those countries and the United States. When the commission went to South America they had that in view, and in their meetings considered the question of adopting a system of branch banks in foreign countries. It is a matter which engaged the Secretary of the Treasury very deeply. In fact, it was of so much importance to him that he spent two months, I think, in visiting the South American countries for the purpose of establishing a financial connection between our banks and the banks of the South American Republics. That is a matter in which he is intensely interested; and to say that any other Cabinet officer would take the interest in this matter that the Secretary of the Treasury would take, it seems to me would not be a correct statement, because the Secretary of the Treasury has already done it. It is a child of his own. He has accomplished great results in it, and it seems to me he has the appointment of these commissioners. He it is who ought to be intrusted with the power to dispose of what should be done and what salaries and compensation should be paid. I do not think there are any salaries connected with it; only the expenses that might be incurred in holding these sessions. For that reason it seems to me eminently proper that the Secretary of the Treasury should be the man to see to the expenditure of this appropriation.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next amendment of the committee.

The next amendment was, under the subhead "International Geodetic Association for the Measurement of the Earth," on page 20, after line 12, to strike out:

The duly appointed representative of the United States on the permanent commission of the International Geodetic Association is hereby granted authority to vote with the representatives on the permanent commission from other nations on all matters coming before the association, including the extension of its existence: *Provided*, That any action of such representative of the United States shall be subject to the approval of Congress.

The amendment was agreed to.

The next amendment was, on page 21, after line 13, to strike out:

FIFTEENTH INTERNATIONAL CONGRESS AGAINST ALCOHOLISM.

Any unexpended balances of appropriations heretofore made for the Fifteenth International Congress Against Alcoholism are hereby reappropriated and made available until expended.

Mr. JONES of Washington. Mr. President, I am not going to oppose the amendment made by the committee. I think it is a mistake to cut this out at this time, but those who are interested in the proposition do not desire to involve the Government in any unnecessary expense in these times; so we are willing to allow this matter to go to conference, so that whatever representations may be made on the part of the House that incorporated this provision in the bill can be fully considered.

Mr. OVERMAN. Mr. President, the reason for striking that out was that we could not see how we could have any convention in this country during the next year. That was the only reason why we struck it out.

Mr. JONES of Washington. Mr. President, I am going just to suggest this: As I understand, this country, upon the invitation of other countries, sent its delegates to an International Congress Against Alcoholism a few years ago. At the conclusion of that congress an invitation was extended upon the part of our Government to these countries to attend an international congress in this country. That invitation was accepted. This

was before the war broke out, and we made an appropriation to prepare for this congress. The work was being carried on, and, of course, when the war came on it was not found advisable to hold it; but it is expected that this congress will be held, pursuant to the invitation that we have extended to these countries, when peace conditions come about. As I understand, there is a small amount of money that has been spent simply in making the necessary preparations, probably carrying on some correspondence, and so forth. I understand that very little expenditure is being made at the present time. It has been thought well, and really found necessary by those looking after this matter, to keep a very small organization to hold the matter in shape, so that when peace does come the invitation that has been extended to and accepted by these other countries can be carried out. If this is not continued it will likely cost more to get matters in shape when the congress is to be held, as it will be. As I say, however, those interested in the matter are not disposed to insist upon this provision now if it is thought best to leave it out.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The question is upon agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, before we pass by this matter, I want to give notice of reserving for a separate vote in the Senate the amendment, on page 14—the two amendments practically on page 14—under the head of "International Institute of Agriculture." I believe they were both voted on as one.

Mr. OVERMAN. Yes; as one amendment.

Mr. FLETCHER. I give notice of reserving that matter for a separate vote in the Senate.

The PRESIDING OFFICER. The notice will be recorded by the Secretary. The Secretary will state the next amendment.

The next amendment was, under the subhead "Post allowances to consular and diplomatic officers," on page 24, line 9, after the word "officers," to strike out "and officers of the United States Court for China" and insert "in belligerent countries and countries contiguous thereto, including China and the officers at Hongkong, Saigon, Tsingtau, Dairen, and Vladivostok," and in line 14, after the word "assigned," to strike out "$800,000" and insert "$700,000," so as to make the clause read:

To enable the President, in his discretion and in accordance with such regulations as he may prescribe, to make special allowances, during pendency of existing war and for six months after its termination, by way of additional compensation to consular and diplomatic officers in belligerent countries and countries contiguous thereto, including China and the officers at Hongkong, Saigon, Tsingtau, Dairen, and Vladivostok in order to adjust their official income to the ascertained cost of living at the posts to which they may be assigned, $700,000.

Mr. SAULSBURY. Mr. President, I should like to inquire of the chairman of the committee for what reason the committee proposes to strike from the House text the words in the ninth and tenth lines, which exclude the judicial officers in China from the possibility of having an allowance made to them by the President, when the consular and diplomatic officers are retained? I know something about the conditions there, and I think it is quite as possible that Judge Lobinger and the various officials, particularly the marshal in China and the various officers, might have additional expense that the President should consider at this time. Frequently there is some clash or other among our representatives in foreign parts. It seems to me the President would know better than anybody else how to harmonize them, and I know of no reason why they should be excluded. I shall be glad if the chairman will kindly inform me why that amendment was made.

Mr. OVERMAN. It is new legislation. These officers get good salaries. The judge gets a good salary. We do not have any post allowances here for ourselves. The cost of living is as high in this country as it is in China, and more so; and why should we provide for these officers, the judge and solicitor and marshal over there, when we do not provide for the judges and solicitors and marshals in this country?

Mr. SAULSBURY. Then, if I may ask, Mr. President, why provide for the other officials who are also there?

Mr. OVERMAN. I think they have carried that to an extreme. I do not think it is necessary; but these consular officers, Mr. President, are underpaid. That was the reason. While this judge gets $8,000 a year, these clerks, consular officers, and so forth, get only $1,500 and $2,000, so that there was some reason for allowing the Secretary of State to give them an extra allowance during the war, but we could see no reason for authorizing a judge who gets $8,000 a year to be allowed more money by the Secretary of State. It is a lump sum, and he could allow him $50,000 if he wanted to. Furthermore it is cheaper to live in China than it is here, I understand. But whether that is so or not, we thought that as to those officers whose salaries are fixed, and who are getting the same salaries that similar officers are getting in this country, and even more, we ought not to provide for them, but that we should confine this simply to consular and diplomatic officers.

Mr. SAULSBURY. I may say to the chairman of the committee that it used to be very much cheaper to live in China than here. I do not know what the comparison is now. I know the rate of exchange has been very much against us, and in that manner it has decreased the compensation of every one of our employees in China. But I do not think the chairman of the committee answers whether in his opinion it would be improper to entrust to the President the right to make these increases of the judicial officers in China when the same power is granted him with regard to the consular and diplomatic officers. It seems to me that it would be manifestly the proper thing to put all our officials resident in China on the same plane.

Mr. OVERMAN. Mr. President, the reason why we did that was because the judge there gets $8,000 a year, and we have given him in this bill an extra allowance, which he never had before, of $5 a day for traveling expenses, and we have given the marshal over there $4,000; so they do not really come in the class of these low-paid consular officers. That is the reason why we thought it ought not to apply to them.

Mr. SAULSBURY. Mr. President, of course I do not know why the distinction should be made. It is not a question of Congress appropriating; it is a question of leaving to the Chief Executive the right to determine whether our officials in China are overpaid or underpaid. I do not think a distinction should be made against them; and I have seen enough of the petty jealousies among our officials in foreign parts to think that they ought all to be put on the same plane when it comes to a question of consideration by the State Department or the Executive.

The matter attracted my attention, and I shall vote against the adoption of the amendment.

Mr. SHAFROTH. Mr. President, I should like to state that the salary which is prescribed in this very bill for the judge of the United States Court for China is $2,000 more than the corresponding judge gets in the United States. The district judges, who are of about the same grade as the judge of the United States Court for China, get $6,000 a year. When we allow this man $2,000 extra—and I do not see much reason for allowing that; but, nevertheless, it has been established—it does seem to me that that is a sufficient amount to cover any question of higher amount, when we are not increasing the salaries of the circuit judges or the judges of the district courts of the United States.

For that reason it seems to me that the provision which the committee has recommended should stand.

Mr. SAULSBURY. Mr. President, I only desire to say, in reply to the Senator from Colorado, that the judge of the United States Court for China occupies one of the most eminent positions in the foreign service of the United States. He is located, so far as his main court is concerned, in the greatest port in eastern Asia, which is an international settlement of great importance. He ranks all of the officials we have in China, with the exception of the minister at Peking. He is called upon to maintain a considerable amount of state in going around to his various posts of duty; and it may be realized what that amounts to when we consider that he represents the United States in all judicial proceedings in China in every case where an American citizen is concerned, and that may involve practically his jurisdiction over any one, or as many as he could handle, of the 400,000,000 people in China. No district judge in this country, no circuit judge in this country, has such an immense field of effort as he. I happen to know him personally. He was transferred there from Manila, and is a man of very great ability and of very great industry. I certainly do not think $8,000 is excessive; in fact, I do not think it is enough for the dignity of the position that he there occupies.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Delaware yield to the Senator from Colorado?

Mr. SAULSBURY. Certainly.

Mr. THOMAS. I want to inquire of the Senator from Delaware if the occupant of the bench of this court in China is not a judge of the United States court?

Mr. SAULSBURY. He is the judge of our extraterritorial court for China. That is his title.

Mr. THOMAS. But he is appointed by the State Department, and draws his salary from the United States?

Mr. SAULSBURY. Surely.

Mr. THOMAS. I wish to call the Senator's attention to section 1 of Article III of the Constitution—a staid old document

which occasionally turns up, either by way of embarrassment or otherwise—which reads as follows:

The judicial power of the United States shall be vested in one Supreme Court and in such inferior courts as the Congress may from time to time ordain and establish. The judges, both of the Supreme and inferior courts, shall hold their offices during good behavior, and shall, at stated times, receive for their services a compensation which shall not be diminished during their continuance in office.

Does not the Senator think that inasmuch as we are obliged under the Constitution to abstain from diminishing these compensations, there should be morally a similar limitation with regard to increasing the compensation of these judges during their continuance in office?

Mr. SAULSBURY. I may say, in reply to the Senator from Colorado, that the United States Court for China is not a constitutional court in the sense that the other courts in this country are, and if he will examine——

Mr. THOMAS. Why——

Mr. SAULSBURY. The Senator, possibly, had better permit me to refer him to decisions of the United States courts to that effect. He will find several decisions of the United States courts, where writs of habeas corpus or appeals have come to this country from the determination of our extraterritorial courts, to the effect that those courts may be regulated by statute and that many of the provisions of the United States Constitution do not apply to them.

I think the Senator said that the judge for China was appointed by the State Department. I think not. The judge, I think, is appointed by the President and confirmed by the Senate.

Mr. THOMAS. I imagine, Mr. President, that if we attempted to diminish the salary of this official we would hear a howl from China, and the Constitution would be invoked in his behalf as a prohibition upon our power to diminish his salary. I do not question the decisions to which the Senator refers me; but, at the same time, the judge of that court must be an official of the United States or an official of some other Government. It is an office; it is an inferior court; it is created by law. The appointments are made by the Secretary of State without the necessity of confirmation by the Senate. The jurisdiction of the court is defined by the statutes of the United States; and for the purposes of compensation, independently of other considerations, I do not think any distinction should be made—and certainly not if he is getting the salary we are told by the Senator having charge of the bill—nor should this clause of the bill be applied to any officer, consular or otherwise, who is getting such a salary or anything like it.

Mr. SAULSBURY. Mr. President, I think the Senator is in error about the appointive power. I will not express that too certainly, but I think the President appoints these officials.

Mr. THOMAS. No; the appointment is made by the Secretary of State. I know, because I attempted, unsuccessfully, to get a friend of mine the job. [Laughter.]

Mr. SAULSBURY. Probably the interest shown by the two Senators who have been taking up the time of the Senate just recently is due to the fact that they happened to be in touch with the situation here and not in touch with the situation in Shanghai; but it is not my effort to increase anybody's salary. My inquiry was directed to bringing out the cause for the discrimination in not allowing the President to exercise his discretion with respect to these judicial officers when he was given discretion in regard to the diplomatic and consular officers. Now, I am satisfied that somewhere some opposition arose to treating the highest of our officials at Shanghai—which is the great port of the East, he being recognized as occupying the highest position of any American there—as well as the diplomatic and consular officers; and I believe there is just as much necessity of it.

I shall vote against this provision, and I do not think it ought to be in the bill.

Mr. THOMAS. Mr. President, I agree with the Senator that this provision should not be in the bill, but I go further. I do not think the clause should be accepted by the Senate and made a part of this law. I believe—if I am wrong, the Senator having charge of the bill will correct me—that this is new legislation. Now, let us see what it is.

Mr. OVERMAN. Mr. President, it is new legislation. It came over from the House.

Mr. THOMAS (reading)—

To enable the President, in his discretion and in accordance with such regulations as he may prescribe, to make special allowances, during pendency of existing war and for six months after its termination, by way of additional compensation to consular and diplomatic officers and officers of the United States Court for China, in belligerent countries and countries contiguous thereto, including China and the officers at Hongkong, Saigon, Tsingtau, Dairen, and Vladivostok in order to adjust their official income to the ascertained cost of living at the posts to which they may be assigned, $700,000.

The trifling amount of the appropriation is a matter of little concern to us, but the principle involved in the legislation itself, if I may dignify it as a principle, is extremely dangerous. It is the first appearance of a new appropriation and it will breed similar ones in all appropriation bills, not only at this session but at others, and the precedent once established no man can tell what its ultimate extent will be nor the aggregate amount which the Treasury will be obligated for as a result.

Mr. OVERMAN. I hope the Senator will wait until a vote is had upon the first amendment. They are separate amendments to strike out and to insert. The words in italic form another amendment which will lead to some discussion, and I ask that a vote be taken on the part proposed to be stricken out.

Mr. THOMAS. I am perfectly willing to yield the floor for that purpose.

Mr. STONE. Let me get that exactly, Mr. President.

Mr. GALLINGER. If the Senator will allow me——

Mr. THOMAS. I have not yielded the floor, but I will yield for the purpose of a vote on this amendment.

Mr. OVERMAN. I want to set it right. One Senator desires to be heard on the second amendment, and therefore I ask that a separate vote be taken on the first amendment.

Mr. THOMAS. If there is to be further discussion upon the item now under consideration, I decline to yield the floor.

Mr. OVERMAN. I only ask that a vote be taken upon it now.

Mr. THOMAS. I yield for that purpose.

Mr. GALLINGER. It seems to me that this is an amendment to strike out and insert, and that the Senator ought not to ask for a separate vote on the part proposed to be stricken out.

Mr. OVERMAN. They are separate amendments. One is to put back the old law and the other makes the law apply to officers of the United States court in China. It is a different matter, entirely distinct from the other.

Mr. THOMAS. I yield for the purpose of a vote on it.

Mr. STONE. I wish to understand distinctly just what vote is to be taken, whether it refers exclusively to the words proposed to be stricken out, namely, "and officers of the United States court for China."

Mr. THOMAS. That is my understanding.

Mr. STONE. If that is as far as the vote is to go, I have nothing to say upon that particular phase of the amendment.

Mr. OVERMAN. That is the reason why I suggested that if the Senator wants to be heard as to the matter to be inserted it has no connection whatever with the words stricken out.

Mr. THOMAS. Let the question be put.

The PRESIDENT pro tempore. The Chair understands that the question is on the amendment proposed by the committee striking out the words in lines 9 and 10 "and officers of the United States court for China."

The amendment was agreed to.

The next amendment was, on page 24, after the words just stricken out, to insert "in belligerent countries and countries contiguous thereto, including China and the officers at Hongkong, Saigon, Tsingtau, Dairen, and Vladivostok."

Mr. THOMAS. Now, Mr. President, I shall not detain the Senate very long. It is a well-known fact that in times like these persons upon fixed salaries are greatly embarrassed in making both ends meet. In times of a shrinking currency, when the value of money is reflected in falling prices, those who enjoy fixed compensation are very happily situated. In times of expanding credit and inflating currency those enjoying fixed compensation are bound to suffer. Hence, those who are officials receiving compensation from the Government very naturally turn to the Government for relief.

The civil service of the United States is so large that if the plea for additional compensation be granted by Congress the addition to our fixed annual expenditures is represented by an enormous amount. It can only be expressed in the hundreds of millions, and while we are expending money by the hundreds of millions and by the billions we nevertheless should avoid as far as possible any added permanent expenditure, which, of course, must come out of the Treasury. We know that the employees of the Government now banded together in unions are asking Congress to increase their salaries, and the reason assigned is the increased cost of living, which makes it difficult for them to survive upon the amount which they now receive for their service.

We owe a duty, Mr. President, or at least I do, to the taxpayers as well as to the tax receivers, and while I sympathize with the movement to which I have referred, I am unable at this time to give it the sanction of my approval. It is for that reason that I am speaking upon this piece of legislation, because I know it will be the entering wedge in the Treasury and will very properly be used as an authority for the additional legislation which is already before us in the shape of bills in committee

and which also forms a feature of some of the appropriation bills which will soon come before us.

Mr. OVERMAN. Will the Senator yield?

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Does the Senator from Colorado yield to the Senator from North Carolina?

Mr. THOMAS. I yield.

Mr. OVERMAN. I think I ought to inform the Senator that last year we appropriated for these posts $400,000. They spent $700,000, or $300,000 more than we authorized, and came in for a deficiency of $300,000, and we gave it to them. Now, they come in and want $800,000, and then, when the next deficiency comes, it will be a million, probably. The Senator sees how the thing grows and grows until it will be enormous.

Mr. THOMAS. Yes. "We are coming, Father Abraham, 300,000 strong."

Mr. SMOOT. It will be a million strong the next time.

Mr. THOMAS. The next call, as suggested by the Senator from Utah, will be at least a million strong, and I have no reason to believe that the increases will not continue in progressive amounts until the needs of those now holding office may be partially satiated.

Mr. President, the suggestion of the Senator from North Carolina reminds me that our annual deficiency bills are growing in amounts so rapidly and so appallingly as to make original appropriations seem comparatively insignificant. The time was when no official dared to expend more money than Congress saw fit to appropriate. In the good old days when it was supposed that the legislative branch controlled the purse and dictated expenditures some reasonable calculation could be made from year to year as to what was necessary for the operation of the Government. We fortified that practice by a statute which forbade the creation of deficiencies. But with that cheerful disregard of statutes and that more than cheerful compliance with custom which requires one to live beyond his means, the limitations which Congress imposes upon appropriations are disregarded with absolute impunity.

The Senator says that last year we appropriated $400,000 for this purpose. The deficiency bill calling for $300,000 more indicates that the department having control of this appropriation spent nearly $2 for every one that it had a right to expend. Hence the attempt to save $80,000 to $100,000 here by inserting $700,000 for this House figure is merely a waste of time and of effort, because when the appropriation is made and the money is drawn from the Treasury the credit which that amount of money carries with it enables the department without any trouble whatever to advance such amounts of money as the beneficiaries think necessary to equalize the difference between what they get.

Mr. President, my salary is $7,500 a year as a Senator. It is practically my entire income. State taxes and national taxes take slightly more than 50 per cent of it. Those I have to pay. I feel the result of the increased cost of living as do many of my brethren, but I wonder if there is a man in the sound of my voice with the moral courage at this time to introduce a bill to increase the salaries of Congressmen.

Some time ago by inadvertence we imposed a tax of 8 per cent upon all incomes of professional men and of the salaried classes in excess of $6,000. Some ingenious gentleman discovered that at the same time we had exempted our salaries from the operation of the law and when Congress met Senators and Representatives fell over each other in breathless haste to secure the repeal of that statute. They were unable to do so, and consequently a very able Commissioner of Internal Revenue so construed the law as to assume that a United States Senator was not a Federal official but a State official, and therefore was not exempted from the operations of the section. But inasmuch as State officers were exempted it was necessary to go a step further and to decide that the exemption did not apply to a man holding a State office, but who was compensated by the United States. With that straddle I suppose we will have to be content and we can certainly go before our constituents and say that while unfortunately we were exempted in the first place we have succeeded in getting the law so juggled as that we are obliged to pay taxes together with our fellow citizens. I am not particularly satisfied with that situation, but I am going to abide by it as a matter of course. I think the salaries of all these gentlemen are exempted from any excess-profit tax to the United States.

The point is that to be just and fair we should enable the President, in his discretion, and in accordance with such regulations as he may prescribe, to take care of the whole lot of us, from the Secretary of State down to the official who blackens his boots. They are all in the same boat, financially speaking, including Members of both Houses of Congress.

But the mere statement, Mr. President, of such a suggestion carries with it its own refutation. Inasmuch, however, as the whole is greater than its part, but nevertheless is constituted of its parts, and inasmuch therefore as this section refers to a part of the official service of the United States, why set this precedent?

Mr. President, we are told that work is in great demand everywhere, and the individual who can not get a job and earn his living at the present time is not fit to live. I cheerfully subscribe to that proposition. I think that is the situation. If these ministers and consuls in belligerent countries, including China, can not live upon their salaries, then let them resign, and we will find plenty of anxious individuals who are willing to serve their country in their places and upon the same financial terms that now exist with regard to their compensation.

I do not believe that we should either now or at any other time begin legislation of this sort for anybody. If we had an overflowing Treasury, if, as seems to be the general impression, the United States had more money than it knows what to do with, if it was a vast reservoir of gold which, like the widow's cruse of oil, was incapable of exhaustion, if the more we draw from it the more there would be to draw, if we could smite it, as Moses smote the rock, and make streams gush forth there might perhaps be some reason for an unlimited expenditure of the public money. But unfortunately every dollar which the Treasury of the United States possesses or is to possess must come to it from one of two directions or both. It must either borrow it or it must secure its revenues by taxation.

Mr. President, there are a great many officeholders in this country, perhaps now over 250,000. I do not know how many there are. They are increasing day by day with such rapidity that no computation made for one day is good for the next. But there are 110,000,000 taxpayers, men from whose productive energies are drawn the financial sinews of the Nation. They have got to pay ultimately every dollar that we are appropriating both for the war and for our civil lists.

Mr. SHAFROTH. Mr. President——

Mr. THOMAS. In just a moment. It is they, Mr. President, to whom the bills will be presented. It is they who must pay the bills if they are to be paid at all. I yield to my colleague.

Mr. SHAFROTH. I will state to my colleague that I saw a compilation of the number of officers in the United States before the beginning of the war, and the number was 498,000.

Mr. THOMAS. Well, I was very moderate, indeed. There must be now about a million. Certainly the increase of employees must have doubled since the 1st day of April, 1917. For that reason also we should be a little cautious about increasing these salaries, about enabling the President in the exercise of his discretion to take care of our foreign ministers and consuls.

When the Senator interrupted me I was referring to the fact that the great body of taxpayers must meet these bills and ultimately pay them out of their substance. The taxpayers of the United States are a wonderfully patient people. They bear these increasing burdens with a sort of good-natured discontent manifesting itself here and there occasionally. But while he is a very patient animal there is a limit to his patience. Shakespeare said, "Beware the anger of a patient man." I want to say to my colleague and others who are voting away hundreds of thousands and hundreds of millions of dollars, beware the anger of the patient taxpayers of the United States. Sooner or later they are going to review our bills and blue pencil them, and then, if they are dissatisfied, the chances are that the earthquake will occur. The tax eater will take to the woods, and the men who have been legislating in his behalf also.

Mr. President, let us stop these unnecessary expenditures; and by "unnecessary" I mean expenditures which now can be avoided. Let us by all means establish no precedent to justify future appropriations where they can be avoided.

I predict that, if this section becomes a law, next year you will find it in many, if not all, the appropriation bills. Let me go further and say that in all probability our deficiencies will be greater than before, because heads of departments will assume the authority to meet demands like these and charge them to deficiency bills. At the next session afterwards the deficiencies will have to be covered, and, as I said, deficiency bills are now more numerous and far larger than they ought to be.

The reason given in the paragraph for its presence in the bill is that it is in order to adjust official incomes to the ascertained cost of living at the post to which they may be assigned. Mr. President, if the ordinary man knows that there is a fund which is to be used for adjusting the difference between the income and his actual expenses the chances are ten to one that that will encourage the recipient to make that increase as large as his comfort and convenience suggests. For example, if there was

a statute giving to the President the power and appropriating money to be used for the purpose to adjust the income of my colleague to the ascertained cost of living at the post to which he is assigned, and that is here in Washington, the chances are that he, like myself and everyone else under similar circumstances, would not be so particular about expenses as now. I know I would not. I have no doubt that the gentlemen in Hongkong and in Saigon and in Vladivostok derive a comfort from this sort of legislation which places but little limit upon their expenditures, and they will send the bills in promptly at the end of the month. If they can do that, then there is not an official unfortunate enough to be compelled to live in Washington who ought not to be provided for in the same way.

We know what the costs of living are here. We know that, every one of us, by our own experiences, and as we see the margin between income and outgo gradually approach a level and the one threatening to overlap the other, we are not only anxious, but angry. We say a great many hard things about those who levy their toll upon us and make a great many threats which, unfortunately, are hard to crystallize into legislation. I have a great deal more sympathy for the $100 a month clerk here in Washington than I have for the consul at Hongkong. I have a great deal more sympathy for the negro janitor in this building upon his modest salary than I have for the ambassador to Russia.

Mr. STONE. Why?

Mr. THOMAS. Because they can take care of themselves better; because they generally have some other sources of income. Just now I would a good deal rather be a bootblack for the Senate than to be a United States ambassador in Petrograd. I had reference entirely to the financial possibilities which distinguished the two officials removed, so far as they are, not only socially but financially, from each other.

Mr. President, I shall not detain the Senate any longer. I hope that this clause will be stricken from the bill.

Mr. STONE. Mr. President, I ask the attention of the Senate for a little while to the pending amendment. I have no special interest in this amendment or in any other. It no more concerns me than it does any other Senator, but I think this particular amendment should not be agreed to.

I have listened with interest to the remarks of my friend from Colorado [Mr. THOMAS], just concluded. His argument is one we have heard in one way or another frequently through the years I have had the honor to serve in the Senate, although I have rarely, if ever, heard it presented more forcefully or persuasively. Let me say I join no issue in general terms with the Senator from Colorado. But, Mr. President, I ought to say that I have gone over every item in this bill with some of the chief officials of the State Department. Notwithstanding, let it be now understood that there are few Senate amendments that I care to antagonize. There are few things in the bill as reported that I would especially care to change. Taken as a whole, I think the Appropriations Committee have done their work very well. So I have sat here while the bill has been under consideration practically without active participation in the discussions respecting the merits of the various Senate amendments.

The Senator from Michigan [Mr. SMITH] said this morning that he thought the Diplomatic and Consular appropriation bill ought to go to the Committee on Foreign Relations. That also is an old question which has been up and discussed here for years. My own view about that subject in general is—and I have stated it more than once on the floor—that all appropriation bills ought to be concentrated in the hands of one committee, with the possible exception of rivers and harbors, maybe also agriculture, and that wise administration would be better accomplished in that way than by scattering appropriation bills among many committees. That course would prevent duplication and consequent extravagance.

Mr. OVERMAN. And there should be a member of the Foreign Relations Committee on that committee.

Mr. STONE. I think it would be very advisable to have a member of the Foreign Relations Committee on the Appropriations Committee, and likewise members of the Appropriations Committee coming from all the important committees particularly affected by the great appropriations. That has been my attitude in the past, and I do not depart from it now.

I have been a member of the Committee on Foreign Relations for about 10 years and the subject of having this appropriation bill go to that committee has been discussed in the Foreign Relations Committee itself, and I think in the Senate also, time and again; but I for one never seriously sought to take this appropriation bill away from the Committee on Appropriations. However, Mr. President, if the policy now pursued is to be continued—and I hope it will not be—there is no reason why this bill should not go to the Committee on Foreign Relations, and many very good reasons could be given why it should go there.

The Senator from North Carolina [Mr. OVERMAN] this morning, in calling attention to a number of practically obsolete conventions, treaties, and international agreements, said that he had asked the committee, or some member of the Committee on Foreign Relations, to take the matter up with the State Department or in some other way to get rid of these treaties, conventions, institutes, and so forth, which he regards as useless; but suppose the chairman or subchairman of the Committee on Appropriations did happen to speak to some member of the Committee on Foreign Relations, as the Senator has stated, I submit that under present conditions when the Committee on Appropriations has this particular bill under its jurisdiction, it is not improbable that the bill or any part of it would go in any serious way on mere suggestion to the Committee on Foreign Relations. If the Committee on Foreign Relations had control of the bill itself, that committee would give every feature of it close attention; but there is no more reason under the circumstances why the Committee on Appropriations itself should not take such matters up with the State Department or with the President or offer legislation of its own with regard to them, than there is that the Committee on Foreign Relations should undertake to deal with them spasmodically as a junior side partner to the Appropriations Committee.

Mr. OVERMAN. Mr. President, I did not intend to criticize anybody, but I did say that the matter of consideration of treaties was with the Foreign Relations Committee. We had this matter up a year ago—I do not know whether or not the Senator from Missouri heard the discussion—but I said a year ago, and I say again, that the Committee on Appropriations has nothing to do with the treaty-making power, and that the only way to prevent these appropriations, which we all admit are nonsensical—for really there is absolutely no use for many of them—is by an abrogation of the particular treaties which provide for them. Our committee has nothing to do with the State Department except to consider estimates which are sent down by that department for the appropriation of money.

I did not criticize, nor did I intend to criticize, but I simply desired to call the attention of the distinguished chairman of the Committee on Foreign Relations to the fact that I, as an individual Senator, thought that this matter ought to be brought to the attention of the State Department or to that of the Committee on Foreign Relations so that something might be done to abrogate or to get rid of those particular treaties.

Mr. STONE. I have been in this body about 16 years, and the same thing has been going on all that time.

Mr. President, if the Committee on Foreign Relations had charge of this bill and the provisions in it appearing here to-day which are criticized were brought under the consideration of that committee directly, the committee would take up all of them singly and collectively, go into the merits of them all, and make its legislative recommendations as to the continuance or the abrogation of them.

Of course the Committee on Foreign Relations can not abrogate a treaty nor give notice to a foreign Government of its intention to do so, nor can the Committee on Appropriations, but a treaty, a convention, an international agreement can be abrogated by legislation. It was not a great while ago that by legislation we abrogated a treaty with Russia.

Mr. OVERMAN. Mr. President, if the Committee on Appropriations should bring forward any legislation for the abrogation of a treaty, the Senator from Missouri would, as it would be his duty to do, have such legislation referred to his committee, because that committee would have jurisdiction of it.

Mr. STONE. Yes; I would ask to have it referred to the Committee on Foreign Relations, undoubtedly. However, I do not want the Committee on Foreign Relations to be held responsible for sporadic instances or items in bills reported by the Appropriations Committee, such as those concerning some agricultural institute or a sanitary commission. They have nothing to do with it any more than anybody else has to do with it.

Mr. President, I have taken more time now than I had intended altogether. I have spread beyond what I had in mind. I have not so far definitely opposed a single provision in the bill which the Senator from North Carolina has reported, but I now desire to ask the Senator from North Carolina and the Senate to review the action taken on the provision which appears under the head of "Post allowances to consular and diplomatic officers," on page 24 of the bill. An amendment was reported in the text striking out the words "and officers of the United States court for China," and that has been agreed to. I did not oppose that, Mr. President; I said not a word as the arguments pro and con were under way. The arguments in favor of that particular amendment were to me persuasive. I

have no more interest in the courts for China than has any other Senator, whatever his view may be about that particular question, whether or not he may be a member of the Foreign Relations Committee. As I see it, the Foreign Relations Committee is not the especial guardian of the people who are holding places abroad any more than they are of others. These officials, like thousands of others, are merely holding public positions. I said nothing about these Chinese court officials while that was being discussed.

But there are two things here now that I ask my friend from North Carolina to recede from, if he will, and allow them to stand as they were written in the House bill. Instead of reducing the appropriation, as it appears in the House bill, from $800,000 to $700,000, I ask that it may stay where it was fixed by the House. I am opposed to that reduction. I am opposed to it because I do not believe that the $800,000 given by the House is excessive in any sense. Mr. President, just a few words about it, and then, so far as I am concerned, the Senate can vote.

I have said that I have gone over all the items of this bill with representatives of the State Department and have discussed many of them with the head of the department. This is the one amendment proposed to the House bill that I especially and strongly feel should not be agreed to. The other proposed amendments I regard as of inferior importance.

Mr. President, the Senator from Colorado [Mr. THOMAS] said something about changing the salaries of a consul and a Congressman, and said it well and persuasively. He dwelt on the fact that Congressmen are taxed, that we pay out so much for State and Federal taxes, thus cutting a big hole in our salaries. That is true; but so do the men holding these diplomatic and consular positions. They are as subject to taxes as are Senators and Members of the House. They must make their returns in the same way and must pay in the same way. They must do that or be derelict and subject themselves to penalties. So that argument applies to them in like manner as to us.

Mr. President, the fact is that most of those—not all, perhaps, but very many—I think a considerable majority of those who are serving us in foreign countries—are now subject to most unusual personal expenses; to most unusual exactions upon their salaries. That is the fact. Let me show you. I have here some data furnished by the State Department, which illustrate the enormous increase in the cost of living to our officials serving abroad. In Italy the per cent of increase is 65, in Spain it is 25, in Greece it is 250, in Switzerland it is 97, in Sweden it is 225, in Denmark it is 70, in France it is 57, in the Netherlands it is 60 per cent, and so on.

This certainly shows an enormously increased burden upon the men representing us abroad. Mr. President, let me read just a line or two more:

In Spain and Chile officers suffer a double loss. Not only has the cost of living increased—

I ask Senators who are going to vote upon this question to listen to this. If you have not familiarized yourselves with it, I wish you would listen to it—

Not only has the cost of living increased, but the exchange value of the American dollar has decreased.

Now, listen to this:

On a $10,000 draft from Spain an officer suffers a loss of nearly $2,500. The $5,500 salary of a consular officer in Chile is said to have now a purchasing value of only about $2,500—

Or less than one-half. I could go on and read more, but that is enough. My friend from Iowa, Mr. KENYON, speaking aside sotto voce, tells me that the American ambassador at Paris is paying $50 a cord for wood. That is only another instance——

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Ohio?

Mr. STONE. Yes.

Mr. POMERENE. I know that a little more than a year ago he was paying $80 a ton for coal.

Mr. STONE. Mr. President, we are fair men, and should be just. We have these men employed in our public service in most important capacities, especially at this time, in the various countries of the world.

Mr. OVERMAN. Mr. President, I ought to say, in answer to the Senator from Ohio, that the salaries in many instances have been more than doubled.

Mr. KENYON. Does the Senator refer to the salaries of ambassadors?

Mr. OVERMAN. No; I am not speaking about the ambassadors; I am speaking about the clerks. In consideration of the fact that they have had to pay these high prices for coal and other necessaries, their salaries have been increased. I can give the items in connection with the officers in Paris, if the Senator from Missouri will yield.

Mr. STONE. I yield.

Mr. POMERENE. Does the Senator mean that the ambassador's salary has been increased?

Mr. OVERMAN. No; I do not refer to the ambassador; I am speaking of other diplomatic and consular officers; this does not affect ambassadors.

Mr. STONE. To whom does it apply?

Mr. OVERMAN. It affects all clerks and consular agents. In Paris a clerk at $3,000 was increased——

Mr. STONE. Clerk to what?

Mr. OVERMAN. To the embassy—was increased to $4,400; another one from $3,000 to $3,900; and the clerks in Paris who received $2,000 have been increased to $2,900.

Mr. STONE. In this bill?

Mr. OVERMAN. No; that was under the appropriation in the last bill and in the deficiency bill. The last appropriation in the regular bill for this purpose was $400,000.

Mr. STONE. I know it was; and we want that aggregate sum now increased.

Mr. OVERMAN. Then $300,000 additional was allowed in the deficiency bill, making $700,000 in all, which the department used. The committee now proposes to give the department $700,000, although in the last bill the amount appropriated was $400,000, but the department wants $800,000. We concluded that we would give them just what they had been given in the last year in the regular diplomatic and consular appropriation bill and under the deficiency appropriation bill.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Ohio?

Mr. STONE. I yield.

Mr. POMERENE. I want to be set right if I misunderstood the Senator from North Carolina. The figures he has given, as I understand, refer to clerks in the Diplomatic Service?

Mr. OVERMAN. Yes, sir; in the office of the ambassador to France.

Mr. POMERENE. The paragraph which the Senator from Missouri is discussing is one relating to consular and diplomatic officers.

Mr. OVERMAN. The appropriation comes under the heading "Post allowances to diplomatic and consular officers," which means officers under ambassadors and also consular officers.

Mr. STONE. It includes consuls.

Mr. OVERMAN. It includes consuls, but not ambassadors.

Mr. STONE. Now, Mr. President, I wish to conclude. I desire to say that the Diplomatic and Consular Service, upon which these men are engaged at this time, is not exceeded in importance by that upon which any other public officials are employed. I say that at this time especially it is not exceeded in importance by any other.

Mr. President, the Senator from Colorado said that if some one or another of these officers was not satisfied with his salary he could resign; that there would be others waiting ready to take the job at the salary the incumbent declined. Mr. President, we will not get very far ahead on that line. At this time, in the circumstances of this hour, we can not exchange, we can not swap our experienced diplomatic and consular agents in a day for new and inexperienced men, and hope to have efficiency in the service. You can not put aside an experienced and well-qualified diplomatic or consular agent in an hour during this period of great national peril without danger of resulting consequences. We can not safely say, "If one or another of these—no matter how many—can not live on his salary, let him go and we will get a new, inexperienced man in his place." That would be almost a fatal policy. The men now in service may remain at their posts at a loss out of patriotism; but would that be fair or just to them; and would our Government wish to stand for that sort of thing?

Mr. KNOX. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. STONE. I yield.

Mr. KNOX. I hope the Senator from Missouri will call attention to the fact, which, I think, has a very decided bearing upon the question, that for the past 12 or 14 years we have encouraged our consular and minor diplomatic officers to take up that line of work as a career. We have placed them under civil service, and it is not the case that they can take a place or leave it, as they may see fit, after they have trained themselves by an examination for the service and have been put into the service and turned their backs on all the other opportunities of life.

Mr. STONE. Mr. President, it is not necessary for me to enlarge upon what the Senator has said. The Senator has stated that proposition completely. What the House did was to put $800,000 under the control of the President, to be expended by him in his discretion. This money is put into the hands of the President to meet what? To meet an absolute deficiency, whenever and wherever found, in the compensation of diplomatic and consular officers and to make it possible for them to live. That is what it is for. It is a just provision, and the sum appropriated should be adequate, not inadequate. I think we can trust the President and Secretary of State not to abuse the power to use this money.

Mr. OVERMAN. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from North Carolina?

Mr. STONE. Yes.

Mr. OVERMAN. That is what the committee has done—it has put $700,000 in the hands of the President.

Mr. STONE. It has put $700,000 in the hands of the President, but the House of Representatives, which usually is the body—and I say this with all due respect and I hope without intruding upon propriety—said to be the most cheeseparing in appropriations, made the amount $800,000. The House put $800,000 in the bill, which is the amount recommended and officially estimated for as necessary. Why reduce it? Why should we trim and cheesepare in a small way about a matter of this magnitude?

Mr. President, this appropriation for the State Department aggregates about $8,000,000, does it not?

Mr. OVERMAN. About that; yes.

Mr. STONE. About $8,000,000 for the State Department in this great period of stress when the world is at war and when the State Department must deal as it never did before in all history with exigencies of state arising every day and almost every hour of every day. In many ways the State Department is the most important of all in dealing with the tremendous problems of the country and the world at this time. Compare the State Department appropriations with the sums given to other departments to support their activities. It would be like comparing a penny to a dollar.

Mr. OVERMAN. Mr. President, I do not want the Senator to be misled. The $8,000,000 covered by this bill is for our agents abroad. The State Department itself is provided for in another bill.

Mr. STONE. How much does this bill carry?

Mr. OVERMAN. About $7,900,000.

Mr. STONE. I said about $8,000,000.

Mr. OVERMAN. But the Senator said it was to provide for the State Department, whereas the State Department itself is provided for in the legislative bill. This is for the service abroad, and the amount appropriated is about $7,900,000.

Mr. STONE. I said it was about $8,000,000.

Mr. OVERMAN. This bill carries $7,900,000 for services rendered by our officers abroad.

Mr. STONE. I am not talking about the service at home; I am talking about the service abroad.

Mr. OVERMAN. The Senator said the State Department. The State Department itself with all its clerks costs a great deal more.

Mr. STONE. Of course, the salary of the Secretary of State and the salaries of the employees of the State Department are provided for in another bill. I did not have in mind salaries of that kind or salaries of the secret-service agents, or matters of that kind; I had in mind only the great work the State Department is to do with the world at large and with the nations of the world at this time.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. STONE. I yield.

Mr. KNOX. I desire to suggest to the Senator from Missouri when he makes the statement that it only costs about $8,000,000 under this bill to conduct our Diplomatic and Foreign Service, that practically 50 per cent of that comes back in the way of consular fees—that used to be an accurate percentage—so that it took just about half of the face of the appropriation to run the service.

Mr. STONE. With respect to that the Senator from Pennsylvania, with his experience as Secretary of State, can offhand speak with greater authority than I, and I am glad he has made that contribution. I do not know nor do I suppose he does what the aggregate returns from the fees of consular agents happens to be now.

Mr. KNOX. When the appropriations aggregated about $4,000,000, which was the normal sum prior to the war, returns from consular fees were about $2,000,000, or just about half of the appropriation.

Mr. STONE. Mr. President, I am through. I have said this much in the hope that the appropriation authorized by the House would not be reduced. This is the one item in the bill, I will repeat to my friend from North Carolina, in which I feel that his committee has seriously erred. I urge upon the Senate to let this appropriaton stand as it was fixed by the House.

Mr. POMERENE. Mr. President, I think the Senator from Missouri has rendered a distinct service to the country by calling attention to this special appropriation; and I join with him in the hope that the $800,000 appropriated by the House bill will be retained in the bill.

The Senate committee has reduced the $800,000 to $700,000. The House committee believed that $800,000 should be spent, and the Senate committee thinks only $700,000 should be spent. I have heard no reason stated that satisfies my mind, at least, why this reduction should be made, except that it is perhaps always a wise thing, or nearly always a wise thing, to reduce appropriations.

Mr. OVERMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from North Carolina?

Mr. POMERENE. I do.

Mr. OVERMAN. No, Mr. President; the basis upon which the committee acted was that the original appropriation two years ago was $200,000, and then they got a deficiency appropriation of $100,000. The State Department has felt authorized to spend $300,000 more in the way of a deficiency. We have given them that, so that amounts to $700,000. We gave them, therefore, the amount of money they had spent last year, including the amount appropriated and all the deficiencies. That was the basis of our action.

Mr. POMERENE. I am very glad to hear stated the basis for the conclusion reached by the committee; but the expenses of these consular officers continue to mount up. I think everybody must realize, with conditions prevailing as they are in Europe and Asia to-day—and that is where most of these consular officers are serving—the necessity of being very liberal with these men.

It is a fact that the State Department has been encouraging young men to enter this service. I have in mind at the present time a young man who married some six or seven years ago, and he and his wife are in an important city in Great Britain to-day, and through friends I know that they, who are poor in purse and yet a great credit to this country, are not able to make both ends meet; and here we adopt, it seems to me, a penurious policy with reference to this branch of the service.

Some years ago the Consular Service was used as a dumping ground for political hacks. Now, for the most part, the consular officers are high-class young and middle-aged men. They are devoting themselves to this service, and they are doing a real service to the commercial interests of this country, which are growing by leaps and bounds. Of course, they can resign and come home if they are not satisfied with those salaries. Of course, this Government can send men abroad who will serve at the munificent compensation of $1 per year; but I am not willing, as one Senator at least, to adopt a governmental policy the effect of which will be to drive the good, bright, poor young men of this country out of this service.

I think these salaries should be fixed as soon as they reasonably can be fixed; but we are in a period of transition. Any salary that we might attempt to adopt now which was adequate for the present needs might be excessive after peace is restored. I am willing, under the provisions of this paragraph of the bill, to trust the proper administration of this fund to the President and the State Department, and I hope that the House figures will be retained in the bill.

Mr. KNOX. Mr. President, I should feel that I were guilty of lack of appreciation of the value of an important branch of our service with which I happen to have considerable familiarity if I refrained from raising my voice in favor of a more liberal appropriation for the purpose of enabling the President of the United States, as the exigencies of the situation require, to adjust the salaries of our diplomatic and consular officers to the present cost of living in the various countries where they represent us.

I do not believe that the American people realize the character of the talent employed in looking after the interests of this country in foreign lands. It is unfortunately the popular belief that a diplomatic or consular officer goes abroad more for the purpose of enjoying the social life of foreign countries, expanding his own ideas as to life, and having generally a pretty good time. It is unfortunately true that under the rules that

prevail between nations we must from time to time assign men to certain points where the labors are not great, but cases of that kind are negligible in this service. All that any Member of the Senate has to do is to glance at the Congressional Directory, beginning on page 361 and ending on page 372, 11 pages of solid printed matter, showing the number of consular and diplomatic officers that we have. They run into hundreds—aye, I believe they run into thousands, not many thousands but surely several thousands—and the locations of the posts of these officers can be ascertained, and you can tell at a glance that many, many hundreds of these men are residing at places in countries and under circumstances that are all but a luxury for them to enjoy.

I had occasion a moment ago to allude to the fact that the Government of the United States a few years ago adopted a new policy in relation to the Consular and Diplomatic Service. The positions in that service had been theretofore let out as rewards for political service. Beginning back in the administration of President McKinley, under Mr. Hay as Secretary of State, the first reform was made in the Consular Service. That reform was that the opportunity should be held out to the bright young men of the United States to specially prepare themselves for consular service; and if they could pass the requisite examination, including the speaking of a foreign language, then the appointment was almost certain; in fact, it was practically certain. Young men, in order to qualify themselves for those positions, took special training at colleges and other schools, and, indeed, schools were established for the express purpose of training young men for this service. That reform finally found lodgment in legislation, and by the acquiescence of the President—from whom, perhaps, we could not constitutionally have taken the right of appointment—that is now the permanent law. Under the Taft administration, by Executive order, the same thing was done for the minor diplomatic officers; so that as the law and the practice stand to-day, no man can enter the Consular or the Diplomatic Service who has not stood a rigid examination, and who has not spent a few of the most valuable years of his life in preparing himself for a special occupation.

Mr. President, let us look at the terms of this bill. It does not appropriate or suggest an appropriation of $700,000 or $800,000 to be divided pro rata or by a certain percentage among the diplomatic and consular officers of the United States. It provides that the President of the United States may use not necessarily all of that sum—although, in my own judgment, I do not believe that the maximum sum named here is at all adequate—but that he may use it, or so much of it as he may find necessary, to adjust the salaries of these men to the actual cost of living in the countries of their posts. Now, what Senator is there here who does not want the salary of a representative of the United States adjusted to the cost to which he is subjected while performing duty for his country?

I join with the Senator from Missouri and the Senator from Ohio and other Senators who have expressed themselves upon this subject in the hope that the more liberal provision will remain in the bill.

The PRESIDING OFFICER. The pending amendment will be stated.

The SECRETARY. On page 24, line 10, after the amendment heretofore agreed to, it is proposed to insert the following words: "in belligerent countries and countries contiguous thereto, including China, and the officers at Hongkong, Saigon, Tsingtau, Dairen, and Vladivostok."

Mr. SMOOT. Mr. President, I want to call the attention of the Senate to the facts in this particular case. I also wish to call the attention of the Senate to the additional amounts that have already been allowed by the President of the United States to the secretaries in the Diplomatic Service. I point to advances to the secretaries as a class, as showing approximately the rates of increases allowed for all of the other employees in the same service. I do not believe that the charge against the committee that they are niggardly in providing for the salaries of employees of our Diplomatic Service is justified.

A year ago in the Diplomatic and Consular appropriation bill there appeared an item of $200,000 for this purpose. That was what the State Department asked. The House gave what was asked. The Senate did not change it. Before that session of Congress closed, and in the last deficiency bill of the session, the State Department asked for an additional $100,000, and that was appropriated without a question, making a total of $300,000 appropriated for this purpose for the fiscal year ending June 30, 1918. Following this bill will be the urgent deficiency bill; and, Senators, there is an item in that bill appropriating $400,000 for this purpose, the amount asked for by the State Department, making for the fiscal year ending June 30, 1918, a total of $700,000.

Mr. President, the Appropriations Committee have provided for the next fiscal year $700,000 for these allowances. The cost of living is not going to increase during the next year to any considerable amount and it may greatly decrease.

To show Senators just what has happened with the secretaries, I want their attention for just a minute.

There are 14 secretaries of class 1 in the Diplomatic Service. Post allowances were made to nine, amounting to $14,542. For instance, the salary of a secretary of the first class is $3,000; but the secretary at Petrograd was given a post allowance of $3,100, so that his total salary was $6,100. At Copenhagen the post allowance was $1,680; at London, $1,700; at Madrid, $1,000; at Paris, $1,442; at Rome, $1,575; at Stockholm, $2,275; at The Hague, $828.

Senators will notice that there were allowances to 9 of the secretaries and yet there were 14 secretaries in the service. That difference is accounted for by the three secretaries in the department here at Washington, who are not allowed any increase whatever, and one at Mexico City and one at Tokyo.

Take class 2: The salary of a secretary of class 2 is $2,625. We have 16 secretaries of class 2. Eleven of those secretaries were granted post allowances as follows: Buenos Aires, $1,500; Habana, $1,000; at London we have three secretaries, each of whom was allowed $1,200; at Petrograd we have two, and they were allowed $2,500 each; at Rio de Janeiro we have two secretaries, each of whom was allowed $1,500; at Rome, $1,075; at Santiago, $300.

Take class 3: The salary of a secretary of class 3 is $2,000. We have in the service 41 secretaries of class 3. Post allowances were made to 27 of them, and in some cases the allowance was more than the salary—125 per cent more than the salary.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. SMOOT. I do.

Mr. KNOX. May I inquire of the Senator from Utah whether he does not believe that in some cases the actual expenses of the incumbent would be more than doubled under the circumstances?

Mr. SMOOT. Why, Mr. President, it may be in some particular case, but I can not conceive that there are many such.

Mr. KNOX. I can very readily imagine that there are some posts in which the demands of humanity upon a man would almost double his expense. These allowances are not indiscriminately granted. They are not made to men who are occupying positions where there has been no change in the situation. Of course, the Havana case and the Buenos Aires case are in this hemisphere; but everybody knows that the cost of living in the South American countries has increased very much during the last three or four years. I am astonished at the moderation of those post allowances, in view of the situation in Europe.

Mr. SMOOT. Mr. President, allowances have been made in nearly every instance, with the exception of the secretaries in the department here at Washington, at Mexico City, and at Tokio. I want to say to the Senator that the increase in the cost of living here in the District of Columbia, where the secretaries are not granted any post allowance, is almost as great as it is in many of these places in which the allowance has been made.

Take the secretaries of class 4: The salary is $1,500. We have 12 of them, and post allowances have been granted to 7 of them. For instance, at Stockholm the salary was $1,500 and the allowance was $1,775.

Mr. President, the total post allowances for the secretaries alone were $71,526. There are 84 secretaries in the service. There were advances made to only 54; so that, on an average, to each of the secretaries of all four classes who received allowances there was a post allowance made of $1,324.55.

Mr. WADSWORTH. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. Yes; I yield.

Mr. WADSWORTH. Would the Senator contend that in spite of those post allowances any of these men have been able to live on the money they have gotten from the Government?

Mr. SMOOT. I should think they would be able to live on the amount they have received from the Government.

Mr. WADSWORTH. I dislike to interrupt the Senator with anything other than a question; but I venture the assertion that even with the post allowances not 10 per cent of the entire

number can live on the money they receive from the Government at the posts to which they are assigned. Practically all of them are out of pocket.

Mr. SMOOT. Well, Mr. President, I have not heard of any cases of the kind.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Ohio?

Mr. SMOOT. Yes; I yield to the Senator.

Mr. POMERENE. I wanted to suggest, along the line of the statement made by the Senator from New York, as illustrating the increase in expense, that I knew a young man who went with the Russian Commission to Petrograd. He took with him a number of suits of clothing. A suit that he probably could buy for $30 here in the United States could have been readily sold in Petrograd for $100 or $150. They were hardly able to get clothing there; hotel bills were increased proportionately; and I do not think even the Senator from Utah will say that he has sufficient knowledge of the details relating to the increase in the cost of living to say that these allowances are abnormally large.

Mr. SMOOT. Mr. President, the Senator from Utah can say that no one need worry or have any fear but that the advances will be all that are called for. I predict now that whether we put in $700,000 or $800,000 for this item, there will be at least two deficiency bills carrying additional appropriations for this item for the fiscal year 1919. So, Mr. President, why not give what the State Department has asked for the last year for this purpose—$200,000 to begin with, $100,000 in a deficiency appropriation, $400,000 in the bill that we will be considering perhaps this afternoon, making a total to cover everything that they could think of for this purpose of $700,000?

Mr. WADSWORTH. Mr. President, does not the Senator think it would be a pretty good idea to readjust the salaries themselves, and do away with the post allowances?

Mr. SMOOT. I think that would be a great deal better than to make a lump-sum appropriation and then have no restriction whatever upon the post allowances that may be made to this man or that man. In my opinion there ought to be a readjustment of the salaries; and I would rather do that than undertake to make these lump-sum appropriations.

Mr. President, I do not know that there is any need of discussing this matter further. Everybody knows that an allowance must be made to these officers; and the committee took the position that they would give them for the coming year every cent that the department has claimed was necessary for the past year.

Mr. President, there is one other reason why we should not increase the appropriation above that amount, and it is this:

If we increase the amount, through urgent deficiency bills, $500,000, as we did for the fiscal year 1918, over and above the amount that was originally appropriated, it will only be an invitation for the head of the State Department—and I do not say that with relation to the Secretary of State, because he knows very little about the details, but with relation to the men who have this matter directly in charge—to spend the money without regard to the appropriation.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. SMOOT. I do.

Mr. KNOX. The man who will have this matter more directly in charge than any other one man is the Director of the Consular Service, Mr. Carr, who has occupied substantially that relation to the department for the last 20 years. I want to say, and I am sure that everyone who has occupied that office would cheerfully say if he had the opportunity, that a more careful and economical officer the Government does not have in any department. He will spend this money as if it were his own and he will spend it with rare judgment and discrimination. The fact is, I discovered while I was in that department as Secretary that I never had enough influence to put anything past Mr. Carr that did not meet his requirements and come up to his standards.

Mr. SMOOT. I have no dispute with the Senator from Pennsylvania as to the splendid qualifications of Mr. Carr. I know him personally. I know he is a splendid gentleman. But, Mr. President, if $700,000 is all that they have required in the last year, and we gave everything asked for, why increase it now? Mr. Carr knows, so does the Secretary of State know, that if there is an absolute necessity for a deficiency they can come to Congress and get it. I know there is a statute against expending more beyond the amount appropriated, but there is not a department of the Government that pays any heed to it whatever. There is not a department of the Government that does not entail deficiencies each year, and they are taken care of not by one deficiency bill but, beginning with the first one that passes, and we have already passed one, until the last deficiency bill that will pass a few days before the closing of this session of Congress.

It was for that reason, Mr. President, that the committee thought they would give the $700,000, and I believe the action of the committee was right.

Mr. STONE. Do I understand the Senator to say the reason is that they would cover it in a deficiency bill?

Mr. SMOOT. No; I did not say that. I had reference to what I had stated before the Senator entered the Chamber.

Mr. STONE. I do not believe in deficiencies any more than possible, and I do not believe in the policy of having it said on the floor that if the amount appropriated is not sufficient they would cover it in a deficiency. That is an invitation to a deficiency.

Mr. SMOOT. There is no department of the Government that needs an invitation to create deficiencies. There is not a single one of them that does not already do it. The Senator did not hear what I said before; he was out of the Chamber. I gave the reason and went into the details of this matter showing the amount of increases that have already been made.

Mr. STONE. I do not ask the Senator to repeat it.

Mr. SMOOT. I am not going to repeat it.

The PRESIDING OFFICER. The Chair will take occasion to observe that the proposed amendment does not include the matter of appropriation. The question is upon the amendment of the committee.

On a division the amendment was agreed to.

Mr. THOMAS. Mr. President, I move to strike out the entire paragraph.

The PRESIDING OFFICER. The Senator from Colorado moves to strike out the entire paragraph.

The amendment was rejected.

The next amendment was, on page 27, after line 16, to strike out:

ADDITION TO LEGATION BUILDING AT PEKING, CHINA.

For an addition to the chancery building occupied by the American legation at Peking, China, $2,000.

Mr. SMITH of Georgia. Whether this amendment is a part of the preceding language from line 5 down I am scarcely prepared to say, and yet in connection with it I wish to call attention to the fact that, in line 8, $60,000 is to be appropriated for the erection of a building at San Salvador and $40,000 for the necessary furniture for the building. The suggestion of $40,000 for furniture in a $60,000 building attracted my eye, and it seemed to me rather startling. Looking into the recommendations of the department, I find that they did not ask for $60,000, and I am sure that $40,000 for the building and $10,000 for the furniture would be sufficient. I do not think the department really asked for more, but the testimony before the committee indicated that some more is necessary. I move to substitute $40,000 for the building and $10,000 for furniture.

Mr. OVERMAN. I accept the amendment, because the language seems to be somewhat involved. I do not know whether they intended that the whole cost should not exceed $60,000. In order to get it into conference and make it as the House intended, I accept the Senator's amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 27, line 8, strike out "$60,000" and insert "$40,000"; on the same page, line 12, strike out "$40,000" and insert "$10,000."

The amendment was agreed to.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the committee inserting the matter read after line 16.

The amendment was agreed to.

Mr. OVERMAN. Now let the amendment passed over be stated.

The PRESIDING OFFICER. The first amendment passed over will be stated.

The SECRETARY. On page 7, line 20, after the word "State," insert "at the rate of not exceeding 10 cents per mile."

The amendment was agreed to.

The SECRETARY. The next amendment passed over is, on page 10, line 21, to strike out "$47,500" and insert "$25,000," under heading "International Boundary Commission, United States and Mexico."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. SMOOT. Mr. President, we all know that Mexico has been in war for the last four or five years, and yet every Diplomatic and Consular appropriation bill during that time has carried an appropriation to enable the commission to continue the

work to be performed under the treaties of 1884, 1889, and 1905 between the United States and Mexico.

Mr. President, I know that there is a treaty between the United States and Mexico, as recited in this provision, but the money that has been appropriated for the last four or five years has been paid for salaries and that alone. No work has been done, unless you can call the drawing of a salary work. The border is in no condition to allow the work to proceed, and we are again appropriating money for that very purpose.

I asked how many years it is going to take to find out where the boundary line is between the United States and Mexico? I was answered by one officer in this wise: "Well, the boundary keeps shifting; the river changes its course from one year to another, and every year that the river changes its course the boundary line has to be established." If that be the case, Mr. President, we will never have a boundary line established between the United States and Mexico. It has been suggested that we erect a barbed-wire fence between the two countries and allow that to mark the boundary line, but I suppose the river changes so often that we could not even establish a boundary of that kind.

I am perfectly willing to give this appropriation if Mexico is ready to undertake the work.

Mr. SHEPPARD. If the Senator will pardon me, Mexico is ready. President Carranza has appointed a commission, and I understand the commission is now cooperating with our commissioner, Judge Hill, of Tennessee, at El Paso.

Mr. SMOOT. Mr. President, that may stand good for 10 days or two weeks. Nobody can tell how soon Mr. Villa will be near the border and drive every Carranza man out of that part of Mexico.

Mr. THOMAS. Does not the Senator think it would be a good idea to refer the boundary line to Villa?

Mr. SMOOT. I think we would have it settled just as quickly by referring it to him as to keep on appropriating money and appointing officers who draw salaries and do no work.

Mr. NORRIS. May I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SMOOT. I yield.

Mr. NORRIS. From what the Senator said about the testimony of witnesses, I judge that the Rio Grande is continually shifting. Is the Rio Grande the boundary?

Mr. SMOOT. I believe it is the boundary for the greater part of the distance.

Mr. NORRIS. Does the channel shift in that distance?

Mr. SMOOT. As I am told there is but a small portion that does not.

Mr. NORRIS. Does the Government representative mean by that that when the Rio Grande is shifted the boundary line between the countries follows the Rio Grande to its new course?

Mr. SHEPPARD. That is true.

Mr. SMOOT. I think there is an agreement between the two countries to that effect.

Mr. NORRIS. If that is true, will the appropriation have a tendency to stop the shifting of the stream?

Mr. SMOOT. Oh, no.

Mr. NORRIS. It may be that it will keep on shifting as long as we appropriate, and if we stop appropriating the river will remain quiet.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. SMOOT. I yield.

Mr. KNOX. The difficulty about following the very obvious suggestion is that not long ago it cut itself right through at El Paso and left the best part of El Paso in Mexican territory. That would be Mexican territory under the suggestion the Senator from Texas just made that the river should always be the boundary line.

Mr. SMOOT. I said it had been. I did not say it always would be.

Mr. KNOX. No; the contention of the Government is that it has not always been; and at the time it cut off the best part of El Paso it did not carry the boundary line with it; that the boundary line was just where it had been before, and El Paso was United States territory. That question we arbitrated with rather discouraging results. We selected an arbitrator and Mexico selected an arbitrator, and the two between them selected a third, and we left to the arbitrator the distinct question as to whether the line was here, indicating a place upon the map, or whether it was there, indicating a place upon the map. He decided it was here [indicating], which was not the question left to him at all. So the whole matter is still open, so far as I know.

Mr. THOMAS. I had occasion two or three years ago to examine the circumstances under which the treaty was concluded between this country and Mexico, under which the commission was appointed by which the changes of the river's channel were discussed. River floods frequently create islands or bancos as they are called in Mexico, and the principal question which the commission has been called upon to determine or attempt to determine has been the jurisdiction of the one Republic or the other over these bancos. The creation of the bancos is an opportunity for bandits, and of course the border is infested with criminals of every sort. The difficulty in punishing them is obvious, when crimes are committed in territory which may belong to one of two adjoining countries, but about which there is grave doubt if both claim jurisdiction until the Boundary Commission shall act.

The Senator is correct in his statement that nothing has been done by the commission for some time. I think since the outbreak of disorders in Mexico in 1910—in Mexico it has been practically stationary.

Mr. SMOOT. However, all the money that has been appropriated has been spent.

Mr. THOMAS. Of course, we always spend the money that is appropriated, as far as that is concerned. That is a truism. But if it be a fact that the Mexican Government, which we have recognized has appointed the commission there is great need of its doing something at the present time. The Rio Grande River is like the South Platte, of which Artemus Ward once said it was a river of wide circulation and small influence.

Mr. OVERMAN. Mexico, I think, is now making a claim against this Government for a million dollars.

Mr. THOMAS. If Mexico has a claim for only a million dollars we ought to pay it before it gets bigger, because a million amounts to nothing nowadays. The people of my State and the State of New Mexico have much graver claims against both Mexico and the United States.

Mr. OVERMAN. What is the claim in your State?

Mr. THOMAS. For interference by this treaty of the right to appropriate the waters of the Rio Grande. The Senator is referring, I think to Elephant Butte Dam, which is not in my State. We have dams, but the adjective which precedes them is not always "elephant." [Laughter.]

Mr. SMOOT. If the Mexican Government has really appointed a commission and they are really going to work, then I shall not move to strike out this provision entirely but will let the $25,000 stand. But I want to say now that most of these other appropriations made on the basis of a treaty ought to go out of the bill, or if they do not go out we ought to appropriate $1 or something like that so that as long as the treaties are in force they will be kept alive; but think of appropriating $1,500 for the international bureau for the publication of customs tariffs, for an international bureau at Brussels for the repression of the African slave trade, and I might go on and enumerate all the others; all just as ridiculous.

Mr. JONES of Washington. Does not the Senator think it is about time for Congress to instruct the State Department to cancel these treaties in the method provided by the treaties for their abrogation?

Mr. SMOOT. Congress, I think, can do that. I think it would be well if a bill was introduced by someone to abrogate the specific treaties named. Congress could pass a law the same as Congress did when it abrogated the treaty between the United States and Russia. I really think it ought to be done.

Mr. STONE. That can be done——

Mr. SMOOT. I say it can be done.

Mr. STONE. By congressional enactment; but if a treaty imposes an obligation upon the United States to do a certain thing and the United States refuses to do that thing before the treaty is abrogated, it seems to me the United States is not keeping its faith.

Mr. SMOOT. Mr. President, I do not believe there is any country in the world that would take offense against the United States if we did not make the appropriation for the international bureau at Brussels for the repression of the African slave trade, nor do I think there is any country that would take offense if we failed to appropriate for the international bureau for the publication of customs tariffs, and other items in the bill like those.

Mr. President, I was going to move to strike all these appropriations out and insert the sum of $1, but I think that we have brought this matter now to the attention of Congress, and I hope before another year passes legislation will be passed setting aside the absurd treaties provided for in this bill.

Mr. OVERMAN. Mr. President, I do not like to let the Senate pass upon this amendment without saying a word. We cut the appropriation down as the House made it under the

estimate from $47,000 to $25,000. The Senator from Utah says these people have been doing nothing for years but drawing salaries. The amount appropriated by Congress, the Senator will remember, has been a small amount heretofore—$5,000, $10,000, and $15,000. The report shows that they have surveyed 244 miles on the American side. They could not act with the Mexican commission, although my information is that the Mexican commission has been there all the time representing Mexico, and yet our people would not deal with them because they did not know whom they represented. Carranza now has sent commissioners there, and all the time they are doing work and valuable work. For 244 miles down the river they have made surveys, and they have that mapped, and they are prepared now to go into session with the Mexican commission and try to settle the matter. The Mexicans, of course, will have to survey all of their side I suppose, and it will take some time to settle the question, but the report shows that they have surveyed 244 miles.

Mr. SMOOT. Mr. President, it is true that they have surveyed two hundred and forty-odd miles, but the first treaty was made in 1884, and since then, with all the appropriations we have made, we have that number of miles surveyed. I think by this time it will all have to be surveyed over again.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendments as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The PRESIDING OFFICER. The question is on concurring in the amendments made as in Committee of the Whole, except the amendment that has been reserved.

The amendments were concurred in.

The PRESIDING OFFICER. The reserved amendment will be stated.

The SECRETARY. On page 14, strike out lines 20 to 24, and, on page 15, strike out lines 1 to 3, in the following words:

For salary of one member of the permanent committee of the International Institute of Agriculture for the calendar year 1919, $3,600;
For the payment of the quota of the United States for the cost of translating into and printing in the English language the publications of the International Institute of Agriculture at Rome, $5,000;
Total, $16,600.

Mr. STONE. That is the amendment the senior Senator from Florida [Mr. FLETCHER] reserved?

The PRESIDING OFFICER. It is the amendment the senior Senator from Florida reserved.

Mr. STONE. I hardly know what to do. Could we have a page go to the room of the Committee on Military Affairs while we go on with something else?

Mr. KNOX. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Pennsylvania suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Jones, Wash.	Page	Sutherland
Borah	Kellogg	Phelan	Swanson
Colt	Kendrick	Pittman	Thomas
Curtis	Kenyon	Pomerene	Thompson
Dillingham	King	Ransdell	Tillman
Fletcher	Kirby	Reed	Townsend
Frelinghuysen	Knox	Saulsbury	Trammell
Gallinger	Lewis	Shafroth	Underwood
Gerry	McCumber	Sheppard	Vardaman
Gronna	McKellar	Smith, Ariz.	Wadsworth
Hale	McNary	Smith, Ga.	Warren
Harding	Martin	Smith, Md.	Watson
Hardwick	New	Smith, Mich.	Weeks
Johnson, Cal.	Norris	Smoot	Williams
Johnson, S. Dak.	Nugent	Sterling	Wolcott
Jones, N. Mex.	Overman	Stone	

Mr. LEWIS. I desire to announce the absence of the senior Senator from Arkansas [Mr. ROBINSON] because of official business, and that the Senator from Kentucky [Mr. JAMES] is absent, his absence being occasioned by personal illness.

Mr. PHELAN. I desire to announce that the Senator from Arizona [Mr. SMITH] is absent on official business.

The PRESIDENT pro tempore. Sixty-three Senators have answered to their names. There is a quorum present. The Secretary will state the amendment remaining for concurrence.

The SECRETARY. The Senate, as in Committee of the Whole, struck out from line 20, on page 14, to line 3, inclusive, on page 15, in the following words:

For salary of one member of the permanent committee of the International Institute of Agriculture for the calendar year 1919, $3,600.
For the payment of the quota of the United States for the cost of translating into and printing in the English language the publications of the International Institute of Agriculture at Rome, $5,000.
Total, $16,600.

Mr. FLETCHER. Mr. President, I shall not detain the Senate by any further discussion of this matter as far as I am concerned. There are really two amendments embraced in one. We voted on the two together. They could be separated, and perhaps it would be better to separate them, but I would just as soon vote on them together. If one goes out, the other might as well follow. I repeat that I believe it would be a great mistake to cut off this salary to our representative at the International Agricultural Institute in Rome. I think it would be an equally great mistake to fail to appropriate our proportion to the expense of translating the reports into English. I think the committee amendment ought not to be agreed to.

Mr. GALLINGER. Mr. President, like the Senator from Florida, I have no disposition to prolong this discussion, but I will venture to suggest that I trust the action taken by the Senate in Committee of the Whole will be adhered to and that the amendment will be concurred in by the Senate.

Mr. KNOX. Mr. President, I have no desire to repeat what I have already said in regard to this matter, but perhaps there are many Senators here who were not present at the time that I spoke, and I will merely advert to the reasons why I think it would be a very great mistake to adopt the amendment as proposed by the committee and strike out these two trifling sums—one amounting to $3,600 and the other amounting to $5,000—in this portion of the bill.

Those who are familiar with the Agricultural Institute at Rome know that it was the conception of a brilliant American citizen—the establishment of a great international institute to perform the functions of an international agricultural clearing house. Of course there are many of us who do not know much about the details of the operation of this institute. It appealed to the King of Italy when it was presented to him, although it had been presented to other Governments. He has shown the greatest personal interest in the workings of the institute. They have erected a splendid building in Rome to house it. Fifty-two nations of the world have cooperated in its maintenance; we among the others. While this bill proposes to continue the appropriation of $8,000 a year to help maintain it, it proposes to withdraw the representative whom the United States has had to represent it in the institute by sriking out the appropriation of $3,600 for his salary. It also proposes to withdraw our contribution made with Great Britain of $10,000 a year to translate the proceedings from the French language to the English language, so that the people of the United States, or those who are interested in the subject, may have access to the proceedings of the institute.

I say to you, Senators, that there are many people who take the keenest interest in the work of this institute. I recall within the last few days reading one of the volumes of H. G. Wells, the modern, brilliant British writer, who has written so eloquently and so clearly upon the war, a most extraordinary encomium of Mr. Lubin, through whose energies, and largely by whose fortune, this institution was established, and who is to-day its beau energes.

I trust Senators will not for the paltry sum of $8,600 allow the United States to turn its back upon those countries with whom it has been cooperating in the past.

Mr. SHEPPARD. Mr. President, I join with the Senator from Pennsylvania [Mr. KNOX] and others in expressing the earnest hope that this appropriation will be retained and that Mr. Lubin's salary will be continued. Mr. Lubin conceived the idea of the International Institute of Agriculture at Rome, an institution the duty of which is to collect agricultural statistics throughout the world, and in that way to give a connected idea of world conditions in agriculture. He is a man of wide vision and comprehensive ability.

This salary will hardly begin to pay his expenses. He is a man of large means, as well as a man of unusual intellectual capacity. He is serving his fellow man at a distinct sacrifice. I do not know of any institution that contributes more materially to the advancement of the world or a feeling of more genuine world brotherhood than this International Institute of Agriculture. I trust that the appropriation will be continued.

Mr. WILLIAMS. Mr. President, I think just about 15 or 20 years ago I first talked with Mr. Lubin, and I found out within two or three weeks after I met him that he was a man of no extraordinary ability at all; that he was a man who wanted to figure in the limelight, in which he has figured ever since. If this amendment cuts off the appropriation for Mr. Lubin to represent, or to claim to represent, the United States at Rome in an agricultural institute of some sort I hope it will pass. My own private opinion is that Mr. Lubin furnishes no ability of any description, except a little idealism that amounts to very little.

The Senator from Texas [Mr. SHEPPARD] says that he is a man of very large means, and all that. I do not know anything

about that, but if he is he might volunteer to serve at a dollar a year, like a good many other people of large means without very much ability have already resolved to do and have already engaged themselves for.

I have been watching for a great many years Mr. Lubin's course. The first time that I ever heard of him he came to the Agricultural Committee of the House of Representatives, suggesting that we put a duty on agricultural exports in order to control a great many things. He was so ignorant that he did not know that the Federal Government did not have the power to put a duty upon exports. Then soon after that he suggested a bounty upon agricultural exports. The gentleman from New York, the father of the present Senator from that State [Mr. WADSWORTH], and I had a very careful hearing from Mr. Lubin. Mr. Lubin exploited his two great ideas of rejuvenating the universe, especially on its agricultural side. He did not excite the anticipatory aspirations of either one of us to a very great extent. So far as I am concerned he has not excited mine even yet.

The agricultural institute at Rome is a very important institution and ought to be continued.

Mr. SHEPPARD. It was Mr. Lubin's idea.

Mr. WILLIAMS. There ought to be somebody in control and command of it who has practical ideas.

Mr. SHEPPARD. Mr. Lubin originated the idea of an agricultural institute at Rome.

Mr. WILLIAMS. The Senator from Texas tells me that Mr. Lubin originated the idea. That I neither deny nor affirm, because the question of an agricultural institute at Rome was very unimportant, provided there was an agricultural institute somewhere. Mr. Lubin preferred to go to Rome and he preferred to have it at Rome.

So far as I know anything about Mr. Lubin, 15 or 20 years ago in the House of Representatives and 3 or 4 years ago, when he came here to Washington and summoned Senators to his room in his apartment down here, amongst whom I was summoned as one, I have never found that Mr. Lubin had ever an approach to a shadow of a shade of an approximation of common sense [laughter], and he has not got it yet, so far as I know.

Mr. SHEPPARD. Mr. President, may I make a suggestion to the Senator?

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Texas?

Mr. WILLIAMS. Yes.

Mr. SHEPPARD. I want to suggest the fact that Mr. Lubin sent for the Senator from Mississippi as an indication of his unusual ability and knowledge of human nature. [Laughter.]

Mr. WILLIAMS. I deny that. That was a mere accidental violation of Lubin's usual performance. [Laughter.] Of course, the fact that the Senator from Mississippi was sent for might have been a tribute to anybody who sent for him on purpose and with the deliberate intent and with a knowledge of what the Senator from Mississippi meant and intended and thought, but Mr. Lubin never even had that much knowledge of the Senator from Mississippi. Of course, he had no knowledge of America, and not much of the world outside. Now he has gone over to Rome——

Mr. OVERMAN. Mr. President——

Mr. WILLIAMS. Wait a moment—at the head of that institute and has sent some very valuable reports back to America, or his institute has sent them. We paid for it all.

He is a man of large means, the Senator from Texas tells me. I never did connect in my mind the idea of intelligence with large means. [Laughter.] Sometimes a man of large means has intelligence, and sometimes a blamed fool has large means [laughter], but I never connected the two ideas together in all my life. I do not think Mr. Lubin is temperamentally or patriotically or otherwise fitted to represent the United States anywhere at any time, from my knowledge of him.

I met him down here at the Raleigh Hotel. He called a meeting there of Senators, of Representatives, and of various other people. I had a very intimate conversation with him. He began to tell me all about what Germany was and what Germany meant. Of course, I knew more in a minute about what Germany was and about what Germany meant, after my course of study over there for a long time, than he knew after his three weeks' travel through the German Empire.

I listened to him very patiently, of course, and very politely and very courteously; but he made the impression upon me at that time of rather being caught with German camouflage. I said nothing about it; I did not prolong the discussion with him; but my private opinion of Mr. Lubin is that he is not worth a snap of the finger to the American Government at any place in the world. He may be worth a dollar a year; and if he is a man of large means and very full of receptivity and very immense idealism, and a few other things of that sort—I will not exhaust the dictionary—if he is all that, let him serve at a dollar a year as a man from the Golden Coast ought to serve the American Republic; but even serving at a dollar a year, let us put somebody else in as the active agent of American agriculture in Europe, and do not let us put Mr. Lubin in, whose original idea was to tax agricultural exports from America and, after that, to put a bounty upon them.

Mr. OVERMAN. I want to ask the Senator——

Mr. WILLIAMS. One moment. Mr. President, if there is one thing in the world of which I disapprove——

Mr. OVERMAN. I want to ask what is Mr. Lubin's nationality; and if he is the inventor of Lubin's face powder? [Laughter.]

Mr. WILLIAMS. I do not know; but I imagine from what I know of him that he is not the inventor of a face powder. He could have been the inventor of a "faith" powder very naturally from his temperament.

He is a good, honest, straight, square fellow, somewhat of a fanatic about the things he is talking about, a bit of a radical, and all that. He is the sort of a man that one would meet very pleasantly in a hotel room or at a banquet board, but he is of absolutely no utility to anybody anywhere, unless he gets rid of a great many false economic notions that he has. One of them is that he can control the trade of the world by a bounty upon agricultural exports. Of course, a bounty always comes back to plague the farmer at whose expense the bounty is granted. Is he really the inventor of Lubin's face powder?

Mr. OVERMAN. I do not know; I merely made the inquiry.

Mr. WILLIAMS. Well, he might have needed Lubin's face powder now and then, upon the general principle that people need to save their faces, as the Chinese say, and to camouflage themselves now and then for purposes of disguise.

Mr. Lubin never intended to farm the farmer rather than to farm the farm. He is as far from that as is the Senator from Texas or as I am, and probably farther from it than I am; but, all the same, his general international activities have not, in my opinion, been sufficiently national; they have been largely too international; and I am not putting up right now with any degree of patience with the men who are urging internationalism; I am urging nationalism with all that stands behind it.

Mr. President, I did not intend to make these remarks, and I would not have made them except for the fact that my mind went back to the first time that I ever met Mr. Lubin, when he appeared before the Agricultural Committee of the other House about 30 years ago and made himself absolutely ridiculous in the opinion of the then chairman of the committee, Mr. Wadsworth, who, as I have said, was the father of the present Senator from New York, and in the opinion of, I think, 13 out of the 15 members of that committee at that time by proposing an export duty upon agricultural products. Now, what do you think about a man who has arrived at the age of maturity—and he must then have been about 35 years of age—and who has not sufficient knowledge of American institutions to know that the Federal Government can not put a duty upon exports?

Mr. JOHNSON of California. Mr. President, I happen to know the gentleman who has been the subject of the diatribe of the Senator from Mississippi [Mr. WILLIAMS], and I have known him during all my life. I would not claim for Mr. David Lubin the perspicacity, or the acumen, or the ability, or the insight, or the logic, or some of the other qualifications or characteristics of the distinguished Senator from Mississippi; but I do say to him and I say to the Senate that David Lubin is a man who has devoted his entire life to philanthropy. It is true he had a very considerable fortune, and that very considerable fortune has been devoted entirely in the endeavor, mistaken though it may be considered by the Senator from Mississippi, to benefit human kind; and Mr. David Lubin to-day is the one man who established the International Institute of Agriculture at Rome.

If there be any virtue or any value in this International Institue of Agriculture, the credit is due to Lubin. Lubin commenced in the face of obstacles that would have deterred any less stout-hearted man; he overcame difficulties that would have rendered the task impossible to any man who was less persevering and less pertinacious. He went forward with unselfishness and devotion to an ideal—however distorted or misplaced the Senator from Mississippi may think it—that was his in relation to the farmers of all the world, until he established by his own unaided efforts the International Institute of Agriculture in the city of Rome. It is true that it is established in the city of Rome, but the United States of America is a part of it, an American is the head of it, and the American who established it and the American who is the head of it is the American who has just been so foully abused upon the floor of the Senate.

If he had done nothing else in the course of his life than to devote it to this one cause of aiding his fellow men, to doing something of good to the farmers of his country and of all the world, as he has done, he would have deserved, if not the praise, at least the silence of those who might not agree with him.

Mr. WILLIAMS. Mr. President——

Mr. JOHNSON of California. I yield to the Senator; that is, I yield to a question or to any correction that the Senator may desire to make.

Mr. WILLIAMS. As I caught the language of the Senator from California, he accuses me of foully abusing Mr. Lubin, and, as I caught——

Mr. JOHNSON of California. Mr. President, I will withdraw the adverb.

Mr. WILLIAMS. Mr. President, I should further like the Senator from California to withdraw the word "abuse"——

Mr. JOHNSON of California. I will not, sir.

Mr. WILLIAMS. Because I did not abuse Mr. Lubin. I paid a high tribute to him personally as a man of character and honesty.

Mr. JOHNSON of California. Mr. President——

Mr. WILLIAMS. I merely took him in his official position and said he was not the man to fill this place.

Mr. JOHNSON of California. Mr. President, on the contrary, the Senator from Mississippi described him as a man without common sense; he described him as a man who had no conception of what he was endeavoring to do. I am not speaking with exactness as to the Senator's language——

Mr. WILLIAMS. I think not.

Mr. JOHNSON of California. But I am speaking of it with substantial accuracy. He described him as camouflaging himself with relation to Germany and German things, unless I misunderstood the language that was employed by the Senator from Mississippi, and I draw but one inference from that sort of language, and that inference, it seems to me, is legitimately covered by the word "abuse."

Mr. WILLIAMS. Mr. President, I want to say that if the imagination of the Senator from California in his general relationship to all questions is to be represented by the degree of his imagination now with regard to what I have said, I leave that to him, and I leave what I have said in the RECORD, and I hope he will leave what he has said in the RECORD, because he has said nothing that at this moment is justified by anything that I have said.

Mr. JOHNSON of California. Mr. President, the Senator from Mississippi may rest quite content; I will leave in the RECORD exactly what I have said, exactly as he leaves in the RECORD what he has said, and the RECORD may stand in that regard.

Now, let us see what is suggested here? It is suggested that an appropriation of some $8,000 shall be stricken from a bill which carries $8,000,000, and all this discussion ranges about items involving just $8,000—$8,000 for what is conceded to be a worthy object and what is conceded to be an institution deserving of some sort of consideration at our hands. How small and petty it seems that that $8,000 should be stricken from the bill.

But I want to make plain, Mr. President, that I am not particularly concerned with the appropriation at all; I am concerned as to what was said about a man whom I have known all my life, and who I know does not deserve what has been said about him by the Senator from Mississippi, and I would be wanting indeed—even though it comes from the Senator from Mississippi—if I did not, when I know this man and have known him from my youth and during all my manhood, stand here and say to you, Mr. President, and to the Senate of the United States that David Lubin is a citizen of this country of whom we may well be proud, who represents the highest type that there is of American citizenship, who has devoted his life unselfishly and patriotically to the benefit of humankind and his fellow men, and who has followed his path, expending his fortune, his effort, and his health in endeavoring to do while he is upon this sphere some little of good to those about him.

Mr. WILLIAMS. Mr. President, of course, any man may make an argument for an appropriation of $8,000 that is presented in any appropriation bill, if he bases his argument upon the fact that $8,000 is a very small percentage of the billions that we are now spending; but, with all due deference to the Senator from California, that is not the question. Nobody is talking about the percentage of Lubin's salary as compared to the millions of money that we are spending to carry on this war and to subsidize our allies. Anybody might, in the case of an ordinary appropriation to increase a salary in the War Department from $100 to $200 a month, argue that it was a very small percentage of the immense amount now being spent by the United States Government; but that would not argue for the maker of it very much intelligence; it would argue a very great mistake of proportion and of viewpoint with regard to the present condition of things throughout the world. The question is as to whether or not Mr. Lubin is worth his salary.

The Senator from California goes on to accuse me of abusing Mr. Lubin. I have not done that; on the contrary, I have said that Mr. Lubin is a most pleasant sort of fellow to meet, and a very nice sort of a man, but is simply in the wrong niche; and is in the wrong niche because he had not studied American institutions enough to know, in the first place, when he first started on this game, that there was no constitutional power resting in the Federal Government to put a duty upon exports. I contend that any man who reaches the age of 30 or 35 who is so absolutely ignorant of the Constitution of his own country as to imagine that Congress has a right to put a duty upon exports, is unfit for public employment anywhere at any time, because of pure, unadulterated ignorance.

Mr. KNOX. Mr. President, may I ask the Senator a question?

Mr. WILLIAMS. Yes.

Mr. KNOX. Has the Senator not observed in his own experience that constitutional questions have arisen on the floor of the Senate and also in the other House, involving questions with which Members were not familiar and necessitating reference to sections and provisions of the Constitution of which they had no knowledge? I have heard such confessions time and time again.

Mr. WILLIAMS. Oh, Mr. President, I have witnessed that very frequently, but this is the first time that I have ever known of any man who wanted to be in the limelight as a representative of the United States who did not know that the United States could not put a tax upon exports. I heard here one day upon the floor of the Senate a very learned Senator, who thought himself a great lawyer, and who was thought by several other Senators to be a great lawyer, contending that the United States Government had no right to draft men to go abroad in order to fight for the American Republic. I have heard a great many very absurd propositions propounded upon this floor; but I am not now calling attention to a doubtful question or a quasi-doubtful question or a remotely doubtful question or a dreamily doubtful question or a visionarily doubtful question; I am calling attention to the fact that the first advent of Lubin in public life was in an attempt to fix an export duty upon agricultural products; that is all; and if Lubin did not know any better, all Lubin had to do was to go to the nearest village lawyer and find out.

Now, that is the way Lubin started; and as far as I can learn, Lubin has not gotten over about half a mile beyond where he started.

The PRESIDENT pro tempore. The question is on concurring in the amendment made as in Committee of the Whole.

Mr. FLETCHER. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. SUTHERLAND (when Mr. GOFF's name was called). I announce the unavoidable absence of my colleague [Mr. GOFF] on account of illness.

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN], who is absent. I therefore withhold my vote. If I were at liberty to vote, I would vote "nay."

Mr. OVERMAN (when Mr. SIMMONS's name was called). I wish to announce that my colleague [Mr. SIMMONS] is unavoidably absent on account of business.

Mr. SMITH of Michigan (when his name was called). Has the junior Senator from Missouri [Mr. REED] voted?

The PRESIDENT pro tempore. He has not.

Mr. SMITH of Michigan. I have a pair with that Senator and therefore withhold my vote.

Mr. WEEKS (when his name was called). I transfer my pair with the senior Senator from Kentucky [Mr. JAMES] to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "nay."

Mr. WILLIAMS (when his name was called). I have a standing pair with the senior Senator from Pennsylvania [Mr. PENROSE], who is necessarily absent from the Chamber. I transfer that pair to the senior Senator from Arizona [Mr. ASHURST] and vote "yea."

The roll call was concluded.

Mr. LEWIS. I announce the absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Kentucky [Mr. BECKHAM] on official business.

Mr. GERRY (after having voted in the affirmative). Has the junior Senator from New York [Mr. CALDER] voted?

The PRESIDENT pro tempore. He has not.

Mr. GERRY. I have a general pair with the junior Senator from New York. I transfer that pair to the junior Senator from New Hampshire [Mr. HOLLIS] and will let my vote stand.

Mr. TILLMAN. I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

Mr. FRELINGHUYSEN (after having voted in the negative). I have a general pair with the junior Senator from Montana [Mr. WALSH]. I notice that he is not in the Chamber. I voted under a misapprehension, and therefore withdraw my vote.

Mr. KELLOGG (after having voted in the negative). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. I transfer that pair to the senior Senator from Minnesota [Mr. NELSON] and will let my vote stand.

Mr. KNOX. I transfer my pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] to the junior Senator from Illinois [Mr. SHERMAN] and vote "nay."

Mr. JOHNSON of South Dakota. I have a pair with the senior Senator from Maine [Mr. FERNALD], and therefore withhold my vote.

Mr. MCKELLAR. I wish to announce the unavoidable absence of my colleague [Mr. SHIELDS] on official business.

Mr. CURTIS. I desire to announce that the Senator from New Jersey [Mr. BAIRD] is paired with the Senator from Nevada [Mr. HENDERSON] and that the Senator from Maryland [Mr. FRANCE] is paired with the Senator from Nebraska [Mr. HITCHCOCK].

I have also been requested to announce the following pairs:

The Senator from Massachusetts [Mr. LODGE] with the Senator from Georgia [Mr. SMITH]; and

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS].

The result was announced—yeas 26, nays 28, as follows:

YEAS—26.

Bankhead	Kenyon	Pomerene	Townsend
Borah	King	Saulsbury	Wadsworth
Curtis	Kirby	Smith, Ariz.	Warren
Gallinger	Martin	Smith, Md.	Williams
Gerry	Norris	Smoot	Wolcott
Hardwick	Overman	Thomas.	
Jones, Wash.	Page	Tillman	

NAYS—28.

Colt	Knox	Phelan	Sutherland
Dillingham	Lewis	Pittman	Swanson
Fletcher	McCumber	Poindexter	Thompson
Hale	McKellar	Ransdell	Trammell
Johnson, Cal.	McNary	Shafroth	Vardaman
Kellogg	New	Sheppard	Watson
Kendrick	Nugent	Stone	Weeks

NOT VOTING—41.

Ashurst	France	Jones, N. Mex.	Shields
Baird	Frelinghuysen	La Follette	Simmons
Beckham	Goff	Lodge	Smith, Ga.
Brandegee	Gore	McLean	Smith, Mich.
Broussard	Gronna	Myers	Smith, S. C.
Calder	Harding	Nelson	Sterling
Chamberlain	Henderson	Owen	Underwood
Culberson	Hitchcock	Penrose	Walsh
Cummins	Hollis	Reed	
Fall	James	Robinson	
Fernald	Johnson, S. Dak.	Sherman	

So the amendment made as in Committee of the Whole was nonconcurred in.

The PRESIDENT pro tempore. The bill is still in the Senate and open to amendment. If there be no further amendment to be proposed, the question is, Shall the amendments be engrossed and the bill be read a third time?

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill was read the third time and passed.

URGENT DEFICIENCY APPROPRIATIONS.

Mr. MARTIN. I move that the Senate proceed to the consideration of the urgent deficiency appropriation bill.

Mr. THOMAS. Mr. President——

Mr. SMITH of Maryland. Mr. President, I ask the Senator from Virginia to yield to me.

Mr. MARTIN. I yield to the Senator from Maryland.

The PRESIDENT pro tempore. The Senator from Maryland.

Mr. SMITH of Maryland. I desire to make a favorable report from the Committee on the District of Columbia——

The PRESIDENT pro tempore. The Senator from Virginia [Mr. MARTIN] moves that the Senate proceed to the consideration of the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes. All in favor of that motion will say "aye." [A pause.] Those opposed will say "no." [A pause.]

Mr. THOMAS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. The Chair must decide the question.

Mr. THOMAS. Well, Mr. President, I attempted to obtain recognition before the question was put.

The PRESIDENT pro tempore. The Chair was addressed by so many Senators that he could not hear the Senator from Colorado.

Mr. MARTIN. I yield to the Senator from Colorado.

Mr. THOMAS. I merely wanted to have a House bill, which was sent over this morning, referred to the Military Affairs Committee. It is House bill 9352.

The PRESIDENT pro tempore. The motion is not now in order. The Chair must be enabled to decide a vote, when a question is put, without another motion being made. The question is, Shall the Senate proceed to the consideration of the bill named?

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

The PRESIDENT pro tempore. The Chair had recognized the Senator from Maryland. Does the Senator from Virginia yield to the Senator from Maryland?

Mr. MARTIN. I yield to the Senator from Maryland for the purpose he has indicated.

EXTENSION OF SPUR TRACK IN DISTRICT OF COLUMBIA.

Mr. SMITH of Maryland. Mr. President, I desire to make a favorable report (S. Rept. No. 309) from the Committee on the District of Columbia of Senate bill 3476, and I ask for its present consideration. It will take only a minute. The bill has been thoroughly investigated, and the fact is that I want a vote upon it, for the reason that every day that is lost means an expense of $300 to the Government. It is a very short bill, and I hope there will be no opposition.

Mr. THOMAS. Mr. President——

The PRESIDENT pro tempore. The Chair will say that the urgent deficiency appropriation bill, which has just been laid before the Senate, has precedence, but of course the Senate can change the order. Does the Senator ask unanimous consent, or does he move that that be done?

Mr. SMITH of Maryland. I ask unanimous consent.

Mr. THOMAS. Mr. President, let the bill be stated.

The PRESIDENT pro tempore. The Senator from Maryland asks unanimous consent that the Senate proceed to the consideration of a bill the title of which will be stated.

The SECRETARY. From the Committee on the District of Columbia the Senator from Maryland reports favorably the bill (S. 3476) to authorize the extension of a spur track or siding from the existing lines of railroad in the District of Columbia across First Street NE., between L and M Streets, to the buildings occupied by the field medical supply depot of the Army.

The PRESIDENT pro tempore. Is there objection?

Mr. POINDEXTER and Mr. NEW addressed the Chair.

Mr. SMITH of Maryland. The question of taking up the bill has not been disposed of, and I will say to the Senators that I ask for the disposition of the request for unanimous consent.

Mr. POINDEXTER and other Senators addressed the Chair.

The PRESIDENT pro tempore. So many Senators are addressing the Chair that it is difficult for the Chair to tell whom to recognize. Does the Senator from Maryland yield to the Senator from Washington?

Mr. POINDEXTER. Mr. President, I do not ask the Senator from Maryland to yield to me. The Senator asked for unanimous consent——

The PRESIDENT pro tempore. The Senator from Washington was addressing the Chair at the time the Chair made the inquiry.

Mr. SMITH of Maryland. I do ask unanimous consent.

Mr. POINDEXTER (continuing). And I understand that when a Senator asks unanimous consent the Senate has a right to either give or refuse it. Before doing that, I should like to inquire if this is the bill that was introduced by the senior Senator from Oregon [Mr. CHAMBERLAIN]?

Mr. SMITH of Maryland. It is a substitute for that bill. I will say to the Senator that the committee made an investigation of the facts connected with this matter and agreed to report a substitute for the bill. It is really a substitute which has been reported unanimously by the committee.

Mr. POINDEXTER. There was a bill on the subject covered by this bill to which there were a great many objections on account of the damage it would do to a hospital.

Mr. SMITH of Maryland. I will say to the Senator that I think all of those objections are removed in this bill. This track is to be only temporary, during the existence of the war and six months thereafter, and is to be used only for the pur-

pose of transporting medical supplies; and the passage of the bill will result in a saving to the Government of $300 a day. It is very important that the bill should be considered at once in order that the Government may have the benefit of this saving.

Mr. WILLIAMS. Also, as I understand, the cars do not run at night.

Mr. SMITH of Maryland. They do not run at night except in extreme emergency, and they do not run within 569 feet of the hospital; and intervening between the track and the Sibley Hospital there are large numbers of houses much higher than the Sibley Hospital.

Mr. POINDEXTER. Mr. President, I am exceedingly gratified to know that there is anybody who wants to save the Government $300 a day. It is quite refreshing.

Mr. SMITH of Maryland. It amounts to at least $100,000 a year. It has been costing the Government $300 a day to truck these supplies from there to the cars in order to be shipped. Not only that, but there was one ship that was delayed on account of inability to get the supplies to the ship.

Mr. POINDEXTER. Is this in the interest of the efficient conduct of Government business?

Mr. SMITH of Maryland. Absolutely. That is the reason why the bill has been reported.

Mr. GALLINGER. Mr. President, will the Senator permit me to ask him a question?

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from New Hampshire?

Mr. SMITH of Maryland. I do.

Mr. GALLINGER. The Senator has stated the distance between these tracks and Sibley Hospital. Is that distance greater than it was in the original bill, concerning which they protested most vigorously?

Mr. SMITH of Maryland. I am not able to say about that. It is 569 feet and 9 inches from the hospital, and the locomotive will be the length of seven or eight cars distant from that.

Mr. GALLINGER. I have had letters from the hospital authorities protesting against it.

Mr. SMITH of Maryland. Not only that, but this track is to be used only for the transportation of medical supplies by the Government, and it is to be there only during the term of the war and six months thereafter. It is to be removed by the Government, at Government expense, at the expiration of that time.

Mr. GALLINGER. I want to say this word for Sibley Hospital: I am not antagonizing the bill just now, but I want to get the facts. Sibley Hospital is the only hospital in the District of Columbia that has never asked the Government to make an appropriation. The Methodist Church have taken care of it, and they were up in arms against this bill when it was first introduced. I know nothing further than that.

Mr. SMITH of Maryland. I will say to the Senator from New Hampshire that the members of the committee who were taking the part of Sibley Hospital have agreed to this unanimously; and there is on record there a statement showing the object of the extension and what will be done with it six months after the war is over.

Mr. SMOOT. Mr. President, I want to say to the Senator that I have received at least a hundred letters of protest in this connection from churches and from individuals in my State.

Mr. POINDEXTER. Mr. President, how many inches did the Senator from Maryland say the track would be from the hospital?

Mr. SMITH of Maryland. Five hundred and sixty-nine feet and nine inches. It is only to be used in the daytime and only for the benefit of the Government, and the tracks are to be put down and taken up at the expense of the Medical Department six months after the close of the war.

Mr. POINDEXTER. Mr. President, I do not desire in any way unnecessarily or improperly to interfere with any just arrangement as to the switching or railroad service in the city, but there have been a number of protests in regard to this measure from people whose protests are entitled to consideration.

Mr. SMITH of Maryland. I want to say to the Senator that we gave them all a hearing. We had a hearing before our committee, and they were heard pro and con.

Mr. POINDEXTER. It is very late in the day, Mr. President, and there could not be anything saved by considering the bill to-day. I should be glad if the Senator would allow the bill to go over until Monday morning, so that we may have an opportunity to examine it.

Mr. SMITH of Maryland. I can not prevent that, but it will amount to $300 for every day's delay.

The PRESIDENT pro tempore. Objection is made, and the bill will go to the calendar.

CASUALTY LISTS OF AMERICAN EXPEDITIONARY FORCES.

Mr. NEW. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Indiana?

Mr. MARTIN. I yield to the Senator for a moment. I know that his motion will encounter objection, and that will dispose of it, so I yield for a moment.

The PRESIDENT pro tempore. The Senator from Indiana.

Mr. NEW. I send to the desk a resolution, which I ask may be read.

The PRESIDENT pro tempore. The resolution will be read.

The Secretary read the resolution (S. Res. 211), as follows:

Whereas it has been stated in the public press of this date that the War Department, in publishing the casualty lists of the American Expeditionary Forces now abroad, will hereafter gives names of soldiers only, withholding announcement of their residence and next of kin: Therefore be it

Resolved, That the War Department be requested to inform the Senate if such an order has been issued, together with the reasons for it, if not inconsistent with the interests of the service.

Mr. WILLIAMS and Mr. NEW addressed the Chair.

The PRESIDENT pro tempore. The Senator from Mississippi.

Mr. WILLIAMS. Mr. President, does this require unanimous consent?

The PRESIDENT pro tempore. Unanimous consent has been asked.

Mr. WILLIAMS. Then I object.

The PRESIDENT pro tempore. Objection is made. The resolution will go over under the rule.

URGENT DEFICIENCY APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

Mr. MARTIN. I ask that the formal reading of the bill be dispensed with, and that the bill be read for amendments, the committee amendments to be first considered.

The PRESIDENT pro tempore. Without objection, that will be the order.

Mr. KENYON. Mr. President, I should like to ask the chairman of the committee if he proposes to proceed with the consideration of this bill to-night?

Mr. MARTIN. I thought we could make some headway. I have very little hope of making very much, however, as it is about 5 o'clock.

Mr. KENYON. I am quite willing to have that done, but I insist that if we go ahead we must have order. This is an important bill, and some of us would like to know something about it.

The PRESIDENT pro tempore. The Chair will try to preserve order, but if Senators remain standing he can not even tell who desires to be recognized. The Senate will be in order. The Secretary will read the bill.

The Secretary proceeded to read the bill.

The first amendment of the Committee on Appropriations was under the head of "United States Employees' Compensation Commission," on page 3, line 24, after the word "expenses," to strike out "$20,000" and insert "$37,000," so as to make the clause read:

For salaries of the commissioners, assistants, clerks, and other employees; traveling expenses; expenses of medical examinations; reasonable traveling and other expenses and loss of wages payable to employees under section 21; rent in the District of Columbia and equipment of offices; not exceeding $250 for professional and scientific books, law books, books of reference, and periodicals; stationery, and other supplies; printing and binding to be done at the Government Printing Office; and other necessary expenses, $37,000.

The amendment was agreed to.

Mr. MARTIN. Mr. President, there is a committee amendment to come in after line 9, on page 2. It is a committee amendment, though it has not been printed in the bill.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. After line 9, on page 2, under the heading "Alien Property Custodian," it is proposed to insert the following:

The President is hereby authorized to acquire the title to the docks, piers, warehouses, wharves, and terminal equipment and facilities on the Hudson River now owned by the North German Lloyd Dock Co. and the Hamburg-American Terminal & Navigation Co., two corpora-

tions of the State of New Jersey, if he shall deem it necessary for the national security and defense: *Provided*, That if such property can not be procured by purchase, then the President is authorized and empowered to take over for the United States the immediate possession and title thereof. That if any such property shall be taken over as aforesaid, the United States shall make just compensation therefor, to be determined by the President, and if the amount thereof, so determined by the President, is unsatisfactory to the person entitled to receive the same, such person shall be paid 75 per cent of the amount so determined by the President and shall be entitled to sue the United States to recover such further sum as, added to the said 75 per cent, will make up such amount as will be just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code. Upon the taking over of said property by the President, as aforesaid, the title to all such property so taken over shall immediately vest in the United States: *Provided further*, That section 355 of the Revised Statutes of the United States shall not apply to any expenditures herein or hereafter authorized in connection with the property acquired.

Mr. REED. Mr. President, I should like to inquire on what page of the bill that amendment comes?

The PRESIDENT pro tempore. On page 2, after line 9.

Mr. MARTIN. I will say to the Senator that the amendment is not printed in the bill.

Mr. REED. I wish to suggest an amendment to that amendment. I had it marked here. I will ask to have the amendment sent to me.

Mr. STONE. Mr. President, I should like to inquire of the chairman why the amendment is not printed in the bill. It is a very important provision.

Mr. MARTIN. It is a very important provision, but it is embraced in a very narrow scope, and it did not reach the attention of the committee until the bill had been printed; but its urgency was such that the committee considered it, and I have been instructed to report it to the Senate as a committee amendment.

Mr. STONE. Would it not be advisable to have it printed and let it go over until Monday?

Mr. MARTIN. I will say in addition, Mr. President, that the President of the United States sent this amendment to me, and made the special request that it be incorporated in this bill and passed as speedily as possible.

Mr. STONE. It can not be passed until the bill is passed. It is offered as a part of the bill. I should like to have an opportunity to examine the amendment, and I should like to have it go over until Monday.

Mr. MARTIN. Mr. President, I shall not insist on pressing this matter to-night. Nearly every item in the bill is of urgent importance. I was exceedingly anxious to make some headway with the bill, and especially with this amendment, particularly because every fact and every reason connected with the amendment can be stated in about six minutes. In view of the protests that are being made against its consideration, however, I move that the Senate take a recess until——

Mr. UNDERWOOD. Mr. President——

Mr. STONE. I do not wish to be put in the attitude of protesting against the amendment, or objecting to it, or antagonizing it. That is hardly fair. What I say is that an amendment of this importance ought to be printed in some way so that Senators may have an opportunity to examine it.

Mr. WILLIAMS. The Senator knows all about it.

Mr. STONE. I do not know a thing about it, except as it was read here.

Mr. UNDERWOOD. Mr. President, if the Senator will allow me, I should like to say, in the time of my colleague on the committee, that the amendment has already been printed in amendment form. When it was reported back by the committee, this amendment and a subsequent amendment covering the same subject were both printed, and are available now. It is not printed as a part of the bill, but is printed as a committee amendment, and it is available now if the Senator desires to examine it.

Mr. STONE. I simply wish to submit to the Senator from Alabama that no time will be lost, if we are going to adjourn—it is time for adjournment now—by letting it lie over until Monday morning, so that it can be examined. That is all I ask.

Mr. UNDERWOOD. I rose for the purpose of suggesting to the chairman of the committee that as there is another amendment of similar import, I would ask if, before adjournment, he would request that that amendment be printed in the RECORD, as well as this one, so that there might be full information on Monday.

Mr. GALLINGER. Mr. President, I suggest that both the amendment the Senator has offered and another one on the same subject be printed in the RECORD, and also be printed in amendment form, so that we may see them.

Mr. MARTIN. I am glad to adopt the suggestion. I offer the second amendment to which the Senators have referred, and I ask that both of them may be printed in the RECORD, and also in separate form.

Mr. GALLINGER. The other amendment need not be read.

The PRESIDENT pro tempore. Without objection, that course will be taken.

The second amendment submitted by Mr. MARTIN is as follows:

That section 12 of the "Trading with the enemy act" be, and hereby is, amended so as to read as follows:

"SEC. 12. That all moneys (including checks and drafts payable on demand) paid to or received by the alien property custodian pursuant to this act shall be deposited forthwith in the Treasury of the United States, and may be invested and reinvested by the Secretary of the Treasury in United States bonds or United States certicates of indebtedness, under such rules and regulations as the President shall prescribe for such deposit, investment, and sale of securities; and as soon after the end of the war as the President shall deem practicable, such securities shall be sold and the proceeds deposited in the Treasury.

"All other property of an enemy or ally of enemy conveyed, transferred, assigned, delivered, or paid to the alien property custodian hereunder shall be safely held and administered by him except as hereinafter provided; and the President is authorized to designate as a depositary or depositaries of property of an enemy or ally of enemy any bank, or banks, or trust company, or trust companies, or other suitable depositary or depositaries located and doing business in the United States. The alien property custodian may deposit with such designated depositary or depositaries, or with the Secretary of the Treasury, any stocks, bonds, notes, time drafts, time bills of exchange, or other securities, or property (except money or checks or drafts payable on demand which are required to be deposited with the Secretary of the Treasury) and such depositary or depositaries shall be authorized and empowered to collect any dividends or interest or income that may become due and any maturing obligations held for the account of such custodian. Any moneys collected on said account shall be paid and deposited forthwith by said depositary or by the alien property custodian into the Treasury of the United States as hereinbefore provided.

"The President shall require all such designated depositaries to execute and file bonds sufficient in his judgment to protect property on deposit, such bonds to be conditioned as he may direct.

"The alien-property custodian shall be vested with all of the powers of a common-law trustee in respect of all property other than money, which has been or shall be, or which has been or shall be required to be, conveyed, transferred, delivered, or paid over to him in pursuance of the provisions of this act, and, in addition thereto, acting under the supervision and direction of the President, and under such rules and regulations as the President shall prescribe, shall have power to manage such property and do any act or things in respect thereof or make any disposition thereof or of any part thereof, by sale or otherwise, and exercise any rights or powers which may be or become appurtenant thereto or to the ownership thereof in like manner as though he were the absolute owner thereof. It shall be the duty of every corporation incorporated within the United States and every unincorporated association, or company, or trustee, or trustees within the United States issuing shares or certificates representing beneficial interests to transfer such shares or certificates upon its, his, or their books into the name of the alien-property custodian upon demand, accompanied by the presentation of the certificates which represent such shares or beneficial interests. The alien-property custodian shall forthwith deposit in the Treasury of the United States, as hereinbefore provided, the proceeds of any such property or rights so sold by him.

"Any money or property required or authorized by the provisions of this act to be paid, conveyed, transferred, assigned, or delivered to the alien-property custodian shall, if said custodian shall so direct by written order, be paid, conveyed, transferred, assigned, or delivered to the Treasurer of the United States with the same effect as if to the alien-property custodian.

"After the end of the war any claim of any enemy or of an ally of enemy to any money or other property received and held by the alien-property custodian or deposited in the United States Treasury shall be settled as Congress shall direct: *Provided, however*, That on order of the President, as set forth in section 9 hereof, or of the court, as set forth in sections 9 and 10 hereof, the alien-property custodian or the Treasurer of the United States, as the case may be, shall forthwith convey, transfer, assign, and pay to the person to whom the President shall so order, or in whose behalf the court shall enter final judgment or decree, any property of an enemy or ally of enemy held by said custodian or by said Treasurer, so far as may be necessary to comply with said order of the President or said final judgment or decree of the court: *And provided further*, That the Treasurer of the United States, on order of the alien-property custodian, shall, as provided in section 10 hereof, repay to the licensee any funds deposited by said licensee."

Mr. MARTIN. Mr. President, before I make the motion for a recess, I will yield to Senators who have matters they desire to dispose of.

FURLOUGHS IN THE ARMY.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3471) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States, which was, in line 11, after "pursuits," to insert:

Provided, That such furloughs shall be granted only upon the voluntary application of such enlisted men under regulations to be prescribed by the Secretary of War.

Mr. FLETCHER. I move that the Senate concur in the amendment of the House.

Mr. WADSWORTH. May I ask a question of the acting chairman of the committee?

Mr. FLETCHER. The House amendment is indicated at the close of the bill, as the Senator will see. I think there can be no objection to it. It simply provides that the soldier shall make application for transfer.

Mr. WADSWORTH. Does the Senator feel certain that the House amendment would not bind the hands of the Secretary of War to such an extent that he could not grant a furlough to a man even if he wanted to?

Mr. FLETCHER. This simply involves the question of the wish of the enlisted man to be furloughed. It requires him to express himself upon it. If he makes an application it can be granted to him.

Mr. WADSWORTH. Please pause just a moment until I read it. [After a pause.] I will have no objection myself to it.

The amendment was concurred in.

CIVIL-SERVICE EXAMINATIONS.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 117) amending the act of July 2, 1909, governing the holding of civil-service examinations.

Mr. McKELLAR. I move that the Senate disagree to the amendments of the House and request a conference with the House on the disagreeing votes of the two Houses thereon, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the President pro tempore appointed Mr. McKELLAR, Mr. HOLLIS, and Mr. SMOOT conferees on the part of the Senate.

HOUSE BILLS REFERRED.

H. R. 9352. An act to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, was read twice by its title and referred to the Committee on Military Affairs.

H. R. 10477. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, was read twice by its title and referred to the Committee on Pensions.

WAR IN EUROPE.

Mr. WILLIAMS. Mr. President, comparatively recently there has been borne in on my mind a conviction of the absolute futility of further peace parleying at this time. In reenforcement of that view I have here an editorial from the New York Times of Wednesday, February 27, which I will not ask to be read, but which I ask be inserted in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The editorial is as follows:

[From the New York Times.]

FUTILE PARLEYING.

Democratic diplomacy, what Mr. Trotzky would call revolutionary diplomacy, as opposed to secret diplomacy, has degenerated into mere verbal jockeying in which further participation by self-respecting nations is impossible. The German chancellor, as ex-Ambassador Dumba admitted was the case with Count Czernin, is still talking to the peoples, not to the Governments, of the allies. It was evident that Mr. Wilson's most recent address to Congress was intended to have some effect upon the minds of the Austrian people. Further effort in that direction has been made hopeless by the complete triumph of German arms and German intrigues in Russia; and the American people, as well as the peoples of the other allied nations, receive von Hertling's bungling overtures with general contempt. Americans would be glad to see the end of these long-range parleyings.

While Mr. Wilson declared the war aims of the entente allies frankly, with manly straightforwardness, Count von Hertling in every restatement of German policy sinks to yet lower depths of evasion and ignoble trickery. In his latest utterance there is not a thought or a word that honestly responds to the addresses of the President to Congress or the speeches of Mr. Lloyd-George in the House of Commons. What avails it that the German chancellor declares his fundamental agreement "with the four principles" laid down in Mr. Wilson's address of February 11, when not only his other statements are at war with those principles, but the behavior of Germany in Russia shows that she categorically rejects all the principles laid down by President Wilson as fundamental? There is no Alsace-Lorraine question, says Count von Hertling, and withdrawal from Belgium must be upon terms which would leave that country in vassalage to Germany. Further interchanges of this nature with the political authorities of a power that flouts every principle of honor and decent dealing, and meets frank statements with fresh insults, is out of the question.

Mr. Wilson may take note of the German chancellor's words, but it should be only to expose the false and hollow nature of his pretended acceptance of the foundation principles. In his answer to the Pope's note Mr. Wilson declared that the German Government could not be trusted. In his address of February 11 he declared that "the method the German chancellor proposes is the method of the Congress of Vienna. We can not and will not return to that." Upon that occasion he said that America "can not see her way to peace until the causes of this war are removed, its renewals rendered, as nearly as may be, impossible." If he speaks again, it will be necessary for him, for reasons of still greater force, to denounce with increased emphasis the position of Germany. Forestalling the action of any peace congress, Germany seizes upon the western and Baltic territory of Russia, fully intending to control the whole of Russia as a means of fortifying herself to make war again, in her own good time, upon the civilized nations of the earth that entered this war fully resolved to destroy her military power in order that, in the President's words, the renewal of war by her might be made impossible.

There can be no peace, no hope of peace—there should be no talk of peace—until Germany has been compelled to get out of Russia altogether, to withdraw her troops from Belgium and the other lands she has overrun, to restore Alsace-Lorraine to France, and go under bonds of good behavior acceptable to the allies. Those are the unchangeable aims of the war, there can be no assured peace until they have been achieved. To attain them will demand of the allies that they make war in dead earnest. Wars are won by fighting, not by talking.

Mr. WILLIAMS. Mr. President, in furtherance of that same aim I want to put in an editorial from the New York World entitled "Time to end the peace talk." The date I forgot to note upon the margin.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York World.]

TIME TO END THE PEACE TALK.

Let us have an end to this prattle of peace, peace, when there is no peace that free men can accept.

We can have the peace of submission—for a time—by "acknowledging Germany's victory," by leaving the Kaiser supreme on the Continent of Europe and granting his "right" to commit unlimited murder on the sea, by bowing down to his own audacious claim that "nothing must happen anywhere on earth without the consent of the German Emperor."

We can have the peace of dishonor—for a time—by deserting Belgium, deserting France, deserting our own dead, by confessing that treaties are scraps of paper, that frightfulness, when practiced by Germany, is a beautiful thing, that the Kaiser has a perfect right to invade, trample, butcher, and enslave any country which displeases him.

We can have the peace of terror—for a time—waiting eagerly on the Kaiser's smile or frown, watching his slimy spies poison our morale and ruin our preparations without daring to thwart them, piling up taxes and armaments against the new Armageddon, giving up our domestic liberties one after the other to the iron needs of defense, and knowing all the while that that defense may prove in vain.

But we can not have a lasting peace, or one that would leave us free, unafraid, and willing to live with ourselves, until we make it on the ruins of kaiserism.

The task is not too great for our strength. It will not require from us the exertions which Britain and France have made already; it will not demand as great a proportionate sacrifice or effort as the country made for union from 1861 to 1865.

Germany's industrial districts, alone among those of the Continent, are untouched, and her population has not been decimated by such slavery as she has visited on Poland, Belgium, and northern France. But her fighting line has suffered more than that of any other power, save her ally, Austria-Hungary, and her collapsing enemy, Russia. Two million Germans, by the best estimates available, have been killed. Two million more are disabled or prisoners. Her foreign commerce has ceased to exist. Her people have been on rations for nearly three years.

In Berlin each person gets a weekly allowance of not quite 4 pounds of war bread, 13 ounces of fresh meat, 1.8 ounces of butter or oleo, 5.5 pounds of potatoes, a little flour, and an egg every four weeks. Rich Berliners if they want luxuries can have them by paying 95 cents per pound for the neck of a goose, $1.95 per pound for its liver, or $2.81 per pound for its smoked fat.

Germany survives because within her borders there is no business but war and no will but that of the general staff. With all the good fortune that her spies have brought here in the east, our allies in the west have fought her to a standstill and brought her where we can deliver the coup de grâce. An effort by all America as great in proportion as that which the North made to crush Lee will grind Hindenburg to powder. But the job can not be put through with words, and peace talk slackens the muscles which should be braced for conflict. Have done with it.

Mr. WILLIAMS. Mr. President, I put these two editorials in the RECORD for Senators to read, because I think in view of the present European condition in Russia and Roumania and in view of the terms demanded by the German Government as to Russia and Roumania no self-respecting citizen of the American Republic, from the humblest man up to the President, can talk about peace any more until we find out who is to be victor.

TIMBER AND TIMBER PRODUCTS.

Mr. FLETCHER. I move that the bill (S. 3426) to empower the President to requisition timber and timber products for war purposes be recommitted to the Committee on Military Affairs.

The motion was agreed to.

RECESS.

Mr. MARTIN. I move that the Senate take a recess until 12 o'clock meridian on Monday.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m., Saturday, March 9, 1918) the Senate took a recess until Monday, March 11, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *March 9, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God Almighty, in whom all our trust is stayed, from whom cometh all wisdom, strength, and courage, let Thy holy influence be upon the President of the United States and all others in authority, that they may guide our forces on land and sea to the desired goal; that the civilization toward which mankind has been struggling may not be thwarted; though right may be worsted, let the powers of evil at last be subdued; that civilization may have its sway, and the pursuits of peace and righteousness obtain in all the earth, to the glory and honor of Thy holy name, in Christ Jesus our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3994. An act to amend an act entitled "An act to authorize condemnation proceedings of lands for military purposes," approved July 2, 1917, and for other purposes.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 383) to punish the destruction or injuring of war material and war transportation facilities by fire, explosives, or other violent means, and to forbid hostile use of property during time of war, and for other purposes, had requested a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. OVERMAN, Mr. FLETCHER, and Mr. NELSON as the conferees on the part of the Senate.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 7998. An act granting the consent of Congress to the village of East Dundee and the village of West Dundee to construct a bridge across the Fox River.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 3994. An act to amend an act entitled "An act to authorize condemnation proceedings of lands for military purposes," approved July 2, 1917, and for other purposes; to the Committee on Military Affairs.

ORDER OF BUSINESS.

Mr. SIMS rose.

The SPEAKER. For what purpose does the gentleman from Tennessee rise?

Mr. SIMS. To submit a request for unanimous consent. My request, Mr. Speaker, is that the House have an evening session on next Monday, beginning at 8 o'clock and not continuing further than 10 o'clock, for the purpose of considering the daylight-saving bill. And I want to make a statement before anybody objects, so that everybody will know why I make this request. The bill itself as reported provides that the change of time shall take place the last Sunday in March, and it ought to take place in time for the railroads to adjust whatever is necessary for them to adjust in reference to their time-tables for operating of trains in order to prevent accidents.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that next Monday night there may be a session of the House, beginning at 8 o'clock and running not later than 10 o'clock, for the purpose of considering the daylight-saving bill.

Mr. MADDEN. Reserving the right to object, this bill has been pending here for the last two or three years, and all of a sudden it has developed into importance all out of proportion to what I think its value is. I think the gentleman is overanxious about it.

The SPEAKER. Does the gentleman object?

Mr. MADDEN. I do.

Mr. SIMS. Will not the gentleman withhold his objection for a moment?

Mr. MADDEN. I do.

Mr. SIMS. The gentleman says this bill has been pending two or three years. It has not been pending that long. It was only introduced last spring by Senator CALDER.

Mr. MADDEN. I am speaking of the bill for that purpose.

Mr. SIMS. I am speaking of the particular bill before us. The only reason why it was not considered last summer was that the then chairman of the Committee on Interstate and Foreign Commerce did not think it a war measure and therefore believed it should not be considered, not having been included in our war-legislation program. The committee at this session has acted with dispatch. It is an exceedingly important measure and the whole country is in favor of it, and if the gentleman wants to fly in the face of the whole country, he can do so.

Mr. MADDEN. I am not opposed to the bill; I am rather in favor of it. But the gentleman, since he became chairman of the Committee on Interstate and Foreign Commerce, attaches too much importance to the position he occupies. He thinks we should set aside all the other legislation pending in Congress so that he may be given the floor. I object.

The SPEAKER. The gentleman objects.

Mr. SIMS. This request does not set aside any other legislation or in any way interfere with other legislation.

LEAVE TO ADDRESS THE HOUSE.

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent to speak for five minutes on the question of price fixing of tomatoes.

The SPEAKER. The gentleman from Maryland asks unanimous consent to speak for five minutes. Is there objection?

Mr. COX. I shall have to object to that.

The SPEAKER. The gentleman from Indiana objects. When objection is made, that is the end of it.

MEMORIAL OF DAVID L. BAUMGARTEN, SR.

The SPEAKER. The Chair refers the memorial of Mr. Baumgarten that was submitted here yesterday to the Committee on Elections No. 3.

CONDEMNATION OF LAND FOR MILITARY PURPOSES.

Mr. DENT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate bill 3994, to amend an act entitled "An act to authorize condemnation proceedings of lands for military purposes, approved July 2, 1917," and for other purposes, passed at the last session, as relates to powder and other explosives.

Mr. STAFFORD. Mr. Speaker, I suggest that the matter be brought up on Monday, when we shall have more time for the consideration of such matters than we have to-day.

The SPEAKER. The gentleman from Wisconsin objects.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. RAKER, for one day, on account of sickness; and

To Mr. STEVENSON, for one week, on account of business engagements of an important character.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The SPEAKER. The gentleman from Tennessee moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of House bill 10358, known as the legislative, executive, and judicial appropriation bill.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. I noticed in the newspapers of yesterday that the conferees have agreed on the railroad bill. Will the Chair advise me when that bill will be accessible, so that the House may know what it is?

The SPEAKER. The conference report has never been reported to the House.

Mr. WINGO. Is there any intimation as to when it will be, or will they wait until they get ready to act upon it?

The SPEAKER. The Chair does not know.

Mr. GILLETT. They have to report it a day in advance.

Mr. WINGO. I know, if the rules are observed.

The SPEAKER. There has been no action taken on it, so far as the Chair is advised, and he does not know whether they have agreed upon it or not.

Mr. WINGO. Some of us are very much interested in that measure.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Tennessee [Mr. BYRNS], that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the legislative, executive, and judicial appropriation bill.

The motion was agreed to.

Mr. WALSH rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. WALSH. To make the point of order that there is no quorum present.

The SPEAKER. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. Those in favor of going into Committee of the Whole House on the state of the Union will answer "yea" when their names are called; those opposed will answer "nay."

The question was taken; and there were—yeas 314, not voting 114, as follows:

YEAS—314.

Alexander	Baer	Bland	Burroughs
Almon	Bankhead	Booher	Byrnes, S. C.
Anderson	Barkley	Borland	Byrns, Tenn.
Anthony	Barnhart	Britten	Campbell, Kans.
Ashbrook	Beakes	Browne	Candler, Miss.
Aswell	Beshlin	Brumbaugh	Cannon
Austin	Black	Buchanan	Cantrill
Ayres	Blackmon	Burnett	Caraway

Carew	Glynn	McKenzie	Sanford
Carlin	Godwin, N. C.	McKinley	Schall
Carter, Mass.	Good	McLaughlin, Mich.	Scott, Iowa
Cary	Goodwin, Ark.	McLemore	Scott, Mich.
Chandler, N. Y.	Gordon	Madden	Sears
Chandler, Okla.	Graham, Ill.	Magee	Shackleford
Church	Gray, Ala.	Mansfield	Shallenberger
Classon	Green, Iowa	Mapes	Sherley
Claypool	Greene, Vt.	Martin	Sherwood
Coady	Gregg	Mason	Shouse
Collier	Hadley	Mays	Sinnott
Connally, Tex.	Hamilton, Mich.	Meeker	Slayden
Connelly, Kans.	Hamlin	Merritt	Sloan
Cooper, W. Va.	Hardy	Miller, Minn.	Small
Cooper, Wis.	Harrison, Miss.	Miller, Wash.	Smith, Idaho
Copley	Harrison, Va.	Mondell	Smith, Mich.
Cox	Haugen	Montague	Smith, C. B.
Cramton	Hawley	Moon	Snell
Crosser	Hayes	Moore, Pa.	Snook
Currie, Mich.	Heflin	Moores, Ind.	Stafford
Dale, N. Y.	Helm	Morgan	Steagall
Dale, Vt.	Helvering	Nelson	Stedman
Dallinger	Hensley	Nicholls, S. C.	Steenerson
Darrow	Hersey	Nichols, Mich.	Stephens, Miss.
Davidson	Hicks	Nolan	Sterling, Ill.
Decker	Hilliard	Norton	Sterling, Pa.
Denison	Houston	Oldfield	Stiness
Dent	Howard	Oliver, Ala.	Sumners
Denton	Huddleston	Oliver, N. Y.	Sweet
Dewalt	Hull, Iowa	Olney	Switzer
Dickinson	Hull, Tenn.	Osborne	Tague
Dill	Humphreys	Overmyer	Taylor, Ark.
Dillon	Igoe	Overstreet	Taylor, Colo.
Dominick	Jacoway	Padgett	Temple
Doolittle	James	Paige	Thomas
Doremus	Johnson, Ky.	Park	Thompson
Dowell	Johnson, Wash.	Parker, N. J.	Tillman
Drane	Jones, Tex.	Parker, N. Y.	Tilson
Dupré	Jones, Va.	Peters	Timberlake
Dyer	Juul	Phelan	Towner
Eagan	Kearns	Platt	Treadway
Edmonds	Keating	Polk	Vare
Elliott	Kehoe	Porter	Venable
Ellsworth	Kelley, Mich.	Pou	Vestal
Elston	Kelly, Pa.	Powers	Vinson
Emerson	Kennedy, Iowa	Pratt	Voigt
Esch	Kennedy, R. I.	Price	Volstead
Estopinal	Kettner	Purnell	Walsh
Evans	Key, Ohio	Quin	Walton
Fairfield	Kiess, Pa.	Rainey	Ward
Ferris	Kincheloe	Raker	Wason
Fess	King	Ramsey	Watkins
Fisher	Kinkaid	Ramseyer	Weaver
Flood	Kitchin	Randall	Webb
Foss	Knutson	Rankin	Welling
Foster	La Follette	Rayburn	Welty
Francis	Langley	Reavis	Whaley
Frear	Larsen	Reed	Wheeler
Freeman	Lazaro	Roberts	White, Me.
French	Lesher	Rodenberg	White, Ohio
Fuller, Ill.	Lever	Rogers	Williams
Fuller, Mass.	Linthicum	Romjue	Wilson, Ill.
Gallagher	Littlepage	Rose	Wilson, Tex.
Gandy	Lobeck	Rouse	Wingo
Gard	Lonergan	Rowe	Wise
Garland	Lufkin	Rubey	Woods, Iowa
Garner	Lundeen	Rucker	Wright
Garrett, Tenn.	Lunn	Russell	Young, N. Dak.
Garrett, Tex.	McAndrews	Sabath	Young, Tex.
Gillett	McArthur	Sanders, Ind.	
Glass	McFadden	Sanders, La.	

NOT VOTING—114.

Bacharach	Fairchild, G. W.	Kreider	Scully
Bell	Farr	LaGuardia	Sells
Blanton	Fields	Lea, Cal.	Siegel
Bowers	Flynn	Lee, Ga.	Sims
Brand	Focht	Lehlbach	Sisson
Brodbeck	Fordney	Lenroot	Slemp
Browning	Gallivan	Little	Smith, T. F.
Butler	Goodall	London	Snyder
Caldwell	Gould	Longworth	Steele
Campbell, Pa.	Graham, Pa.	McClintic	Stephens, Nebr.
Capstick	Gray, N. J.	McCormick	Stevenson
Carter, Okla.	Greene, Mass.	McCulloch	Strong
Clark, Fla.	Griest	McKeown	Sullivan
Clark, Pa.	Hamill	McLaughlin, Pa.	Swift
Cooper, Ohio	Hamilton, N. Y.	Maher	Talbott
Costello	Haskell	Mann	Templeton
Crago	Hastings	Morin	Tinkham
Crisp	Hayden	Mott	Van Dyke
Curry, Cal.	Heaton	Mudd	Waldow
Davis	Heintz	Neely	Walker
Dempsey	Holland	O'Shaunessy	Watson, Pa.
Dies	Hollingsworth	Ragsdale	Watson, Va.
Dixon	Hood	Riordan	Wilson, La.
Dooling	Husted	Robbins	Winslow
Doughton	Hutchinson	Robinson	Wood, Ind.
Drukker	Ireland	Rowland	Woodyard
Dunn	Johnson, S. Dak.	Sanders, N. Y.	Zihlman
Eagle	Kahn	Saunders, Va.	
Fairchild, B. L.	Kraus	Scott, Pa.	

So the motion was agreed to.

The Clerk announced the following pairs:

Mr. BELL with Mr. ZIHLMAN.

Mr. VAN DYKE with Mr. BACHARACH.

Mr. GALLIVAN with Mr. GOODALL.

Mr. TALBOTT with Mr. BROWNING.

Mr. FLYNN with Mr. GEORGE W. FAIRCHILD.

Mr. CLARK of Florida with Mr. WINSLOW.

Mr. SULLIVAN with Mr. COSTELLO.

Mr. BLANTON with Mr. WOODYARD.

Mr. DOUGHTON with Mr. FORDNEY.

Mr. STEELE with Mr. BUTLER.

Mr. CALDWELL with Mr. WOOD of Indiana.

Mr. DOOLING with Mr. BENJAMIN L. FAIRCHILD.

Mr. WILSON of Louisiana with Mr. COOPER of Ohio.

Mr. BRODBECK with Mr. SWIFT.

Mr. DIES with Mr. DUNN.

Mr. STEVENSON with Mr. CRAGO.

Mr. EAGLE with Mr. FOCHT.

Mr. CAMPBELL of Pennsylvania with Mr. WATSON of Pennsylvania.

Mr. STEPHENS of Nebraska with Mr. BOWERS.

Mr. FIELDS with Mr. HUTCHINSON.

Mr. CRISP with Mr. STRONG.

Mr. WATSON of Virginia with Mr. CLARK of Pennsylvania.

Mr. BRAND with Mr. WALDOW.

Mr. DIXON with Mr. FARR.

Mr. CARTER of Oklahoma with Mr. TINKHAM.

Mr. WALKER with Mr. CURRY of California.

Mr. LEA of California with Mr. KAHN.

Mr. HAMILL with Mr. ROBBINS.

Mr. SAUNDERS of Virginia with Mr. GOULD.

Mr. HASTINGS with Mr. DEMPSEY.

Mr. MCKEOWN with Mr. GREENE of Massachusetts.

Mr. LONDON with Mr. SIEGEL.

Mr. THOMAS F. SMITH with Mr. GRAY of New Jersey.

Mr. MCCLINTIC with Mr. ROWLAND.

Mr. HAYDEN with Mr. MUDD.

Mr. RIORDAN with Mr. IRELAND.

Mr. SCULLY with Mr. DAVIS.

Mr. LEE of Georgia with Mr. GRIEST.

Mr. O'SHAUNESSY with Mr. HAMILTON of New York.

Mr. SIMS with Mr. GRAHAM of Pennsylvania.

Mr. HOLLAND with Mr. LONGWORTH.

Mr. HOOD with Mr. SANDERS of New York.

Mr. ROBINSON with Mr. HEATON.

Mr. MAHER with Mr. HOLLINGSWORTH.

Mr. NEELY with Mr. LEHLBACH.

Mr. RAGSDALE with Mr. MCCULLOCH.

Mr. ——— with Mr. HUSTED.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will unlock the doors.

DESTRUCTION OR INJURY OF WAR MATERIAL.

Mr. WEBB. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 383) to punish the destruction or injuring of war material and war transportation facilities by fire, explosives, or other violent means, and to forbid hostile use of property during time of war, and for other purposes; that the amendments of the House be insisted upon and the conference requested by the Senate agreed to. This is the bill we passed on Monday.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that S. 383 be taken from the Speaker's table, the House amendments insisted upon, and the conference requested by the Senate agreed to. Is there objection?

There was no objection; and the Speaker appointed as conferees on the part of the House Messrs. WEBB, CARLIN, and VOLSTEAD.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATIONS.

In accordance with the vote above taken, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The gentleman from Tennessee [Mr. BYRNS] has 17 minutes and the gentleman from Pennsylvania [Mr. VARE] 10 minutes remaining on the pending amendment.

Mr. BYRNS of Tennessee. I yield three minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman and gentlemen of the House, one of these Subtreasuries is located in the district which I have the honor to represent in this House. Most likely the wishes of the people of the cities where these Subtreasuries are located are in favor of retaining them. It is not uncommon for any community when given something by the Government to want to keep it, and probably I could best serve my own personal interest in this matter by favoring the retention of these Subtreasuries. Many of us do not stop to examine into the question as to the necessity of continuing these offices, as much as we do the question whether or not it would be bad policy for us who come from these cities where these Subtreasuries are located to vote for

their retention instead of approving of the recommendation made by the Committee on Appropriations. Mr. Chairman, for a number of years I have given a good deal of thought and study to the Subtreasuries located in this country, and especially to the one located in my district, and while I have the greatest regard and esteem for the gentleman who is Assistant Subtreasurer, a former Member of this House and a distinguished gentleman—while I have the greatest respect for him and the employees in that office, there is absolutely no need to-day for the retention of the Subtreasury at St. Louis, and I take it that that is true of all the other cities. [Applause.] We must meet these issues as they come to us, as public servants, as Representatives of the people, and endeavor to conserve the resources of our Government and put them in the places where they are greatly needed.

You are voting day after day for the creation of offices where they are needed; we are voting additional offices for the War Department, and for other departments, and so I say, Mr. Chairman, that where we can retrench, where there is no longer necessity for offices, let us be patriotic enough to do away with them. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. VARE. Mr. Chairman, I yield two minutes to the gentleman from Missouri [Mr. MEEKER].

Mr. MEEKER. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MEEKER. Mr. Chairman, if there were any promise of economy in the administration of the finances of the country by the abolition of these Subtreasuries, the speech of my colleague [Mr. DYER] would have some weight. But evidently he has not read the hearings.

Mr. DYER. I have read the hearings.

Mr. MEEKER. If he had he would have discovered many things that the Treasury did not find out.

Mr. DYER. The Treasurer did not say that this office should be retained.

Mr. MEEKER. The so-called Efficiency Bureau—if it makes another break like this it will be called the "Hazard-a-Guess Bureau." Here is an alleged report taken seriously by some gentlemen on the floor of the House from an alleged Efficiency Bureau that announces in the beginning that they have not examined the subject very carefully, and then say in the report that they hazard a guess that it may possibly save money. If that is a report of an Efficiency Bureau, God save us from any more Efficiency Bureau reports. When a board announces that it has not examined the case and then is frank enough to say that it is guessing at the result, I do not see why anybody should take seriously any suggestion made by such a board.

Where the Efficiency Bureau falls down in this report is that they are all the time talking about saving a great sum of money by cutting out the Subtreasuries, but they are going to keep them until after the war. Why do you not stop them now? Why are you proposing to run them six months after the war and at the same time talk about economy? Your proposition is to keep the thing moving and the branches active until six months after the war. If they are a useless appendage to the Government to-day, now is the time to cut out the Subtreasuries. The very fact that they are now being used as never before, as stated by the Assistant Secretary of the Treasury, is very evident that they are not the fifth wheel of a wagon.

In the next place, gentlemen, these branches of the United States Treasury—for that is what they are—are really the only entirely governmental institutions which we have that handle, as I believe, the finances. And the Government should care for its own. We are not so sure yet as to what the final outcome of the Federal Reserve Banking System is going to be. The strange thing about it is in this new psychology that Congress takes a report from the Efficiency Bureau on something that they have not investigated. We want to dispose of the Government finance department six months after the war is ended, but we want to hold on to the railroads forever; we are taking over private property and throwing away Government property as quickly as we can get rid of it. That is very good evidence as to how your minds are working now, but there is no real saving in anything that is not to be abolished until after the war. [Applause.]

As an extension of my remarks I include the following remarks of Mr. R. C. Leffingwell, Assistant Secretary of the Treasury, in the hearing before this committee:

Mr. LEFFINGWELL. The department is not ready to recommend that any be abolished. Since the Secretary made his report of a little over a year ago the condition of the world's affairs and of the United States has been changed by the great war, and the department has been called upon to multiply its activities vastly. The Subtreasuries have had to do more than ever before. I should not have said "than ever before," but, rather, than in recent years. Since the organization of the Federal reserve banks the Subtreasuries have been actually called upon, in the Federal reserve cities, to assume subsidiary labors for the Federal reserve banks, and since my own brief term of office began my principal burden in relation to the Subtreasuries has been to resist the appeals of the assistant treasurers for additional assistance, when I felt that there was real merit in those appeals, because I knew it was the wish of the Secretary and of your committee that there should not be an increase in the activities of the Subtreasuries.

To-day the position is that the Subtreasuries are performing more work than they have in recent years, and that those in the cities where the Federal reserve banks are located are being called upon to perform more work just because the Federal reserve banks are there. In so far as the Subtreasuries are affected by the suggestion that the Federal reserve banks should take over their functions, there are certain points which the Secretary has brought out in his letter of a year ago, and which it seems to me well worth while to repeat. The Federal reserve banks are under governmental observation and under the control and supervision of the Federal Reserve Board. Nevertheless they are private banks and a majority of the directors are elected by the banks themselves. They are in business for themselves. The trust funds of the United States, the gold which the United States holds against its own gold obligations can not be properly turned over to a bank. Nowhere in the world is that done. There is no country where a semiprivate bank takes over the functions of the Treasury. Now, the conditions in the United States are different from those anywhere else. We have a great land, territorially so vast and so different in its general structure, that it is quite impossible that the legitimate and statutory functions of the Secretary of the Treasury and the Treasurer of the United States can be conducted exclusively at the Capital of the United States, which wisely the fathers placed away from the financial and commercial sections of the country.

Practically the Subtreasuries are branches of the Treasury of the United States. Without undertaking at this moment to say that this Subtreasury or that Subtreasury is ideally located or that a man with perfect wisdom might not be able to select some better spot for this Subtreasury or that Subtreasury, it is the belief of the Secretary that there is an actual necessity for Subtreasuries in important cities of the United States as a part of the functioning of our fiscal system.

I have read the report of the Efficiency Bureau with a great deal of interest. I observe with a great deal of pleasure that they conclude that the Subtreasuries are on the whole well and economically conducted and that, with the exception of the assistant treasurers, they do not include any idle men on their rolls; that their employees have been, on an average, there for many years, are performing their duties well, and are obviously not high-salaried men. I think that the estimate which the bureau makes (and which, by the way, it makes by way of estimate merely, as it says "we hazard a guess" or "we think it is possible"), that a saving of 75 per cent can be made, is unsupported, so far as this report is concerned, by figures. I feel that the estimate is unwarranted. The best information that the Secretary is able to obtain is that the functions which the Subtreasuries are performing are being performed economically.

The suggestion that there can be a saving through transferring those functions to the Federal reserve banks, assuming that the objection which I regard as fundamental to transferring them at all to semiprivate banking institutions has been eliminated, seems to me unjustifiable, unless it be on the theory which is stated in the report that the Federal reserve banks will accept those duties and those burdens without making any charge for them. I have had a great deal to do with the Federal reserve banks, because they have been so active in conducting the fiscal agency operations of the Government in connection with the Liberty loans, and I am sure they would expect to be reimbursed for this additional expense, nor can I see any reason why they should not. If they made no charge, that would simply be paying money out of one pocket into another. The surplus of the Federal reserve bank, after paying 6 per cent dividends, goes one-half to the Government and one-half into a surplus fund which strengthens the credit of the Federal reserve bank and belongs to the Government in case of dissolution. Neither do you save anything by having the functions which are performed by the Subtreasuries performed by the mints and assay offices. The Federal reserve banks are overworked. They are adding to their organization all the time. We are paying for their fiscal agency activities in connection with war loans out of the appropriations provided in connection with the bond bills. The Subtreasuries are all overworked. The Secretary has kept their expenses down to what they were before their work increased. He has used the Federal reserve banks in all the ways that he could, and, notwithstanding this vast growth of the Government's financial business, the expenses of Subtreasuries have been kept down. While our business has gone to $20,000,000,000 a year from one, the Subtreasuries have been kept where they were; but at this time, with these vast operations in hand, with the grave responsibilities that are imposed upon the Secretary of the Treasury and upon the Treasurer of the United States growing out of the war, to attempt a reorganization and to transfer the functions of the Subtreasuries to the Federal reserve banks would be little less than a calamity. The suggestion made by the Bureau of Efficiency of determining now to abolish the Subtreasuries six months after the war is one which seems to be contrary to all conceivable theories of efficiency.

If some one will tell us when six months after the war will come about, then we might be able to conduct ourselves in relation to such recommendation wisely and intelligently; but if the war were to last three years and the Congress should say now that the Subtreasuries are to be abolished six months after the war, the effect would be that all of these men would have to look for other ways of doing their business right away while we are trying to expand the Federal reserve banks and all of our organization to the utmost. The suggestion that we transfer certain of the clerks here to Washington finds us in a position where we are beyond measure distressed by the physical limitations of housing here in Washington. There is not any room for these additional people in the Treasury Department in Washington.

Mr. BYRNS. The Treasurer and other bureaus of the department are asking for a great number of additional clerks?

Mr. LEFFINGWELL. We need them, but we have housing problems in connection with that, and to transfer people arbitrarily from business centers to Washington will simply increase our housing problems here and will not be an economy, but involve additional expense.

Mr. BYRNS. On the other hand, if that transfer were brought about, it would seem to me that you would require just that many less clerks from the civil-service register. In other words, it would reduce the number of new clerks that you would require in the Treasurer's office,

where necessarily you will have to have a great number of additional clerks, and the same is true of other activities, the War Risk Bureau, for instance, where they will probably have to have 1,200 additional clerks.

Mr. LEFFINGWELL. I, perhaps, have not caught your thought, Congressman. What I had reference to was the suggestion that certain of these functions could be transferred here to Washington and that that would involve the employment of additional clerks here. Those clerks, I assume, would be in addition to whatever additional clerks were required for other purposes.

Mr. BYRNS. Not necessarily, unless the transfer of the functions of the Independent Treasury to the department here would require additional services. Of course, that is a question that I am not prepared to speak of now.

You spoke a moment ago of the importance of retaining the Subtreasuries for the purpose of acting as custodians of the trust funds. Speaking for myself, that is one reason which has always appealed to me, about the only reason I have ever heard, but that really appealed to me very strongly on behalf of the retention of these Subtreasuries. Why is it that provision can not be made for these trust funds here in Washington at the department? Why is it necessary, in other words, to maintain an organization costing more than $600,000 in nine cities of this country—I believe there are nine—merely for the purpose of acting as custodians for these trust funds, the gold and silver that the Government has provided against its obligations?

Mr. LEFFINGWELL. I do not suppose it can be said to be necessary, but it may be said to be highly desirable, because the physical custody of gold and silver presents a physical problem. Gold does not move from one point to another in the United States except by railroad, and on account of the vast extent of the United States it is a great convenience to the Government and to the people of the United States to have points centrally located with reference to the business transacted in the United States where the gold can be safely stored. Take the Federal Reserve System—the Treasurer of the United States, through the Subtreasuries, almost exclusively holds the gold which represents the gold settlement fund, and that gold is used to settle balances between the reserve banks. Obviously that gold could not be put into the custody of one of the reserve banks which represents the settlement between all of them.

Mr. BYRNS. As I understand the report of the Bureau of Efficiency, they agree with you as to the inadvisability of turning these trust funds over to the Federal reserve banks or to any other semiprivate institution, but the suggestion is made that the gold and silver could be stored here and in the mint and assay offices, and also in the assay office in New York, where you have a large building and where considerable space could be found.

Mr. FORT. We have $931,000,000 belonging to the assay office in the Subtreasury in the corridors downstairs.

Mr. LEFFINGWELL. I think the suggestion in this report is that the gold should be left where it is, in the vaults of the Subtreasury in New York, and that some other custodian than the Assistant Treasurer should be named.

Mr. HUGINS. That is simply bullion. It can be kept there in any event.

Mr. VARE. Mr. Chairman, I yield eight minutes to the gentleman from Iowa [Mr. GOOD].

Mr. GOOD. Mr. Chairman, I will ask not to be interrupted. The question of the abolition of the Subtreasuries is one that has been up before this House on numerous occasions. When the legislative, executive, and judicial appropriation bill making appropriations for the fiscal year ending June 30, 1917, was under consideration, it passed with this provision:

> That the Secretary of the Treasury is authorized and instructed to report to Congress at the beginning of the next session which of the Subtreasuries, if any, should be continued, before the end of the fiscal year 1917, and if, in his opinion, any should be continued, the reasons in full for such continuance.

Strange to say, notwithstanding that legislative mandate, the Secretary of the Treasury refused to report to Congress why the Subtreasuries should be maintained. He made no report to Congress at all. So when the appropriation bill of last year was before this House you adopted a provision that the Bureau of Efficiency was to investigate the work performed by Subtreasuries and report to the Secretary of the Treasury and the Congress at the beginning of the next regular session what part of the work of the Subtreasuries could be transferred to other offices of the Government—the Federal Reserve System or farm-loan banks.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman permit an interruption?

Mr. GOOD. No. That report is before Congress, and I venture the assertion that never has there been filed a report to Congress showing greater study and deeper investigation than the report of the Bureau of Efficiency in response to that legislation. It stands out in striking contrast with the information furnished by the Secretary of the Treasury. That report is to the effect that the work of the Subtreasuries has largely already been taken by the Federal reserve banks and the national banks of the country. That report also shows that we are paying out every year $600,000 to maintain these Subtreasuries. Last year when this matter was under discussion the gentleman from Maryland [Mr. LINTHICUM] was asked the following question, and he made the following reply:

> Mr. GOOD. If Baltimore had a Federal reserve bank, would the gentleman then think they should still have a Subtreasury?
>
> Mr. LINTHICUM. I want to say this: That if Baltimore had a Federal reserve bank, and you are going to do away with the Subtreasuries and give the power which the Subtreasury now has to the Federal reserve bank, and do it in all the cities that have Federal reserve banks, I do not know that we should object.

That is just what we have done. A branch of the Federal reserve bank has been or is being established at Baltimore, so Baltimore can not object. What was Baltimore's claim before the Committee on Appropriations? The only claim that is made by any of the representatives of these nine cities is that the Government, at Government expense, is shipping currency to the Subtreasuries, and the Government is paying the freight. They say that if we abolish the Subtreasury at Baltimore, for example, that it will cost the banks of Baltimore—and the bankers in high standing from Baltimore made the statement—$200,000 per year, and yet it does not cost the banks of Baltimore a single penny more to transport currency from the Treasury to the Subtreasury at Baltimore than it would cost the Government of the United States to transport that currency. Last year when this matter was up before the House our minority leader, Mr. MANN, when Chicago was at stake, made this statement:

> We ought to find nerve enough to abolish some of the useless offices now maintained by the Government, especially when we have created other offices to do the work which they now do.

And Mr. MANN voted in favor of the amendment abolishing the Subtreasury at Chicago. Remember that every one of these nine Subtreasury cities already has, or will have when the present orders are complied with, either a Federal reserve bank or a branch of a Federal reserve bank. Members on this side of the aisle who within the next few months will be going to the country condemning the Democratic Party for its extravagance will be very greatly embarrassed if they vote to retain these useless offices. The retention of the Subtreasuries is absolutely a waste of public money. What are the functions the Subtreasury was called upon to perform? One is to receive Government money for deposit. To-day we have 761 national banks throughout the country, designated as Government depositories, authorized to receive Government funds. It is largely in these banks that the Government funds are deposited. On November 1 last there was deposited of Government funds in those banks almost $200,000,000, not including the $900,000,000 more that had been collected through the sale of liberty bonds. It was in the national banks where the Government is depositing Government funds. Another function is to pay Government checks and warrants. To-day a postal clerk or any Government employee or contractor who has a warrant drawn by the Government of the United States does not take it to the Subtreasury. To require this would work great hardship. He takes it to the national bank or to the State bank, and he gets his money for it just as soon as he lays it on the counter. The other one of the three functions was the sale of Government bonds. When this system was established in 1864 it was thought then that the Subtreasuries should handle in a large measure the sale of Government bonds. Tell me, you gentlemen who are in favor of this amendment and in favor of the retention of these Subtreasuries, what did the nine Subtreasuries do in the sale of the liberty bonds? Practically nothing. That work was turned over, as you know, to the Federal reserve banks, and the Federal reserve banks called to their service all the banks of the country, both National and State, and the manner in which they responded is to their great credit. When legislation was under consideration creating that system it was stated on the floor of this House time and time again that the Federal reserve banks would, as fiscal agents for the Government of the United States, take over all the work of the Subtreasuries, and so we wrote right into the law that whenever the Secretary of the Treasury should require it the Federal reserve banks should act as the fiscal agents of the United States. That is all Subtreasuries were ever authorized to do. A Subtreasury is a fiscal agent of the United States. Following out that legislation, we have largely already taken over most of the functions of the Subtreasury. If these Subtreasuries are necessary, then it is important to have more of them. Do gentlemen realize that only two of these nine Subtreasuries are west of the Mississippi River, and but one of the nine Subtreasuries is west of the Missouri River? If it is necessary that these Subtreasury cities have the Government pay the freight and expense of shipping coin to them, then I say to you that in every city in the United States of any size the Government should establish a Subtreasury. If you are to pay the freight on coin from here to Philadelphia, why not pay the freight on coin from Washington to other cities in Pennsylvania. That is the only city in Pennsylvania where the Government will ship coin at the expense of the Government. In all other cities in Pennsylvania the banks in them must pay charges for shipping currency, but the bankers of Philadelphia passes the expense over to the Government. I believe that this amendment should be defeated. [Applause.]

Mr. VARE. Mr. Chairman, I yield four minutes to the gentleman from Ohio [Mr. GARD].

Mr. GARD. Mr. Chairman, I speak in support of the proposed amendment because of my observation and information of the much more than local benefit of the Subtreasury at Cincinnati.

The city is a most important one, and industrially and commercially it represents in every way the most progressive features of our national life.

In the Subtreasury jurisdiction of this city are very many plants of the highest industrial efficiency now affording their utmost endeavor to the assistance of the United States in the manufacture of munitions of war, and a most fertile and productive agricultural region adds its resources in this same territory.

Illustrative in just a sentence of the business done by this Subtreasury at Cincinnati, I beg leave to quote the figures of the closing balance in August, 1917, at Cincinnati at $37,863,651.52, and the balance on December 31, 1917, was $41,184,145.19.

The work of this Subtreasury will fully appear in a statement I herewith append.

Discussing the matter of the abolition of the nine Subtreasuries of the United States generally, it is said that this work should be done by the Federal reserve banks.

It must be borne in mind that the Federal reserve bank is a private corporation not bound to transact any Government business and probably would not unless paid for.

It is in this connection that I submit the information that the reserve bank at Cleveland, Ohio, has indicated that it has a tremendous amount of business and that it does not care to take on the new business incident to an abolition of the Subtreasury at Cincinnati, and that the work at Cincinnati is being done well and that it could not be done as cheaply as it is now done by the Subtreasury.

The Federal reserve branch banks are depositories now and fiscal agents for the Government and have public funds deposited for which they give no security and pay no interest.

Remembering, always, that the Federal reserve banks are private corporations, we must consider that there are 840 national banks doing much of this same class of business, and that each of these national banks is required to deposit bonds as security for public funds and to pay interest therefor.

The duties of the Subtreasury can not, without legislative amendment, be performed by the Federal reserve banks.

First. The Federal reserve banks can not hold trust funds—gold and silver to secure issuance of circulating notes.

Second. The law prohibits the Federal reserve banks from keeping on deposit the 5 per cent redemption fund. This must be carried by the Treasurer or Assistant Treasurer.

Third. The gold settlement fund, carried as a means of settlement between Federal reserve banks, must be carried in the Treasury and, for necessary convenience, is carried in the independent Subtreasuries.

It may be readily seen that this most important gold settlement fund, which would seek to settle balances between Federal reserve banks, should not be carried by these banks themselves but by an entirely independent agency such as is now required.

When I spoke of my knowledge of the benefit being more than local I referred to the fact that a man living in Kentucky or Tennessee or West Virginia or Indiana, Alabama, Georgia, and a number of other States, buying goods in a town in which there is a Subtreasury, makes payments for merchandise purchased through his local bank, and this local bank must have a correspondent bank in the town in which there is a Subtreasury, and in such territory the local bank is provided through the correspondent bank with exchange through the city in which the Subtreasury is.

There are few correspondent banks in the city of Washington for the reason that there is little or no wholesale commercial business here, and in the event of the abolition of the nine Subtreasuries the local bank would have to send money to Washington and then have it sent directly back to the city in which the purchase of merchandise was made and where it was to be paid for.

The same obstacle would arise in the requirements of change of denomination of currency or of mutilated currency, or it would mean, to the vast inconvenience of nearly all the business men in the United States, that requests for required denomination of currency should be made to Washington and then sent to remote points throughout the country, whereas now this very important branch of public service is made through the Subtreasuries situate, as they are, in convenient parts of our territory for the accommodation of our people.

All of these things are matters of law which have been acted upon and understood for many years, and the process of abolition would mean, not alone a disturbance of a present efficient organization, but a substitution by agreement only for what is now accomplished by law.

Therefore, with these Subtreasuries performing an efficient public work of benefit resulting to all persons within their territorial jurisdiction, I submit that the present proposition to abolish them should not be sustained. [Applause.]

Statement for January, 1918.

Balance December 31, 1917		$41,184,145.19
Receipts on account of—		
New currency from Washington	$1,264,000.00	
New Federal reserve notes	400,000.00	
Transfer of funds	2,935,340.74	
Coin shipments	120,350.00	
Post-office deposits	866,858.21	
Railway Mail Service	193,820.47	
War-savings certificates	1,193,452.14	
Money-order funds	36,000.00	
5 per cent redemption fund	716,110.48	
Disbursing officers' accounts	343,017.21	
Miscellaneous receipts	134,570.71	
Postal savings fund—bond-purchase fund	97,510.00	
New coin from mints	175,000.00	
Federal Reserve Board gold settlement	3,052,300.00	
Redemptions:		
Currency	1,474,464.00	
Gold coin	661,945.00	
Silver and minor coin	580,766.00	
Exchanges	427,947.42	
Total receipts		14,673,452.38
		55,857,597.57
Disbursements on account of—		
Treasury checks and warrants paid	3,047,989.82	
War-risk insurance checks paid	50,577.89	
Disbursing officers' checks paid	331,682.13	
Coin shipments	121,880.00	
Telegraphic transfers to banks	107,000.00	
Unfit national-bank notes	2,001,000.00	
Unfit currency	3,747,000.00	
Gold certificates, series 1900, redeemed	140,000.00	
War-savings certificates redeemed	7,432.48	
Redemptions	2,597,040.00	
Exchanges	427,947.42	
		12,579,549.74
Balance January 31		43,278,047.83
Total receipts		14,673,452.38
Total disbursements		12,579,549.74
Total business January, 1918		27,253,002.12
Total business January, 1917		19,698,385.33
Gain 1918		7,554,616.79
Combined total of debit and credit clearings		4,845,116.08
Counterfeits detected:		
Currency		38.00
Silver dollars		10.00
Quarters		.25
Nickels		.50
Total		48.75

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one minute to the gentleman from Illinois [Mr. CANNON].

Mr. CANNON. Mr. Chairman, for many years, even before the passage of the Federal reserve bank act, I favored the abolishment of these Subtreasuries. I can not argue the question in one minute. I want to say to both sides of the House that if I had the power I would cut them off by severing the Subtreasury head from the body, and I would do it at once. Here is an illustration of the cohesive power of public plunder, knowing that it is postponed until after the war is over.

"Oh," it is said on this side, "we are coming in in 1920." Let us come in without being tempted, you know, to fill these Subtreasuries with employees. There is no use for the Subtreasuries. [Applause.]

Mr. VARE. Mr. Chairman, I yield the remainder of my time to my colleague from Pennsylvania [Mr. MOORE].

Mr. MOORE of Pennsylvania. How much time is yielded, Mr. Chairman?

The CHAIRMAN. The gentleman is yielded three minutes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I am obliged to my colleague, a member of the Committee on Appropriations, for this allotment of time, for I am surprised that the gentleman from Illinois [Mr. CANNON] would cut off the heads of

the Subtreasuries so soon. The gentleman from Illinois, a distinguished Member of this House, honored by all, who has been a Member longer than any other man living, knows these Subtreasuries have been in existence since 1846. Why were not these heads cut off at some prior time? [Applause.]

Mr. GORDON. Because of fellows like the gentleman from Pennsylvania——

Mr. MOORE of Pennsylvania. I can not yield. It is rather late for the gentleman from Illinois to become a reformer on this question. As Speaker of this House he had it in his power at any time to bring in legislation abolishing these Subtreasuries if he desired to do it. So much for that. The gentleman from Iowa [Mr. GOOD] seemed to indicate that this business ought to be transferred to the Federal reserve banks. Why, if Andrew Jackson knew that any Democrat living favored that practice he would turn in his grave. He battered down the centralization of banks through the destruction of the United States Bank, which occupied the very building in Philadelphia where the Subtreasury now is. When the Subtreasuries were established it was for the purpose of enabling the Government to distribute its valuable funds, its bullion, and its coin. They did not believe in those days, any more than we ought to believe now, in keeping all our eggs in one basket. Gentlemen have suggested that all the Subtreasury money should come to Washington. We have got enough to do in Washington now, and it would not be wise to thus centralize our resources. There should be a distribution of our funds through many depositories. There is some very high testimony upon that point. I call it to the attention of some enthusiastic Democrats who have been yelling for the heads of the subtreasurers of the country. The Secretary of the Treasury is not in favor of this proposition. He would vote, if he were a Member of this House, as I shall vote, to strike out this offending paragraph. Why? Because, in the first place, he does not believe that all the business of the United States should be concentrated in Washington, and evidently he does not believe that it should all be concentrated in the Subtreasury at New York. Moreover, on the question of the reserve bank control, the Secretary of the Treasury—I have his letter in my hand, but I can not read it in three minutes—holds that whereas the Federal Reserve System is a private institution, a private corporation, there would have to be guards provided by the Government to safeguard the Federal funds. You are going to hear a good deal about Wall Street when the bill to organize the War Finance Corporation comes in. You are going to hear a good deal about the centralization and concentration of funds. In the judgment of the Secretary of the Treasury it would be unwise to adopt the committee's suggestion. He thinks it better to keep the bullion and the coin of the United States in the possession of the United States officials and not transfer it to the Federal reserve bank. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, under leave to extend my remarks I append the letter of the Secretary of the Treasury, to which I referred. It was addressed to the Speaker of the House December 16, 1916:

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, December 16, 1916.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: In the legislative, executive, and judicial appropriation act approved May 10, 1916, it is provided that—

"The Secretary of the Treasury is authorized and directed to report to Congress at the beginning of its next session which of the Subtreasuries, if any, should be continued after the end of the fiscal year 1917, and if, in his opinion, any should be continued the reasons in full for such continuance; also, if any or all of said Subtreasuries may be discontinued, what legislation will be necessary in order to transfer their duties and functions to some other branch of the public service or to the Federal reserve banks."

In accordance with the above authorization and direction, I have the honor to report as follows:

There are nine Subtreasuries located, respectively, in the cities of Boston, Mass.; New York City, N. Y.; Philadelphia, Pa.; Baltimore, Md.; Cincinnati, Ohio; Chicago, Ill.; St. Louis, Mo.; New Orleans, La.; and San Francisco, Cal. The Subtreasury system was authorized by the act of August 6, 1846, and subsequent acts amendatory thereof.

The duties and functions of the Subtreasuries may be stated generally as follows:

Issue of gold order certificates on gold deposits.
Acceptance of gold coins for exchange.
Acceptance of standard silver dollars for exchange.
Acceptance of fractional silver for redemption.
Acceptance of minor coins for redemption.
Acceptance of United States notes for redemption.
Acceptance of Treasury notes for redemption.
Acceptance of gold and silver certificates for redemption.
Cancellation (before shipment to Washington) of unfit currency.
Laundering of unfit currency which permits of this process.
Exchange of various kinds of money for other kinds that may be requested.
Remittances from United States depositary banks or their surplus deposits of internal-revenue, customs, money-order, postal, and similar funds.
Deposits of postal-savings funds direct.
Deposit of money-order funds direct and indirect.
Deposits of post-office funds direct and indirect.
Deposits on account of 5 per cent redemption fund.
Deposits of interest on public deposits.
Deposits of funds belonging to disbursing officers.
Funds deposited for transfer to some other point through a payment by a Subtreasury located thereat.
Encashment of checks, warrants, and drafts drawn against the Treasurer of the United States and presented at the Subtreasury for payment.
The payment of United States coupons and interest checks.

In addition to the foregoing the Subtreasuries have the custody of a large part of the reserve and trust funds, consisting of the gold coin and bullion and silver dollars deposited to secure gold and silver certificates and greenbacks.

The receiving of deposits and payment of checks has been assumed to a large extent since the establishment of the Federal Reserve System by the designation of Federal reserve banks as Government depositaries in those Subtreasury cities where Federal reserve banks are located. Federal reserve banks are located in the Subtreasury cities of Boston, New York, Philadelphia, Chicago, St. Louis, and San Francisco. New Orleans has a branch of the Federal reserve bank of Atlanta, while neither Baltimore nor Cincinnati has a Federal reserve bank.

It has always been deemed advisable to deposit the gold reserve and trust funds of the Government in several places rather than to concentrate them in one, for reasons of security as well as public convenience.

The Federal reserve act does not expressly, or by implication, contemplate the substitution of the Federal reserve banks for the Subtreasuries, nor would it, in my opinion, be possible, or advisable if possible, to attempt such a substitution. While the general or current fund of the Treasury may, in the discretion of the Secretary, be deposited in the Federal reserve banks, the reserve and trust funds of the Government, viz. gold coin and bullion and silver dollars held in trust by the Government against outstanding gold and silver certificates and greenbacks, are not included in this authorization. The gold coin and bullion held against gold certificates, amounting at present to more than $2,000,000,000, a considerable part of which is deposited in the Subtreasuries, should not, in my opinion, be committed to the custody of any private corporations—and the Federal reserve banks are private corporations—but should be in the physical control of the Government itself. This applies with equal force to the $152,979,025 of gold reserve held against United States notes and Treasury notes of 1890 and the silver dollars held against silver certificates. If, however, it should be deemed advisable to transfer the custody of these trust funds to Federal reserve banks or to any other private corporation or corporations, it would be necessary to make a special deposit of such funds in vaults especially constructed for the purpose and to maintain a Federal guard or some form of adequate Government control over such vaults.

Since the Federal reserve banks are, as I have already stated, private corporations, just as are the national banks, the duty of providing the necessary storage vaults and of assuming the custody and control of these trust funds could not be imposed upon the Federal reserve banks by legislation. It could only be accomplished by negotiation and agreement, involving, necessarily, compensation for the service performed. Whether or not arrangements could be made with Federal reserve banks, or any private institutions, for the custody of these trust funds upon terms and under conditions satisfactory to the Government, and at a saving in cost over the Subtreasury methods, while, at the same time, providing all of the conveniences in handling these funds and the same measure of security as now afforded by the Subtreasury system, is a matter upon which I am unable to express an opinion. I desire to repeat, however, my earnest conviction that it would be unwise to commit the custody of these trust funds to any private institution or institutions. The custody of these trust funds, their maintenance, direction, control, and administration are distinctly a governmental function and should be exercised only by the Government.

Aside from the custody of the trust funds of the Government, the Subtreasuries perform a highly useful service to the public in making exchanges of money, supplying money and coin where needed, and reducing the cost and expense of shipments of money and coin from a common center. It is necessary to maintain the facilities and conveniences provided by the Subtreasuries in the large centers of business in the country, such as the cities in which the Subtreasuries are now located. Even if these particular functions could be transferred to Federal reserve banks where they exist, the services rendered by the substituted agencies would have to be compensated for. This would involve expenses to the Government, while, at the same time, the facilities provided might not be as thorough and satisfactory as those supplied by the Subtreasuries themselves.

It has been suggested that the Subtreasuries are merely conveniences and not necessities, and that their duties might be performed entirely by the Treasury in Washington. This is in a sense true, but the cost of handling all the business from a common center, in a country so extensive as the United States, might be greater than the expense of the Subtreasury system, whereas the delays and inconveniences which the public would have to suffer might prove a very serious handicap upon business. It could with equal force be argued that internal-revenue offices throughout the United States could be abolished and all of the work done at Washington, and, in like manner, that many of the customs offices throughout the country could be abolished and all of the work done from Washington. It is the duty of the Government to provide adequate facilities to meet the convenience and necessities of the public in all parts of the country, and the problem must be considered as a whole and not merely in detail.

It may be possible to reduce the expense of administration of some, or all, of the Subtreasuries. It has been only one year since the Federal reserve banks were made Government depositaries and fiscal agencies and the current or general funds of the Government in such cities transferred to Federal reserve banks. About that time I appointed an improvement committee (described in my annual report of 1915) to make a careful study of departmental methods in all directions and to report upon the best means of improving the general administration of the Treasury service in its various important branches. The administration of the Subtreasuries is one of the subjects for investigation, and I sincerely hope that within another year it may be found possible to reduce the expense of operating these institutions in some, if not in all, of the cities where they are now located.

The amount of the Government funds in each Subtreasury, the volume of the total transactions annually performed by them, and the cost of maintaining these institutions are set forth in the following table:

Subtreasury.	Government funds held June 30, 1916.	Total transactions, fiscal year 1916.	Expense of maintenance, fiscal year 1916.
Baltimore	$12,573,371.07	$108,215,675.59	$33,749.53
Boston	34,452,695.24	217,020,680.17	52,051.29
Chicago	120,537,589.79	597,365,032.95	84,325.04
Cincinnati	31,388,654.90	105,703,081.30	28,819.14
New Orleans	31,917,751.13	73,990,519.44	27,481.22
New York	329,402,485.45	2,464,715,492.12	187,587.75
Philadelphia	26,183,266.27	473,623,903.18	57,792.76
St. Louis	48,629,847.19	193,370,692.54	37,385.63
San Francisco	99,088,010.01	291,058,033.53	25,812.27
Total	734,173,671.05	4,525,063,111.82	535,004.63

It will be seen that the cost of maintaining these institutions, treating the Subtreasury system as a whole, is only one one-hundredth of 1 per cent, approximately, on the total transactions involved—an insignificant sum compared with business done, the important service performed, and the conveniences afforded to the public. Aside from New York, the cost of maintaining the other eight Subtreasuries is $347,416.88, which is a comparatively small sum to pay for the service and convenience they provide. If these institutions were abolished the total cost of operating them would not be saved, as a counter expenditure by the office of the Treasurer in Washington, resulting from the increased work that would be thrown upon that office, would be entailed.

I am of the opinion that it would be inadvisable at this time to abolish all, or any, of the Subtreasuries. It is an important matter and should be considered deliberately. With the test of further experience it may develop that the functions of the Subtreasuries, or some of them, may be transferred to Washington, or to some other agency, but action should not be taken hastily or inadvisedly.

I regret exceedingly that my necessary absence from Washington, in connection with the establishment of the Federal farm-loan banks and other public business, made it impossible for me to submit this report to the Congress at an earlier date.

Respectfully, W. G. McADOO, *Secretary.*

Mr. BYRNS of Tennessee. Mr. Chairman, this is a plain, simple question of whether or not the House desires to continue nine Subtreasuries at an expense of $450,000 a year, at least, as shown clearly by the Bureau of Efficiency, for the benefit of the business men and the bankers located in these particular nine cities——

Mr. IGOE. Will the gentleman yield?

Mr. BYRNS of Tennessee. I can not yield. I have not the time. I have only five minutes.

A privilege which is not shared by any other city or any other section of this entire country. Now, as has been stated, Mr. Chairman, these Subtreasuries perform only three fiscal functions in behalf of this Government, and those are, first, they receive deposits of the Government, they cash checks drawn upon the Treasury, and they are charged with the cashing of coupons and bonds of the United States Government. Every single one of those functions is now being performed by other agencies. For instance, we have now 761 national banks which have been made Government depositories of this country, and those banks receive the deposits from post offices and all other Government establishments in the section in which they are located. And, as said by the gentleman from Iowa [Mr. GOOD], those banks cash checks drawn upon the Treasurer. In addition to that, they cash the coupon and interest checks, as you gentlemen know. So, as I say, there is not a single function now performed by these Subtreasuries which is not being performed by other agencies of this country to-day. Why, as a matter of fact, these Subtreasuries have cashed only 17 per cent of the checks drawn upon the Treasurer during the last year. Why, gentlemen speak of the fact that they serve as a great place of storage for the bullion and the coin of this country. Do you know, gentlemen, that the nine Subtreasuries contain to-day only 17 per cent of the entire amount of gold? They contain only 32 per cent of the silver, and, as the Bureau of Efficiency in their very able report shows, it is entirely feasible and practicable for all that gold and silver to be stored either here in the city of Washington or in the mints and assay offices located throughout the country.

So I repeat there is not one single plea, gentlemen, which can be confidently relied upon by those who oppose their abolishment and in support of their arguments. It is simply a question as to whether we, representing the people and representing the Treasury, shall vote $450,000 a year to maintain Subtreasuries, which became of no use, particularly after the establishment of the Federal Reserve System.

Why, the gentleman from Pennsylvania [Mr. MOORE] asked the gentleman from Illinois [Mr. CANNON] why he has not favored the abolishment of these Subtreasuries during the past years. I want to say to the gentleman from Pennsylvania that since the passage of the Federal reserve banking act, only two or three years ago, the necessity for these Subtreasuries ceased, and the gentleman from Illinois has stood for their discontinuance since that time. As a matter of fact, the Government now relies upon the banks of this country to assist in floating its bonds. And they have done so with splendid success and without disturbing interest rates or causing the least economic disturbance. No gentleman has claimed that any of these Subtreasuries rendered any service in the floating of the liberty bonds of the past. The only real claim insisted upon by those who favor the maintenance of these Subtreasuries is, I repeat, that they serve as a convenience to the business men of the cities in which they are located; and I for one am not willing, gentlemen, to stand here and by my vote undertake to tax the people I represent and the people of the entire country in order to give a special privilege to nine cities in this country to the exclusion of the others. [Applause.]

Now, Mr. Chairman, that is the plain proposition. Why, the Assistant Secretary of the Treasury came before the committee and, as I read these hearings, the only real insistence he made and the only real point which he pressed was that these Subtreasuries should not be abolished during the war.

The gentleman from Pennsylvania [Mr. MOORE] has referred to a letter written by the Secretary of the Treasury a year or two ago. These hearings disclose that the only person who appeared before this committee in support of the maintenance of these Subtreasuries was the newly appointed Assistant Secretary of the Treasury, Mr. Leffingwell. I hope that this House, in the interest of economy, will vote down this amendment to strike out the paragraph. [Applause.]

These Subtreasuries could be immediately abolished without the least injury or loss; but, to meet the objection of the Assistant Secretary and also to deprive the opposition of the cry that nothing of the kind should be undertaken while the war is in progress, the committee has recommended that they be continued until six months after the war. The nine cities in which these Subtreasuries are located are already peculiarly favored. All of them either have a Federal reserve bank or a branch bank. Every one of the Representatives from those cities, with one or two notable exceptions, have very earnestly urged their retention because they afford some convenience to the bankers of those cities, who have already been so highly favored by the Government. But why should we gentlemen representing equally important sections, which do not share their benefits and which do not even have a branch of the Federal reserve bank, vote to retain them at a cost of $450,000 a year to the people of the entire country? They served a useful purpose in 1846, when they were established, but under our advanced and splendid present banking system their usefulness has entirely disappeared, and we ought to have the courage of our convictions and abolish them in the interest of economy.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the motion to strike out the paragraph.

Mr. DYER. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Missouri rise?

Mr. DYER. I have an amendment that I wish to offer in order to perfect the paragraph.

The CHAIRMAN. The gentleman will send his amendment to the desk and the Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. DYER: Page 63, line 20, after the words "San Francisco," strike out all down to and including the word "Germany," in line 23, and insert in lieu thereof the following: "on or before January 1, 1919."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. DYER].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The vote now comes on the motion to strike out the paragraph.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. IGOE. Division, Mr. Chairman.

The committee divided; and there were—ayes 62, noes 92.

Mr. VARE. Mr. Chairman, I ask for tellers.

Tellers were ordered.

Mr. BYRNS of Tennessee and Mr. VARE took their places as tellers.

The committee again divided; and the tellers reported—ayes 71, noes 99.

So the motion to strike out the paragraph was rejected.

The Clerk read as follows:

For wages of workmen and other employees, $440,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN (Mr. LINTHICUM). The gentleman from Massachusetts moves to strike out the last word.

Mr. WALSH. I do so to inquire the reason for this quite considerable increase for wages of workmen. I would like to know whether it includes the employment of additional workmen or simply an increase of the wages of those already employed?

Mr. BYRNS of Tennessee. It does not provide for an increase of wages. The increase is made in order to take care of three shifts which they are running now on account of the great mass of coin.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Office of the Secretary: Secretary of War, $12,000; Assistant Secretary, $5,000; assistant and chief clerk, who shall sign such official papers and documents as the Secretary may direct, $4,000; private secretary to the Secretary, $2,500; clerk to the Secretary, $2,000; stenographer to the Secretary, $2,000; clerk to the Assistant Secretary, $2,400; assistant chief clerk, $2,400; disbursing clerk, $2,750; appointment clerk, $2,250; four chiefs of divisions, at $2,000 each; superintendent of buildings outside of State, War, and Navy Department Building, in addition to compensation as chief of division, $500; chief telegrapher, $1,800; clerks—6 of class 4, 7 of class 3, 15 of class 2, 20 of class 1, 5 at $1,000 each, 2 at $900 each; foreman, $1,200; carpenters—1 $1,200, 1 $1,080; chief messenger, $1,000; skilled laborer, $1,080; 6 messengers; 9 assistant messengers; 2 telephone switchboard operators; engineer, $900; assistant engineer, $720; fireman; 6 watchmen; 3 watchmen, at $660 each; eight laborers; hostlers—1 $660, 1 $540; 4 charwomen; in all, $155,940.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD on the Subtreasuries.

The CHAIRMAN (Mr. RUCKER). The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Temporary employees: For the temporary employment of such additional force of clerks and other employees as in the judgment of the Secretary of War may be proper and necessary to the prompt, efficient, and accurate dispatch of official business in the War Department and its bureaus, to be allotted by the Secretary of War to such bureaus and offices as the exigencies of the existing situation may demand, $10,277,250: *Provided*, That the Secretary of War shall submit to Congress on the first day of its next regular session a statement showing by bureaus or offices the number and designation of the persons employed hereunder and the annual rate of compensation paid to each: *Provided further*, That no person shall be employed hereunder at a rate of compensation in excess of $2,400 per annum, and not more than 30 persons shall be employed hereunder at a rate of compensation in excess of $1,800 each per annum.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. MADDEN. I would like to ask the gentleman from Tennessee if the committee has any detailed information on what this $10,277,250 is to be expended?

Mr. BYRNS of Tennessee. It is to be expended for extra clerical help deemed necessary to continue the force of clerks now employed in the War Department and to provide additional clerks.

Mr. MADDEN. How many of them are there?

Mr. BYRNS of Tennessee. There are 9,006 employees. They are paid an average salary of $1,006.

Mr. MADDEN. How long have they had 9,000?

Mr. BYRNS of Tennessee. They have been putting these clerks on, I will say to the gentleman, from time to time since the war began. This roll was submitted to the committee on January 19, 1918, and I may say I have no doubt but that they have increased the number of clerks since that time. They are constantly adding to the number of clerks down there.

Mr. MADDEN. Who fixes the compensation?

Mr. BYRNS of Tennessee. The compensation is fixed by the Secretary of War under the limitation provided in this paragraph.

Mr. MADDEN. This has nothing to do with the War-Risk Bureau, has it?

Mr. BYRNS of Tennessee. It has nothing to do with the War-Risk Bureau.

Mr. MADDEN. This is in addition to that?

Mr. BYRNS of Tennessee. The War-Risk Bureau is in the Treasury Department. This belongs to the War Department. The gentleman will notice that not more than 30 shall receive compensation more than $1,800, and none shall receive compensation more than $2,400.

Mr. MADDEN. I notice that. Do the civil-service rules apply to these?

Mr. BYRNS of Tennessee. Yes; the civil-service rules apply to them.

Mr. MADDEN. Before appointment they pass the civil-service examination?

Mr. BYRNS of Tennessee. The Civil Service Commission states that it can now furnish eligible lists to all the departments. There was a time shortly after the great necessity came up for putting on so many clerks when they did not have a sufficient eligible list. At that time appointments were made temporarily, pending an examination.

Mr. MADDEN. Is not that the case to-day?

Mr. BYRNS of Tennessee. I think not, from the statement made by the Civil Service Commission to the committee.

Mr. MADDEN. I think the employing heads of the bureaus pay no attention to the civil-service rules. In most cases, I think, they send for the people they want and put them in.

Mr. BYRNS of Tennessee. I think the gentleman is mistaken.

Mr. MADDEN. I know of several cases where they sent for them and put them in—not anybody I was interested in—but I know the cases, and they were told they would be given ample time to pass the civil-service examination, and all that would be necessary was that they should pass it some time.

Mr. BYRNS of Tennessee. They were put on with the understanding that they would stand examination within 60 or 90 days, and if they do not stand it and secure a grade entitling them under the law to an appointment they lose their positions.

Mr. MADDEN. I think it is easy to secure the grade. I think the civil-service examinations are merely perfunctory now.

Mr. BYRNS of Tennessee. I think the examination is sufficient to determine their fitness.

Mr. MADDEN. To enable them to get under the wire. The highest compensation paid out of this appropriation is $2,400, and the number in that grade is limited?

Mr. BYRNS of Tennessee. Yes; to 30.

Mr. MADDEN. Now, how do they reach the average compensation paid to those who are below $1,800?

Mr. BYRNS of Tennessee. The salary is fixed ultimately by the Secretary of War. I understand that stenographers are now being put on at $1,100 and $1,200, and some at $1,000, possibly.

Mr. MADDEN. I suppose the Secretary of War never has anything to do with any of these things except to approve what some subordinate does. Is there not a good deal of likelihood that favoritism can be displayed in fixing these salaries by subordinate officers in direct charge?

Mr. BYRNS of Tennessee. That is true; and, of course, there is no sure way to remedy such a situation. The only way it can be partially remedied is to give the very small margin that is given in this bill for an increase. Of course, there is no way to fix the salaries of these clerks who are put on temporarily on account of the war.

Mr. MADDEN. I wonder if the committee has made any investigation as to whether more people are employed in these bureaus than they need? I ask this question for this reason: I was told by a person whom I consider reliable only two or three days ago that an allotment of 200 clerks was made out of appropriations already granted or to be granted to a certain bureau in the War Department; that out of that allotment they had already made 100 appointments; that one of the Efficiency Bureau men was to be in this particular office on a certain day.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent for three minutes.

Mr. BORLAND. I shall have to object.

Mr. SHERLEY. Mr. Chairman, I want to say a word about the temporary clerks in the departments.

Mr. MADDEN. Will the gentleman yield to me so that I can tell this?

Mr. SHERLEY. In just a moment. Then I will yield to the gentleman.

I want to say a word in regard to these temporary clerks in the War Department. It is true, and it is necessarily true that if you have at the head of any particular branch of the War Department a man who is not himself careful in checking up the matter of additional clerical help, you may have more men employed than ought to be, and I think one of the situations that is inevitable, growing out of an expansion such as we have had, is that you will have in some departments more clerks than can possibly be used, who are in the way, whereas you have other departments where there are fewer clerks than are actually needed. But I know no way of correcting that abuse legislatively under conditions such as now confront the Government and confront the country, where you must go forward, and I am taking occasion to make this statement in order to em-

phasize the responsibility that rests upon the various administrative officers in the War Department and in the other departments of the Government. Upon them must rest the responsibility of checking any abuse where abuse may arise.

Now I yield to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. What I have said has not been said in any captious spirit, of course, but only for the purpose of getting the information into the RECORD, and I wanted to give to the committee the information which I had obtained from the source that I was endeavoring to describe. I should like to finish that statement. The statement came that one of the men from the Efficiency Bureau would be in that office on a certain day, and that they had not work for the 100 clerks already appointed. The man in charge of the office went to the clerks, or some of them, and said, "Now, the efficiency man is coming through. This office is allotted 200 clerks. If you do not seem to be busy when he comes through, we are not going to be able to get them." I do not know how you are going to overcome that except by emphasizing the need of the head of the bureau assuming responsibility for proper conduct of the work.

Mr. SHERLEY. I think the answer to the gentleman's statement is this: Assuming it to be true, if the person who made such a statement to the clerks is identified, he should be separated from the service in just as short a time as it takes to issue an order to that effect.

Mr. MADDEN. I am going to try to identify him.

Mr. SHERLEY. I repeat that upon the administrative officers must rest the responsibility for the efficient administration of these departments, because we can not make that inquiry which would enable Congress as such to determine how many clerks are needed in particular offices.

Mr. MADDEN. I think you are right.

Mr. SHERLEY. This ought to be said in justice to some of these situations: Naturally men who see in advance a very great increase of activities in their bureaus hesitate to reduce the number of clerks, either that they have or that they have asked for, out of the fear that they will get in a jam and be unable to get additional clerks allotted to them and then be censured for not getting the work done, which is so important to be done. So there is a tendency on the part of the administrative officers to play safe in connection with the number of clerks and employees that they have and need. Now, the committee has tried to give sums that did not represent the full demand of the department——

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHERLEY. I ask for two minutes more, Mr. Chairman.

The CHAIRMAN (Mr. LINTHICUM). The gentleman from Kentucky asks unanimous consent for two minutes more. Is there objection?

There was no objection.

Mr. SHERLEY. We did this with the idea that we would thereby compel the departments to make efficient use of the clerks that they have and get. Then if they need a greater number subsequently they can come to Congress and prove their case. It has been one of the most difficult problems confronting the Committee on Appropriations. There is no absolute solution of the problem, except that when cases of manifest abuse arise they should be brought to the attention of the responsible heads, and I feel warranted in saying that they will gladly act to prevent the continuation of such abuses.

Mr. MADDEN. I want to say in this connection, if I may, that I am sure the gentleman and his associates on the committee will do everything within their power. I do not know of anybody who is more anxious to accomplish the best results than is the gentleman from Kentucky, and he has the confidence of the House. [Applause.]

Mr. SHERLEY. The committee have tried to deal with this matter, which is so important, but there are limitations upon the committee, and I am glad of the opportunity to call attention again in this public way to the duty that rests upon administrative officers of taking up the slack in their respective offices and holding down, as far as possible, the need of additional clerks. There is no more patriotic service that can be rendered.

The Clerk read as follows:

Office of Surgeon General: Chief clerk, $2,250; principal assistant librarian, $2,250; law clerk, $2,000; chemist, $2,100; assistant chemist, $1,600; pathologist, $1,800; microscopist, $1,800; assistant librarian, $1,800; anatomist, $1,600; entomologist, $1,600; photographer, $1,500; 2 translators at $1,800 each; clerks—14 of class 4, 13 of class 3, 26 of class 2, 36 of class 1, 13 at $1,000 each; 2 at $900 each; engineer, $1,400; skilled mechanic, $1,000; 2 messengers; 11 assistant messengers; 3 firemen; 3 watchmen; superintendent of building (Army Medical Museum and Library), $200; 6 laborers; 4 charwomen; in all, $185,740.

Mr. DYER. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman from Tennessee [Mr. BYRNS] if there are any changes in this bill, so far as this particular office is concerned?

Mr. BYRNS of Tennessee. Yes; there are two—the position of entomologist at $1,600 and a photographer at $1,500.

Mr. DYER. Can the gentleman state with reference to the library? I see there is a principal assistant librarian, and then there is another assistant librarian. Is one of those positions new?

Mr. BYRNS of Tennessee. There is no change in the library service. The only changes in this paragraph are the two that I have indicated.

Mr. DYER. Are these two assistant librarians located in the Medical Museum library?

Mr. BYRNS of Tennessee. Yes.

Mr. DYER. Does this bill carry the appropriation for the library itself?

Mr. BYRNS of Tennessee. Nothing except the force.

Mr. DYER. Nothing for the purchase of books?

Mr. BYRNS of Tennessee. The expenses of the library are appropriated for in the Army bill. This bill carries simply the force necessary for the maintenance of the work of the library.

Mr. DYER. Mr. Chairman, I feel that Congress has not of late years been giving the necessary consideration to the Surgeon General's Office. The work that that office has done during the past two years, and is doing now, is of the greatest consequence. Wherever Congress can help to make it more efficient we ought to do so. The young men of America go to the Army in good physical condition, and if they are injured or become ill while in the service they should receive all needed attention. One of the greatest drawbacks to genuine efficiency in the Medical Department of the Army is the lack of rank for officers of the Medical Corps and the Medical Reserve Corps. There is now a bill pending before the Committee on Military Affairs of the House to remedy this condition. According to the present law the ranks for officers in the Medical Reserve Corps are first lieutenant, captain, and major. Legislation now pending provides for ranks in addition to the ones mentioned, of lieutenant colonel, colonel, brigadier general, and major general. There is a genuine demand from the medical profession of the country for a law that will permit promotions along the lines indicated in this bill on account of the great value it will be to the health and welfare of soldiers. A recommendation involving the efficiency of the Army, because health is necessary to efficiency, given by a medical officer to a line officer of superior rank fails to carry weight necessary for such an important recommendation. This has been the experience of many officers in the past and has been responsible for this demand for advanced rank. The number in the Regular Medical Corps now on active duty is 775. Volunteer physicians in the Medical Officers' Reserve Corps to the number of 12,855 are now on active duty. As you well know, physicians of the highest standing in the profession are now in the military service with the rank of major, the Army, therefore, losing the benefit of their experience and knowledge because of a lack of power to enforce their recommendations. Advanced rank carries with it this power.

Recently Dr. Franklin Martin, member of the advisory commission of the Council of National Defense, sent a letter to Hon. WILLIAM J. FIELDS, a member of the Committee on Military Affairs of the House, with reference to this legislation, and I am including a copy of this letter and the exhibits which he attached to same. I believe that it will be of great value in making the Members acquainted with the needs and importance of this legislation pertaining to the Surgeon General's Office. The letter is as follows:

FEBRUARY 27, 1918.

Hon. WILLIAM J. FIELDS,
House Office Building, Washington, D. C.

MY DEAR SIR: The executive committee of the General Medical Board of the Council of National Defense, after careful consideration, unanimously recommends that Senate bill No. 3748, introduced by Senator OWEN, and House resolution No. 9563, introduced by Representative DYER, be passed. Those present and voting at the executive committee meeting were as follows: Surg. Gen. William C. Gorgas, United States Army; Surg. Gen. William C. Braisted, United States Navy; Dr. Charles H. Mayo; Dr. William H. Welch; Dr. Victor C. Vaughan; Dr. F. F. Simpson; and Dr. Franklin Martin.

We believe that the medical profession of America would stand squarely back of these bills and request that they be enacted into law, and when the importance of this legislation is appreciated by the laymen we believe they will demand that there be no discrimination against the doctors.

As this bill introduced by Mr. DYER will be brought before your Committee on Military Affairs, of which, I understand, you are a member, I am inclosing the following memoranda for your information:

Exhibit A, the bill with explanations.

Exhibit B, details comparing Medical Corps, United States Army, existing and proposed, with same corps of principal foreign armies.

Exhibit C, statement of Secretary of War Baker asking that the Army be given equal rank to that of the Navy.

Exhibit D, other statements.

Yours, very truly,

FRANKLIN MARTIN,
Member of the Advisory Commission.

EXHIBIT A.

A bill (H. R. 9563) fixing the grades of the commissioned officers of the Medical Corps and of the Medical Reserve Corps of the United States Army on active duty, and for other purposes.

Be it enacted, etc., That hereafter the commissioned officers of the Medical Corps and of the Medical Reserve Corps of the United States Army on active duty shall be distributed in the several grades in the same ratios heretofore established by law in the Medical Corps of the United States Navy.

The Surgeon General shall have authority to designate as "consultants" officers of either corps and relieve them as the interests of the service may require.

Explanation of Senate bill 3748, introduced by Senator Owen, and House bill 9563, introduced by Representative Dyer, in the Senate and House, respectively, on February 5, 1918.

RATIOS OF COMMISSIONED OFFICERS IN MEDICAL DEPARTMENT OF NAVY AS AT PRESENT EXISTING.

	Per cent.
Rear admiral	0.50
Captain	4.00
Commander	8.00
Lieutenant commander	87.50
Senior lieutenant	87.50
Junior lieutenant	87.50

RATIOS OF COMMISSIONED OFFICERS IN MEDICAL DEPARTMENT OF ARMY AS PROPOSED IN ABOVE BILLS.

	Per cent.
Major general	0.25
Brigadier general	0.25
Colonel	4.00
Lieutenant colonel	8.00
Major	23.50
Captain	32.00
First lieutenant	32.00

EXHIBIT B.

Percentage composition of the Medical Corps of the United States Army (existent and proposed) compared with the Medical Corps of the principal foreign armies in November, 1915.

Titles.	Medical Corps, U. S. Army, act of June 3, 1918.	Existing percentage, U. S. Navy.	Medical Corps, U. S. Army, Owen bill, Dyer bill.	Italian Army Medical Corps.	French Army Medical Corps.	British Army Medical Corps.	German Army Medical Corps.	Austrian Army Medical Corps.	Japanese Army Medical Corps.
Lieutenant general	.....	.....	.....	0.13	0.29	0.09	0.04	0.06	0.16
Major general	.....	0.5	0.25	.39	1.18	1.01	.16	.62	.73
Brigadier general	.....	.....	.25	.....	.....	.....	.....	.....	.....
Colonel	3.16	4	4.0	3.39	2.96	2.66	1.06	3.98	1.87
Lieutenant colonel	5.42	8	8.0	4.69	5.62	11.93	2.54	6.22	3.17
Major	23.70	87.5	23.5	14.73	21.89	30.37	20.87	12.12	10.15
Captain	67.72		32	40.94	34.31	34.35	27.04	61.22	38.42
Lieutenant			32	35.73	33.75	11.74	48.29	15.78	45.50
Quartermasters	.....	.....	.....	.....	.....	3.85	.....	.....	.....

EXHIBIT C.

Secretary of War Baker demonstrated that he desires recognition for the Medical Department of the Army when, on January 16, 1917, he stated to Congress:

"I wish to strongly emphasize that without legislation giving the Army equalization of rank in the higher grades with that of the Navy the branch of the Government of which I am in charge will be done an obvious injustice, the detrimental effect of which to the Army is too clear to require more than a statement. All the reasons which have been urged for the creation of these grades in the Navy so as to efficiently handle the units properly composing a command to be under the direction of such officers of the Navy are present in at least an equal degree in the Army. As Congress, after a full consideration of the subject, wisely decided on the advisability of giving the Navy these grades in order that it may be properly and efficiently officered, for similar reasons it should now provide similar grades for the Army.

"The embarrassment which arises in every branch of the service when brought in contact with other officers of foreign service of superior grade but not existing in our service is identical.

"But the constant embarrassment arising between the two services in the disparity of rank is too apparent to call for any more mention.

"If in all those joint matters in which the Army and Navy are concerned, the Navy, by reason of the position of the superior grade, is entitled to outrank the Army, the Army must, perforce, regard itself and be looked upon as a subordinate branch, and this is too inequitable."

EXHIBIT D.

STATEMENT OF DR. WILLIAM J. MAYO.

The Medical Reserve Corps asks for increased rank in order to increase its efficiency. The members of the Medical Reserve Corps have made great sacrifices financially and professionally on entering the service. They are men, as a rule, beyond the draft age. They have obligations and duties of a civic and social character which require a high percentage of their incomes while in practice. The most desirable of these men between the ages of 35 and 50 have, in the majority of cases, family obligations such as the care of dependents, insurance, paying for a home, etc. When the war is over they will go back to meet competition intrenched against them during their absence.

In spite of these handicaps, the medical profession has risen to the occasion. Its members have made the sacrifice. They only ask that during the time they are in service they shall have working conditions which justify the sacrifices. In the Army military rank is essential. A man is judged not according to his personal ability, but according to the rank conferred upon him. A man of low military rank with high professional attainments has the authority and influence only which accompanies his military rank. Our men serving abroad have no standing in military conferences because of lack of rank.

It is the desire and intention of the medical profession to put the best men in the Medical Reserve Corps regardless of personal consideration. There are now nearly 15,000 under orders. I am frank in saying that with or without increased rank the medical profession will bear its burden, but it looks to Congress to treat the Medical Reserve Corps as well as the other branches of the service and to uphold the dignity of the medical profession.

EXHIBIT E.

GREAT BRITAIN'S EXPERIENCE.

Lord Esher, who in 1904 was chairman of the committee which reorganized the English war office, then was opposed to what the medical profession deemed adequate authority and rank. But on February 3, 1917, just 13 years later, he wrote:

"How much of the suffering undergone by our soldiers since the war began has been due to the shortsightedness of my committee, and notably of myself, will never be known. Certainly the control of the adjutant general's branch over the royal army medical corps was and is responsible not only for the early failure to grip the medical factors of the war, but they hampered conditions under which the surgeon general has worked. His triumphs and those of the royal army medical corps have been achieved in spite of obstacles that the subordination of science to ignorance and of elasticity to military discipline explains but can not justify."

A MEDICAL OFFICER'S EXPERIENCE DURING THE SPANISH-AMERICAN WAR.

On July 17, 1898, the chief medical officer at Chickamauga made nine recommendations concerning improvements of sanitary conditions in that camp which were ignored. Later on, during an investigation of these conditions, the commanding officer spoke of the letter containing these recommendations as follows:

"I did not regard his [the medical officer's] letter in a very serious sense. I do not know how he came to write it. There was much complaint in that camp from men of his own profession as to his action. He caused me more trouble and annoyance than anyone ever did."

This statement was made by an officer who had been repeatedly mentioned in orders for his bravery and skill as a line officer. Had the recommendations contained in the letter which annoyed this senior line officer been taken seriously in July, the fearful harvest of sickness and death in August might have been averted.

The Clerk read as follows:

Office of Chief of Ordnance: Chief clerk, $2,250; chief of division, $2,000; principal clerk, $2,000; clerks—8 of class 4, 10 of class three, 17 of class 2, 36 of class 1, 12 at $1,000 each, 5 at $900 each; 2 messengers; assistant messenger; messengers—2 at $780 each, 2 at $720 each; laborer; in all, $126,210.

Mr. LITTLE. Mr. Chairman, in the next paragraph I notice it is provided that the entire expenditures for the purpose stated in that paragraph for next year shall not exceed $800,000. To whom is this amount to be paid? Does it include, for example, the payment of the gentlemen from the Ordnance Department, whom I see on the streets and around in the hotels wearing uniforms and spurs?

Mr. BYRNS of Tennessee. No; this applies only to draftsmen and civilian employees. It does not apply to the men in the Army, either officers or privates.

Mr. LITTLE. Those clerks in uniform, and wearing spurs, who are in the Ordnance Department, are in the Army, are they?

Mr. BYRNS of Tennessee. There are no clerks in uniform.

Mr. LITTLE. What are they? There are men in uniform who work in the departments, at desks.

Mr. BYRNS of Tennessee. I take it they are officers or privates in the Army, who have come into the Army in the regular way, either by commissions or enlistments.

Mr. LITTLE. I am informed that they are doing clerical work and holding desk positions there.

Mr. BYRNS of Tennessee. There are a considerable number of very high officers who are doing work of that nature.

Mr. HAYES. Are there not some yeomen, too?

Mr. BYRNS of Tennessee. In the Navy, yes; yeomen employed as clerks, doing clerical work.

Mr. LITTLE. I notice gentlemen in officers' uniforms who, I take it, have had very little or no military experience in war, and I wished to find out whether they are included in this bill.

Mr. BYRNS of Tennessee. They are not included in this bill. There are, of course, a great many officers who have been commissioned and brought here, who are assigned to work in the department, doing necessary office work.

Mr. LITTLE. That depends on what you mean by necessary. Better methods might make many unnecessary. It is not necessary to keep soldiers in Washington to do civilian's work. War is a soldier's business. Wars are not won in swivel chairs. Can the gentleman tell us whether it is essential that they should wear spurs?

Mr. BYRNS of Tennessee. That is governed by the Army Regulations.

Mr. HICKS. Will the gentleman yield?

Mr. LITTLE. I will yield.

Mr. HICKS. I want to say to my friend from Kansas that I think that the men to whom he refers are reservists, brought into the service in that way. In investigating the conditions of

the Navy we found that these reservists are performing a splendid work, and I have no doubt that they are in the Army.

Mr. LITTLE. Do they have to wear spurs?

Mr. HICKS. They do not wear spurs in the Navy.

Mr. FOSTER. May I interrupt the gentleman?

Mr. LITTLE. I will yield to the gentleman from Illinois.

Mr. FOSTER. These clerks in the department that are wearing uniforms as officers, put on the pay roll, are doing civilian duties purely as clerks and only doing that kind of duty. They are nothing but paid clerks and yet are wearing the uniforms of officers.

Mr. LITTLE. That is it.

Mr. FOSTER. I want to ask if these men are ever ordered into the service?

Mr. HICKS. They are subject to orders in the Navy Department to be ordered anywhere the department requires.

Mr. FOSTER. Does the gentleman know whether these officers, who are performing no duties as officers, but wearing the uniforms, drawing the pay and emoluments that go with it, on the pay rolls as clerks, never had a minute of training as military officers in their lives, are these men expected to go out and do any kind of duty as a soldier or are they to remain in the service as clerks and draw pay as officers?

Mr. HICKS. I can say to the gentleman that yeomen are enlisted in that special service, and if they are sent out of the country they do similar work abroad.

Mr. FOSTER. Yes; as I understand, the yeomen are assigned to a battleship and are put in the offices here to do clerical work. Of course the young ladies working in the department would not be assigned to a battleship, but young men are assigned to a battleship and then put in the position as a department clerk. They may get an assignment to a battleship; but what I was getting at is that these clerks, or many of them—I do not know how many—are there only as clerks.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. FOSTER. I ask unanimous consent that the gentleman from Kansas may have five minutes additional.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FOSTER. Now, if the gentleman will yield?

Mr. LITTLE. I will yield to the gentleman from Illinois.

Mr. FOSTER. What I was getting at was, What in the world is the use of making these men officers with no intention of their doing anything but clerical work? I do not understand it. There may be some mysterious "hocus pocus, elecampane, e pluribus unum," about it, something that I know nothing about. [Laughter.] But I would like some information as to why it should exist.

Mr. MADDEN. Most of these men that come in here are men that have technical knowledge, a mechanical knowledge, which the Ordnance Department must have and which men in the service have not got. They have to have a technical knowledge in order to get the appointment. They need men with this technical knowledge who can make plans, who can give the technical terms to things that the department needs to buy. All of these men are preparing for the successful conduct of the war all along the line. They are subject to be ordered to the front and are ordered to the front as soon as they get through the particular work which they are doing.

Mr. FOSTER. I can see so far that my colleague is right on that proposition, that there are many men throughout the country having technical knowledge that are called here to get additional training or do special work in some line in which they are specially adapted and may render special and very valuable service to the Government.

Mr. MADDEN. They come here to give training and not to get training.

Mr. FOSTER. That does not apply to those who are only clerks.

Mr. BYRNS of Tennessee. It applies to all the officers.

Mr. FOSTER. I do not think it does; but what I am getting at is in the line of suggestion made by the gentleman from Kansas, why a man that comes here and does purely clerical work, knows nothing about mechanical technicalities, or specially fitted for certain work, and who knows nothing but the clerical, routine part of the work—why should he be an officer in uniform?

Mr. MADDEN. Let me answer that. If that was true, the gentleman from Kansas [Mr. LITTLE] would be right, and so would my colleague; but how can you prove that it is true by casual observations? The way to find out what they are doing is to go down and investigate the technical work that they have to do. I want to say that if the gentleman does do so, and spends a day or two, he will be amazed at the technical knowledge that they possess and which they are giving to the Government of the United States for nothing. I know a man that gave up $50,000 a year income to come down here and take a clerical job. He did not want any clerical job, but he wanted to give his services to the Government. He did not come here looking for a place; he came here to give his experience, and he is giving it. If in giving his experience he is required to sit at a desk, give up all he has in the world, he ought not to be condemned for it.

Mr. FOSTER. He will not be condemned for it and should not be. He should be commended for giving to the Government the benefit of his knowledge with much less pay than he had been receiving in civil life. I also agree that there are many of these young men who may be in the service now who will later be sent to France to do this technical work for the Government, but it seems to me that men who never expect to do anything but clerical work and have no other knowledge could serve just as well without being made officers.

Mr. LITTLE. The men I referred to did not come here with any technical knowledge. I happen to have in mind a man who came here because he was out of a job, and he got a good job in the department as an officer at a good salary. He did not bring any technical knowledge, and very few I have observed down there did bring any technical knowledge. They are just a lot of good fellows, good men, that got jobs. I have no objection to it. It seems to me that West Point and the Naval Academy, however, ought to be able to turn out enough of these people to handle these technical jobs without going out into civil life. Is it possible that we have to go to the other colleges to get our technical information for the War and Navy Departments.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. I promised first to yield to the gentleman from Ohio [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman, I think the class of men that the gentleman from Illinois, Dr. FOSTER, referred to were the clerks——

Mr. FOSTER. Purely clerks.

Mr. KEARNS. That have been clerks in the War and Navy Departments for the last 10 or 12 years. I happen to know of two or three instances where boys—one of them in the Navy Department, two others in the War Department—had been working on salaries of $1,000 or $1,200 a year for the last three or four years in these departments, but when this war was declared were commissioned as first lieutenants. The work they do now is no different at all from the work they were doing before. They are working at the same character of employment, and the only difference is in the amount of salary that they receive now and the clothes that they wear. They are dressed in the uniform of the Army or the Navy and their pay has been increased to that of a first lieutenant or captain, and they are doing the same kind of work that they have been doing ever since they have had their positions, which has been now four or five years.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. LITTLE. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KEARNS. Mr. Chairman, the gentleman still yields to me?

Mr. LITTLE. Yes.

Mr. KEARNS. What I want to know is how these clerks got into these uniforms and the consequent increases of salary that go with the uniform. There are other clerks working down there at the same jobs they had who went in, possibly, at the same time and at the same salary of $1,000 or $1,200 a year. Some of the clerks get a uniform and a title and an increase of salary, which eliminates them from any other kind of military duty, while the clerk working alongside, getting the same salary, is still subject to military service elsewhere. I would like to know how these fortunate clerks got their appointments.

Mr. LITTLE. Mr. Chairman, I want to say this before somebody else asks me another question that is longer than my speech, that the principal business of the American Army is to win the war. This war is not going to be won in Washington, and gentlemen better get over that idea if they have it at all. It is going to be won on the firing line. As far as I am concerned, I would like to see an order made to-morrow that every man with a uniform on in Washington be sent to the front, where they ought to be. This is not the place for soldiers. I see a vast army of men running around with pretty uniforms and spurs. They are needed elsewhere. I said nothing so long as they stuck to uniforms, but when a man gets such a martial

spirit that a clerk down in a department has got to wear spurs, I think it is time to send him to the firing line. He is entirely too bold and brave a man to be kept here in Washington.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Just a moment. I will be through in a minute. I do not say this in any unkind spirit, but this war has become a tremendous enterprise, and every man who can shoot ought to be where he can do so. The first instruction I ever got in the service that I had, from a Regular Army officer, after he had looked at my skirmish line of 1,000 men which I took out to show him at Camp Merritt, in San Francisco, was to the effect that I had too many men behind the firing line, too many sergeants and corporals, and that I had better put them in the firing line, as I had too many sergeants and corporals for the number of privates I had. They should all be put on the firing line, where they can shoot. If these fellows are clerks, let them take off their uniforms. If they are clerks, let them quit wearing spurs and ruining the ladies' dresses at the hotel dances. If they are soldiers, for God's sake send them to the front, where they can fight for their country like the other brave fellows over there. If they are civilians, let them so dress. We must get our eye on the ball.

Gentlemen, no man ever learned to be a soldier or a sailor in a department.

Mr. HICKS. Mr. Chairman, my friend from Kansas [Mr. LITTLE] asked a question a moment ago as to why Annapolis and West Point could not turn out a sufficient number of officers to take these men's places. The great need in the Navy at the present time is for line officers for active sea duty. We have not enough for our ships, let alone putting them in the departments. My friend must realize that the work these men are doing is of vital importance behind the lines, as vital as if they were at the front. They are highly skilled men, and I know the Navy Department greatly appreciates their services. One reason why they wear the uniform is as a matter of discipline. I found from close investigation that it was the opinion of those in the department that these men are under better discipline if they have the uniform than if they have not, and they are just as patriotic, just as enthusiastic about winning the war in these departments, wearing the uniform, as they would be wearing those uniforms at the front.

Mr. LITTLE. Then, for God's sake let them go to the front and give them a chance to fight. There is no discipline necessary for a man to walk from his hotel down to the department and back. Discipline the gentleman has in mind is to handle large bodies of men in large bodies. There was sound of revelry by night at Brussels, but Waterloo was only a mile or two away. The strength of this great giant Republic must not be wasted on half immaterial things. Every nerve should be strained to get fighting men on the firing line. This war is not to be won by men laying their jawbones on the altar of their country, who never did or would respond to the bugle call. Samson was the only man who ever licked anybody with such a weapon. The battle will not be fought on rostrums or at desks by civilians in Army clothes or by rhetoricals. This is a soldier's war.

Mr. ROSE. Mr. Chairman, I would like to know what the gentleman thinks of an order that has been promulgated that no person from civil life can get a commission under the Government. Now, if this is to be the rule, how will you fill positions of which you are speaking if all these men are taken out of the department and sent to the war front?

Mr. LITTLE. Fill them with other clerks who do not wear uniforms.

Mr. ROSE. Is the gentleman opposed to having commissions given to men in civil life who are specially qualified for the work required of them?

Mr. LITTLE. No; but why should men have a commission to sit at a desk at the War Department just the same as officers who command men? That is what an officer is for; not to sit at a desk.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, the logic of the position of the gentleman from Kansas is just this: He would send all officers and all soldiers to the firing line, as he says, and have them absolutely at the mercy of a lot of civilians in the department who know nothing about war here, but who are charged with its administration.

Mr. LITTLE. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. LITTLE. Does not the gentleman realize the people I am talking about are nothing but civilians down here who are wearing uniforms and know nothing about war? That is the kind I am talking about.

Mr. BYRNS of Tennessee. The gentleman made the statement they should be sent to the front, and that those places in the War Department ought to be filled entirely by civilians. Now, as the gentleman from Illinois [Mr. MADDEN] said, those men are brought here and given commissions because they possess technical and expert knowledge about various subjects, men who understand saddlery, men who understand metals——

Mr. HAMLIN. Will the gentleman yield at that point?

Mr. BYRNS of Tennessee. I will.

Mr. HAMLIN. I think I can cite him to concrete cases where persons on the House pay roll, appointed by Members, were given commissions down in the War Department as first and second lieutenants.

Mr. BYRNS of Tennessee. If that was true I venture——

Mr. HAMLIN. I know it is true.

Mr. BYRNS of Tennessee. If the gentleman states it is a fact of his own knowledge, I also know it is true, but I will say to the gentleman that I venture the assertion that in those cases they were required to go through the training camp——

Mr. HAMLIN. No, not at all; that is exactly the point.

Mr. BYRNS of Tennessee (continuing). Before they could get a commission, or to stand the prescribed examination.

Mr. HAMLIN. No; that is exactly my complaint. They go down there and without going through camp training or any kind of preparation, except a little conference, perhaps, which they may have with some official in the department, they are given a commission, putting them on an equal rank with the boys who went through three months of intense, hard training, and I say that it is not right.

Mr. BYRNS of Tennessee. I do not know anything of the individual cases to which the gentleman referred, but I happen to know that the secretary of a very prominent, influential Member of this House went through three months' hard training and did not get his commission except as a result of the training that he received in the training camp at Fort Myer.

Mr. KEARNS. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. KEARNS. The only complaint that is being made here, I will say to the chairman, is this: That there have been a lot of clerks—I do not know how many, possibly hundreds of them—who have been acting as clerks in the War Department and Navy Department in Washington, and immediately when war was declared lost their identity as clerks and they were put into a uniform and were called officers and now get an officer's pay. That is the complaint that is being made here. It is not about some men who have come here from Chicago or New York, who have given up positions where they were making $50,000 a year to come here; it is not that class of persons complained about at all. Many of this latter class are doing much useful and patriotic work.

Mr. BYRNS of Tennessee. Does the gentleman know any specific case where clerks in a department have been granted commissions without the necessity of taking the training prescribed in a training camp or standing an examination?

Mr. KEARNS. Absolutely so.

Mr. BYRNS of Tennessee. Does the gentleman know any of such cases?

Mr. KEARNS. I know three cases personally—I know this. I know further I was in the habit of going to the War Department and the Navy Department before this war was declared, and in a very few weeks after—their faces there were not missed—the same clerks you had seen sitting at their desks were at the same places, doing the same kind of work, and they were dressed in a uniform and I suppose getting a lieutenant's or captain's pay.

Mr. BYRNS of Tennessee. And every one, I will say to the gentleman, is subject to orders to be called to active duty at any time.

Mr. KEARNS. They ought not to be subject to call, because they are not competent, because they have never had any experience. They have not had any military training.

Mr. BYRNS of Tennessee. Let me say this to the gentleman: I venture this assertion, and I make the assertion upon a general statement made by a prominent officer of the War Department, that in the cases to which the gentleman refers those clerks are not drawing pay as officers. They are probably on the reserve list and are now receiving the compensation they received as civilian clerks, and when necessity arises for their being called to active duty then they will receive the pay of an officer and be placed upon the active list.

Mr. KEARNS. I do not want to be inaccurate——

The CHAIRMAN. The time of the gentleman has expired.

Mr. KEARNS. Mr. Chairman, I move to strike out the last two words. I want to make a correction there if I am in error, because I do not want it to appear that I made any false or careless statement. I said I know this to be true. I know they are there; I know they wear uniforms; I know they have had no military training and that they do the same work that they did as clerks before the war; but I have no means of knowing what salary they are drawing, and I would not stand here and say that they are drawing the salary of officers when I do not know what salary they are getting; but I do know that they have been dressed in uniforms, and that they are captains or first lieutenants, as disclosed by their shoulder straps or insignia; but I have been told that they now draw these officers' salaries.

I can not, of my own knowledge, say what salary they are getting. I do know that the other part of the statement is absolutely true.

Mr. FOSTER. If the gentleman will yield?

Mr. KEARNS. Certainly.

Mr. FOSTER. As I understand the gentleman, and I fully agree with him on this point, I think it is no complaint against the kind of men that the gentleman from Illinois [Mr. MADDEN] spoke of, who have technical knowledge, and who have come here and given up their business to serve for practically nothing, and who are rendering valuable services to the Government—many of them. Those are not the men we have been talking about.

Mr. KEARNS. Not at all.

Mr. FOSTER. And what I wanted to find out was if these men who were here expected to be assigned to work in the Army later on or whether they were simply clerical men who expected to stay here; not men of technical knowledge, not men who know about matters of the Quartermaster Corps, not men who know anything about the Ordnance Department, but men who are simply doing the clerical work. What is to become of them and why is it necessary to put a uniform on them?

Mr. MADDEN. All of these men are begging to go to the front, I will say.

Mr. LITTLE. Oh, no.

Mr. KEARNS. That is the character of men about whom this complaint is being made this afternoon, and it is not the class of men as referred to by the gentleman from Illinois [Mr. MADDEN] a short while ago. We are merely talking about these clerks in the departments that have been promoted to lieutenants and captains, when they are doing identically the same character of work that they have been doing ever since they have held their positions in Washington.

Mr. HAMLIN. The gentleman asked a while ago whether the pay they received was the pay of the rank which they were given in the Army.

Mr. KEARNS. I do not know.

Mr. HAMLIN. I have one man in mind whom I know went from a position under this House. He was not even a clerk here. He went down to the War Department and was given a commission, put on the uniform and insignia of his rank, and went into the employ of the Government as a full-fledged officer. Now, unquestionably he draws the pay of the rank given him. He did not know anything about military matters, and could not be ordered to the front to take charge of men, as it would be criminal to put that kind of man in charge of men to command them.

Mr. LITTLE. Mr. Chairman, I was speaking to a naval officer the other day, and in the office there were 18 clerks, and 17 of them were ordinary clerks wearing the uniform of the seamen in the Navy. One was a young woman, who did not wear the uniform, but was a clerk the same as the rest. There are 17 alleged private seamen. They tell us they need officers for the Navy and they need seamen, too. There is where they could get 17 of them, and I would refer my friend from New York to that place, although I do not want to give the boys away.

Mr. HICKS. Will the gentleman permit me just a moment? I want to say to my friend from Kansas [Mr. LITTLE] that at the present time the Navy needs officers, but they have stopped enlisting seamen, because we do not need any more seamen.

Mr. LITTLE. Mr. Chairman, I would like to strike out the last word. I would like to finish this thing. I could suggest to the gentleman that there are a lot of chief petty officers in the Navy that were employees of the City National Bank of New York, that were appointed down here to hold clerical jobs. I am told we have nearly twice the clerical force London has, and their army three times as great as ours.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. HUMPHREYS. Mr. Chairman, I want to say in response to a question asked by the gentleman from Ohio in reference to pay, that these commissioned officers here in town in this "safety-first" brigade draw not only the pay of an officer of equal rank who is out with the soldiers, but in addition to that they draw commutation for quarters and for light and heat. For instance, take a second lieutenant—I mean a real lieutenant—who is with the Army, he gets about $140, I think it is, or $141, a month as salary. Now, take a second lieutenant here in Washington City, who did not have to go to the training camp to get his commission, but was commissioned and assigned to duty here in Washington, and he gets $141 plus about $32. And as soon as you take him out of Washington City, out of this perfectly safe billet, and send him off with the troops—which is not going to happen with many of these, in my opinion, in spite of their desire to go to the front, as suggested by the gentleman from Illinois [Mr. MADDEN]—as soon as he is put in the Army to render service as a real soldier his salary is reduced.

A second lieutenant, $32; a first lieutenant, still more; and a captain, still more, and so forth. Of course, nobody thinks that is right. Now, I believe there is an injustice——

Mr. FESS. Why is it done?

Mr. HUMPHREYS. It was the law before the war came on that when an officer was taken away from his command and sent to Washington they allowed him, if second lieutenant, as I recall, $12 each for two rooms, plus commutation for heat and light; a first lieutenant, three rooms, and a captain four rooms, and so on up. We find ourselves now with just as many commissioned officers away from the troops as with the troops; that is, out of 125,000, approximately, of commissioned officers about 62,000, approximately, are staff officers; that is, like the young men you see here in Washington, many of them, I was about to say most of them, majors. I tremble sometimes for the Kaiser when I think what will happen to him when all of these innumerable majors we see in town are sent across and turned loose on him. [Laughter.]

Mr. LITTLE. That is what I want to do.

Mr. HUMPHREYS. The gentleman evidently intends to prosecute a campaign of frightfulness. [Laughter.]

There is no justification for it, and none can be had. There are about 62,000 commissioned officers, staff officers, and there are only about 62,000 line officers, that is approximately true, as I understand it, with the troops in France and in the cantonments. I have been told that it was stated on high authority that the reason that many of these gentlemen were given these staff commissions was because they would accept positions here in Washington if they were commissioned as officers of the various grade, at less pay than they could be had if they were not commisioned into the Army and permitted to wear the uniform of the rank that was given to them.

Now, I think that undoubtedly when the proper time comes this House will correct this, and will see to it that the men with the troops are paid as much as the men who are assigned to duty here in Washington of equal rank and that they alone will be permitted to wear the uniform. I am not questioning the patriotism of these young men here, nor the efficiency of the service they are rendering. I sometimes question, however, the fact that they are real soldiers.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. They are rendering just as good service as I am to the Government or as many other people in the Food Administration or in the Fuel Administration or in any other administration. They are rendering efficient and effective service, I may admit. I am not questioning that. But they are not soldiers, and certainly they are not entitled to draw more pay from the Government as lieutenants and captains and majors than men of equal rank who are in the Army.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. If I have time, I will yield.

Mr. BORLAND. I just want to ask the gentleman if he is advocating the doing away with this commutation of quarters and the special allowances? If he is, I think I am quite in agreement with him.

Mr. HUMPHREYS. The thing I have in mind is that if we make a distinction and give commutation to one man and withhold it from another, it should be given to the soldier with the troops, and it should be taken away from those assigned to billets in this city.

Mr. BORLAND. We have it in the foreign service.

Mr. HUMPHREYS. If there is any distinction, it should be in favor of the soldier with the troops.

Mr. BORLAND. It seems to me the gentleman is right about taking that commutation away in the case of officers who are on detail.

Mr. TILSON. Mr. Chairman, I move a pro forma amendment to strike out the last two words. As a member of the Committee on Military Affairs, it seems to me it might be well for me to say just a word along this line.

The situation is very much as the gentleman from Mississippi [Mr. HUMPHREYS] has just stated it. In other words, while he has made a somewhat humorous statement, still I can not say that he has not made a quite accurate statement of the situation as it stands. By a construction of the law that was passed many years ago for a good purpose it has come about that an Army officer here in Washington or elsewhere not with troops draws the same pay as in the field, and in addition to that he draws his commutation for quarters. If an officer here in Washington is transferred out to Camp Meade, he leaves his family here in Washington or somewhere else, as he must, for he can not take them with him to the camp, and he loses his commutation of quarters on the theory that he is furnished quarters in the field, which consist of a tent or a cubby hole in an officers' barracks. At any rate, he loses his commutation of quarters.

Mr. HUMPHREYS. Mr. Chairman, will the gentleman yield to me just for a moment?

Mr. TILSON. Yes; I yield to the gentleman.

Mr. HUMPHREYS. He is supplied quarters when he is with the troops in theory, or given a tent. When he is in Washington City he has two, three, four, five, or six rooms, according to his rank, on the theory that he needs those to take care of his family.

Mr. TILSON. Yes.

Mr. HUMPHREYS. Now, when he goes to his troops there is no provision whatever made for his family.

Mr. TILSON. That is just what I was trying to say. The gentleman has stated it accurately.

Now, that is not right. It ought to be corrected. The committee of which I am a member is now considering a bill which it is believed will correct it.

There are three plans that have been proposed. One is to cut off all commutation of quarters and put every officer on the same level in this regard, wherever he may be. Another is to give every officer commutation of quarters, wherever he may be, in the city, in the field, or anywhere else; that is, give all officers either the actual quarters for themselves and their families in a post where there are proper quarters erected for them, or give them commutation of quarters.

Mr. RUCKER. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes.

Mr. RUCKER. Why does the gentleman make a distinction between the officer and the enlisted man? If the officer should have commutation of quarters for his family, why should not the enlisted man?

Mr. TILSON. The enlisted man does have commutation, and comparatively high commutation.

Mr. RUCKER. For his family?

Mr. TILSON. Yes. He has commutation that will take care of his family in a way.

Mr. RUCKER. That is interesting, and I confess I am ignorant of it. As I understand it, the enlisted man's compensation or pay is $30 a month.

Mr. TILSON. It is. But suppose a man is sent in from Camp Meade to do some work in Washington. His pay at Camp Meade is $30 a month. In Washington it is about $80 a month, in all. The commutation puts it up. The enlisted man is not specially militated against as compared with the officer. It is the officer in the field who is discriminated against as compared with officers not with troops.

Mr. RUCKER. I did not know that the enlisted man had those allowances.

Mr. TILSON. I was stating the different plans that had been proposed by different individuals to correct this injustice. Some propose dispensing with commutation entirely. It is thought that would not be well in time of war, and that when the enlisted man's pay has been increased it would not do to lessen the commutation and thereby the compensation of the officers. Still, I say, there are those in favor of abolishing it altogether. Still others favor making a distinction in favor of the officer who has a family. If a man has a wife and children, so much in the way of quarters or commutation should be provided for them: while if a man is without a family, none would be provided if this plan were adopted. All these things have been and are being considered, as the committee now has a bill on that subject under consideration. When the bill comes before the House you will have in mind the different plans proposed to meet the injustice and be prepared to aid in its correction.

Mr. NOLAN. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes; I yield to the gentleman from California.

Mr. NOLAN. A discussion took place a while ago on the indiscriminate issuance of commissions to men who were not doing actual military service. I have this in mind—the Army transport service in connection with the Quartermaster's Department. Prior to the war the superintendent of the Army transport dock at San Francisco was superintending engineer with civilian employees. That is one instance. Then you go into the Signal Corps, and you find that commissions have been issued to timber cruisers and loggers and other men engaged in the production of spruce timber for aviation work.

Mr. TILSON. Does the gentleman object to it?

Mr. NOLAN. I was wanting to know if your committee had under consideration an idea of keeping those men as civilians and giving them proper compensation and if it was necessary to issue commissions to men who are not actually identified in the fighting branch of the service? If it is good in time of peace to have those men as civilian employees, is there any particular reason why they should be commissioned in time of war?

Mr. TILSON. There are a good many reasons on both sides of that question.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. I ask unanimous consent that the time of the gentleman be extended five minutes. I want to ask him a question.

Mr. HASTINGS. I want to ask him a question, too.

Mr. BYRNS of Tennessee. Reserving the right to object, which I am not going to do, this discussion is all out of order. There is nothing in this bill bearing on commissioned officers or having anything to do with the subject under discussion. I am not going to object to this, but I do ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

Mr. TILSON. I shall not use any time except to answer questions.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that debate on this paragraph and all amendments thereto close in five minutes. Is there objection?

Mr. KEARNS. Reserving the right to object——

Mr. BYRNS of Tennessee. I shall have to insist on the point of order that the discussion be confined to the subject matter of the bill. We are frittering away the whole afternoon in discussing something that ought to be discussed in consideration of the military bill.

Mr. KEARNS. Reserving the right to object, I should like to have one minute to ask the chairman of the committee a question. I want to get some information on this subject.

Mr. BYRNS of Tennessee. I must say to the gentleman that I do not profess to have the information which the gentleman wants, unless it has something to do with the subject matter of this bill.

Mr. KEARNS. It has everything to do with the subject matter of this bill.

Mr. TILSON. I am not asking any more time, but I am at the service of Members if I can answer any questions.

Mr. BYRNS of Tennessee. I have no objection to the gentleman having five minutes.

Mr. MILLER of Minnesota. Reserving the right to object, I understand there is a portion of this bill which relates to commutation of officers' quarters.

Mr. BYRNS of Tennessee. Not in this bill. It is in the military bill. There is nothing in this bill having to do with this subject matter.

Mr. HASTINGS. Will the gentleman yield a moment?

Mr. TILSON. I do not understand that I have been granted the time to yield.

The CHAIRMAN. No action was taken by the committee. There was a reservation of objection made.

Mr. LONERGAN. I ask unanimous consent that the gentleman from Connecticut [Mr. TILSON] be permitted to address the committee for an additional five minutes.

Mr. BYRNS of Tennessee. I ask that my request be submitted, Mr. Chairman.

The CHAIRMAN. The gentleman from Tennessee [Mr. BYRNS] asks unanimous consent that debate on this paragraph and all amendments thereto close at the expiration of five minutes. Is there objection?

There was no objection.

Mr. KEARNS. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The Chair will first submit the request of the gentleman from Connecticut [Mr. LONERGAN] which is that his colleague [Mr. TILSON] may have five minutes to address the committee. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Connecticut [Mr. TILSON] is recognized for five minutes.

Mr. HASTINGS. Will the gentleman yield?

Mr. TILSON. I yield to the gentleman from Oklahoma.

Mr. HASTINGS. We appreciate that the gentleman has had a great deal to do with military matters and is a member of the Military Affairs Committee, and has special knowledge with reference to that matter. Let me say to him that I have had a good deal of complaint from officers out in the field that they can not buy their clothing through the Quartermaster Department but that they have to buy it through private individuals, and that an overcoat costs them four or five times as much as it would if they were permitted to buy it through the Quartermaster's Department, and that a uniform costs three or four or five times as much as it would if they could buy it through the Quartermaster Department, and other things in proportion. I want to ask the gentleman if the Military Committee is considering a bill that will give any relief to these officers in the field, so as to permit them to buy uniforms and overcoats and things of that kind through the Quartermaster Department.

Mr. TILSON. Mr. Chairman, so far as I know, there is no law forbidding officers to buy their clothes through the Quartermaster's Department. I can speak somewhat from personal experience, for during a service in 1916 of five months in the field I think I bought from the Quartermaster's Department everything I needed that the Quartermaster's Department had.

Mr. HASTINGS. Has the gentleman the same information I have, that they are not permitted to do that now?

Mr. TILSON. As I understand, there has been a lack of quartermaster's supplies, and that they have been issued first to the enlisted men, just as they should be. As a matter of fact, there are a number of things that an officer wears that are not sold by the Quartermaster's Department at all. The Quartermaster's Department does not have them on hand. For instance, those parts of officers' uniforms which differ from the uniforms of enlisted men are not kept on sale by the Quartermaster's Department at all, for, as you know, there is no provision in law for paying for officers' uniforms, except by the officer himself.

Mr. HAMLIN. Perhaps I may be able to give a little information to the gentleman from Oklahoma on that point.

Mr. TILSON. I yield to the gentleman.

Mr. HAMLIN. I have received this information almost at first hand. I understand that, just as the gentleman from Connecticut has stated, there is no regulation to prevent the purchase of these things through the Quartermaster's Department.

Mr. TILSON. I never heard of any.

Mr. HAMLIN. A few days ago an officer told me there was none, but the trouble is that the Quartermaster's Department does not have these things and can not get them.

Mr. TILSON. That is correct; at least it has been so during the rapid expansion of the Army.

Mr. HAMLIN. Because the privates must first be served.

Mr. MILLER of Minnesota. Right there may I make an inquiry of the gentleman? The gentleman says the Quartermaster's Department can not get them. I understand the fault for the high cost of officers' uniforms lies in the fact that the manufacturers of cloth put the price up about 300 per cent when the war started.

Mr. HAMLIN. I have no doubt that is true.

Mr. MILLER of Minnesota. That is the sole cause of the trouble. If the retail tailor can buy cloth, of course the Quartermaster's Department can buy it.

Mr. TILSON. After all, the cloth is not the chief cost, any more than it is in the suit of clothes which the gentleman has on this minute. The cost of the cloth as sold by the manufacturer is a very small proportion of what he paid for that suit.

Mr. MILLER of Minnesota. The gentleman is not correctly informed about that as far as the officers' uniforms are concerned, for the cloth is so enormously high that it has come to be a serious element. It is a scandal.

Mr. HAMLIN. I know that there is a great difference in the cost between the charge for uniforms through the Quartermaster's Department and the private store. My son is an officer in the Army, and I went with him when he bought an overcoat down town. For a coat that he could buy at the Quartermaster's Department, if they had it, for $20, he had to pay $50.

Mr. TILSON. I have an overcoat that I wore occasionally while serving on the Mexican border two years ago that was made as an enlisted man's coat. I bought it through the Quartermaster's Department and paid $22 for it. By slight changes it was made into an officer's overcoat. As good an overcoat made by a military tailor would have cost me twice as much.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will proceed with the reading of the bill.

The Clerk read as follows:

The services of skilled draftsmen and such other services as the Secretary of War may deem necessary may be employed only in the office of the Chief of Ordnance to carry into effect the various appropriations for the armament of fortifications and for the arming and equipping of the National Guard, to be paid from such appropriations, in addition to the amount specifically appropriated for draftsmen in the Army Ordnance Bureau: *Provided*, That the entire expenditures for this purpose for the fiscal year 1919 shall not exceed $800,000, and the Secretary of War shall each year in the annual estimates report to Congress the number of persons so employed, their duties, and the amount paid to each.

Mr. BYRNS of Tennessee. Mr. Chairman, that paragraph was read and debate closed on it.

The CHAIRMAN. The Clerk informs the Chair that the gentleman is mistaken.

Mr. BYRNS of Tennessee. The gentleman from Kansas [Mr. LITTLE] asked about the $800,000 appropriation in it.

Mr. KEARNS. Mr. Chairman, I move to strike out the last word. I want to take this occasion to discuss the question of officers' uniforms.

Mr. BYRNS of Tennessee. Oh, I hope the gentleman will not start a discussion on officers' uniforms, for it has absolutely nothing to do with this bill. This is for clerical services in the department.

Mr. KEARNS. If it has nothing to do with it, I want to ask the gentleman a question about the bill.

Mr. BYRNS of Tennessee. I would be glad to allow the gentleman to talk about uniforms if I could have a guaranty that it would not start a general discussion.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the discussion on the uniforms be confined to five minutes and that the gentleman from Ohio be allowed to use the five minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that this discussion on uniforms be confined to five minutes and that the gentleman from Ohio be allowed to use the five minutes. Is there objection?

There was no objection.

Mr. KEARNS. Mr. Chairman, through the kindness of the gentleman from Illinois I will proceed to discuss the question of uniforms for officers in the Army. Prior to the declaration of war officers could get through the Quartermaster Department uniforms at cost to the Government.

Mr. McKENZIE. The gentleman only refers to the cloth?

Mr. KEARNS. No; many officers have told me the uniforms were obtainable. Uniforms that at one time could be had for $20 through the Quartermaster Department are now costing at cantonments from $60 to $90, as testified to by numerous officers.

I have a letter which I received from a young officer now located at Camp Sheridan, in Alabama, who says that the same uniform that could be bought by a lieutenant for $20 at the beginning of the war now costs $60 to $90 at Camp Sheridan. They are required to go out to the various merchant tailors in the city and buy the uniforms at exorbitant prices.

The city council of Montgomery, since the location of the cantonment there, I am told on authority that I believe is reliable, has passed an ordinance requiring the payment of an exorbitant amount of money by way of a license fee by any tailor who comes into that town and sets up a tailor shop after the passage of the ordinance. That is done so that the tailors in Montgomery, Ala., can continue to pick the pockets of the officers located in that cantonment. Even the city council seems to fear any newcomer might refuse to join the trust organized by the old profiteering gang. It seems to me that if the Committee on Military Affairs is at this time getting up a bill to regulate conditions prevalent in the Army, it ought to have a clause in it providing that the officers can buy at cost to the Government their uniforms, because I want to say that there are by far too many people in the United States, where there is a cantonment located, as far as my advice goes, who are busily engaged every day, not only in picking the pockets of the officers but of every man who wears the uniform of the United States.

I was told that an officer—I am not going to disclose his name or cantonment—was in a store when 8 or 10 privates entered to purchase some article that all the soldiers need and which on the market was worth about 10 cents. When the company of soldiers went into this store they were asked by the clerk a dollar for the article. There was only one clerk in the store and the officer took him in the back part, engaged him in conversation, and I suspect gave orders to the men to help themselves. However this may be, they got what they wanted, and I am told paid nothing for it. If the officer gave such an order

I think he ought to be complimented for it by all patriotic and honest and honorable men. [Laughter.]

When any man or any merchant in the United States will take advantage of the men who are wearing the uniform of their country, these boys that are soon to go to France fighting that man's battles, and fighting yours and mine, when these merchants undertake to pick the pockets and rob these men who are going to fight for their homes, I think it is time that somebody interfered. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Clerk read as follows:

For rent of buildings in the District of Columbia for the use of the War Department, $75,000.

Mr. MILLER of Minnesota. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question. This is an item for rent of buildings in the District of Columbia for the use of the War Department, $75,000. Is that an increase over the amount heretofore carried in the bill?

Mr. BYRNS of Tennessee. No; it is a decrease of $10,500.

Mr. MILLER of Minnesota. That is what I thought.

Mr. BYRNS of Tennessee. Then, I will state further, that the pending deficiency bill carries about $250,000. That is now pending in the Senate.

Mr. MILLER of Minnesota. Which would be about $240,000 increase. If this bill carries $75,000, a reduction of $10,500 over that which has heretofore been carried, and the deficiency bill carries an appropriaton of $250,000, there would be a net increase of $240,000.

Mr. BYRNS of Tennessee. In that bill; but a very considerable decrease in this bill for the next fiscal year.

Mr. MILLER of Minnesota. What I am trying to get at is this: Is there any portion of the $250,000 or the $75,000 being expended for buildings that ought to be permanently owned and occupied by the War Department, or is it all for temporary quarters during the war?

Mr. BYRNS of Tennessee. These are for rented quarters in various parts of the city.

Mr. MILLER of Minnesota. When the war is over will they be needed?

Mr. BYRNS of Tennessee. That will depend on whatever force is needed. I take it that if the building program in the deficiency bill, which was adopted by the House, goes through, that practically all of the space required by both the War and the Navy Departments will be supplied in these temporary buildings to be erected in Potomac Park.

Mr. MILLER of Minnesota. When the war is over they will be torn down, of course?

Mr. BYRNS of Tennessee. That is the general understanding.

Mr. MILLER of Minnesota. I am informed a rule is soon to be brought in, when this bill is concluded, to make it in order to pass a bill for the acquisition of the old Arlington Hotel site and the completion of a building thereon for the use of the Navy Department.

Mr. BYRNS of Tennessee. The Treasury Department.

Mr. MILLER of Minnesota. I have heard it both for the Treasury and for the Navy Department.

Mr. BYRNS of Tennessee. My understanding is that it is for the War-Risk Bureau and the Internal-Revenue Office.

Mr. MILLER of Minnesota. Of course, that is not in harmony with the Fine Arts Commission and is not in harmony with any plan for beautifying Washington, not in harmony with anything commonly decent in the matter of public buildings. It is a temporizing and reaching out and taking hold of buildings for temporary purposes, and that is practically all it is. I was wondering if there is a sentiment in the Committee on Appropriations of the same kind that apparently has actuated the committee that is going to bring in that rule? I think it will be a standing disgrace to Congress if we construct a patchwork of buildings like that throughout the city.

Mr. BORLAND. These parties seemed to have a site for sale. That seems to be the idea.

Mr. MILLER of Minnesota. And at a price about three times as much as it was sold for originally. I do not want to take up further time here, but it seems to me this is a matter of the deepest concern, and if it is the disposition to bring in bills to construct some sort of permanent buildings for the Navy Department and the War Department, and this measure having come in for the Treasury Department, where are we going to stop?

Mr. BYRNS of Tennessee. Of course, the gentleman understands that the buildings authorized in the deficiency bill are purely temporary in character?

Mr. MILLER of Minnesota. That is all right, and I agree to that.

Mr. BYRNS of Tennessee. And the Arlington site, which I understand has been recommended by the Committee on Public Buildings and Grounds, is for permanent use by the Government.

Mr. MILLER of Minnesota. Can the gentleman inform us whether it is the disposition of his committee to support that proposition?

Mr. BYRNS of Tennessee. It is not before the Committee on Appropriations.

Mr. MILLER of Minnesota. Is there in the gentleman's mind any reason why the Treasury Department can not be accommodated by temporary structures as well as the War Department?

Mr. BYRNS of Tennessee. That would be entirely possible, if it is thought feasible.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The Clerk read as follows:

Office of the Secretary: Secretary of the Navy, $12,000; Assistant Secretary, $5,000; chief clerk, $3,000; private secretary to Secretary, $2,500; clerk to Secretary, $2,250; private secretary to Assistant Secretary, $2,400; clerk to Assistant Secretary, $2,000; disbursing clerk, $2,250; appointment clerk, $2,000; estimate clerk, $1,800; stenographers—1 $1,800, 1 $1,200, 1 $1,000; clerks—1 of class 4, 3 of class 3, 5 of class 2, 5 of class 1, 1 $1,100, 6 at $1,000 each, 1 $900; 3 copyists; carpenter, $900; 4 messengers; 4 assistant messengers; 4 laborers; messenger boys—4 at $600 each, 1 $420, 1 $400, 1 $360; in all, $82,860.

Mr. HICKS. Mr. Chairman, I move to strike out the last word, and I do so for the purpose of making an inquiry of the chairman of the committee, if he will permit. Was there any testimony before the committee in regard to an extra Assistant Secretary of the Navy? I know that matter has been discussed, and I was wondering whether any appeal had been made for an increase there.

Mr. BYRNS of Tennessee. No; no such suggestion was made to the committee.

Mr. HICKS. I would like to ask one other question with respect to the next item. I understand that in the War Department about 9,000 temporary employees have been arranged for. About how many does this item provide for, roughly?

Mr. BYRNS of Tennessee. While that information is being looked up, I will say to the gentleman that, as he knows, there is hardly an office in the Navy that has not a great number of yeomen in it——

Mr. HICKS. Yes; I know.

Mr. BYRNS of Tennessee. Who perform clerical services. I think there are some of those bureaus down there that have as many as 200 of these yeomen.

Mr. HICKS. Yes; I was just wondering about how many extra temporary employees are carried in this bill in its entirety.

Mr. BYRNS of Tennessee. I shall endeavor to get the gentleman the information, if I can put my hands on it.

Mr. HICKS. I do not want the gentleman to take the time if he has not it there, as I do not want to unduly interrupt the reading of the bill.

Mr. BYRNS of Tennessee. I will furnish it to the gentleman.

Mr. FESS. Mr. Chairman, in opposition to the pro forma amendment I would like to ask the chairman of the committee, in view of the fact that this bill is almost entirely confined to work here in the District of Columbia——

Mr. BYRNS of Tennessee. Altogether, so far as these particular departments are concerned.

Mr. FESS. I noticed in the paper this morning that at least 30,000 new people will come to the city within the next few months to satisfy the demands of the various departments, and we all know that already so many have come that the question of lodging them has come to be quite serious. We have not yet any law providing for extra housing facilities here in the District, have we?

Mr. BYRNS of Tennessee. Not for the lodging of employees of the Government, no; but there is a bill, I understand, which has been introduced and which is before the Committee on Public Buildings and Grounds providing for $50,000,000 for housing—no, I beg the gentleman's pardon, that, I believe, is in reference to shipyards.

Mr. FESS. This House passed that, the shipyard bill, some time ago.

Mr. STAFFORD. I believe that bill has been reported favorably by the Committee on Public Buildings and Grounds and is now on the calendar.

Mr. FESS. Does that work a relief to the present congested conditions, which will increase in the near future? That is, may we expect such expedition as will meet these increased demands?

Mr. BYRNS of Tennessee. That looks, as I understand, to a relief of the present congested conditions, and also anticipates

the future in so far as the housing of Government employees is concerned.

Mr. FESS. I will say to my friend that in conversation with a gentleman only last night he said that he doubted whether there was a single vacant house in the District of Columbia, and he also said that he was notified when his lease would expire that it would be necessary for him to vacate the house he now lives in or purchase it, and, I might say, he is a man in uniform, brought here by the Government at a greatly decreased salary over what he was receiving when he came, and he came as many another, simply as a matter of devotion to the Government. The reason I asked the present chairman was not so much the general housing proposition as whether the Navy item in this bill which we are now discussing was satisfied in accommodations.

Mr. BYRNS of Tennessee. Well, they are no more satisfied than the other departments, I may say.

In so far as these new clerical employees are concerned, I agree with the gentleman it is a very serious question, and I think this Government must take the matter up in the future and do something to provide for these clerical employees. I do not think the trouble arises so much on account of the situation in which commissioned officers find themselves. It is the clerks who come here at these salaries of eleven and twelve hundred dollars, many of them girls, who ought to be looked after and provided with suitable and comfortable quarters. As the gentleman has just said, that seems to be something they can not secure here now on account of the great number who are coming here from day to day.

Mr. FESS. If the commissioned officers are without quarters and thus embarrassed, it goes without saying that quarters for the clerical force would be still more embarrassing to find.

Mr. BYRNS of Tennessee. Precisely.

Mr. FESS. My concern is whether there is any legislation sufficiently speedy by which we can reach the present situation, which will be cumulative, according to our best information.

Mr. BYRNS of Tennessee. Well, the gentleman from Wisconsin [Mr. STAFFORD] has just stated that the Committeee on Public Buildings and Grounds has reported——

Mr. STAFFORD. They have either reported or are considering a bill for the housing of employees in the District of Columbia. I am not certain whether it has been reported or not.

Mr. BORLAND. Will these clerks want to live in barracks, even if we build them?

Mr. STAFFORD. If the gentleman will pardon me further, I believe it has been suggested by the chairman of the Committee on Appropriations that to meet the pressing need that will arise as the months go by to house the clerks that are coming to the District of Columbia in such large numbers it would be feasible to erect buildings facing the Plaza, and after the war is over and there is no further need of those buildings for housing the clerks they could be sold, to be utilized for hotel purposes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. I would ask for five more minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BORLAND. Will the gentleman yield?

Mr. FESS. I will.

Mr. BORLAND. Does the gentleman from Ohio think that these clerks would be willing to live in barrack-like quarters that would be provided by the Federal Government, some very plain structure that would be simply a question of a roof over their heads? Does the gentleman think they would come and accept the service and payment under those conditions?

Mr. FESS. I think there would be a great number who are coming in connection with the war work, which must be merely temporary, who will be willing to accept such conditions as the emergency demanded. I do not believe that the Government ought to go into the business of housing permanently without at least an exhausted investigation by commission or otherwise; but temporarily we have no choice, we are compelled to do something; it is quite apparent, and probably nothing better can be done than a system of barracks. If the gentleman will permit, I would like to say it is my judgment that if the authorities of the Government would enter upon some definite policy to be of a permanent character, and go out in selected portions of the District and select additions where can be erected detached houses with a little yard and garden spot, and then make arrangements to sell to the permanent clerks upon the installment plan, something like the loan associations, and make the places accessible, if necessary by the construction of transportation lines, it would be a real improvement on the part of the Government.

Mr. STAFFORD. Will the gentleman yield in that particular?

Mr. FESS. I think that can be done, and I would prefer that plan to housing in barracks for temporary purposes. However, I agree that such a plan would not meet the immediate needs owing to the time it would take to make it effective.

Mr. HUMPHREYS. That provision is in the bill providing for the housing of the Emergency Fleet Corporation employees.

Mr. FESS. Detached houses and payments on easy terms?

Mr. HUMPHREYS. Making provision for the housing of the employees and to enable them to buy their homes upon the installment plan, with long-term payments and at a low rate of interest.

Mr. FESS. That is the important feature I had in mind. I yield to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. The gentleman should take into consideration in solving this problem that the Government is confronted with the need of providing facilities for unmarried persons who are not seeking dwelling houses, but quarters for lodging. I would suggest it would be far better to meet the pressing need for housing facilities for these clerks, most of them young women, who are coming to the District, and will come in the next six months, possibly to the number of 16,000, that there should be buildings erected on the order of the buildings in Chicago, New York, and in all the large cities, by the Young Women's Christian Association.

Mr. FESS. I agree with the gentleman.

Mr. STAFFORD. Supervised by some Government official; and that would provide for home life more or less on the order of college dormitories. If the gentleman is acquainted with the dormitories at Smith College, or Wellesley, or Mount Holyoke, or Vassar, or Bryn Mawr, he has noticed that the quarters there would be a model for the Government to provide suitable quarters for these temporary employees that are coming here to aid the Government in the war exigency, but not with the idea of making it their permanent home. It is to provide buildings, with many rooms, along the lines of dormitories, rather than separate homes, as suggested by the gentleman.

Mr. FESS. What I had in mind about the separate homes was to give opportunity to those permanently employed here to secure their own homes upon payments that they could meet.

Mr. STAFFORD. That would not meet the pressing need for the accommodation of those clerks that are coming and will come here at the rate of a thousand or more a month. We will be obliged to find accommodation for them if the work of the Government is going to increase.

Mr. FESS. I agree with the gentleman. I would like to add in this connection that I have never been favorable of Government construction, such as I referred to a moment ago, and ordinarily I would still much prefer to leave it with private enterprise. But the present situation has been compelling in its results upon Government services. The immense demands placed upon housing facilities here by war requirements enable the residents to demand their own prices and exact their own figures. Perhaps we should not find fault. But I am persuaded that the only way to reach the real estate requirements is for the Government to take this step as a permanent policy. In that case I would prefer the character of house I mention.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the last word, and wish to say something just along the line suggested by the gentleman from Wisconsin [Mr. STAFFORD].

The other Governments have done that very thing. In England, particularly, they have spent enormous sums, nearly a billion dollars so far, in providing houses and housing facilities and what they call the amenities that go with it. That is particularly true for the young women who are unmarried and who go away from home to those centers of activity where various materials are being manufactured for war purposes. They have these housing facilities, which are fairly comfortable. They are chaperoned by some woman who is experienced in welfare work, with a large corps of assistants; and they make the employees not only comfortable, but make them thoroughly happy. They do not stop merely at building a house to keep the rain off of them, as suggested by the gentleman from Missouri [Mr. BORLAND], but they do a great deal more than that; and there is no reason why that can not be done in this country just as it has been done abroad. There are many reasons why we might have difficulty in inducing a number of efficient clerks to come here, and if the war continues we will necessarily have to increase the proportion of female clerks in these establishments. Now, if we are to bring them away from their homes, it is the duty of the Government to surround them with proper environment.

Mr. FESS. Will the gentleman yield?

Mr. HUMPHREYS. Certainly.

Mr. FESS. Could that plan of housing be consummated soon enough to meet the pressing needs now?

Mr. HUMPHREYS. I think so. I do not see why it could not. I understand it is very likely there will be a general housing bill reported to this Congress shortly with that in view.

Mr. HICKS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. HICKS. Yes; with pleasure.

Mr. BYRNS of Tennessee. I want to say to the gentleman that I will supply him with the information about the estimated number of employees in the Navy Department.

Mr. HICKS. I thank the gentleman.

Mr. BYRNS of Tennessee. The number of temporary employees is in the neighborhod of 700. There are 1,339 reservists and a thousand on the regular force. In other words, there are 3,000, including the regular force, the temporary force, and the reservists, exclusive of officers.

Mr. HICKS. I thank the gentleman very much.

Mr. Chairman, I rise in opposition to the pro forma amendment. I merely want to say a word in regard to the matter that my friend from Mississippi [Mr. HUMPHREYS] and my friend from Ohio [Mr. FESS] have brought up, the question of housing of Government employees in temporary quarters.

While in England last fall I had occasion to observe the method empolyed there of housing unmarried women employees of the Government. It was at Gretna Green, where there are some 20,000 people employed in the great explosives works. Ten thousand of them are women, a majority of whom are unmarried and without families. They have erected dormitories, which they call "cubicles," one-story buildings, accommodating 96 women each. The front part of the building, which was, I suppose 80 feet or 100 feet in length, had an assembly room where the girls could meet socially. Then there was a room for the matron and one for the assistant matron, who look after the girls. There was a kitchen where the girls could be supplied with their simplest wants, like tea and possibly breakfast. They go out for their main meals to community dining rooms. Behind that large assembly hall, built at right angles to it, three one-story wings projected, and each one of these wings accommodates 32 girls. They are built in the dormitory style, the partitions separating the little rooms or cubicles extending only part way to the ceiling, which allows free ventilation and light throughout the dormitory. These little cubicles are about 6 by 8 feet and are furnished with a bed, a little bureau, and a chair, and each is decorated according to the taste of the occupant. The matron told us that at first the girls, who, by the way, take care of their own rooms, did not decorate their walls. This was always true of the newcomer, but as they met other girls pictures, pillows, and knickknacks would appear. The roof was of tarred paper, and, as I remember, the siding consisted of ordinary siding boards nailed upright to the frames with cleats to keep the weather out, and the building was heated by coal stoves, as I recall. These cubicles were extremely comfortable and homelike, and they made a great impression upon all of us to see how expeditiously the housing problem was handled and how quickly the buildings could be erected and how many people were housed there in perfect comfort and contentment. I do not see why our Government can not do the same thing for our employees here. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For purchase and printing of nautical books, charts, and sailing directions; copperplates, steel plates, chart paper, packing boxes, chart portfolios, electrotyping copperplates, cleaning copperplates; tools, instruments, power, and materials for drawing, engraving, and printing; materials for and mounting charts; reduction of charts by photography; photolithographic charts for immediate use; transfer of photolithographic and other charts to copper; purchase of equipment for the storage of plates used in making charts and for the storage of Hydrographic Office charts and publications; care and repairs to printing presses, furniture, instruments, and tools, including the purchase of a hand press; extra drawing and engraving; translating from foreign languages; telegrams on public business; preparation of pilot charts and their supplements, and printing and mailing same; purchase of data for charts and sailing directions and other nautical publications; books of reference and works and periodicals relating to hydrography, marine meteorology, navigation, surveying, oceanography, and terrestrial magnetism, and to other professional and technical subjects connected with the work of the Hydrographic Office, $90,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. WALSH. What is the reason for increasing this appropriation threefold? It would seem as though this particular activity of the Hydrographic Office would not be increased by reason of the war emergency to any such extent as that.

Mr. BYRNS of Tennessee. That is on account of the very great increase in the number of ships.

Mr. WALSH. In the number of ships in the Navy?

Mr. BYRNS of Tennessee. Ships in the Navy, and also in the merchant marine. This office furnishes navigation charts without cost to the Navy, Army transports, and Government vessels; and inasmuch as they are being increased in number to such a very great extent, it will require more money.

Mr. WALSH. I was not aware that the merchant marine had been increased to any such extent as that, or that it would be during the coming year, nor that there had been any such great increase in the Navy. Of course, they have put to work a lot of these little scout patrols, but they do not all require many charts.

Mr. BYRNS of Tennessee. The ships which have been taken over by the Government, as the gentleman knows, represents a very great number.

Mr. WALSH. But they all had to have charts before being taken over by the Navy in order to navigate.

Mr. BYRNS of Tennessee. These charts have to be corrected from time to time. This item also involves an increased expenditure for copper plates and chart paper. There has been an increase of 30 or 40 per cent in the cost of chart paper. Then there has been great increase in the cost of necessary tools and instruments. That is a considerable item. For instance, the Chief of the Hydrographic Office stated that he expected to expend $20,000 for tools and instruments this year and next year, as compared with an expenditure of $11,000 in 1917.

Then, there is another fact that I will state to the gentleman: Formerly the office secured foreign charts from the British Admiralty; but that practice is not pursued now, and it becomes necessary for the office to furnish those charts at its own expense.

I repeat that these charts are furnished to the Navy and to the Army transports and all Government vessels free of charge. They are sold to private shipowners, but I do not know at what price.

Mr. HICKS. If the gentleman will permit, I will say that those charts are sold to private shipowners at 50 cents apiece.

Mr. BYRNS of Tennessee. I thank the gentleman; and last year those sales amounted to $22,356.10. In peace times they would have been sold for $10,000. That shows a greater activity on the part of this office.

Mr. WALSH. This does not include any contingent expenses, of course. There is a separate item for that?

Mr. BYRNS of Tennessee. This item is for the actual printing of the charts. It also includes purchase of chart paper, copper plates, tools of all kinds; in fact, all of the equipment, including a multitude of items. The gentleman will find all of them enumerated in the paragraph. I will state to the gentleman that Admiral Schroeder stated that the former supply of foreign charts was stopped during the war. He said:

During the war that was stopped. We received notice from the British Admiralty, which, of course, is a great seagoing nation, that they could not any longer furnish us with charts. Up to the time of the war the chart dealers in the seaports bought almost all their foreign charts from the British Admiralty and sold them. When we received word that the British Admiralty would not sell them any more charts, then we proceeded to make them ourselves. In the first half of 1917 there were 207 new charts, not copies of charts, but 207 new charts prepared in our Hydrographic Office, and in the last half 455 new charts were produced in order to supply the demand that had been supplied from the British Admiralty before.

Mr. WALSH. Were those charts of foreign waters?

Mr. BYRNS of Tennessee. They were.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. The pro forma amendment is withdrawn. The Clerk will read.

Mr. HICKS. Mr. Chairman, I ask unanimous consent for three minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. HICKS. I would like to make a statement in regard to this item which I think may be interesting to the House, although I am not sure whether the appropriation covers it or not. A short time ago I was in the office of the Geodetic Survey and was very much impressed with an invention which had been perfected by an employee of that office, developing a new device for deep-sea sounding. Of course, gentlemen know that the application of the principle of Lord Kelvin made it possible to take soundings at enormous depths without the actual measuring of the distance. A glass tube, coated on its inner surface and incased in a heavy weight, measures the sounding. The principle involved is the increase of water pressure with in-

crease of depth; the distance which the water forces itself up into the tube, being translated into pressure, records the depth. By this method ships can take soundings without reducing their speed.

The employee in the Hydrographic Office developed a method whereby, instead of using the colored glass on which the water made its mark, and which was both expensive and liable to breakage, it was possible to measure the quantity of water that would force itself up into the tube. Of course, the greater the depth, with the resultant greater pressure of the water, the larger the amount of water which will force itself up into the tube.

That invention was perfected, as I say, by an employee of this department, and I think that perhaps some of this money is going to be used in the perfection of that device, which will effect a great saving to the Navy of the United States and produce a very valuable deep-sea device at less expense to mariners than those now on the market.

Mr. FESS. Mr. Chairman, referring to the augmented amount of money required in marine meteorology, on page 87, and terrestrial magnetism and oceanography, and so on, the condition of war makes it necessary, because the hazards and dangers to vessels on the ocean require a better charting of all these dangerous places, and our Government seems to have been called upon to do a good deal of that work, so that the increase to me is not strange. Indeed, it is strange that no greater increase has been occasioned by the war. That situation has been dealt with for about three years.

Mr. HICKS. Mr. Chairman, I want to say to my friend from Ohio that the U. S. S. *Bear* was wrecked on the coast of California because of the failure to chart a submarine valley in the ocean. The Government in that case suffered a loss of about a million dollars because of the lack of a proper chart.

Mr. FESS. Is it not also because of the hazards of following defective charting that our vessels are required to take a new course?

Mr. HICKS. If the gentleman will permit right there, the British Government provides what are called Blue Back Charts, and I think they have sold them privately at $3 apiece, whereas ours are sold at 50 cents apiece. The British charts are marked with red or yellow spots to designate lighthouses and lightships, thus making these aids to navigation more easily discernible. Ours have no distinguishing marks at all, but I think our charts are now considered to be at least the equal of the best charts in existence at this time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Naval Observatory: Astronomer, $2,800; assistant astronomers—1 $2,400, 1 $2,000, 1 $1,800; assistant in department of nautical instruments, $1,600; clerks—1 of class 4, one of class 2; instrument maker, $1,500; electrician, $1,500; librarian, $1,800; assistants—3 at $1,600 each, 3 at $1,400 each, 2 at $1,200 each; stenographer and typewriter, $900; foreman and captain of the watch, $1,000; carpenter, $1,000; engineer, $1,000; 3 firemen; 6 watchmen; elevator conductor, $720; 9 laborers; in all, $47,040.

Mr. HUMPHREYS. Mr. Chairman, the Committee on Appropriations a short while ago had some very interesting hearings on this subject. I would like to ask the chairman of the committee something about it. It was developed in those hearings that this was the most expensive observatory in the world. It costs a great deal more than the observatory at Greenwich, or any of the observatories in this country or any other country, perhaps twice as much. As I am advised from these hearings, about nine-tenths of the activities of this bureau and nine-tenths of the money expended are for astronomical observations and calculations of various kinds that have no particular relation to the Navy. The rating of chronometers and the inspecting of nautical instruments is done at the observatory, but this requires no very high degree of scientific knowledge or expertness. The committee had some of the most distinguished, perhaps the most distinguished astronomers in this country either before them or communicated with them by letter, and there was no controversy among them on the proposition that that bureau should not be under the Navy Department. The records and observations of this observatory have never been of any particular use to the astronomers of the country or of the world, because they do not stand particularly high in that special branch of scientific research. The reason for it is patent. Under the law a naval officer is detailed there as the superintendent. He is usually a man who does not necessarily have, and in fact almost necessarily does not have, that degree of learning and expertness that ought to be possessed by the man in charge of the best equipped and most expensively maintained observatory on the face of the earth. I noticed in a letter, I think from the professor of mathematics, Prof. Eichelberger, of the Naval Academy, the statement that the Royal Observatory at Greenwich, established in 1675, was at that time—1913—being presided over by the ninth superintendent—nine in 243 years, an average of about 27 years for each superintendent, whereas here the average is perhaps less than 2 years. It occurs to me that there can be no question that this observatory ought to be presided over by some civilian, some distinguished astronomer who could pursue his observations through the years, so that the world would get the benefit of this very large expenditure of money both for equipment and for maintenance.

Mr. MADDEN. Will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. MADDEN. I suppose the reason why the period of service here at our observatory is so short is that generally some naval officer whose term of service has nearly expired on account of age is assigned to this position.

Mr. HUMPHREYS. Unquestionably there have been some very efficient astronomers developed there, but that is very rare. The professors at Harvard, at the University of Wisconsin, at Chicago University, and various other astronomical observatories in this country all coincided in that opinion; and having read the testimony in the hearings, the matter having been called to my attention sometime ago—and I took occasion to look it over again the other day—I was wondering what induced the committee, after that hearing, to take no action on the matter. Nobody testified to the contrary. All the scientific men of the country agreed that it ought to be taken from the Navy and put in charge of some civilian astronomer of high standing. I would like to ask the gentleman why the committee took no action.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUMPHREYS. I ask five minutes more.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. I will say to the gentleman that the hearing to which he refers was held before the subcommittee on the sundry civil bill. As a matter of fact, the Appropriations Committee has no authority to make any such changes as the gentleman suggests. It is a matter that would require legislation by Congress.

Mr. HUMPHREYS. Yes; but the gentleman realizes that his committee does frequently make suggestions at any rate touching legislation in the bill.

Mr. BYRNS of Tennessee. But I submit that there is never any suggestion of legislation of such very grave importance as that to which the gentleman refers. Now, this Naval Observatory, referred to by the gentleman as being the most expensive in the world, is, as he has stated, something more than an observatory; it is a great workshop. It furnishes to all the ships in the Navy their chronometers, their sextants, their compasses, their binoculars, and all of their navigating instruments.

Mr. HUMPHREYS. It does that same thing at Mare Island for all the ships on the Pacific Ocean. According to the testimony, a very inexpensive establishment somewhere along on the coast could attend to all that at very slight expense. As it is these chronometers which are rated here and the various nautical instruments which are inspected here have to be shipped across the country to be tested and adjusted to a nicety and then shipped back to the port where they are to be used. That all suggests the desirability of having this particular work done on the seacoast.

But that is not more than one-tenth of the work. At least 90 per cent of the work they do there relates to astronomical observations, which ought to be under the direction of some highly skilled and scientific observer, who could pursue his observations without interruption through a long course of years, so as to give this establishment, which is a national establishment, the standing in the scientific world that it ought to have. As it is now it is not very highly regarded by scientific men—certainly nothing like as highly as the observations, calculations, and so forth, that emanate from other observatories in the United States—and I was wondering if the chairman of the committee could give us some reason, aside from the fact that this is an appropriation bill, why this observatory should not be removed from the Navy Department.

Mr. BYRNS of Tennessee. I am frank to say to the gentleman that I can not, because I did not participate in the hearings to which the gentleman has referred. The only reason I can give to the gentleman as to why the matter has not been considered in connection with this bill is because it is beyond the jurisdiction of this committee and is a matter that ought to be very carefully considered by the proper legislative committee.

Mr. HUMPHREYS. The chairman of the committee at the time, Mr. Fitzgerald, considered it, and I assume that he con-

sidered it with a view to taking some legislative action. He wrote the University of Wisconsin, to the director of the Washburn Observatory there, Dr. Comstock, and to the Dudley Observatory, in Albany, N. Y., Dr. Boss, and he also wrote to Admiral or Capt. Eichelberger, professor of the Naval Academy and director of the Nautical Almanac, and to other distinguished astronomers throughout the country. I assumed that he had in mind at the time when he solicited all this information the taking of some legislative action.

Mr. BYRNS of Tennessee. I understand that that was done in connection with the suggestion that the Astrophysical Observatory, which is under the Smithsonian, be transferred to the National Observatory.

Mr. HUMPHREYS. It is just the other way—that this be transferred to the Smithsonian Institution.

Mr. BYRNS of Tennessee. At any rate, it was a question of consolidation, and when it came to making the consolidation——

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. Mr. Chairman, I ask that the gentleman have five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. The Navy Department insisted that it should not be deprived of the control and jurisdiction of the Naval Observatory, since it has to do with the supplying and correcting of chronometers, sextants, and other nautical instruments.

Mr. HUMPHREYS. Yes; and that is but a very small part of the activities of this bureau, which do not require the supervision of any distinguished astronomer. Dr. Comstock divides the activities in his letter into three heads—the preparation of the Nautical Almanac—and I understand the tables for that almanac have been prepared for the rest of the twentieth century; second, those things technical to the Navy; and, third, the astronomical research. He says that nine-tenths of the observatory plant is useless or has only remote relationship to services (a) and (b)—that is, the preparation of the Nautical Almanac and the Navy. There is no question but that it ought to be transferred, and I took this time to see if any reason against it could be suggested.

Mr. FESS. I take it that the letters addressed to the then chairman of the committee, Mr. Fitzgerald, brought back definite answers.

Mr. HUMPHREYS. Unquestionably, and very illuminating ones.

Mr. FESS. And the general trend of those answers were what?

Mr. HUMPHREYS. The unanimous opinion of all those was that this observatory should be taken away from the Navy Department, gotten out from under the Navy Department altogether, except that they might have a little establishment or laboratory somewhere or other on the seacoast to look after the rating of chronometers and inspection of instruments, so as to not make it necessary after they were adjusted to ship them on a railroad train across the country, and that the rest of it ought to be under some civilian astronomer of such standing as would be a credit to the United States Government.

Mr. BYRNS of Tennessee. We have a number of civilian astronomers of very great reputation now connected with the Naval Observatory.

Mr. HUMPHREYS. Yes; but under the direction of a naval officer who is not necessarily very well versed in it, and who is assigned a year and a half or two years perhaps; but the gentleman will certainly understand how much better it would be if we had a great astronomer assigned here with a salary commensurate with his learning and skill, to remain there as they do in every great observatory in the world, through a sufficient period of time to carry on some definite and continued line of study.

Mr. Chairman, I am going to ask, in response to the question of the gentleman from Ohio [Mr. FESS], to insert the letters from the various scientists in the RECORD as a part of my remarks.

Mr. DUPRÉ. Will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. DUPRÉ. Did I understand the gentleman from Tennessee, in reply to the gentleman from Mississippi in regard to the failure of the committee to act on the subject, to say that it was its reluctance to load an appropriation bill with new legislation? [Laughter.]

Mr. HUMPHREYS. Naturally the Appropriations Committee does not like to make legislation of this character.

Mr. DUPRÉ. It does it when it feels like it.

Mr. HUMPHREYS. When the necessities are very great. I have no criticism of the committee, and I do not want the chairman of the committee to understand that I share the suggested criticism.

Mr. BYRNS of Tennessee. If the gentleman will permit me, perhaps the gentleman from Louisiana is as badly mistaken in the statement he just made as he was on yesterday, when he attempted to show without success that the committee had reported legislation on an appropriation bill which sought to abolish the Subtreasury located in the gentleman's home city at a great saving to the Treasury.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to extend his remarks in the RECORD by inserting the letters which he referred to. Is there objection?

There was no objection.

Mr. DUPRÉ. Mr. Chairman, I think it is extremely appropriate that this discussion should have arisen in regard to the Nautical Almanac and other distant points in the future, because the gentleman from Tennessee has earned for himself an everlasting reputation as a prophet in indicating the particular time when the war will come to an end. [Laughter.]

The letters referred to by Mr. HUMPHREYS are as follows:

THE UNIVERSITY OF WISCONSIN,
Madison, March 27, 1912.

Hon. J. J. FITZGERALD, M. C.,
Committee on Appropriations,
House of Representatives, Washington, D. C.

DEAR SIR: Replying to your letter of March 25 relative to the United States Naval Observatory, permit me to urge upon the committee my judgment that the observatory ought, with all convenient dispatch, to be transferred to some civilian department of the Government. Whether that department be the Smithsonian Institution or some other is of minor concern to the professional astronomer.

The basis for the judgment thus expressed may be inferred from the following summary statement of major elements of dissatisfaction with the existing status: The institution is, I believe, the most expensively maintained observatory in the world, and it is pertinent to inquire what service it renders to the public in return for such maintenance. It does make some return and this may be set forth under three heads, viz:

(a) The preparation of the Nautical Almanac.
(b) Technical aid to the Navy.
(c) Astronomical research.

Nine-tenths of the observatory plant is either useless or has only remote relationship to the service above designated (a) and (b). The preparation of the almanac is intrusted to a special bureau housed at the observatory and under command of its superintendent, but having little real relationship to the observatory. It is not my purpose to criticize the administration of this bureau.

By far the larger part of the permanent plant and of the annual appropriations made to the observatory have relationship only to the form of service above designated (c) and they must be justified, if at all, by the results obtained in this line. I affirm that the great majority of astronomers, both American and foreign, will agree with me in the statement that no adequate justification is forthcoming; that the Naval Observatory is far from holding the position and repute that it should command in view of the liberal support accorded it. Beyond question it is much inferior in standing and repute to the national observatories of England, France, and Russia, and to such institutions as are maintained, for the most part under private auspices, at Berlin, Leiden, Cape of Good Hope, and in this country by Harvard University, Chicago University, the University of California, and the Carnegie Foundation of Washington.

This inferiority in scientific productiveness and public esteem is a direct consequence of the statute requiring that the head of the observatory shall be a line officer of the Navy. Owing to the short terms of naval assignment to duty, the statute effectually secures that the responsible administration of the observatory shall, in general, be intrusted to a person ignorant of its purpose, needs, and opportunities. Its real work must be intrusted to subordinates who, in too many cases, put their best energies into intrigue to secure the ear of each new superintendent that his inexperience may be manipulated for their personal advantage. It is needless to say that men of high ability and professional standing will not, as a rule, accept service under such conditions, and the necessary consequence of these conditions is found in the statute above outlined.

To justify the continued maintenance of the observatory upon the current scale of expenditure, the conditions of service within it must be changed. The most imperative change is the installation of a responsible head with reasonably secure tenure of office, who shall understand the work of an observatory, be capable of guiding it and of securing a proper measure of diligence and continuity of effort in its work. A need scarcely less imperative is that the administration cease to be military in character and become scientific, i. e., the observatory should be transferred out of the Navy Department. Other national observatories render service to both Army and Navy, but are never under military administration.

I expect to be in Washington on April 16 and 17, at which time I should be pleased to appear before your committee or any of its members for such other exposition or conference as you may desire in the matter.

Very respectfully,

GEO. C. COMSTOCK,
Director Washburn Observatory.

—

DUDLEY OBSERVATORY,
Albany, N. Y., April 2, 1912.

Hon. JOHN J. FITZGERALD,
Chairman Committee on Appropriations,
House of Representatives, Washington, D. C.

DEAR SIR: My father, Prof. Lewis Boss, is recovering from a long illness, and as there is some question as to his feeling equal to answering your letter, I will undertake to answer for him.

There have been several attempts made to place a civilian astronomer at the head of the Naval Observatory, and every time the measure has been hung up by the stipulation that the observatory still remains under the Navy Department. No first-class astronomer cares to take a position as head of the observatory when at any moment the observatory and some other portion of the Navy Department may be thrown together under the direction of a naval officer.

It is not that we hold anything against naval officers, for we have the greatest respect for them in their chosen fields. But astronomy is a highly technical science with which a naval officer can not be familiar, and therefore he can not be competent to run an astronomical observatory.

It is claimed by the Navy that as the superintendent of the Naval Observatory is only expected to attend to the administrative duties, a naval officer who has had considerable experience in that line is perfectly fitted for the position. Unfortunately for this view, the superintendent should be a man who not only possesses some administrative ability, but he it is who should outline the policies of the institution and be the final court of appeal for all technical questions. An illustration of the practical working out of the system may give you a better idea of my views.

An excellent administrative officer might save a thousand or two thousand dollars per year (although I think even this excessive in the case in hand), but at the same time, because of his inability to direct the astronomical work, some $10,000 might be lost through misdirected efforts. A naval officer is no more fitted to run an astronomical observatory than an astronomer is to run a man-of-war. Again, in the majority of cases the astronomer who would be appointed to such a position has been in charge of a large observatory, where he has, through experience, acquired a considerable amount of administrative ability. And it is very probable that his greater familiarity with the necessary equipment of an observatory would enable him to administer its affairs far more economically than the naval officer could. Under the Smithsonian Institution the observatory would be connected with other scientific branches of the Government service, which would not only give its superintendent the freedom of action necessary to the success of the observatory, but would be liable to breed in the individual members of the force an esprit du corps which they seem to utterly lack at present.

It is well known that in the eyes of the astronomical world the Naval Observatory has been a failure when one considers the amount of its appropriations.

In point of reputation it ranks well down in the list of the principal observatories of the world, whereas it should occupy one of the leading positions.

A complete reorganization is necessary. In order to make it thorough, there must be an astronomer in charge and the observatory should be transferred to the Smithsonian Institution, so that its superintendent shall be at liberty to make the required changes, subject only to the oversight of the Secretary of the Smithsonian Institution, a scientific man. Lest the word reorganization scare you, because of its frequent association with expenditure, I ought to say that the equipment in most regards seems to be excellent. The reorganization must come in the work itself.

In conclusion I would say that since the naval observatory has not been a success in the hands of the Navy it should be transferred to the Smithsonian Institution, where it would become a national observatory, operated by astronomers, a scientific institution, under scientific management.

Very respectfully, BENJAMAN BOSS.

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UNITED STATES NAVAL OBSERVATORY,
NAUTICAL ALMANAC OFFICE,
Washington, D. C., March 30, 1912.

Hon. JOHN J. FITZGERALD,
Chairman Committee on Appropriations,
House of Representatives, Washington, D. C.

SIR: 1. In reply to your letter of March 25, stating that the Committee on Appropriations of the House of Representatives would greatly appreciate from me an expression of opinion on the subject of the transfer of the Naval (astronomical) Observatory at Washington from the direction and control of the Navy Department to that of the Smithsonian Institution, I would simply state that to get the best results from an astronomical observatory the active management of the astronomical work should be in the hands of a professional astronomer, and his term of office should be from 10 to 20 years whenever possible—the longer the better. Frequently a single piece of work will require from 5 to 10 years for its execution, and sometimes much longer.

2. Probably the two most prominent observatories of the world are the Royal Observatory at Greenwich, England, and the Imperial Observatory at Pulkowa, Russia. The first was established in 1675, and is now (since 1910) presided over by its ninth director (Astronomer Royal). The second was established in 1839, and has at present its fourth director. The Royal Observatory at Greenwich is under the Admiralty, and the Imperial Observatory at Pulkowa under the minister of public instruction.

Very respectfully, W. S. EICHELBERGER,
Professor of Mathematics, United States Navy,
Director Nautical Almanac.

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LICK OBSERVATORY, UNIVERSITY OF CALIFORNIA,
Mount Hamilton, April 3, 1912.

The Hon. JOHN J. FITZGERALD,
Chairman Committee on Appropriations,
House of Representatives, Washington, D. C.

DEAR SIR: Complying with your request of March 25. At various times in the past 21 years I have considered the conditions which exist in the United States Naval Observatory, and I hold the definite opinion that the government of the observatory is indefensible from both the astronomical and naval points of view.

There have always been some well-trained and able astronomers on the staff of the Naval Observatory; but the institution will not take a creditable position until it has an astronomical head. There should be a director highly skilled in the practice of his profession. He should comprehend the great astronomical problems of the day and coordinate the efforts of the astronomers to the end that the observatory take a leading part in solving these problems; he should be the first to foresee the problems of the future, and have the resources of the institution organized for efficient attack upon those problems; and most important of all, he should create within the institution an atmosphere of encouragement and enthusiasm in carrying the plans to a successful conclusion.

Examining the form of government prevailing in the highly successful larger observatories of our country, we find Harvard College Observatory, the Yerkes Observatory, the Carnegie Institution Solar Observatory, and others, each with a director of great astronomical experience, serving not for a three-year period, as in the case of the Naval Observatory superintendents but continuously, and responsible to the president and governing board of the university or greater institution of which the individual observatory forms a part. I see no objection to the proposal.

In years when I was somewhat familiar with the details of Naval Observatory administration, its annual budget was more than threefold that of the Lick Observatory, and nearly twice that of the Harvard College Observatory. The Naval Observatory was, in fact, by far the most expensively administered observatory in the world; and it should have taken a correspondingly creditable and commanding position in the astronomical profession. If the observatory is given the best obtainable astronomical director and a suitable governing board, and, further, if its financial resources keep pace with advancing prices, there is no reason why it should not take its proper place as a leading astronomical institution within a period of five years. I should like to see the name changed to the National Observatory or Washington Observatory.

I have a very friendly feeling for the United States Navy, especially as I have had the opportunity to admire its efficiency in a line of duty to which the Navy is trained; and I hold it as unfair to the Navy Department to expect it to make a success of the administration of the Naval Observatory. I see no more reason why a naval officer, untrained in modern astronomy beyond the mere A B C of the subject, should be expected to administer the observatory successfully than that an astronomer who has never been on the ocean should be expected to command successfully a battleship squadron in action. If I were Secretary of the Navy I should strive to free the Navy Department from responsibility for the observatory.

Yours, respectfully,

W. W. CAMPBELL.

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HARVARD COLLEGE OBSERVATORY,
Cambridge, Mass., March 28, 1912.

Hon. JOHN J. FITZGERALD,
Chairman Committee on Appropriations,
House of Representatives, Washington, D. C.

DEAR SIR: Your letter of March 25 is received. It will give me pleasure if in any way I can aid the plan of transferring the direction of the United States Naval Observatory from the Navy Department to the Smithsonian Institution. Such a plan would commend itself, not only to all the astronomers of the country but to all who are anxious that the best scientific returns should be obtained from an institution for which Congress has made such liberal appropriations. The past history of the Naval Observatory has been very unsatisfactory as regards scientific output. Although it has been claimed that it produced Simon Newcomb, the greatest American astronomer, yet no one felt more bitterly than he did that his work was hampered by the restrictions due to naval management. When dying, one of his last efforts was to see the President of the United States with the result, as you know, of the recommendation by the President in his annual message to Congress, of November, 1910, that the administration should be unchanged. President Taft expressed himself still more strongly last December in his address to the American Association for the Advancement of Science. Numerous efforts have been made during the last 30 years by the astronomers of the country to improve conditions. In 1899 the Hon. John D. Long, Secretary of the Navy, became strongly impressed with the importance of the principle that an astronomical observatory should be directed by an astronomer. Three boards of visitors were appointed, of each of which I was a member. The first and most efficient of these boards included Senator William E. Chandler, a former Secretary of the Navy, chairman, and Representative Dayton, then on the Committee of Naval Affairs and now judge in West Virginia. The three astronomers had no difficulty in persuading these men that radical changes in administration were greatly needed, although they satisfied us that it was practically impossible at that time to take the observatory out of the Navy Department. The principal argument was that a civilian superintendent would be unable to secure the same support from Congress as a high naval officer. I hope that you will obtain the present views of Messrs. Long, Chandler, and Dayton in regard to the unsatisfactory condition of the Naval Observatory. The report of this board is published in Senate Document No. 19, first session of Fifty-sixth Congress, December 11, 1899. A discussion of this report is also given in Science for January 4, 1901. An excellent speech on the subject was also made by Mr. Chandler and will be found in the CONGRESSIONAL RECORD, April 11, 1900, volume 33, page 4300. The principal conclusions which I believe would be accepted by nearly all the astronomers of the country are:

1. The administration of the Naval Observatory, so far as the attainment of scientific results is concerned, is very unsatisfactory.

2. The absence of a fixed policy. Such a policy would be to undertake the work desired by the profession and now neglected at other observatories.

3. The short term of office of the superintendent. The first superintendent had a term of 17 years—from 1844 to 1861. From 1861 to 1898 there were 20 superintendents in 37 years, an average of less than 2 years each. The Greenwich Observatory from 1675 to 1910 had 8 astronomers royal during 235 years—an average term of 29 years, including 1 whose term was only 2 years. All astronomers would agree that the work of the Greenwich Observatory has proven far more valuable than that of the Naval Observatory during the same time.

4. The assignment of the work to the members of the corps in order of seniority. As soon as a man has become familiar and acquired skill with one instrument he is sometimes assigned to another for which his past experience is of no use. Years of practice are often needed to obtain the best results with any instrument.

5. The absolute necessity that astronomical work should be superintended by an astronomer. An admiral in charge of an observatory is like an astronomer in charge of a battleship.

6. The Smithsonian Institution has shown that it can administer in a very satisfactory way the scientific departments placed in its care. For several years an astrophysical observatory has been conducted successfully under its direction. If there is no practical objection, which might affect its income, it is probable that the best place for the observatory would be under the direction of the Smithsonian Institution, and that all the objections mentioned above would be remedied.

The present appropriations to the Naval Observatory greatly exceed those made to any other observatory in the world. If properly administered, they should lead to results of the greatest value to astronomical science.

Will you allow me to call your attention to the efficient manner in which the present superintendent, Capt. Jayne, has undertaken the management of the observatory? He has expressed much greater inter-

est in the scientific work of the observatory than has been the case with many of his predecessors and should the proposed transfer be made I hope that in justice to him his work may be in some way recognized.

On April 16 the National Academy of Science meets in Washington, and I am sure that any of the astronomical members would be glad to appear before your committee in person should you desire it.

Yours, very respectfully,

EDWARD C. PICKERING.

Mr. HUMPHREYS. I have no doubt that he got that information from this Nautical Almanac to which the gentleman from Mississippi refers.

Mr. FESS. Mr. Chairman, I move to strike out the last word. The observations that have been made by the gentleman from Mississippi [Mr. HUMPHREYS] are rather an eye opener to me. I mean by that, his statement concerning the control of an observatory which should be abreast in its field is astonishing. My attention had been called to this item, but I did not have time to go into an investigation of it, and from the statement of facts given by the gentleman from Mississippi, and the answers from the chairman of the committee, I take it that the only argument for retaining this observatory under the present control, admittedly unfortunate from the standpoint of best possible achievement, is because there is a sort of workshop connected with the observatory which would be disturbed if it were disconnected from present control. To start with, I think that is a very embarrassing statement to make, coming from this source, as an argument for retaining a naval or astronomical observatory of any sort under any particular management, and, of course, if it is for the Navy, it is in the main astronomical. It ought not to be a workshop, except as a laboratory in advancing the science of astronomy. Its chief concern should be the purpose of surveying the heavens and furthering the knowledge of that yet unknown region which has ever been the chief speculation of ancient and modern science. Of course, these do not pertain to the workshop in which the Navy may be concerned. Such shops should be located at more convenient places for the purpose they wish to serve. If the workshop, no matter how important, is just an addendum or a side issue, merely attached to the observatory, it would seem to be a poor policy that we should cripple a very extensive and widely important institution by retaining it under a management of this or that department of government in order that this workshop might be identified with it. A naval observatory or any other observatory is designed as a place for making observations of facts well known, on the one hand, and discovering the things that are not yet known, on the other—in a word, for finding out new things of value to the activity for which the institution was created—and we ought to have the best talent that the world can supply. Washington should stand for the greatest ability in research in the world. Not only that, but it would seem to me that the management of it, from whatever angle considered, should not be used as a sort of cemetery and retiring place for those who may be dropped out of position somewhere else, that they might serve just a little while longer under the service of the Government, as I thought was suggested by some observations made by the gentleman from Illinois [Mr. MADDEN]. This is the one fear we all must have felt in connection with Government management. Great possibilities are frequently retarded by such policy. I am deeply concerned about the research agencies of the Government, for they give us the new knowledge for which the world strives, and are thus the vanguard of all progress in all science and art, and I would not withhold any necessary appropriations for that sort of work; but to appropriate, as in this case, large sums for that work, so great in its scope, and then cripple it by manning it with any kind of inefficiency, on the ground that you want to keep a workshop connected with it, which does not necessarily belong to it at all, seems to me a very striking comment upon our governmental work and it ought not to be allowed. Note the astonishing statement that this institution has a new head every two or three years. It seems incredible that this source of knowledge would thus become a convenient stopping place for superannuates.

Mr. RUCKER. Mr. Chairman, before the gentleman takes his seat, I would like to ask him a question.

Mr. FESS. I yield to the gentleman.

Mr. RUCKER. I understood the gentleman to say that certain statements had been an eye opener to him. In view of the gentleman's well-known position on certain questions there is some confusion upon this side of the House as to what he had reference to when he spoke of an eye opener.

Mr. FESS. Not being from Missouri, I sympathize with a man who is from Missouri when such revelations as have just been made come to our attention. [Laughter.]

Mr. COX. Mr. Chairman, I rise for the purpose of opposing the amendment of the gentleman from Ohio [Mr. FESS]. This argument is very entertaining and elucidating, and I am not sure but what it will serve a valuable purpose in a few days in view of the bill introduced in the Senate recently by Senator OVERMAN giving to the President the power to reorganize the various departments of the Government by Executive order. In a few pages farther on in the bill we will find a provision for commercial attachés. Those men may be important. They may be worth the money, and at this time I am not complaining about them, but I do not believe they have any place at all in the Department of Commerce. I think they belong exclusively to the Department of State, where every great government on earth has its commercial attachés. The controversy between these two departments simply demonstrates the struggle for power on the part of a bureau, whether it is divided or consolidated power, one party refusing to give up to the other, no matter whether it is right or wrong, and so the fight wages. I take this opportunity to compliment ex-President Taft for some reorganization work that he did in this country that had been needed for 50 years.

Mr. HUMPHREYS. Mr. Chairman, will the gentleman yield?

Mr. COX. Yes.

Mr. HUMPHREYS. President Taft, in a message to Congress, urged very strongly that this bureau be taken away from the Naval Department.

Mr. COX. I do not remember that, but I am sure he was right when he did it. I think every Member of the House who has looked into the question of the reorganization of the various customs ports of the country for the last 25 years has recognized the necessity of their reorganization. There were about 129 of them along the Atlantic Ocean and down on the Gulf of Mexico. Trade had stopped going in there. Many of them were costing from $3,500 to $4,000 a year and yet did not take in a dollar of customs revenue. I know whereof I speak, because I investigated it in 1910, when I was chairman of the Committee on Expenditures in the Treasury Department. They were jobs, pure and simple. Finally this House passed a provision in the sundry civil appropriation bill which gave Mr. Taft the power to reorganize that branch of the work by Executive order. I doubt very much whether Congress ever in the world could have gotten through that as a piece of general legislation. As a result of that Executive order, which President Taft finally put into effect on the morning of the 4th of March, 1913, if I remember correctly, there was a saving to this country of $700,000 a year.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. COX. For a question.

Mr. GOOD. Is the gentleman aware of the fact that while that order did abolish the offices of several collectors of internal revenue——

Mr. COX. Customs revenue.

Mr. GOOD. Internal revenue.

Mr. COX. I am talking about the reorganization of the customs districts.

Mr. GOOD. It also permitted him to reorganize the Internal-Revenue System.

Mr. COX. That was at a time before.

Mr. GOOD. And this administration had no more than got seated in office than it reestablished those same offices that had been abolished, with one exception, and appointed these collectors of internal revenue.

Mr. COX. The gentleman is talking about one thing and I am talking about another. Not one of these offices abolished under the reorganization affected by his act of March 4, 1913, has ever been reestablished. President Taft was given authority to reorganize not only the Customs Service but the Internal-Revenue Service, and abolished quite a number of internal-revenue offices, one in Pennsylvania. I am not talking about that.

Mr. GOOD. Well, I am.

Mr. COX. I will reach that in a moment. I am giving President Taft due credit for his Executive order, for I know the pressure that was brought to bear on him, not only by the Republican Party but by Democrats on this side, to prevent that order going into effect; and I firmly believe if it had not been for the work of Mr. Ebenezer Hill, now deceased, and myself he never would have put it over; and I know the pressure that was brought to bear upon him from the 1st to the 4th of March, 1913, to prevent him putting that over; and, as I said a moment ago, I doubt very much whether Congress could ever have forced a bill through proposing the abolition of 129 jobs which, I think, approximated $700,000 a year. I commend him for it. At the same time I do not agree with the gentleman from Iowa at all. A few years prior to that time President Taft, by an Executive order, did revise the internal-revenue districts of the country, and if I am correct—and I think I am—there has not been but one of those places reestablished, and that was over in the State of Pennsylvania; and that revision of the internal-

revenue districts of this country abolished scores and scores of political jobs. I give Mr. Taft credit for that, and I am making this statement in view of the fact, I hope, the Senate will send over here what is known as the Overman bill and will give to the President the power to consolidate these various bureaus and put them where they belong——

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. COX. Because if he does not get the power in his hands Congress will never do it.

Mr. MOORE of Pennsylvania. Was it not customs districts and not internal-revenue districts?

Mr. COX. They were both. I know something about customs districts, because I had a little hand in it myself.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

For stationery, furniture, newspapers, plans, drawings, and drawing materials; not exceeding $4,000 for the purchase of a motor-propelled passenger-carrying vehicle for official use of the Secretary of the Navy; purchase and exchange of motor trucks or motor delivery wagons; maintenance, repair, and operation of motor trucks or motor delivery wagons, and one motor-propelled passenger-carrying vehicle, to be used only for official purposes; garage rent; street car tickets not exceeding $500; freight, expressage, postage, typewriters, and computing machines; necessary traveling expenses for collection of records not exceeding $100; and other absolutely necessary expenses of the Navy Department and its various bureaus and offices, $270,000. It shall not be lawful to expend, for any of the offices or bureaus of the Navy Department at Washington, any sum out of appropriations made for the Naval Establishment for any of the purposes mentioned or authorized in this paragraph.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. What is the reason for the great increase in this item here from $60,000 to $270,000 for this character of expenses under the Division of Naval Militia Affairs? Has that division furnished any considerable number of men in this emergency?

Mr. BYRNS of Tennessee. That item is for the entire Navy Department, I will say to the gentleman. It is for contingent expense for the purposes indicated of the entire Navy Department, including all the bureaus. The gentleman will notice that the Navy Department had for the current year $60,000 in the original appropriation bill and $168,300 in the deficiency act, making a total of $228,300. This appropriation carries $270,000, which is a reduction of $30,000 from the estimate submitted. It arises by reason of the increased cost of stationery and all other such supplies.

Mr. WALSH. And this is for the entire Naval Establishment; but several of the other bureaus have appropriations for similar items, like newspapers, plans, furniture, and so forth?

Mr. BYRNS of Tennessee. I do not recall any except for the Naval Observatory. The Hydrographic Office has an appropriation for the purchase of copper plates, books, charts, and things of that sort. Then the Division of Naval Militia Affairs has a very small authorization for miscellaneous expenses. Now, the reason that is done is because that particular expense is paid out of the regular appropriation carried in the naval bill for the Naval Militia.

Mr. WALSH. And this authorization here covers all the furniture that the Navy is likely to require, except with the two or three exceptions which the gentleman has noted?

Mr. BYRNS of Tennessee. Yes.

Mr. WALSH. Can the gentleman give any information as to how the Navy Department secures its furniture?

Mr. BYRNS of Tennessee. Through the General Supply Committee, just as other departments do. As the gentleman knows, there is a General Supply Committee which consists of a representative from each department, and all these supplies are purchased through that committee.

Mr. WALSH. I have been informed that the Navy Department when it requires furniture makes out its requisition and its specifications for furniture that is readily procured on the market, and that some of the other departments put in specifications for furniture that can not be procured on the open market, and that in some instances only two or three furniture firms have been able to submit bids on account of the peculiar dimensions required for desks or other office furniture. Has the gentleman any information as to whether there has been any standardization adopted for the procurement of furniture?

Mr. BYRNS of Tennessee. The General Supply Committee provides a schedule for all of the various supplies needed for the departments. One of the reasons for the establishment of the General Supply Committee was to meet the very objection urged by the gentleman—that is, to provide a standard schedule for all the different supplies. Now, those schedules are made from the open market for all supplies that are needed by the departments, and the departments purchase through this General Supply Committee and from their schedule of prices.

Mr. WALSH. And the departments can not fix dimensions or specifications of furniture which they need——

Mr. BYRNS of Tennessee. Well, I take it that it could be done if they secure consent of the General Supply Committee and possibly the Secretary of the Treasury, under whose direction the General Supply Committee acts; but unless that were done, they can not do it.

Mr. WALSH. Was this appropriation, or that part which is to be applied to furniture, to be expended under the direction or in accordance with the regulations imposed by the General Supply Committee?

Mr. BYRNS of Tennessee. Yes; it would be purchased through them.

Mr. WALSH. Mr. Chairman, I withdraw the amendment.

Mr. BYRNS of Tennessee. Of course the gentleman understands that if it should happen there were no articles on the schedule they might be purchased from the outside; but they are purchased through the General Supply Committee so long as the articles needed are on the schedules.

The Clerk read as follows:

For per diem at not exceeding $4 in lieu of subsistence to six inspectors and while remaining at the seat of government under orders of the Secretary, not to exceed 20 days, transportation and sleeping-car fare, incidental expenses of negotiation, inspection, and investigation, including telegraphing, $12,800.

Mr. COX. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman in charge of the bill whether or not there has been an increase in this per diem allowance, as mentioned in lines 14 to 19, page 101?

Mr. BYRNS of Tennessee. There has been no change in this item, I will say to the gentleman. It is in this bill as in the current law.

Mr. COX. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

Indian Office: Commissioner, $5,000; assistant commissioner, $3,500; chief clerk, $2,750; financial clerk, $2,250; chiefs of divisions—1 $2,250, 1 $2,000; law clerk, $2,000; assistant chief of division, $2,000; private secretary, $1,800; examiner of irrigation accounts, $1,800; draftsmen—1 $1,400, 1 $1,200; clerks—20 of class 4, 31 of class 3, 38 of class 2, 2 at $1,500 each, 68 of class 1 (including 1 stenographer), 32 at $1,000 each (including 1 stenographer), 34 at $900 each, 2 at $720 each; messenger; 4 assistant messengers; 4 messenger boys, at $420 each; in all, $320,790.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

In this very important office I notice there has been a saving of several hundred dollars, and I wondered whether that was a mistake or whether there was some reason for the appropriation being less.

Mr. BYRNS of Tennessee. That arises, I will say to the gentleman, in this way: An accountant at $2,000 was transferred to the Secretary's office, and then there was an increase of four messenger boys from $360 to $420.

Mr. WALSH. It is the correct total then for the paragraph as set forth?

Mr. BYRNS of Tennessee. For the paragraph; yes.

The Clerk read as follows:

Appointment shall not be made to any of the positions herein appropriated for in the classified service of the Bureau of Pensions not actually filled June 30, 1918, nor shall more than 25 per cent of other vacancies actually occurring in any grade in the classified service of that bureau during the fiscal year 1919 be filled by original appointment or promotion. The salaries or compensation of all places which may not be filled as hereinabove provided for shall not be available for expenditure but shall lapse and shall be covered into the Treasury. The provisions of this paragraph shall not apply to any position with a salary of $2,250 or above that sum.

Mr. RUCKER. Mr. Chairman, I make a point of order against the paragraph just read. The point I make, Mr. Chairman, is that it is legislation pure and simple and not authorized by existing law. I do not desire to discuss it, Mr. Chairman.

Mr. STAFFORD. Mr. Chairman——

The CHAIRMAN. What has the committee to say on the point of order?

Mr. STAFFORD. Mr. Chairman, this item, if I remember aright, is in identic language with that carried in the last year's appropriation bill. If my memory serves me right, this item was not only in the last year's appropriation bill, but has been carried several years in the legislative, executive, and judicial appropriation bill. And, further, that a point of order was then lodged against it, and the point of order was overruled. The committee, Mr. Chairman, holds that while it may be construed as being legislation, it is not subject to the point of order for the reason that it comes within the provisions of the Holman rule, which was construed yesterday by the present occupant of the chair. The Chair stated yesterday that the Holman rule was a beneficial provision that should be given a liberal con-

struction. I think all Members of the House will agree that that is the proper viewpoint to be taken by any presiding officer in construing that rule. This provision restricts the discretion of the Commissioner of Pensions by limiting the number of appointees that may be made in the respective grades when vacancies occur during the fiscal year. I am not certain whether without the Holman rule, Mr. Chairman, Congress would not have the right to make a similar limitation. It is within the power of the House, as it occurs to me, without the Holman rule, to determine the number of places in the respective grades that will be appropriated for during the next fiscal year, and we can go further and make the number contingent upon the happening of some event, like the number of vacancies that will occur, providing, as in this instance, the vacancies shall not be filled except one for every four occurring in the respective grades.

Now, under the Holman rule it is in order that any germane amendment may be offered either on the floor of the House or reported in an appropriation bill, provided it comes within three separate classes. I ask the attention of the Chair to those three designated classes, which are found in this language:

Nor shall any provision in any such bill or amendment thereto changing existing law be in order, except such as being germane to the subject matter of the bill shall retrench expenditures by the reduction of the number and salary of the officers of the United States.

Well, of course, Mr. Chairman, this naturally reduces the number and the salary of the officers of the United States for the next fiscal year. It has had that effect during the present fiscal year, as has been testified to by the Deputy Commissioner of Pensions. It comes also within the third classification of the Holman rule:

Or by the reduction of the amounts of money covered by the bill.

If vacancies occur during a fiscal year, then instead of the head of the bureau being privileged to fill each of those vacancies under this provision, he is only authorized to fill one when four vacancies occur.

I submit, Mr. Chairman, that under two provisions of the Holman rule the paragraph would be in order, first, that it reduces the number and the salaries of the officers of the United States, and, secondly, it reduces the amount of money provided by the bill. The committee, by reason of this provision, does not provide for as much money during the ensuing fiscal year as it would otherwise provide in case this limitation did not exist.

Mr. RUCKER. Mr. Chairman, if the gentleman's memory as to what occurred here a year ago, when this bill or a like bill was under consideration, is accurate, then mine is very inaccurate. My recollection is quite clear that a point of order was not made against this or similar language a year ago. One of us is absolutely mistaken.

But whether it was or was not, that is not the question here now. I do not believe this legislation is justified by the Holman rule, because it does not reduce the number of clerks and it does not reduce the amount of the appropriation. It is true that if the Chair will indulge in mere speculation and conclude that because men have died and because men will die, therefore somebody in this bureau will die, and hence the salary for a part of the year will be saved, then I grant that it comes within the Holman rule. But unless the Chair indulges in pure speculation I do not think the Holman rule invoked by the gentleman can apply.

Mr. STAFFORD. Does the gentleman think it is a very severe assumption that the aged clerks such as are employed in the Bureau of Pensions will not die in the next fiscal year?

Mr. RUCKER. Well, if I were contemplating the death of one of those old war-worn veterans over there in the Pension Office I would not laugh about it. It is a serious matter.

Mr. STAFFORD. The committee believes that it saves thousands of dollars by the continuation of this provision in the bill.

Mr. RUCKER. The gentleman should not discuss the merits of this provision at this time. Later on we may discuss the merits, if the item remains in the bill. This is legislation, Mr. Chairman, and it is subject to a point of order.

The CHAIRMAN. Is there any provision in the bill relating to the Pension Office now to the effect that these vacancies can not be filled and which this item will keep from being filled?

Mr. BYRNS of Tennessee. That is the point I wanted to call to the attention of the Chair. There are vacancies now existing in the Pension Office which can not be filled on account of the current law. This bill carries over some of these vacancies into the next fiscal year.

Now, if this particular provision is striken from the bill, then, of course, it is perfectly patent that those positions can be filled on July 1 or thereafter. But if this provision stays in the bill they can not be filled until a sufficient number of vacancies exist to entitle the commissioner to fill them. Hence it is clearly within the Holman rule in view of the facts I have stated. I do not know whether I have made myself clear to the Chair or not.

The CHAIRMAN. Let us see what the effects are. I understand the gentleman to say that there are vacant positions now in the Pension Office which by reason of the current law can not be filled?

Mr. BYRNS of Tennessee. That is true.

The CHAIRMAN. Does the gentleman from Missouri agree to that as a fact? It is stated that there are vacancies to-day at the Pension Office which as a matter of current law can not be filled. Is that agreed to?

Mr. RUCKER. I do not know whether that is true or not, Mr. Chairman. I am not connected with the Bureau of Efficiency, and I do not know whether the statement is true or not.

Mr. BYRNS of Tennessee. Mr. Chairman, that fact does not come from the Bureau of Efficiency. That comes from Mr. Tieman, the deputy commissioner, from the gentleman's own State.

Mr. RUCKER. If the chairman of the committee will pardon me, I occupy very little time. I do not understand that the Chair is now considering this matter on its merits. It is simply a question whether the point of order ought to be sustained or not.

The CHAIRMAN. The Chair is not considering it on its merits, but is considering that part that is necessary to consider for a decision, to ascertain what is the status of the law and the effect. The Chair just wanted to find out.

Mr. RUCKER. The Chair has before him the bill. The bill makes specific appropriation for a number of clerks, so many in the various different grades, and they are provided for, regardless of this legislation, which I seek by raising a point of order to have stricken out; but whether this provision stays in the bill or does not stay in, it neither decreases nor increases the number of clerks authorized by this appropriation. They are specifically mentioned.

Mr. BYRNS of Tennessee. If the Chair pleases, Mr. Tieman, the Assistant Pension Commissioner, sets forth on page 563 of the hearings the vacancies now existing in the bureau.

Mr. RUCKER. There is no appropriation for them, and this bill carries no appropriation for them.

Mr. BYRNS of Tennessee. Yes; it does; for several of them.

Mr. RUCKER. This law has nothing to do with those vacancies.

Mr. BYRNS of Tennessee. Yes; it has. It carries over some of them into the next fiscal year.

Mr. STAFFORD. If the gentleman will permit me for a moment, I submit that it is within the authority of the House, on an appropriation bill, to provide for any number of clerks of the respective grades authorized by law. It may provide for them for the entire fiscal year. It may provide for them for a fraction of the year. It is within the power of the House to determine how many of these clerks shall be provided and for how long they shall be employed. Leaving out of consideration entirely the Holman rule, this House has the right to say that so many clerks of class 4 shall be employed during the whole year or shall be employed during a fraction of the year. This provision is substantially that. It says that as far as the clerks of class 4 or the clerks of class 3 are concerned, that if four vacancies occur in those respective grades during the fiscal year for which this bill carries appropriations, only one shall be appointed. That is a limitation within the power of the House to provide. But we are reinforced by the provisions of the Holman rule, so that even if that were not so, as this on its face retrenches expenditures from the Public Treasury by providing for a less number of employees during the next fiscal year and provides for a reduction of appropriations, therefore it is also for that reason in order.

The CHAIRMAN. That is the precise matter that the Chair is trying to get at. The Chair has examined the current law, and the question he has asked is whether there are any existing vacancies which by reason of the current law can not be filled.

Mr. BYRNS of Tennessee. There are.

The CHAIRMAN. Should this paragraph go out of the bill, will those positions be filled?

Mr. BYRNS of Tennessee. They will be filled eventually.

The CHAIRMAN. Then the retention of this paragraph in the bill will prevent a number of positions from being filled, which otherwise would be filled.

Mr. BYRNS of Tennessee. There is no question about that.

The CHAIRMAN. The Chair simply desired to ascertain the facts. It appears then that the current law hinders certain vacancies from being filled, and further that these vacancies will be filled if this paragraph is stricken from the bill. The effect of the paragraph is in substance to reduce a certain num-

ber of officials, since a position which can not be filled is substantially a position which has been abolished. Hence this paragraph retrenches expenditures by the reduction of Federal officials, and of official salaries.

Mr. RUCKER. If this paragraph goes out of the bill, I grant you that if a clerk in the Pension Bureau resigns or dies the bureau will have the power under the law to put another clerk in by promotion or appointment.

The CHAIRMAN. That is a speculative situation, but the Chair understands that there are vacancies there now.

Mr. RUCKER. I am not prepared to state definitely whether that is true or not. Of course, I would accept the statement of the gentleman who has charge of the bill, but as I understand it that is not the fact. This bill appropriates only for that number of clerks which two or three gentlemen have determined the bureau shall have, and it does not appropriate for clerks whom these gentlemen have heretofore said, and those whom they now say, the bureau shall not have.

Mr. BYRNS of Tennessee. If the gentleman will pardon me, the gentleman falls into the error of concluding that the committee has done this year just what it did last year.

Mr. RUCKER. It has done a little more and, if possible, a little worse.

Mr. BYRNS of Tennessee. Last year we undertook to drop out all of the vacancies. In this case we have not dropped out all of the vacancies. Some of them are carried over into next year, and I will call the attention of the gentleman to one of them. That is the position of principal examiner. There are three of these vacancies, as Mr. Tieman, the Assistant Pension Commissioner, states. In this bill under consideration we drop only two of them. So if this bill becomes a law as it is reported there will on July 1, even if no further vacancies occur, be a vacancy existing in the position of principal examiner.

Therefore, if this provision goes out of the bill, on July 1 that position, of course, can be filled immediately.

Mr. RUCKER. May I ask the gentleman a question. Is it the gentleman's purpose to so write this bill as to handicap and cripple the bureau so that it can not render efficient service?

Mr. BYRNS of Tennessee. No.

Mr. RUCKER. The gentleman is making long strides in that direction.

Mr. BYRNS of Tennessee. The gentleman for two or three years has opposed the action of the committee in making reductions in the Pension Office, but the fact is that year by year it is perfectly patent from the hearings that there has been nothing done to interfere with the Pension Office in promoting the efficiency of the administration of affairs.

Mr. RUCKER. That is a fact that should afford the gentleman no consolation, because I think I am justified in saying the gentleman has consulted no one connected with the service in the bureau in connection with the preparation of this appropriation bill. He got information largely from the outside.

Mr. HELVERING. If the gentleman will pardon me, cases filed way back in 1917 are still undisposed of.

Mr. RUCKER. Yes; that is true, because the commissioner is not allowed to keep the working force of his bureau up to a standard of efficiency, and legislation now on the calendar and which will become a law, the policy of this committee is going to cause further delay and more confusion.

Mr. BYRNS of Tennessee. It is very peculiar if that condition exists, that the fact should be that at the time of the hearings the Assistant Pension Commissioner stated that he had two vacancies—I am sure one was a $1,800 clerk and the other perhaps was a $1,600 clerk—that had existed for a month or two.

Mr. RUCKER. Since the gentleman has made that statement on the floor, I think it is but fair to state that the Deputy Commissioner of Pensions stated that the reason he had not filled the vacancy referred to was because he did not want to go to the civil-service list and put in the service a new and inexperienced clerk at $1,800 over the heads of men who had worked faithfully and well for years and who under civil-service law are entitled to promotion.

Mr. BYRNS of Tennessee. Why did not he promote them?

Mr. RUCKER. You do not allow him to promote them.

Mr. BYRNS of Tennessee. He could promote them to that place because he is authorized to do so.

The CHAIRMAN. This situation appears to be as follows: There are certain hereafter occurring vacancies in the Pension Bureau that are forbidden to be filled by the provisions of this paragraph. The elimination of these officials, is a reduction of the official force, and a reduction of the official force and of the salaries of the same is one of the methods of retrenching expenditures contemplated in the Holman rule. A germane amendment retrenching expenditures is in order under this rule, even if it is legislation on an appropriation bill. It seems to the Chair that in view of the reduction in officers and salaries that this paragraph will effect, it is in order. The Chair therefore overrules the point of order.

Mr. RUCKER. Mr. Chairman, I move to strike out all of lines 5 to 17, inclusive, on page 105 of the bill.

The CHAIRMAN. The gentleman from Missouri moves to strike out, and the Clerk will report the amendment.

The Clerk read as follows:

Page 105, strike out all the language beginning at line 5 down to and including line 17.

Mr. RUCKER. Now, Mr. Chairman, I hope to present some facts to the committee by which I want to get some independent action of the Members. I do not want to make an argument to empty benches and have the whip used to bring in Members that do not know what they are voting on, and therefore I suggest the point of no quorum.

The CHAIRMAN. The gentleman from Missouri makes the point of no quorum, and evidently there is no quorum present.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee rise.

The question was taken; and on a division (demanded by Mr. SHERLEY) there were 23 ayes and 8 noes.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers the gentleman from Tennessee [Mr. BYRNS] and the gentleman from Missouri [Mr. RUCKER].

The committee again divided, and the tellers announced that there were 21 ayes and 23 noes.

So the committee determined not to rise.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and on a division (demanded by Mr. RUCKER) there were—ayes 31, noes 2.

So the committee determined to rise.

The committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10378, the legislative, executive, and judicial appropriation bill, and had come to no resolution thereon.

WITHDRAWAL OF PAPERS.

By unanimous consent, leave was granted to Mr. HULL to withdraw from the files of the House, without leaving copies, papers in the case of Robert F. Risley (H. R. 8423, 64th Cong.), no adverse report having been made thereon.

FEDERAL CONTROL OF RAILROAD TRANSPORTATION.

Mr. SIMS. Mr. Speaker, I submit for printing under the rule the conference report upon the bill S. 3752, to provide for the operation of transportation systems while under Federal control, for just compensation for their owners, and for other purposes.

The conference report and statement are as follows:

CONFERENCE REPORT (NO. 371).

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same, with an amendment as follows: In lieu of the matter proposed by the House insert the following:

"That the President, having in time of war taken over the possession, use, control, and operation (called herein Federal control) of certain railroads and systems of transportation (called herein carriers), is hereby authorized to agree with and to guarantee to any such carrier making operating returns to the Interstate Commerce Commission, that during the period of such Federal control it shall receive as just compensation an annual sum, payable from time to time in reasonable installments, for each year and pro rata for any fractional year of such Federal control, not exceeding a sum equivalent as nearly as may be to its average annual railway operating income for the three years ended June 30, 1917. That any railway operating income accruing during the period of Federal control in excess of such just compensation shall remain the property of the United States. In the computation of such income, debits and credits arising from the accounts called in the monthly reports to the Interstate Commerce Commission equipment rents and joint facility rents shall be included, but debits and credits

arising from the operation of such street electric passenger railways, including railways commonly called interurbans, as are at the time of the agreement not under Federal control, shall be excluded. If any lines were acquired by, leased to, or consolidated with such railroad or system between July 1, 1914, and December 31, 1917, both inclusive, and separate operating returns to the Interstate Commerce Commission were not made for such lines after such acquisition, lease, or consolidation, there shall (before the average is computed) be added to the total railway operating income of such railroad or system for the three years ended June 30, 1917, the total railway operating income of the lines so acquired, leased, or consolidated, for the period beginning July 1, 1914, and ending on the date of such acquisition, lease, or consolidation, or on December 31, 1917, whichever is the earlier. The average annual railway operating income shall be ascertained by the Interstate Commerce Commission and certified by it to the President. Its certificate shall, for the purpose of such agreement, be taken as conclusive of the amount of such average annual railway operating income.

"Every such agreement shall provide that any Federal taxes under the act of October 3, 1917, or acts in addition thereto or in amendment thereof, commonly called war taxes, assessed for the period of Federal control beginning January 1, 1918, or any part of such period, shall be paid by the carrier out of its own funds, or shall be charged against or deducted from the just compensation; that other taxes assessed under Federal or any other governmental authority for the period of Federal control or any part thereof, either on the property used under such Federal control or on the right to operate as a carrier, or on the revenues or any part thereof derived from operation (not including, however, assessments for public improvements or taxes assessed on property under construction, and chargeable under the classification of the Interstate Commerce Commission to investment in road and equipment), shall be paid out of revenues derived from railway operations while under Federal control; that all taxes assessed under Federal or any other governmental authority for the period prior to January 1, 1918, whenever levied or payable, shall be paid by the carrier out of its own funds, or shall be charged against or deducted from the just compensation.

"Every such agreement shall also contain adequate and appropriate provisions for the maintenance, repair, renewals, and depreciation of the property, for the creation of any reserves or reserve funds found necessary in connection therewith, and for such accounting and adjustments of charges and payments, both during and at the end of Federal control as may be requisite in order that the property of each carrier may be returned to it in substantially as good repair and in substantially as complete equipment as it was in at the beginning of Federal control, and also that the United States may, by deductions from the just compensations or by other proper means and charges, be reimbursed for the cost of any additions, repairs, renewals, and betterments to such property not justly chargeable to the United States; in making such accounting and adjustments due consideration shall be given to the amounts expended or reserved by each carrier for maintenance, repairs, renewals, and depreciation during the three years ended June 30, 1917, to the condition of the property at the beginning and at the end of Federal control and to any other pertinent facts and circumstances.

"The President is further authorized in such agreement to make all other reasonable provisions, not inconsistent with the provisions of this act or of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, that he may deem necessary or proper for such Federal control or for the determination of the mutual rights and obligations of the parties to the agreement arising from or out of such Federal control.

"If the President shall find that the condition of any carrier was during all or a substantial portion of the period of three years ended June 30, 1917, because of nonoperation, receivership, or where recent expenditures for additions or improvements or equipment were not fully reflected in the operating railway income of said three years or a substantial portion thereof, or because of any undeveloped or abnormal conditions, so exceptional as to make the basis of earnings hereinabove provided for plainly inequitable as a fair measure of just compensation, then the Presdent may make with the carrier such agreement for such amount as just compensation as under the circumstances of the particular case he shall find just.

"That every railroad not owned, controlled, or operated by another carrier company, and which has heretofore competed for traffic with a railroad or railroads of which the President has taken the possession, use, and control, or which connects with such railroads and is engaged as a common carrier in general transportation, shall be held and considered as within 'Federal control,' as herein defined, and necessary for the prosecution of the war, and shall be entitled to the benefit of all the provisions of this act: *Provided, however*, That nothing in this paragraph shall be construed as including any street or interurban electric railway which has as its principal source of operating revenue urban, suburban, or interurban passenger traffic, or sale of power, heat and light, or both.

"The agreement shall also provide that the carrier shall accept all the terms and conditions of this act and any regulation or order made by or through the President under authority of this act or of that portion of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, which authorizes the President in time of war to take possession, assume control, and utilize systems of transportation.

"SEC. 2. That if no such agreement is made, or pending the execution of an agreement, the President may nevertheless pay to any carrier while under Federal control an annual amount, payable in reasonable installments, not exceeding 90 per cent of the estimated annual amount of just compensation, remitting such carrier, in case where no agreement is made, to its legal rights for any balance claimed to the remedies provided in section 3 hereof. Any amount thereafter found due such carrier above the amount paid shall bear interest at the rate of 6 per cent per annum. The acceptance of any benefits under this section shall constitute an acceptance by the carrier of all the provisions of this act and shall obligate the carrier to pay to the United States, with interest at the rate of 6 per cent per annum from a date or dates fixed in proceedings under section 3, the amount by which the sums received under this section exceed the sum found due in such proceedings.

"SEC. 3. That all claims for just compensation not adjusted (as provided in section 1) shall, on the application of the President or of any carrier, be submitted to boards, each consisting of three referees to be appointed by the Interstate Commerce Commission, members of which and the official force thereof being eligible for service on such boards without additional compensation. Such boards of referees are hereby authorized to summon witnesses, require the production of records, books, correspondence, documents, memoranda, and other papers, view properties, administer oaths, and may hold hearings in Washington and elsewhere, as their duties and the convenience of the parties may require. In case of disobedience to a subpœna the board may invoke the aid of any district court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpœna issued to any person, corporation, partnership, or association, issue an order requiring appearance before the board, or the production of documentary evidence if so ordered, or the giving of evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. Such cases may be heard separately or together or by classes, by such boards as the Interstate Commerce Commission in the first instance, or any board of referees to which any such cases shall be referred may determine. Said boards shall give full hearings to such carriers and to the United States; shall consider all the facts and circumstances, and shall report as soon as practicable in each case to the President the just compensation, calculated on an annual basis and otherwise in such form as to be convenient and available for the making of such agreement as is authorized in section 1. The President is authorized to enter into an agreement with such carrier for just compensation upon a basis not in excess of that reported by such board, and may include therein provisions similar to those authorized under section 1. Failing such agreement, either the United States or such carrier may file a petition in the Court of Claims for the purpose of determining the amount of such just compensation, and in the proceedings in said court the report of said referees shall be prima facie evidence of the amount of just compensation and of the facts therein stated. Proceedings in the Court of Claims under this section shall be given precedence and expedited in every practicable way.

"SEC. 4. That the just compensation that may be determined as hereinbefore provided by agreement or that may be adjudicated by the Court of Claims, shall be increased by an amount reckoned at a reasonable rate per centum to be fixed by the President upon the cost of any additions and betterments, less retirements, and upon the cost of road extensions to the property of such carrier made by such carrier with the approval of or by order of the President while such property is under Federal control.

"SEC. 5. That no carrier while under Federal control shall, without the prior approval of the President, declare or pay any dividend in excess of its regular rate of dividends during the three years ended June 30, 1917: *Provided, however*, That such

carriers as have paid no regular dividends or no dividends during said period may, with the prior approval of the President, pay dividends at such rate as the President may determine.

"SEC. 6. That the sum of $500,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, which, together with any funds available from any operating income of said carriers, may be used by the President as a revolving fund for the purpose of paying the expenses of the Federal control, and so far as necessary the amount of just compensation, and to provide terminals, motive power, cars, and other necessary equipment, such terminals, motive power, cars, and equipment to be used and accounted for as the President may direct and to be disposed of as Congress may hereafter by law provide.

"The President may also make or order any carrier to make any additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other equipment necessary or desirable for war purposes or in the public interest on or in connection with the property of any carrier. He may from said revolving fund advance to such carrier all or any part of the expense of such additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other necessary equipment so ordered and constructed by such carrier or by the President, such advances to be charged against such carrier and to bear interest at such rate and be payable on such terms as may be determined by the President, to the end that the United States may be fully reimbursed for any sums so advanced.

"Any loss claimed by any carrier by reason of any such additions, betterments, or road extensions so ordered and constructed may be determined by agreement between the President and such carrier; failing such agreement the amount of such loss shall be ascertained as provided in section 3 hereof.

"From said revolving fund the President may expend such an amount as he may deem necessary or desirable for the utilization and operation of canals, or for the purchase, construction, or utilization and operation of boats, barges, tugs, and other transportation facilities on the inland, canal, and coastwise waterways, and may in the operation and use of such facilities create or employ such agencies and enter into such contracts and agreements as he shall deem in the public interest.

"SEC. 7. That for the purpose of providing funds requisite for maturing obligations or for other legal and proper expenditures, or for reorganizing railroads in receivership, carriers may, during the period of Federal control, issue such bonds, notes, equipment trust certificates, stock, and other forms of securities, secured or unsecured by mortgage, as the President may first approve as consistent with the public interest. The President may, out of the revolving fund created by this act, purchase for the United States all or any part of such securities at prices not exceeding par, and may sell such securities whenever in his judgment it is desirable at prices not less than the cost thereof. Any securities so purchased shall be held by the Secretary of the Treasury, who shall, under the direction of the President, represent the United States in all matters in connections therewith in the same manner as a private holder thereof. The President shall each year as soon as practicable after January 1, cause a detailed report to be submitted to the Congress of all receipts and expenditures made under this section and section 6 during the preceding calendar year.

"SEC. 8. That the President may execute any of the powers herein and heretofore granted him with relation to Federal control through such agencies as he may determine, and may fix the reasonable compensation for the performance of services in connection therewith, and may avail himself of the advice, assistance, and cooperation of the Interstate Commerce Commission and of the members and employees thereof, and may also call upon any department, commission, or board of the Government for such services as he may deem expedient. But no such official or employee of the United States shall receive any additional compensation for such services except as now permitted by law.

"SEC. 9. That the provisions of the act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes," approved August 29, 1916, shall remain in force and effect except as expressly modified and restricted by this act; and the President, in addition to the powers conferred by this act, shall have and is hereby given such other and further powers necessary or appropriate to give effect to the powers herein and heretofore conferred. The provisions of this act shall also apply to any carriers to which Federal control may be hereafter extended.

"SEC. 10. That carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control or with any order of the President. Actions at law or suits in equity may be brought by and against such carriers and judgments rendered as now provided by law; and in any action at law or suit in equity against the carrier, no defense shall be made thereto upon the ground that the carrier is an instrumentality or agency of the Federal Government. Nor shall any such carrier be entitled to have transferred to a Federal court any action heretofore or hereafter instituted by or against it, which action was not so transferable prior to the Federal control of such carrier; and any action which has heretofore been so transferred because of such Federal control or of any act of Congress or official order or proclamation relating thereto shall upon motion of either party be retransferred to the court in which it was originally instituted. But no process, mesne or final, shall be levied against any property under such Federal control.

"That during the period of Federal control, whenever in his opinion the public interest requires, the President may initiate rates, fares, charges, classifications, regulations, and practices by filing the same with the Interstate Commerce Commission, which said rates, fares, charges, classifications, regulations, and practices shall not be suspended by the commission pending final determination.

"Said rates, fares, charges, classifications, regulations, and practices shall be reasonable and just and shall take effect at such time and upon such notice as he may direct, but the Interstate Commerce Commission shall, upon complaint, enter upon a hearing concerning the justness and reasonableness of so much of any order of the President as establishes or changes any rate, fare, charge, classification, regulation, or practice of any carrier under Federal control, and may consider all the facts and circumstances existing at the time of the making of the same. In determining any question concerning any such rates, fares, charges, classifications, regulations, or practices or changes therein, the Interstate Commerce Commission shall give due consideration to the fact that the transportation systems are being operated under a unified and coordinated national control and not in competition.

"After full hearing the commission may make such findings and orders as are authorized by the act to regulate commerce as amended, and said findings and orders shall be enforced as provided in said act: *Provided, however*, That when the President shall find and certify to the Interstate Commerce Commission that in order to defray the expenses of Federal control and operation fairly chargeable to railway operating expenses, and also to pay railway tax accruals other than war taxes, net rents for joint facilities and equipment, and compensation to the carriers, operating as a unit, it is necessary to increase the railway operating revenues, the Interstate Commerce Commission in determining the justness and reasonableness of any rate, fare, charge, classification, regulation, or practice shall take into consideration said finding and certificate by the President, together with such recommendations as he may make.

"SEC. 11. That every person or corporation, whether carrier or shipper, or any receiver, trustee, lessee, agent, or person acting for or employed by a carrier or shipper, or other person, who shall knowingly violate or fail to observe any of the provisions of this act, or shall knowingly interfere with or impede the possession, use, operation, or control of any railroad property, railroad, or transportation system hitherto or hereafter taken over by the President, or shall knowingly violate any of the provisions of any order or regulation made in pursuance of this act, shall be guilty of a misdemeanor, and shall, upon conviction, be punished by a fine of not more than $5,000, or, if a person, by imprisonment for not more than two years, or both. Each independent transaction constituting a violation of, or a failure to observe, any of the provisions of this act, or any order entered in pursuance hereof, shall constitute a separate offense. For the taking or conversion to his own use or the embezzlement of money or property derived from or used in connection with the possession, use, or operation of said railroads or transportation systems, the criminal statutes of the United States, as well as the criminal statutes of the various States where applicable, shall apply to all officers, agents, and employees engaged in said railroad and transportation service, while the same is under Federal control, to the same extent as to persons employed in the regular service of the United States. Prosecutions for violations of this act or of any order entered hereunder shall be in the district courts of the United States, under the direction of the Attorney General, in accordance with the procedure for the collection and imposing of fines and penalties now existing in said courts.

"SEC. 12. That moneys and other property derived from the operation of the carriers during Federal control are hereby declared to be the property of the United States. Unless otherwise directed by the President, such moneys shall not be covered

into the Treasury, but such moneys and property shall remain in the custody of the same officers, and the accounting thereof shall be in the same manner and form as before Federal control. Disbursements therefrom shall, without further appropriation, be made in the same manner as before Federal control and for such purposes as under the Interstate Commerce Commission classification of accounts in force on December 27, 1917, are chargeable to operating expenses or to railway tax accruals and for such other purposes in connection with Federal control as the President may direct, except that taxes under Titles 1 and 2 of the act entitled 'An act to provide revenue to defray war expenses, and for other purposes,' approved October 3, 1917, or any act in addition thereto or in amendment thereof, shall be paid by the carrier out of its own funds. If Federal control begins or ends during the tax year for which any taxes so chargeable to railway tax accruals are assessed, the taxes for such year shall be apportioned to the date of the beginning or ending of such Federal control, and disbursements shall be made only for that portion of such taxes as is due for the part of such tax year which falls within the period of Federal control.

"At such periods as the President may direct, the books shall be closed and the balance of revenues over disbursements shall be covered into the Treasury of the United States to the credit of the revolving fund created by this act. If such revenues are insufficient to meet such disbursements, the deficit shall be paid out of such revolving fund in such manner as the President may direct.

"SEC. 13. That all pending cases in the courts of the United States affecting railroads or other transportation systems brought under the act to regulate commerce, approved February 4, 1887, as amended and supplemented, including the commodities clause, so called, or under the act to protect trade and commerce against unlawful restraints and monopolies, approved July 2, 1890, and amendments thereto, shall proceed to final determination as soon as may be, as if the United States had not assumed control of transportation systems; but in any such case the court having jurisdiction may, upon the application of the United States, stay execution of final judgment or decree until such time as it shall deem proper.

"SEC. 14. That the Federal control of railroads and transportation systems herein and heretofore provided for shall continue for and during the period of the war and for a reasonable time thereafter, which shall not exceed one year and nine months next following the date of the proclamation by the President of the exchange of ratifications of the treaty of peace: *Provided, however*, That the President may, prior to July 1, 1918, relinquish control of all or any part of any railroad or system of transportation, further Federal control of which the President shall deem not needful or desirable; and the President may at any time during the period of Federal control agree with the owners thereof to relinquish all or any part of any railroad or system of transportation. The President may relinquish all railroads and systems of transportation under Federal control at any time he shall deem such action needful or desirable. No right to compensation shall accrue to such owners from and after the date of relinquishment for the property so relinquished.

"SEC. 15. That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation or the lawful police regulations of the several States, except wherein such laws, powers, or regulations may affect the transportation of troops, war materials, Government supplies or the issue of stocks and bonds: *Provided, however*, That no State or subdivision thereof, or the District of Columbia, shall levy, assess or collect an amount of taxes from railroad property within the State or subdivision thereof, or the District of Columbia, while under Federal control, in excess of the ratio which the taxes derived from railroad property bore to the total taxes of such State or subdivision thereof, or the District of Columbia, for the year previous to Federal control.

"SEC. 16. That this act is expressly declared to be emergency legislation enacted to meet conditions growing out of war; and nothing herein is to be construed as expressing or prejudicing the future policy of the Federal Government concerning the ownership, control, or regulation of carriers or the method or basis of the capitalization thereof."

And the House agree to the same.

T. W. SIMS,
FRANK E. DOREMUS,
JOHN J. ESCH,
Managers on the part of the House.
E. D. SMITH,
ATLEE POMERENE,
JOE T. ROBINSON,
CHAS. E. TOWNSEND,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the conference report:

The conferees adopted the amendment of the House as the basis of their conference.

The Senate receded from its disagreement to section 1 of the House amendment with an amendment striking out so much of the House amendment as provided an increase of the annual sum payable as compensation to the carriers upon the cost of any additions or betterments less retirements, or road extensions made during the six months ended December 31, 1917, and with further slight amendments in the wording of the House amendment.

The Senate receded from its disagreement to section 2 of the House amendment, with an amendment providing that the compensation that might be agreed upon as provided in said section should cover the time consumed in arriving at an agreement.

The Senate receded from its disagreement to section 3 of the House amendment in full with an amendment added to the end of the section providing that proceedings in the Court of Claims, under the section, should be given precedence and expedited in every practicable way.

The Senate receded from its disagreement to section 4 of the House amendment, and agreed to the same.

The Senate receded from its disagreement to section 5 of the House amendment, and agreed to the same.

The Senate receded from its disagreement to section 6 of the House amendment, and agreed to the same with an amendment striking out the third paragraph of said section and substituting therefor practically the same provision differently worded, as appears in the conference report.

The Senate receded from its disagreement to section 7 of the House amendment, and agreed to the same.

The Senate receded from its disagreement to section 8 of the House amendment, with an amendment striking out all of the second paragraph.

Section 9 of the House amendment, which made provisions regarding the operation of short-line railroads that were not taken over, was stricken from the bill because of the adoption by the House of the Senate provision requiring all lines referred to in said section of the House amendment to be taken over.

The Senate receded from its disagreement to section 10 of the House amendment. Said section 10 in the House amendment, by reason of striking out section 9, is numbered in the conference agreement as section 9.

The Senate receded from its disagreement to section 11 of the House amendment down to and including the words "but no process, mesne or final, shall be levied against any property under such Federal control," with an amendment to the first portion of said paragraph wherein it provides that "carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control," as follows: After the word "control" insert the words "or with any order of the President." Also an amendment striking out all the remainder of said first paragraph after the words "such Federal control," as above set out. Also with a further amendment striking out the remainder of the section of the House amendment, and substituting in lieu of same the provisions of the conference report, the effect of which is to give paramount and final power to the Interstate Commerce Commission to determine finally as to the reasonableness and justness of any rates, fares, charges, classifications, regulations, and practices that may be initiated by the President during the period of Federal control, with authority to make such findings and orders as the commission may think right and proper with regard thereto.

The Senate receded from its disagreement to section 12 of the House amendment, and agrees to the same in substance and effect.

The Senate receded from its disagreement to section 13 of the House amendment with an amendment striking out all of the second paragraph, and agrees to the same.

The Senate receded from its disagreement to section 14 of the House amendment, and agrees to the same.

The Senate receded from its disagreement to section 15 of the House amendment with an amendment providing that the period of Federal control shall not continue longer than one

year and nine months next following the date of the proclamation by the President of the exchange of ratifications of the treaty of peace, which was agreed to by the House.

The conferees agreed to strike out section 16 of the House amendment, and substituted therefor a new section, as set out in section 15 of the conference report, the effect of which change is to provide that no State or subdivision thereof shall increase taxation on railroad property while under Federal control in excess of the increase that might be made on other taxable property in the State during such period. The substitute section also provides that this act shall not be construed to amend, repeal, impair, or affect existing laws or powers of the States in relation to the lawful police regulations of the States, except wherein such laws, powers, or regulations may affect the transportation of troops, war materials, Government supplies, or the issue of stocks and bonds.

The Senate receded from its disagreement to section 17 of the House amendment, and agreed to the same.

T. W. SIMS,
FRANK E. DOREMUS,
JOHN J. ESCH,
Managers on the part of the House.

WAR FINANCE CORPORATION.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent to address the House for two minutes?

The SPEAKER. Is there objection.

There was no objection.

Mr. KITCHIN. Mr. Speaker, the Committee on Ways and Means has had under consideration what is known as the war finance corporation bill for three weeks or more. There were so many amendments that the committee made to the original bill introduced that when we finished it, it was thought best by the committee that we should introduce the completed bill as an original proposition instead of having the bill as originally introduced with all of the various amendments. On behalf of the committee I introduced that bill this morning, H. R. 10608. There are several hundred copies obtainable in the document room. I ask unanimous consent that I be permitted to file the report of the committee on the bill before 12 o'clock to-night, to be printed in the RECORD to-morrow morning.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to file his report upon this bill any time between now and midnight and to have it printed in the RECORD to-morrow morning. Is there objection?

Mr. MADDEN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman if the report will show the modifications in that bill?

Mr. KITCHIN. Yes.

The SPEAKER. Of course the understanding is that it is to be printed in to-day's RECORD.

Mr. KITCHIN. Yes. I will state to gentlemen that they can get the bill out of the document room, and they also can get the bill and the report to-morrow morning by sending to the room of the Committee on Ways and Means in the House Office Building.

Mr. GILLETT. Will the gentleman further say when he expects to call this up?

Mr. KITCHIN. After the disposition of the legislative bill.

Mr. HICKS. Are there two reports on the bill?

Mr. KITCHIN. Just one.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The report referred to by Mr. KITCHIN is as follows:

[H. Rept. No. 369, 65th Cong., 2d sess.]

Mr. KITCHIN, from the Committee on Ways and Means, submitted the following report:

The Committee on Ways and Means, to which was referred the bill (H. R. 10608) to provide further for the national security and defense and for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes, having had the same under consideration, reports it back to the House without amendment and recommends that the bill do pass.

THE PURPOSE OF THE BILL.

The two main purposes of this bill are (1) the extension of essential credits and (2) the prevention of the use of new capital in unnecessary activities during the period of the war.

EXPANSION OF CREDITS.

The Secretary of the Treasury made the following statement before the Ways and Means Committee with reference to the necessity of the expansion of credits:

"The proposed act to incorporate a war finance corporation should be regarded primarily as a measure to enable the banks, both national banks and State banks and trust companies, to continue to furnish essential credits for industries and enterprises which are necessary or contributory to the prosecution of the war.

"The Government's borrowings, particularly during the period immediately preceding and following each liberty loan, have tended to preempt the credit facilities of the banks and often to prevent them from giving needed and customary help to quasi-public and private enterprises. Many industries have been brought to the attention of the Secretary of the Treasury and of the Federal Reserve Board where industrial plants, public utilities, power plants, railroads, and others have found it difficult, if not impossible, to obtain the necessary advances to enable them to perform vital service in connection with the war because essential credits, ordinarily available to them, are being absorbed by the Government itself.

"In Europe central banks are permitted to grant to banks and bankers loans upon stocks and bonds upon certain well-defined terms.

"I would like to direct your particular attention to that statement, because that indicates the fundamental purpose of this bill. In Europe, I wish to repeat, central banks, which correspond to our Federal reserve banks in a sense, are permitted to grant to banks and bankers loans upon stocks and bonds upon certain well-defined terms. But here the Federal reserve banks are not permitted to do that, the Federal reserve act having specifically contemplated advances of that character only upon what we call liquid or commercial paper, and therefore the Federal reserve banks are not permitted to rediscount any paper for other banks which is secured by fixed investments.

"The Federal reserve act does not provide for these, and the war finance corporation is designed as a war emergency to fill this gap. The provisions of the Federal reserve act which permit Federal reserve banks to rediscount and purchase commercial paper and paper secured by the Government's obligations have had the effect of forcing the banks to discriminate against loans on ineligible paper, even where such loans were vitally necessary for war purposes, in favor of loans on commercial paper even where they represented activities or enterprises not related to the war and which might well be curtailed during the period of the war. It is believed that the proposed bill has been wisely and conservatively conceived as a war measure to give relief from this condition during the war."

NEW CAPITAL ISSUES.

The principal foreign countries have found it necessary to limit new issues of securities during the period of the war in order that all available capital may be used to meet the demands of the war. Your committee believes that we must have some legislation to limit the indiscriminate use of new capital in order to secure the fullest available capital for the prosecution of the war.

The Secretary of the Treasury well stated the necessity of limiting the new issues of securities in his testimony before your committee when he said:

"It is important that appropriate provision be made by law, so that, for the duration of the war, funds available for investment in securities shall be effectively and economically used to supply the financial requirements of the Government and of those industries whose operations are necessary or contributory to the war. The ordinary flow of capital, which in normal times is left free to seek its own investment, should during the war be so directed and conserved that these requirements shall be taken care of before funds shall be invested either in new enterprises or for the expansion of such old enterprises as are not necessary or contributory to the prosecution of the war. In these critical times funds available for investment must not be dissipated on miscellaneous capital expenditures which, however useful or desirable in normal times, will not now aid in the success of the war. It is not so much a question of money as a question of labor and materials. It is essential that the demand for labor and materials for industries which are not contributory to the prosecution of the war should be kept within bounds, so that the war needs shall be first provided for. The test must be whether the proposed expenditure will strengthen the industrial and military structure of the country for the purposes of the war."

SECRETARY M'ADOO'S VIEWS WITH REFERENCE TO INFLATION OF CREDITS.

Secretary McAdoo, when before the Ways and Means Committee, said:

"Since the publication of the terms of the proposed act some criticism has appeared indicating a belief that the operation of the corporation may produce expansion, or, as some term it, inflation, of a dangerous nature.

"In my opinion the existence of this corporation and the intelligent exercise of its functions will do more to prevent unsafe expansion than any other course which could now be pursued, for it must be remembered that the investment markets are practically closed to the country's industries, including public-utility corporations and the railroads. These essential industries and transportation companies in these circumstances, in the absence of some such plan as is presented in this bill, are obliged to look to the banks for the means not only of continuing their normal business but of enlarging it for war purposes. The needs of these corporations, which sound finance would require to be provided for in the form of capital loans, must now increasingly be taken care of in the form of bank loans. The burden placed upon the banks to meet the demands of this class of borrowers can only be met if these banks use the facilities of the Federal reserve banks by discounting such eligible paper as they may have in their portfolios. The continuance of this process of looking more and more to the banks for short loans of funds which should be provided as capital by investors is the quickest way to bring about an unsound expansion of bank credits. If this burden, through the instrumentality of the War Finance Corporation, can be removed from the banks, and if investors can be induced to furnish necessary capital, that kind of expansion will be checked.

"The intervention of a corporation of this character, with its large capital, will provide the class of security which will appeal to the minds of even the most timid investors and will naturally assist in converting what might become a dangerous bank expansion into a legitimate investment of free capital. Even though the corporation were not called upon to make any considerable advances itself, so that the issue of its own securities to a large extent might not be required, it has been the experience in Great Britain, and I believe it will be our experience also, that the restraint imposed upon unnecessary capital borrowings through Government intervention such as is proposed, not only allays the fears of timid investors but stimulates a demand generally for issues of licensed securities. Such securities sell promptly, and their distribution is general and effective. This again provides a check to unwise expansion of bank credits."

ESSENTIAL DIFFERENCES BETWEEN THIS BILL AND THE WAR FINANCE CORPORATION BILL AS ORIGINALLY INTRODUCED.

The essential differences between this bill (H. R. 10608) and the bill H. R. 9499 are as follows:

1. This bill provides that not more than three directors of the corporation shall be members of the same political party. The original bill did not contain such a provision.

2. This bill specifies that no director or officer of the corporation shall participate in the determination of any question affecting his personal interests, or the interest of any corporation, partnership, or association in which he is interested. The original bill did not contain this provision.

3. Under this bill the directors of the corporation will be appointed by the President, by and with the advice and consent of the Senate. The original bill provided for the appointment of the directors by the Secretary of the Treasury, with the approval of the President.

4. This bill limits the advances to be made to banks, bankers, or trust companies to loans made by such banks, bankers, or trust companies on securities or obligations acquired since the declaration of war (Apr. 6, 1917) and outstanding at the time of the advance, and to loans made to persons, firms, corporations, or associations conducting an established and going business in the United States. The original bill did not contain any limitation of this nature.

5. This bill permits the corporation to make advances to savings banks, banking institutions, or trust companies which receive savings deposits, and to building and loan associations, for not to exceed one year.

The original bill limited the time for which an advance could be made to 90 days and did not give this privilege to trust companies receiving deposits or building and loan associations.

This bill requires the security for advances made to savings banks and similar institutions to be equal to at least 133 per cent of the amount of the advance. The original bill specified that the security should be equal to 125 per cent of the amount of the advance. This change is made in order to make the ratio between the advance and the security the same in all the provisions of the bill.

7. This bill provides that when the corporation makes advances direct—that is, without the advance going through the banking channels—that the corporation must require security equal to at least 133 per cent of the amount advanced by the corporation and also that the rate of interest charged on such advances shall not be less than 1 per cent per annum in excess of the rate of discount for 90-day commercial paper in the Federal reserve district in which the borrower is located. This bill also contains a limitation as to the amount of advances that can be made under this section at any one time to an amount equal to 16⅔ per cent of (1) the paid-in capital stock of the corporation at such time plus (2) the aggregate amount of the bonds of the corporation authorized to be outstanding at such time. The original bill contained no such limitations. It is believed that these limitations will afford a very valuable safeguard to the corporation and will result in requiring a greater portion of the business of the corporation to be transacted through regular banking channels.

8. This bill limits the aggregate amount of advances that can be made and outstanding under this act at any one time to any person, firm, corporation, or association to an amount not to exceed 10 per cent of the authorized capital stock of the corporation, or $50,000,000. The original bill contained no such limitation. This provision is also believed to be a very valuable safeguard.

9. This bill requires the corporation to file quarterly reports with the Secretary of the Senate and Clerk of the House of Representatives giving the name and place of busfness of each person, firm, corporation, or association receiving advances direct from the corporation, the amount advanced, the terms, and the security accepted therefor. The original bill contained no such provision.

10. This bill limits the power of the corporation to deal in bonds and obligations of the United States to those issued or converted since September 24, 1917 (the time the last bond act became a law). The original bill would have permitted the corporation to deal in any bonds or obligations of the United States.

11. This bill authorizes the corporation to issue $2,000,000,000 of bonds to mature in not less than one year nor more than five years. The original bill authorized the corporation to issue $4,000,000,000 worth of bonds.

12. This bill provides that whenever a Federal reserve bank discounts or rediscounts paper secured by the bonds of the corporation that it shall not discount or rediscount such paper at a less interest charge than 1 per cent above the prevailing rates for eligible commercial paper of corresponding maturity. The original bill left the interest rate to the discretion of the Federal Reserve Board. It is believed that this provision will afford a very valuable safeguard to the Federal Reserve System.

13. This bill provides that before paper secured by the bonds of the corporation can be discounted or rediscounted by a Federal reserve bank that the member bank must satisfy the Federal reserve bank that it does not have in its possession for the purpose of discount sufficient commercial paper eligible for discount or rediscount under the regulations of the Federal Reserve Board made under authority of the Federal reserve act. The original bill contained no such provision.

14. This bill contains no provision, as did the original bill, permitting member banks of the Federal Reserve System to deal in the bonds of the corporation.

15. This bill creates a capital-issues committee, to be composed of seven members, to be appointed by the President of the United States, by and with the advice and consent of the Senate, to investigate, pass upon, and determine whether or not it is compatible with the public interest that there shall be sold or offered for sale or for subscription any issue or part of an issue of securities the total or aggregate par or face value of which is in excess of $100,000. The original bill authorized the corporation to investigate and license or refuse to license the sale or offering for sale or subscription of securities the par or face value of which were in excess of $100,000. It is believed that the issuance of new securities will be limited, in most cases, under the provisions of this bill, to those compatible with the public interest, as effectively as would have been possible under the original bill, which was much more drastic.

16. This bill contains no criminal penalty provision for any sale or offering for sale of any securities issued when the capital-issue committee has found the issue of such securities incompatible with the public interest. The original bill provided a penalty of $5,000 or imprisonment for not more than four years, or both, for any violation of any of the provisions of the act or of any license, order, rule, or regulation issued thereunder.

17. This bill provides that the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation. The original bill made no reference to the liability of the United States for the payment of the obligations of the corporation.

18. This bill makes anyone who (1) forges or counterfeits any bond, coupon, or paper in imitation of or purporting to be in imitation of a bond or coupon issued by the corporation, etc.; or (2) embezzles, abstracts, or willfully misapplies any money, funds, or credits of the corporation, etc.; or (3) with intent to deceive any officer of the corporation, makes any false entry in any book, report, or statement of the corporation, etc., liable to a penalty of $5,000 or to imprisonment for not more than five years, or both.

The original bill contained no similar penalty provision.

THE PROPOSED WAR FINANCE CORPORATION BILL.

This bill is divided into three titles, as follows:

Title I. War Finance Corporation.
Title II. Capital Issues Committee.
Title III. Miscellaneous.

TITLE I.—WAR FINANCE CORPORATION.

Section 1. Establishment of War Finance Corporation.

This section provides for the establishment of a War Finance Corporation. The life of the corporation is to be for 10 years, but its powers are to cease six months after the termination of the war, except such as are incidental to the liquidation of its assets and the winding up of its affairs.

Section 2. Capital stock of the corporation.

The capital stock of the corporation is to be $500,000,000 and is to be subscribed by the United States. The subscription is subject to call upon the vote of three-fifths of the board of directors and the approval of the Secretary of the Treasury at such time or times as may be deemed advisable. This section appropriates $500,000,000 for the purpose of making payment upon such subscription when called. Receipts for payment by the United States for or on account of such stock must be issued by the corporation to the Secretary of the Treasury and are to be evidence of stock ownership. The capital stock was fixed at this amount to provide the corporation with substantial resources and to furnish an additional equity for any other securities issued by the corporation.

Section 3. Management of the corporation.

The management of the corporation is vested in a board of five directors. The Secretary of the Treasury is to be chairman of the board and the other four members are to be appointed by the President, by and with the advice and consent of the Senate, but not more than three of the directors shall be members of the same political party. Any person appointed to fill a vacancy on the board will be appointed to fill the unexpired term of the member whose place he is selected to fill. Three members of the board will constitute a quorum for the transaction of business. This section authorizes the President to appoint two of the directors to serve for two years and the other two for four years, and thereafter to appoint the directors to serve for a period of four years. Any member of the Federal Reserve Board or any other officer or employee under the United States or any director of a Federal reserve bank is eligible for appointment as a director of the corporation.

Section 4. Salary of the directors.

The Secretary of the Treasury, with the approval of the President, is authorized to fix the four directors' salaries, but the amount to be paid to each is not to exceed $12,000 per year. If a director is employed by the Government, in addition to being a director of the corporation, the combined salaries can not exceed the salary paid a director of the corporation.

Section 5. The principal offices of the corporation.

The principal offices of the corporation will be located in Washington, but authority is given the board of directors to establish agencies or branch offices in any city or cities in the United States. This provision is deemed necessary in order that the corporation may be reached at different points throughout the country without requiring everything to be sent to Washington. The Secretary of the Treasury plans to use the Federal reserve banks and their branches as a nucleus for this organization. In this connection, the Secretary of the Treasury expects to a great extent to use the organization already established by the Federal Reserve Board throughout the country for the purpose of passing upon new capital-issue applications.

POWERS OF THE CORPORATION.

Section 6. Ordinary corporate powers.

This subdivision gives the corporation the ordinary powers and privileges enjoyed by corporations, viz, to adopt, alter, and use a corporate seal; to make contracts; to purchase or lease and hold or dispose of such real estate as may be necessary for the prosecution of its business; to sue and be sued; to complain and defend in any court of competent jurisdiction; to appoint and fix the compensation of such officers, employees, attorneys, agents, or employees as are necessary for the transaction of the business of the corporation; and to prescribe, amend, and repeal its by-laws, subject to the approval of the Secretary of the Treasury.

Section 7. Advances through banks.

This section authorizes the corporation to make advances upon such terms as it may prescribe for periods not exceeding five years from the date of such advances to any bank, banker, or trust company which has made, since April 6, 1917, and which has outstanding, any loan or loans to any person, firm, corporation, or association conducting an established and going business in the United States whose operations shall be necessary or contributory to the prosecution of the war. Such advances are not to exceed 75 per cent of the face value of such loan or loans.

This section also gives the corporation power to make advances to any bank, banker, or trust company which has rendered financial assistance directly or indirectly, to any such person, firm, corporation, or association by the purchase of its bonds or other obligations since April 6, 1917. Such advances are not to exceed 75 per cent of the market value of such bonds or other obligations at the time the advance is made. The advances authorized in this section can not be made until the bank, banker, or trust company gives a promissory note or notes secured by the notes, or other obligations, which are the

basis of the advance, together with all the securities held as collateral by such bank, banker, or trust company for such notes, bonds, or other obligations.

This section authorizes the corporation to make advances up to 100 per cent of the face value of the loan or up to 100 per cent of the market value of the bonds or other obligations at the time of the advances if the advances are secured as aforementioned and in addition thereto by collateral security of a market value at the time of such advance equal to at least 33 per cent of the amount advanced by the corporation. The additional collateral must be of a character prescribed by the board of directors.

This section also provides that the corporation shall retain power to require additional security at any time.

Section 8. Advances to savings banks and similar institutions.

This subdivision provides that the corporation may make advances upon such terms as it may prescribe for periods not exceeding one year to any savings bank, banking institution, or trust company, which receives savings deposits, or building and loan associations, on the promissory note or notes of the borrowing institution whenever the corporation shall deem such advances to be necessary or contributory to the prosecution of the war or important in the public interest. In such cases the promissory note or notes must be secured by the pledge of securities of such character as shall be prescribed by the corporation board of directors, the market value of which at the time of such advance shall be equal in amount to at least 133 per cent of the amount of the advance. The rate of interest charged in such cases can not be less than 1 per cent in excess of the rate of discount for 90-day commercial paper prevailing at the time of such advance at the Federal reserve bank of the district in which the borrowing institution is located. This section requires the corporation to retain the power to require additional security at any time.

In peace times current deposits in savings banks are in excess of withdrawals, but the tendency has been for many depositors to withdraw their funds to purchase liberty bonds. The savings banks hold large quantities of long-term investment securities, and the withdrawal of deposits might force the savings banks to sell at a sacrifice sound investment securities. If solvent institutions of this character should not be able to obtain funds to meet their obligations without sacrificing needlessly the securities they hold, the effect upon the financial condition of the country would be most detrimental, and your committee deem the safeguard proposed in this section absolutely essential.

Section 9. Direct loans to be made by the corporation.

This subdivision authorizes the corporation in exceptional cases to make advances directly to any person, firm, corporation, or association conducting an established and going business in the United States, whose operations shall be necessary or contributory to the prosecution of the war, but only for the purpose of conducting a business in the United States and only when it is impossible to obtain funds through banking channels or from the general public, for periods not exceeding five years, upon such terms and subject to such rules and regulations as may be prescribed by the board of directors of the corporation. This subdivision also requires the corporation to retain power to require additional security at any time.

In the original bill there was no limitation as to the amount of money that could be advanced or bonds of the corporation that could be issued to meet advances made direct by the corporation.

The advances authorized to be made under this section are limited to not to exceed 16⅔ per cent of (1) the paid-in capital stock of the corporation, and (2) the aggregate amount of bonds of the corporation authorized to be outstanding at the time of the advance. In other words, if the entire capital stock of the corporation is paid in, the largest amount of money that could be advanced under this section would be $416,666,667 (16⅔ per cent of the paid-in capital plus the amount of bonds authorized to be outstanding, or 16⅔ per cent of $500,000,000 plus $2,000,000,000).

If there should only be paid-in capital stock of $200,000,000, in this case, the maximum amount that could be loaned under this section would be $166,666,667 (16⅔ per cent of the paid-in capital stock plus the amount of bonds authorized to be outstanding, or 16⅔ per cent of $200,000,000 plus $800,000,000).

Section 10. Single advances of the corporation.

This section provides that in no case shall the aggregate amount of advances made under any of the provisions of this act to any person, firm, corporation, or association exceed at any one time 10 per cent of the authorized capital stock of the corporation, or $50,000,000.

In order to properly safeguard and protect the corporation, your committee deem the addition of this section most advisable.

Section 11. Purchase and sale of Government bonds and obligations.

This section authorizes the corporation to subscribe for, acquire, and own, buy, sell, and deal in bonds and obligations of the United States, issued or converted since September 24, 1917, the date of the passage of the last bond act. Under this provision the corporation may, to a large extent, help stabilize the price of liberty bonds and other war obligations of the Government.

Section 12. Corporate authority to issue $2,000,000,000 in bonds.

This section gives the corporation authority to issue and have outstanding at any one time not to exceed $2,000,000,000 in bonds. These bonds are to be short-term bonds and to mature in not less than one nor more than five years from the date of issue. The corporation is given authority to redeem these bonds before maturity at its option. The corporation, with the approval of the Secretary of the Treasury, is given authority to fix the rate of interest of these bonds. These bonds may be issued at not less than par in payment of any advances authorized by this act. They also may be sold at such prices not less than par as the directors, with the approval of the Secretary of the Treasury, may determine.

Section 13. Federal reserve banks authorized to discount paper secured by war finance corporation bonds.

Under the Federal reserve act Federal reserve banks are only authorized to discount paper secured by commercial or liquid paper. This section authorizes the Federal reserve banks to discount paper secured by the bonds of the corporation. Before a Federal reserve bank can discount or rediscount paper secured by the bonds of the corporation a rate of interest must be paid of at least 1 per cent per annum in excess of the prevailing rate for eligible commercial paper of corresponding maturity, and in such case only when the member bank satisfies the Federal reserve bank that it does not have in its possession sufficient commercial paper eligible for discount or rediscount under the regulations of the Federal Reserve Board made under authority of the Federal reserve act.

This section also authorizes the Federal Reserve Board to use paper secured by the bonds of the corporation as a basis for the issuance of Federal reserve notes, the same as it may use bonds or notes of the United States not bearing the circulation privilege. Of course the issue of Federal reserve notes is limited by the requirement of the Federal reserve act to the effect that such banks must keep a gold reserve of 40 per cent.

Section 14. President to authorize corporation to commence business.

This section prohibits the corporation from doing any business except such as is incidental and preliminary to its organization until it is authorized by the President to commence business.

Section 15. Earnings of the corporation not required for its operation.

The net earnings of the corporation not required for its operation are to be kept as a reserve fund until the corporation winds up its business. Any balance remaining after the debts of the corporation are paid is to be paid into the Treasury of the United States as miscellaneous receipts. The corporation may use the net earnings not required for its operation, upon the direction of the board of directors, with the approval of the Secretary of the Treasury, to buy bonds and obligations of the United States issued or converted since September 24, 1917, or upon like direction and approval it may deposit such earnings in member banks of the Federal Reserve System, or in any of the Federal reserve banks, or to purchase or redeem any bonds issued by the corporation.

Section 16. Bonds of the corporation tax exempt to same extent that liberty fours are exempt.

The bonds of the corporation will be exempt to the same extent that liberty fours, issued under the bond act of September 24, 1917, are exempt. That is, the principal and interest will be exempt from all taxation now or hereafter imposed by the United States, etc., except (a) estate or inheritance taxes and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes. Each person, partnership, corporation, or association is entitled to own $5,000 worth of the bonds of the corporation tax exempt. Any person, partnership, corporation, or association will be entitled to hold, tax exempt, $5,000 worth of bonds or obligations of the United States and also $5,000 worth of the bonds of the corporation.

Section 17. The United States not to be liable for obligations of the corporation.

This section provides that the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation.

Section 18. Penalty for forgery and embezzlement.

This section makes anyone who (1) falsely makes, forges, or counterfeits any bond, coupon, or paper in imitation of or purporting to be in imitation of a bond or coupon issued by the corporation; or (2) passes, utters, or publishes, or attempts to pass, utter, or publish, any false, forged, or counterfeited bond, coupon, or paper purporting to be issued by the corporation, knowing the same to be falsely made, forged, or counterfeited; or (3) falsely alters any such bond, coupon, or paper; or (4) passes, utters, or publishes as true any falsely altered or spurious bond, coupon, or paper issued or purporting to have been issued by the corporation, knowing the same to be falsely altered or spurious, liable to a fine of not more than $5,000 or to imprisonment for not more than five years, or both.

It also makes anyone connected in any capacity with the corporation who (1) embezzles, abstracts, or willfully misapplies any moneys, funds, or credits thereof, or (2) with intent to defraud the corporation or any other company, body politic, or corporate, or any individual, or to deceive any officer of the corporation, (a) makes any false entry in any book, report, or statement of the corporation, or (b) without authority from the directors draws any order or assigns any note, bond, draft, mortgage, judgment, or decree thereof, liable to a fine of not more than $5,000 or to imprisonment for not more than five years, or both.

TITLE II. CAPITAL ISSUES COMMITTEE.

As a corollary to Title I of the bill relating to the extension of credits this title of the bill proposes a creation of a capital issues committee to investigate, pass upon, and determine whether or not the issues of securities in excess of $100,000 are compatible with the public interest. Your committee believes that this title will be sufficient to prevent the use of capital in unnecessary expenditures during the period of the war.

The bill proposes that the Capital Issues Committee, consisting of seven members, shall be appointed by the President, by and with the advice and consent of the Senate. At least three of the members are to be members of the Federal Reserve Board, and not more than four can be members of the same political party. The President is to fix the terms of office of the members of the committee, and the salary of the members who are not members of the Federal Reserve Board is to be fixed at $7,500 per year; but if any member receives any other compensation from any other office or employment under the United States the amount so received is to be deducted from the salary. If a member of the committee receives more than $7,500 per year from the Government in some other capacity, he shall receive no salary as a member of the committee. This title provides that no member of the committee shall directly or indirectly participate in the determination of any questions affecting his personal interest, or the interest of any corporation, partnership, or association in which he is directly or indirectly interested.

Authority is given the committee to employ and fix the compensation of such officers, attorneys, agents, and other employees as are necessary to properly conduct its business and to conduct its business at places other than in Washington, D. C., although its principal place of business shall be in the District of Columbia. The usual authority to rent offices, purchase furniture, equipment, and supplies is given the committee, and the sum of $200,000 is proposed to be appropriated to meet all the expenses of the committee during the remainder of the present fiscal year and the fiscal year ending June 30, 1919.

Your committee is of the opinion that in practically all, certainly in most, cases where the committee says that it deems the issuance of securities incompatible with the public interest, that each person, firm, corporation, or association will be patriotic enough to refrain from putting such securities on the market, and that it will be unnecessary to enact into law the more drastic provisions of the original bill.

Your committee believes that practically as good result will be secured under the provisions of this bill as would have been secured under the more drastic provisions of the original bill.

Section 203 of the bill provides that the committee shall not pass upon—

1. Any borrowing by any persons, firm, corporation, or association in the ordinary course of business as distinguished from borrowing for capital purposes.

2. The renewing or refunding of indebtedness existing at the time this bill becomes a law.

3. The resale of any securities the sale or offering of which the committee has determined to be compatible with the public interest.

4. Any securities issued by any railroad corporation the property of which may be in the possession and control of the President of the United States.

5. Any bonds issued by the War Finance Corporation.

TITLE III. MISCELLANEOUS.

This title contains the usual saving and repealing clauses, defines the term "securities," and provides a penalty of $1,000 or imprisonment for not more than one year, or both, for any violation of this act not covered by the embezzlement and counterfeiting provisions of section 18 of the bill.

This title also provides that no stamp tax shall be imposed upon any promissory note secured by the pledge of liberty three-and-a-halfs or liberty fours, or certificates of indebtedness. Your committee believes that this provision will be especially valuable in assisting in the sale of short-term certificates and will materially assist in keeping down the interest rate.

EXTENSION OF REMARKS.

Mr. GRAHAM of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address delivered by my colleague, Mr. KING, at a recent celebration of the centennial of the founding of the Bishop Hill Colony in Illinois.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD in the manner stated. Is there objection?

There was no objection.

COPIES OF WAR FINANCE CORPORATION BILL.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that 1,000 copies of the Senate war finance corporation bill as it passed the Senate be printed and put into the document room.

The SPEAKER. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Speaker, I suggest that the gentleman ask for a larger number than 1,000. There will be very heavy demand for these bills.

Mr. KITCHIN. I will explain to the gentleman that this request applies only to the bill as it passed the Senate. I want the Senate bill to remain on the Speaker's table until the Committee of the Whole House on the state of the Union passes upon our bill, and my thought is then to move to strike out all after the enacting clause in the Senate bill and substitute the action of the House on this bill.

Mr. MOORE of Pennsylvania. The idea is so that we may have more copies of the Senate bill for distribution?

Mr. KITCHIN. Yes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. May I ask the gentleman if he is prepared to state when he expects to call up this bill?

Mr. KITCHIN. Immediately after the disposition of the legislative, executive, and judicial appropriation bill.

Mr. MOORE of Pennsylvania. The gentleman proposes not to interfere with District day, I understand, which is on Monday?

Mr. KITCHIN. No. Mr. Speaker, at the suggestion of the gentleman from Tennessee [Mr. GARRETT] and the gentleman from Illinois [Mr. MADDEN], I am going to ask unanimous consent that the war finance corporation bill (H. R. 10608) may have a privileged status.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the bill (H. R. 10608) shall have a privileged status. Is there objection?

Mr. BYRNS of Tennessee. Mr. Speaker, reserving the right to object, do I understand the gentleman does not proposed to interfere with the consideration of the legislative, executive, and judicial appropriation bill?

Mr. KITCHIN. No; I gave notice that I am going to take it up immediately after the disposition of that bill.

The SPEAKER. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Speaker, reserving the right to object, that means the bill can not be called up before Tuesday.

Mr. KITCHIN. No.

Mr. MOORE of Pennsylvania. Because Monday being District day, it is understood the District Committee will occupy that day.

Mr. KITCHIN. It will not be called up until Tuesday.

Mr. MOORE of Pennsylvania. Then the legislative, executive, and judicial bill to be considered on Tuesday, and after that the war corporation bill follows?

Mr. KITCHIN. Yes; it follows the legislative bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. One further question. Does that interfere with Calendar Wednesday?

Mr. KITCHIN. No; it does not interfere with Calendar Wednesday.

The SPEAKER. It can not interfere with Calendar Wednesday except by unanimous consent or by a two-thirds vote.

Mr. SMITH of Michigan. Mr. Speaker, I ask for one minute to have the Clerk read a telegram which I have received.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

KALAMAZOO, MICH., *March 9, 1918.*

Hon. J. M. C. SMITH,
House of Representatives, Washington, D. C.:

Kalamazoo Chamber of Commerce desires to protest against proposed new charge of Director General of Railroads for switching cars to industrial sidings. In our opinion it means unfair discrimination and a poor way to get revenue for the railroads. Will you kindly make known our attitude?

KALAMAZOO CHAMBER OF COMMERCE.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, Sunday, March 10, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of the Treasury, transmitting a proviso to be inserted under the appropriations for the Public Health Service, to be carried in the sundry civil appropriation bill for the fiscal year ending June 30, 1919 (H. Doc. No. 966), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. WEBB, from the Committee on the Judiciary, to which was referred the bill (H. R. 8938) to equip the United States penitentiary, Atlanta, Ga., for the manufacture of supplies for the use of the Government, for the compensation of prisoners for their labor, and for other purposes, reported the same with amendment, accompanied by a report (No. 365), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. WHEELER, from the Committee on the District of Columbia, to which was referred the bill (H. R. 9784) incorporating patrol drivers into the Metropolitan police department of the District of Columbia, reported the same without amendment, accompanied by a report (No. 366), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. FIELDS, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 123) providing for the calling into military service of certain classes of persons registered and liable for military service under the terms of the act of Congress approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," reported the same without amendment, accompanied by a report (No. 367), which said bill and report were referred to the House Calendar.

Mr. ALEXANDER, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (S. 1544) to provide for appeals from decisions of boards of local inspectors of steam vessels, and for other purposes, reported the same with amendment, accompanied by a report (No. 370), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FIELDS, from the Committee on Military Affairs, to which was referred the bill (H. R. 8856) for the relief of Mary J. Lacey, reported the same without amendment, accompanied by a report (No. 368), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KITCHIN: A bill (H. R. 10608) to provide further for the national security and defense and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes; to the Committee on Ways and Means.

By Mr. BRAND: A bill (H. R. 10609) authorizing the Secretary of the Treasury to exchange the present Federal building site at Eatonton, Ga., for another site on the public square in said city; to the Committee on Public Buildings and Grounds.

By Mr. WEBB: A bill (H. R. 10610) to establish a bureau for the study of the criminal, pauper, and defective classes; to the Committee on the Judiciary.

By Mr. LEA of California: A bill (H. R. 10611) providing for punishing employers for failure to provide seats for female employees; to the Committee on the District of Columbia.

By Mr. RAKER: A bill (H. R. 10612) to restore to the public domain certain lands heretofore reserved for a bird reservation in Siskiyou and Modoc Counties, Cal., and Klamath County, Oreg., and for other purposes; to the Committee on the Public Lands.

By Mr. JOHNSON of Kentucky (by request): A bill (H. R. 10613) to provide for the collection and disposal of garbage and miscellaneous refuse of the District of Columbia; to the Committee on the District of Columbia.

By Mr. SIMS: Resolution (H. Res. 267) providing for the consideration of Senate bill 1854, entitled "An act to save daylight and to provide standard time for the United States"; to the Committee on Rules.

By Mr. WEBB: Concurrent resolution (H. Con. Res. 39) to print 250,000 copies of the soldiers' and sailors civil relief act; to the Committee on Printing.

By Mr. ESCH: Memorial of the Legislature of the State of Wisconsin, relating to the privilege of sending mail without postage; to the Committee on the Post Office and Post Roads.

Also, memorial of the Legislature of the State of Wisconsin, relating to excess profits on war revenues; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10614) granting an increase of pension to George E. Roe; to the Committee on Pensions.

Also a bill (H. R. 10615) granting an increase of pension to John C. Williams; to the Committee on Invalid Pensions.

By Mr. AUSTIN: A bill (H. R. 10616) granting a pension to Nannie Roberts; to the Committee on Invalid Pensions.

By Mr. BROWNE: A bill (H. R. 10617) granting a pension to Emma A. Drake; to the Committee on Invalid Pensions.

By Mr. CANTRILL: A bill (H. R. 10618) granting an increase of pension to F. G. McGuire; to the Committee on Invalid Pensions.

By Mr. ESTOPINAL: A bill (H. R. 10619) for the relief of Frank Payne Selby; to the Committee on Claims.

By Mr. LONERGAN: A bill (H. R. 10620) to correct the military record of Ezra G. Bill; to the Committee on Military Affairs.

By Mr. MEEKER: A bill (H. R. 10621) granting a pension to George V. M. Sommerhauser; to the Committee on Pensions.

By Mr. MORGAN: A bill (H. R. 10622) granting an increase of pension to Matthew B. Schofield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10623) granting a pension to Mrs. Effie M. Meloy; to the Committee on Pensions.

By Mr. QUIN: A bill (H. R. 10624) for the relief of Sargeant Prentiss Knut, administrator of the estate of Haller Nutt, deceased; to the Committee on War Claims.

By Mr. RUBEY: A bill (H. R. 10625) granting a pension to William S. Beachum; to the Committee on Pensions.

By Mr. WOODS of Iowa: A bill (H. R. 10626) to authorize the President of the United States to appoint Fred H. Gallup major of Field Artillery in the United States Army; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolution of a mass meeting of the citizens of Delaware County, held at Media, Pa., urging immediate prohibition as a war measure; to the Committee on the Judiciary.

Also (by request), petition of Samuel J. Grob and 9 other farmers of Leslie, Mo., and a memorial of the Excelsior Farm Club, of New Haven, Mo., appealing for higher prices on farm products commensurate with the increase in commodities which the farmer must buy; to the Committee on Agriculture.

By Mr. DALE of New York: Resolution of the Pierian Club, of Trinidad, Colo., urging the repeal of the second-class postage amendment to the war-revenue act; to the Committee on Ways and Means.

Also, petition of G. B. G. Manufacturing Co. (Inc.), of New York City, favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Trade Board Master Painters' Association, of New York City, and New York District Council, No. 9, Brotherhood of Painters, Decorators, and Paper Hangers of America, urging the painting of cantonment buildings; to the Committee on Appropriations.

By Mr. DENISON (by request): Petition of numerous citizens of the twenty-fifth congressional district of Illinois, urging nation-wide prohibition during the war; to the Committee on the Judiciary.

By Mr. DILLON: Petition of Mrs. L. A. Philbrook and 36 other citizens of Webster, S. Dak., urging immediate prohibition as a war measure; to the Committee on the Judiciary.

By Mr. FOSS: Petition of D. D. Campbell and 21 other citizens of Lake Villa, Ill., requesting the repeal of the zone system for second-class mail; to the Committee on Ways and Means.

By Mr. FULLER of Illinois: Petition of W. S. Ashby and other citizens of Peru, Ill., for universal military training; to the Committee on Military Affairs.

By Mr. HAMLIN: Papers to accompany House bill 10600, a bill to increase pension of R. P. Leach; to the Committee on Pensions.

By Mr. HAYES: Resolution of the First Presbyterian Church, the Unitarian Church, the First Methodist Episcopal Church, St. Paul's Methodist Episcopal Church South, the Second Presbyterian Church, the Free Life Church, and the First Christian Church, all of San Jose, Cal., urging immediate prohibition as a war measure; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petition of Marie D. Dill and Henry H. Dill, protesting against the passage of House bill 9248, concerning rents in the District of Columbia; to the Committee on the District of Columbia.

Also, memorial of the Railway Mail Association, second division, Baltimore Branch, urging the passage of House bill 9414, granting increased pay to railway mail clerks; to the Committee on the Post Offices and Post Roads.

Also, petition of Conrad Anschutz, of Baltimore, Md., urging the passage of House bill 1736; to the Committee on Pensions.

Also, petition of Clayton E. Williard and 236 other employees of the Government Printing Office, urging increased compensation for the compositor employees of the Monotype section; to the Committee on Appropriations.

Also, memorial of the Alleghany Garrett County Medical Society and of the Maryland Council of Defense, indorsing the Owen bill (S. 3748) and the Dyer bill (H. R. 9563), creating advanced rank for officers of the Medical Corps; to the Committee on Military Affairs.

By Mr. McKEOWN: Petition of Mrs. Lula C. Black et al., of Stroud, Okla., for war-emergency prohibition; to the Committee on the Judiciary.

By Mr. MOORE of Pennsylvania: Resolutions of the Philadelphia Chamber of Commerce, urging the passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. O'SHAUNESSY: Petition of the Loraine Manufacturing Co., Pawtucket, R. I., urging the passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. TAGUE: Petition of the Irish Progressive League of Boston, recommending the recognition of the new Republic of Ireland; to the Committee on Foreign Affairs.

By Mr. TINKHAM: Resolution of the West Roxbury (Mass.) Woman's Club, urging the repeal of second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. YOUNG of North Dakota: Petitions of 21 farmers of Divide County, N. Dak., and of 57 residents of Crosby, N. Dak., asking price of $2.75 per bushel for the wheat crop of 1918; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES.

SUNDAY, *March 10, 1918.*

The House met at 12 o'clock noon and was called to order by Mr. NORTON as Speaker pro tempore.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Eternal God, our Heavenly Father, so near and yet so seemingly far;

Speak to him Thou, for he hears, and spirit with spirit can meet;
Closer is he than breathing, and nearer than hands and feet.

In pursuance to a long-established custom of the Congress of the United States, we assemble here to-day in memory of a Member who served with fidelity, interest, and ability his district, his State, and Nation for many years on the floor of this House. His work done, Thou hast called him to the larger life and to a larger service.

Death always comes with a shock. It is one of the profound mysteries which our limited knowledge can not solve.

The mind that thought, willed, and obeyed; the heart that loved and poured its affections out to whom it was sent; the eyes through which the soul looked; the hand that clasped with warmth the friends and loved ones, are stilled; and we look with awe and reverence upon the prostrate form.

The angel of faith comes to our relief.

Hope says, be still, sad heart, and cease repining,
For behind the clouds is the sun still shining.

So we trust and rest our grief in Thee, for love is immortal, and, though long delayed, it shall at last be satisfied. This comforts us and all who mourn for the departed; that we may look forward to a brighter day in a brighter realm, where our loved ones shall dwell forever in our presence; in the name of the Father and of the Son and of the Holy Ghost. Amen.

THE JOURNAL.

Mr. YOUNG of North Dakota. Mr. Speaker, I move that the reading of the Journal be dispensed with.

The SPEAKER pro tempore. The gentleman from North Dakota asks unanimous consent that the reading of the Journal be dispensed with. Is there objection?

There was no objection.

THE LATE REPRESENTATIVE HELGESEN, OF NORTH DAKOTA.

The SPEAKER pro tempore. The Clerk will read the special order for to-day.

The Clerk read as follows:

On motion of Mr. BAER, by unanimous consent,

Ordered, That Sunday, March 10, 1918, be set apart for addresses upon the life, character and public services of Hon. HENRY T. HELGESEN late a Representative from the State of North Dakota.

Mr. BAER. Mr. Speaker, I ask that the following resolutions be reported.

The SPEAKER pro tempore. The Clerk will report the resolutions.

The Clerk read as follows:

House resolution No. 268.

Resolved, That the business of the House be now suspended, that opportunity may be given for tributes to the memory of Hon. HENRY T. HELGESEN, late a Member of this House from the State of North Dakota.

Resolved, That as a particular mark of respect to the memory of the deceased, and in recognition of his distinguished public career, the House, at the conclusion of these exercises, stand adjourned.

Resolved, That the Clerk communicate these resolutions to the Senate.

Resolved, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER pro tempore. The question is on agreeing to the resolutions.

The resolutions were unanimously agreed to.

The SPEAKER pro tempore. The gentleman from North Dakota [Mr. YOUNG] is recognized.

Mr. YOUNG of North Dakota. Mr. Speaker, HENRY T. HELGESEN, late a Member of Congress from the first district of North Dakota, whose memory we have met to honor to-day, was born near Decorah, Winnishiek County, Iowa. After having been educated in the public schools, normal institute, and business college of Decorah, he entered the mercantile business there. He moved to Milton, then in the Territory of Dakota, in 1887. He at once became an active and permanent figure in the business and political life of the Territory He served two terms as commissioner of agriculture and labor, retiring from that office in 1892.

He was at all times a stanch friend of education. He stood for higher standards for the public and high schools as well as the institutions of higher learning. In this connection he served as a member of the board of university regents for 10 years.

A man of sterling honesty and integrity, as well as a close student of history and political economy, Mr. HELGESEN was an idealist in politics. In this respect he was typical of the idealism characteristic of his race. He was one of the first men in North Dakota to appreciate the need for a reform in the political methods then in vogue. He stood for clean primaries, clean conventions, and above all for placing the reins of power in the hands of the people. He fought for the restoration of genuine representative government in North Dakota. To that end he was active in the organization of the Scandinavian League. That league was for a number of years a powerful factor for clean politics. Later he became interested in the movement known as Progressive Republicanism. Living at a long distance from my home I had not until then become personally acquainted with him, though he was a well-known figure in the State. From that time I was intimately associated with him in political matters.

In 1908 we were the candidates of the Progressive faction for the two positions of Representative in Congress, our State not having been divided into congressional districts at that time. While we were both defeated the long and vigorous speaking campaign which we engaged in was thought by many to have been in large part the cause of the election of one-half of our ticket, it being our habit to talk for the principles underlying our cause rather than in aid of our candidacies.

Two years later, having received the highest vote among those defeated at the former election, I was invited at two different State meetings of Progressive Republicans to become a candidate for Congress as a running mate for Mr. HELGESEN, the support of Progressive Republicans being assured to both of us. Representative GRONNA having become a candidate for the Senate there was a vacancy in the House, and it was believed that one Progressive Republican could be elected. As our State had not yet been divided into congressional districts I would have in a sense been a candidate against Mr. HELGESEN, as it was improbable that we could both be elected. Mr. Hanna was serving his first term and according to custom was thought to be sure of a second term. I refused to be a candidate. This circumstance is mentioned somewhat in detail as evidence of my great respect and love for our departed friend. I am proud to have thus had the opportunity in a rather tangible way to show my admiration and esteem of his many excellent qualities. He was nominated and elected along with Mr. Hanna. Within a few months the North Dakota Legislature divided the State into congressional districts. So the way was opened for me to come here, where I joined Mr. HELGESEN in the Sixty-third Congress.

My service with him here will always be a pleasant memory. We were closely associated, I am proud to have had his confidence. I valued his advice, and he seemed to regard mine as worth while. The day before he went to the hospital, never to return, he spent almost three hours in my office discussing some pending legislation.

I admired Mr. HELGESEN because of his splendid courage. Having reached a decision as to what would be the right course he would stand fast, stand firm, and stand alone, if need be. It was this trait of character which endeared him to the people of his State and commanded the respect and love of his colleagues in the House. He had the spirit of William Lloyd Garrison when he said:

"I will not excuse, I will not equivocate, I will not retreat an inch, I will be heard."

To be first in advocating a good and, perhaps, unpopular cause is to be lonely, but to be thus lonely is to be noble. It was this nobility of soul which characterized HENRY T. HELGESEN.

Underlying all his business dealings and public acts was a sublime faith in the religion of Jesus Christ. Progressive and advanced in his thought in all other respects, he was old-fashioned in his religious ideas. Perhaps that accounts for his rugged honesty. He lived his religion. When the time came he was ready to go, and I fancy passed on in the spirit of one of the hymns he loved:

O love, that will not let me go,
I rest my weary soul on thee;
I give thee back the life I owe,
That in thine ocean depths its flow
May richer, fuller be.

O light, that followed all my way,
I yield my flickering torch to thee;
My heart restores its borrowed ray
That in thy sunshine's blaze its day
May brighter, fairer be.

O joy, that seekest me through pain,
I can not close my heart to thee;
I trace the rainbow through the rain,
And feel the promise is not vain
That morn shall tearless be.

O love, that lifted up thy head,
I dare not ask to fly from thee;
I lay in dust life's glory dead,
And from the ground there blossoms red
Life that shall endless be.

The SPEAKER pro tempore. The gentleman from North Dakota [Mr. BAER] is recognized.

Mr. BAER. Mr. Speaker, the United States is rightly termed the melting pot of the world. From every clime and nation men and women seek our broad land to find their rightful place "in the sun," and eventually to become a part of our citizenry. Of all the peoples who thus come to our shores none more fully embody the elements of good citizenship than do the Norwegians. Intelligent, thrifty, and hard working, they quickly and readily adapt themselves to the new land which they have sought from afar. No "hyphenated Americans" they, but an integral part of our body politic. That community or State may call itself fortunate which numbers among its people a goodly proportion of citizens of Scandinavian birth or ancestry.

It was the good fortune of the late Congressman HENRY T. HELGESEN to be the direct descendant of such stock. It was also his good fortune to be born poor. I do not mean in grinding, abject poverty, but in those circumstances and conditions that teach lessons of frugality and inculcate habits of thrift and industry.

His birthplace was a farm in Decorah, Winnishiek County, Iowa. He received his education in the public schools and normal and business colleges of that town. There he spent his youth and early manhood. After leaving school Mr. HELGESEN engaged in mercantile pursuits and quickly became one of the prominent young business men of Decorah. Great was the regret of his fellow townspeople when, in 1887, the pioneer spirit of his ancestors stirring within him, Mr. HELGESEN, with his young wife and babies, removed to the then Territory of Dakota. He was one of the first settlers in Milton, of which town he remained a citizen until his death.

It was not my privilege to enjoy the personal acquaintance of Mr. HELGESEN, but, as his successor in representing the first district of North Dakota in Congress, I have learned much of his nobility of character and the high esteem in which he was held by the people of his adopted State. A letter written to him a short time before his death by a North Dakota man well expressed this esteem. The writer opened his letter with these words: "Dear and beloved by all your constituents Mr. HELGESEN."

The words "a prophet is not without honor save in his own country" could never be truthfully spoken of Mr. HELGESEN, for in his home town of Milton the love and respect manifested by the people who knew him best—his friends and neighbors—is deeply touching. He was their Congressman, but he was more—he was their trusted friend and neighbor. He was "Henry" to them, and tears still dim the eyes of many as they recount the kind words and deeds of him whom they loved. His life was one of service in the best sense of the word.

You who knew Congressman HELGESEN well know that his splendid physique, vigorous strength, and commanding personality were the outward indication of a keen intellect, an analytical mind, and invincible courage. The most kind-hearted of men, he could be combative and aggressive for what he believed to be right. He was essentially a man of the people and a friend of the poor. He loved liberty, hated oppression, and detested hypocrisy. His friendship was true. It could be depended upon. He never betrayed a trust. He was honest in thought, in word, and in deed.

Mr. HELGESEN'S public and political career commenced long before his election to Congress. When the Territory of Dakota was divided he was the first commissioner of agriculture and labor in the new State of North Dakota, and held that office for two terms. For 10 years he was a member of the board of regents of the University of North Dakota. He placed a high value on education and took a great interest in the welfare of young people. When he became an employer of men it was his delight to engage a struggling young man anxious for an education, and by every means in his power help such an one to attain the goal of his ambition. Many a prosperous young man in Iowa and North Dakota owes his start in life to the helping hand extended by Congressman HELGESEN. So unostentatiously were his kindly deeds performed, however, that but few other than the recipients had knowledge of them.

In private and in public life Mr. HELGESEN was hearty and sincere. He was outspoken with the candor of truth. His home in Washington was headquarters for any of his constituents who visited the Capital City, and warmhearted hospitality was always extended to the folks from "back home." In his office or at his home his friends were always welcome, but he had no time nor inclination for intercourse with those who had proven themselves insincere. He was a leader in the fight for cleaner politics in North Dakota, and never in the many vicissitudes of commercial, private, or political life was his good name tarnished or his honor stained. His rule of conduct was the golden rule, and his slogan was "A square deal for all."

A plain, practical man, Mr. HELGESEN yet possessed a strain of sentiment of which only his close friends were aware. A beautiful picture, a touching poem, and fine music were deeply appreciated by him. Among his personal papers were always to be found clippings of short poems and bits of literature which had appealed to him, and were treasured for their charm of pathos or sentiment.

His personal tastes were intellectual. He was a man of wide and varied study and numbered among his friends writers and scientists of world renown. His scientific work and research in geography and current history were extensive, and his contributions to the literature of geographical exploration have attracted the attention and won the highest commendation and indorsement of men of learning and science.

Four times in succession was Mr. HELGESEN elected to represent the people of North Dakota in Congress, once as Congressman at large and three times as Representative from the first district. During his term of service he was an honored and useful Member of this House, and his active work on the Agricultural Committee will long be remembered by his constituents and colleagues alike. Blessed with a keen mind and sound common sense, he fought gallantly for any measure which seemed to him to be for the best advantage of his constituents and the people of the Nation at large.

Having spent his boyhood days on a farm, and representing a constituency largely composed of farmers, Mr. HELGESEN was ever alert to the agricultural interests of the country. His speech in the House in 1911 on reciprocity with Canada is still quoted as embodying the soundest arguments advanced on that question from the farmer's point of view. He was an ardent advocate of woman suffrage and was ever ready to speak a good word for that worthy cause.

In regard to our foreign policies Congressman HELGESEN felt deeply, thought clearly, and acted with the courage of his convictions. Always independent of slavish precedents, he did not hesitate to cast his vote with a hopeless minority when he felt that minority to be right. As an opponent he was a fair and generous fighter. He always fought in the open. He never stabbed an antagonist in the back or shot from ambush. He never faltered in a fight, even though he foresaw the loss of the battle. To him—

> It was not the loss of the battle that counts,
> But how did you fight, and why?

Mr. HELGESEN was a loving husband and a kind and affectionate father. He left to his children the priceless legacy of unsullied honor and an untarnished name; and when he was overtaken in the strength and prime of manhood by that silent adversary to whom sooner or later we must all surrender, his last thoughts and words were for the welfare and happiness of his loved ones. In the opening days of the Sixty-fifth Congress his earthly remains were carried to his boyhood home for their long rest, and from far and near men and women came to do him honor and to mourn his loss. Eulogies were delivered at his funeral by men of learning and eloquence, but of them all none could surpass the tribute paid by the plain words of hundreds of his fellow citizens that "HENRY HELGESEN was one of the straightest, squarest men the State had ever known."

> He was a friend of truth, of soul sincere,
> In action faithful and in honor clear;
> Who broke no promises, served no private ends,
> Sought no title, and forsook no friends.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. HAUGEN] is recognized.

Mr. HAUGEN. Mr. Speaker, it was my pleasure to know Mr. HELGESEN intimately during his stay here in Washington, to serve with him on committees where our duties brought us in frequent and friendly contact. I observed closely his faithful and efficient work here in the House, especially on the Committee on Agriculture. Of Mr. HELGESEN it can truthfully be said that he was a noble example of manhood, kindly and lovingly disposed, greatly admired, commanding the respect and admiration of all who knew him. He was not only a man of high type of character, sterling qualities, and talent, but he was sociable, courteous, obliging, and loyal to his friends and his country. He was endowed with lofty ideals, and always pursued his duty with fidelity, industry, and rectitude to purpose. His guiding star was honesty and sincerity, always shunning deceit and cunning practice. Though modest and unassuming, Mr. HELGESEN was a man of action, a man of firm determination to do justice and right to all. To the bottom of his heart he deplored deceit and oppression. He was a forcible, logical,

and convincing speaker, a man of integrity, sound judgment, possessed of a broad mind and firm convictions. As a result, he honorably and gloriously succeeded in fulfilling the duties incumbent upon him. Knowing Mr. HELGESEN, it was impossible not to become attached to him and to be inspired with the fullest confidence and respect for his grand character.

Mr. HELGESON was born in my district, in Winneshiek County. On the hill overlooking the beautiful city of Decorah and the splendid surrounding scenery rest his remains. In that vicinity he spent his boyhood days, at school and on the farm, up to the time he moved; then a young man, to the State of North Dakota, where he soon became one of its foremost citizens, taking an active part in politics, farming, and business. From boyhood his life was pure and stainless. He rose from the humble walks of life to the high position which he held in this House. His record, both private and public, is an open book without a stain of immorality, deception, fraud, or corruption. I am sure that I voice the sentiment of every Member of this House, his constituents, and all who knew him when I say that in Mr. HELGESEN we had a splendid type of manhood, founded upon integrity and virtue; that his loyalty to principles, his devotion to truth, his industry, his conscientious and efficient work merited the esteem, confidence, and respect in which he was held by his large circle of devoted friends and admirers acquired during his career here.

In his Christian home he was a devoted and kind husband, an affectionate father, a friendly and obliging neighbor. His death caused deep bereavement, sincere and profound regret to all. He died in the full maturity of his mental vigor, at a time when his life, character, example, mature judgment, and wisdom was of the greatest value to his country.

The SPEAKER pro tempore. The gentleman from Nebraska [Mr. LOBECK] is recognized.

Mr. LOBECK. Mr. Speaker, I came here to-day more to listen than to speak; for I wished to hear the story of the earlier days of our beloved colleague, his helpfulness to mankind, and the tributes of affection to the memory of our departed friend.

One of the first men that I met in Congress and became acquainted with was Congressman HELGESEN. Immediately there arose between us that friendship and love that man should have for man and that will never be forgotten. There was something about him that appealed to me as a man of great thought and business ability, and as one who inspired confidence in everyone that he met. Possibly one of the reasons for my getting acquainted with him closely was that I knew of the nationality from which his people came. I have known the Scandinavian people from my boyhood days, and no better people ever came to the West for the purpose of developing that great country. As early as the "forties," in the last century, the Norwegians came to Wisconsin, Iowa, Illinois, and later to Minnesota, and then farther West, and no people have done more to develop that part of our glorious heritage than the Scandinavians.

They came with empty hands. Most of them were poor, but they had a faith in themselves and in God. They turned the virgin soil to the sun; they plowed, sowed, and reaped; they built homes, humble in the beginning, but which became in later years the very best in our country. They did their part in building towns and cities. They went into the lumber camps of the North and felled the forests, and did as much as any other people to develop that portion of our land. They entered into business life, into every line of activity that the American people engage in, and they have been successful. I believe that one of the reasons why the Scandinavian people of this country have become true Americans is that they brought the Bible and the hymn book with them. They feared God and no one else. They commenced their services praising the Almighty God, the Father of us all, and listened to the teachings of the Master in humble homes; but as soon as possible they erected churches for divine worship. And they not only erected churches, but schools and colleges, that their children might attend and learn the ways of true Americanism and have that advantage which would make them equally successful with other peoples in the world.

From that kind of stock Congressman HELGESEN came. I listened to the remarks of my colleagues here as to his early days on the farm, then as a young merchant, and then as a pioneer in North Dakota. I have seen and know of that same experience in the lives of many of them, and I do not wonder that when Congressman HELGESEN became a Member of this House that he knew the needs of the people of the West, that he knew the needs of the people of this country, and that he at once became an active and useful Member of this House. It is to be regretted that he should have had to pass away in the prime of his manhood and usefulness.

The Scandinavians of this country have been a loyal people. Mr. HELGESEN could not have been otherwise, because in the community where he was raised there were no more patriotic people than the people of Decorah, Iowa. When the call came in his boyhood days from President Lincoln that this Nation must be preserved, no class of people responded more freely than his people.

It is told of a neighbor of his that he had six boys that went into the service for the preservation of this Union who had the longest record of service of any family in 1861–1865. When the youngest boy, whom I have known well in later years, came and asked his mother—he was only 16—"Can I enlist?" she said, "Five of my boys are gone; you should stay at home." But the sturdy old father rose up in his chair and said, "Any boy that I have got, large enough to carry a gun for our flag and my adopted country, shall have full freedom to go." Those six boys gave twenty-four years of service in the preservation of our Union.

HENRY T. HELGESEN was but a little boy at that time, but the spirit of the neighborhood at that time must have created in him a patriotic spirit of devotion to our flag, and devotion to everything that the Stars and Stripes stand for, that could never be forgotten, and therefore I do not wonder that as a boy, as a youth, as a young man, and as he grew older in years, he wanted to do the best for his country, his neighbors, and be helpful to mankind.

It is that class of men in this country, that class of citizens, that help make this country the best Nation and the best people on earth. We can ill afford to lose men like HENRY T. HELGESEN. It will take strong men to fill his place. But we can look back with pleasure upon our association with him, those of us who served with him, and we can tell to those who come after us and to our neighbors that there was no more faithful man to his people, to his country, and to our flag than HENRY T. HELGESEN, of North Dakota.

The SPEAKER pro tempore. The gentleman from South Dakota [Mr. DILLON] is recognized.

Mr. DILLON. Mr. Speaker, HENRY T. HELGESEN, pioneer, farmer, merchant, public servant, has broken the congressional circle and passed over to the Valley of the Great Beyond. We pause a moment to render a slight tribute to the memory of a personal friend.

Mr. HELGESEN was born near the city of Decorah, Iowa, educated in the high schools, a graduate of the little college that honors that city. He soon left for the Northwest, the Territory of Dakota, now North Dakota, where he founded his home as a pioneer. When the State entered the Union in 1889 he was elected to the office of commissioner of labor and agriculture; he was reelected to the same position, in which he gave distinct honor and service to his State.

He was elected to the Sixty-second, the Sixty-third, the Sixty-fourth, and the Sixty-fifth Congresses, but before the session of the Sixty-fifth Congress convened he was confined to his bed in a hospital in the city of Washington. But his interest in the legislation then pending before Congress was intense. His mind dwelt constantly on the great problems that were then pending.

Soon after I came to the Sixty-third Congress I had the pleasure of forming an intimate acquaintance with Mr. HELGESEN. There was probably not a Member in all that body that I became so closely associated with in counsel and in the discussion of matters that were then pending in Congress. I found him strong in conviction, sincere in purpose, loyal to his ideals; an unceasing worker, untiring in his efforts to please the people who sent him here.

He was known as a Progressive. When that great movement struck the Northwest he was a leader of those who sought to bring back the legislative department of the Government to the constitutional rights of the people. He was one who believed that the legislative department of the Government should be brought close to the people, and when he found his party in the wrong he refused to follow them in the wrong. When he found them in the right he gladly followed them, and gave his counsel and advice.

It was that sterling character of intense loyalty and honesty that formed his opinions on every public question. The loyalty of service was high in his character. We often read of the physician who visits in the hospital the sick with a contagious disease and refuses to leave the bedside, notwithstanding the contagious disease, the one thought being of public service. We read of the engineer who remains upon his engine, moving swiftly along the great railroad, with impending danger, and

refuses to leave his engine, knowing that those under his charge rely upon him; when he could jump to a place of safety, he prefers to go down in death into the coming wreck; like the pilot upon the vessel, refusing to leave his place of trusteeship until every passenger has reached a place of safety.

It was such a purpose that was ever uppermost in the mind of HENRY T. HELGESEN and led him in his public service in this House.

I was one of the number who journeyed on the funeral train to that beautiful little city of Decorah, in the district now represented by the gentleman from Iowa [Mr. HAUGEN], and when our train reached there the whole city was in mourning. The little children filled the streets. From every part of the county came old friends to honor and revere his memory. I could see many of them weeping as the funeral procession went up the street of that little city. It was a testimonial that long will live in my memory. They laid him to rest in the little cemetery that overlooks the city, amid a wilderness of roses.

Let us, like him, seek the love of little children, the good will of men and women, that our lives may be an inspiration and our memory a benediction.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. LUNDEEN] is recognized.

Mr. LUNDEEN. Mr. Speaker, in the prime of life he left us. Yesterday he stood among us full of vigor and inspiring in his very presence. To-night he sleeps beneath the stars.

And perhaps it is best thus in the midst of the battle of life, while strongly defending those principles he held nearest his heart, to go down to death and be no more.

He leaves a vacant chair, and aching hearts will always recall him as he was. I can see him now striding down the Halls of Congress, tall, strong, and powerful. His quick glance and rapid words arrested and held attention. He was a leader among men, and none knew him but respected the Congressman from the first district of the great State of North Dakota.

My acquaintance with Congressman HENRY T. HELGESEN was brief, but will be long remembered. As a citizen of Minnesota, I knew him well by reputation. He was beloved by his people, and his popularity was not confined to the boundaries of the district which he represented in Congress. Throughout the State of North Dakota and the entire Northwest he was known as a man of honor and integrity—a man of tremendous faith in the average man.

Mr. HELGESEN was a Progressive Republican, but he was never at any time a blind follower of any man or of any party. He served in this House under a Republican administration and under a Democratic administration. Four times elected to Congress by the Republican Party he was sometimes criticized by Members of that party for occasionally voting in favor of Democratic measures. A stanch believer in Republican principles, he was sufficiently broadminded to be untrammeled by party ties, and his vote was cast for what he believed to be the best interests of the country.

Those who knew Mr. HELGESEN know that he was a man of strong convictions. In his political life he was not given to snap judgments. He weighed each question as it arose carefully and judicially. His decision made, he was firm and unswerving in its advocacy. No criticism or ridicule, no hectic clamor or political opposition, could move him from his place.

In those stirring days of the Sixty-fourth Congress, when the prospect of impending war was discussed on every hand, Congressman HELGESEN was firm in his contention for a continued and impartial neutrality on the part of the United States. Those of you who have served here for many years know that it is no easy matter for a man in Congress to be one of the small minority opposed to measures which have the overwhelming support of the reigning administration. Yet Mr. HELGESEN did not hesitate to place himself in such minority. At a time when we were drifting nearer and nearer war Mr. HELGESEN introduced in this House a resolution demanding a referendum of the people of the United States on the question whether or not war should be declared. This resolution—the last one ever introduced by Mr. HELGESEN—was read into the CONGRESSIONAL RECORD by him, and in its support he said:

> Mr. Chairman, believing that the people of this Nation have the right to be consulted and to determine for themselves whether or not they want to become a party to the wholesale slaughter now going on in Europe and offer their sons as a sacrifice to the modern barbarous and inhuman engines of destruction used by both sides in that conflict, I am introducing the following resolution.
>
> If the element which insists that war is the only way by which we can honorably settle our differences with the belligerents in Europe finally succeeds in involving us in that terrible conflict, no father, no mother, and no American boy who will be sacrificed in the trenches in Europe will ever be able to truthfully say that I have not done my utmost to save them from such a fate, or that I have not tried to give the people of the Nation an opportunity to determine for themselves whether or not they believe that war is the only honorable means by which we can deal with the situation now confronting us.

Those remarks were typical of the man. The life, liberty, and happiness of the people of the United States was first in his thoughts. His big heart beat warmly for his fellow men. He was no pacifist by nature, as none know better than his colleagues who served with him in this House. Believing, as President Wilson said in his address to the Congress on February 26, 1917, that "the American people do not want an armed force put into action," Mr. HELGESEN exerted all of his influence to preserve an impartial and absolute neutrality.

The last speech made on the floor of the House by Mr. HELGESEN was a speech against the arming of American merchant ships, and when the vote was taken a little later on the question of armed neutrality—which was considered a practical declaration of war—Mr. HELGESEN made one of a little group of 14 men who, fearlessly, in the face of overwhelming opposition and at the risk of permanently antagonizing the administration, voted against that measure. And from every part of his district, his State, and the United States a flood of letters and telegrams poured into his office, expressing the heartfelt thanks and appreciation of American citizens from every walk of life for his courage and fearlessness in making a determined effort to save this country from the horrors of war.

Congressman HELGESEN never forgot that he was a servant of the people, holding office by their will. His pride in the people who thus honored him was great, and his earnest desire to serve his constituents, regardless of politics, was well known. In that desire lay much of his political strength. No complaint was too small for him to investigate, no appeal so humble as to be neglected. The welfare and wishes of his constituents were the guiding light of his official action, and that light was never dimmed by any willful act of his.

Always interested in the welfare of the rising generation, Mr. HELGESEN was a strong advocate of vocational education, the principles of which he put into practical operation in the education of his own family.

Mr. HELGESEN was deeply interested in geographical and historical research, and his work along those lines will be long remembered. It was due to his efforts that the official United States maps of the Arctic regions were corrected to conform to the latest and most authentic reports, and his writings on Arctic exploration won for him an international reputation. Some of the results of his investigations were incorporated in a speech delivered by him on the floor of the House on January 13, 1916. In referring to this speech, the noted historian and geographer, Edwin Swift Balch, of Philadelphia, wrote to Mr. HELGESEN:

> It is as fine a piece of historical geography as was ever penned, and it will live in geographical annals.

Dr. Herman Schoenfeld, Ph. D., LL. D., professor at Georgetown University, also wrote Mr. HELGESEN in regard to the same speech:

> You have rendered the greatest possible service to the sacred cause of truth and science, and your name will therefore be engraved with golden letters in the records of truth in polar discovery.

Dr. Chase Salmon Osborn, LL. D., author, explorer, and ex-governor of Michigan, considered by many as the most widely traveled man of this generation, wrote on March 20, 1916:

> You have conferred a favor upon the people of the entire Nation. As one of them, permit me to thank you.

Middleton Smith, explorer, author, and member of the Point Barrow International Polar Expedition, summed up his opinion in these words:

> As a historical document your speech will live forever and a day.

The greatest living American authority on Arctic exploration, Maj. Gen. A. W. Greely, leader of the Lady Franklin Bay Arctic expedition, commended Mr. HELGESEN's work in geographical research, in a letter written under date of March 5, 1917, from which I quote:

> Your investigation displays a legal mind of keen perception, and your unselfish labor must have been great. * * * I feel that you have thus rendered a service both to the truth of history and to the cause of science.

In the death of Congressman HELGESEN his family lost a kind and loving husband and father, his State a conscientious and able Representative, and the Nation an upright and fearless statesman.

He grew in power and independence and his district grew with him. The old first will continue for many a decade to send strong and independent men to Congress. Had he lived

through the Sixty-fifth Congress he would have continued to hold a leading place in the councils of the Nation. Fearless, powerful, untiring, he is badly missed to-day.

Mr. Speaker, death is the great tragedy of life, but, sir, the life of Congressman HELGESEN reminds us of the service we can render and the influence we may leave behind us.

The end of the road is a door to God.

Mr. YOUNG of North Dakota took the chair.

The gentleman from North Dakota [Mr. NORTON] is recognized.

Mr. NORTON. Mr. Speaker—

The boast of heraldry, the pomp of power,
All that beauty, all that wealth e'er gave,
Await alike the inevitable hour.
The paths of glory lead but to the grave.

I come here to-day to pay my tribute of love to the memory of him who was my colleague and my friend. With those who knew and loved him for his gentle and sterling character, I come to breathe for a moment the sweet fragrance of flowers his life left behind, and to lay upon the sacred altar of his fame my words of admiration and esteem.

I can not hope to be able to pay just tribute in words to the memory of North Dakota's brilliant and much beloved citizen, whose untimely death we so much lament. The magnificent accomplishments of his life, his rise from humble surroundings to the position of a recognized leader in the greatest legislative body in the world, are the highest tributes and the most enduring monuments to his memory.

Mr. HELGESEN was of Norwegian descent. He came of that hardy pioneer stock which in the middle of the last century crossed the seas in quest of new homes and settled on the untamed but fertile farming lands of the Northwest, and which has done so much in the last 50 years to make that section of the country the richest and most productive part of the Nation. He was born, reared, and educated in Winneshiek County, one of the loveliest portions of Iowa, and spent the days of his mature manhood in upbuilding the great Commonwealth of North Dakota. By his career he added new honor to the race from which he sprang, to the State where he was born, and the State he represented here so well and so honorably.

It was my good fortune to have been closely acquainted with Mr. HELGESEN for a period of nearly twenty years. The opportunity came to me to know him as he actually was. It was given me to realize the real man and to appreciate the worth and beauty of his character and life. His was a rare spirit, such as is given to few on this earth, to illumine the pathway as he went by the depth of his logic, by the soundness of his wisdom, by the breadth of his experience and the strength and courage of his heroic nature. The pomp, the power, and the pride of official position never changed his simple faith. No man can go far astray whose love of family and kindred and friends was so great and such a guiding element in his daily personal and public life as it was with my lamented colleague.

For thirty years he was closely identified with the progress and development of North Dakota. Coming to Dakota Territory from Iowa when he was 30 years of age, he soon made the influence of his learning, experience, and sturdy character felt in the rapidly growing then agricultural frontier of the West. Two years later, when North Dakota was admitted to statehood in 1889, he was honored by being elected the State's first commissioner of agriculture and labor, and was reelected to succeed himself, serving in this position for four years. Later he served as a member of the board of trustees of the State university for three terms. His sound advice and counsel did much to lay a broad and firm foundation for the magnificent development and success which that institution has had during the past two decades.

Mr. HELGESEN possessed in a very large measure the strong and sterling characteristics of the Norwegian race from which he was descended. His appearance and manner were kind and pleasing. They were that of a leader of men. They commanded the respect and confidence of all his friends and acquaintances. He was a man at once a lover of fairness and of freedom. He was among the early leaders of the progressive spirit in the Republican Party in North Dakota. From the railroad and reactionary interests which for many years held sway in the State he met bitter opposition. With the spirit of determination and persistence of the Vikings of old, he fought his way to the top and overcame all opposition. He lived to see the principles of State government for which he contended succeed. He lived to see the ideas and ideals of truly representative government, which he advocated in the State for many years when his followers were few, become overwhelmingly popular.

Always liberal and open minded, he refused to surrender his principles or compromise his convictions. It was his sturdy character in public life that won and held the confidence of the public.

During the six years he served in the House of Representatives he won the highest respect and the fullest confidence of all his associates. Mr. HELGESEN was a forceful speaker and at all times a thorough, careful, and discriminating student of national affairs. He was one of the best and most widely informed men on the very important Committee on Agriculture, and Members of the House always depended upon him for wise guidance on all questions of legislation affecting the agricultural interests of the country. Had not his career been cut short by the grim reaper, Death, his industry, his intelligence, and his broad experience would have won for him a permanent place among the strongest and most influential leaders in Congress.

He came from the masses of the people from whence has ever come the truly great. He was always loyal and true to the masses. He learned from the teaching of his pioneer parents and from the hard battles of life which he fought the full meaning of the immortal plowman's words:

The honest man, tho e'er so poor,
Is king of men for a' that.

He learned in life's battle that as loyal, as noble, and as great a heart can beat within the homespun shirt of the toiler in mine or field or factory as pulsates beneath the royal purple of any prince; and that is why men who knew him will ever love his memory and mourn the death of this light-haired, blue-eyed, golden-hearted knight of the people who lived and died without fear and without reproach.

Mr. HELGESEN was in very poor health many months before his death. It had been most difficult for him to remain at his work. The legislative problems which the great war brought upon the country added to his labors, but he was not one to shirk responsibilities. He was a close student of war problems since the beginning of the European war and had the interest of this Nation and its people at all times close to his heart. He felt it his duty to remain at his post at whatever personal sacrifice it might cost him to give counsel to his people and to his Government in days when the civilization of centuries seemed threatened with destruction. Faithful to his ideals, my colleague yielded up his noble and useful life. It is to be greatly regretted that he should have been taken away at the time his country was about to place all the power and resources of its free people on the side of the contest for world-wide democracy and freedom and for the everlasting obliteration from the civilized world of monarchy, militarism, and serfdom. His ripe experience and his rich counsel would have been of inestimable value to this Congress; but he is gone. Why he was taken from us at such a time we know not.

God moves in a mysterious way
His wonders to perform;
He plants his footstep in the sea
And rides upon the storm.

Still he did not die in vain.

Mr. Speaker, the lives of each one of us are guideposts to others along the pathways of life. Mr. HELGESEN'S whole life exemplified what may be accomplished by unswerving honesty and a heroic determination to make a success of whatever we undertake. The most inspiring examples which have descended to us from the pages of history, sacred as well as profane, are those of the early Christian martyrs and the more modern political and religious reformers who have surrendered their lives upon the altar of sacrifice, the quiet but determined heroes who have suffered martyrdom for principles and convictions they held dear, who have died uncomplainingly at their posts of duty as my colleague did. I saw and spoke to him shortly before he was taken away. While he seemed to realize that death was near, his mind was busy with thoughts of state and his inquiries of me were about the work of the Congress, the progress of the world war, and the thoughts, feelings, and welfare of the people of our own Nation. His departing recalls to me the beautiful lines which have been written on "Death and Duty"—

Dead at his post of duty!
What finer eulogy? All the boast
Of pomp and glory seems but idle breath,
Beside the calm quiet of death,
Where death and duty meet
Is found solution most complete
Of all life's problems! It's enough
Dead and at his post!

But such men as he are not dead; they live in the hearts of their countrymen. The verdict of history will be that he was notable in those characters which go to make up the best and strongest leaders of men the world has known.

He was devoted to his country, faithful to his trust, sincere in all his relations with his fellowmen and suddenly taken from

us in the prime of his faculties and the plentitude of his usefulness. Death has bereft us of his presence. Death can not bereave his family, his friends, or his country of the high service he rendered nor of the tender memories his manly personality inspired.

While North Dakota's soil would have been proud to have guarded his last mortal remains it was fitting that after life's duties nobly done he should have been taken home to the green hillsides of beautiful Winneshiek County, Iowa, where he first saw the light of day. We laid him to rest near the home of his boyhood, where he first met, loved, and won the good wife with which God so blessed his life, and of whom he was so justly proud. He sleeps where hardy Norsemen and their descendants have made with their toil and their intelligence a paradise out of once wild prairie lands. He sleeps near the shadows of famed Luther College, an institution of learning which I know he admired greatly. He sleeps the last long sleep, as he wished to sleep it, on a wonderfully beautiful hillside overlooking the quiet but charming little city of Decorah, where it can be truly said health, happiness, and contentment cheer all who labor there.

With hearts full of sorrow we can truly say of him the best that can be said of any man—the world is better because he lived in it.

Mr. NORTON resumed the chair.

Mr. YOUNG of North Dakota. Mr. Speaker, I ask unanimous consent that all Members shall have five days within which to extend their remarks upon the life, character, and public services of the late HENRY T. HELGESEN.

The SPEAKER pro tempore. The gentleman from North Dakota [Mr. YOUNG] asks unanimous consent that all Members have five days in which to extend their remarks upon the life, character, and public services of the late HENRY T. HELGESEN. Is there objection? [After a pause.] The Chair hears none.

Under the special order for the day the House now stands adjourned until 12 o'clock noon to-morrow.

ADJOURNMENT.

Accordingly (at 1 o'clock and 10 minutes p. m.) the House adjourned until to-morrow, Monday, March 11, 1918, at 12 o'clock noon.

SENATE.

MONDAY, *March 11, 1918.*

(Legislative day of Friday, March 8, 1918.)

The Senate met at 12 o'clock meridian.

EXEMPTION OF HAROLD STEINFELT FROM ARMY.

Mr. SMITH of Arizona. Mr. President, I beg the indulgence of the Senate at this time for a moment to make a statement in the nature of personal explanation, if not of privilege. There is a young man in my town, Mr. Harold Steinfelt, within the draft age and who has stood a physical examination and has been favorably passed on more than once by the local board. Mr. Steinfelt's father is the owner and manager of a large mercantile business and is reputed to be a man of great wealth. The local board passing on young Steinfelt's claim for exemption as manager of this mercantile business refused to grant the exemption Appeals were taken, and at this end of the line great influences from prominent men outside of Arizona have been attempted to save him from serving his country in this time of its dire necessity.

I have received many letters of protest against Mr. Steinfelt's evasion of the draft and charges that I have been instrumental in keeping him out of the Army. Such accusations are utterly false. On the contrary, I have told Gen. Crowder and the Assistant Secretary of War that I could see no reason why Mr. Steinfelt should avoid the draft any more than dozens of other young men from Arizona, who are now in the Army under the draft and are giving that loyal service which our country expects from its able-bodied young men. I merely make this statement thus publicly so as to silence the misrepresentations being made against me at home by persons whose motives for the circulation of such falsehoods are, of course, unknown to me. I hope it may never justly be said that any man can avoid the performance of his duty to his country by reason of his wealth or all influence that can be brought to bear in favor of his evasion of duty.

ESTIMATE OF APPROPRIATION (S. DOC. NO. 195).

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation in the sum of $13,500 required by the Public Health Service for the fiscal year 1918, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

DISTRICT STREET RAILWAYS (S. DOC. NO. 197).

The PRESIDENT pro tempore laid before the Senate a communication from the Public Utilities Commission of the District of Columbia, transmitting, in response to a resolution of the 11th ultimo, certain information relative to the street car situation in the city of Washington, D. C., which, with the accompanying papers, was referred to the Committee on the District of Columbia.

Mr. JONES of Washington subsequently said:

Mr. President, at the opening of the session to-day the report of the Public Utilities Commission of the Distict of Columbia, in response to a resolution of the Senate with reference to street car conditions in the city of Washington, was laid before the Senate, and, as I understand, was referred to the Committee on the District of Columbia, but there was no order made with reference to its printing. I ask that it be printed and referred to the Committee on the District of Columbia.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. SMOOT. Mr. President, I will call the attention of the Senator from Washington to the fact that I notice there are illustrations in the report, and in order that they may be printed, it will be necessary to have an order of the Senate. I therefore ask that the Public Printer be authorized to print the illustrations in the report.

The PRESIDENT pro tempore. Unanimous consent has just been given to print the report and accompanying illustrations.

PETITIONS.

Mr. COLT presented a petition of the Typographical Union of Providence, R. I., praying for an increase in the pensions of veterans of the Civil War, which was referred to the Committee on Pensions.

Mr. PHELAN presented a resolution adopted by the Chamber of Commerce of San Francisco, Cal., favoring the principle of the adoption of an adequate system of military highways on the Pacific Coast as a means of defense, which was referred to the Committee on Military Affairs.

Mr. FRELINGHUYSEN presented a petition of the New Jersey Branch of the National Woman's Party, of Montclair, N. J., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

He also presented a petition of William McKinley Post, No. 18, Grand Army of the Republic, Department of New Jersey, of Vineland, N. J., praying for an increase in the pensions of veterans of the Civil War, which was referred to the Committee on Pensions.

PAY OF GOVERNMENT EMPLOYEES.

Mr. MARTIN. On February 16 the bill (S. 3878) to fix the compensation of certain employees of the United States was referred to the Committee on Appropriations. I move that the Committee on Appropriations be discharged from the further consideration of the bill and that it be referred to the Committee on Education and Labor.

The motion was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PENROSE:

A bill (S. 4069) granting an increase of pension to William Mercer;

A bill (S. 4070) granting an increase of pension to Samuel M. Fullerton; and

A bill (S. 4071) granting a pension to Leontine Cremerieux; to the Committee on Pensions.

By Mr. PHELAN:

A bill (S. 4072) granting an increase of pension to Bethuel H. Brasted (with accompanying papers); to the Committee on Pensions.

By Mr. COLT:

A bill (S. 4073) granting a pension to John E. King (with accompanying papers); to the Committee on Pensions.

AMENDMENT TO LEGISLATIVE APPROPRIATION BILL.

Mr. JONES of Washington submitted an amendment relative to the reorganization of the clerks and messengers to the committees of the Senate, intended to be proposed by him to the legislative, etc., appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

INDEPENDENT HARVESTER CO.

Mr. GORE. I ask unanimous consent to offer a resolution, and I ask for its consideration.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 212) was read, as follows:

Resolved, That the Federal Trade Commission be directed to investigate and report to the Senate as to the organization, conduct, financial status, and methods of the Independent Harvester Co., Plano, Ill., also as to the pending receivership and proposed reorganization as to said company, and also as to the disposition of its assets and stocks of implements, etc., on hand.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. THOMAS. I should like to inquire of the Senator who offered the resolution what the basis of it is? So many investigations are being ordered that I think before they are concluded we will have forgotten all about them.

Mr. GORE. Mr. President, in reply to the Senator I will say that an independent harvester company was organized several years ago. Farmers were solicited and urged to take stock in it. It was to compete with the International Harvester Co. and other companies supposed to constitute a trust or a sort of federation of harvester companies.

In my own State, for instance, some two hundred thousand dollars of stock was sold to farmers as an independent concern. It is now passing into a receivership, and the proposition has been made to the farmers to take common stock to the amount of 50 per cent of the stock they now hold and make a cash payment of 20 per cent, which will be preferred stock. I am anxious to know the genesis of this dissolution or receivership proceeding. In other words, I want to know whether the trust has been squeezed out or whether the failure has been due to mismanagement.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. SMOOT. Does the Senator from Oklahoma have any idea that the failure has come about other than by mismanagement?

Mr. GORE. I do not know. I know the impression prevails that new enterprises have been strangled or suffocated by older ones. I do not know that that is true in this case. It has seemed to me that farmers ought to be encouraged to embark in enterprises for the manufacture of implements they use and even in the manufacture of cotton from the raw material that they produce. It has seemed to me that if we can have light on this subject it would be worth while, and there can be no possible objection to it.

Mr. SMOOT. I am not going to object. I simply want to say to the Senator I think after the investigation is made it will be found that it is due to lack of management. The same has happened in thousands of cases in the past.

Mr. GORE. That may be true.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

WOMAN SUFFRAGE.

Mr. SMITH of South Carolina. I ask unanimous consent to have inserted in the RECORD, at the request of my colleague [Mr. TILLMAN], a short explanation by a lady who seems to have been misrepresented in the speech of some one in reference to her attitude toward woman suffrage. My colleague is absent, and I ask that this explanation be inserted in the RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

[South Carolina Equal Suffrage League, Mrs. Harriet P. Lynch, Cheraw, president; Mrs. John Gary Evans, Spartanburg, first vice president; Mrs. Julian B. Salley, Aiken, second vice president; Mrs. Henry Martin, Columbia, recording secretary; Mrs. James Thornton Gittman, Columbia, corresponding secretary; Mrs. Leroy Springs, Lancaster, treasurer; Mrs. Walter E Duncan, Aiken, auditor Committees: Mrs. Walter H. Cobb, Union, education; Mrs. W. C. Cathart, Columbia, legislation and congressional; Mrs. Thomas I. Charles, Conestee Mills, Greenville, finance; Mrs. A. C. Hammond, Columbia, press; Mrs. H. A. Workman, Newberry, membership.]

* * * * * * *

"It is not only to tell you of the 'great expectations' we suffragists entertain that I am writing to you; it is also to ask you to right a wrong that was done me, as representative of the South Carolina suffragists, by one of the Congressmen when the vote on the amendment was taken in the House last month.

"That Representative read into the House records as expressing my present sentiments on the method of securing suffrage in South Carolina a letter or a statement from me which was at least two years old. Two years ago I hoped we would get suffrage through our State legislature and said so. This letter was read last month by one of our Congressmen in spite of the fact that the press repeatedly announced that the State suffrage league, after its annual convention in October, had decided to indorse the Federal amendment as a war measure; in spite of the fact that he was present at the conference of December 12, which was to have met in your office but was transferred to Senator SWANSON'S, in which I asked for the women of the State the vote of every Congressman for the amendment; in spite of the fact that he had received telegrams from the league making the same request; and in spite of the fact that he received a personal wire from me asking that he vote for the amendment.

"This willful misrepresentation makes me very indignant and also places me in a very equivocal position, both personally and as president of the State suffrage league.

"Will you not read into the Senate record, when the amendment is considered, a true record of our position on this amendment? Will you not state that the suffragists of South Carolina at their annual convention last October passed an emphatic resolution announcing their indorsement of the Federal amendment as a war measure and their determination to work for it, and that in pursuance of this policy every Representative and Senator from South Carolina has been requested through the press, through petitions from representative men and women, through personal interviews and personal telegrams to vote for the amendment when it should come up for consideration during the present session of Congress?

"In making this request I am sure that I will not appeal in vain to your sense of justice and fair play.

"Yours, respectfully,

"HARRIET P. LYNCH,

"*President South Carolina Equal Suffrage League.*"

G. H. BECKWITH.

Mr. CURTIS submitted an amendment intended to be proposed by him to the bill (S. 3391) to authorize the Secretary of the Interior to issue patent to G. H. Beckwith for certain land within the Flathead Indian Reservation, Mont., which was ordered to lie on the table and be printed.

JOSEPHINE W. BRECKONS.

Mr. WARREN submitted the following resolution (S. Res. 213), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Josephine W. Breckons, widow of Joseph A. Breckons, late clerk to the Committee on Engrossed Bills of the United States Senate, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

ADDRESS BY SENATOR THOMPSON (S. DOC. NO. 196).

Mr. HOLLIS. Mr. President, I ask that an address delivered by the senior Senator from Kansas [Mr. THOMPSON] at the banquet of the Kansas Democratic Club, Topeka, Kans., February 22, 1918, be printed as a public document.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

CASUALTY LISTS OF AMERICAN EXPEDITIONARY FORCES.

Mr. SMITH of South Carolina. I move that the Senate proceed to the consideration of the conference report on the disagreeing votes of the two Houses upon Senate bill 3752.

Mr. NEW. May I ask the Senator if he will suspend for a moment?

Mr. SMITH of South Carolina. I yield to the Senator.

Mr. NEW. On Saturday I sent a resolution to the desk calling on the War Department for certain information. I desire to move now that that resolution be referred to the Committee on Military Affairs for a little investigation of the subject to which it refers.

In this connection, Mr. President, I would merely like to say a word or two. I have no disposition at any time to question an order of the War Department, but this resolution (S. Res. 211) relates to an order that was issued on Saturday which called for the withholding of the names and addresses of the next of kin of American soldiers killed in France. It has occasioned a great many telegrams from people back home. I have had a number myself and I know other Senators have had them.

I think, under the circumstances, considering the fact that the newspapers convey an announcement that the order is issued at the request of Gen. Pershing, there ought to be some investigation, probably before it is acted upon at all, and I therefore request that the resolution be referred to the Committee on Military Affairs for investigation.

The PRESIDENT pro tempore. Without objection, that reference will be made.

Mr. KELLOGG. In connection with the same matter I have a telegram which is in the nature of a memorial from the editor of the Tribune, of Minneapolis, Minn., bearing upon the same question, which I should like to present and have referred to the Committee on Military Affairs.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENYON. I have a telegram from Des Moines, Iowa, on the same subject which I should like to have referred to the Committee on Military Affairs.

The PRESIDENT pro tempore. It will be so referred.

RAILROAD CONTROL—CONFERENCE REPORT.

Mr. SMITH of South Carolina. I renew my motion that the Senate proceed to the consideration of the conference report on the disagreeing votes of the two Houses on Senate bill 3752.

Mr. FRELINGHUYSEN. Mr. President, it is with great reluctance that I find it necessary to object to the consideration of this report, because under section 15——

Mr. JONES of Washington. Mr. President, I raise the point of no quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, Cal.	Overman	Sterling
Baird	Johnson, S. Dak.	Page	Stone
Bankhead	Jones, Wash.	Phelan	Sutherland
Beckham	Kellogg	Poindexter	Swanson
Colt	Kendrick	Pomerene	Thomas
Culberson	Kenyon	Ransdell	Thompson
Curtis	King	Reed	Townsend
Dillingham	Kirby	Robinson	Trammell
Fletcher	Knox	Saulsbury	Underwood
France	McCumber	Shafroth	Vardaman
Frelinghuysen	McKellar	Sheppard	Wadsworth
Gallinger	McLean	Sherman	Walsh
Gerry	McNary	Shields	Warren
Gore	Martin	Smith, Ariz.	Williams
Gronna	Myers	Smith, Md.	Wolcott
Hale	New	Smith, Mich.	
Hardwick	Norris	Smith, S. C.	
Hollis	Nugent	Smoot	

Mr. McNARY. I desire to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness. I ask that this announcement may stand for the day.

Mr. BECKHAM. I wish to announce that my colleague [Mr. JAMES] is absent on account of illness. I will let the announcement stand for the day.

Mr. GRONNA. I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness in his family. I ask that this announcement may stand for the day.

Mr. SUTHERLAND. The senior Senator from West Virginia [Mr. GOFF] is absent owing to illness. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Sixty-nine Senators have answered to their names. There is a quorum present. The Senator from South Carolina has moved that the Senate proceed to the consideration of the conference report on Senate bill 3752.

Mr. FRELINGHUYSEN. I make a point of order against the conference report under rule 27, which was recently amended by the Senate.

The PRESIDENT pro tempore. The Chair will state to the Senator from New Jersey that the report has not yet come up for consideration. After the report is brought up a point of order may be made against it. The question is on the motion of the Senator from South Carolina to proceed to the consideration of the conference report.

The motion was agreed to, and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses on the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

Mr. FRELINGHUYSEN. Mr. President, I send to the desk the rule as amended by the Senate a few days ago, and I make a point of order against the conference report under that rule on the ground that the conferees inserted new matter in the bill. The conference report contains the new matter inserted, and it can be found on page 3507 of the CONGRESSIONAL RECORD.

There was an amendment introduced and passed by the Senate in the bill which provided, in section 15, "That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation."

The bill as passed by the House contained a similar provision, and it went to conference with those two sections reconciled and agreed. The conference report inserted the following:

Provided, however, That no State or subdivision thereof, or the District of Columbia, shall levy, assess, or collect an amount of taxes from railroad property within the State or subdivision thereof, or the District of Columbia, while under Federal control, in excess of the ratio which the taxes derived from railroad property bore to the total taxes of such State or subdivision thereof, or the District of Columbia, for the year previous to Federal control.

Mr. President, the object of the section was to prevent any interference by the Federal Government in the methods employed by the States in their taxation. This practically nullifies that provision. It allows the Federal Government to place a limitation upon the amount of taxation to be imposed by the State. The provision means that the States can not increase their taxation; that if the ratio is increased in the slightest degree the Federal Government can step in and practically nullify any act of the State legislature. In my State we have just passed a highway tax of a quarter of a mill. That levy was placed on December 20 last. If the legislature the coming year should increase that levy of a quarter mill to one-half a mill by legislation, the Federal Government could practically step in and nullify that act of the State.

Mr. POMERENE. Mr. President——

Mr. FRELINGHUYSEN. I yield to the Senator.

Mr. POMERENE. Was the increase of a quarter of a mill or the anticipated increase of a half a mill on railroad property alone, or on all the property of the State?

Mr. FRELINGHUYSEN. "On all of the property of the State."

Mr. POMERENE. If that be true then this amendment will not affect the State of New Jersey. This amendment was only intended for the purpose of preventing discriminations as against railroad property.

Mr. FRELINGHUYSEN. The point I make, Mr. President, is that it practically limits the taxation that the State can impose. Railroad property in New Jersey is a part of New Jersey, and the legislature of that State have a right to impose taxation upon it as they see fit. I knew that this provision was going to be inserted in the bill in conference when we passed the bill. I had a conference with the Secretary of the Treasury before it was inserted, and he stated to me that he did not want the States of the Union taxing the railroads so that it would exhaust the Public Treasury. The taxation by the States which is imposed on property in the States is not only imposed on railroad property, but it is also imposed on the property of private individuals as well. If any excessive taxes were attempted to be imposed upon the people of the State there would be such a protest that it would prevent such legislation. This practically interferes with the rights of the States to tax; it is new matter and is subject to a point of order under the rule which we have adopted, if that rule is of any value and we mean anything by it.

I hesitate to protest at this time against an important measure of this kind, but there is here an interference not only with the taxing power of my State, but with the taxing power of every State in the Union. This bill, therefore, should be sent back to conference, and that clause should be eliminated.

Mr. SMITH of South Carolina. Mr. President, this provision is clearly a compromise between the action of the House and the action of the Senate. It is in no wise new matter. It is what the conference committee considered a fair compromise between two extremes. In section 10 of the bill as passed and agreed to by the conferees it is provided:

SEC. 10. That carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control or with any order of the President.

That was the Senate provision. That meant that the President of the United States could by Executive order change any and every law of a State which affected railroads under Federal control.

Mr. FRELINGHUYSEN. Mr. President, may I interrupt the Senator from South Carolina?

Mr. SMITH of South Carolina. Yes.

Mr. FRELINGHUYSEN. The President could not do that in the face of the provision as it passed both Houses, because it provides that nothing in this act shall affect taxation by the States.

Mr. SMITH of South Carolina. Well, but there is no provision in the language passed by either branch which refers to taxation, save the clause which the Senate has under consideration. The House of Representatives then inserted this language in the bill:

SEC. 15. That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation or the lawful police regulations of the several States, except wherein such laws, powers, or regulations may affect the transportation of troops, war materials, Government supplies, or the issue of stocks and bonds.

And there were certain other limitations. The House took out of the bill the clause relative to the power of the President

under Federal control to effect these matters. The Senate gave him plenary power to effect them.

Mr. HARDWICK. But did not the Senate expressly put in language in another place to the effect that the President could not interefere or impair any taxation by a State?

Mr. SMITH of South Carolina. It did not.

The PRESIDENT pro tempore. The Chair can not hear the debate, and it is important that he should do so in order to properly decide the question.

Mr. SMITH of South Carolina. There was no such provision inserted by the Senate as that stated by the Senator from Georgia.

Mr. HARDWICK. I thought the Senator from New Jersey had cited such a provision.

Mr. SMITH of South Carolina. There is no provision in the bill that the taxing power of a State can not be interfered with.

Mr. FRELINGHUYSEN. Will the Senator from Georgia permit me to make a suggestion?

Mr. HARDWICK. I will state the question again, and then I shall be glad if the Senator will reinforce what I have said.

My understanding is that the bill as passed by the Senate contained the express provision that no Executive order should impair the powers of taxation by a State.

Mr. SMITH of South Carolina. No.

Mr. HARDWICK. The Senator from South Carolina says that is not correct.

Mr. SMITH of South Carolina. All that pertains to taxation is the section which I read, which is section 10.

Mr. HARDWICK. Will the Senator read that section again?

Mr. SMITH of South Carolina. If the Senator from Georgia will listen, he will find what section 10 says. It reads as follows:

SEC. 10. That carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control or with any order of the President.

Mr. HARDWICK. What is the special provision of the bill about taxation?

Mr. SMITH of South Carolina. There is none in the House bill. They provided in the House bill that it should not affect taxes at all.

Mr. HARDWICK. Did we cut that out?

Mr. SMITH of South Carolina. We modified that; we did not have it in the Senate bill.

Mr. HARDWICK. We struck out what the House bill provided on that subject?

Mr. SMITH of South Carolina. No; we modified the House provision.

Mr. HARDWICK. How was it as we left it?

Mr. SMITH of South Carolina. We first passed the bill, and it then went over to the other House. The House then adopted a substitute, on which we went into conference.

Mr. KNOX. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Pennsylvania?

Mr. SMITH of South Carolina. I do.

Mr. KNOX. I desire to make an inquiry. As I interpret the language which the Senator from South Carolina has just read, I find no such power in the President to suspend the right of the States to tax railroad property. If the Senator from South Carolina will glance at the clause which he has just read, he will find that it only deals with railroads as common carriers; and no liability of a railroad corporation at common law is subject to taxation. It is subject to taxation because it has property within the State, and the President has only a right to modify the law by his order in so far as they affect railroads as common carriers, not as being subject to taxation.

Mr. SMITH of South Carolina. Mr. President, the construction, as I understand it, which was put upon this matter by the conferees was that we had a coordination there—"all laws and liabilities." It was the intention of those who drafted this bill to cover all laws in the State, whether statutory or common laws, and all liabilities.

Mr. KNOX. But that is qualified, if the Senator will permit me, by the language which says "all laws and liabilities as common carriers"; it is all laws affecting railroads as common carriers and all liabilities to the public that affect them as common carriers; and it has nothing to do with their relation to the taxing power of the States or to anything else, except as common carriers.

Mr. SMITH of South Carolina. The construction which was placed upon it by those who drafted the bill, as well as by the conferees, was to the effect that with the words "or with any order of the President"—it was debated here on the floor of the Senate—amended that so that the President by Executive order could change all the provisions.

Mr. ROBINSON. Will the Senator yield to me for one moment?

Mr. SMITH of South Carolina. I will.

Mr. ROBINSON. The conference report in the particular stated by the Senator from New Jersey [Mr. FRELINGHUYSEN]——

The PRESIDENT pro tempore. Will the Senator state the section of the bill as it comes from the conferees to which he refers?

Mr. ROBINSON. It is section 15.

The PRESIDENT pro tempore. The Chair desired to be informed as to that.

Mr. ROBINSON. The conference report in the particular objected to by the Senator from New Jersey in the bill—and I ask the attention now of the Senator from New Jersey to the statement I am about to make—in my opinion, is not open to the objection that he has raised. In order to present the matter briefly, I call attention to the fact that the House of Representatives struck out the entire Senate bill and agreed to one amendment in the nature of a substitute for the Senate bill. The rule of the Senate as recently adopted, with reference to the insertion of new matter in conference reports, has long prevailed in the House of Representatives and has been uniformly enforced there.

The construction which that body has placed upon the rule is, in effect, that this provision is not obnoxious to the rule, and I desire to cite in support of that view the following authority:

Where the disagreement is as to an amendment in the nature of a substitute for the entire text of a bill, the managers have the whole subject before them and may exercise a broad discretion as to details. (Hinds' Precedents of the House of Representatives, vol. 5, sec. 6424.)

And further:

Where one House strikes out all of the bill of the other after the enacting clause and inserts a new text, and the differences over this substitute are rereferred to conference, the managers have a wide discretion in incorporating germane matters, and may even report a new bill on the subject. (Vol. 5, sec. 6421.)

Now, Mr. President, I maintain that these two citations of authority—and they are the decisions of the House of Representatives, where the new Senate rule has long prevailed in practice—are exactly in point.

Mr. GALLINGER. Mr. President——

Mr. ROBINSON. I yield to the Senator from New Hampshire.

Mr. GALLINGER. I do not think we are bound by any decision of the House of Representatives, to begin with; but does the Senator contend that if we send any kind of a bill to the House and the House strikes out the entire bill, the conferees then can make up a new bill for themselves?

Mr. ROBINSON. Yes, sir.

Mr. GALLINGER. Whether either House has ever acted on it or not?

Mr. ROBINSON. Yes, sir; if it is germane to the subject matter of the original bill.

Mr. GALLINGER. What does the Senator mean by "germane"; that it embodies the same subject matter?

Mr. ROBINSON. That it covers the same subject matter.

Mr. GALLINGER. That is a most extraordinary position. We are absolutely, then, at the mercy of either House, which can strike out the bill passed by the other House, and then the conference committee can write in any provision it chooses, whether it had been acted upon by either House or by both Houses.

Mr. ROBINSON. Of course, Mr. President, the statement of the Senator from New Hampshire that the position which I am taking is a most extraordinary one is voluntary upon his part; but any statement that is made by the Senator from New Hampshire commands great respect from me as well as from the other Members of the Senate. It is true that the Senate is not bound hand and foot by the precedents of the House of Representatives, but I maintain that the precedents of the House of Representatives must necessarily apply in this case, because they are right and based on a rule analogous to the new Senate rule. You can not adopt any other principle and reach an agreement in conference touching a bill where one House or the other strikes out all after the enacting clause and inserts new matter.

Now, I have already stated the history of this bill as relates to its parliamentary status. The Senate passed a bill, which went to the House of Representatives, and the House struck out all after the enacting clause and inserted new provisions, some of them similar, some of them analogous to, and some of them identical with the language contained in the Senate bill; but it was all one amendment and the Senate disagreed to this amend-

ment. Under every rule of parliamentary procedure, both in the House of Representatives and elsewhere, the whole matter was committed to the conferees.

The amendment which the conferees have inserted was, in the opinion of the conferees, necessary to make the provision workable. In addition to that, it is certainly germane to the provision in the bill which was amended.

Mr. KELLOGG. Mr. President——

Mr. ROBINSON. I yield to the Senator from Minnesota.

Mr. KELLOGG. I should like to ask the Senator from Arkansas if the first part of section 15 providing—

That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation or the lawful police regulations of the several States, except wherein such laws, powers, or regulations may affect the transportation of troops, war materials, Government supplies, or the issue of stocks and bonds—

Exactly that language was in the bill which the House adopted?

Mr. ROBINSON. No, sir; it was not.

Mr. KELLOGG. What was the provision adopted by the House of Representatives?

Mr. ROBINSON. The provision in the House bill——

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, I will say that just exactly those words were in the provisions adopted by the two Houses.

Mr. ROBINSON. There were also words in the House provision which are not found in the Senate provision. I will read the whole of section 16 of the House bill. I is as follows:

SEC. 16. That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation, or the lawful police regulations of the several States, except wherein these regulations may affect the transportation of troops, war materials, or Government supplies, the regulation of rates, the expenditure of revenues, the addition to or improvement of properties, or the issue of stocks and bonds.

The language of the Senate bill as we passed it on that subject is as follows——

The PRESIDENT pro tempore. From what section does the Senator read?

Mr. ROBINSON. The last proviso in section 13 of the Senate bill, which is as follows:

And provided further, That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation.

That is the language of the Senate provision; the language of the House provision I have already read, and deals also with police regulations. What the conferees actually did was to strike out a part of the House provision and insert a proviso placing a limit on the amount of taxation that might be raised by the States from railroad property. The provision as it is intended to be enforced is a fair one, Mr. President; certainly, no Senator here will contend that while the railroads are under Federal control a State or a subdivision of a State shall collect the entire taxes necessary to maintain its government from proper y under Federal control or from railroad property. If that should be attempted, it would very materially affect the Federal operation of the railroads, as anyone can see at a glance. I do not mean to imply that any State would act unfairly in a mat er of this sort; but there are already pending before the legisla ures of some of the States bills providing for the raising of income taxes from railroad property, and we do not want to invite the States to increase taxes on railroad property while under Federal control because that may embarrass the operation of the roads.

Mr. KNOX. Mr. President——

Mr. ROBINSON. I yield to the Senator from Pennsylvania.

Mr. KNOX. May I inquire of the Senator from Arkansas if he thinks Congress has the constitutional power to amend, repeal, or impair the right of a State to tax property within the State?

Mr. ROBINSON. Yes. When the property is under Federal control and operation and is a Federal instrumentality, I certainly think so.

Mr. KNOX. This is not Federal property; I understand it is private property, belonging to private corporations.

Mr. ROBINSON. I call the Senator's attention to a provision of this bill to the effect that all moneys and other property derived from railroad operations above the amount which the Government agrees to pay to the railroads are Government property, and the primary purpose of the bill is to accomplish a Federal purpose.

Mr. HARDWICK and Mr. FRELINGHUYSEN addressed the Chair.

Mr. ROBINSON. I yield to the Senator from Georgia, who, I think, first addressed the Chair.

Mr. HARDWICK. If I understand the Senator from Arkansas correctly, these words—and I am going to quote them—were in both the Senate bill and in the House bill?

Mr. ROBINSON. Yes.

Mr. HARDWICK. Let us see:

That nothing in this act shall be construed to amend, repeal, impair, or affect existing laws or powers of the States in relation to taxation.

Mr. ROBINSON. Yes; that language is substantially the same in both bills.

Mr. HARDWICK. Is the language not identically the same in both bills?

Mr. ROBINSON. If it is not identically the same, it is substantially the same. I have read the two provisions into the RECORD, and I say they are substantially the same. They may be said to be practically identical for the purpose of this argument.

Mr. HARDWICK. At any rate, on the subject of taxation on the part of the States, both Houses adopted the same proposition.

Mr. ROBINSON. Yes, Mr. President; but under the parliamentary situation, as I have already stated, the whole subject was submitted to the conferees, and it was competent, as the authorities I have cited show—even under the rule which we have adopted—for the conferees to present a new bill.

Now, I have made some statements as to the necessity and justification for this provision. It is, when fairly comprehended, certainly within the parliamentary rule as being within the jurisdiction of the conferees.

Concerning the merits of the provision I shall not say anything further at this time, because the point of order is the question now before the Senate. I point out and emphasize the fact that the rules of parliamentary procedure permit such a provision under the existing circumstances.

Mr. GALLINGER. Mr. President, will the Senator permit me?

Mr. ROBINSON. I yield to the Senator from New Hampshire.

Mr. GALLINGER. As there are a large number of Senators who were not present when the rule was agreed to a few days ago, would the Senator object to having the amended rule read now?

Mr. ROBINSON. That rule, I think, has been read.

Mr. GALLINGER. I think not. I should like to have the rule read.

Mr. ROBINSON. I have no objection to the rule being read; but I think I should conclude what I have to say about the matter and then let it be read, if the Senator desires to have that done.

Mr. GALLINGER. Of course I do not want to interrupt the Senator in the midst of a statement.

Mr. ROBINSON. Mr. President, the enforcement of this rule, as contended for by the Senator from New Hampshire and the Senator from New Jersey, simply means that when the two Houses legislate upon any proposition, if there happens to be a sentence in the two provisions of the two Houses that is identical, it can never be changed in conference, notwithstanding the rule that the whole subject is committed to conference when one House adopts a substitute for the other House's bill.

Mr. GALLINGER. That is right, too.

Mr. ROBINSON. The Senator from New Hampshire interpolates into my statement that this is right. I have correctly stated his position. Any Senator can see that that would make the conference totally futile. All that we could ever do then would be to agree to a House provision or a Senate provision, or to make a combination of them both without modification, when, under the rules of parliamentary procedure, when a House adopts as one amendment a provision in the nature of a substitute for the entire bill, the whole subject is in conference.

That is all I can say.

Mr. KELLOGG and Mr. CURTIS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Minnesota.

Mr. KELLOGG. Before the Senator from Arkansas takes his seat I should like to ask him a question.

I never saw this report until this morning. The first confidential report which the conferees published did not contain this clause, and I assumed that that was their final report.

Mr. ROBINSON. No, Mr. President. I will state that my information is that the clerks, in preparing the report, by an oversight omitted from the first draft the proviso which is now immediately under consideration and another provision, and that made it necessary to have the conference report reprinted.

Mr. KELLOGG. On the merits, therefore, I should like to ask the Senator from Arkansas to consider this point:

The States have different systems of taxing the property within their borders. It is admitted that a State may tax all

property situated within the State, whether it is engaged in interstate commerce or whether it is not; that it may not tax property beyond the State. It is also determined that the State may impose that tax in two ways. It may make a direct ad valorem tax upon the railroad property situated within the State or it may tax the gross earnings of the company, including a mileage percentage of the interstate earnings, provided the gross-earnings tax does not exceed what would be a fair and reasonable tax upon the property itself.

The State of California—which I will take as an illustration, because it happens to occur to me at the moment—has no ad valorem tax system upon public-service corporations, and it has no ad valorem State tax on property at all. Its State expenses are paid by a substituted system of taxes on the gross earnings of all corporations and public-service institutions. The local taxes in the State—the county and township and city taxes—are ad valorem taxes levied on the property situated in the counties or other subdivisions thereof. The State of California provided a commission to determine as nearly as possible whether the system of gross-earnings tax on railroads and other public-service corporations was fairly reasonable compared with the local taxes levied by the ad valorem system; and the work of that commission has been revised from time to time, and the legislature from time to time has changed the percentages to be levied on railroads, express companies, telephone companies, and the Pullman company in order to make them fairly comparable with the direct ad valorem tax for county and municipal purposes.

Under this bill would it be possible for the State of California to increase its taxes on the income of railroads to make them equal? This provision says that it shall not increase the taxes on railroad property in excess of the ratio which existed during the previous year. It would seem to me that if there was an error in that ratio, and a railroad property was taxed too little, that error is perpetuated by this bill, but I am not sure of it. I should like the opinion of the Senator, who has considered this question.

Mr. JOHNSON of California. Mr. President——

Mr. ROBINSON. I think undoubtedly the effect of the limitation is to prevent an increase by the State governments, or subdivisions thereof, of taxes on railroad property out of proportion to the total taxes derived from other property. The effect of this provision is that during the period of Federal control the State of California—to take the instance which the Senator from Minnesota has just cited—could not increase the total amount of revenues raised from railroads, although it might apportion that fairly among the railroads, but it certainly could not increase the total amount of taxes raised from railroads out of proportion to the total taxes collected from other sources in the State. It preserves the rule of proportional taxation as it existed in the State of California and the other States during the last year before the Federal control.

Mr. CURTIS obtained the floor.

Mr. JOHNSON of California. Mr. President, inasmuch as our system was referred to, will the Senator permit an interruption.

Mr. CURTIS. Certainly.

Mr. JOHNSON of California. I shall take but a moment.

Mr. CURTIS. I yield to the Senator.

Mr. JOHNSON of California. I desire to thank the Senator from Minnesota [Mr. KELLOGG] for his very cogent and very clear statement of the system of taxation in our State; but I wish to add this, and when the addition is made I think it will demonstrate the transcendent importance of this specific amendment which the conferees, for the first time, present to us now.

Our taxing system, adverted to by the Senator from Minnesota, is a system provided by constitutional amendment passed in 1910. In that constitutional amendment, by which all of our State revenue is derived from taxation of corporations, and principally, of course, of railroad corporations, the rate of taxation is fixed; but the constitutional amendment provides as well that by a two-thirds vote of the legislature of our State that rate may be altered, increased, or diminished, as the legislature may determine.

Experience with the new system of taxation taught us in subsequent years that the rates had to be modified or altered; and, accordingly, by substantially unanimous votes of the legislature, in 1913 and again in 1915 modifications were made in those rates. This particular amendment, if it have validity and legality, abrogates the constitution of the State of California; and because it thus abrogates our constitution, if it have validity and legality, I call it to the attention of the conferees, and I call to their attention its very, very grave import because of that fact.

Mr. POMERENE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kansas yield to the Senator from Ohio?

Mr. CURTIS. I yield.

Mr. POMERENE. Did I correctly understand the Senator to say that the rate prescribed by the constitution could be changed by the general assembly upon a two-thirds vote at any time?

Mr. JOHNSON of California. By the legislature; yes, sir. By a two-thirds vote of the legislature it may change the rates of taxation levied upon corporate property, and within my knowledge two changes were made during the past seven years since the adoption of the constitutional amendment.

I submit to the conferees and to the committee and to the Senate that a matter of this importance, which abrogates the constitution of a State—I think of other States as well as my own—should not be passed in this particular way.

Mr. POMERENE. Mr. President, may I ask the Senator a further question?

Mr. CURTIS. I yield to the Senator from Ohio to ask the question he desires.

Mr. POMERENE. Do I understand it to be the view of the Senator from California that this would prevent the making of any change in the rates in California?

Mr. JOHNSON of California. I do not say that it would. It might, and unless the change corresponded to the particular measure prescribed by the amendment, if it be legal and valid, of course, the amendment would prevent that change.

Mr. GALLINGER. Mr. President, will the Senator from Kansas yield to me for just one moment?

Mr. CURTIS. I yield for the purpose of having the rule read.

Mr. GALLINGER. We are discussing a point of order, but the rule that is invoked has not been read. I ask that the rule may be read.

The PRESIDENT pro tempore. The Secretary will read the rule.

The SECRETARY. The amendment is to Rule XXVII, agreed to on March 8, 1918. The following was added to the rule as a new paragraph:

> 2. Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and, if the point of order is sustained, the report shall be recommitted to the committee of conference.

Mr. CURTIS. Mr. President, I desire the attention of the Chair while I submit a few remarks on this question.

It seems to me, from the admission made by the Senator from Arkansas [Mr. ROBINSON], that the point of order should be sustained. It should be sustained anyway; but the Senator from Arkansas admitted his case away.

If the Chair will read carefully the provision of the Senate bill, he will note that there is no interference with the power of the State to tax railroad property within the State. If the Chair will read the amendment of the House, he will find that there is no limitation upon the rights or powers of the State to tax railroad property within the State. If the Chair will read the provision agreed to by the conferees, he will see that it is as follows:

> *Provided, however,* That no State or subdivision thereof, or the District of Columbia, shall levy, assess, or collect an amount of taxes from railroad property within the State or subdivision thereof, or the District of Columbia, while under Federal control, in excess of the ratio which the taxes derived from railroad property bore to the total taxes of such State or subdivision thereof, or the District of Columbia, for the year previous to Federal control.

Now, there is a distinct limitation upon the power of the State, and if there is a limitation it changes the amendment, and the conferees exceeded their power because the question of limiting the taxing power of the State was not submitted to them; and I submit the provision added by the conferees is not germane. It goes from one extreme to the other, in that the Senate bill and the House bill provided that the State should have full power, full authority, full control of the taxation of railroads within the State, while the amendment brought in limits that power. Therefore it is new matter and subject to the point of order.

Mr. BORAH. Mr. President——

Mr. CURTIS. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, the question upon its merits is one proposition. It seems to me that the suggestion made by the Senator from Pennsylvania [Mr. KNOX], that it is probably not within the power of Congress to do this thing, may be well founded, but I want to ask the Senator from Kansas as to the parliamentary question. The subject of taxation and the relation of the State and National Government to this property in

the matter of taxation was committed to the conference committee.

Mr. CURTIS. To a limited extent.

Mr. BORAH. What is meant by "matter" in the rule? Was not the matter of taxing this property committed to the committee? And they could either extend that or limit it.

Mr. CURTIS. Only within the power. What the Senate did and what the House did was within the constitutional power of the House and Senate. That is, we did not interfere with the rights of the States. Now, the conferees agree upon a proposition that goes beyond what the Congress had a right to do; that is, it interferes with the taxing powers of the State.

Mr. BORAH. Precisely; but if it should be determined here in the debate that this is within the constitutional power of Congress, then it would be parliamentary, would it?

Mr. CURTIS. I doubt it.

Mr. BORAH. There are two different propositions. The subject matter which was committed to the conference committees was the subject of taxation.

Mr. HARDWICK. Mr. President, will the Senator yield to me for just a minute?

Mr. CURTIS. I yield.

Mr. HARDWICK. That is not true, because we adopted exactly the same identical provision——

Mr. CURTIS. In both Houses.

Mr. HARDWICK. In both Houses, on this subject; and it was not committed to the conferees.

Mr. SMITH of South Carolina. Mr. President, may I ask the Senator a question just there, in reference to what is being said by the Senator from Idaho?

Mr. CURTIS. Certainly.

Mr. SMITH of South Carolina. If you will read the House provision, you will see that it did modify the power of taxation. Just read it, and you will find that it says "except wherein these laws interfere with certain things."

Mr. CURTIS. Well, let us see.

Mr. BORAH. Let us read another one, too:

And provided further—

This is a provision of the Senate bill—

That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation.

That was the language of the Senate bill. The entire subject matter of taxation, as I look at it, was committed to the conferees. Now, whether the Congress can go so far as to put a limitation upon the power of the States to act is a different proposition. I am inclined to think that we could not do what we have undertaken to do; but if we could, the subject of taxation having been committed to them, they could limit it or extend it as they saw fit.

Mr. CURTIS. I desire to read both these amendments.

Provided, That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation.

That was read by the Senator from Idaho and was the amendment of the Senate. The House amendment in regard to taxation is as follows:

That nothing in this shall be construed to amend, repeal, impair, or affect existing laws or powers of the State in relation to taxation.

Mr. GALLINGER. It is identically the same.

Mr. CURTIS. Identical; word for word.

Mr. KNOX. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kansas yield to the Senator from Pennsylvania?

Mr. CURTIS. I yield the floor.

Mr. SMOOT. Will the Senator from Pennsylvania just allow a question before the Senator from Kansas takes his seat? I wish to ask the Senator from Kansas if it is not true that the words he has just read appear in the House bill and in the Senate bill, and that they were stricken out by the conference report.

Mr. CURTIS. They were stricken out and new matter was inserted.

Mr. SMOOT. The rule specifically states that if matter which was agreed to by both Houses is stricken from the bill a point of order may be made against the report. That is the situation which exists to-day.

Mr. BORAH. I ask the Senator from Utah what he understands the word "matter" to refer to there, as far as this bill is concerned? Is it not the subject of taxation? Let us suppose——

Mr. SMOOT. The "matter" is any item in the bill that has been in both the House bill and the Senate bill, and the rule provides that if it is stricken out in conference it is subject to a point of order.

Mr. BORAH. Precisely, but the matter which was inserted in this bill and which was referred to the conference was the subject of taxation. Now, let us suppose for the sake of the argument, in view of the doctrine which obtains with some in this country at this time, that the Constitution of the United States is suspended and that there is no limitation on the power of Congress to operate on this subject, would anyone contend that Congress could not under this rule deal with the entire subject of taxation, either extending or limiting it with reference to the power of the State?

Mr. KNOX. Mr. President, I think I have the floor.

The PRESIDENT pro tempore. The Senator from Pennsylvania has the floor.

Mr. SMOOT. I contend that no conference could do it.

Mr. SMITH of South Carolina. Will the Senator from Pennsylvania allow me to call his attention as well as of other Senators to the exact language of the House bill as unamended in reference to this section?

Mr. KNOX. I yield for that purpose.

Mr. SMITH of South Carolina (reading)—

That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation or the lawful police regulation of the several States except wherein such laws, powers, or regulations may affect—

Then it goes on and enumerates a lot of things—revenues, issue of stock, and so on. So the House made a modification upon its taxing law and we modified the modification.

Mr. KNOX. Mr. President, I feel grateful to the Senator from South Carolina for calling attention, with emphasis, to the exact language of that provision. I think a reading of the entire provision will not justify the construction that he has placed upon it.

I only wish to address myself now to the question of the point of order. Under the rule, in my judgment, the point of order is well taken. I do not think that the whole question as to taxation was submitted by either House to these conferees, and I think perhaps we will be able to reach a sound conclusion when we look at the whole situation which, as every Senator knows, has existed. I think, perhaps, most Senators received, while this bill was pending in committee, communications from the governors of their States in relation to whether or not this paragraph was intended to affect the power of the States to tax railroads. I know I received such communications from my State, and I know from what other Senators have told me that they received similar communications. When we brought this question to the attention of the members of the committee, they said, of course, there was no intention——

Mr. OVERMAN. Mr. President, I demand that we have order. We can not hear on this side anything that is said.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. KNOX. When the members of the Interstate Commerce Commission were interrogated upon the question as to whether or not the powers of the State were being menaced by this bill or whether there was any proposition or any suggestion that the powers of the States would be limited or curtailed in any respect, the answer was, of course, "no," and I know of many others who did advise the executives of their States that there was no danger whatever. There were Senators who were cautious and there were Members of the House who were cautious and who desired to make assurance doubly sure, and insisted that there should be put in the bill an expression that there was nothing contained in this act that could limit or curtail the powers of the States to tax.

I say, Mr. President, that a direction such as that, that no limitation could be placed upon the power of taxation, did not carry to the conferees the right to place a limitation upon the power of taxation.

As to the section the Senator from South Carolina has just read, in which he claims that under this right to pass regulations the whole subject came within the power of the President, let me read you the entire section:

That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation—

There that subject ends. There we have an imperative command that nothing shall limit the power of the States relating to taxation. Let us proceed—

or the lawful police regulation—

Which is an entirely different subject—

of the several States wherein such laws, powers, or regulations—

Not this power of taxation, Mr. President; the exception is wherein these regulations—

may affect the transportation of troops, war materials, Government supplies, or the issue of stocks and bonds.

Mr. President, if the man who penned that provision had designed to make as clear as language could express it that there was nothing in the section intended to impair or affect the right of taxation, he could not have put it in clearer language.

Mr. President, the chairman of the committee substantially admits this, because a few moments ago he fell back upon section 10 to show that this whole question of taxation was submitted to the conferees.

Mr. SMITH of South Carolina. If the Senator will allow me, I desire to make a correction in reference to that last paragraph in the Senate bill. The Senate did provide exactly the language that the House did in the very last section. The part sent to conference reads:

Provided further, That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation.

I had for the moment overlooked that latter paragraph in the Senate bill.

Mr. KNOX. That is exactly my contention, that the whole question of taxation centered around the fact that there was to be no limitation placed upon taxation or no impairment of the right of the States, but as the Senator from South Carolina said a few moments ago and repeated a short time since, section 10 brings this subject within the purview and within the jurisdiction of the committee of conference, because by that section the carriers under Federal control shall be subject to all laws and liabilities of common carriers, except in so far as they may be inconsistent with the provisions of this act or the orders of the President, and therefore the taxation laws of the State are subject to the orders of the President, and if they are subject to the orders of the President the President might regulate them in such a way as he saw fit.

But, as I pointed out a moment ago, and I shall only refer to it now, if you read the second line of section 10 you will find that this Federal control to which they shall be subject is as to all laws and liabilities as common carriers, and everybody knows there is a system of laws and a condition of liabilities that apply to common carriers which are peculiar to themselves, which do not apply to individuals engaged in ordinary business. That liability is wisely preserved for the benefit of the public, whether it be a liability by statute, whether it be a liability by common law, or whether it be a liability by custom or a liability imposed properly upon them by the Interstate Commerce Commission.

So, Mr. President, my point is that the instruction to the conference committee was to keep within the Constitution. The instruction to them was not in any way to impair or affect the rights of the States to tax the property within their borders.

Mr. McLEAN obtained the floor.

Mr. WILLIAMS. Before the Senator from Pennsylvania takes his seat I should like to ask him a question for information. Do I understand the Senator——

The PRESIDENT pro tempore. The Chair recognized the Senator from Connecticut [Mr. McLEAN], who is standing behind the Senator.

Mr. WILLIAMS. I beg pardon; I did not see him.

Mr. McLEAN. Mr. President, I am much more deeply interested in the merits of this proposition than I am in the rule under which the Senate may act upon it, although I think it is clearly out of order. If I read the section correctly it prohibits a State from collecting taxes from railroad property "in excess of the ratio which the taxes derived from railroad property bear to the total taxes of such State or subdivision thereof or the District of Columbia for the year previous to Federal control."

In some States the taxes are laid upon the value of the stock of the railroad companies. Let us assume that a railroad has the good fortune to prosper under Government control and its stock is double the value in 1918 that it was in 1917 or when the Government took control. I should like to ask the chairman of the committee how under this provision the State can collect a penny more from the railroads than it did prior to taking possession.

Mr. SMITH of South Carolina. This whole question was very thoroughly discussed by the conferees. Their idea was, as the language was intended to convey, that the ratio of taxes collected from the railroads and from the other property in the State should be the same as it was in 1917; that is, taking the amount you collect from the railroads it should bear the same relative ratio to the amount you collect from all other taxes in the State.

Mr. McLEAN. That is evidently the way the section reads.

Mr. SMITH of South Carolina. As to the point regarding which the Senator asks, if the property of the railroads increases within the State, then it seems to me that that increase of the property would be put into the total. That would be new matter entirely. If railroads were constructed it seems to me the relative ratio could be still obtained.

Mr. McLEAN. I think the Senator will agree with me that the language then should express the intent of the committee and the word "rate" should be used to make his point clear.

Mr. SMITH of South Carolina. No; the word "ratio."

Mr. McLEAN. So that if the same tax rate is carried on from one year to another, of course the increase in value would then be taken into consideration. But the act does not say that, and it is an astounding proposition. A railroad may lay other tracks, double tracks, may double its value, and yet as the section reads the total amount of the taxes collected must continue to bear the same ratio to the amount collected from other property in the State.

Mr. SMITH of South Carolina. One reason why the conferees wrote that in the bill, if the Senator will allow me, was because the object they had in view was called to their attention by one Senator that in certain States they did not assess the railroad property, that they assessed the gross receipts of the property, and in other States they assessed the property. Therefore, in order to accommodate this language as nearly as we could to existing conditions, we thought that during the period of the war, when it was so essential to stabilize these properties to use them as a Government function, the States themselves would be willing to have the machinery in operation the year before control still maintained.

I suppose I am as great an advocate of State rights as any man on this floor, but we recognized the fact that it was possible for certain State officials, reasoning that these roads would be under Federal control and therefore the taxes that they would impose would come out of the Treasury of the United States, thoughtlessly or otherwise, to impose a tax which might interfere very materially with the Government operation of these roads; and in order to preserve the same relativity that had been preserved by the railroads in their compensation we put this provision in the bill.

Mr. McLEAN. Does not the Senator think if this section went back to conference it would be possible to so frame it that the intent of the chairman of the committee could be made clear? I agree with the position of the chairman of the committee entirely, but in the States where the tax is laid on the value of the stock the Senator can see that under this section as it reads the total amount of the tax collected from the railroads can not exceed in the year 1918 what it was in 1917, provided the amount raised outside does not increase.

Mr. SMITH of South Carolina. I think the position is all right.

Mr. GALLINGER. Mr. President, to my mind the point of order is so well taken that it would be beating the air to discuss it, and I shall not discuss it. I will content myself by asking that a telegram from the chairman of the State Tax Commission of New Hampshire, one of the most competent and accomplished officials in the country, so far as taxation is concerned, be read. That will be my argument against the report, if any argument is needed.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read.

The Secretary read as follows:

CONCORD, N. H., *March 8, 1918.*

Hon. JACOB H. GALLINGER,
United States Senate, Washington, D. C.

Provision of railroad bill limiting ratio of State taxation to a rate not higher than that for year previous to taking over by the Government is in conflict with our laws upon the actual value of the property at the average rate, which requires an assessment of property throughout the State and opposed to the constitutional requirement of proportional taxation for all property. If held valid, it will not only prevent any increase of revenue from the railroad in proper cases, but is contrary to our entire system of taxation. Strike out limitation upon the States.

ALBERT O. BROWN,
Chairman State Tax Commission.

Mr. WILLIAMS. Mr. President, by reference to Jefferson's Manual, which has been the basis of all the decisions of the Speakers of the House upon the question of the scope of the authority of conference committees, it will be found that the origin of the conference committee consisted in this, that the two Houses upon some particular question differed with one another, and a special committee, called a committee on conference, was appointed in order to harmonize those differences. Now, that being true, this question presents itself at once: Is there in this case any difference between the two Houses? If there be any difference, there is then something to harmonize, and there was a reason for appointing a conference committee,

and upon the particular subject matter the conference committee will have jurisdiction.

Now, I wanted to ask the Senator from Pennsylvania [Mr. KNOX] a moment ago a question for information for my own guide, for he has gone over this matter very much further than I have. As I understand it—and I want the Senator to correct me if I am wrong—the other House used substantially the same, if not identically the same, language down to a certain point. Then the House of Representatives put in some language, beginning with the word "except"—"except in this case and in that and the other." Is that true or not?

Mr. KNOX. So far as the subject of taxation is concerned, this bill went to the conference committee with a prohibition against impairing the right of a State to tax. Then the conference committee wrote in an exception, which does impair the right of a State to tax. My position is that when a conference committee is instructed not to do a thing it can not turn around and do it by an exception.

Mr. WILLIAMS. That is an undoubted truism, if the statement be true as a matter of fact.

Mr. KNOX. I think so.

Mr. WILLIAMS. As a matter of logic, nobody could dispute it, provided it is based upon a premise of fact. As I understand, however, the House amendment and the Senate provision were not identical. Am I right or wrong about that?

Mr. KNOX. They were identical as to the question of prohibition, though the language may have been different.

Mr. WILLIAMS. I understand that.

Mr. KNOX. If the Senator understands that, he understands my entire position.

Mr. WILLIAMS. The two Houses used language which was identical upon the general subject of prohibition, but one House put in language beginning with the word "except," which the Senator from Pennsylvania denies to be a limitation, admitting, arguendo, that if it were a limitation there would be a difference between the two Houses and there would be jurisdiction in the conference committee. The Senator denies, however, that the exception constitutes a difference; he denies that the exception constitutes a limitation; but he admits that the exception was put in.

Mr. KNOX. The exception was put in by the conference committee, not by either House.

Mr. WILLIAMS. The language beginning with the word "except"?

Mr. KNOX. That was put in by the conference committee.

Mr. WILLIAMS. And was not put in by either House?

Mr. KNOX. It was not put in by either House.

Mr. WILLIAMS. Then, I have been misinformed.

Mr. SHERMAN. Mr. President, there was no difference between the House of Representatives and the Senate on this question until the conference committee created it.

Mr. KNOX. That is correct.

Mr. SHERMAN. Our rule has recently been amended——

Mr. FRELINGHUYSEN. May I interrupt the Senator from Illinois for a moment?

Mr. SHERMAN. Yes, sir.

Mr. FRELINGHUYSEN. The House provision and the Senate provision on this subject were identical in language.

Mr. SHERMAN. Yes, sir. Then, I believe I am correct in saying that the difference was created by the conference committee, and not by the House of Representatives or by the Senate. Our rules were amended in order to prevent such parliamentary procedure as this. A difference not existing until it is raised by the conference committee is not within the jurisdiction of that committee under the amended rule.

The tax laws of a State can not be cast in the inflexible mold of a fixed ratio from year to year; that is an impossibility. If the ratio between the taxes raised on railroads in Connecticut or in California last year, or the year before the war, or the year that is fixed here—the preceding year—were compared with the other taxes raised in the State, one-tenth, that part being derived from railroad property, that one-tenth ratio must remain as the inflexible ratio until this bill ceases to be operative. In that event it makes no difference how much the taxes of the State are increased—whether they are increased by 25 or 50 per cent—all of that increase must, after the excess above one-tenth, say, be cast upon the private taxable property of the State, exclusive of railroad property; the railroad property can not under this proposed amendment share in the increase. To that degree it puts upon every individual property owner in the State the increase of taxes above the ratio fixed in the year named in the amendment.

I prefer that this measure—and I have a right to speak about it, because I supported it and believed in it in its original form—and I have a right, as one from a State that pays a considerable Federal tax, as well as a local tax, to ask that this railway measure be applied and worked out on its merits. There is not under the amendment now proposed a fair chance to work out the railroad bill and find out in that application how it will result.

In every year, if we could take it approximately for the last five years, there is an increase in local and State taxation on railway property of about $20,000,000 for the tax accruals running year by year, sometimes more and sometimes less. For instance, in 1915 there were about $138,000,000 of local tax accruals by the States and by local subdivisions of the States to whom the State taxing powers had been delegated by constitutional or legislative provision. In 1917 the tax accruals by the same local authorities, States or subdivisions of States, ran up to $172,000,000. That is a considerable increase over the $138,000,000, being something like $34,000,000. That large increase is more than the average. I am not far out of the way when I say that approximately those increases in tax accruals by local tax bodies average something like $20,000,000 every 12 months from year to year. That $20,000,000 increase would be cut off under this amendment as proposed; that $20,000,000 increase will be added to all of the local business and agricultural and commercial interests of the different States on the local assessed valuation of the respective States and exclusive of railroad property.

Another attempt along the same line has been made. I wish this railroad law operated on its merits, so far as I have anything to do with it by my single vote here. I read from a letter dated March 6, 1918, from Peoria, written by the Peoria Association of Commerce, which takes in practically all of the business concerns of that city, confirming a telegram. The letter states:

> We understand Director General McAdoo proposes to impose a charge of $2 for placing a car on an industrial siding and an additional charge of $1 for spotting [cars].

I wish to insert this letter at the close of my remarks, together with a telegram from the Quincy Freight Bureau, of Quincy, Ill., of date March 7, 1918, on the same subject.

The estimate of the total increase that manufacturing and industrial enterprises will be compelled to pay under this switching charge, or charge for placing cars on sidings, together with the charge for spotting cars, will, throughout this country, in 12 months amount to $176,000,000. If you add that to the $20,000,000 proposed under this amendment it will be additional revenue to the railroads, because when the State tax bodies are compelled to levy that much on other property it amounts to an increase in the revenue of railways by that much. That with the $176,000,000 charged to industrial concerns will make a total of $196,000,000. One is a saving which amounts to an increase in net revenue, while the other is an additional earning.

I think I know what all this is for. It is a part of a general program designed in order that the railway law may not have a trial upon its merits. It is proposed by this and other processes that are in the course of framing that under Government operation of 250,000 miles of railway the roads will show an increase of $196,000,000 in earnings while, as a matter of fact, they will not have an increase of a dollar from rate changes. There will be $176,000,000 collected from shippers, and if it can not be absorbed in the charge to the consignee it will be paid by the shipper himself without that absorption. Twenty million dollars will be relieved by this amendment, making $196,000,000, and when that saving of revenue occurs it will be heralded at the end of the fiscal year that Government operation has resulted in an increase of $196,000,000 in revenue without increasing rates to the shipping public. That is what this program is for; it is to bolster up on an unfair basis the railway bill when it is put into operation. I want it to have a fair chance; I want private ownership to have an equally fair chance alongside of Government control, but it will not have under this amendment.

I shall not speak of the parliamentary status of the matter at all; I do not care for that; I am going beyond that, to the greater issue involved. Private control will not have a fair chance if this amendment is adopted, and if the measure is put into operation as it is now framed, for the charge on switching and spotting cars—these two items together with others of a like kind that are coming along—will result in a very great increase in the revenues, without increasing the charges or rates to the shipper.

I can understand now why the section of the railway bill was required transferring from the Interstate Commerce Commission and vesting in the Executive the power to initiate rates. These are methods of increasing the revenues of the railways without increasing the rates to the general shippers. It is a part of the rate-making power, and I think, without any regard

to the parliamentary procedure, that this is an obnoxious amendment, because it seeks an unfair advantage.

Now, Mr. President, I present the telegram and the letter to which I have referred and ask that they be printed in the RECORD without reading.

The PRESIDENT pro tempore. In the absence of objection, it is so ordered.

The telegram and letter referred to are as follows:

QUINCY, ILL., *March 7, 1918.*

Hon. L. Y. SHERMAN,
Senate, Washington, D. C.:

Director General of Railroads proposes charging $2 per car for movement to or from industrial sidings and $1 per car spotting charge, which railroad line haul rates now includes. Have wired protest to him. Proposition very objectionable and opposed by local industries as unwarranted and discriminating against one class of shippers. We respectfully solicit your opposing it in our behalf. See letter.

THE QUINCY FREIGHT BUREAU,
L. B. Boswell, Commissioner.

PEORIA, ILL., *March 6, 1918.*

Hon. LAWRENCE Y. SHERMAN,
United States Senate, Washington, D. C.

SIR: Confirming telegram of to-day, may we not ask careful consideration? Copy of our telegram herewith:

"We understand Director General McAdoo proposes to impose a charge of $2 for placing a car on an industrial siding and an additional charge of $1 for spotting—total increase of $3 per car to increase carrier's revenues. We do not feel that the present situation warrants an arbitrary advance in carrying charges such as this would amount to, and we respectfully enter protest against such advance without giving commercial and shipping interests a chance to be heard and present reasons against this increase before same becomes effective."

Respectfully,

PEORIA ASSOCIATION OF COMMERCE,
By W. H. COLEAN, *President.*

Mr. ROBINSON. Mr. President, I referred a few moments ago to the parliamentary status, and to the fact that the whole subject matter was in conference. I desire now to emphasize that and to read a part of the language of the Speaker of the House of Representatives in point, and which is cited in section 6424 of Hinds' Precedents. Senators will note that there is no possible distinction in the case that was there decided and the one that is under consideration here. Here is the language of the Speaker:

The House substitute, by way of amendment, went to the Senate. The Senate disagreed to every line, paragraph, and section of the House provisions; and with that disagreement to the Senate provision, and with the House provision in effect a disagreement to the original Senate bill, the whole matter went to conference. That is, by this action there was committed to conference the whole subject of immigration, and, as connected therewith, the prohibition of immigration by way of contract labor in the fullest sense of the words.

Now, Mr. President, the Senate dare not lay down the proposition that when both Houses happen to incorporate sentences identical in language, the matter is not in conference, even though the whole subject matter is in disagreement. If such a contention were upheld, it would tie the hands of the conferees so that there could never be legislation upon a matter concerning which there is an important difference between the two Houses. Under the parliamentary situation as it existed here, the whole subject was in conference, and the conferees, if they had chosen to do so, could have written an entirely new bill. The only limitation upon their power in that particular is that the bill which they may write must be germane to the subject matter of the original bill. You have not so limited the power of the conferees by the language of the new Senate rule, which is the same, substantially, as the rule under which the House has been operating for many years, as to prevent modifications in conference of a substitute for the original bill disagreed to by the body which first passed it.

Mr. GALLINGER. Mr. President——

Mr. ROBINSON. I yield to the Senator from New Hampshire.

Mr. GALLINGER. Mr. President, I will venture to repeat that I do not think we are governed by the rules or the precedents of the other House, but the Senator cites the immigration bill. Does the Senator contend that, if the Senate had placed a $2 a head tax on immigrants and the House had placed a $4 a head tax, the conferees could have made it $10?

Mr. ROBINSON. If the House had done that, and in addition has stricken out the entire Senate bill, I do contend that the conferees could have done so. The Senator from New Hampshire can see that the parliamentary problem is not a difficult one. When one House passes a bill and the other——

Mr. GORE. Mr. President——

Mr. ROBINSON. Wait just a moment—and the other House strikes out all after the enacting clause, and the House which first passed that bill disagrees to the amendment striking out all after the enacting clause and inserting new matter, that necessarily puts the whole subject in conference.

Mr. GALLINGER. The Senator's construction necessarily puts both Houses in the hands of the conference committee.

Mr. GORE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Oklahoma?

Mr. ROBINSON. I yield.

Mr. GORE. I desire to ask the question propounded by the Senator from New Hampshire in a little different form. Suppose the House in the case of the immigration bill had fixed the tax at $2 and suppose the Senate had fixed the tax at $2, does the Senator then contend that a tax of $10 could have been written in the bill by the conferees?

Mr. ROBINSON. Certainly, if the House had stricken out all after the enacting clause and inserted one amendment in the nature of a substitute for the bill. Instances can be cited almost indefinitely to that effect. Senators, there is no other rule that can govern the subject.

The constitutional question is one that I would not attempt to settle upon a point of order. That is, of course, a question that directs itself to the merits of the case, and would have to be determined after the parliamentary question has been decided.

Mr. WILLIAMS. Mr. President, I should like to ask the Senator a question for information.

Mr. ROBINSON. I yield.

Mr. WILLIAMS. Did either House strike out everything after the enacting clause in this particular case?

Mr. ROBINSON. It did.

Mr. WILLIAMS. And substitute a new bill?

Mr. ROBINSON. The House substituted a new bill entirely, and the Senate disagreed to the House amendment. That put the whole matter in conference.

Mr. WILLIAMS. Did the Senate agree to the House amendment striking out all after the enacting clause?

Mr. ROBINSON. No, sir; the Senate disagreed to the House amendment——

Mr. WILLIAMS. Ah!

Mr. ROBINSON. Which put the whole matter in conference.

Mr. WILLIAMS. I understand.

Mr. ROBINSON. There can not be any other rule applied. As a legal proposition it is so clear that, in my judgment, it is incontrovertible.

Mr. WILLIAMS. Mr. President, if I may interrupt the Senator further before he takes his seat, it is an old and familiar principle in the other House that where everything after the enacting clause is s ricken out of a bill, and a new bill, whether partially in the same language or not, is adopted by the House striking out everything after the enacting clause, the entire bill is in conference.

Mr. ROBINSON. That is the statement I have made, and I have cited authorities to that effect.

Mr. KELLOGG. Mr. President, I shall not discuss the parliamentary question.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. KELLOGG. I yield.

Mr. ASHURST. I merely wish to make a parliamentary inquiry. Is the point of order debatable?

The PRESIDENT pro tempore. The point of order at this time is debatable.

Mr. ASHURST. Under what rule?

The PRESIDENT pro tempore. We have had no morning hour to-day. The Senator may be under the impression that we had a morning hour.

Mr. ASHURST. No. Has the Chair submitted the point of order to the Senate?

The PRESIDENT pro tempore. No. A point of order has been made to the conference report, and——

Mr. ASHURST. The point of order is not debatable unless it is submitted to the Senate.

Mr. GALLINGER. The invariable rule has been that the Chair can permit debate, if the Chair wishes to do so, or the Chair can decide the question offhand.

Mr. KELLOGG. Mr. President, I do not wish to discuss the parliamentary question, because I am not a parliamentarian. I was under the impression, after considering questions which have arisen in the Senate since I became a Member of it, that this rule was adopted to cure certain evils. For instance, in the case of the revenue bill when we came to vote on the conference report there was found a clause imposing a tax of 8 per cent on men who earned their money either with their hands or with their brains and exempted those who earned their money by cutting off coupons. Some of us objected, but the rules were such that we could not invoke the rules of the Senate. If it is true that the entire subject of taxation was before the Senate, and the conferees could put in anything they desired, I suppose this rule could not be invoked.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Minnesota yield to the Senator from Idaho?

Mr. KELLOGG. I do.

Mr. BORAH. Was the point of order ever raised or discussed upon that subject in the revenue bill to which the Senator has referred?

Mr. KELLOGG. Yes; the point of order was raised.

Mr. BORAH. Upon that particular point?

Mr. KELLOGG. My recollection is that it was. It was raised on some provisions, anyhow; but at that time we had no rule of this kind.

Mr. BORAH. Exactly; but in the case of the particular clause to which the Senator refers, as I remember, the point of order was not raised at all.

Mr. KELLOGG. I am not sure about that.

Mr. BORAH. Because after it got to the country the explanation was made that it was unknown to the Senate when it passed through it.

Mr. KELLOGG. But, Mr. President, as to that I would not pretend to put my opinion against that of the Senator from Arkansas, who has had great experience in this matter, and I do not wish to discuss it; neither do I agree with the Senator from Illinois [Mr. SHERMAN] that this provision was put in here in order to show excess or large profits of the railroads while under Federal control and make the Federal operation effective. I have not the slightest doubt of the ability and the absolute good faith of the conferees on this question, nor have I any doubt that there is a possibility that the States might overtax railroad property; but I should like for a moment to call the attention of the conferees to some of the difficulties which may arise under this proviso. I hesitate very much to oppose a conference report to which I know such ability and attention have been given.

As to the constitutionality of this proviso, I take it to be the law that Congress has no power to deprive the States of the right to tax any property situated within the State, provided it is not Government property or property owned by a Federal corporation, so that the Federal Government may control it, such as a bank, although it never has been the policy of the Federal Government to prevent Federal banks being taxed, and I know it will not be the policy of the Federal Government to prevent the taxation of any property in the State. Therefore the property of the railroads, as such, situated within a State is subject to the right of the State to tax that property in any manner the State may see fit, provided the tax is not a burden on interstate commerce and provided it is not in violation of the State constitution.

There is this question, however: The States do not all tax on an ad valorem basis the property within the State, but some of the States levy a tax on the gross income of the corporation in lieu of a tax on the property; and they impose it, as I said before, not only on the intrastate earnings but on a mileage proportion of the interstate earnings, dividing the interstate earnings on the basis of the miles carried. The Supreme Court has sustained that and said it was not a burden on interstate commerce unless it exceeded what would be, under the laws of the State, a fair equivalent to the taxation of the property.

Now, it might be that under this proviso, if the Director General found that that percentage of taxation in any one year exceeded the ratio of 1917, he could set aside that tax; and it may be that Congress has the constitutional power, because the earnings of these corporations are Federal earnings, as suggested by the Senator from Arkansas, and to that extent it is quite likely that the Director General might invoke this provision to set aside the tax if in 1918 or 1919 it exceeded the ratio of 1917. The property, however, is still railroad property.

Mr. BORAH. Mr. President, would it interrupt the Senator if I should ask him a question?

Mr. KELLOGG. Not at all.

Mr. BORAH. Aside from the difficulty of the practical working of this law, does the Senator admit that it is within the power of Congress to say that a State shall not tax, except in a specific way, property which is within the State and which in ordinary times, in times of peace, it would have the power to tax?

Mr. KELLOGG. I do not think it is within the power of Congress to do anything of the kind. I believe the power of the State to tax property situated within the State is absolute unless it burdens interstate commerce and unless it is in violation of some provision of the State constitution.

Mr. GORE. Mr. President——

Mr. KELLOGG. I yield to the Senator from Oklahoma.

Mr. GORE. I should like to ask the Senator a question. In case a State should pass a law which was adjudged by a Federal court to be in violation of this provision, is it the Senator's judgment that the excess of the tax would be adjudged void, or would the entire tax be adjudged void?

Mr. KELLOGG. That is very difficult to say.

Mr. GORE. The Senator will appreciate the importance of it, because it might shipwreck a State's fiscal system entirely if it went to the whole tax.

Mr. KELLOGG. It might. I am inclined to think that the entire tax would be void if it was in excess and was indivisible. I should not, however, like to express offhand an opinion upon that question.

Mr. President, let us see whether it is possible for the States to comply with this provision. It says that the tax levied by the State, whether it be an ad valorem tax, or whether it be a tax on gross income, or a tax on stock, or a tax on franchises—I am fairly familiar with the taxing laws of nearly every State, and they differ very greatly on that question—shall not be—

> In excess of the ratio which the taxes derived from railroad property bore to the total taxes of such State or subdivision thereof * * * for the year previous to Federal control.

Let me illustrate. We will say that the county of Ransom, in the State of Minnesota, levies a tax—or I will take some State that has the direct ad valorem system. We will say that any county in a State levies a tax upon railroad property on the ad valorem system, and in 1917 the tax for county purposes and State purposes bore a certain ratio of equality, we will say. They were equal in those subdivisions. Suppose next year the county expenses should decrease a little. Then the railroad tax imposed by the State must decrease, and you would have as many different bases as there are counties in the State of Minnesota or any other State. In Minnesota we have the gross-earnings system.

I fear that it will be impossible for the States to regulate their tax systems and readjust them under this clause. I am aware that it is a very difficult problem. It is perfectly clear, however, that if heretofore, in 1917, the tax on railroad property was too low as compared with the tax on other property, the tax on railroad property could not be increased in order to bring it up to the level of taxes on other property, because of the standard of the ratio of 1917 fixed in this bill.

In considering this question the committee received a great many communications, I have no doubt—I did, I know—from the States, asking if there was any danger of their tax systems being upset. I always answered that unless Congress affirmatively acted, the property in the hands or under the control of the Director General was subject to taxation and the States could proceed to tax it as they had before. I believe that to be the law, and I believe it was the opinion of the committee that there should be no limitation upon the taxation of railroad property.

I am willing to admit that if a State undertook to increase enormously its tax on railroad property as compared with others, under the constitution of the State, there might be some ground for action by the Federal Government; but in all the history of taxation in this country I can not now call to mind any tax that is grossly unequal between railroad and other property. There are inequalities. There are bound to be inequalities. No human judgment can make the taxes imposed on railroad property equal to the taxes imposed on other property except under the ad valorem system. When you come to take a gross-earning system—which is the best tax system in the world, in my judgment, for public utilities—and say that the tax on gross earnings must not exceed a fair and reasonable tax imposed on other property, it is a matter of estimate. It is only an approximation. It can not be anything else, as the Supreme Court of the United States recognizes in its decision. I had the honor to argue the case in which that question was settled in this country.

Congress is going to be in session, I suppose, most of the time. If any State should attempt a system of taxation that is grossly unequal the Congress could act. I do not believe it is wise for us now to limit the taxing power of the States, and I submit to the conferees the most careful consideration of the constituional power of Congress to do so I have no wish to criticize the committee for its action, and in some of the opinions I have expressed I may be wrong.

Mr. BORAH. Mr. President, upon the merits of this proposition as to the power of Congress to limit the action of the States with reference to property which would be subject to taxation in times of peace, and so forth, I am of the opinion at the present time that it is not within the power of Congress to do it. But that, as I understand it, is not the particular question which is now before the Senate. The merits of the propo-

sition may be deferred for further reflection and consideration. The particular question now is whether or not the point of order applicable to that portion of the bill which is contained in the proviso of section 15, as being new matter, is well taken.

I am not an expert in parliamentary law, but I call the attention of the Senate to the fact that, as I understand the history of this bill, it passed the Senate and went to the House, the House struck out the entire bill, and it went to conference after that proceeding had been had upon the part of the House. Now, if that is true, the Supreme Court of the United States, if my memory is not at fault, has announced that that puts in conference all the different provisions of the bill, and puts the subject matter under the control of the conferees with reference to all matters contained in the bill. I did not understand, when I was first presenting the matter this morning, that the House had taken that action. If they have taken that action, as I now understand the fact to be from the Senator from Arkansas, I have but little doubt that this insertion upon the part of the conferees was within the jurisdiction of the conferees.

Aside from that, however, I venture to say that where a subject matter such as taxation and a subject matter such as the extent to which the States may or may not tax a particular property is sent to conference, that gives the entire subject matter to the conferees, and that they may limit it or they may extend it beyond what has been provided in the bill. It seems to me that from both these standpoints this point of order is not well taken, and upon that alone I speak at this time. So far as the merits of the matter are concerned, I may have something to say later.

Mr. POINDEXTER. Mr. President, I am not familiar with the decision of the Supreme Court to which the Senator from Idaho refers, and I should like to ask him if it goes to the extent that in case of procedure such as he has described—the substitution of a new bill by one House for the bill of the other House—the conference committee is freed from all restraint whatever as to what it can deal with, and that in the case of any point upon which the two bills of the different Houses are identical the conference committee can disregard that and set up something entirely new?

Mr. BORAH. So long as it is germane to the subject matter of the bill. Of course, as the Senator knows, it is always dangerous for a man to state what a decision holds when he has not looked at it for years, but my remembrance is that a rule was announced which would make this provision germane. I only heard the statement of the Senator from Arkansas a few minutes ago, and I have not looked the matter up. I speak from memory.

Mr. POINDEXTER. I think it would be quite interesting.

Mr. BORAH. My remembrance is that the Supreme Court held that where that procedure has been had—that is, the entire bill stricken out, except the title—that constituted an amendment and put the whole subject matter referred to in the bill in conference, and that it was in the nature of an amendment to the entire bill.

Mr. POINDEXTER. At any rate, Mr. President, while I do not undertake to dispute the Senator's recollection of the case, because I am not familiar with it, it would be extremely interesting, before being guided by that decision, to see the decision and to understand its exact application to this question. I fail to see, however—and I do not know that the Senator argues to that effect—how any decision of the Supreme Court can limit the power of either House of Congress to adopt rules for its own government in regard to conference reports.

Mr. BORAH. Of course, I take it that the Supreme Court was construing the matter in connection with the rule of the House which has so long obtained there with reference to this particular matter and under that provision of the Constitution requiring all revenue bills to originate in the House.

Mr. POINDEXTER. That rule may not be identical with the rule now under consideration.

Mr. BORAH. I think it is identical with it in substance, because the rule has been construed this morning very narrowly. It says:

> Conferees shall not insert in their report matter not committed.

The word "matter" may, to my mind, cover the entire subject of taxation. It is the matter that was submitted. It does not say the question which was submitted or the particular proposition which was submitted or not submitted, but it says the matter which was submitted Certainly the matter of taxation of these roads as between the National Government and the State government was submitted and to what extent either might go was submitted. That is the matter which was submitted.

Mr. GALLINGER. That would be "subject" rather than "matter." "Matter" would apply to language, I think, ordinarily.

Mr. BORAH. If there was any precedent to that effect, I would gladly concede my error, but in ordinary parlance in the use of the word "matter" we would certainly use it in connection with the subject of taxation, to the extent to which the National Government might go and to the extent to which the State government might go in taxing this particular property.

Mr. POINDEXTER. In pursuance of that doctrine we have up the subject of taxation, and in certain parts of the subject the two Houses are entirely agreed. If there is any difference whatever as to some other part of the subject not necessarily relating to the part upon which they are agreed, the Senator concludes that the rule would mean that the entire subject matter, both that to which there is disagreement and that in which there is an agreement, would be subject to the discretion of the conference committee?

Mr. BORAH. I do not know how to construe this language except by its natural import and as we would use it in ordinary parlance. If there is a construction placed upon it by reason of parliamentary precedents, I am not familiar with it. It says "the matter."

Now, this must be true, that both the matter of taxation and the matter of the power of both the State and National Governments to tax were submitted here. The mere fact that the conferees wrote in an exception does not introduce a new subject matter

Mr. POINDEXTER. The subject matter that was submitted to the conferees was Government control of railroads, and if that subject matter can be disposed of at their discretion by the conference committee, of course there is no use to discuss it any further.

Mr. BORAH. The Senator does not state my position as I understand it to be. I say that not only the subject of railroad control but the subject of the taxation of railroads and the subject of the relationship of the National Government and the States to the taxation of these railroads were submitted.

Mr. POINDEXTER. But the subject of the limitation upon interference with the power of the State was not submitted, because that was agreed upon by the two Houses.

Now, there is just one other matter that I should like to ask the Senator from Idaho about, because it is a very interesting and a very important one and has a vital bearing upon the proper disposition of this question. I understood the Senator to express the opinion that Congress has no power under the Constitution to limit the taxing power of the States in this matter. I agree with the Senator that as to private property in the States or property which is not owned by the Federal Government or under the control of the Federal Government that doctrine would apply, but I have very grave doubt as to whether, as to property which is under the control of the Federal Government and is an agency of the Federal Government for the execution of Federal law, the Federal Government has not power to interfere with the taxing power of the State.

Mr. BORAH. I have no doubt at all that mere agencies of the Government can not be taxed. I had not looked upon this proposition, however, as that kind of an instrumentality. Here is private property. It remains private property. The Senator would not contend but that the State has the power to tax this property according to the precedents heretofore existing? The Senator would not contend, for instance, that the State of Washington can not levy the same tax upon its railroads within the State that they levied prior to the war.

Mr. POINDEXTER. I contend, Mr. President, that as a matter of policy the power of the State to tax ought not to be interfered with. I am very firmly convinced that that is the proper policy to pursue; but I am inclined to the opinion that as a matter of law the Federal Government now having the possession and control and the operation of these roads, consequently they being an agency of interstate commerce which is being conducted by the Federal Government, the Federal Government if it chooses to adopt that policy can interfere either with the taxing power or any other power of the State that relates to this particular property.

Mr. BORAH. Mr. President, the power to tax State instrumentalities does not rest upon any provision of the Constitution. There is no provision of the Constitution which says the National Government can not tax State instrumentalities.

Mr. POINDEXTER. But there is an amendment of the Constitution which reserves to the States or the people of the States the powers not granted to the Federal Government.

Mr. BORAH. That is still in existence, if there is any part of the Constitution in existence, which it would sometimes seem to

be doubtful. I am hoping, however, it may still be a part of our governmental machinery and will long remain so.

Mr. SMOOT. May I ask the Senator from Idaho a question before he takes his seat? If I understood the Senator correctly, he takes the position that when a bill passes the Senate and goes to the House and the House strikes out all after the enacting clause and inserts a substitute, then the subject matter of the bill can be handled in any way and changed in any way by the conferees. In other words, if a tariff bill that has reference to the revenue passes the House carrying a certain rate of taxation, and that bill comes to the Senate and the Senate strikes out all after the enacting clause and inserts a new bill, but upon one particular item the rate in the House bill was the same identical rate as that in the Senate bill, then when it goes to conference does the Senator hold that the conference can change that rate?

Mr. BORAH. Yes. What I said, Mr. President, was this: I have not read the opinion, I suppose, in 10 years, which was delivered long ago. The Supreme Court, if I remember the decision correctly, announced a rule which would make any amendment germane so long as it dealt with the general subject matter.

Mr. SMOOT. If that were the case, then the Senate or the House could by striking out all after the enacting clause and inserting another bill, with very few changes, place the power in the hands of the conferees to control legislation. I can not see that that was ever intended by our form of Government.

Mr. BORAH. Mr. President, I may be in error. I think I can determine it if the conference report continues under discussion.

Mr. POMERENE obtained the floor.

Mr. GORE. I desire to submit a question to the Senator from Idaho.

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Oklahoma for that purpose?

Mr. POMERENE. I yield for that purpose.

Mr. GORE. I should like to ask the Senator from Idaho if the rule laid down in the courts is not this, that they have said the enrolled act is final, that it proved itself. They indulge a conclusive presumption, I believe, as to what the parliamentary procedure is, and I think they have uniformly declined to inquire as to the fact whether or not the rules of the legislative bodies were observed, but they held conclusively that they were observed.

The Senator will remember that the enrolled McKinley tariff act showed a section put in that had not passed either House, which had not even been considered by either House, and yet the Supreme Court held that that act proved itself and that the procedure was regular. I do not think it can be contended that the Supreme Court would void this particular provision on the ground that it originated in conference. They would not hold that a violation even of the rules of the Senate would void the act.

Mr. BORAH. But the question arose in that case, if I remember correctly, by reason of the fact that the provision had originated in the Senate where it would have no right to originate, and therefore the constitutional question was preserved.

Mr. GORE. I was not adverting to the case which the Senator has in mind. I was referring to the McKinley Act in which a section appeared that neither House had considered.

Mr. BORAH. I am familiar with the rule, and the Senator states it correctly. Certain conclusive presumptions are indulged with reference to the regularity of the proceedings of the legislative body.

Mr. MARTIN. Mr. President, I suggest to the chairman of the committee having the conference report in charge that it would be well if he would lay it aside for the present. I would like very much to proceed with the urgent deficiency bill. That would give an opportunity for an investigation of the very important questions that have been raised in connection with the conference report. I merely make the suggestion to him that I would be very glad if he would consent to lay it aside.

Mr. FRELINGHUYSEN. Mr. President——

Mr. SMITH of South Carolina. Mr. President, that course is agreeable to me.

Mr. FRELINGHUYSEN. Then I understand the decision on the point of order will be reserved.

Mr. MARTIN. It will be reserved. The whole matter will be reserved. It will go over, pending the consideration of the point of order.

The PRESIDENT pro tempore. Without objection, the matter goes over, pending the consideration of the point of order.

Mr. FRELINGHUYSEN. I wish to say just a word.

Mr. POMERENE. Mr. President, I thought I had the floor.

The PRESIDENT pro tempore. The Chair will say to the Senator from Ohio he was recognized and then the Senator from Virginia, by his consent, was recognized. Does the Senator from Ohio yield to the Senator from New Jersey?

Mr. POMERENE. I yield to the Senator from New Jersey.

Mr. FRELINGHUYSEN. I only want to say, and it will take only a minute to say it, that when the railroad bill came before the Senate there was great anxiety expressed in the States by reason of the vast powers it conferred upon the Director General of Railroads. In New Jersey the returns from our taxes on the railroads go directly to the public schools, amounting to about $8,000,000 per annum. There was fear that under the powers conferred the Director General might interfere with that taxation. The governor of New Jersey telegraphed me, after he had conferred with many of the governors of other States, that there was united protest. I saw the Director General, who stated to me that the United States Government did not become the owner of the railroads under the act; that it was only the user of the railroads; and therefore, leaving out the amendment which I had submitted to the Senate—which was proposed by me and finally passed in both Houses—the United States Government could not interfere with the taxing powers of the State. However, the governor of New Jersey and many of our citizens in the State were uncertain as to the decision of the Director General, and therefore I pushed the amendment. The amendment provided in the Senate and House that there should be no interference by the Federal Government with the taxing powers of the State. The rule under which I made the point of order, and which protected my amendment, provided that there should be no new matter inserted. The introduction of the conference proviso practically voids the action of the Senate and House, as far as this provision is concerned. This provision inserted by the conference committee nullifies that act—it negatives it—and therefore if the Chair fails to sustain the point of order practically the conference committee is legislating contrary to the will of both the Senate and the House. Then why should we have a Senate? Why should we not appoint a conference committee to enact all legislation?

Mr. POMERENE. Mr. President——

The PRESIDENT pro tempore. May the Chair inquire, before the Senator proceeds, has the Senator from South Carolina asked that the conference report be temporarily laid aside?

Mr. SMITH of South Carolina. Yes; I make that request.

The PRESIDENT pro tempore. The Chair thinks that in justice to the Chair itself he ought to say that he has been ready to decide the question for quite an hour, and that he has simply been permitting the discussion to proceed because it is the first decision under the rule and the Chair thought that course proper. Without objection, the conference report will be laid aside.

Mr. FRELINGHUYSEN. I call for a decision on the point of order I made.

The PRESIDENT pro tempore. The Senator from South Carolina asks that the report be laid aside.

Mr. POMERENE. I will state, if I may be permitted to say a word——

The PRESIDENT pro tempore. The Senator from Ohio has been recognized.

Mr. POMERENE. I will yield at all reasonable times and to all Senators, but there is a moment when forbearance ceases to be a virtue.

Mr. President, if this matter is to be decided now, it is my desire to submit a few remarks in presenting my views upon the subject. If the matter is to go over, I prefer to say what I may desire to-morrow after I have had a little further time to investigate the proposition.

The PRESIDENT pro tempore. The Chair understands unanimous consent to be given to the request of the Senator from South Carolina laying aside the conference report temporarily.

Mr. POMERENE. Suffice it to say for the time being I do not agree with the narrow construction which it has been sought to place upon the new rule which we adopted the other day. In other words, I believe that this conference report in no respect violates that rule. In the second place, I am in entire accord with those who desire to preserve the powers of the States, but I want them so preserved that the States may not be permitted to hamstring the Government in time of war.

Again, I desire to make this suggestion, and then I have done for to-day on this subject. I do not believe that this limitation upon the power of a State in any way violates the Constitution

of the United States. I may amplify that position somewhat to-morrow.

Mr. GALLINGER. Mr. President, speaking to the report which has been under consideration, I ask to have the telegram which I send to the desk read, as I desire it to go in to-morrow's issue of the discussion.

The PRESIDENT pro tempore. Without objection, the Secretary will read the telegram. The Chair hears none.

The Secretary read as follows:

MANCHESTER, N. H., *March 11, 1918.*

Hon. JACOB H. GALLINGER,
United States Senate, Washington, D. C.:

The increase in value of railroad property in this State from its present low point is likely to be relatively greater than other property. Under the railroad bill the excess of increase could not be taxed. This will work a hardship and conflict with our constitution, which requires proportionality of taxation, and our statute, which requires assessment at full value. The situation will be very difficult.

ALBERT O. BROWN,
Chairman Tax Commission.

URGENT DEFICIENCY APPROPRIATIONS.

Mr. MARTIN. I ask that House bill 9867, the urgent deficiency appropriation bill, be laid before the Senate and proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

Mr. SMOOT. Mr. President, many Senators are not aware that the urgent deficiency appropriation bill is now before the Senate. They expected a decision upon the conference report before this bill was brought before the Senate. For that reason I suggest the absence of a quorum, that they may have a chance to be here.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Baird	Hitchcock	Nugent	Sutherland
Bankhead	Hollis	Overman	Swanson
Beckham	Johnson, Cal.	Poindexter	Thomas
Borah	Kellogg	Ransdell	Thompson
Culberson	Kendrick	Reed	Townsend
Curtis	Kenyon	Saulsbury	Trammell
Dillingham	Kirby	Shafroth	Underwood
Fletcher	Knox	Sheppard	Vardaman
France	McKellar	Sherman	Wadsworth
Frelinghuysen	McLean	Smith, Ariz.	Warren
Gallinger	McNary	Smith, Md.	Weeks
Gronna	Martin	Smith, Mich.	Williams
Hale	Myers	Smith, S. C.	
Harding	New	Smoot	
Hardwick	Norris	Stone	

Mr. OVERMAN. I wish to announce that my colleague [Mr. SIMMONS] is unavoidably absent from the city on important business.

Mr. MCKELLAR. I desire to announce the unavoidable absence of the Senator from Utah [Mr. KING], the Senator from Delaware [Mr. WOLCOTT], and the Senator from South Dakota [Mr. STERLING] on official business.

The PRESIDENT pro tempore. Fifty-seven Senators have answered to their names. There is a quorum present. The pending amendment will be stated.

The SECRETARY. On page 2, after line 9, the Senator from Virginia [Mr. MARTIN], on behalf of the Committee on Appropriations, moves to insert the following:

The President is hereby authorized to acquire the title to the docks, piers, warehouses, wharves, and terminal equipment and facilities on the Hudson River now owned by the North German Lloyd Dock Co. and the Hamburg-American Terminal & Navigation Co., two corporations of the State of New Jersey, if he shall deem it necessary for the national security and defense: *Provided*, That if such property can not be procured by purchase, then the President is authorized and empowered to take over for the United States the immediate possession and title thereof. That if any such property shall be taken over as aforesaid, the United States shall make just compensation therefor, to be determined by the President, and if the amount thereof, so determined by the President, is unsatisfactory to the person entitled to receive the same, such person shall be paid 75 per cent of the amount so determined by the President and shall be entitled to sue the United States to recover such further sum as, added to the said 75 per cent, will make up such amount as will be just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code. Upon the taking over of said property by the President as aforesaid, the title to all such property so taken over shall immediately vest in the United States: *Provided further*, That section 355 of the Revised Statutes of the United States shall not apply to any expenditures herein or hereafter authorized in connection with the property acquired.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. GALLINGER. Mr. President, it is proper the RECORD should show that while this amendment is reported by the committee it is not a unanimous report of the committee. There was some of us who did not agree to it.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MARTIN. I send to the desk an additional amendment.

The PRESIDENT pro tempore. It will be read.

The SECRETARY. It is proposed to follow the amendment just agreed to by inserting with the following language:

That section 12 of the "trading with the enemy act" be, and hereby is, amended so as to read as follows:

SEC. 12. That all moneys (including checks and drafts payable on demand) paid to or received by the alien property custodian pursuant to this act shall be deposited forthwith in the Treasury of the United States, and may be invested and reinvested by the Secretary of the Treasury in United States bonds or United States certificates of indebtedness, under such rules and regulations as the President shall prescribe for such deposit, investment, and sale of securities; and as soon after the end of the war as the President shall deem practicable such securities shall be sold and the proceeds deposited in the Treasury.

All other property of an enemy, or ally of enemy, conveyed, transferred, assigned, delivered, or paid to the alien property custodian hereunder shall be safely held and administered by him except as hereinafter provided; and the President is authorized to designate as a depositary, or depositaries, of property of an enemy, or ally of enemy, any bank, or banks, or trust company, or trust companies, or other suitable depositary, or depositaries, located and doing business in the United States. The alien property custodian may deposit with such designated depositary, or depositaries, or with the Secretary of the Treasury, any stocks, bonds, notes, time drafts, time bills of exchange, or other securities, or property (except money or checks or drafts payable on demand, which are required to be deposited with the Secretary of the Treasury), and such depositary or depositaries shall be authorized and empowered to collect any dividends or interest or income that may become due and any maturing obligations held for the account of such custodian. Any moneys collected on said account shall be paid and deposited forthwith by said depositary or by the alien proper custodian into the Treasury of the United States as hereinbefore provided.

The President shall require all such designated depositaries to execute and file bonds sufficient in his judgment to protect property on deposit, such bonds to be conditioned as he may direct.

The alien property custodian shall be vested with all of the powers of a common-law trustee in respect of all property, other than money, which has been or shall be, or which has been or shall be required to be conveyed, transferred, assigned, delivered, or paid over to him in pursuance of the provisions of this act, and, in addition thereto, acting under the supervision and direction of the President, and under such rules and regulations as the President shall prescribe, shall have power to manage such property and do any act or things in respect thereof or make any disposition thereof, or of any part thereof, by sale or otherwise, and exercise any rights or powers which may be or become appurtenant thereto or to the ownership thereof in like manner as though he were the absolute owner thereof. It shall be the duty of every corporation incorporated within the United States and every unincorporated association or company or trustee or trustees within the United States issuing shares or certificates representing beneficial interests to transfer such shares or certificates upon its, his, or their books into the name of the alien property custodian upon demand, accompanied by the presentation of the certificates which represent such shares or beneficial interests. The alien property custodian shall forthwith deposit in the Treasury of the United States, as hereinbefore provided, the proceeds of any such property or rights so sold by him.

Any money or property required or authorized by the provisions of this act to be paid, conveyed, transferred, assigned, or delivered to the alien property custodian shall, if said custodian shall so direct by written order, be paid, conveyed, transferred, assigned, or delivered to the Treasurer of the United States with the same effect as if to the alien property custodian.

After the end of the war any claim of any enemy, or of an ally of enemy, to any money or other property received and held by the alien property custodian or deposited in the United States Treasury shall be settled as Congress shall direct: Provided, however, That on order of the President, as set forth in section 9 hereof, or of the court as set forth in sections 9 and 10 hereof, the alien property custodian or the Treasurer of the United States, as the case may be, shall forthwith convey, transfer, assign, and pay to the person to whom the President shall so order, or in whose behalf the court shall enter final judgment or decree, any property of an enemy, or ally of enemy, held by said custodian or by said Treasurer, so far as may be necessary to comply with said order of the President or said final judgment or decree of the court: *And provided further*, That the Treasurer of the United States, on order of the alien property custodian, shall, as provided in section 10 hereof, repay to the licensee any funds deposited by said licensee.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. DILLINGHAM and Mr. FRELINGHUYSEN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Vermont.

Mr. DILLINGHAM. I will ask the chairman of the committee to tell us how this amendment changes the present law?

Mr. MARTIN. Mr. President, under the present law the Custodian of Alien Enemy Property takes such property into custody, but he has no authority to sell it. The Custodian of Alien Enemy Property appeared before the committee, as the Senator from Vermont no doubt will recall, and stated that he was now conducting business—a very large business—in our own country and in our island possessions and making enormous profits, and he thought that he ought not to be conducting, and the United States Government ought not to require him to conduct, this large business for the profit, possibly, of our enemies—the

German Empire. I will read briefly what Mr. Palmer said. His statement is not long, but still I shall not read the whole of it, by any means. Mr. Palmer stated:

I am to-day operating factories and mills and industries all over the United States Through my directors representing the enemy stock I am making chocolate in Connecticut, rails in Pennsylvania, woolens and worsteds in New Jersey, dyes and chemicals in New York, lumber in Florida, raising sugar in Porto Rico and Hawaii, raising tobacco in many States in the South, making beer in Chicago, lead pencils in New Jersey, and conducting all these various kinds of business and many others, most of which are making enormous profits by reason of the very conditions for which the enemy is responsible, namely, the war conditions. If I must simply sit here, holding the stock of these companies making these enormous profits out of the war, with the possibility of returning both principal and profits, to the German owners at the end of the war, I am doing a tremendous favor to the German Empire, our enemy.

Senator GALLINGER. What would be the alternative, Mr. Palmer?

Mr. PALMER. The alternative would be to account for these properties as of their value at the time I took them over when the war broke out, sell them to American capital, let Americans run them, separate them permanently and entirely from German control, put the money in the Treasury, invest it in Government bonds to fight the war with, and when the war is over, if any accounting has to be made, say to those who claim an accounting, "Here is the value of your property when the war broke out in the Treasury of the United States in cash."

Senator DILLINGHAM. Has the German Government any interest in the various industries which you have mentioned?

Mr. PALMER. We have not gotten to the bottom of that, Senator. We run into things that makes us think that the German Government has.

I might read further, but what I have read gives the gist and the kernel of the situation. These industries, spreading from one end of our country to the other—most valuable manufacturing enterprises and industries—are being operated now by an officer of the United States Government, who may be called upon to account at the end of the war to German owners.

Right in that connection, Mr. President—I shall not go on if the Senator from Vermont is desirous of making a further statement, for I do not wish by an answer to his question to interfere with any line of debate which he may desire to pursue——

Mr. DILLINGHAM. I desire the Senator from Virginia to proceed.

Mr. MARTIN. There has been an impression, Mr. President, that there are treaties between the United States and the German Empire which provide that in case of war foreign-owned property in this country should be preserved and turned over to its owners at the end of hostilities. I have caused that question to be investigated by the State Department, and I hold in my hand the memorandum which has been sent to me by one of the law officers of that department. I shall not read it unless it is desired.

Mr. THOMAS. I ask the Senator to read it.

Mr. KENYON. I wish the Senator from Virginia would read it.

Mr. MARTIN. I presume it would be well for the Secretary to read it, and I send it to the desk and ask that it may be read. I ask the Secretary to read the extract from the only treaty which touches this subject, and which extract, in my opinion, absolutely relieves us from any treaty obligation to account for any of this property. International law does not require it, though there has been a diversity of decisions in Anglo-Saxon countries, particularly, on that question. There is, however, no rule which requires our country when it goes to war, at the end of the war, to account to enemy citizens for property found here.

Speaking for myself alone, and, I think, voicing the sentiment of the American people, I have no hesitation in saying that if the German people ever get any compensation for this property it will be after they have compensated American citizens for the millions of dollars' worth—I may say almost billions of dollars' worth—of property of our people which they have destroyed ruthlessly and in violation of the principles of international law.

Mr. McCUMBER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from North Dakota?

Mr. MARTIN. I yield.

Mr. McCUMBER. May I ask the Senator a question before the reading of this paper begins?

Mr. MARTIN. Yes.

Mr. McCUMBER. Of course, we are all agreed that war of itself will destroy any treaty and render it worthless between the two countries at war; but, if I remember rightly, the treaty under consideration was a treaty made in contemplation of war, and provided that in case of war this and that should be the rights of the belligerent powers.

Mr. MARTIN. That is true; but this and that and the other—fixing the rights of belligerent parties—does not go to the extent of requiring us, in this instance, to account for this property. The treaty does not, in my opinion, embrace this question at all. At the end of the war we shall be free to deal with this subject as the moral sense of this country and the interests of the American Republic require us to deal with it. We shall be under no treaty constraint in respect to it. I think when the paper which I have sent to the desk is read that the Senator from North Dakota will be satisfied of that.

The PRESIDENT pro tempore. Without objection, the Secretary will read the communication.

The Secretary read as follows:

MEMORANDUM FOR SENATOR MARTIN.

MARCH 7, 1918.

(1) The only treaty in force with Germany which might be regarded as relating to protection of German property in the United States in time of war is Article XXIII of the treaty of 1799, which reads as follows:

"If war should arise between the two contracting parties, the merchants of either country then residing in the other shall be allowed to remain nine months to collect their debts and settle their affairs, and may depart freely, carrying off all their effects without molestation or hindrance; and all women and children, scholars of every faculty, cultivators of the earth, artisans, manufacturers, and fishermen, unarmed and inhabiting unfortified towns, villages, or places, and in general all others whose occupations are for the common subsistence and benefit of mankind, shall be allowed to continue their respective employments, and shall not be molested in their persons, nor shall their houses or goods be burnt or otherwise destroyed, nor their fields wasted by the armed force of the enemy into whose power by the events of war they may happen to fall; but if anything is necessary to be taken from them for the use of such armed force the same shall be paid for at a reasonable price."

(2) As a general rule, treaties of amity and commerce, such as this one is, are discontinued or terminated by war between the contracting parties, except as to articles especially providing for the condition of war. As Article XXIII, above quoted, contemplates a state of war, it is regarded as in force between the United States and Germany.

(3) The nine months' period mentioned in Article XXIII expired on January 6, 1918. Consequently the merchants residing in either country may no longer "depart freely, carrying off all of their effects," as provided in Article XXIII.

(4) The word "effects" in this article is a translation of the French word "biens" in the French text of the original signed copy of the treaty. It is understood that the word "biens" is one of the broadest words in the French language to include all kinds and forms of property.

(5) It will be observed that this article provides that those enemies of certain classes who remain in the United States shall not be molested in their persons, nor have their property burnt or otherwise destroyed, nor their fields wasted by the armed force of the enemy, but that if anything is taken from them for the use of such armed force they shall be paid therefor at a reasonable price. Although it is not entirely clear, it is arguable that these provisions protect these Germans in their persons and property from the armed forces of the United States or from the taking of their property for the use of armed forces except upon compensation. If this is true, other German property in the United States—that is, German property not subject to molestation or destruction or "taking" by or for the use of armed forces—may be dealt with in accordance with the law and practice of nations.

(6) As to the disposition of enemy private property in the territory of the other belligerent, there appear to be two views among authorities. According to the one view, they should be exempt from confiscation except in the exigency of military necessity, public safety, reprisals, etc. This seems to be the European continental view. According to the other view, largely entertained by Anglo-American writers, the sovereign is supposed to possess the right to require confiscation if this should be found necessary, but leans toward a general policy of exemption. The difference, in effect, between these two views does not appear to be very great. It would seem, however, that the practice of nations as a rule recognizes the exemption of private property as a policy which ought to be followed save in exceptional cases.

(7) In respect to taking over German refugee merchantmen in the United States at the outbreak of the war, and in respect to the control of enemy private property in the United States by the alien property custodian, Congress has not passed upon the question of the final disposition to be made of such enemy property.

Mr. MARTIN. Mr. President, a careful reading of the treaty provisions satisfies me that if we make any accounting to the German Empire or to citizens of the German Empire at the end of this war for the German-owned property now within our borders that accounting will not have to be made under the provisions of that treaty. The owners of this property did not remain in the United States; they are not in the United States now; they are abroad and waging war on the United States, and that war has created the extravagant profits which are accruing under the management of the alien property custodian. Of course, whether we will account for it or not will be a matter to come up at the end of the war; but whether or not we have to account for the property or not at the end of the war, it is inconceivable that any Senator can contend that we are under obligations to take care of that property, operate that property, and make the enormous profits which are accruing now day by day by reason of this war so ruthlessly waged by the German Empire, in order to augment the sum to be accounted for at the end of the strife.

Mr. KNOX. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Pennsylvania?

Mr. MARTIN. I yield to the Senator.

Mr. KNOX. I desire to inquire of the Senator from Virginia, because I have not been able to get a copy of the amendment

which is now before the Senate, how broad is this provision, and what class of property is it proposed to authorize the alien property custodian to sell in this way?

Mr. MARTIN. The custodian is authorized, in his discretion, to sell any or all of the German-owned property which he has taken over.

Mr. KNOX. Whether it belongs to individuals or to corporations?

Mr. MARTIN. Any German-owned property, any alien-enemy property which comes into his possession.

Mr. KNOX. Now, Mr. President, as I heard read the letter from the Department of State, it seems to me that it omitted perhaps the most essential feature of the treaty. Article 23 of the treaty of 1799, which was revived by the treaty of 1828 and carried into the treaty of 1828, which I believe both countries have regarded as in force up to the present time, in the first place deals with merchants. It says that they shall be allowed nine months to settle their affairs and depart freely, and so forth, from the United States. That is all there is about the merchants. The merchants are the only class that are required within the nine months to depart from the United States.

Mr. MARTIN. That is correct.

Mr. KNOX. There is a certain class permitted to remain, and as to that class I did not catch the reference in the letter of the Secretary of State—

and all women and children—

This portion of article 23 of the treaty he did quote—

scholars of every faculty, cultivators of the earth, artisans, manufacturers, and fishermen, unarmed and inhabiting unfortified towns, villages, or places, and in general all others whose occupations are for the common subsistence and benefit of mankind, shall be allowed to continue their respective employments—

That is, they shall be allowed to remain in the United States and continue the various employments, including manufacturing, artisanship, and cultivation of the soil.

Now, what I want to inquire of the Senator from Virginia is this: Is this legislation supposed to be in aid of the policy announced by Mr. A. Mitchell Palmer in the testimony which the Senator has read, and, if so, does it proceed upon the theory that this treaty is now in force?

Mr. MARTIN. The extract which the Senator read, I think, is contained in the paper that I sent to the desk.

Mr. KNOX. This is the twenty-third article of the treaty of 1799, revived in 1828, and which was partially quoted in the letter from the Department of State.

Mr. MARTIN. As I understand, the parties owning this property which Mr. A. Mitchell Palmer has taken into custody are not residing in this country.

Mr. DILLINGHAM. Mr. President, I do not think that appeared before the committee. I should like to have the Senator quote the testimony to that effect.

Mr. MARTIN. I do not say that Mr. Palmer distinctly stated that; I said my understanding of the matter was that the owners of this property which has been taken over are not now in this country. He said that the owners of this property were of the junker class in Germany; that is, the large capitalists of Germany own the property which he has taken over and is now operating.

Mr. KNOX. Will the Senator permit me to occupy another moment?

Mr. MARTIN. I will.

Mr. KNOX. I want the Senator to understand that what I have said is without any intention of indicating any position that I occupy on this amendment; I want to get at what the suggestion is, and particularly to know whether this legislation is designed to carry into effect the new policy which is avowed by Mr. Palmer in his testimony. I want to read a small paragraph here from Mr. Palmer's testimony, in view of what the Senator has read. In reply to Senator HARDWICK, Mr. Palmer said:

American interests in Germany are negligible compared with German interests in this country.

In other words, we conceive that there ought to be a line drawn between the two kinds of German investments in this country. The ordinary investment of the plain German citizen ought to be taken over by the alien property custodian and held as against the time when the distribution of it will be made, probably in kind, to somebody under the act of Congress at the end of the war; but the investment in this country, which is so close to the German Empire's control that it amounts to a part of the German industrial and commercial hold upon America and American insular possessions, ought to be treated a little differently.

Then he goes on to state how it should be treated; that is, that it should be sold to Americans, so that the proceeds of the operations from this time forth shall go into the pockets of American citizens instead of into the pockets of the present German owners.

Now, if the Senator will permit me to repeat my question, is this legislation authorizing Mr. Palmer to sell the classes of property enumerated in the amendment, intended to carry out that policy; and, if it is intended to carry out that policy, is it upon the theory that the treaty is binding or that the treaty is not binding?

I recognize, Mr. President, that a very strong argument can be made, even under the language of this treaty, that corporations are not included within the terms of article 23; I can understand how it can be contended that while we should be bound to allow farmers and manufacturers to continue their respective employments—and we know what "manufacturers" meant in 1799; it meant people who made goods by their hands; it did not contemplate the great aggregations of capital and the hundreds of men who have been planted upon our soil as a part of the German economic policy to get a holding in foreign countries. I can understand all that, but I should like to know what the administration's understanding of this treaty is, because this treaty says in terms:

And it is declared—

Reading now from the next article—Article XXIV—

And it is declared that neither the pretense that war dissolves all treaties, nor any other whatever, shall be considered as annulling or suspending t is and t e next preceding article, but, on the contrary, that the state of war is precisely t at for which they are provided, and during which they are to be as sacredly observed as the most acknowledged articles in the law of nature and nations.

Now, are we discharged from the sacred obligation to observe this treaty as we are bound to observe the law of nature and the law of nations, or are the classes of property which it is proposed to sell under this amendment not within the terms of the treaty? It is the attitude of the Governmen upon those two propositions in regard to which I should like to be satisfied before coming to a conclusion as to how I shall vote upon this amendment.

If the Senator will permit me further, I desire to add this thought: Senators will observe that these articles are to be "as sacredly observed as the most acknowledged articles in the law of nature and nations." Is that a standard upon which the existence of this treaty depends? Is that a standard which, if broken by either nation, will give the other the moral right to abrogate the treaty? In other words, if this Government has found as a fact that the German Government has violated the law of nature and has violated the law of nations during this war, is that a justification for us ignoring the whole treaty, and does the Government take that position? What I should like is light.

Mr. MARTIN. Mr. President, Mr. Palmer in the course of his testimony—I will not take the time to read further extracts from it—distinctly stated that he was announcing no policy for the United States in respect to this matter; that he had no authority to announce any policy, and was not undertaking to announce any policy for the American Government in respect to what should be done in relation to this property at the end of hostilities.

Mr. DILLINGHAM. Mr. President, may I make an inquiry?

Mr. MARTIN. Certainly.

Mr. DILLINGHAM. Did not Mr. Palmer expressly state that he wanted to inaugurate the policy of taking possession of the property and selling it, and then holding the proceeds until the close of the war?

Mr. MARTIN. Undoubtedly he did.

Mr. DILLINGHAM. Certainly, he did.

Mr. MARTIN. He did not, however, announce any policy; he distinctly stated that he had no right to announce any policy as to what should be done with the proceeds of this property at the end of the war. He did say that he did not think we were called upon to operate this property and make enormous profits out of it, made possible by the war brought on by Germany, with a view to accounting for these enormous profits at the end of hostilities So far as I am concerned, I do not feel myself called on to express any opinion about what the most enlightened and just course would be at the end of hostilities further than to say that I can not see the slightest particle of obligation upon us to operate this property and make enormous profits out of it, to be accounted for in any contingency to the German people or to the German Government at the end of the war. I think the utmost that we could be called upon to do would be, if we account for anything, to account for the value of the property at the time we took it over; and if we account for it at all, Mr. President, if we account even for the value of it when we took it over, it is inconceivable, to my mind, that we should account for it unless they come into this accounting themselves and account for the destruction they have brought about and

for the havoc they have caused to the property of American citizens.

Mr. DILLINGHAM. Mr. President, will the Senator allow me to interrupt him there?

Mr. MARTIN. I will.

Mr. DILLINGHAM. Mr. Palmer, if the Senator will read a little further, testified as follows:

> Germany is doing with us exactly what we are doing with her. She is following along. She is making inquiry constantly to find out just how far we are going with German property.
> Senator HARDWICK. She will do, of course, whatever we do.
> Mr. PALMER. She will do what we do; exactly.
> Senator HARDWICK. And she is now doing just what we are doing?
> Mr. PALMER. She is now doing what we are doing; and she may take no step in advance of what we do, because the balance is against her.

So it appears that so far as the observance of this treaty is concerned, and the treatment of American property in Germany, Germany has observed the treaty, and is watching us to see whether or not we do the same.

Mr. MARTIN. We do not know whether Germany is observing the treaty or not. As I have stated, in my opinion that does not enter into this matter at all. That is my personal and individual opinion, and my opinion as a lawyer, after having read this treaty. I do not believe it controls in this matter. But whether it controls or not, the utmost that can be expected of us under the treaty or under the most enlightened ideas of modern warfare would be to account for the value of the property when we took it over. We can not be under any obligation to operate that property, and make enormous war profits out of the ruthless and devastating war that has been waged upon us by the German Empire.

So I say that we are strictly within our rights—strictly within our rights under the treaty, strictly within our rights under international law, strictly within our rights under the most humanitarian view that can be taken of modern war—when we preserve this property with an idea that we may have to account for it at its actual value when we took it over. We can be under no obligation under the treaty, under the laws of nations, or under the laws of humanity, to operate this property and make enormous war profits to be accounted for to Germany when peace is declared. Whenever an accounting is made the balance will be on the side of America. I confess, Mr. President, that it will take a very strong case, it will take a most extraordinary case, to make me feel like turning over one dollar of this property at the end of the war to the German Empire or to subjects of the German Empire.

Mr. President, as I have stated, it is inconceivable to my mind that any Senator can feel that an obligation rests upon the American Government to operate this property and make enormous profits out of it and turn them over to German citizens or to the German Empire when this war is over. This amendment does not deal with what we shall do after the war. It does not deal with what shall be done. Mr. Palmer expressed some opinions of his own, and I perhaps have gone further than I was called upon to go in expressing my own opinions, though I feel them deeply.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from Nebraska?

Mr. MARTIN. I yield to the Senator.

Mr. NORRIS. I want to ask the Senator a question that I think will give me, at least, some enlightenment on this subject.

I do not know so much about the nature of this property, but I agree with the Senator that we ought not to operate it for the purpose, at least, of making profits while we have it; but why is that necessary?

If we are operating the property, why do we not operate it so that there will not be such great profits?

I do not know whether that is possible or not, because I do not understand as well as the Senator does about the nature of the property; but it seems to me that if we are operating a factory we might sell the output for a great deal less and not make such a big profit.

Mr. MARTIN. I suppose the Senator was not on the floor when I read what Mr. A. Mitchell Palmer said on that subject.

Mr. NORRIS. Yes; I heard what the Senator read, but Mr. Palmer spoke in very general terms.

Mr. MARTIN. No; he said he was making chocolate in Connecticut——

Mr. NORRIS. Why does he not sell the chocolate cheaper, so that he will not make so much profit?

Mr. MARTIN. If he is going to do business, I take it that he ought to do it in good faith. These are stock companies, and there may be some American owners as well as German owners of the stock; but he only takes over the stock of the German owners.

Mr. NORRIS. But he will not make enough chocolate to break the market.

Mr. MARTIN. That was the first item he happened to mention. He mentioned, in addition to chocolate, rails in Pennsylvania, woolens and worsteds in New Jersey, dyes and chemicals in New York, lumber in Florida, sugar in Porto Rico and Hawaii, tobacco in many States of the South, beer in Chicago, and lead pencils in New Jersey. He says he is conducting all of these various kinds of business, and many others, most of which are making enormous profits by reason of the very conditions for which the enemy is responsible, namely, the war conditions. He goes on later here to say that in taking over the stock in these various enterprises he took over only German-owned stock. There was some American-owned stock which he did not take over; and I take it that if he is going to conduct a business in which some shares, even though they are very few, are American owned, he ought to conduct it in good faith. He says that he is making enormous profits out of the various businesses which have devolved upon him under the alien enemy act.

Mr. President, what we will do with the value of this property at the end of the war is a matter of national policy that will have to be determined at the peace table. It is inconceivable to me that we will account for this property unless we hold Germany to an accounting for the ruthless destruction that she has visited on American citizens all over the world. In making that accounting, if we every make any—and, as I stated before, I do not believe we are under any treaty obligation to make any accounting at all, the terms of that treaty, as I construe them, do not control in this matter to any degree—but if we are to make any accounting it will be an accounting which will be accompanied by an accounting from Germany, and in which accounting the balance will be, I am sure, in favor of American citizens and the American Government and not in favor of Germany.

This amendment simply provides that this property shall be put fairly on the market; that it shall be sold; and that the proceeds shall be put in the Treasury of the United States and invested in liberty bonds or the proceeds in some way used for the prosecution of this war, which has been precipitated upon us by the barbarous conduct of the German Empire. We do not go at all into the policy after the war. We can not do that. That is a matter of the future; but we can fix the value of the property by putting it on the market now, and not enhance the value of the property by operating it and making enormous profits to be brought into the accounting at the end of the war.

Mr. President, I believe that presents the matter about as succintly as I can present it, and about as it was brought to the attention of the committee by Mr. Palmer, who said he was tired of operating these properties and making enormous profits that will have to be accounted for to the German people, our enemies, when the war is over.

Mr. GRONNA. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Virginia yield to the Senator from North Dakota?

Mr. MARTIN. Certainly.

Mr. GRONNA. I understood the Senator to say that Mr. Palmer is now operating certain breweries. Is that true?

Mr. MARTIN. I think so; yes.

Mr. GRONNA. Is there not reason to believe that if we sell those breweries now they are worth a great deal more money at the present time than they will be a little later on, and that the Government would lose a great deal of money by that transaction? And is it not also true that the President of the United States has the power to prohibit any food product or any grain going into the manufacture of these alcoholic liquors during the war? It seems to me that the breweries should not be operated by the Government during the period of the war, and that it is not necessary to sell them, and if sold it will be to the advantage of the German Empire and it will protect their interests, and this Government would lose by the transaction.

Mr. MARTIN. Mr. President, it is not made obligatory on Mr. Palmer to sell any of this property. He is given the discretionary power, under the guidance and direction of the President of the United States, to sell such of it as will best promote the welfare and the interests of the American Government and the people of the United States.

Mr. GRONNA. I am not opposing the Senator's amendment at all; but I simply wanted to make this observation: I think it would be unwise for this Government to sell property which may be valuable at this time and which I have reason to believe will not be so valuable a little later on.

Mr. MARTIN. Mr. President, that is left entirely in the discretion of Mr. Palmer, who has shown himself a most admirable agent of the Government in this matter. He surprised me with

the thoroughness with which he has gone into the matter. He has sought out and taken over all the German-owned property that he could get in touch with anywhere. He is a man of broad views and patriotic purposes, and he is under the control of the President of the United States. This amendment simply gives him the discretionary power to sell such of this property as he believes will best promote the prosperity and welfare of the United States.

Mr. FRELINGHUYSEN. Mr. President, I notice in the report of the hearings of Mr. Palmer that he mentions several industrial plants in New Jersey that are manufacturing woolens, which, in part, are owned by German capital. Now, I agree with the Senator from Virginia that we should remove every bit of German influence that exists in this country. I agree with the Senator from Virginia that the Germans who have invested money in this country should be deprived of the unusual profits which have been afforded by this war. But when we are liquidating those German interests and granting powers to an alien-property custodian who has autocratic powers without any provisions for review, we should be careful that American interests are not interfered with.

Mr. Palmer in his evidence states that there are six or seven factories in a certain town in New Jersey whose stock is owned either wholly or in part by Germans. That is true, I believe. I am not well informed as to what amount their interest is; but I do know that in Passaic, N. J., there are several large woolen mills, one of which is owned to the extent of 80 per cent, I believe, by German citizens.

Mr. MARTIN. Mr. President, if the Senator will permit me, I think I stated it before, but Mr. Palmer said he had not taken over any of the stock in any of these enterprises except what was absolutely owned by German citizens. The American owners are getting their dividends now as heretofore. He has not interfered, and will not interfere, with the ownership of a single share in any of those properties that is in American ownership.

Mr. FRELINGHUYSEN. I understand that that is the fact; but that is an expression of good will only. I am referring to the powers that are given to Mr. Palmer in this measure.

When Mr. Palmer made his statement before the committee there was almost a panic in that little industrial town. The statement that was made was garbled, of course, but the statement was made that the Government was going to take those mills and close them down because they were partly owned by German interests. What I am interested in is that the powers of the custodian shall be so limited that if there is any injury to American interests those interests will have the right of review, the right of protection; but this grants him arbitrary powers.

Mr. SMITH of Georgia. Mr. President, will the Senator permit me to ask him a question?

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Georgia?

Mr. FRELINGHUYSEN. Yes.

Mr. SMITH of Georgia. Does the Senator understand this bill to authorize the Alien Property Custodian to sell the factory, or simply to sell the stock that the Germans own?

Mr. FRELINGHUYSEN. I will read the act to the Senator from Georgia. It says that he shall exercise any rights or powers which may be or become appurtenant thereto, or to the ownership thereof, in like manner as if he were an absolute owner thereof.

Mr. SMITH of Georgia. Would not that mean simply the ownership of the stock? I agree with the Senator that it certainly ought to be limited to the question of the stock; that he ought not to have the right to interfere with the property where a part interest in that property belongs to a citizen; but if we can so shape it that it would be clearly limited to the stock, would not the objection of the Senator be removed?

Mr. MARTIN. Mr. Palmer made that perfectly clear, if the Senator will permit me. He was asked:

> Senator SHAFROTH. What do you do in the case of an American minority stockholder where the German stockholders are in the majority? Do you pay the American his dividends or not?
>
> Mr. PALMER. Oh, certainly.
>
> Senator SHAFROTH. But you hold the other part in the custodian's fund?
>
> Mr. PALMER. Exactly. We simply take the stock of the enemy, so that the corporation pays the dividends to the American stockholders and pays the enemy stockholders' dividends to us.

It is not proposed anywhere that he shall take into custody a single dollar of American-owned property. He has not suggested it. The law does not authorize it. It only authorizes him to take into possession and make disposition of enemy property. There is nothing else in this bill.

Mr. SMOOT. Mr. President, will the Senator yield to me?

Mr. FRELINGHUYSEN. I yield to the Senator from Utah.

Mr. SMOOT. Was not Mr. Palmer referring to what he had already done under existing conditions—that he held the alien stock; not the American citizen's stock; an American citizen was paid his dividends as in the past and the dividend of the alien was put in the Treasury of the United States?

Mr. MARTIN. That is exactly what he said. He said he had not the slightest idea of interfering with a dollar that belonged to an American citizen; that he had not done that and would not do that; that he was only taking enemy-owned shares of stock.

Mr. SMOOT. Mr. President, that was under the power that he had to-day. I think the Senator from New Jersey was discussing the question as to what would be his attitude after the power proposed in this amendment was granted him; or, in other words, if he had the power, then what could he do with that stock?

Mr. MARTIN. He has no power except to sell enemy-owned property. Absolutely no power is given him by this bill to sell any property owned by an American citizen, but only to sell enemy-owned property. Certainly I would not take one iota from an American citizen; neither will I extend by an iota German rights. I will give them what we are bound to give them at the end of this war; but it will be mighty hard to convince me that we ought to give them anything, and certainly we ought not to give them anything until they account to American citizens for the loss, damage, and injury which they have inflicted.

Mr. NORRIS. Mr. President, may I ask the Senator from Virginia a question?

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Nebraska?

Mr. FRELINGHUYSEN. I yield to the Senator for a question.

Mr. NORRIS. As I understand the proposed law, then, in the case, for instance, of a minority stockholder of a corporation running a manufacturing concern, the custodian would only sell the stock of that corporation that is owned by the German citizen?

Mr. MARTIN. Beyond a doubt. That is all the power that we give him; that is all he asks and all he would exercise.

Mr. NORRIS. If that is the case, I do not see how that will hurt any American citizens who happen to be the owners of the balance of the stock.

Mr. MARTIN. It will not. I am as much for protecting American interests as anybody else; but God forbid that I should protect any interest of a German citizen any more than I am compelled to protect it. When they get a dollar by a vote of mine, they will account for every dollar of destruction they have wrought on the American people.

Mr. FRELINGHUYSEN. Mr. President, I am not in any way defending the interests of any German citizen, and it is not necessary for me to state that again. I believe that the powers conferred in this amendment upon the alien-property custodian not only extend to the power of sale but to the power of direction, because the general statute which this amendment demands gives him power to manage. Already the alien-property custodian has placed directors in these plants to represent the interests of his trusteeship. I may say that these industries employ, I think, about 25,000 hands. At the present time some of them are manufacturing uniform cloth for the United States Government. What those proprietors and the employees fear is that there will be some interference with the continuity of that enterprise. If the alien-property custodian in selling that property should sell it to an unfriendly interest—and he has the right to do it, without any power of review or restraint—the enterprise might be ruined. What I am contending for is that the act ought to be amended in some way so that there is a power of review on the part of somebody against any unjust act by the alien-property custodian which might affect American interests.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Nebraska?

Mr. FRELINGHUYSEN. I yield the floor.

The PRESIDENT pro tempore. The Senator from Nebraska is recognized.

Mr. NORRIS. I do not care to take the floor. I am just seeking light, and I want to ask the Senator a question.

Of course, I agree with the Senator that I do not want to see any American interests injured; but I can not understand the logic of the argument of the Senator when he says that the employees or minority stockholders are afraid that this custodian will sell to unfriendly interests the controlling interest that is now owned by German citizens.

Mr. FRELINGHUYSEN. He has that power.

Mr. NORRIS. I understand; but these people would not be as much afraid of the custodian, representing the Government of the United States, doing such a thing as they would be of the Germans themselves making such a sale; and they have the ownership now. The custodian would not have any greater power in making the sale than the owners of the property themselves would have; and certainly it would be to his interest not to interfere with the operation of those plants, much more so than though he did not have possession and the German owners were trying to make the sale. I can see why they might want to interfere with the continuity of the work.

Mr. FRELINGHUYSEN. The act should be so framed that if there should be any unwise action it could be reviewed. It depends upon the wisdom and probably the business judgment of the Alien Property Custodian. It might be contrary to their policy of business; but his ruling is arbitrary. There should be some board of appeal or some power of review. It depends upon the whim of the Alien Property Custodian, which might destroy an industry. I think the amendment is too broad and confers too great powers.

Mr. NORRIS. Let me ask the Senator this question: While I concede that it is possible that that power might be abused, take it as it is now. Suppose that the Alien Property Custodian is not given authority to do this. Would it not be more to the interest of these German owners than to the interest of the custodian to do something of the kind?

Mr. FRELINGHUYSEN. Oh, I am not opposing the sale of the property.

Mr. NORRIS. I understand that; but they have that power now. They might put a German spy in there to operate the plant.

It seems to me that while we do not escape danger by taking this action, and I can see that a mistake might be made somewhere, we are improving the matter a great deal by putting it in the hands of any American citizen, rather than leaving it, as it is now, in the hands of an alien enemy.

Mr. DILLINGHAM. Mr. President, in asking the chairman of the committee to make an explanation, as I did when this amendment was offered, I did it for the purpose of bringing the attention of the Senate to what I think is a very unwise course of action in connection with the consideration of these appropriation bills.

After the examination of this bill had been completed, the amendment which was adopted to-day without debate—the one authorizing the President of the United States to purchase all of the great wharf and dock property in New York formerly occupied by the North German Lloyd Line and the Hamburg-American Line, and, in case of failure to purchase, to institute proceedings for the condemnation of that property—came to the committee, and the committee was called together at 15 minutes before 12. The committee had no information whatever regarding the necessity for such action on that amendment, and they adjourned without taking action. Two days later Mr. Palmer came before the committee to explain that amendment, and from that explanation it appears that the Government is now in possession of the dock property, occupying it, using it in every way. Mr. Palmer's testimony states no reason for haste in securing title to the property, if indeed we ever want such title. It further appeared from Mr. Palmer's statement that such dock property is now owned by corporations formed under the laws of New Jersey, the share owners of which are wholly German citizens, as I understand him to say. He has as Alien Property Custodian taken over that stock and is holding it. If the President is authorized to purchase that property, under this amendment, he must purchase it of Mr. Palmer, and Mr. Palmer under the present law—the alien-property act—has not the power to sell it, and so he seeks the amendment which is now under consideration in order that he may have power to sell it.

Beyond what I have stated I know nothing about the necessity of the purchase of this property by the Government at this time. I do not think any member of the committee has any knowledge as to the necessity of purchasing that property at the present time. Certainly none was given that I now recall.

Mr. MARTIN. Mr. President, will the Senator permit me to interrupt him?

The PRESIDENT pro tempore. Does the Senator from Vermont yield to the Senator from Virginia?

Mr. DILLINGHAM. Certainly; very gladly.

Mr. MARTIN. The Senator is referring to the wharf property, I believe.

Mr. DILLINGHAM. Yes.

Mr. MARTIN. I will call the Senator's attention to a matter which has not gotten into the record, because I had not heard of it, and therefore did not ask Mr. Palmer; but I got him over the telephone, and told him I had heard that the condition of those wharves, or the condition of business of the United States at those wharves, was such that large expenditures were necessary for the full utilization of the wharves for Government purposes. He said that he had omitted to mention it, but he authorized me to quote him in the fullest and broadest way to the effect that it was necessary—immediately necessary, urgently necessary—to make very large expenditures on those wharves at Hoboken, so large that he did not think it would be expedient or proper for the Government to make those expenditures until after it had taken over the title.

That reason for the acquisition of the title at this time did not go into the record, because I had not previously heard the suggestion. As soon as I heard it, I called up Mr. Palmer, and I have his authority for quoting him in the broadest sense, as I have stated, as to the absolute and urgent necessity for very large expenditures by the United States in order to get the proper use from those wharves—such a large expenditure that he thought it ought not to be made until the title was taken over.

Mr. DILLINGHAM. And it is a remarkable fact, Mr. President, that Mr. Palmer—who came before that committee on purpose to tell us why that amendment should be adopted—failed, after speaking an hour, to give the only reason that has been urged, the one just given by the Senator from Virginia.

It occurred to me, as I heard that testimony, that there was another reason, for Mr. Palmer testified as follows: and if the Senators care to follow it, they will find it on the fifth page of his testimony. He says:

> The President has advised you, I take it, that he thinks it is wise that the Government should take over the possession and title of these properties.

Then he goes on to say this, which I call to the attention of the Senator from Pennsylvania, because he inquired of the chairman as to the policy of Mr. Palmer. He says:

> It is also believed that it would be helpful to the general plans and purposes of the Alien Property Custodian with respect to enemy property, in conjunction with this power which is to be granted if this rider on the appropriation bill is passed, if there could be at the same time an amendment to the trading with the enemy act which would give to the Alien Property Custodian the general power of sale of enemy property in this country. In other words, it is desired to bring the trading with the enemy act back to the terms which were written into the law by the Senate, and to strike out the change which was subsequently made, I think in conference, restricting the power of the Alien Property Custodian to sell enemy property in this country.

Further on he says:

> Since we have become acquainted with the enemy property in this country, since we have seen how the German Empire, through its financial operations, has put an industrial and commercial chain all the way across this country and through our insular possessions, we have become thoroughly convinced that it would be wise and proper and highly desirable at this time if the enemy ownership in some of those properties could be permanently taken away.

At this point there was a conversation as to the action of Germany, although at that time in the committee none of us were aware of the existence of the treaty that has been referred to by the Senator from Pennsylvania. Senator HARDWICK put the following question:

> Mr. Palmer, right there, does Germany do that with us now?
>
> Mr. PALMER. Germany is doing with us exactly what we are doing with her. She is following along. She is making inquiry constantly to find out just how far we are going with German property.
>
> Senator HARDWICK. She will do, of course, whatever we do?
>
> Mr. PALMER. She will do what we do; exactly.
>
> Senator HARDWICK. And she is now doing just what we are doing?
>
> Mr. PALMER. She is now doing what we are doing; and she may take no step in advance of what we do because the balance is against her.

Going over to page 7 of the testimony, Mr. Palmer began in the language which has already been read and from which it appears that the properties in his hands have no American stockholders, if I understand his language correctly. He says:

> Mr. PALMER. Why, there is a city in this country which is a little Germany in that respect, a great industrial town where seven or eight great mills are entirely German owned, and from some of which the American flag has never flown until the Alien Property Custodian took over the enemy's stock and put his own directors into those corporations.
>
> It is a part of the German trust in that industry; there is no question about that, and it is a very interesting question, at least, whether as an effective weapon in the war we ought not to consider Americanizing that sort of a concern and putting the proceeds in cash in the Treasury of the United States to await distribution at the end of the war.
>
> Otherwise I find myself in this position: I am to-day operating factories and mills and industries all over the United States. Through my directors representing the enemy stock I am making chocolate in Connecticut, rails in Pennsylvania, woolens and worsteds in New Jersey, dyes and chemicals in New York, lumber in Florida, raising sugar in Porto Rico and Hawaii, raising tobacco in many States in the South, making beer in Chicago, lead pencils in New Jersey, and conducting all these various kinds of business and many others, most of which are making enormous profits by reason of the very conditions for which the enemy is responsible, namely, the war conditions. If I must simply sit here, holding the stock of these companies making these enormous profits out of the war, with the possibility of returning both principal

and profits to the German owners at the end of the war, I am doing a tremendous favor to the German Empire, our enemy.

Senator GALLINGER. What would be the alternative, Mr. Palmer?

Mr. PALMER. The alternative would be to account for these properties as of their value at the time I took them over when the war broke out, sell them to American capital, let the Americans run them, separate them permanently and entirely from German control, put the money in the Treasury, invest it in Government bonds to fight the war with, and when the war is over, if any accounting has to be made, say to those who claim an accounting: "Here is the value of your property when the war broke out in the Treasury of the United States in cash."

Mr. KNOX. May I inquire of the Senator, he being a member of the committee, whether Mr. Palmer stated to the committee if they could do this, notwithstanding the treaty, or whether they could do it within the terms of the treaty and under the general rules that prevail in war?

Mr. DILLINGHAM. In reply to the Senator from Pennsylvania I will say that the treaty was not discussed. A question was asked whether there was a treaty, and a prominent member of the committee assured us there was no treaty with Germany, and the matter went without further discussion from that standpoint of the case.

Mr. President, I do not desire to occupy the attention of the Senate any longer in reading the testimony. I have gone thus far to call the attention of the Senate to a situation in which it appears that we have a treaty with Germany covering this very subject, a treaty to the terms of which Germany has lived up to, as appears from the testimony of Mr. Palmer.

Now, then, I do not know what situation the adoption of this legislation will bring our Government into. It looks to me like a very serious matter. I am in full sympathy with the sentiments expressed by the Senator from Virginia [Mr. MARTIN], but I think it is all wrong to have these amendments brought in on an appropriation bill and without consideration by any committee with the treaty before them. I think both these amendments—the one that has already been adopted and the pending amendment as well—ought to be defeated. The subject matter of both could then be presented in the form of a bill and be referred to the appropriate committee—the Committee on Foreign Relations—where it could be fully and carefully considered from the standpoint of international law and of our treaty relations. That committee could advise us whether we are going blindly and could guard us against a policy that may trouble us exceedingly in the future.

I do not know but that the Senate ought to adopt both these amendments. On the other hand, I do not know that the Senate ought to adopt them.

Mr. UNDERWOOD. Mr. President, I think one of the most important features of legislation that has come before this Congress is the pending measure. I have listened to what my good friend on the committee has said about legislation on an appropriation bill, and under ordinary circumstances and conditions I would agree with him; but we have written much legislation on urgent deficiency appropriation bills that have passed since the war began. It is the speedy way to accomplish a result. We wrote the legislation by a Senate amendment which created the present Aviation Corps in the United States; we wrote the legislation by a Senate amendment on an urgent deficiency bill that started the building of the great merchant fleet that must save our country from defeat on the battle fields of Europe, and to-day we offer an amendment on this bill because the President of the United States has sent word to the Congress of the United States that speedy action is necessary.

Mr. President, there is more justification for writing this amendment on this bill than any of the other propositions that have come before Congress, not only justification on account of the merits of the proposition but justification because the Senate has fully considered this proposition before and acted on it favorably.

The amendment which I hold in my hand and which has been offered in the Senate is the identical language that was adopted by the Senate when it passed the alien-property custodian act. It is the identical amendment that was reported by your committee to the Senate, not as the law stands to-day but worded as it is proposed in this amendment.

More than that, the House of Representatives concurred in the language that is proposed in this amendment. Yet we find that somewhere and somehow, after the language that authorized the alien custodian to sell this property as it appears on page 4 of the amendment, where it is provided that he shall have the power to manage the property "and do any act or things in respect thereof, or make any disposition thereof or of any part thereof, by sale or otherwise," in some way these weazel words were injected into the law, "when necessary to prevent waste or for the protection of the property," destroying the intention of Congress as expressed by the Senate when it passed upon the bill originally.

Mr. GALLINGER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from New Hampshire?

Mr. UNDERWOOD. I yield.

Mr. GALLINGER. The Senator will not object to my saying in his behalf or my own behalf that those words were injected in a conference report without the authority of either House.

Mr. UNDERWOOD. Surely.

Mr. SMOOT. They were put in in conference.

Mr. UNDERWOOD. Certainly; they crept in the bill in conference against the express will of both Houses of Congress. We find them here standing as a barrier against our winning this war.

The purpose of the alien property custodian act was to hold up the hands of the Federal Government in the conduct of the war. It was to take out of their hands the great power that it exercised in the control of German-owned corporations and German-owned property. It is not only the wharves and the docks that they own. The great American Metals Co.—I think I use the name correctly, although I am not sure—whose power extends all over the United States in the manufacture of steel and many other metallic goods is absolutely German-owned and German controlled. Great woolen properties, when we need the goods to clothe the boys who are going to the trenches, have been German owned and German controlled, and their products may be delayed if we do not take possession.

Now, we have taken possession. If there is any violation of the treaty, which I do not believe, if there has been any violation of the treaty made in 1799 with the small Kingdom of Prussia, which was made when this alien property was taken over and the property physically taken away from the Germans——

Mr. KENYON. Mr. President——

The PRESIDENT pro tempore. Will the Senator from Alabama yield to the Senator from Iowa?

Mr. UNDERWOOD. Certainly.

Mr. KENYON. May I ask the Senator if, at the time of the passage of the alien property custodian act, this question of its being violative of any treaty was raised?

Mr. UNDERWOOD. I do not recall that it was. I was not on the committee that reported it, and I was probably out of the Senate a part of the time while it was being discussed, so that I will not speak with a degree of positiveness; but during the time I was on the floor of the Senate I never heard the question raised. Yet this clause of the alien-custodian act when it was before the Senate and passed by the Senate was in the exact language that is used in this amendment offered now.

Mr. THOMAS. Does the Senator conclude that if the one we are considering is violative of our treaty, we have already violated it by previous legislation?

Mr. UNDERWOOD. I do. That is exactly the position I take, that the Senate violated it itself by passing this language before. But, more than that, I say it is no more a violation of the treaty to sell this German property than it was a violation of the treaty to take it. If there is a treaty right that protects this property in German control, we violated it by taking it away from them, and it is no further violation of that treaty after we have gotten possession of it to sell it.

Mr. SMITH of Georgia. Does the Senator understand that it is contended that the treaty prevents our Government from taking property of this character when the owners are out of the country and in Germany? Is there any language in the treaty which would reach such a case?

Mr. UNDERWOOD. None that I know of, and I do not know that that is contended.

Mr. THOMAS. Let me say to the Senator, in response to the question, that Mr. Gerard in his Four Years in Germany gives a very graphic account, beginning at page 378, of the threat which the German Government made to compel him to sign an additional series of articles in recognition of a rule amendatory to article 23 of the treaty of 1799, designed, among other things, to cover that species of property and which, of course, our ambassador refused to sign. So the construction given in Germany to the article I refer to excludes the consideration of property owned in this country by nonresident aliens.

Mr. SMITH of Georgia. Whether we are willing to accept the German construction of the treaty or not, it seems to me clearly in what I heard read there is nothing in the treaty which would exempt the right of the United States Government to seize this class of property and keep it—certainly to seize it and sell it.

Mr. UNDERWOOD. The Senator is right.

Mr. SMITH of Georgia. And even if we did not follow you, that having possibly violated the treaty in some former act we

should violate it again, we can certainly follow you in saying we did not violate it in the first act and we will not be violating it now.

Mr. UNDERWOOD. Undoubtedly. There is nothing in the treaty of 1799 that refers in any way whatever to property owned by aliens who are out of our country. But, more than that, the treaty of 1799 is the only act that is recognized by our Government. I understand the attempt to ratify it in 1828 is not recognized by our Government and the language used at that time is not considered as binding on the Government.

Mr. KNOX. Mr. President——

Mr. UNDERWOOD. I yield.

Mr. KNOX. I beg to correct the Senator from Alabama. The treaty of 1828 expressly revives the two sections which are pertinent in the treaty of 1799.

Mr. UNDERWOOD. If I understand it, the State Department does not recognize that as an existing fact. I am not stating that the Senator is not correct that the effort was made to revive it, but I understand our State Department does not recognize that it was revived.

Mr. KNOX. Here is the publication of the treaties in force in the United States. This treaty shows the signature of Henry Clay, representing the United States, and Ludwig Niederstetter, representing Germany, and the twelfth article of the treaty of 1828 reads:

> The twelfth article of the treaty of amity and commerce concluded between the parties in 1785 and the articles from the thirteenth to the twenty-fourth, inclusive, of that which was concluded at Berlin in 1799, with the exception of the last paragraph in the nineteenth article, relating to treaties with Great Britain, are hereby revived with the same force and virtue as if they made part of the context of the present treaty.

Now how anybody, whether he belongs to the State or any other department, can say in the face of the language of the treaty itself that that provision is not in operation I can not understand.

But I want to add one other word. I think the Senator from Alabama is absolutely correct that there is not a syllable in this treaty that has to do with any property of an alien enemy who does not reside within the United States.

Mr. SAULSBURY. Mr. President, if the Senator will yield to me, I wish to inquire if that was not the same treaty, renewed by the same provision, where the Prussian Government, now the German Empire, agreed that in case of war our vessels might trade with the other belligerents, and in such a case as that they should be allowed free passage, only that they might be subject to call and to search, and that even if we were carrying all sorts of contraband the only thing that was necessary was that the captains of our vessels should deliver that contraband to the visiting vessel. Is that the same treaty and the same provision?

Mr. KNOX. That is the same treaty, which Germany has violated in that respect and many other respects. What I have been trying to ascertain is why do the Government of the United States regard that treaty in force. Do they regard a treaty in force the provisions of which have not been adhered to as sacredly as the law of nature and the law of nations prescribe, when not only the law of nature and the law of nations have been defied by our enemies in this contest but the specific provisions of the treaty itself?

Mr. UNDERWOOD. I was coming to that. I have been first discussing this question from the standpoint as to whether we are violating the treaty. I do not think we are. The treaty in no way relates to any enemy-owned property when the enemy is out of the United States. It does not relate to enemy-owned property in the United States, because its very terms provide that the enemy shall have nine months in which to take that property out of the country, and the nine months have expired. So I do not think there is a question involved as to our violating a treaty right. But should we, the Congress of the United States, hesitate on the firing line of our country when we are sending men by the thousands to the battle fields of France? Shall we show a lack of courage, a lack of our patriotism, by failing to face the issue, and face it now, when our country needs action, because somebody may be hurt?

As the Senator from Colorado [Mr. THOMAS] has called to the attention of the Senate, when our ambassador was leaving Germany, the declaration of war having been made by Germany by firing on our flag and sinking our ships, the German Emperor demanded of him as the basis for receiving his free passport that he should guarantee the protection of German property in this country and should sign an agreement to that effect—a threat, of course—a threat that the representative of the American Nation had too much courage, too much patriotism, to yield to.

But it showed the concern of the Imperial Government of Germany in the desire to protect the industrial properties of German citizens in this country; and why? According to the testimony of Mr. Palmer before this committee, it is entirely probable that the German Emperor, holding in the name of other people, owns a large part of the property involved.

Now, so far as I am concerned, when they have taken this treaty of 1799 and violated its provisions in every respect, trampled on it, regarded it as a mere scrap of paper, brought on this war by a violation of the treaty themselves, because under the treaty they have declared in favor of the free seas for our ships and their ships in times of war, and yet when our ships were sailing home, returning without a cargo, in violation of this very treaty they fire on the flag and sink the ship and force this Republic into war; to say that that treaty can stand as a barrier against our own defenses and the protection of our own people, against our striking a blow that will be felt by the classes in Germany that urged this war and have brought on its horrors and are continuing the autocracy of Germany, I say should not stand for one minute in our way.

Mr. DILLINGHAM. Will the Senator allow an inquiry?

Mr. UNDERWOOD. Surely.

Mr. DILLINGHAM. The Senator's argument is very interesting. I was wondering what he would say about the status of private property owned by Germans in this country, as to the effect of the war and of the treaty upon that property.

Mr. UNDERWOOD. As I said, I do not think this treaty applies to it at all. All the terms of this treaty have passed by. It did not apply to foreign-owned property. The nine months in which it would apply to property owned by German citizens living here has expired.

Mr. THOMAS. May I ask the Senator if he construes that nine-months provision as applying to any one but merchants?

Mr. UNDERWOOD. It probably does not apply to anybody but merchants, but I was giving the broadest construction to it that was possible, that it applied to all.

Mr. THOMAS. I do not think it is susceptible of that construction.

Mr. UNDERWOOD. I do not either. I agree with the Senator about that, but in order that there might be no contention about it, I am applying the term property of merchants to every German who lives in the United States, and the time is up.

Now, why is this a blow to the German interests, and why is it necessary to protect our country that this provision should be passed? We are fighting the German peasant behind San Mihiel. We are attempting to destroy the lives of men who had nothing to do with bringing on this war, who probably have no desire to continue it, and who are doing it because they are hurled to the battlefield by an autocratic power. What we want to do is to wipe them out of the way so that we can win the victory. But this property is owned by the junker class of Germany, not the men on the battlefield but the millionaires, the titled class, lords of the manor, the Kaiser himself, and they have shown every hour and by every act their desire to protect this property, own it, and control it when the war is over. I would far rather fire a shot at Berlin and at the junker class of Berlin, who brought on this war and keep it going, than I would fire a shot behind San Mihiel at the peasant of Germany.

It is necessary for us to take over this property, not only its control and possessions but absolutely to Americanize it, to protect American interests during the war. It is necessary for us to take it over and let the German junker class know that America has her back against the wall, that we are fighting this war in earnest, that we are willing to fight it all along the line, and that there is no surrender on our part until a victorious settlement of the issues involved. We are too slow already. We ought to move faster.

I can understand how there are some interests in America that are apprehensive against the passage of this legislation. There are some interests in America that own property in Germany. I understand from Mr. Palmer's testimony—he so states—the largest ownership of property in Germany is the Standard Oil Co. Most of the property that American citizens own in Germany is controlled by great corporations. Now, I do not desire to see their property confiscated in Germany, but Mr. Palmer said, and we know it to be a fact, that where there is one dollar's worth of American property invested in Germany there are more than a hundred dollars of German property in America. Where they strike one blow at us in confiscating American property we strike the blow a hundredfold in taking theirs.

More than that, if you read this provision as it stands, and this declaration of Congress as it stands, with these weasel words in the belly of the act to-day, that this property shall be

held by the custodian and can only be sold if it be necessary to prevent waste or for the protection of the property; it is a clear declaration that we are holding this property as a protection to the German millionaire and the German junker.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER (Mr. WARREN in the chair). Does the Senator from Alabama yield to the Senator from Minnesota?

Mr. UNDERWOOD. I yield.

Mr. KELLOGG. I wish to see if I understand this proposition. Under the original alien-enemy property act, it was the property of alien enemies not residing in this country which could be taken and sold?

Mr. UNDERWOOD. No; the Senator is wrong.

Mr. KELLOGG. I thought I so understood the Senator.

Mr. UNDERWOOD. My friend from Minnesota was not present when I made my original statement.

Mr. KELLOGG. No; I was not.

Mr. UNDERWOOD. The amendment that is before the Senate does not change the law as it is on the statute books, except in one particular. It does not change it at all as it passed the Senate originally. In conference, after the authority to sell, which was given by the Senate and given in the original act, somehow these words crept in, "if and when necessary to prevent waste and for the protection of the property," which, of course, limited the power of sale to that purpose. The amendment that is offered by the Senate committee, although it is long, leaves out those words and does not change it in any other respect.

The amendment, as does the law to-day and as it is presented here, allows the alien-enemy property custodian to take over any alien property, whether it be foreign owned or domestic owned. That is the law now, but when he gets it the law now requires him to keep it for the benefit of the German citizen.

Mr. KELLOGG. I thought that was the law, but I misunderstood the Senator's statement.

Mr. UNDERWOOD. The law requires him to keep it for the benefit of the German citizen. Mr. Palmer states, and it is true, that a vast deal of this property is well invested, is paying property, and is making vast profits.

If we keep this property in the custody of the Government of the United States, we will run it profitably, and we have got to do that, for we want the property; a great deal of it is making the munitions of war that we want to use; it is making the clothes for the soldiers; it is making shoes for the soldiers. Of course, it will be sold on the same market price as other property. When the proceeds of the sale go into the custodian's hands we shall be vastly multiplying the German interests and building up their property.

I do not know what is going to happen when the treaty of peace is made. I do not know whether any of this property will ever go back to the Germans or that its money value will go back to them. Certainly not one dollar ought to go back to them until they have paid for the American ships that they have sunk in violation of this treaty, and until they have paid for the property of American citizens which they have destroyed. When they agree to do that it will be time enough for us to agree to return their property. But in no event ought they to get more than the value of the property as it stood when war was declared. If you leave this proposed act unamended, in the Treasury of the United States are accumulating vast sums of money for the junker class of Germany, without threat and without danger, to encourage them to carry on the war.

I say that the passage of this provision is just as necessary for the preservation of the American Republic, for the upholding of the hands of our soldiers on the battle front, as was the other great legislation that has been passed in these appropriation bills. I say that in my judgment this legislation ought to appeal to the patriotism of the Senate and to that of the American people; it should be put on the statute books at once, so as to deliver the most telling blow that I think can be delivered to the very men in Germany who have forced this war on the American Republic.

Mr. POINDEXTER. Mr. President, I am impelled to say a word in view of what appears to be the general assumption of those Senators who have participated in the debate on this amendment, that Germany is acting toward the property of American citizens just as the United States is acting toward the property of German subjects. The disposition of this very important question seems about to be made on that basis.

I am not myself informed as to just what the German Government is doing with property in Germany which is owned by American citizens. I assume that that Government is pursuing, as she always does, a policy of an enlightened or an unenlightened self-interest. I assume that property, subject to the taxes of the German Government, subject to be commandeered as other property may be by that Government for the carrying on of this wanton war of conquest which Germany started, and which she is now conducting, she may protect and preserve; but I was not under the impression that this Government had adopted the same policy toward the property of German citizens, either in Germany or in the United States or upon the high seas, that not only German subjects but the German Government has adopted, not only toward the property in this country but toward the lives of American citizens. I was not aware that the ambassador, for instance, of the United States at Berlin, while he was enjoying there the protection of the German Government, while police were beating their march back and forth in front of the American Embassy, was at the same time behind closed doors in the secret chambers of that embassy collecting money and hiring spies and murderers to burn or dynamite the property of German subjects, and to ruthlessly destroy the lives of all who might be occupying that property; and yet it seems to me that it is not long since it was quite a familiar story, founded upon documentary evidence that is now on file in the State Department and in the secret archives of the Department of Justice, that the German ambassador in this country—and I have walked frequently by the building which sheltered him during the stay which we hospitably offered him here and have seen the protection of the police jealously guarding him and his property and the property of his Government from any injury whatever—and yet those documents show that, while he was the subject of our particular care, he himself was employing individuals to go out with dynamite and with torch to destroy and to burn the property of American citizens and take the lives of American workmen who were employed in our factories.

I am somewhat surprised to hear this question debated now as though we had pursued that policy toward Germany and it was a question of balancing the one treatment against the other. Why, it is not very long, Mr. President, since there were published in important newspapers in New York City advertisements to the effect that American citizens who pursued their rights to take passage upon a merchant vessel would do so at the risk of being drowned, by order of the German Government, without warning and without notice. I do not remember any incident in the conduct of the United States toward Germany of that kind; yet we hear talk of treaties and very punctilious regard for the treaty of 1799 between the United States and Germany. Why, have the Senators who are so particular that we must abide by the very spirit and letter of the treaty of 1799 with Prussia, assured themselves that that was not one of the treaties that Bethmann von Hollweg tore up as a "scrap of paper"? I think the world has been more or less familiar with the tearing up of treaties by Germany. There are treaties with the German Government that protected the rights of neutrals engaged in commerce upon the seas; there are treaties with the German Government that gave this Government certain rights upon the high seas. Is this one of the treaties that were torn up when the German Government undertook to go upon the high seas and to mark out certain areas and to say that the citizens of the United States could not pass that way?

There are certain treaties, Mr. President, that protect the rights of neutral countries. We ourselves were a party to a treaty, which was also signed by the German Emperor—and I think those were the two first signatures upon it—that protected the rights of Belgium. Is this treaty of 1799 more sacred than that one or of more importance?

There is a treaty with the German Government, Mr. President, which binds that Government to abide by those principles of humanity which were attempted to be embodied in The Hague treaty protecting the rights of neutrals, defining the rights of belligerents upon the high seas and on land, and enforcing the rules of civilized warfare. Is that treaty of 1799 among those which were violated when the Germans lined up women and children in Belgium and shot them and mutilated the bodies of the innocent victims of a war of conquest against a peaceful and neutral country?

While we are caring for German prisoners at Hot Springs, at Asheville, and at other pleasant resorts, and in pursuance of old treaties paying them salaries which the men and officers of equal rank in our Army and Navy receive, they are cutting out the tongues and subjecting to starvation and brutality of every imaginable kind the prisoners of this country whom they have captured. And are we to say, in the face of all those things, that because there are certain provisions which are of doubtful application to the question involved in this amendment we are to resolve all those doubts in favor of the German Government and to hesitate in protecting our own interests in the disposition of

this vast property, which Germany, in pursuance of a deliberate plan of universal power, has built up in the United States, as she has in almost every other country in the world?

Mr. KNOX. Mr. President——

Mr. POINDEXTER. I yield to the Senator from Pennsylvania.

Mr. KNOX. May I make an inquiry of the Senator?

Mr. POINDEXTER. Certainly.

Mr. KNOX. Does the Senator understand that any Senator is arguing on the floor that that treaty has any force or that it should cover these properties, or that we can not with propriety pass this proposed legislation? If he has that impression about anything that I have said in calling attention to the treaty, I want to disabuse his mind of it. My whole purpose was to ascertain whether that branch of the Government which deals primarily and almost exclusively with our foreign affairs regarded this treaty of 1799 as in force or not. That was the whole object I had in bringing the treaty to the attention of the Senate.

Mr POINDEXTER. I think I understand the position of the Senator from Pennsylvania, and I am very glad he has made it clear, although the Senator inquired whether this property was to be disposed of under the terms of that treaty or not.

Mr. KNOX. Whether that was the administration's view.

Mr. POINDEXTER. And other Senators—I think among them the Senator from Vermont [Mr. DILLINGHAM]—argued that we should be very careful about the enactment of this proposed legislation until we had carefully studied the terms of the treaty of 1799. I had also in mind——

Mr. DILLINGHAM. Will the Senator allow me to make a statement?

Mr. POINDEXTER. Yes; I yield to the Senator.

Mr. DILLINGHAM. I think if the Senator had been present and heard me that he would admit that the whole purpose of my remarks was to bring to the attention of the Senate the fact that this amendment had received no consideration while it was in the committee; that the existence of the treaty of 1799 was not known, I think, by any member of the committee, and that it was a mistaken practice, which we have grown into to bring in important amendments, which may involve international questions, and ask the Senate to consider them before they first have been considered by the appropriate committee. I expressed the hope that this amendment might be defeated for the purpose of having it sent to the appropriate committee for consideration and report so that the Senate might act with full information.

It has been suggested by the Senator from Pennsylvania [Mr. KNOX] that we do not know what the policy of our Government is on this question. If the question had been submitted to the Committee on Foreign Relations and inquiry had been made, we would have learned precisely what policy our Government has adopted in respect to the treaty in question and whether it is believed because the treaty has been violated in other respects, it should be treated as of no consequence in respect of this particular question.

That is the only object that I had in bringing this matter up. I did not like the way it was brought into the committee nor the way it was reported to the Senate, and I wanted to bring the matter to the attention of the Senate. That was the whole object I had in taking the course I did.

Mr. POINDEXTER. Mr. President, I understand that was the Senator's attitude, and yet the matter is now being discussed upon the basis of the treaty of 1799, undoubtedly without the consideration that the Senator very justly says it should have had in the committee.

Mr. DILLINGHAM. As in the case of the Senator from Pennsylvania, I thought the Senator's remarks were perhaps leaving a false impression.

Mr. POINDEXTER. I am glad the Senator has corrected that, if it has existed. The treaty of 1799 has been the subject of a good deal of public discussion; it was before the Federal court at Norfolk in the case of the disposition of the *Appam*, a British vessel that was captured by the Germans and brought into that port by a prize crew. At that time we became more or less familiar with the application of the treaty from the daily reports of the progress of that case. But to say, Mr. President, that in the determination of the policy of the United States with regard to this astonishing interest of Germany in the industrial and mercantile affairs of this country we are bound by the verbiage of obsolete treaties with Prussia, while she is casting all treaties, all humanity, all the teachings of civilization, to the wind, seems to me to put us in more or less of an absurd situation.

I agree entirely with what has been said by the Senator from Virginia [Mr. MARTIN] that the policy which should be pursued in this case in regard to this property is that policy which our judgment dictates. I believe that it should be a beneficent policy, but it should be a just policy. If Germany has cast behind her the teachings of a thousand years of civilization, if she has set up the doctrine of brute force against the teachings of humanity, which the experience of mankind has shown to be for their best interests, if she has leagued herself with anarchists and bolsheviki and their counterparts in the United States in the doctrine that might is the only supreme law, it does not follow that the United States must imitate her example; but I maintain that at least we are free to decide, and ought to decide, upon the merits of the case according to our own judgment as to the disposition to be made of this property, regardless of the wishes or the desires of Germany or the terms of past treaties which have been disregarded by that Government.

Mr. SHERMAN. Mr. President, while we deliberate the German Government destroys; while we are scrupulously weighing the rights of the respective citizens or subjects of the German Government under treaties that are suspended, as a matter of fact, by the clash of arms, the German Government is levying tribute upon the inhabitants of conquered territory, upon the mayors and the legislative authorities in the various municipalities, is taking their property without scruple, without question of treaty rights, of international law, or of the municipal law of the country concerned. They are interested solely in what they have the power to do at the point of the sword.

Among the German authorities to-day there is not being debated the question of the rights of American citizens under a treaty; if they are debating anything at all they are debating what they can take and what they can hold.

It is a striking commentary on the difference between the two Governments and the two forms of rulers that we in the Senate are to-day discussing the rights of German aliens nonresident here, while Germany herself is engaged, not in discussing the rights of the conquered territory of Russia or of Belgium or of any of the Balkan States, but merely in discussing the best way of taking what she can by force and holding it. It seems to me, instead of scrupulously weighing the rights of nonresident aliens—and belligerents at that—under treaties of 100 years ago, I would prefer for myself to decide my vote this afternoon or hereafter on the question as to how that Government is conducting itself in the treatment of the personal and property rights not of our own people alone but, what is of infinitely more concern, the peoples that are in her grasp. If she were holding persons and property and territory within the limits of the United States Germany would not be debating this afternoon about our rights, but she would be taking the property, putting it into condition to carry it as an engine of war against us in conducting successfully to a conclusion the combat in which she is engaged with us.

Now, Mr. President, so much of the treaties as may be in force can be considered when we and our allies sit at some future time in the settlement of that question. I do not believe in suspending treaties merely because the country is at war, but I believe in taking out of the hands of the enemy within our territory every possible instrumentality that can be used against us.

There is a very significant feature of Mr. Palmer's testimony before the committee. I heard him give it, and it loses nothing of its strength by being read in cold type. Speaking of the Hamburg-American Line and of the North German Lloyd Line, he speaks of the efforts that they had been making in the transfer of ships, right at the time war was declared, which were lying in a neutral port without the continental United States. Arrangements were practically concluded for the purchase of those ships between the two Governments at a price of $1,900,000. Then they superadded conditions to that which were rejected by the representatives of this Government, under which they would have $2,500,000 lying in the United States Treasury as a fund with which to begin business, with their terminal facilities at Hoboken of these two companies, to compete with us commercially at the end of the war, fully equipped for trade. They are looking out for that at this time.

Their representatives in this country frankly said—

Says Mr. Palmer—

that their idea was that when the war was over they should have a capital fund of $2,500,000, their terminal facilities at Hoboken, and their home office in New York to immediately start to do business; and it looked like too big a price to pay for those two ships.

And so the terms were rejected.

Apart from that, I am not responsible for the shipping-bill act which was passed. I voted against it, but it is the law of this country. We are now using its facilities for the creation of a vast merchant and transport fleet, and a very large sum of money will be expended for that purpose. When the war ends,

or before, we will have constructed a great merchant shipping. These terminal facilities owned by the North German Lloyd and the Hamburg-American Line are facilities, piers, and wharves that ought to be owned by the United States. When the war is over the shipping facilities, our merchant ships, and all the transport service, and everything that goes with the operations of the Shipping Board, will be the property of the United States in fact. Now, what is the use of having naked vessels afloat on the ocean and no terminal facilities, even when the war is over? Say nothing of it when the war is in progress; we can justify it as a war measure now; but when the war is ended we will have a vast fleet in the transport and merchant service of the country, with no adequate terminal facilities at the principal harbor or port in the United States.

Mere considerations of business prudence, apart from war purposes, if we looked at the matter no further than that, would induce us to take the title to this property and hold it as a necessary incident of the program of the Shipping Board. It is true that we will pay something for it. Let that be so; but when we pay for it, it is the property of the United States. After the war ends, in five years, unless Congress should amend the shipping act, we will dispose of all this great merchant fleet. When we dispose of the merchant ships, if we have the terminal facilities we can the better not only dispose of the ships but of the terminal facilities as an entirety. It is like a railroad. Terminal facilities for a railroad are almost as important as the carriers themselves. If we have these facilities taken over as contemplated by this amendment, we can sell them in time of peace for more, in all probability, than they will cost us even at war prices. It is the part of good business prudence to do so.

There is another reason Mr. Palmer gave which I think is a sound business reason. Why should we keep these properties in time of war and operate them, all the way from brewing beer in Chicago to making lead pencils in New Jersey, with all the consequent profit that grows out of war operations, and then, at the end of the war, turn back the plant, the principal, to the German citizens with a profit attached? I do not believe in that. I believe in taking the title to this property, and if there is anything earned during the war let it go into the Public Treasury, and let the principal that is represented at the time we take the property remain in the Treasury and be turned over to the German citizens at the conclusion of the war.

Mr. THOMAS. Mr. President, the Senate should feel under obligations to the Senator from Vermont [Mr. DILLINGHAM] and the Senator from Pennsylvania [Mr. KNOX] for directing our attention to the provisions of the treaty of 1799 with Prussia in connection with this very important measure. The fact that the treaty was not considered at all by the committee reporting the bill is the best possible reason for our considering it before we take a final vote upon the bill.

The United States has justly prided itself upon the strictness with which it has observed its treaty obligations. With one most unfortunate and deplorable exception, our treaties have been justly regarded, as the Constitution itself provides, as part of the supreme law of the land. Whatever other nations with which we have treaty obligations may have done, we have been and should be guided in these matters by what our covenants provide; and if it be true that this treaty may restrain us from interfering with the property of Prussian nationals in this country to the extent provided by this amendment we should give it very grave consideration before final action is taken.

Article 23 of the treaty of 1799 has been read to the Senate in connection with the last sentence of the succeeding article, which recites in substance that it and the preceding article were made for the express purpose of defining our conduct during war, and therefore could not be abrogated upon the pretext that war nullifies all treaties.

So far as I am concerned, and forgetting for a moment the brutalities of our enemy, if I were of opinion that the treaty obligation outlined in article 23 bound us to such a strict observance of its requirements as to necessitate the rejection of the proposed amendment, I should, notwithstanding my convictions of the right and necessity of the law, hesitate before I would vote for it.

Mr. President, the treaty of 1799 is composed of a considerable number of articles, and was evidently designed to cover all subjects that might become important in the relations of the two countries with each other. They must be 30 or 35 in number. The first question which addressed itself to my mind—and I want to discuss the subject, as far as I can, from a purely legal standpoint—is the extent to which article 23 goes. Does it prevent our interfering with or taking possession of the property of German nationals in this country? And, of course, that question should be first considered independently of Germany's conduct regarding other articles of the treaty, to which I will come later.

The most remarkable circumstance relating to this question has been furnished by Germany herself. I called the attention of the Senator from Alabama [Mr. UNDERWOOD] to it before he yielded the floor. I refer to the proposed addition or amendment to that article of the treaty which the German Government sought to impose upon our ambassador after our diplomatic relations were severed as a condition to his receiving his passports and safe conduct from Berlin to the United States. It is evident that the German Government never would have sought to exact this remarkable addition to that article, so far as it affects this question, unless it were of the opinion that its provisions were insufficient to safeguard all property of German subjects in the United States during the war.

Mr. Gerard says that one of the ministers of the foreign office, Count Montgelas, presented to him and demanded his signature to a document entitled "Agreement between Germany and the United States of America concerning the treatment of each other's citizens and their private property after the severance of diplomatic relations." I shall not read it all. It consists of nine specific articles. Articles 1 and 4 are important, however, and I will read them:

ARTICLE 1. After the severance of diplomatic relations between Germany and the United States of America and in the event of the outbreak of war between the two powers the citizens of either party and their private property in the territory of the other party shall be treated according to article 23—

And I digress here to say that that is the only article of the existing treaties between the two countries referred to in this proposed supplement—

according to article 23 of the treaty of amity and commerce between Prussia and the United States of July 11, 1799, with the following explanatory and supplementary clauses.

Mr. President, I ask leave to insert in the RECORD, without reading, the entire proposed agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Agreement between Germany and the United States of America concerning the treatment of each other's citizens and their private property after the severance of diplomatic relations.

ARTICLE 1. After the severance of diplomatic relations between Germany and the United States of America, and in the event of the outbreak of war between the two powers, the citizens of either party and their private property in the territory of the other party shall be treated according to article 23 of the treaty of amity and commerce between Prussia and the United States of July 11, 1799, with the following explanatory and supplementary clauses:

ART. 2. German merchants in the United States and American merchants in Germany shall, so far as the treatment of their persons and their property is concerned, be held in every respect on a par with the other persons mentioned in article 23. Accordingly they shall, even after the period provided for in article 23 has elapsed, be entitled to remain and continue their profession in the country of their residence.

Merchants, as well as the other persons mentioned in article 23, may be excluded from fortified places or other places of military importance.

ART. 3. Germans in the United States and Americans in Germany shall be free to leave the country of their residence within the times and by the routes that shall be assigned to them by the proper authorities.

The persons departing shall be entitled to take along their personal property, including money, valuables, and bank accounts, excepting such property the exportation of which is prohibited according to general provisions.

ART. 4. The protection of Germans in the United States and of Americans in Germany, and of their property, shall be guaranteed in accordance with the laws existing in the countries of either party. They shall be under no other restrictions concerning the enjoyment of their private rights and the judicial enforcement of their rights than neutral residents; they may accordingly not be transferred to concentration camps, nor shall their private property be subject to sequestration or liquidation or other compulsory alienation, except in cases that under the existing laws apply also to neutrals.

As a general rule, German property in the United States and American property in Germany shall not be subject to sequestration or liquidation or other compulsory alienation under other conditions than neutral property.

ART. 5. Patent rights or other protected rights held by Germans in the United States or Americans in Germany shall not be declared void, nor shall the exercise of such rights be impeded nor shall such rights be transferred to others without the consent of the person entitled thereto; provided that regulations made exclusively in the interest of the State shall apply.

ART. 6. Contracts made between Germans and Americans before or after the severance of diplomatic relations, also obligations of all kinds between Germans and Americans, shall not be declared canceled, void, or in suspension, except under provisions applicable to neutrals.

Likewise the citizens of either party shall not be impeded in fulfilling their liabilities arising from such obligations either by injunctions or by other provisions unless these apply also to neutrals.

ART. 7. The provisions of the Sixth Hague Convention relative to the treatment of enemy merchant ships at outbreak of hostilities shall apply to the merchant vessels of either party and their cargo.

The aforesaid ships may not be forced to leave port unless at the same time they be given a pass recognized as binding by all the enemy sea powers to a home port or a port of an allied country or to another port of the country in which the ship happens to be.

ART. 8. The regulations of chapter 3 of the Eleventh Hague Convention relative to certain restrictions in the exercise of the right of capture in maritime war shall apply to the captains, officers, and members

of the crews of merchant ships specified in article 7 and of such merchant ships that may be captured in the course of a possible war.

ART. 9. This agreement shall apply also to the colonies and other foreign possessions of either party.

Berlin, February —, 1917.

Mr. THOMAS. Article 4 of that document reads as follows:

The protection of Germans in the United States and of Americans in Germany and of their property shall be guaranteed in accordance with the laws existing in the countries of either party.

Not by this treaty, but by the laws of the United States with regard to German subjects and their property, and the laws of Germany with regard to American citizens and their property.

They shall be under no other restrictions concerning the enjoyment of their private rights and the judicial enforcement of their rights than neutral residents; they may accordingly not be transferred to concentration camps nor shall their private property be subject to sequestration or liquidation or other compulsory alienation except in cases that under the existing laws apply also to neutrals.

As a general rule German property in the United States and American property in Germany shall not be subject to sequestration or liquidation or other compulsory alienation under other conditions than neutral property.

Mr. President, the German foreign office is generally represented by the keenest intellects in the Empire. They are thoroughly familiar with their treaty obligations, notwithstanding that it has become their custom to disregard or violate them.

Mr. SMITH of Michigan. Mr. President, is this an interpretation placed upon this treaty by the foreign office?

Mr. THOMAS. I so consider it. Of course, my opinion may be incorrect, but I am unable to understand why the German Government took advantage of the necessity then confronting our ambassador of securing passports and safe conduct by trying to compel him to sign this document as a condition to his receipt of his passports, if the German foreign office considered the existing treaty obligations with this country as being sufficient to protect and safeguard the property of German subjects in the United States in the event of war.

Mr. SMITH of Michigan. To say the least, if our ambassador had signed such a document, it would not have risen to the dignity of a treaty.

Mr. THOMAS. Oh, of course not. The ambassador's signature to these articles would have been of no binding force upon the United States. But Germany wanted it; and the fact that she wanted it at that time and by these means seems the best possible evidence of her construction of the treaty as being insufficient to accomplish the objects for which article 23 was designed. She felt, in all probability, that, given this agreement, she could utilize it during the war, and in the event she was victorious she could enforce its provisions after the war, and demand reparation from us had we failed to recognize it.

But, Mr. President, there is another view of the situation with regard to article 23. It is very specific. It distinguishes merchants and their property from other individuals in other classes of occupation. Merchants are given nine months in which to arrange their affairs, dispose of their effects, and leave the country. All others are permitted to continue their usual employment, and shall not be interfered with. Of course, merchants failing to take advantage of the nine-months' provision can no longer claim exemption. On the other hand, in 1799, as the Senator from Pennsylvania suggested, there existed no great combinations of capital engaged in the production of manufactures upon a colossal scale. Perhaps they were not dreamed of, and there is nothing in the phraseology of this article which is broad enough to require us, either legally or morally, to include corporations—these huge manufacturing combinations, these artificial persons—within the purview of this article; that perhaps was one of the reasons which moved the German foreign office to demand the expansion of this clause. If I am correctly informed, all of the property which has been seized by the Alien Property Custodian is the property of corporations. I ask the Senator from Alabama if that is not correct?

Mr. UNDERWOOD. Yes; I think that is correct. I can not speak with absolute authority, but my understanding is that practically all the property that has been seized is corporate property.

Mr. THOMAS. Certainly it must be true that no alien in the peaceable pursuit of his employment, and owning property, has been interfered with.

Mr. UNDERWOOD. I think that is absolutely the fact.

Mr. THOMAS. That being the case, although I quite agree with the Senator from Alabama that if there has been a violation of this treaty it has already occurred in the enactment of the alien-property law, then the literal provisions of the article have been adhered to; the property of merchants is now subject to sequestration and confiscation, the nine months having expired; the property of others mentioned in the article has not been interfered with, but we have seized that class of property belonging to artificial creations coming into existence subsequent to this treaty, and which, of course, could not then have been contemplated.

Furthermore, Mr. President, these huge organizations have been, and unless they had been interfered with might have continued, in the exercise of their occupations in the production of vast quantities of manufactured goods, to be used inimically to the interests and welfare of this country, either directly or through the vast profits which are made in their manufacture, thus placing a large fund in the hands of alien enemies in this country having an artificial corporate existence. Now, the law of self-preservation, Mr. President, is the first law of nations, as of individuals; and under such circumstances, in the absence of some specific treaty prohibition, coupled with the absence of a violation of the treaty by the German Empire upon its part, that principle of self-preservation requires us to take this property and to hold it, lest it be otherwise used to the detriment of the Republic.

So that my own view is—though I have not been able to give the question that earnest and serious consideration that it deserves in the brief time that has elapsed since it has been brought before the Senate—in consideration of these circumstances, the Congress rightly passed the alien-property law; and this is merely the logical sequence of that statute, since otherwise these huge accumulations and the conduct of these businesses would only tend in the long run to embarrass, if it did not seriously interfere with, the progress of the war.

But, Mr. President, there are other provisions in this treaty relating to the use of ports and harbors which Germany and her subjects have disregarded, thus justifying our abrogation of the whole. We know that all German vessels of any consequence interned in our harbors by the war have been converted into arsenals, into the meeting places of conspirators against the citizens and the Government of the United States. We know that destructive machines of various kinds were made in these ships while sheltered under the provision of the treaty which forbids search and seizure except under circumstances specified therein. We know, Mr. President, that many a neutral ship has been sent to the bottom of the sea since this war began by bombs manufactured in the holds of German vessels enjoying the protection of neutrality in the harbors of New York and the other ports of this country, and we also know that from them have issued, from time to time, in distinct violation of other provisions of this treaty, weapons and sustenance to conspirators charged with the obligation and armed to destroy American factories, make war upon friendly neighboring neutral countries, and in other ways promoting the cause of Germany in this world-wide war under the shield of our neutrality. Knowing this, in addition to the deficiencies of this particular article, we have the right to conclude, because the facts justify it, that Germany herself, before we entered this war, violated other provisions of this treaty, and therefore released us from all legal or moral obligation to regard it at all.

So, Mr. President, I think we can with perfect impunity, and especially in view of the opinion of the State Department that this treaty obligation will not be in anywise infringed by the enactment of the proposed measure, write it upon the statute books of the country, so that this vast enemy property may be made to contribute instead of antagonize our prosecution of this war.

Mr. STONE. Mr. President, I have waited until the conclusion of the debate upon this amendment to say what I am now about to say, and to say which will require only a few moments.

On Saturday the deficiency bill, now pending, was brought before the Senate at about this hour—that is to say, about 5 o'clock in the afternoon. Just about that time a distinguished Senator of long service and high character said to me that he was of the opinion that the amendment now under discussion was probably violative of our international or treaty obligations. Shortly thereafter the Senator from Virginia presented this amendment. When it was offered from the floor I had had no time to examine it; and so, in view of what I have stated, I asked the Senator from Virginia, in charge of the bill, to let it go over until the next legislative day, which is to-day. I asked that because of what had been said to me; I desired to examine the amendment and to examine for my own satisfaction the question or questions involved which had been suggested to me. That was my reason for requesting that the amendment should lie over for the day.

Mr. President, for myself, I felt that if it were true, or if in my opinion I found it to be true, that the proposed amendment was violative of our obligations under any treaty we had made, we ought not to follow a bad example of regarding treaties made by the United States as "scraps of paper." I felt, as the Senator from Colorado [Mr. THOMAS] has expressed his feel-

ing, that one of the proud things in our national life is that the United States stands by its plighted faith. I want that record maintained now even more than ever, no matter whether to our advantage or not. Never has there been a time when our Government should be more scrupulous in this regard. Therefore I wanted to look into the matter before acting. In the interval I have looked into it as far as I could.

I have reviewed the treaties between the United States and Prussia of 1799 and 1828—the treaties that seem to be relevant to the consideration of this particular question. Moreover, I have reviewed several of the standard works on international law bearing upon the question as to the effects of war upon treaties when the contracting powers subsequently become engaged in war with each other. I need hardly say that I noted the provisions of these treaties which refer to conditions growing out of a possible war between the contracting powers. I went over the whole case as well as I could in the brief time at my command.

Mr. President, I have no thought of entering into this discussion; I suppose the discussion is at an end. Anyhow, I do not wish to prolong it. I desired merely to say that as the result of my investigation of the subject I concluded that this legislation was proper, that it was permissible—that, considering all the circumstances, this law could be enacted without violating our national good faith.

Mr. KELLOGG. I did not understand what the Senator's conclusion was. I did not hear what he said after he spoke of having read the treaties.

Mr. STONE. I stated that after reading the treaties and after examining authorities outside the treaties, my conclusion was that the legislation proposed can be enacted without a violation of our obligations to Prussia under the treaties. Possibly the question may be said to be a debatable one, but even if the scales were fairly balanced it is better for us in a time of desperate war to decide for our own country.

Mr. FRELINGHUYSEN. Mr. President, I offer an amendment to the amendment and ask that it be read.

The PRESIDING OFFICER. The Secretary will read the amendment to the amendment.

The SECRETARY. Add at the end of the amendment the following additional proviso:

And provided further, That any property, other than that sold to the United States, sold under this act shall be sold at public auction to citizens of the United States only and to the highest bidder.

Mr. MARTIN. Mr. President, I am not going to debate the amendment to the amendment. I am simply going to say that I hope sincerely the administration of this law will not be embarrassed by requiring an auction sale, but we will leave that to Mr. Palmer.

Mr. FRELINGHUYSEN. Mr. President, I simply want to say that the Alien Property Custodian if compelled to sell this property should offer it at public sale in order to protect minority stockholders so that they might have the opportunity to bid for the property.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

Mr. GALLINGER. Mr. President, if in order, and I think it is, I ask that the amendment to the amendment be again read.

The Secretary again read Mr. FRELINGHUYSEN's amendment to the amendment.

Mr. MARTIN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS] and withhold my vote.

Mr. KENDRICK (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr. FALL]. I transfer that pair to the junior Senator from New Mexico [Mr. JONES] and vote "nay."

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN]. I transfer that pair to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "yea."

Mr. WEEKS (when Mr. LODGE's name was called). I wish to announce that my colleague [Mr. LODGE] is absent, attending to important business.

Mr. OVERMAN (when Mr. SIMMONS's name was called). My colleague [Mr. SIMMONS] is absent on business of importance. He is paired with the junior Senator from Minnesota [Mr. KELLOGG].

Mr. SMITH of Georgia (when his name was called). I am paired with the Senator from Massachusetts [Mr. LODGE] and withhold my vote.

Mr. UNDERWOOD (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. HARDING]. I transfer my pair to the junior Senator from Illinois [Mr. LEWIS] and vote "nay."

Mr. WEEKS (when his name was called). I transfer my general pair with the senior Senator from Kentucky [Mr. JAMES] to the senior Senator from Rhode Island [Mr. COLT] and vote "yea."

Mr. WOLCOTT (when his name was called). I inquire if the Senator from Indiana [Mr. WATSON] has voted?

The PRESIDENT pro tempore. He has not.

Mr. WOLCOTT. I withhold my vote, being paired with that Senator.

The roll call was concluded.

Mr. BANKHEAD. I have a pair with the senior Senator from Minnesota [Mr. NELSON]. I transfer that pair to the Senator from Arizona [Mr. ASHURST] and vote "nay."

Mr. JOHNSON of South Dakota. I am paired with the Senator from Maine [Mr. FERNALD]. Not knowing how he would vote, I withhold my vote.

Mr. DILLINGHAM. I transfer my general pair with the senior Senator from Maryland [Mr. SMITH], who is necessarily absent, to my colleague [Mr. PAGE], who is also necessarily absent, and I vote "yea."

Mr. FRELINGHUYSEN (after having voted in the affirmative). I should like to inquire if the junior Senator from Montana [Mr. WALSH] has voted?

The PRESIDENT pro tempore. He has not.

Mr. FRELINGHUYSEN. In that case I transfer my general pair to the junior Senator from Maryland [Mr. FRANCE] and allow my vote to stand.

Mr. WOLCOTT. I transfer my general pair with the Senator from Indiana [Mr. WATSON] to the senior Senator from California [Mr. PHELAN] and vote "nay."

Mr. JOHNSON of South Dakota. I transfer my pair with the Senator from Maine [Mr. FERNALD] to the Senator from Nevada [Mr. HENDERSON] and vote "nay."

Mr. GERRY. I desire to announce that the senior Senator from Kentucky [Mr. JAMES] and the senior Senator from Oregon [Mr. CHAMBERLAIN] are detained by illness. I also wish to announce that the junior Senator from Kentucky [Mr. BECKHAM] and the senior Senator from California [Mr. PHELAN] are detained on official business.

The result was announced—yeas 32, nays 28, as follows:

YEAS—32.

Baird	Gronna	McNary	Smoot
Borah	Hale	New	Sterling
Calder	Hardwick	Norris	Sutherland
Curtis	Hitchcock	Penrose	Thomas
Dillingham	Jones, Wash.	Poindexter	Townsend
Frelinghuysen	Kirby	Reed	Vardaman
Gallinger	Knox	Shafroth	Wadsworth
Gore	McCumber	Smith, Mich.	Weeks

NAYS—28.

Bankhead	King	Ransdell	Stone
Beckham	McKellar	Robinson	Swanson
Fletcher	Martin	Saulsbury	Thompson
Gerry	Nugent	Sheppard	Underwood
Hollis	Overman	Sherman	Warren
Johnson, S. Dak.	Pittman	Smith, Ariz.	Williams
Kendrick	Pomerene	Smith, S. C.	Wolcott

NOT VOTING—35.

Ashurst	France	La Follette	Shields
Brandegee	Goff	Lewis	Simmons
Broussard	Harding	Lodge	Smith, Ga.
Chamberlain	Henderson	McLean	Smith, Md.
Colt	James	Myers	Tillman
Culberson	Johnson, Cal.	Nelson	Trammell
Cummins	Jones, N. Mex.	Owen	Walsh
Fall	Kellogg	Page	Watson
Fernald	Kenyon	Phelan	

So Mr. FRELINGHUYSEN's amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. MARTIN], chairman of the committee, on behalf of the committee, as amended.

Mr. MARTIN. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. KNOX (when his name was called). Repeating the announcement I made on the former vote, I vote "yea."

Mr. UNDERWOOD (when his name was called). I have a general pair with the Senator from Ohio [Mr. HARDING], which I transfer to the senior Senator from Illinois [Mr. LEWIS], and vote "yea."

Mr. WEEKS (when his name was called). Making the same announcement of my pair and its transfer as before, I vote

"yea." I should like to state that my colleague [Mr. LODGE], if present, would vote "yea."

The roll call was concluded.

Mr. GERRY. I desire to announce that the senior Senator from Kentucky [Mr. JAMES] and the senior Senator from Oregon [Mr. CHAMBERLAIN] are detained by illness. I also wish to announce that the junior Senator from Kentucky [Mr. BECKHAM] and the senior Senator from California [Mr. PHELAN] are detained on official business.

Mr. DILLINGHAM. I have a general pair with the senior Senator from Maryland [Mr. SMITH], who is absent. For that reason I withhold my vote.

Mr. KELLOGG (after having voted in the affirmative). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS], but I am informed that he would vote the same way that I did, and I will allow my vote to stand.

Mr. FRELINGHUYSEN. I transfer my general pair with the Senator from Montana [Mr. WALSH] to the Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. SMITH of Georgia. I have a general pair with the senior Senator from Massachusetts [Mr. LODGE], but as the junior Senator from Massachusetts [Mr. WEEKS] announced that his colleague would vote as I would vote, I am at liberty to vote. I vote "yea."

Mr. BANKHEAD. I announce my general pair with the senior Senator from Minnesota [Mr. NELSON] and will state that if he were present he would vote "yea." I vote "yea."

The result was announced—yeas 64, nays 0, as follows:

YEAS—64.

Baird	Hollis	Overman	Smith, Mich.
Bankhead	Johnson, S. Dak.	Owen	Smith, S. C.
Beckham	Jones, Wash.	Penrose	Smoot
Borah	Kellogg	Pittman	Stone
Calder	Kendrick	Poindexter	Sutherland
Curtis	Kenyon	Pomerene	Swanson
Fletcher	King	Ransdell	Thomas
France	Kirby	Reed	Thompson
Frelinghuysen	Knox	Robinson	Townsend
Gallinger	McCumber	Saulsbury	Underwood
Gerry	McKellar	Shafroth	Vardaman
Gore	McNary	Sheppard	Wadsworth
Gronna	Martin	Sherman	Warren
Hale	New	Shields	Watson
Hardwick	Norris	Smith, Ariz.	Weeks
Hitchcock	Nugent	Smith, Ga.	Williams

NOT VOTING—31.

Ashurst	Fall	La Follette	Simmons
Brandegee	Fernald	Lewis	Smith, Md.
Broussard	Goff	Lodge	Sterling
Chamberlain	Harding	McLean	Tillman
Colt	Henderson	Myers	Trammell
Culberson	James	Nelson	Walsh
Cummins	Johnson, Cal.	Page	Wolcott
Dillingham	Jones, N. Mex.	Phelan	

So Mr. MARTIN's amendment was agreed to.

Mr. GRONNA. Mr. President, I desire to inquire of the chairman of the committee if it is his intention to finish the bill to-night?

Mr. MARTIN. I think it is impossible to finish the bill to-night, and I intend to ask the Senate to take a recess until 12 o'clock to-morrow.

Mr. GRONNA. I desire to call attention to the item which I observe has been stricken from the bill on page 78. It is an appropriation of $250,000 for the Indian schools.

Mr. MARTIN. That was stricken out because a similar appropriation is in the Indian appropriation bill.

Mr. GRONNA. Yes; that is true. Mr. President, but I want to call attention to the fact that in the Indian country many of these schools are about to close, and it may be three weeks or a month perhaps before the Indian appropriation bill is passed. I sincerely hope that the committee will reinsert this provision. It would be a tremendous loss to those schools to have them closed, and I am quite sure the Senate is unwilling to do that. I do not apprehend that there will be any objection to the appropriation. It was estimated for by the Indian Bureau.

Mr. MARTIN. The Indian appropriation bill is on the calendar, and I hesitate to carry the same item on two bills pending in the Senate.

Mr. GRONNA. I want to assure the Senator that it is not my desire to have it provided for in more than one bill; but I am quite sure it will take some time before we pass the Indian appropriation bill, and I see no reason why we can not just as well include the item in this bill as in the Indian appropriation bill.

Mr. MARTIN. The Senator can bring it up to-morrow; but I must confess my objection to carrying an Indian appropriation bill item in this bill when the other bill is on the calendar. The Senator can, however, bring the question up to-morrow.

Mr. GRONNA. If the Senator objects to it, of course I will probably have to be content.

EXECUTIVE SESSION.

Mr. MARTIN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS.

Mr. MARTIN. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m., Monday, March 11, 1918) the Senate took a recess until to-morrow, Tuesday, March 12, 1918, at 12 o'clock meridian.

CONFIRMATION.

Executive nomination confirmed by the Senate March 11 (legislative day of March 8), 1918.

UNITED STATES DISTRICT ATTORNEY.

Wilson S. Hill, of Clarksdale, to be United States attorney, northern district of Mississippi.

HOUSE OF REPRESENTATIVES.

MONDAY, *March 11, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Almighty God our Heavenly Father, whose ways are past finding out, we approach Thee in perfect faith and confidence, believing that Thou art supreme.

That in spite of all the terrible tragedies enacted about us and the awful disasters which overtake us, Thou dost rule and overrule for the eternal good of Thy children.

We pray for light to guide us in our undertakings, for strength to sustain us in right doing; that we may work together with Thee for the upbuilding of Thy Kingdom; that Thy will may be done in all hearts, in the Spirit of the Lord Jesus Christ. Amen.

The Journals of the proceedings of Saturday March 9, 1918, and Sunday, March 10, 1918, were read and approved.

GIFT TO EX-REPRESENTATIVE FITZGERALD.

Mr. TREADWAY. Mr. Speaker, in behalf of the gentlemen who acted as a committee in arranging for the gift to our former colleague, the Hon. John J. Fitzgerald, I ask to present a report, addressed to you, and to have it read by the Clerk, as well as Mr. Fitzgerald's response.

The SPEAKER. While this is not strictly a House matter, it pertains so closely to it that the Chair feels justified in having it read.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
Washington, D. C., March 8, 1918.

The Hon. CHAMP CLARK,
Speaker of the House, Washington, D. C.

DEAR MR. SPEAKER: The committee having in charge the collection of funds for presentation of a suitable gift to Hon. John J. Fitzgerald upon his retirement from the House of Representatives beg leave to report as follows:

The total amount collected from Members of the House was $1,023. Mr. Fitzgerald was asked to make such selection of present as he, in consultation with Mrs. Fitzgerald, might desire. He has notified the committee of a purchase of a complete set of sterling-silver tableware in a suitable chest, 25 per cent more in quantity than actual cash paid therefor.

This bill has been paid by the committee, together with the bill for Christmas gift to Hon. JAMES R. MANN, who, at the time of the collection, was ill in a hospital in Baltimore.

There is a balance on hand of $4.09, which the committee has asked Mr. Fitzgerald to contribute to some war-charity fund. Mr. Fitzgerald's letter of acknowledgment accompanies this report.

Yours, very truly,

JAS. MCANDREWS.
JOHN J. EAGAN.
ALLEN T. TREADWAY.

NEW YORK, *March 7, 1918.*

Hon. ALLEN T. TREADWAY,
House of Representatives, Washington, D. C.

DEAR ALLEN: As I recently informed you, Mrs. Fitzgerald suggested that the memento from the House be some flat silver, her notion being that it would be something the use of which would constantly recall the great kindness of the Members, and could more readily be apportioned between our little girls after we are gone.

The chest of silver of more than 250 pieces has been delivered. It is a beautiful gift, and appreciated more than I can adequately express.

The brief period that has elapsed since my retirement has given me an opportunity to realize much more keenly the wonderful, wholehearted, and sincere friendship of my colleagues. It is a memory

which is cherished most highly, and is the most precious heritage I shall leave my children.

May I again most heartily thank the House and acknowledge my great indebtedness to my former colleagues for their consideration.

As ever, very sincerely, yours,

JOHN J. FITZGERALD.

[Applause.]

LATE REPRESENTATIVE MAJ. AUGUSTUS P. GARDNER.

Mr. LUFKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a copy of the resolutions adopted by the Massachusetts delegation in Congress on the occasion of the death of their former colleague, Maj. Augustus P. Gardner.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD by printing the resolutions of the Massachusetts delegation touching the death of Maj. Augustus P. Gardner. Is there objection?

There was no objection.

Mr. LUFKIN. Mr. Speaker, in accordance with the permission given me by the House, I am presenting below a copy of the resolutions adopted by the members of the Massachusetts delegation in the House of Representatives on the death of their former colleague, Maj. Augustus P. Gardner. These resolutions were signed by every member of the delegation, regardless of party.

MEMORIAL.

We, the members of the Massachusetts delegation to the United States House of Representatives, subscribe to this memorial to the late Maj. Augustus Peabody Gardner, in manifestation of our deep affection for him and our high appreciation of his life service to his country. In his death we suffer the great personal loss of men who have known, from intimate association with him, his personal graciousness, charm, and unswerving loyalty.

We shall not, in this memorial, indeed we need not, make allusion to Maj. Gardner's high character, his great and varied abilities, his unrelenting industry, his stalwart and forceful personality. These are known to all men. We desire rather to refer to one phase of his career—the phase which history will emphasize as his greatest contribution to his country.

Maj. Gardner was in the truest and largest sense the proponent in the United States of the movement for its adequate military and naval defense. Before the echoes of the battle of the Marne had ceased Maj. Gardner had embarked upon his campaign. To it, for more than three years, he devoted himself, body and mind, with an energy and absorption which have seldom been equaled. It was a task requiring genuine courage and perseverance to arouse a peace-loving Nation to realization of the dangers of aggression from over seas. He met opposition, censure, and even insult. Undismayed and undeterred, however, he pressed unswervingly onward. The Nation has at length recognized the dangers which he foretold and the need of the remedies for which he appealed. To-day we are able to appraise, although, perhaps, still imperfectly, the supreme importance of the mission which he made his.

When war came to the Nation he at once resigned his seat in the House of Representatives. The insistent advocate in time of peace of national defense became in time of war one of the Nation's active defenders. His resignation in order to enter the Army was characteristic of the man, and indeed to those who knew him, inevitable. He deemed it his duty to fight. However great the sacrifice, he instantly made the decision and gave up the high place in Congress which 15 years of earnest labor had won for him.

Perhaps in a measure his life work—the awakening of the Nation—is accomplished. We hope that he died with that thought to comfort him. We hope that to his family there may be solace in the knowledge. But we wish that his great desire might have been fulfilled—the desire for which he sought and obtained not promotion but demotion in rank—the desire to go "over the top" in command of his men and in defense of his country.

He was a true friend, a true man, a true patriot. We shall miss him every day.

FREDERICK H. GILLETT.
WILLIAM S. GREENE.
SAMUEL E. WINSLOW.
JOHN JACOB ROGERS.
ALLEN T. TREADWAY.
MICHAEL F. PHELAN.
RICHARD OLNEY.
WILLIAM H. CARTER.
GEORGE HOLDEN TINKHAM.
JOSEPH WALSH.
CALVIN D. PAIGE.
FREDERICK W. DALLINGER.
PETER F. TAGUE.
ALVAN T. FULLER.
JAMES A. GALLIVAN.
WILLFRED W. LUFKIN.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendments the bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 3471) to authorize the Secretary of War to grant furloughs without pay and allowance to enlisted men of the Army of the United States.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the joint resolution (S. J. Res. 117) amending the act of July 2, 1909, governing the holding of civil-service examinations, had requested a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. MCKELLAR, Mr. HOLLIS, and Mr. SMOOT as the conferees on the part of the Senate.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bill:

H. R. 7998. An act granting the consent of Congress to the village of East Dundee and the village of West Dundee to construct a bridge across the Fox River.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. POLK, for to-day, on account of important business; and

To Mr. CANTRILL, for three days, on account of death of a relative.

TAXES ON INCOMES, DISTRICT OF COLUMBIA.

Mr. JOHNSON of Kentucky. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes.

The SPEAKER. The gentleman from Kentucky [Mr. JOHNSON] moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9248.

Mr. TINKHAM. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts [Mr. TINKHAM] makes the point that there is no quorum present, and evidently there is not.

The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees. Those in favor of the House resolving itself into the Committee of the Whole House on the state of the Union on the bill H. R. 9248 will, when their names are called, answer "yea," and those opposed will answer "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 312, nays 8, not voting 108, as follows:

YEAS—312.

Alexander	Denton	Hensley	Merritt
Almon	Dewalt	Hersey	Miller, Wash.
Anderson	Dickinson	Hicks	Mondell
Ashbrook	Dill	Hilliard	Montague
Aswell	Dillon	Holland	Moon
Austin	Dixon	Houston	Morgan
Ayres	Dominick	Howard	Mott
Baer	Doolittle	Huddleston	Mudd
Bankhead	Doremus	Hull, Iowa	Nelson
Barkley	Dowell	Hull, Tenn.	Nicholls, S. C.
Barnhart	Drane	Humphreys	Nichols, Mich.
Beakes	Dupré	Igoe	Nolan
Bell	Dyer	Ireland	Norton
Beshlin	Elliott	Jacoway	Oldfield
Black	Ellsworth	James	Oliver, Ala.
Blackmon	Elston	Johnson, Ky.	Oliver, N. Y.
Bland	Emerson	Johnson, Wash.	Olney
Blanton	Esch	Jones, Tex.	Osborne
Booher	Estopinal	Juul	O'Shaunessy
Borland	Evans	Kearns	Overmyer
Bowers	Fairfield	Keating	Overstreet
Brand	Farr	Kelley, Mich.	Padgett
Britten	Ferris	Kelly, Pa.	Paige
Browne	Foss	Kennedy, Iowa	Park
Browning	Foster	Kennedy, R. I.	Peters
Brumbaugh	Francis	Kettner	Pou
Burnett	Frear	Key, Ohio	Powers
Burroughs	Freeman	Kiess, Pa.	Pratt
Butler	Fuller, Ill.	Kincheloe	Price
Byrnes, S. C.	Fuller, Mass.	King	Purnell
Byrns, Tenn.	Gallagher	Kinkaid	Quin
Campbell, Kans.	Gandy	Kitchin	Rainey
Candler, Miss.	Gard	Knutson	Raker
Caraway	Garner	La Follette	Ramsey
Carlin	Garrett, Tenn.	Langley	Ramseyer
Carter, Mass.	Gillett.	Larsen	Randall
Carter, Okla.	Glass	Lazaro	Rankin
Cary	Glynn	Lea, Cal.	Rayburn
Chandler, Okla.	Godwin, N. C.	Lever	Reavis
Church	Good	Linthicum	Reed
Classon	Goodwin, Ark.	Littlepage	Robbins
Claypool	Gordon	Lobeck	Roberts
Collier	Graham, Ill.	Lonergan	Rodenberg
Connally, Tex.	Gray, Ala.	Longworth	Rogers
Connelly, Kans.	Green, Iowa	Lufkin	Romjue
Cooper, W. Va.	Greene, Vt.	Lundeen	Rose
Cooper, Wis.	Gregg	Lunn	Rouse
Copley	Hadley	McAndrews	Rubey
Cox	Hamilton, Mich.	McArthur	Rucker
Cramton	Hamlin	McKenzie	Russell
Crosser	Hardy	McKinley	Sabath
Dale, N. Y.	Harrison, Miss.	McLaughlin, Pa.	Sanders, Ind.
Dale, Vt.	Harrison, Va.	McLemore	Sanders, La.
Dallinger	Hastings	Madden	Sanders, N. Y.
Darrow	Haugen	Magee	Sanford
Davidson	Hawley	Mansfield	Saunders, Va.
Davis	Hayden	Mapes	Schall
Decker	Hayes	Martin	Scott, Iowa
Dempsey	Heflin	Mason	Scott, Mich.
Denison	Helm	Mays	Sears
Dent	Helvering	Meeker	Sells

Shallenberger	Stephens, Miss.	Treadway	Whaley
Sherley	Sterling, Ill.	Vare	Wheeler
Sherwood	Stiness	Venable	White, Me.
Shouse	Strong	Vestal	White, Ohio
Sims	Sumners	Vinson	Williams
Sinnott	Sweet	Voigt	Wilson, Ill.
Slayden	Tague	Volstead	Wilson, Tex.
Slemp	Talbott	Waldow	Wingo
Sloan	Taylor, Ark.	Walton	Winslow
Smith, Idaho	Taylor, Colo.	Ward	Wise
Smith, C. B.	Temple	Wason	Wood, Ind.
Smith, T. F.	Thomas	Watkins	Woods, Iowa
Snell	Thompson	Watson, Va.	Woodyard
Steagall	Tillman	Weaver	Wright
Stedman	Tilson	Webb	Young, N. Dak.
Steele	Timberlake	Welling	Young, Tex.
Steenerson	Towner	Welty	Zihlman

NAYS—8.

Cannon	Jones, Va.	Parker, N. J.	Tinkham
Coady	Moore, Pa.	Stafford	Walsh

NOT VOTING—108.

Anthony	Fairchild, G. W.	Johnson, S. Dak.	Polk
Bacharach	Fess	Kahn	Porter
Brodbeck	Fields	Kehoe	Ragsdale
Buchanan	Fisher	Kraus	Riordan
Caldwell	Flood	Kreider	Robinson
Campbell, Pa.	Flynn	LaGuardia	Rowe
Cantrill	Focht	Lee, Ga.	Rowland
Capstick	Fordney	Lehlbach	Scott, Pa.
Carew	French	Lenroot	Scully
Chandler, N. Y.	Gallivan	Lesher	Shackleford
Clark, Fla.	Garland	Little	Siegel
Clark, Pa.	Garrett, Tex.	London	Sisson
Cooper, Ohio.	Goodall	McClintic	Small
Costello	Gould	McCormick	Smith, Mich.
Crago	Graham, Pa.	McCulloch	Snook
Crisp	Gray, N. J.	McFadden	Snyder
Currie, Mich.	Greene, Mass.	McKeown	Stephens, Nebr.
Curry, Cal.	Griest	McLaughlin, Mich.	Sterling, Pa.
Dies	Hamill	Maher	Stevenson
Dooling	Hamilton, N. Y.	Mann	Sullivan
Doughton	Haskell	Miller, Minn.	Swift
Drukker	Heaton	Moores, Ind.	Switzer
Dunn	Heintz	Morin	Templeton
Eagan	Hollingsworth	Neely	Van Dyke
Eagle	Hood	Parker, N. Y.	Walker
Edmonds	Husted	Phelan	Watson, Pa.
Fairchild, B. L.	Hutchinson	Platt	Wilson, La.

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. KEHOE with Mr. GEORGE W. FAIRCHILD.

Mr. STEVENSON with Mr. HAMILTON of New York.

Mr. MCCLINTIC with Mr. CURRY of California.

Mr. POLK with Mr. HASKELL.

Mr. LEE of Georgia with Mr. SWIFT.

Mr. CLARK of Florida with Mr. CHANDLER of New York.

Mr. SCULLY with Mr. COSTELLO.

Mr. STEPHENS of Nebraska with Mr. BENJAMIN L. FAIRCHILD.

Mr. DIES with Mr. EDMONDS.

Mr. ROBINSON with Mr. DUNN.

Mr. CRISP with Mr. FORDNEY.

Mr. DOUGHTON with Mr. GREENE of Massachusetts.

Mr. GALLIVAN with Mr. HOLLINGSWORTH.

Mr. BRODBECK with Mr. ANTHONY.

Mr. BUCHANAN with Mr. CLARK of Pennsylvania.

Mr. CALDWELL with Mr. COOPER of Ohio.

Mr. CAMPBELL of Pennsylvania with Mr. BACHARACH.

Mr. DOOLING with Mr. CRAGO.

Mr. CANTRILL with Mr. FESS.

Mr. EAGAN with Mr. FOCHT.

Mr. CAREW with Mr. FRENCH.

Mr. EAGLE with Mr. GARLAND.

Mr. FIELDS with Mr. GOODALL.

Mr. FISHER with Mr. GOULD.

Mr. FLOOD with Mr. GRAHAM of Pennsylvania.

Mr. FLYNN with Mr. GRAY of New Jersey.

Mr. HAMILL with Mr. GRIEST.

Mr. GARRETT of Texas with Mr. HEATON.

Mr. HOOD with Mr. KAHN.

Mr. LESHER with Mr. LEHLBACH.

Mr. MCKEOWN with Mr. LITTLE.

Mr. MAHER with Mr. MCCULLOCH.

Mr. NEELY with Mr. HUSTED.

Mr. PHELAN with Mr. MCFADDEN.

Mr. RAGSDALE with Mr. MCLAUGHLIN of Michigan.

Mr. RIORDAN with Mr. HUTCHINSON.

Mr. SHACKLEFORD with Mr. MILLER of Minnesota.

Mr. SISSON with Mr. MOORES of Indiana.

Mr. SMALL with Mr. PARKER of New York.

Mr. SNOOK with Mr. PLATT.

Mr. STERLING of Pennsylvania with Mr. ROWE.

Mr. SULLIVAN with Mr. ROWLAND.

Mr. VAN DYKE with Mr. SIEGEL.

Mr. WALKER with Mr. SMITH of Michigan.

Mr. WILSON of Louisiana with Mr. SWITZER.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors. The House resolves itself into Committee of the Whole House on the state of the Union, with the gentleman from Missouri [Mr. RUCKER] in the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, with Mr. RUCKER in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9248, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes.

Mr. JOHNSON of Kentucky. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JOHNSON of Kentucky. I want to ask whether or not general debate has expired?

The CHAIRMAN. Yes. The first paragraph was read. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the term "real estate" as herein used shall be construed to include lands, buildings, parts of buildings, houses, dwellings, apartments, rooms, suites of rooms, and every other improvement or structure whatsoever on land situated and being in the District of Columbia.

The word "person" when used in this act shall be construed to include individuals, partnerships, joint-stock companies, associations, corporations, societies, or bodies corporate.

Any word in this act importing the masculine gender shall be construed to extend and be applicable to females or artificial persons or bodies.

The term "income from real estate" as herein used shall be construed to include all amounts received for the daily, weekly, monthly or yearly use or occupancy of real estate or for any part of any of such periods of time.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move to amend, page 1, line 4, by inserting the word "hotels" after the word "buildings." I myself do not believe that it is necessary, but since so many gentlemen have inquired of me as to whether or not it included hotels, I am apprehensive that perhaps they do not agree with me, and therefore I offer the amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kentucky.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: Page 1, line 4, after the word "buildings," insert the word "hotels."

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. STAFFORD. In connection with the amendment just offered, I wish to inquire whether this bill in its phraseology would extend to the charges made by the hotels in the local district and the incomes resulting therefrom in case the hotel property was leased to a third party? For instance, some years ago I remember reading that the Shoreham Hotel was leased to a certain manager at a rental—I have forgotten now what the amount was—for a term of years. The landlord is receiving a stated rental as provided in the contract of lease. I am not acquainted with the charges made at the Shoreham Hotel, but I am acquainted with the outrageous charges made by some hotel proprietors. Assuming that the manager of the Shoreham Hotel is exacting outrageous charges from guests that come here, as is the wont with some hotel proprietors, so that the income that he receives may be doubled or trebled over what he was receiving prior to December 31, 1916, would he be subject to the provisions of this act to the taxes herein provided?

Mr. JOHNSON of Kentucky. My answer to the gentleman is that the bill would apply to both the owner and the lessee of the hotel property.

Mr. STAFFORD. Where is there language that shows that it will apply to both?

Mr. JOHNSON of Kentucky. It is on page 5, in line 15. I may say to the gentleman that when we get to that place—and I wish he had reserved his inquiry until we get to it—I will move to strike out the words "real estate" and insert the word "property" or some other suitable amendment.

Mr. STAFFORD. Unless the gentleman wishes me to reserve the inquiry, let us see if the bill applies to the lessee. Would it apply to the income derived by the owner of the concession on the hotel property like a news stand or a floral stand?

Mr. JOHNSON of Kentucky. I do not think so.

Mr. STAFFORD. Would not that be income from the use of real estate just as in the case of a lessee of hotel property who receives income?

Mr. JOHNSON of Kentucky. If the gentleman will offer an amendment taking in those——

Mr. STAFFORD. No; I am seeking to reach such a lessee of the hotel property.

Mr. JOHNSON of Kentucky. The gentleman will not permit me to answer him.

Mr. STAFFORD. I am waiting for the gentleman to answer.

Mr. JOHNSON of Kentucky. No. The gentleman broke in on me every time I attempted to answer.

Mr. STAFFORD. I did not intentionally do so.

Mr. JOHNSON of Kentucky. I desired to say, and I now say, that in drafting the bill I had no intention to tax the girl who keeps the hats in the hotel or the canes or the umbrellas or any other of those little concessions. I did not bother with them. I thought the other was of sufficient magnitude to take up the attention of the House. I have no disposition to bother with those little concessions now.

Mr. STAFFORD. I do not think any of us have. My inquiry is whether the bill in its present phraseology will reach the lessees of hotel property who are charging outrageous rates?

Mr. CANNON rose.

Mr. JOHNSON of Kentucky. I have no doubt about that.

Mr. STAFFORD. I have serious question about it.

Mr. JOHNSON of Kentucky. If the gentleman will look at the definition in the bill he will find what he is after.

Mr. STAFFORD. To what does the gentleman refer, if I may ask?

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. CANNON. If the gentleman from Wisconsin is through, I would like to ask the gentleman from Kentucky a question or two.

Mr. JOHNSON of Kentucky. Yes.

Mr. CANNON. This is an effort to tax the increased incomes upon real estate within certain limits in the District defined by the bill?

Mr. JOHNSON of Kentucky. It is.

Mr. CANNON. And that applies to the owner or lessee, or whoever is in possession, I take it.

Mr. JOHNSON of Kentucky. The intention of the bill is to tax the income derived from every piece of real estate which is being excessively rented, no matter whether it be in the hands of the owner or a tenant.

Mr. CANNON. From 1916 up to the present time?

Mr. JOHNSON of Kentucky. Yes.

Mr. CANNON. I was busy in the committee room when the debate was held upon this bill. I have glanced at it, but only hastily. Does the gentleman anticipate that in the District of Columbia he breaks the way to outline similar legislation that will cover the whole United States?

Mr. JOHNSON of Kentucky. I would be very glad if it would.

Mr. CANNON. The gentleman can not speak for the other committees that may originate such bills?

Mr. JOHNSON of Kentucky. No. That question has been put to me a number of times, and I have said that the District Committee has gone as far as its jurisdiction has permitted it to go in the premises.

Mr. CANNON. I want to ask the gentleman another question.

Mr. JOHNSON of Kentucky. Very well.

Mr. CANNON. The prices of rent and real estate have all gone up in ordinary parlance. Stating it in another way the purchasing power of money has gone down. That might be stated with equal truth. Now, take a man with $1,000,000 worth or $100,000 worth of merchandise, say, in a department store, who had that store in 1916. The price has advanced from 25 to 100 per cent. As money has decreased in its purchasing power the property on hand has advanced rapidly. Has any effort been made to reach those plutocrats?

Mr. JOHNSON of Kentucky. I do not know that I exactly understand the gentleman.

Mr. CANNON. I mean a man who in 1916 had $100,000 invested in goods in a department store, and who now sells them at 10 per cent or 25 per cent or 50 per cent greater profit than he would have made in the event that we had not had a war. Has there been any effort made to catch the wicked holders of personal property, as well as the holders of real estate?

Mr. JOHNSON of Kentucky. No; the bill deals only with tax on incomes from real estate. I might say to the gentleman, however, that I am reliably informed that one of the ablest Members on the floor of this House was downtown a few days ago in company with a shoe manufacturer from his district, and the two gentlemen called upon a local retail shoe dealer who was handling the shoes made by this manufacturer, and when they walked into the store they caught the retail dealer in the act of selling for $12 a pair of shoes which the shoe manufacturer had sold to the retail dealer for $3.75. The shoe manufacturer remonstrated with him, but the fellow said, "Oh, I can get that here in Washington, and I shall continue to charge it." I wish that something could be done to cure that situation, but it has not been attempted in this bill.

Mr. CANNON. That is true all over the country, and not only in Washington, as I know from experience touching shoes and so forth. Does the gentleman suppose there is any public sentiment that would attempt to reach the corn and the wheat and the cattle and the horses and the whisky, and so forth, that have advanced in price as money has decreased in its purchasing power, and is there any attempt to handle those things in the District here by any such legislation as this?

Mr. JOHNSON of Kentucky. None that I know of. There is none in this bill.

Mr. CANNON. If we have the power to pass this bill, and if it should be sustained by the courts, then we could run and glorify, I take it, touching any property.

Mr. JOHNSON of Kentucky. I shall be glad to cooperate with the gentleman in checking extortion wherever it may appear.

Mr. CANNON. Yes. What does the gentleman call extortion? Would he call it extortion in the case of Kentucky whisky, made at a cost of 12½ cents a gallon, that is now sold for I do not know what—$10 or $15 a gallon, is it not?

Mr. HOWARD. Whatever price the gentleman paid for the last that he bought. [Laughter.]

Mr. CANNON. I did not buy it. I am indebted to a distinguished Member of the House for a bottle of the best whisky I ever saw. I have not tasted any of it, but it has a wonderfully fine odor. [Laughter.]

Mr. JOHNSON of Kentucky. I will say to the gentleman from Illinois that the price of whisky has been increased largely because of the additional tax on it, and also because the manufacture of it has been stopped—a proposition for which I voted.

Mr. CANNON. Precisely; but in practice is that wicked man to be allowed to get that extraordinary advance on the price?

Mr. JOHNSON of Kentucky. I do not think the gentleman should undertake to justify the charging of exorbitant rents in the District of Columbia by comparing that with exorbitant prices for whisky.

Mr. CANNON. It runs all along the line. If there is equity in the one case, there ought to be in all of them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. JOHNSON].

Mr. TREADWAY. Mr. Chairman, I rise in opposition to the amendment; but before speaking on it I should like to inquire of the chairman of the committee whether or not at the hearing before the committee any evidence was given as to the percentage of real estate rentals in the District of Columbia to which this bill might apply? In other words, has evidence been produced showing how extensively so-called profiteering has been practiced?

Mr. JOHNSON of Kentucky. The Real Estate Brokers' Association appeared before our committee and said they could not find where advances had exceeded about 1 per cent; but I did not believe one-hundredth part of that statement.

Mr. TREADWAY. Have you found evidence that it does exceed 1 per cent?

Mr. JOHNSON of Kentucky. Oh, I have received innumerable letters——

Mr. TREADWAY. I realize that the gentleman has a great many instances; but about what is the percentage of actual rentals in the city to which he thinks his bill will apply?

Mr. JOHNSON of Kentucky. I have not undertaken to make any percentages. The job is too big, either for me or for the gentleman.

Mr. TREADWAY. May I ask the gentleman whether the increases to which he refers have to do with the direct rental of the real estate or with the subletting by tenants?

Mr. JOHNSON of Kentucky. Both; and the bill treats them all alike.

Mr. TREADWAY. May I ask which predominates in the records which the gentleman has?

Mr. JOHNSON of Kentucky. I believe that the letters, telephone messages, and personal visitors who have come to me relative to these things show that the greater number of cases of raising the rent is by the owners and not by the tenants. I had a communication this morning giving a number of them. I received this communication just before I came over to the House. If the gentleman wants to hear the names, I will read them. The writer of this communication does not ask me to withhold his name, as a great many of them do. This communication is from William S. Waudby, an employee of the Census Bureau. He cites some instances that have come to his

knowledge, in his neighborhood I believe, where the rents have been raised on the tenants by the owners of the property. The first case he mentioned is that of W. D. Ferguson, 3536 Warder Street NW., notice to buy or vacate by March 15. Owner, C. M. Clark, 1820 Kilbourne Street.

I may say just here that the owners recently have resorted to the scheme to raise rent by putting up to the tenant the proposition that he can either buy or get out. Of course, in most cases the tenant is not able to buy; and there is nothing left for him to do except to get out in the street, and then the owner rents the property to another tenant at a greater price.

Another instance is that of the writer of the letter himself, W. S. Waudby, 3408 Warder Street NW.; notice to quit April 3. Owner E. H. Gottwals, 3123 Warder Street.

Another instance is that of Arthur Jarvis, 811 Allison Street NW.; notice to vacate April 1; Jesse L. Heiskell, agent.

Another case is that of William L. Austin, 1412 Delafield Place; notice to vacate by July 1, by the owner.

Another is Ira Baker, 116 Fifth Street NE.; notice to buy or move, by Mr. Shields, agent or owner.

Mr. MEEKER. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. MEEKER. The gentleman does not suggest that a man should not be permitted to offer his property for sale?

Mr. JOHNSON of Kentucky. If the gentleman from Missouri had heard what I said a moment ago, that they were resorting to these subterfuges because some now have got cold feet about going to the tenant and exacting a greater rental.

Mr. MEEKER. I heard what the gentleman said, but the proposition is for the man to purchase the property or vacate it?

Mr. JOHNSON of Kentucky. He has to do one or the other.

Mr. MEEKER. Does the gentleman object to that?

Mr. JOHNSON of Kentucky. Not if it is for a bona fide purpose; but if it is done as a subterfuge, I do object.

Mr. HARDY. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. HARDY. Is there any principle under which this Congress can enact this character of legislation that would not give it the same right and authority over every article of commerce?

Mr. JOHNSON of Kentucky. In my opinion, the Government has the right to impose an income tax on the profits derived from anything.

Mr. HARDY. And to make it so onerous that it practically amounts to price fixing by the Government.

Mr. JOHNSON of Kentucky. Yes; to make it so onerous that it would prevent people from fixing exorbitant prices.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TREADWAY. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HARDY. Now, will the gentleman yield further to me?

Mr. TREADWAY. I will, but I want a little of the time myself.

Mr. HARDY. Does the gentleman believe that the Government has the right directly to fix the price of rents?

Mr. JOHNSON of Kentucky. That question is not involved in this bill.

Mr. HARDY. Has the Government the right to do indirectly what it can not do morally or legally or constitutionally?

Mr. JOHNSON of Kentucky. I should say no, the Government could not do anything morally wrong.

Mr. HARDY. Can it do indirectly what it has not the right to do directly?

Mr. JOHNSON of Kentucky. Whether it has that right or not, the Government has the right to fix an income tax on people who are extortioning. If that is what the gentleman means to inquire, I say, yes.

Mr. HARDY. Does the gentleman claim that the Government has the right to fix prices?

Mr. JOHNSON of Kentucky. The gentleman is as capable of answering that question for himself as I am for him. It is an argument instead of a question for information.

Mr. TREADWAY. I would like to ask the chairman of the committee with reference to this matter. There is a real estate exchange here, is there not, in the District of Columbia?

Mr. JOHNSON of Kentucky. The ones who have been active in this matter call themselves the "Real Estate Brokers' Association."

Mr. TREADWAY. Whatever the title may be, is there any doubt that it is a reputable organization?

Mr. JOHNSON of Kentucky. I regard it as a reputable organization.

Mr. TREADWAY. I thought I understood the gentleman to say that he did not believe one one-hundredth part of what they said.

Mr. JOHNSON of Kentucky. That is true; I do not think their information is correct.

Mr. TREADWAY. I understood the gentleman to say that he would not believe one one-hundredth of the statements made before his committee.

Mr. JOHNSON of Kentucky. I qualify that statement by saying that I do not believe that they have the information.

Mr. TREADWAY. I have had submitted to me what I think is bona fide evidence, and it is contrary to the gentleman's information. I am going to submit this information to the House rather than to the gentleman, as the gentleman has said he does not believe it. I am informed that that association is composed of 48 real estate owners or agents in the city, who have 26,000 tenants who pay $600,000 monthly in rentals, and that it shows an increase since September 30, 1916, of less than 1 per cent. So that all the profiteering that has been done, according to this testimony, has been done by people other than the original owners of the property.

Mr. JOHNSON of Kentucky. Will the gentleman answer a question right there.

Mr. TREADWAY. Certainly.

Mr. JOHNSON of Kentucky. If that statement is true, will this bill hurt anyone?

Mr. TREADWAY. But what earthly good is the bill if that statement is true and the gentleman can not submit evidence showing the percentage of the so-called profiteering? I realize that the gentleman has in his possession numerous cases, but where there are thousands and thousands of rentals in the city why should we legislate against a few who may perhaps be taking an unfair advantage of the tremendous demand for property here? That does not apply solely to Washington. Go to any city to-day and see if you can buy the same quality of shoes that the gentleman spoke of a moment ago at any better price. It is the case of supply and demand.

Let me make one illustration. I happen to have personal knowledge of this instance, in which a person having a rental of an apartment—and I know the person very well—the apartment was offered to be sublet for a period beginning the 1st of March. A customer was secured at the price which the person asked for it, and the very next day some one else came along and offered this tenant $50 per month more than the bargain had been made for the day before. It was an absolute offer of $50 a month, not in the way of trying to force anybody to rent the property at an advanced price, but the property had been rented to the tenant at a fair rental agreed upon, and the person voluntarily offered $50 a month more. Now, then, if there are many illustrations of that, as different Members can bring forward, why force impracticable and impossible legislation on the District just because we seem to have the power to do it? That is the attitude, it seems to me, of this whole matter.

Mr. HOWARD. Mr. Chairman, I would like to get about three minutes in opposition to this amendment.

The CHAIRMAN. The Chair will recognize the gentleman from Georgia.

Mr. HOWARD. Mr. Chairman and gentlemen of the committee, my judgment about this situation is this: Practically overnight 68,000 people have been added to the population of the city of Washington. I have had a good many personal experiences with constituents who have come here as clerks. For instance, they would get a wire from the War Department that they were wanted here to report as stenographers at $1,200 a year. They were probably getting $70 a month at home. They would get on a train and come up here, and then when they got here the main question in their mind was to get a place to lay their heads after they had finished their duties of the day. They would then start out to hunt a place. I had one constituent who came up here last Thursday as a stenographer in the War Department at $1,200 a year.

Mr. LANGLEY. Under civil service? [Laughter.]

Mr. HOWARD. A civil-service employee. That seems to interest the gentleman from Kentucky very much, because he has so few people in his district who can stand the civil-service examination. [Laughter.]

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. He has always been against the civil service on that account. I shall not yield right now, as I have something serious to say.

Mr. LANGLEY. I did not think the gentleman would. I could give the gentleman a poser if he would.

Mr. HOWARD. Very well; I will yield to the gentleman.

Mr. LANGLEY. I want to say to the gentleman that I have not been able to get anybody appointed, because they are Republicans down in my district, although this is supposed to be a nonpartisan administration.

Mr. HOWARD. I knew, of course, that the people of the gentleman's district were dense ignorant, or they would not belong to the Republican Party. Getting back to this most serious question, let us start at the top and work down and see where the abuses have been carried on. As I started to say when I was interrupted by my genial friend from Kentucky, this young lady came up here, and she went out to procure board. She could not get board practically anywhere in Washington. All of the boarding houses were filled. Then she went to seek a room, and she had various and sundry offers made to her. The cheapest room she could get in the city of Washington in a private residence was $25 a month. They said, "If you do not want it, you need not take it; there will be plenty of people here who will pay it."

I know personally of a person who lives in my district who is paying $75 a month rent for a house in normal times. That lady has rented three rooms in her house, the three smallest and most inconvenient rooms in the House, and she gets $10 a month more for the three rooms than she is paying under the lease for the entire house.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. In just a minute. Let us take the Raleigh Hotel. I had a friend that came here in November, 1916. He brought his wife with him. It happened that he was assigned in 1916 to room 811 in the Raleigh Hotel. At that time, and his bill will show it, he paid $7 a day for that room. He was up here to spend last week and happened to occupy the identical room, and he paid $12 a day for it. Here is what is the matter—I do not believe there is going to be any very great necessity for this bill if we will do what we ought to do, and if you do not do it you are going to be hampered in getting the proper clerical force here to conduct this war. The Government of the United States ought to construct some buildings here, temporary in character, and let the bona fide clerks in the departments have those rooms at a nominal cost.

Mr. ROSE. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. And if you do not do it, you are not going to get any help. I yield to the gentleman.

Mr. ROSE. I just want to say, in line with what the gentleman is saying, that a lady from the district I have the honor to represent came here and obtained a position. She found a room in which three other girls were placed, and was required to pay $1 a night for it.

Mr. HOWARD. I will tell you what the truth is. Any sane clerk who will come to Washington from your district or mine on a hundred-dollar-a-month salary under the present conditions ought to be bored for the hollow horn, because they can not get out on it.

Mr. HARDY. Would it not be a really wiser policy for the Government to expend even $100,000,000 to house these employees than to go into this scheme of fixing the price of everything?

Mr. HOWARD. I do not know. This thing is dangerous, because I know these injustices are being practiced and people are profiteering.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LANGLEY. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more, as I desire to ask him a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. HOWARD. I thank the gentleman, and I yield to him with pleasure.

Mr. LANGLEY. Does the gentleman mean to say that all Georgians who have come here to Washington and secured jobs at $100 a month or less ought to be bored for the hollow horn? [Laughter.]

Mr. HOWARD. If they intend to stay under present conditions.

Mr. LANGLEY. My observation has been that every Georgian who comes here stays as long as he can hold his job. [Laughter.]

Mr. HOWARD. Well, we know where we can get in the limelight and be in a congenial climate, and we generally like to come to the Nation's Capital, because here we find a place where culture, refinement, and democracy hold sway. Georgians always seek the best of everything.

Mr. LANGLEY. Will the gentleman permit me to say further that there are hundreds of educated, intelligent people in my district, notwithstanding the gentleman's innuendo a while ago, who would be glad to come here and get a place at $100 a month.

Mr. HOWARD. Well, they think they would——

Mr. LANGLEY. And they can not get these appointments.

Mr. HOWARD. They think they would. Now, let me put this proposition to you, gentlemen. They will have to pay $30 or $35 or, at the minimum, at least $25 for a decent room. Now, they have got to eat. All right. Three fried eggs and a fritter will cost $1 in Washington. Now, if these people do not live like most of the people in the gentleman's district, on huckleberries and blackberries, if they are used to eating meat and bread——

Mr. LANGLEY. I am told that they do not even have huckleberries in Georgia.

Mr. HOWARD. I am talking seriously about this.

Mr. LANGLEY. I am, too.

Mr. HOWARD. I am talking of the cost of living. I will not yield any further.

Mr. LITTLE. Will the gentleman yield?

The CHAIRMAN. The gentleman from Georgia declines to yield.

Mr. HOWARD. If you have a man paying $40 a month for something to eat, eating around at these eating houses, three meals a day, I suppose he would eat three——

Mr. LANGLEY. Two are a plenty.

Mr. HOWARD. Suppose he eats two, it will cost him $40 a month, and with $25 as a minimum for his room, there is $65 gone. Then you have got to add street car fare and your laundry. These people are obliged to wear clothes here under the law. [Laughter.] Now, where is there anything for a person coming to Washington as a clerk, getting $1,100 or $1,200 a year?

Mr. LANGLEY. Will the gentleman yield?

Mr. HOWARD. I wish the gentleman from Kentucky would let me say what little I have got to say to the committee, because I know he has got nothing to ask. [Laughter.] Now, going on a little further about this proposition. These people who are eking out an existence that are living, are the old crowd that used to be here. Now, this is a pure, unadulterated case of supply and demand. Now, our patriotic friends, worlds of them from all over the country, have come to work for $1 a year. They are very patriotic, and we all appreciate the valuable services that they are rendering to their country in this extremity. But what have they done? They have gone to these hotels and taken what they call suites of rooms, and then business men who come here go down and they will strike a line at any reputable hotel of from a hundred to 200 on a waiting list for a place to sleep, and hundreds go to Baltimore at night to get hotel accommodations. [Laughter.]

Mr. LINTHICUM. There is where they ought to go. They go to Baltimore because they know where to get the best living.

Mr. HOWARD. Well, I will say to the gentleman that I did not say anything but in reference to hotel accommodations. [Laughter.] Now, that is just the condition. Can you remedy it by this bill?

Mr. REED. Will the gentleman yield for a question for information?

Mr. HOWARD. I will.

Mr. REED. I understand that some of the departments here have been interested in this housing problem and they have organized and they have an office in the Union Station. Did any of the clerks of whom the gentleman speaks avail themselves of that to see whether they could do any better or not?

Mr. ROSE. That is the very place. This lady I spoke about was sent there by that committee.

Mr. REED. I asked for information.

Mr. HOWARD. I was giving the gentleman actual cases which came within my own observation. Now, I know of people from my district who came here on the $1,100 basis and they caught the next train and went back after examining this question of the cost of living. That is the situation, and how are you going to correct it?

Mr. KNUTSON. Will the gentleman yield?

Mr. HOWARD. In a moment. The only way, in my judgment, gentlemen, that we can correct this evil that exists is to decrease the demand, and to decrease that demand the Government must step in and build buildings of a temporary character where those clerks who come here can get accommodations at a nominal cost. I yield to the gentleman.

Mr. KNUTSON. The gentleman has been observing. What percentage of the people who come here must go to Baltimore?

Mr. HOWARD. Well, I want to say I have never been to Baltimore but once, and that was to attend a political convention. I know I missed a heap [laughter], but I understand it is

a nightly occurrence—for instance, you go to any reputable hotel now and make application for a room the chances are ninety-nine out of a hundred you can not get in——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HOWARD. And they demand high prices.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The question was taken, and the Chair announced the ayes seemed to have it.

Mr. TREADWAY. Mr. Chairman, I ask for a division.

Mr. ROBBINS. Mr. Chairman, may we have the amendment read for information?

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

So the amendment was again reported.

The committee again divided; and there were—ayes 95, noes 5.

So the amendment was agreed to.

Mr. TINKHAM and Mr. LINTHICUM rose.

The CHAIRMAN. The Chair will first recognize the gentleman from Massachusetts, who is a member of the committee.

Mr. TINKHAM. Mr. Chairman, I desire to offer an amendment in the nature of a substitute for section 1 and to give notice that if the substitute is successful, as the succeeding sections now before the House are reached I will move to strike out those sections and add the substitute sections of the substitute bill now offered.

Mr. JOHNSON of Kentucky. I make the general point of order against the substitute and give as a reason that the substitute is not now in order.

The CHAIRMAN. The substitute, as the Chair understands it, is offered for the first section of the bill.

Mr. TINKHAM. It is.

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a point of order.

The CHAIRMAN. The gentleman from Kentucky [Mr. JOHNSON] reserves a point of order. The Clerk will report the amendment by way of substitute.

Mr. TINKHAM. Mr. Chairman——

The CHAIRMAN. Let the Clerk report the amendment the gentleman from Massachusetts has offered.

The Clerk read as follows:

Substitute for section 1, offered by Mr. TINKHAM: Strike out after the enacting clause, beginning on line 3, page 1, down to and including line 7, on page 2, and insert in lieu thereof the following:

That by reason of the existence of a state of war it is essential to the national security and defense and for the successful prosecution of the war to establish governmental control and assure adequate regulation of rents of real estate in the District of Columbia during the war. For such purpose the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this act.

Mr. TINKHAM. Mr. Chairman, I desire to ask unanimous consent for 30 minutes in which to explain the substitute to the committee.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for 30 minutes. Is there objection?

Mr. JOHNSON of Kentucky. Mr. Chairman, I will be compelled to object to that. I think the time which the gentleman asks is unreasonable.

Mr. TINKHAM. Mr. Chairman, I move that I be given 30 minutes to explain my substitute.

Mr. TOWNER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TOWNER. As I understand, the gentleman has not offered section 1 of his amendment as a substitute for section 1 of the bill. What he proposes is to substitute the entire bill that he offers as a substitute for section 1 and gives notice to strike out the provisions of the existing bill if this amendment is adopted.

The CHAIRMAN. That is correct.

Mr. TOWNER. That is the ordinary course of procedure. So instead of the Clerk reading the first section of the amendment which was offered as a substitute he should read the entire bill offered as a substitute for the first section.

Mr. JOHNSON of Kentucky. The Chair understands that I am reserving a point of order, I hope.

The CHAIRMAN. The gentleman from Kentucky has reserved the point of order. Does the gentleman from Massachusetts desire to debate the point of order?

Mr. TOWNER. Mr. Chairman, there is only one method by which one can offer a substitute for an entire bill, and that is the method I have stated. After the first section of the bill which is under consideration is read the person who offers a substitute moves to strike out that section and then he offers his entire bill as a substitute for the first section, giving notice that as each succeeding paragraph of the bill under consideration is read he will move to strike those out, and that, of course, makes it unnecessary that the entire bill of the gentleman from Massachusetts [Mr. TINKHAM] be read, because that is a part of his motion to strike out and substitute.

Mr. JOHNSON of Kentucky. I do not object to the matter being read; but I wish to be understood as reserving a point of order.

The CHAIRMAN. Does the gentleman insist on his point of order?

Mr. JOHNSON of Kentucky. Yes; I insist on the point of order.

The CHAIRMAN. The Chair is of the impression, answering the parliamentary question at the same time, that under the rules and precedents of the House the substitute offered by the gentleman from Massachusetts [Mr. TINKHAM] is a substitute to the entire bill and not in order until after the bill has been read. The Chair sustains the point of order.

Mr. TOWNER. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. TOWNER. Was the point made understood by the Chairman? It was based upon the ground that the bill offered by the gentleman from Massachusetts [Mr. TINKHAM] was not germane to the bill.

Mr. JOHNSON of Kentucky. What I said was that I made the general point of order, pressing for a moment the point that it was not now in order.

Mr. TOWNER. There has been no ruling in reference to the other question.

Mr. JOHNSON of Kentucky. I make the point of order that it is not germane.

Mr. TOWNER. Mr. Chairman, I desire to be heard on that proposition.

The CHAIRMAN. The Chair will state to the gentleman from Iowa, and also to the gentleman from Kentucky, that, as the Chair understood, the gentleman made the point of order and the Chair sustained the point of order. There is nothing pending. The Clerk will read.

The Clerk read as follows:

SEC. 2. That, in addition to other taxes imposed by law, there is hereby levied and shall be assessed, collected, and paid to the District of Columbia an annual tax of 100 per cent upon so much of the income from real estate of every person, whether resident or nonresident of said District, received since December 31.

Mr. TOWNER. Mr. Chairman, I do not think the Chair understood me. I desire to be heard on the point of order.

The CHAIRMAN. The Chair reminds the gentleman that the point of order has been decided.

Mr. TOWNER. I do not think the Chair would desire to rule upon a point of order when gentlemen desire to present their reasons.

The CHAIRMAN. The Chair will state to the gentleman from Iowa that he listened with patience and interest to the gentleman's argument, and the Chair supposed that the gentleman had concluded his argument.

Mr. TOWNER. Of course, I understand that, Mr. Chairman.

The CHAIRMAN. If the gentleman desires to be further heard on the point of order the Chair will do him the courtesy to hear him.

Mr. TOWNER. That is the proposition. Let me state this to the Chair: The Chair has passed upon the proposition as to the germaneness of this substitute——

The CHAIRMAN. Will the gentleman permit the Chair to make a suggestion? No point was made that the amendment was not germane. The Chair did not decide that question and has not made any announcement whatever in reference to it.

Mr. TOWNER. What is the point, then?

The CHAIRMAN. The point of order made was that it was not in order at this particular stage of the proceeding to offer as a substitute for the section read a section of another bill, announcing at the time that the purpose of the gentleman who moved the substitute was, as each paragraph was read, to offer as a substitute a corresponding paragraph or section of the other bill.

Mr. TOWNER. That is exactly the point I was trying to make, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. TOWNER. This is the proposition, because the gentleman from Massachusetts [Mr. TINKHAM] stated to me his purpose to offer the first section of his bill as a substitute for the first section of the pending bill, but the Clerk stopped reading.

What he intended to do was to offer as a substitute for the first section of the pending bill his entire bill, and therefore I suggested to the Chair that it was the duty of the Clerk to go on and read the entire bill offered by the gentleman as a substitute.

I still think that is the duty of the Chair to do. Of course, I think we came to this misunderstanding perhaps through no fault of our own; but now, in order that the gentleman from Massachusetts may not be deprived of his rights or that none of us may violate the precedents of the House, I ask that the Chair direct the Clerk to read the succeeding section of the bill which was offered by the gentleman from Massachusetts as a substitute for the first section of the pending bill. He gives notice that at each succeeding section of the bill, if his substitute is adopted, he will move to strike out, and that is in accordance with the universally accepted method adopted by the House. I think the gentleman from Massachusetts is entitled to that.

Mr. JOHNSON of Kentucky. Even that which the gentleman has offered as a substitute for the first section of the bill is not germane.

Mr. TOWNER. We will meet that when we come to it, because the substitute has not been read.

Mr. JOHNSON of Kentucky. Out of abundant caution, Mr. Chairman, I repeat, I make the point of order on the germaneness, regardless of the time when it will be offered.

The CHAIRMAN. The Chair will hear gentlemen on that.

Mr. TILSON. Mr. Chairman, in the interest of orderly procedure in this House—and I care nothing about the amendment or either of the bills—it seems to me important that we should not, by a ruling made on a misunderstanding, make a precedent here which will return to plague us hereafter. It is, as the gentleman from Iowa [Mr. TOWNER] has clearly stated, the recognized procedure in this House that after one section of a bill has been read another bill may be moved as an amendment to that section, if germane. The question of germaneness has not been raised. Such a bill was presented as an amendment. Through a misunderstanding on the part of the gentleman from Massachusetts [Mr. TINKHAM] it perhaps was not clearly stated that it was intended as an amendment to the first section. It was so stated by the gentleman from Iowa [Mr. TOWNER], accepted by the gentleman from Massachusetts, and, as I understand it, was finally submitted by the Chair as a substitute for the first section, giving notice in the usual way that the usual motion would be made to strike out the succeeding sections of the bill as they were read.

Now, it seems to me that upon that state of facts, the point of order not having been made as to the germaneness, this amendment should be in order, and the entire bill should be read as an amendment to the first section of the pending bill.

Mr. JOHNSON of Kentucky. The gentleman understands that I am reserving a point of order on that?

Mr. TILSON. I understand the point of order as to germaneness has been reserved and will be made later. I understand the precedents to be that a bill may be offered as a substitute for the first section of a pending bill, giving notice that the subsequent sections of the bill will be stricken out when reached if the amendment is agreed to. It seems to me that it is a matter of some importance in the procedure of this House and ought not to be hastily passed upon, especially under a misunderstanding.

Mr. MAPES. Unless the Chair has seen the precedents, I want to direct his attention to the statement in the Manual. On page 358, about half way down the page, there the Chair will find this statement:

> When it is proposed to offer a single substitute for several paragraphs of a bill which is being considered by paragraphs, a substitute may be moved to the first paragraph, with notice that, if agreed to, motions will be made to strike out the remaining paragraphs.

As I understand it, that is the parliamentary procedure and the practice of the House. That has been done on several occasions in the last three or four years to my knowledge.

Mr. TINKHAM. Mr. Chairman, that is exactly what I did originally.

Mr. MAPES. Without any reference to the merits of the bill proposed by the gentleman from Massachusetts, I think he is entirely in order in offering it as a substitute at this place. He gave notice that if the substitute was adopted he would move to strike out the other paragraphs of the bill as they are reached. That seems to me to be the proper procedure.

Mr. TOWNER. That has been done several times in the last few years, notably in the case of the Philippine bill.

Mr. JOHNSON of Kentucky. Mr. Chairman, I believe I can solve the problem by saying that enough had been read to show that it was not germane. I think I can show the Chair in a second that it is not germane.

The CHAIRMAN. Does the gentleman from Kentucky make the point of order now?

Mr. JOHNSON of Kentucky. I make it now.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard?

Mr. TOWNER. I do not want to interrupt the gentleman, but——

Mr. JOHNSON of Kentucky. I will ask the Chair to take the bill and follow me in the reading of the first section.

Mr. TILSON. Will not the Chair dispose of the other matter first, because it is more important than either of the amendments? The Chair would do well to dispose of one question and then take up the other.

The CHAIRMAN. The Chair is ready to rule, and if gentlemen have concluded their arguments, the Chair will rule; the Chair will first make the statement that he is not alarmed at the suggestion that his ruling may impair the orderly procedure of the House in the future. The gentleman from Massachusetts offered the first section of the bill which he sent to the desk as a substitute for the first section of the bill under consideration.

Mr. TINKHAM. I offered the whole bill as a substitute, and then as a substitute for the first section I offered the first section of my bill, and then gave notice that as each succeeding section was read I would move the substitution of sections of my bill. But I offered the bill as a whole as a substitute.

The CHAIRMAN. The Chair did not understand the gentleman as he now explains his purpose; but if he had, the ruling would have been the same, because the Chair does not believe that under the precedents of the House this is the proper and orderly way to get the substitute before the House.

Mr. DOWELL. Mr. Chairman, may I read a paragraph?

The CHAIRMAN. The Chair will hear the gentleman briefly.

Mr. DOWELL. On page 358 of the manual I read the following:

> When it is proposed to offer a single substitute for several paragraphs of a bill which is being considered by paragraphs, the substitute may be moved to the first paragraph, with notice that, if agreed to, motions will be made to strike out the remaining paragraphs.

As I understand it that is the proposition of the gentleman from Massachusetts [Mr. TINKHAM], to offer this as a substitute for the first section and then give notice as provided by the manual that he will move to strike out the other paragraphs.

Mr. TINKHAM. That is correct, Mr. Chairman.

Mr. COOPER of Wisconsin. Mr. Chairman, I understood the gentleman from Massachusetts [Mr. TINKHAM] to say that he offered the first section of his bill as a substitute for the first paragraph of the pending bill.

Mr. JOHNSON of Kentucky. That is what he did.

Mr. COOPER of Wisconsin. That is exactly what he did, and then said that as the other pending sections of the bill were reached he would move to strike out those sections and substitute the corresponding sections of his own bill, but this was not in accord with the precedents. For the language on page 358 of the manual reads in this way:

> When it is proposed to offer a single substitute for all of the paragraphs of a pending bill * * * it may be offered to the first paragraph, with notice that, if agreed to, motions will be made to strike out the remaining paragraphs.

But the gentleman from Massachusetts did not "offer a single substitute for all the paragraphs of the pending bill." He offered to substitute the first paragraph of a new bill for the corresponding paragraph of the pending bill. Therefore the gentleman from Massachusetts [Mr. TINKHAM] made his motion in a way not in accordance with that precedent, and I think the ruling of the Chair was correct.

Mr. MONDELL. Mr. Chairman, I think the situation grows entirely out of a misunderstanding. The gentleman from Massachusetts [Mr. TINKHAM] undoubtedly intended to offer his entire bill as a substitute for the pending bill, and he offered it at the proper time and place; but I think the Chair is correct that the gentleman did not offer it exactly as he intended. It seems to me that this matter can all be straightened out by now allowing the gentleman from Massachusetts [Mr. TINKHAM] to offer his amendment as a substitute for the entire bill and have it read. I am sure there is no disposition on the part of anyone to take a technical advantage. The gentleman from Kentucky [Mr. JOHNSON] can meanwhile reserve his point of order.

Mr. TILSON. That would clear it up.

Mr. MONDELL. And if the Chair will allow me, I will ask unanimous consent that the gentleman from Massachusetts [Mr. TINKHAM] be allowed to present his bill now as after the reading of the first section, as a substitute for the entire bill, to be read as such, the gentleman from Kentucky reserving all points of order.

The CHAIRMAN (Mr. RUCKER). Before submitting the gentleman's request for unanimous consent, the Chair will again rule on the point of order which was made when the substitute was offered. The Chair does not believe the substitute was offered at the proper time. The Chair thinks the House is entitled to know what is in the bill being considered by the House, and that the bill must be read before a substitute for the entire bill is in order. The Chair adheres to that ruling and now submits the request of the gentleman from Wyoming [Mr. MONDELL] for unanimous consent that the gentleman from Massachusetts [Mr. TINKHAM] be permitted to offer at this time his substitute for the entire bill and have the substitute read, all points of order being reserved to the substitute. Is there objection to the request?

Mr. JOHNSON of Kentucky. Reserving the right to object, certainly nobody ought to ask me to agree that a substitute which I contend is not germane shall be offered. I do not want it considered at all, and I am reserving the point of order that it is not germane.

Mr. MONDELL. The question whether the amendment is germane can not be determined until the amendment shall have been read. The gentleman from Kentucky personally may have read it privately, of course.

The CHAIRMAN. Is there objection to the request of the gentleman from Wyoming?

Mr. BORLAND. Reserving the right to object, I call the attention of the gentleman from Wyoming [Mr. MONDELL] to the fact that it can not be read until it is properly offered and until it is in order under the ruling of the Chair.

Mr. MONDELL. I ask unanimous consent, then, that it may be offered.

Mr. BORLAND. Then the gentleman admits that it can not be read, of course, until it is offered in the proper time and in the proper way.

The CHAIRMAN. Is there objection?

Mr. JOHNSON of Kentucky. Reserving the right to object, I have no objection to the proposed substitute being read for information only, if that will serve any purpose. Otherwise I shall object.

Mr. MONDELL. The gentleman reserves all points of order.

Mr. JOHNSON of Kentucky. Yes; I think I have got all points of order pretty well reserved.

Mr. MONDELL. The point of order that it is not germane or not offered at the proper place?

Mr. JOHNSON of Kentucky. Mr. Chairman, I shall be compelled to object to anything except that the substitute be read for information.

The CHAIRMAN. The gentleman objects. The Clerk will read.

The Clerk read as follows:

SEC. 2. That, in addition to other taxes imposed by law, there is hereby levied and shall be assessed, collected, and paid to the District of Columbia an annual tax of 100 per cent upon so much of the income from real estate of every person, whether resident or nonresident of said District, received since December 31, 1916, as exceeds the deductions herein allowed. For the purpose of ascertaining the amount of income subject to said tax, there shall be deducted from the gross income reported as herein provided so much thereof as equals the average amount charged for the use and occupancy of the same property for the same or a corresponding number of days, weeks, months, year, or 18 months, or for any part of any of such periods of time, in, of, or during the 18 months immediately preceding September 30, 1916, plus 10 per cent thereof additional except in cases where the property was rented or leased "furnished" during the period before September 30, 1916, entering into the computation, and is rented "unfurnished" during the taxable period, in which cases the said additional deduction shall not be allowed.

If no such income was charged or received during said period of 18 months, then the deduction from such gross income shall be an amount equal to 10 per cent of the value of the property producing the income, including furniture, if any, as determined by the assessor of the District of Columbia.

In cases where the property was rented "unfurnished" for the period before September 30, 1916, used in the said computation, and is rented "furnished" during the taxable period, then the additional deduction from such gross income shall be increased to 15 per cent.

If the real estate producing the income has been materially improved since September 30, 1916, there shall be an additional deduction from such gross income of an amount equal to 10 per cent of the actual cost of such improvements: *Provided*, That no such deduction shall be allowed for the cost of repairs made necessary or desirable by the ordinary wear and tear of rented or leased property.

No other exemption or deduction from such gross income shall be allowed. It is the intent and purpose of this act to tax at the rate herein fixed so much of every income from real estate as exceeds the deductions specifically authorized by this section.

Mr MAPES rose and was recognized by the Chairman.

Mr. JOHNSON of Kentucky. I wish to suggest to the gentleman from Michigan that the committee amendment be voted on before he offers his amendment.

Mr. MAPES. Yes.

Mr. JOHNSON of Kentucky. On page 2, line 13.

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 2, line 13, after the word "received," strike out the word "since" and insert the words "from and after."

The committee amendment was agreed to.

Mr. MAPES. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MAPES: Page 2, lines 13 and 14, after the word "after," strike out the words "December 31, 1916," and insert "April 1, 1918."

Mr. JOHNSON of Kentucky. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Michigan desire recognition at this time?

Mr. MAPES. I yield to the gentleman from Kentucky, chairman of the committee.

Mr. JOHNSON of Kentucky. Mr. Chairman, in connection with this amendment I wish to say that I shall neither advocate its adoption nor shall I object to it. The gentleman from Michigan [Mr. MAPES] is just as much opposed to profiteering in the District of Columbia or elsewhere as I am. His amendment is prompted by no motive except to further the passage of the bill. For that reason I am not going to interpose any objection to the adoption of the amendment.

The CHAIRMAN. The question is on the amendment of the gentleman from Michigan.

Mr. BORLAND. I rise to oppose the amendment.

Mr. MAPES. Mr. Chairman, if there is any opposition to it, I should like to be heard.

The CHAIRMAN. The gentleman from Michigan will be recognized first.

Mr. MAPES. Mr. Chairman and members of the committee, it seems to me that this amendment, if adopted, would do away with a great deal of the objection to the bill. It would do away with all the retroactive features of the bill and would leave for the judgment of the committee the single question of what is a proper rent to be charged for the property within the District of Columbia. The bill allows an increase of 10 per cent over a certain prewar period. If this amendment should be adopted, the bill would become effective, or the rentals fixed by the bill would become effective April 1 of this year. That would give everybody notice, and it would not penalize anybody. It would put down the rent to the place which the committee thinks is a reasonable and proper place. It seems to me in all fairness that the amendment ought to be adopted. It would also do away with the objection on the part of the owners of real estate that the bill places a lien on the real estate of the owner for the profiteering of the tenant. The landlords can take care of the future in their leases.

Mr. CANNON. Will the gentleman yield?

Mr. MAPES. I will.

Mr. CANNON. The gentleman's amendment fixes the date of April 1, 1918, but does it hark back to another portion of the bill? Will it mean advance in rent from 1918 or hark back to rents as they were in 1916? I am speaking about the increase.

Mr. MAPES. If I understand the gentleman's question, my answer is that the bill, if my amendment is adopted, would give the owner of the property the right to charge 10 per cent more than he charged during the prewar period, but it would not penalize him for what he received before the passage of the bill.

Mr. CANNON. That answers my question.

Mr. MAPES. A great many owners of real estate have rented their places in good faith. Whenever we have passed price-fixing legislation heretofore we have not attempted to make it retroactive. We have fixed the price of wheat; we have passed a bill authorizing the fixing of the price of coal and the price of sugar. We did not attempt to make that legislation retroactive. I think, Mr. Chairman, that my amendment should be adopted.

Mr. BORLAND. Will the gentleman let me ask him a question?

Mr. MAPES Certainly.

Mr. BORLAND. Suppose that after December 31, 1916, and prior to April 1, 1918, the owner of real estate in the District of Columbia has made a lease of two, three, or five years, at a rental price higher than the prewar period What would be the effect of the gentleman's amendment on the terms of that lease?

Mr. MAPES. In a subsequent section of the bill, section 6, provision is made for leases made before October 1, 1916.

Mr. BORLAND. Yes; before October 1, 1916; but I am asking about December 31, 1917, and subsequent to 1916, the period at which you fix the date in the original bill. Suppose a man made a lease yesterday for three years, at a higher rate than the prewar period, what would be the effect of your amendment? Could you take any part of his property without due process of law?

Mr. DEMPSEY. Section 5 deals with that proposition.

Mr. MAPES. The gentleman's question would apply to the bill in its original form as well as with the amendment. After the 1st of April of this year, if the amendment which I propose is adopted, the owners of real estate will only be allowed to collect 10 per cent more than they charged during the prewar period.

Mr. BORLAND. Let us see about section 5. That is not the tax inspection; it says that all contracts in excess of a certain rate are declared to be against public policy and void. I take it the construction of that would be that it applied to the future, and that no court would put an ex post facto construction on it.

Mr. MAPES. The language of the bill does not attempt to do that. I did not make reference to that section in answer to the gentleman's question.

Mr. JOHNSON of Kentucky. If the gentleman from Missouri will yield, I will suggest that the constitutional provision relating to ex post facto laws relates only to criminal matters.

Mr. BORLAND. Of course; but to take property that has already been acquired without due process of law is unconstitutional.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. COOPER of Wisconsin. There is a provision of the Constitution which, of course, the gentleman is thoroughly familiar with, that no State can enact any law impairing the obligation of contracts; but, of course, that does not apply to the District.

Mr. BORLAND. Mr. Chairman, I do not know that I have any strenuous opposition to the amendment offered by the gentleman from Michigan. It simply makes the bill prospective instead of retrospective. My idea was that the whole constitutionality of the bill depends on the taxing power, the right to take property in the form of income tax. If the bill does not rest on that it would be difficult to say upon what principle it does rest. If it rests upon the taxing power, the question of retrospective operations is not so important as it would be upon any other constitutional power. I do not assume, because I have not studied the question, whether the tax theory is well grounded or not; I am going to leave that to the decision of other gentlemen who have examined it carefully. That is what I understand is the basis of the bill. If that is the basis of the bill and it be sound, the retrospective operation of the bill has nothing to do with it.

What is the practical effect of it? The practical effect is to leave out the period in which the greatest profiteering has been done.

Mr. DEMPSEY. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. DEMPSEY. If the bill is founded on the basis that the gentleman suggests, will he tell me upon what basis you could sustain the provision in section 5, which will entitle a person who pays an excess to recover it? The taxing power can not be exercised by the Government in favor of individuals, but only in favor of the Government itself.

Mr. BORLAND. I am going to refer the gentleman to the gentleman from Kentucky. That section it appears to me to relate to the contract between the parties.

Here is what I want to call attention to in this connection. The greatest profiteering was done after the 1st of April, 1917. It was the war period. We brought these people here. We brought 30,000 employees here for the Government, and we brought fully as many more for the independent activities—these war committees.

Mr. MAPES. Of course, the gentleman does not contend that profiteering would not continue unless we take some action, and that we are bringing, according to the estimates, 20,000 additional employees this year into the District.

Mr. BORLAND. Yes. Unfortunately it will continue unless some action is taken, and I am going to vote for the bill in the hope that it will accomplish the result. We ought not to have brought so many people here. That is perfectly manifest to my mind. I think we are doing a great injustice to the people themselves, and we are doing a great injustice to the taxpayers of the country in bringing a whole lot of people here.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. In just a minute.

Mr. KEARNS. I would like the gentleman to suggest a plan of eliminating the bringing of so many people here.

Mr. BORLAND. I am going to suggest that if we would make the employees that we already have work a full day's work that would tend to do it, and on that I hope I have the concurrence of the gentleman from Ohio.

Mr. KEARNS. That is the answer I wanted to get.

Mr. BORLAND. Then I am happy to believe that the gentleman will vote for that remedy. If we make these clerks here work a full day's work, we would bring fewer of them here, and if we brought fewer of them here there would be less opportunity for these real estate owners to gouge them and to gouge us, and to gouge the business men who come here to consult these subcommittees of the Council of National Defense, and to gouge everybody else who has to do business in Washington. We ought to reduce the congestion in Washington as much as we can. This is only one phase. We ought not to bring people here to work seven hours a day, and we ought not to permit those who are here in the Government employ to work only seven hours a day. As long as we have anyone here working seven hours a day, we ought not to go out into the country and hire any more to come here to Washington to work for seven hours a day or any other kind of a day. We ought to use those that we have here to a reasonable business efficiency. There is not the slightest danger that Uncle Sam is going to use them to an unreasonable amount of efficiency. Nobody ever heard of Uncle Sam getting the best of any proposition. He never does. Lots of gentlemen seem to fear, even on the floor of this House, that Uncle Sam is going to get the best of some proposition.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BORLAND. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BORLAND. No one need fear that Uncle Sam is going to get the best of it, that he is going to get any more work than is coming to him, or that he is going to get the long end of any bargain. In fact, it is our duty to see to it that he gets as near a square deal as possible, but we can not always do that. My experience is that we never can assure the Government of an absolutely square deal in its dealings with individuals, and I know that we have never been able to get Uncle Sam a square deal in regard to his dealings with Washington people.

Here is another item to which I wish to direct attention. The more people we bring here to do a given amount of work the more housing we must provide for them for their work; that is, office housing. We are confronted with that situation, and they are now renting all kinds of buildings here at all kinds of prices for these temporary offices that we must have. We are compelled to build a large amount of temporary structures in the District to house these clerks. What for? To do the Government's business in an exceptionally short day's work and allow the buildings to be empty the rest of the time. You have to heat and light them and do all that sort of thing. There is one of the places where I think we can bring about a reduction of the congestion in Washington—require a fair day's work.

Mr. LINTHICUM. Mr. Chairman, the gentleman from Georgia [Mr. HOWARD] has suggested that the best way to solve the rent problem and to prevent high prices and profiteering is to reduce the demand for houses and rooms.

The gentleman from Missouri [Mr. BORLAND], under his favorite topic, the eight-hour law, has suggested a remedy by increasing the day to eight hours and thereby lessening the number of employees.

I suggest in all seriousness that the best method of solving the rent problem in Washington is to arrange that the employees of the Government may find homes in the city of Baltimore. This can be accomplished by having a train or trains provided by the Director of Railways to run at the proper time from Washington to Baltimore and from Baltimore to Washington, so that the employees might be brought to their work in the morning in time and returned to their homes in the evening at the proper time.

By doing this they can go from Baltimore to Washington by the train service just as quickly as they can come from the outlying sections of Washington by the trolley service. It will relieve the congestion in Washington, will distribute the employees in another city, and the rent problem will solve itself by lessening the demand for rooms and houses.

The fare on the railroads will be $16.69 per month, including the war tax, and on the electric railroad $12.96 per month, including the war tax. The latter road, however, takes half an hour longer to reach Washington.

The living expense in the city of Baltimore is at least from 10 to 15 per cent cheaper than it is in the city of Washington and lots of homes and rooms are equally that much lower.

Baltimore provides, perhaps, the best living, or at least as good a living, as any city in the Union.

Our city has continued its great market system, by which the retail markets are used by the population instead of calling up by telephone and ordering from some store at a high rate. The farmers bring their produce to the market and sell to the consumer direct. The butchers slaughter much of their meat and offer it in these large markets. And so it is with all the other necessaries of life. You are not only able to secure your selection, but you are able to get it much cheaper by reason of the competition among all classes of market people. The truth is one can not only save their railroad fare but considerable more.

In fact, I am quite sure that a family would save far in excess of the railroad fare by dealing with these open markets in the city.

We have a great many homes where they would take in Government employees as members of the family, providing them good accommodations and all the comforts of home. Our hotels are not as expensive, but are just as luxurious and good as those of any city in the Union. In fact, we have just opened a new hotel which is second to but few in the land.

We have a city of 700,000 and can take care of all the excess employees from the city of Washington. You talk about spending fifty to one hundred millions of dollars to build homes in the city of Washington for these thousands of employees who are yet to come. Yet, gentlemen, you could operate a splendid train from Baltimore to Washington and back again, furnishing absolutely free transportation, and save money, rather than make this great expenditure for buildings.

These are Government employees and the railroads are now operated under Government control. Why not operate the train or trains at cost for these employees, taking them back and forth to the Monumental City?

I offer you this proposition in all seriousness as a certain method of reducing prices and profiteering in this city. I offer it as the answer to the high cost of living in Washington. I challenge any city in the country to produce cheaper market facilities and better housing facilities than the city of Baltimore.

Further, its vast farming sections furnish us with fresh vegetables and other farm products. From the great Chesapeake we procure oysters, fish, and crabs the best in this land—and all this within 45 minutes of the Capital City of the country.

This would not only be a great benefit to our metropolis, but it would be a great benefit to the Government at large and to the city of Washington; in fact, it would save the expense of building homes, which must necessarily come unless some method such as this is adopted.

Baltimore is one of the best-policed cities in the land. It has a school system second to none in this country. I say this because I know many cities in our land have splendid school systems. It has great public libraries, circulating libraries, moving-picture theaters, great theaters; in fact, everything which a great metropolis of 700,000 souls will need.

The truth is Washington and Baltimore have never joined hands in business or population as they should. They should be closer in business and social matters. They are practically one in that villages extend almost from one city to the other.

There is a magnificent highway provided by the State of Maryland by which a fast-moving automobile can make the trip from one city to the other in 1 hour and 30 minutes. What we want is a closer alliance between these two great cities—one helping the other in business and the other in population and housing facilities.

I make this suggestion because I do not think there is any doubt but that it can be adopted by the Government and save from fifty to one hundred millions of dollars. I believe the people in Baltimore will be well satisfied and that the Government employees will live better than they could anywhere else.

The sole question which needs to be solved is the question of railroad transportation. If the Government will guarantee a train or trains at the required hours it will be just as convenient and just as well to live in Baltimore and do business as it is to live in Washington.

We have to-day several hundred commuters who make the trip from Baltimore to Washington. They take their morning paper when they leave Baltimore or their cigar as the case may be, and by the time the cigar or paper is finished, they are pulling in at Union Station, Washington. Every man reads, or should read, a morning paper, and should read it before he goes to business. He should not, as I have seen many Government clerks, read it during office hours. The commuter will find the time during his ride from Baltimore to Washington to do this. He will enter his office better informed after the pleasant journey and thoroughly equipped to do work.

I know three gentlemen who conduct one of the largest business interests in Washington who have commuted for the last 25 years, and they say that they propose to do so as long as they live or continue to do business.

I do hope that this suggestion will not fall upon idle ears, but that it may bear fruit and many more Government employees find a comfortable, cheap, and convenient home in our great metropolis.

Mr. BORLAND rose.

Mr. LINTHICUM. Oh, let me finish first.

Mr. BORLAND. I do not want to break in on the gentleman's argument.

Mr. LITTLE. Will the gentleman yield?

Mr. LINTHICUM. I promised to yield to the gentleman from Missouri.

Mr. BORLAND. I was just going to ask my friend from Maryland whether he believed it was wise to tax the people of the United States to build housing facilities in the city of Washington for these congested employees?

Mr. LINTHICUM. There is not the slightest necessity of building any houses in the city of Washington if you will give the trains to Baltimore which will put the people here as quickly as you would from the outskirts of the city of Washington.

Mr. BORLAND. If the gentleman had the National Capital in the city of Baltimore I take it his enterprising citizens would take care of all the people who would want to come there?

Mr. LINTHICUM. We would endeavor to do so, and we would make a strong struggle in that direction.

Mr. LITTLE. Will the gentleman just state the amount of car fare between this city and Baltimore, so as to make his statement complete?

Mr. LINTHICUM. The monthly ticket is $16.69, including the tax. That is on the railroad. On the electric line it is $12.96, including war tax.

Mr. LITTLE. Twelve dollars and ninety-six cents a month?

Mr. LINTHICUM. A month. It is about 50 cents a round trip on the railroad and slightly over 40 cents on the electric road.

Mr. MADDEN. Will the gentleman yield?

Mr. LINTHICUM. I will.

Mr. MADDEN. I suppose everybody would live in the depot after they got to Baltimore; they would have no car fare to pay——

Mr. LINTHICUM. Oh, I am not saying they would not have to pay car fare if they lived far enough out, but if they lived close to the center of the city they would not, as the electric line runs to the center of the city; besides, the Pennsylvania Railroad stops at two places in the residential sections, and the Baltimore & Ohio runs to Mount Royal Station, right in the center of the residences. Mr. Chairman, I say the Government need not go to the expenditure of great sums of money to build buildings. They can establish this train system, and have people coming from Baltimore here—coming from a city where they can get a good living and will not be so crowded and so many contained in one section.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the motion to amend offered by the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

Mr. JOHNSON of Kentucky. Before the Clerk begins to read I wish to ask the gentleman from Michigan if he has another amendment to offer.

Mr. MAPES. Mr. Chairman, the gentleman from Kentucky has suggested an amendment——

Mr. JOHNSON of Kentucky. Which I think will do very well to go along with the amendment just adopted, offered by the gentleman from Michigan. I suggest that it be read for information at least.

Mr. MAPES. I have not had a chance to compare it carefully, but I will send it up.

Mr. JOHNSON of Kentucky. Or I will offer the amendment.

The CHAIRMAN. Does the gentleman from Michigan offer the amendment?

Mr. MAPES. Yes; I offer the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out the words "eighteen months" wherever they appear in section 2 and insert in lieu thereof "twelve months."

Mr. STAFFORD. Will whoever has the floor permit a question? Does the gentleman wish to substitute "12 months"——

Mr. MAPES. Where is that?

Mr. STAFFORD (continuing). "Twelve months"—when in line 20 you have the word "year" preceding "18 months." It

is virtually the same. Is it necessary to insert "12 months" when you have the word "year" preceding the "18 months"? I direct the attention of the chairman of the committee to line 20, page 2. The present phraseology is "number of days, weeks, months, year, or 18 months." The amendment proposed strikes out "18" and inserts "12" months. That is a mere duplication. I would suggest striking out "18 months" and inserting the word "or" before the word "year."

Mr. MAPES. I think the gentleman is correct.

Mr. STAFFORD. I ask that the amendment submitted by the gentleman from Michigan may be modified as suggested.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent for the modification of the amendment offered by the gentleman from Michigan. Will the gentleman suggest the modification?

Mr. MAPES. Mr. Chairman, with the consent of the committee, I withdraw the amendment.

The CHAIRMAN. Without objection, the gentleman withdraws the amendment offered.

There was no objection.

Mr. JOHNSON of Kentucky. Mr. Chairman, I desire to offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out all of lines 5 to 10, inclusive, page 3, and insert in lieu thereof the following:

"If no such income was charged or received during such period of 18 months, then the deduction from such gross income of each taxable year shall be an amount equal to 10 per cent of the value of the property, including furniture, if any, producing the income as determined by the assessor of the District of Columbia for the purposes of this act and at the same rate for any greater or less period of time: *Provided, however*, That in cases of such last-named property where the landlord furnishes heat, light, or elevator service an additional deduction of an amount equal to the actual cost to the landlord of the heat, light, and elevator service so furnished shall be allowed."

Mr. STAFFORD. Mr. Chairman, I would like to inquire of the chairman of the committee on what is predicated the period of 18 months which runs through the bill. Why was that specific period determined in addition to days, weeks, months, or a year?

Mr. JOHNSON of Kentucky. When the language "daily, weekly, monthly, or yearly" is used it is used to bring in the hotels that lease their rooms for only a day, or other people who lease for a short term, say, a week.

Mr. STAFFORD. I conclude that the gentleman did not grasp the purpose of my query. I am trying to ascertain what is the reason for specifying 18 months as a period in addition to "years, months, weeks, and days"?

Mr. JOHNSON of Kentucky. As I said, the retroactive part of it originally reached back 18 months, as compared with 18 months of previous time.

Mr. STAFFORD. Having stricken the retroactive part of it out, by the adoption of the amendment offered by the gentleman from Michigan [Mr. MAPES], is the 18-months' period any longer applicable?

Mr. JOHNSON of Kentucky. I have been advising all the forenoon with the gentleman from Michigan [Mr. MAPES] about it, and he is still of the opinion that it is not necessary to change that. But I prefer that the gentleman speak for himself.

Mr. ROBBINS. Will the gentleman yield? I think I have an idea that that 18 months period was put in for this reason: In most of the cities the rental year ends on the 1st day of April. If you take April 1 to October, the end of the year in the District of Columbia, would be six months. So, if you are calculating a lease, as I happened to be when I came here, the ending of the lease in Pennsylvania being April 1 and the end of the year in the District of Columbia being October 1, six months later, I wanted to rent an apartment for that length of time—18 months. And that probably explains the attitude that was taken here in fixing the unusual period of time of 18 months in addition to the annual period that is generally fixed in leases.

Mr. JOHNSON of Kentucky. That is hardly the idea. The bill as originally drafted levied a retroactive tax upon the next preceding 18 months, and compared it to the 18 months previous to that, for the prewar period. But the gentleman from Michigan has gone over this thoroughly; in fact, he and I have been going over it for the last two weeks, and I have yielded to his judgment in the matter.

Mr. MAPES. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Michigan to explain this 18-month period.

Mr. MAPES. My idea is that the 18 months part of this section only determines the basis for the rent to be charged and fixes the amount to be charged prior to September 30, 1916, and giving the class of property within the District after this bill goes into effect the right to charge in addition 10 per cent of that amount after April 1. And that is the only purpose of the section now, and it does not seem to me to make any difference whether it is 18 months or a year.

Mr. JOHNSON of Kentucky. Just as I have said, I have deferred in this particular matter to the judgment of the gentleman from Michigan. His amendment effected that, and I have left everything affecting it to his judgment.

Mr. CRAMTON. May I ask a question of the gentleman from Kentucky for information?

Mr. JOHNSON of Kentucky. If it relates to that question, I would prefer that it be asked of the gentleman from Michigan [Mr. MAPES].

Mr. CRAMTON. I think it does not. It is as to the construction of the language in the bill.

Mr. JOHNSON of Kentucky. Where is the gentleman reading now?

Mr. CRAMTON. On page 3, the provision that a deduction——

Mr. JOHNSON of Kentucky. Where on page 3?

Mr. CRAMTON. Lines 11 to 16.

Mr. JOHNSON of Kentucky. We have not reached that yet?

Mr. CRAMTON. Then I will wait.

Mr. FRENCH. Mr. Chairman——

The CHAIRMAN. The gentleman from Idaho [Mr. FRENCH] is recognized.

Mr. FRENCH. Will the gentleman yield just a moment, to have him explain whether or not the amendment he has offered changes the language of the section to which it has been offered so as to provide any greater income for furniture in a house that may be rented than 10 per cent?

Mr. JOHNSON of Kentucky. There are two purposes sought in that amendment that I have just offered. One is that instead of making a deduction of 10 per cent, making it at the rate of 10 per cent. And then the other is where service goes with an apartment or room it is to allow compensation for that at the actual cost of the service.

Mr. FRENCH. Then I would like five minutes in my own right in order to speak on that subject briefly.

The CHAIRMAN. The gentleman from Idaho is recognized.

Mr. FRENCH. It seems to me we ought to provide that a larger amount than 10 per cent be exempted for the householder on furniture.

Mr. JOHNSON of Kentucky. I will say to the gentleman that there is a provision at another place in the bill that where a house is rented furnished 17 per cent is allowed.

Mr. FRENCH. Yes; I am aware of that. That occurs in the following section. But here is a condition that is not met by the following section: This condition is met, as is indicated in the first line, by saying that if no income was charged during the period of 18 months, then the householder upon leasing may still only charge 10 per cent of the value of the property plus 10 per cent for the furniture.

Mr. JOHNSON of Kentucky. This relates solely to new property.

Mr. FRENCH. Let me call attention to this feature: It seems to me you discourage the householder from furnishing a house for renting purposes or renting a house furnished.

Mr. JOHNSON of Kentucky. I admit it does discourage the householder from renting unless he be willing to rent at exorbitant prices.

Mr. FRENCH. Now, let us see. I think 10 per cent is not what the householder is entitled to have on his furniture, and I have no brief for the householder, either.

Mr. JOHNSON of Kentucky. Is the gentleman now discussing the language of that bill or the amendment I have offered?

Mr. FRENCH. I understand the language in the amendment does not modify the language in the bill in that regard, and what I want to do is to ask the attention of the committee to my idea that 10 per cent is altogether too low. Here comes a man to Washington to work in a department. Suppose just his wife is with him. Probably three or four rooms would accommodate them. He goes to the householder, and the householder says, "I will rent you the three rooms here unfurnished for $30 or $40 or $50 a month"; but the employee says, "I do not know how long I am to be here. It may be six months; it may be a year. What will you charge me if you furnish it?" The householder will probably furnish the rooms suitably to the prospective tenant for $600. He may have the furniture or may need to buy it.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. In a moment. He says, "Under the law, then, I will be permitted to rent a furnished apartment at the price I quoted to you plus 10 per cent of the cost of the furniture during the year, which is $60," which, stretched over a period of 12 months, means $5 additional per month. In other

words, he would rent the apartment furnished for $5 a month more than the rate at which he would rent it unfurnished, and we know that no householder would think of furnishing a house and renting it on that basis.

Now I will yield to the gentleman from Illinois.

Mr. JOHNSON of Kentucky. Is not the gentleman proceeding on the notion that there is no consideration beyond a pecuniary one? Should not the householder here take into consideration the fact that he must do his part toward housing here?

Mr. FRENCH. Yes; I have taken that into consideration, and I think that probably the householders ought to be absolutely generous in that regard. And let me call attention to this fact, that if the gentleman will go to a furniture store in this city that makes a practice of renting furniture for a few months and then taking it back, he will find that it is expected that that furniture will be absolutely paid for within a period of two years; and the householder should not be expected, it seems to me, to rent that furniture for such an amount as would not pay him for the furniture itself until after a period of 10 years, and that is what is required under the terms of this bill.

Mr. JOHNSON of Kentucky. The trouble is that they are now renting furnished rooms on the basis that the furniture is paid for in about 10 days.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Let me finish this, and then I will yield. I think there is no question but that the prices are exorbitant, and they should be cut down in many instances. But let me follow the illustration that I took up a moment ago, of the householder who proposed to rent an apartment at $40 a month and agreed to put $600 worth of furniture into it. Under this bill he could ask only $45 for the furnished house.

Now, under my amendment, instead of asking $45 a month, he could state to the prospective tenant, "I will rent it to you for $65 a month." That would give him 50 per cent during the year on his furniture, to bring the rent up to $65 a month, and I am convinced that there is not an employee who would come here under the circumstances who would not be glad to rent a furnished apartment on that basis, rather than rent it unfurnished and buy the furniture and furnish it. It seems to me we ought to raise the percentage on the furniture up to 40 or 50 per cent of what the householder would need to pay to furnish the house.

Mr. GRAHAM of Illinois. Has the gentleman had any experience in renting what they call one of these furnished houses in the District?

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. FRENCH. Mr. Chairman, I ask leave to proceed for five minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. FRENCH. I have had precisely that experience, and I would say that I have rented furniture at a rental that paid for it entirely and donated it back again to my householder at the time I was through with the rental period.

Now, I think we ought not to permit that, but there is a place somewhere between that and the terms of the present bill where we should draw the line.

Mr. GRAHAM of Illinois. I had some personal experience in that matter myself, and I have talked with other Members who have had the same experience, and almost universally, I think, this to be true, that in rented houses that are rented furnished the furniture in them is very insufficient and poor, and usually there is a large additional charge for furniture that you would not use in your house at home but which you are compelled to use here, and on account of the fact that the house is rented furnished you must pay a big price for it.

It seems to me that if this is discouraging to the renting of furnished houses it would be a good thing for Members and other people who have to live here on their official business.

Mr. CARY. Mr. Chairman, will the gentleman yield for just a moment?

Mr. FRENCH. Yes.

Mr. CARY. I understand that secondhand furniture stores here are doing a great business since the war began and are loading up houses with secondhand furniture.

Mr. GRAHAM of Illinois. Yes. I could rent a common, ordinary house for $100 a month unfurnished and for $125 furnished, and I could buy all the furniture in the house for $150 or $200. That is not a limited experience. It is the experience that everybody has had.

Mr. FRENCH. Would not the assessor determine that, and then the householder could charge for the whole of a year only $15 or $20, which would be a dollar and a quarter to a dollar and seventy cents a month for that house furnished over what he could rent it for unfurnished?

Mr. GRAHAM of Illinois. I think so. I agree with the gentleman in the idea that it would discourage the renting of furnished houses.

Mr. FRENCH. I may say that if the purpose of this amendment is to discourage the renting of furnished houses, I think it will accomplish that purpose; but it seems to me that a lot of people coming here do not care to rent unfurnished houses and then furnish them themselves. They would be glad to pay more than 50 per cent for the use of the furniture during the time they were occupying the house.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. TREADWAY. Mr. Chairman, it strikes me that the whole question was very ably put this morning by the gentleman from Georgia, who referred to the question of supply and demand. These prices, even if they are taken as being high, are the result of the demand for property to-day in the District. I do not think the committee or the distinguished chairman of this committee have taken into consideration the hundreds of idle houses and apartments that have stood here for years at a loss to the owners. There has been no move to reimburse those owners for the losses they sustained year after year on account of their property standing idle.

I was told of an illustration only a few moments ago in the case of one of the leading hotels. A clerk there stated that in spite of the employees they were obliged to have for the upkeep of the house during a summer period there never was a time for months during the summer when there were to exceed 10 or 15 guests in that hotel, one of the very houses, probably, of which complaint is at the present time being made.

No move has been made to reimburse people for the losses they have sustained here for years in the matter of idle property, whether hotels or apartment houses. But now, because of a peculiar condition existing here in Washington, and the requirements of so many thousands coming to the place, increasing the demand, because there happen to be isolated cases of extortion, we are asked to pass this legislation. The chairman of the committee [Mr. JOHNSON of Kentucky] could not refute the statement, except to say that he did not believe it, as to the percentage of increase that is taking place. I think we as Members are selfish. The existing condition has occasioned us a little extra expense, and we are asked to vote to inflict something on the whole District and the District ownership of property simply because we have ourselves been the victims of an occasional isolated case, such as the chairman of the committee has referred to.

Mr. FOSTER. Now that there is such a great demand for rooms in the District of Columbia, from people who have come in here, does the gentleman think that these property holders ought now to be permitted to charge such exorbitant prices as to make the back profits that they might have needed years ago?

Mr. TREADWAY. I realize that there is much merit in the idea the gentleman presents. But why pick out real estate? Did not the gentleman from Illinois [Mr. CANNON] state the case exactly as it was this morning when he suggested to the committee that the same thing should apply to a man's shoes or to a suit of clothes? You can not buy a suit of clothes to-day within 25 or 40 per cent of the price you could have bought it for two years ago. Why do we pick out real estate and constructed houses and rented apartments for this particular sort of an attack? If I may be allowed to say it, I think it is very largely not to protect these outside people who are coming here, but because a few of us may have happened to have been caught by these people who rent rooms.

Mr. FOSTER. Does the gentleman think that because we have not regulated the price of every commodity in the District, for that reason we ought not to regulate the exorbitant prices that these people are charging now?

Mr. TREADWAY. I will ask the gentleman if $12 for a pair of shoes that a few months ago could have been bought for $4 is not a much greater percentage of increase of price than the increase in the rental of any property that he can refer to here in the city?

Mr. FOSTER. I think it would be an outrage to charge that.

Mr. TREADWAY. The chairman of the committee used that as an illustration this morning.

Mr. FOSTER. I will ask the gentleman, why not stop this particular thing? If we can not stop it all, for the Lord's sake let us stop a little of it.

Mr. TREADWAY. Because I do not think it is fair to pick out the real estate situation as an illustration of a condition existing probably everywhere and through all lines of commodities in the District, and existing likewise throughout the country.

The District of Columbia is not alone in this matter. Just because we have the power that is no reason why we ought to exercise it.

Mr. FOSTER. Would the gentleman have us regulate the price of shoes?

Mr. TREADWAY. We are going beyond our depth when we attempt that, and we are beyond our depth when we try to regulate the price of real estate in the District of Columbia.

Mr. CARY. The gentleman's argument is a good one, but the people coming here from outside the District do not have to buy their shoes here, but they have got to live here.

Mr. TREADWAY. Is it not a fact that outside of the soldiers who are compelled to come here, most of whom live in the camps, everyone else who comes here does so voluntarily? Nobody is commandeered to come to Washington, but they come voluntarily. We as Members of Congress come here voluntarily, and we ask the privilege of coming.

The CHAIRMAN. The time of the gentleman has expired.

There was no objection.

Mr. TREADWAY. I wanted to refer particularly to the percentage of increase for furnished apartments. It is true, as the gentleman from Illinois said, that if a place is put up to rent furnished it undoubtedly is furnished cheaply, but if by reason of circumstances some one has a satisfactory apartment or a satisfactory house to rent, and can secure a proper tenant for it, an allowance of 10 per cent depreciation of the assessed value of the furnishings simply means that for any ordinarily good apartment or house the owner would rather close it up than take that 10 per cent depreciation. You can not rent furnished property at a depreciation of 10 per cent and break even on it. It is absurd. So, also, I think that the suggestion to include hotels in this bill and put them on a percentage basis is a ridiculous one. The gentleman from Kentucky says he is going to allow them to charge for their waiters and bell boys and chambermaids the exact cost of that service. Why, I never heard a more absurd proposition than that in the world. There is no use in debating or arguing such a statement as that as applied to hotels. If the gentleman wants to debate the merits of that sort of a proposition, I would be very glad to do it, but I do not think we ought to take the time on any such foolish proposition as that, because anybody with any sense at all and any experience in hotel living knows that simply to add the actual cost of service to the rental price is ridiculous on the face of it. If I understand the gentleman's amendment aright—I hope I am wrong in the phraseology of it, but if I am right in it—it is about as ridiculous a proposition as could be brought before the House.

Therefore it seems to me that the whole spirit of this kind of legislation, from start to finish, is wrong. Not one of these people the gentleman is so anxious to protect is forced to come here to Washington. All of them are coming here in an effort to better their condition, and nine times out of ten they could not do it under normal conditions. In my experience here, when young men or young women have written to me about Government positions I have always advised them not to take Government positions. It is the poorest kind of employment a young man or a young woman can have. I hope the example that is before them now of this increased cost of living in Washington will be of sufficient value to stop this tremendous influx of people.

Mr. JOHNSON of Washington. But the various departments telegraph these men and ask them to come on—that they must have them.

Mr. TREADWAY. That is true; but they are not commandeered. They are coming more from a spirit of patriotism, and nine-tenths because they think they can better conditions, and when they get here they find that they are mistaken.

Mr. JOHNSON of Washington. All these people that come here must have houses to live in; they can not live in tents.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. MADDEN. Mr. Chairman, I assume that the amendment offered by the gentleman from Kentucky refers to this section of the bill which imposes 100 per cent in addition to the ordinary taxes, in case the income from the property is such as to justify it, and allows a deduction of 10 per cent from that 100 per cent additional taxes on property which had not been occupied for a stated period. That leads to the conclusion that 10 per cent gross income is all that can be allowed on rented property.

I believe it would be a great mistake to limit the gross income to 10 per cent. Ten per cent of the gross income would be absorbed in the payment of the taxes, which would amount to 1½ per cent of the value of the property.

Mr. JOHNSON of Kentucky. One per cent here.

Mr. LONGWORTH. May I interrupt the gentleman?

Mr. MADDEN. Yes.

Mr. LONGWORTH. I want to ask the gentleman as to the determination of this valuation. Does this mean the present tax valuation or does it mean that the assessor of the District of Columbia will in each case, when appealed to, determine the value of the property?

Mr. JOHNSON of Kentucky. I will answer that question, with the permission of the gentleman from Illinois.

Mr. MADDEN. Very well.

Mr. JOHNSON of Kentucky. The latter part of his question is the proper basis.

Mr. LONGWORTH. That is, that the present list of tax valuations has nothing to do it?

Mr. JOHNSON of Kentucky. Nothing to do with it.

Mr. MADDEN. The gentleman from Kentucky corrects me and says 1 per cent. That would leave 9 per cent. Four per cent for depreciation or repairs would be added to that. If you take off in the shape of depreciation, the average experience is 4 per cent; but if you really charge the actual cost, then it frequently amounts to 20 per cent—sometimes to 100 per cent of the revenue, not the value. Then there must be a certain period when property is idle, and during those periods the taxing and the depreciation goes on. I am not sure whether I am right in concluding that the period of idleness amounts to about 2½ or 3 per cent, but, say, 3 per cent; 4 per cent for depreciation, 1 per cent for taxes, and there is 2 per cent left as income to the owner.

There are special assessments levied against the property for sidewalks, for sewers, and now, I think, for a part of the paving, which is not classed as ordinary taxation. This undoubtedly would amount to the other 2 per cent of income. Now, it is not fair to suppose that people who have property here are willing to have it occupied by strangers without income. I think excessive charges have been made in the District, and in so far as we can remedy those excessive charges and do justice, we ought to do it.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I ask for three minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. But I would like the gentlemen who are considering this bill to take a common sense view of what is a legitimate charge—surely 10 per cent is not. I may state for the information of the House that I own some property in another city. One piece of property that I own is an appartment building of about 20 apartments. We do not charge as much rent there as they do here, but the gross income from that property for the month of January was $527. The net income of the property after paying expenses, furnishing the heat, making the repairs, and so forth, was $52.06. The gross income of the property was $527 for the month of February, and the net loss was $26. So that owning and renting property is not as profitable as it might seem to be.

It is true that many tenants have sublet their apartments, and those to whom they have sublet them have been obliged to pay exorbitant rents. But I do not know how you are going to reach such people who receive exorbitant incomes from property. They have no responsibility, they may not be permanent residents of the District, they may have gone from the territory over which we are to give jurisdiction. They have taken the income with them. I do not think you will be able to accomplish the purpose sought. In any event you will not be able to accomplish your purpose unless you endeavor to be just, and 100 per cent tax with 10 per cent deduction for vacant periods is not just and ought not to be enacted into law, and I undertake to say could not be enforced if it was enacted.

Mr. JOHNSON of Kentucky. Mr. Chairman, if the premises laid down by the gentleman from Illinois [Mr. MADDEN] were correct, his conclusions are not far wrong. But his premises are so far from being correct that his conclusions are bound to be wrong. Everybody in the whole country knows that even with old property 10 per cent is a good income, even where taxes are twice as high as they are here, where insurance is twice as high, and where repairs are more expensive.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. KEARNS. I see in the bill, and the gentleman continually uses, the rate of 10 per cent. That is the rental that can be

charged for a piece of property—10 per cent of the value of the property. Suppose you are going to rent it for only one month, does the gentleman mean to say that 10 per cent of the value of that property shall be charged as rental for the month?

Mr. JOHNSON of Kentucky. I have just offered an amendment making it at the rate of 10 per cent.

Mr. KEARNS. Per annum or per month?

Mr. JOHNSON of Kentucky. At the rate of 10 per cent for the taxable year.

Mr. KEARNS. Has that been written into the bill? It is not in the bill now.

Mr. JOHNSON of Kentucky. It is in the amendment that I have just offered.

Mr. KEARNS. Is that in the amendment—10 per cent per annum?

Mr. JOHNSON of Kentucky. At the rate of 10 per cent per annum.

Mr. KEARNS. Does it use that expression?

Mr. JOHNSON of Kentucky. Yes.

Mr. GRAHAM of Illinois. I have the exact language here—

And at the same rate for any greater or less period of time.

Mr. REED. Mr. Chairman, the city of Washington, as has already been stated, is confronted with an unprecedented—indeed, a most serious situation.

It is one that the capital of every nation involved in this world-wide war has had trouble with.

It has necessitated at each one of these seats of government a tremendous expansion of administrative machinery essential to mobilization of great armies and the production and transportation of munitions and supplies. Thousands upon thousands of new clerks and officials have been summoned to the various capitals of the nations at war, and I am informed that in all of them the housing of the added population has resulted in overcrowded and unusual conditions, notwithstanding the fact that most of these capitals had many times the population of Washington.

France, with a population of about 40,000,000, had her Paris, a city of upward of 3,000,000 people, in which to center her war activities.

The mobilization and war problems of Germany, with a population of something more than 60,000,000, are cared for at Berlin, a city of over 2,000,000.

The mainland of the British Empire has a population of about 50,000,000, but in mobilizing the war energies of these 50,000,000 she has the assistance of the great city of London with about four and a half millions of souls.

The United States has a population of more than double that of England, but the vast problem of mobilizing the military, food, and transportation energies of about 110,000,000 of people was suddenly dumped upon Washington's 340,000 people.

If London and Paris had housing problems, what have we given to Washington?

The field for profiteering was an inviting one, and the old law of supply and demand quickly asserted itself.

Many instances of shameful profiteering have come to light.

It is a serious problem for the Congress to meet in a sane, businesslike way.

Washington is not large enough to absorb these thousands of new employees and Army officers who are brought here.

There is a limit to the capacity of her homes.

In the discussion of this bill some pretty hard things have been said about the city, but I am not ready to brand the whole population of Washington as grafters and profiteers. It is our Capital. We ought to be proud of it.

It is made up of people from all the States, and there are good and bad people everywhere. No doubt in New York, Philadelphia, or Chicago the problem of caring for an additional population of 60,000 would not have been so troublesome. But let us not forget that we are handling the mightiest movement that ever vexed the Western Hemisphere in one of the smaller cities of our country.

As a general proposition the people of Washington have shown a most generous and patriotic spirit. During the holiday season I recall that thousands of homes were thrown open to our visiting soldiers, and on Christmas Day a sign was displayed from hundreds of homes indicating that a good turkey dinner awaited any man in the uniform of the Army or Navy, regardless of whether he knew the family or not. Many lodges and churches of the city are to-day extending hospitalities to our boys that are most commendable.

As to the profiteering, it is said that most of it has been done by tenants, often people residing here temporarily. It is said that only a limited number of bona fide owners of real estate have been guilty of inflicting hardships on their tenants.

The claim of the Real Estate Brokers' Association, that of over 20,000 tenants investigated an increase in rentals of only about 1 per cent on the average was found, has not been contradicted.

I myself have talked with many young men and women who are here connected with the activities of the Nation, and they tell me they have found a hearty welcome to some of the best homes of the city at reasonable rates, and they are not complaining.

But, Mr. Chairman, there can be no denying the fact that some householders in the city are acting in most mercenary and reprehensible manner, and I am in favor of legislation that will meet the situation and punish to the limit the offenders.

I shall vote for the best bill we can get. I am not satisfied with several provisions of the bill we are considering. I want to reach the guilty without hampering the innocent. I want to commend my distinguished colleague, the splendid chairman of the committee; his heart is in the right place. Some good remedial legislation, I am sure, will reward his investigations and his untiring efforts to protect the people we are bringing to this city. I only wish we could reach similar situations in many other parts of our land where graft and profiteering are equally rampant.

But we must be careful about putting on the people of the city of Washington retroactive legislation or measures that our State constitutions would not allow us to put on our own people or cities of our own States. They have no voice in this body, no one to speak for them, and I know we all want to treat them fairly. How about some of this profiteering? I met a lady who used to in the prewar period get $3 a week for a room. She practically made her living by renting rooms in her home. She formerly got the equivalent of 3 bushels of wheat or 70 pounds of sugar renting at $3 a week. She has raised her price far beyond what this bill will permit her and is getting, say, $5 a week for her room, but is only getting about half as much wheat and sugar for her room even at an enormous increase in the price charged, and we are calling her a grafter. We are saying that she has been doing something that is reprehensible, and by the provisions of this bill we inflict a heavy penalty on her based on her rental transactions before any law was enacted and when she had no idea she was violating the laws of her country.

Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. REED. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. The gentleman from West Virginia has just spoken of the owner of real estate getting only half the quantity of flour and sugar that she previously got. Does not the clerk from whom she is taking this increase in rent get only half the quantity of wheat and half the quantity of sugar that he previously got?

Mr. REED. I presume that is true, but that does not cure the situation at all.

Mr. JOHNSON of Kentucky. Then, would the gentleman suggest that the only cure is to let her charge more rent?

Mr. REED. She will contend that her great Government has said that the higher price of wheat is right, and has fixed it, and said that the higher price of sugar is right, and that she should have more rent because she pays more for these and other necessaries of life.

Mr. GRAHAM of Illinois. How much more is her property costing her to maintain?

Mr. JOHNSON of Kentucky. Her taxes have not been increased.

Mr. GRAHAM of Illinois. Her taxes have not been increased; her cost has not been increased. Why should she have an additional rental for that property?

Mr. REED. Perhaps what is true in the case of others is true with her as to taxes, but certainly her expenses have been enormously increased. I know people who came here to educate their children. They have rented or bought homes, and boarding or renting rooms is their means of making a living. We have welcomed them in the past, because they have furnished rooms and board for the employees of the Government. Such people live on what they get from their rooms or for rooming and boarding people. Most of them, I presume, have increased their prices, and in very many instances their boarders and tenants are not complaining. Some increase was to be expected in Washington, just as rents have increased elsewhere.

Mr. GRAHAM of Illinois. What is bringing these people here? The fact that we are at war, the fact that the Government has to have those people here, and so it is bringing people into this community, and this community ought not on account of this enforced condition to take advantage of them and raise the prices over and above what other communities outside are charging.

Mr. REED. They ought not to do it, and I favor laws to correct it, but all the people of Washington are not doing it.

Mr. GRAHAM of Illinois. Then this bill will not hurt those who are not profiteering.

Mr. REED. Is it profiteering when the tenants are satisfied?

Mr. GRAHAM of Illinois. Well, they are not satisfied, but they are doing it because they have to.

Mr. REED. The Government has said that the farmer has to get more for his wheat because his plow costs more. Shall you say the woman who rents a room shall not get more when her broom which used to cost her 35 cents is now costing her $1.25? The same advance is true of carpets, curtains, bedding, and so forth, to say nothing of her personal living expenses while she is keeping up the house.

Mr. GRAHAM of Illinois. Yet we are fixing the price of the farmer's wheat. Why not fix that for rent?

Mr. REED. I say fix the rent. But what is the best method and one that will not decrease the number of rooms to be rented?

Mr. BORLAND. Will the gentleman yield?

Mr. REED. I yield.

Mr. BORLAND. The gentleman understands the price of wheat is fixed because of the cost of producing wheat. It is fixed at a price that will enable the farmer to produce but not to make a profit, and if it were fixed any lower he could not produce. That is the scale on which the price of wheat is fixed. Now, the gentleman has already stated in answer to the gentleman from Illinois it is not costing this lady any more to maintain her property in taxes or repairs.

Mr. REED. It is costing more, a great deal more.

Mr. MEEKER. Does the gentleman mean to say that property in cost, repairs, and so forth, is not costing any more?

Mr. BORLAND. Repairs do not figure at all. They certainly would not increase to the extent of $2 a week.

Mr. MEEKER. Mr. Chairman, I move to strike out the last word.

Mr. REED. Mr. Chairman, I would like to have a couple of minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia? [After a pause.] The Chair hears none.

Mr. REED. Now, in replying further to the questions propounded by my colleague, let me say I am most heartily in favor of a law that will prevent both owners and tenants from charging exorbitant prices. My colleague would treat rents as the Government has dealt with wheat. Well, that would mean a minimum rental on property and no limit as to the maximum. I would fix a maximum on rents. But in the case I cited I am not saying that increasing a room from $3 to $5 per week is right. It may be too high; but under this bill the increase allowed would be only 30 cents per week, and I am afraid that is not enough and would only serve to drive many people out of the room-renting business and leave our problem still a serious one. I doubt the wisdom or efficacy of an inflexible 10 per cent method of increasing rates regardless of the circumstances or conditions that may exist. It has already been stated, and not been denied, that in over 20,000 cases the average rent increase over prewar times is about 1 per cent. This bill would apparently be the signal for raising the rent of over 20,000 tenants an additional 9 per cent.

I would like to avoid that and protect this vast number of tenants.

We have found it expedient to create a Food Administrator, a Coal Administrator, a Transportation Administrator, and other kinds of administrators. Now, why not get at this matter through a rent administrator for the District of Columbia? My idea is to have a method that will meet all sorts of rent situations in the District that may arise from time to time, with severe penalties for the guilty profiteers. A 10 per cent increase may be too much in some cases and not enough in others where the property, on account of competition in renting during the prewar period, caused it to be leased far below its real value.

Now, I have heard of various kinds of profiteers in Washington. We all are united in wanting to help the loyal, patriotic, young man or woman who leaves a comfortable home and comes to Washington to help in our war work.

We denounce in the most flagrant manner the landlord or room renter who imposes upon either of them. Now, I regret that in a few instances some of these loyal, patriotic Americans have come here to take positions and as a "side line" to helping win the war have rented houses and turned to profiteering, their associates in the Government service being the helpless victims of their greed. I hope the number of such cases are limited and I could but wish the law we may pass might have an extra penalty for such miscreants.

Just a word on the question of hotels. I visited some Washington hotels a few days ago and made some inquiries. I do not mean the Shoreham, the Raleigh, or the Willard, but hotels that are well known, respectable hotels. They did not know the purpose of my investigation, and I found they had increased the price of their rooms 50 cents on a room, on an average. I said to one of the hotel clerks, who did not know who I was, "Can I get a room here for $1.50?" He said, "Yes." "How long in advance will I have to apply to get it?"

"Oh," he said, "let me know a day and a half or two days in advance and I can get you a comfortable room for $1.50 or a room and a bath for $2.50." That is not so bad; even the city of the gentleman from Maryland, Baltimore, would hardly do better. Now about apartments. I rented an apartment in one of the best apartment houses in Washington and I find among the apartments there a number of three-room apartments—a sitting room, a bedroom, both large and well lighted, a kitchenette, hall, bath, and two wardrobe rooms. I found a number of such suites in this apartment, all of which are renting for $38.50 per month. I asked the owner of that building if any of those tenants should vacate and give up their leases, what would be the best price for which one could be had, and he said it was just the same, $38.50.

Mr. DEMPSEY. Unfurnished or furnished?

Mr. REED. Unfunished; beautiful apartments; and well lighted, heated, and so forth.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GILLETT rose.

Mr. JOHNSON of Kentucky. Mr. Chairman, I would like to ascertain whether or not I can get a unanimous-consent agreement for closing debate on this amendment.

Mr. GILLETT. I would like a little information from the gentleman; that is my purpose in rising.

The CHAIRMAN. Does the gentleman make any request?

Mr. JOHNSON of Kentucky. I do not make any request; I may make it presently.

Mr. GILLETT. Mr. Chairman, I wish to get a little information from the chairman of the committee on one phase of this bill. I understand that his purpose is to protect the persons who have come to the city and who can not afford to pay high prices and who are obliged to find a place to live, and yet who find that some owners will take advantage of their necessity and compel them to pay a rent which they can not afford. Now, with that purpose we must all sympathize, for undoubtedly there are many cases of hardship, but there is one other class which the present conditions have brought to Washington who would be covered by the terms of the bill and who, it seems to me, should not be; and I wondered if the gentleman, the chairman of this committee, intended that they should be. Aside from the clerks, Congressmen, and others coming here, and who can not afford to pay high prices, there has come with the new régime of war a class of wealthy people who could find accommodations but who were not satisfied with the ordinary houses, and who are willing to pay largely to secure not simply comfort but luxury, and I have known a good many cases where those persons have directly or indirectly gone to residents who had nice houses, who had no idea of renting their houses, who would not rent their houses for ordinary prices, but who have been offered tremendous rents, and they have leased them furnished for big prices simply because they were getting big prices. Now, it seems to me that this is not the kind of person we care to protect. That is a good deal like fixing a price on diamonds or other luxuries. It seems to me those are things that do not need protection and do not ask protection. Those persons who have given up their houses, and have rented them, would not have done it under ordinary conditions, and it seems to me it would not be fair to them to make them take an amount for which they would never originally have given up their houses.

And I wondered if it would not be fair to remedy it in some way, perhaps by putting a limitation in the bill saying that this should not apply to houses renting for perhaps over $5,000 or $7,000 or $10,000 or any price you like?

Mr. JOHNSON of Kentucky. If the gentleman will permit just there, I will say that there are several reasons why that should not be put in the law. In the first place, taxation, when levied, should be upon all, including the rich as well as the poor. In the next place——

Mr. GILLETT. May I ask the gentleman right there——

Mr. JOHNSON of Kentucky. I would like to answer further.

Mr. GILLETT. Certainly.

Mr. JOHNSON of Kentucky. In the next place, if the gentleman's thoughts were put into law it would result, in my judgment, in a monstrous wrong being perpetrated upon the United States. In order to illustrate it I can give a concrete instance: The United States is renting 10,500 square feet of floor space in the Munsey Trust Building, on Pennsylvania Avenue, for which it is paying $10,000 a year. A little while back, Mr. Harris, the manager, if I have his name correctly, served notice on the Chief Clerk of the Treasury Department that on the 1st of July next that the rent would be increased to $3 a square foot. That would make the Government pay $31,500 for the same space for which it is now paying $10,000. Therefore I do not believe the gentleman's thought should be written into law.

Mr. GILLETT. I do not believe I made myself clear. I do not think the gentleman understood me.

Mr. JOHNSON of Kentucky. And in addition to that, the proposition is before us in the shape of the Tinkham substitute to reach that matter by a fine instead of by a tax. Now, a substitute will be offered by Mr. TINKHAM to fine that trust company a thousand dollars only for increasing the rent from $10,000 to $31,500. If next year they demand $21,500 more for the same premises than they do now, they can still do it and pay the fine of $1,000 and make $20,500 over the rental of the present year.

Mr. GILLETT. I do not believe I made myself clear, because I can not see that what the gentleman suggests is at all responsive to what I said.

Mr. JOHNSON of Kentucky. I am sorry if I misunderstood the gentleman.

Mr. GILLETT. I think you did. I was not speaking of business property. I was speaking of residences.

Mr. JOHNSON of Kentucky. Would the gentleman distinguish between residences and business property?

Mr. GILLETT. Oh, yes; I think I would. The gentleman in his response refers to properties rented to the Government. That, of course, was not in my mind. What I have in mind is this: For instance, I know of a case where a person was living here in the city in a very handsome house. I do not know how much it cost, but I presume the cost was about $50,000. One of the wealthy men came here, found this beautiful house, handsomely furnished, and he offered a rent which would be three or four times that which would be allowed by this bill. Now, the owner was living in the house, did not seek to rent his property, had no idea of renting it, and would not have rented it at 10 per cent, but under the inducement of an enormous rent he was willing to give up his house and move out. I do not see why that should be forbidden. I do not see, if a man from outside who has plenty of money wants to spend it in that way, it is doing any hardship to him or to anybody else. But it seems to me it would be doing a hardship to the person who has given up his property under the inducement of a big rent to not be allowed to enjoy that rent. And I can not see why that is in violation of the principle, which I heartily agree with, of trying to——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GILLETT. Mr. Chairman, I ask unanimous consent that my time be extended for five minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that his time may be extended for five minutes. Is there objection?

There was no objection.

Mr. DEMPSEY. I would like to ask the gentleman one question. Would not the gentleman's idea be met by the Tinkham bill?

Mr. GILLETT. To tell the truth, I do not know whether it would or not.

Mr. DEMPSEY. I would call the gentleman's attention to the provision in the Tinkham bill to which I refer. That bill provides that there shall be a readjustment of rents only upon complaint, and there would be no complaint in such a case as the gentleman proposes. And why, therefore, would not that answer fully the gentleman's suggestion?

Mr. GILLETT. I agree it would, if that is true.

Mr. JOHNSON of Washington. For those gentlemen who come here and work for a dollar a year and occupy a house, it would not make any difference, inasmuch as the Government pays the rent.

Mr GILLETT. You mean for business purposes?

Mr. JOHNSON of Washington. I understand that in the new form of administration, if a man is working for a dollar a year, they pay his rent.

Mr. GILLETT. I am not in the secrets of this administration, but I did not suppose that any of these dollar-a-year men had their rent paid for the houses which they live in.

Mr. LANGLEY. The Government pays their expenses, Mr. Chairman.

Mr. JOHNSON of Kentucky. Referring to what the gentleman from Washington just said, I think if that is true it ought to be exposed on the floor of this House.

Mr. GILLETT. Mr. Chairman, I do not believe that can be true, and I call the gentleman's attention to the fact that he should consider it from this standpoint, because, as I understand him, what he is trying to do is to prevent hardships, abuse—to prevent owners of property taking advantage of the necessities of those who have to occupy their property. Now, that does not at all apply, it seems to me, to cases of men who pay a large rent, say $10,000 a year. They can get all they need for a great deal less, and if they want to pay these big prices I do not see why we are called upon to interfere. It seems to me, as I say, as if it was analagous to settling the price of diamonds and other luxuries by law, whereas all we are really trying to settle is the price of necessities.

Mr. COOPER of Wisconsin. Mr. Chairman, will be gentleman permit a question right there?

Mr. GILLETT. Certainly.

Mr. COOPER of Wisconsin. What does the gentleman think of the principle of law that requires that taxation shall be uniform?

Mr. GILLETT. Well, I suppose this taxation is simply a subterfuge. It is not imposed for the purpose of taxation.

Mr. COOPER of Wisconsin. Well, it is a bill founded upon the theory of taxing all property owners alike, as all taxables ought to be.

Mr. GILLETT. Well, I will agree that that might make it difficult to remedy in this bill.

Mr. JOHNSON of Kentucky. I would not be willing to release the larger amount of tax, to which the gentleman from Massachusetts has alluded, and collect the smaller tax which the little renter would have to pay.

Mr. GILLETT. I suppose the gentleman's purpose is, is it not, to remedy the unfairness of the men who own property and who take advantage of the necessities of their tenants?

Mr. JOHNSON of Kentucky. That may be the result, but taxation is the purpose which is set out in the bill.

Mr. GILLETT. If that is so, if taxation is the real purpose, I shall vote against the bill. To my mind, however, taxation is not the purpose. Remedying this injustice is the purpose.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. GILLETT. Yes.

Mr. WILLIAMS. Would not the case the gentleman mentioned have a tendency to increase all rentals?

Mr. GILLETT. I do not think it would.

Mr. WILLIAMS. To allow rentals to be made at such enormous figures as that?

Mr. GILLETT. No. I do not think these fancy prices have any effect on the property that most of us would rent.

Mr. COOPER of Wisconsin. The case that the gentleman cites is on all fours with others that I am acquainted with. For instance, I was told of a residence renting at $16,000 a year, which, when built, cost a little over $50,000. The bill, as the gentleman has well said, is founded upon the theory that taxes should be uniform. Does not the gentleman think it ought to have a tendency and ought to have the effect of reducing the profiteering out of the exigencies of the war in the District of Columbia?

Mr. GILLETT. That is the purpose of it.

Mr. COOPER of Wisconsin. That is what the rental of such a residence is—a species of profiteering.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I will ask the Chair to insist that those gentlemen who wish to speak shall address themselves to the amendment pending and not enter general debate. There will be plenty of opportunity under the five-minute rule to discuss every amendment as it comes along.

The CHAIRMAN. The Chair will state that the debate has been proceeding by unanimous consent.

Mr. KEARNS. Mr. Chairman, I want to address my remarks to the entire bill at this particular time. I believe that there is but a small minority of this House that do not believe in the principles of this bill; that is to say, I believe the vast majority of the membership of this House believe that the idea contained in the bill is the proper one.

There are some who object to the language that has been employed by the writer of the bill, thinking that in some

instances a hardship might be worked upon certain property owners of the town. I would hope to see this bill so amended that there will be no hardship worked against any landowner who in the past has not attempted to take advantage of the men and women who have been coming into the city within the last two or three years to assist the Government in its present stress of business.

The Real Estate Exchange of this city has undertaken to gather statistics to show that the property owners of the town, the real estate owners, have not increased their rents except very slightly since war was declared. I do not know how much of the property they took into consideration when they gathered these statistics, but I believe that the vast majority of the membership of this House if called to the witness stand would give a testimony that would be entirely contradictory to the evidence presented to this House by the Real Estate Exchange.

They have stated that the property owners of the town have increased the rents slightly over 1 per cent, while it has been the experience of every man in this House who has employed any of his time in the last few months in looking for apartments that the rent has been increased from 100 to 500 per cent in the last two years.

I was talking only last evening with an old gentleman whose wife recently died, who had an apartment for which he paid $25 a month furnished. He and his wife had lived there for the past three or four years, but his wife having died he was going to vacate it, and he told a newly married couple, friends of his from Pennsylvania, who were looking for rooms the other day, that they could get that apartment for $25 a month. When they went there to rent the premises the landlord, the owner of the property, asked them $125 per month for it. It is located in a very poor section of the town. There is not in that apartment, according to the old gentleman's statement, $150 worth of furniture.

Now, that has been the experience of every Member of this House who has spent any time recently looking for some place to live.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. Yes.

Mr. CRAMTON. In my judgment, one of the most effective ways of reaching the evils of the situation would be for the Washington newspapers to have the nerve to give the names and the facts of just such instances as that. Publicity of that kind of robbery would do a lot of good.

Mr. KEARNS. I have no criticism to offer concerning the newspapers of Washington. But you will remember that the newspapers of the District are constantly saying through their editorial columns that Congress ought to sit in session all the year round, and there may be some who are inclined to think that these editorials are inspired by the fact that each Member of this House draws down a salary of $625 a month, and they do not want any of that money to be spent outside the city of Washington. I do not say that is true of the newspapers, but I say that a suspicion of that kind might be justified.

Mr. SABATH. Mr. Chairman, will the gentleman yield there for just one observation?

Mr. KEARNS. Yes.

Mr. SABATH. I am under the impression that if the newspapers of Washington published such things as the gentleman has mentioned they would be obliged to increase their pages to 24 or 36 each issue.

Mr. KEARNS. Yes. If they published information of that kind they would have to get out extra editions each day.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. KEARNS. Yes.

Mr. TREADWAY. If that is true, why is not evidence of that kind submitted in this great quantity of evidence that has been presented here? We have found but very few instances of that.

Mr. KEARNS. Each Member who has spent any time in the last few months in hunting for an apartment knows that that is true.

Mr. TREADWAY. Well, I am one of those men, and I have been looking for an apartment, and I have found it at a reasonable rate.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KEARNS. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. TREADWAY. May I then continue my question?

Mr. KEARNS. I think I have the question. Perhaps the gentleman has not looked for an apartment.

Mr. TREADWAY. Yes, I have; and I have found one at a very reasonable rent.

Mr. KEARNS. I will say to the gentleman that I have no personal quarrel with anybody at this moment. Only last evening a friend of mine who is leaving the city for some three or four months called me on the telephone and invited me to come and occupy his spacious home while he is gone, so I have no personal interest in this matter at this time. But I know these conditions do prevail, and I could cite you to many like instances within my personal knowledge. One case in point comes to my mind now. Some two months ago I saw an apartment advertised. I called up the number on the telephone. Some lady answered the phone, and when I told her what I wanted she apologized. She told me that her home was very exclusive, that they never had rented before, that they did not need the money, but she and her husband had talked about it the night previous, and they thought it was their patriotic duty to rent their apartment. I thought, "Fine, I am dealing with a patriotic family." I said, "How many rooms have you?" She said, "Two rooms and a community bath." "What is the price?" "Well, we thought it was our patriotic duty, and we would rent it for $200 a month." [Laughter.] I do not know who that lady is. No doubt she is a good, conscientious, honest, Christian, patriotic woman; but I am afraid that if patriotism were the only qualification by which that patriotic, Christian woman could enter heaven, she would never get out of scorching distance of the world of brimstone and fire. [Laughter.]

Mr. TREADWAY. May I ask the gentleman another question?

Mr. KEARNS. Yes.

Mr. TREADWAY. It is along the line of the remark of the gentleman from Illinois [Mr. SABATH] that it would be necessary to increase the size of the papers in order to publish all these complaints. Where have we evidence of that before us?

Mr. KEARNS. I have tried to answer that question.

Mr. TREADWAY. Can you illustrate it?

Mr. KEARNS. I know of some six or eight instances myself.

Mr. MEEKER. Can the gentleman give specific names and numbers? That is what we want.

Mr. KEARNS. Oh, I could, but I am not testifying; I am only observing. There is a great deal of talk about the clerks coming in great numbers to this city of their own volition—that is, it is suggested that nobody is pulling them here; that nobody is compelling them to come. I want to say that if these clerks did not come, the Government could not carry on its business, and if the Government could not carry on its business, then we would fail in our attempt to win the war. It seems to me that, although some of them have given up better positions at home to come here, the very moment they get to the Union Station they are met and followed by a hungry pack of men and women who try to pick their pockets every day that they remain here in the Capital of the greatest Nation of the world. I am not saying this with the thought or wish to apply it to all the men and women of Washington. There are as good men and women in Washington as you will find any place, but this seems to be human nature. Go any place you want in the United States, I do not care where you go, where there is a cantonment containing from 40,000 to 60,000 soldiers, and you will find the same condition prevailing there. You will find the same hungry, greedy hoard of men and women. The Washington landlord is not in a class by himself by any means. You find similar conditions everywhere where there has been a great influx of population. That brings me to the question of officers' uniforms. During the holidays I was in Cincinnati. There was a young officer from down at Camp Sherman who came into a tailor's shop that I happened to be in at the moment. He was getting two uniforms made, one at a cost of $40 and the other at a cost of $50. They were made of very fine cloth and by a high-class workman. He told me he was getting them there because down in Alabama at the town where the cantonment was they wanted to charge him $90 a suit for those uniforms. There is no cantonment located at Cincinnati, consequently these outrageously increased prices do not prevail—only at places in the United States where there has not been a great influx of people in the last few months.

I believe that after this bill has been properly amended it ought to pass. I want to compliment the chairman of the District Committee upon his courage in presenting a bill of this kind, because, regardless of what the Real Estate Exchange of this city may tell him, he knows that men and women of this city are profiteering. I have no criticism to make of this exchange or its membership, but he knows and I know that the average landlord is profiteering at the expense of the men in uniform who are going to fight to make this Capital safe in which for them to live. Yet they continue to ply the nefarious

business of robbing these soldiers who are to be the defenders of our flag and our country. [Applause.] I want to say again that the gentleman from Kentucky [Mr. JOHNSON] ought to be complimented instead of condemned for reporting this bill. [Applause.]

By unanimous consent Mr. REED was given leave to extend his remarks in the RECORD.

Mr. MEEKER. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. JOHNSON of Kentucky. Reserving the right to object, may I ask the gentleman if he intends to ask for any further extention beyond that?

Mr. MEEKER. No.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MEEKER. First, I want to call attention to the fact that the gentleman who just preceded me [Mr. KEARNS], while condemning the Washington newspapers for not giving specific names and numbers, failed to give any himself. He was on the floor of this House talking to this committee and denouncing something in generalties only. If he has any specific names and cases, it is up to him to give them to this committee right now. If he has none, then do not let him condemn any newspaper for what they talked about in generalities.

Mr. KEARNS. I have not condemned any newspaper. The gentleman over there asked me a question.

Mr. MEEKER. I asked that he name the instances, and he did not do it.

In the second place, the gentleman from Ohio [Mr. KEARNS] indorses what he calls the principle of this bill. I think he was unfortunate in the use of his terms. He may indorse the purpose of the bill, but I do not think any sound business man can indorse the principle of the thing. That is the difficulty with the whole bill. It is an effort to work out something that can not be worked out on any business basis.

Now, in the next place, somebody awhile ago referred to the price of wheat. I think it was the gentleman from Missouri [Mr. BORLAND]. Let us remember that we fixed the minimum price of wheat. We did not guarantee anything as to the maximum, but we guaranteed to the producer the minimum price.

Again, in this proposed measure I have not heard even from the gentleman from Kentucky volunteering to take 10 cents a pound for his hogs when he could get 18. If he would do that and the other farmers would do it, meat would be cheaper. I have not heard of any man here who is growing wheat or cotton, or anything else, volunteering to cut the price of the product in the place in which he lives. They are not profiteering when they get five times as much as they have been getting for their products; they are patriots. But when a man has money invested in real estate and gets war prices he is a profiteer and a thief. Let us be fair and honest. Let some man get up on the floor of the House and announce that he has cut the price of meat or food and is not waiting for prices to rise to get more for his pork.

Take another proposition. Outside of the city of Washington where the Government is putting in employees the Government is doing the sensible thing. It is building houses for employees. We have appropriated $50,000,000 to take care of housing employees elsewhere. Why is not that the thing to do here? Why do not we, as other business concerns that want to relieve congested housing conditions somewhere, provide by building houses for the people during the temporary congestion? We are going to do that at all shipyards and other places where people are employed by private concerns on Government work; where they are taking great contracts; where great corporations are making great profits; and yet the Government recognizes the necessity of saving these employees from profiteering in those cities by putting up $50,000,000 to build houses for these men. Is not that the fair and sensible thing to do here? Should we not in the city of Washington realize and recognize the fact that we are sending for all these people to come here—true they come voluntarily to do Government service—why do not we build here for the people just as we are going to build for them elsewhere? I am not going to say—I am not going to make the charge—that the reason that these houses are going to be built at Government expense at other places is because the men who have the contracts insist that it shall be done. I would not make that charge.

Mr. LITTLE. What would you do with all these buildings after the war terminates?

Mr. MEEKER. Do the same as they do elsewhere.

Mr. LITTLE. What will that be?

Mr. MEEKER. I do not know; but Kansas is sending all her mechanics down to the seacoast, and the gentleman from Kansas would like to see them junked in order that the mechanics will come home. That is a proposition that we men of the Mississippi Valley have go to work out. The transportation of skilled labor to the seaboard and the impoverishment of the Central States of skilled labor will reach farther than the end of this war. Some time you men of the Mississippi Valley will awake to that fact. Piling up all of the skill of the Nation on the coast line because of the freight congestion will have its effect long after the war is over, and it is up to us to see to it that as much as possible of the manufacturing for the war shall be done at the homes of the mechanics where they are now located.

These buildings will be junked, many of them. But in Washington the clerk who works in a department is just as much a Government employee as a mechanic who is going to help build a ship at a seaport. The employer of the mechanics comes to Washington and says that "we can't house the men, and if we can't house the men we can't work." The Government says, "All right, here are $50,000,000, we will do it for you." That same man comes here as a Government clerk on the same salary and he goes to look at some house and says, "I will give you $5," and another man says, "I will give $1 more," and so they bid against each other, and the same man who always gets the highest price he can for his pork gets up on the floor here and tells the man who takes the highest price he can get for his room or house that he is a profiteer and a thief.

Now, that is the plain, blunt fact about it. There is no need of trying to camouflage around here about the people of Washington being grafters, and they being patriots. I have not heard of any man coming in here and saying that he will take a lower price than he can get. I have got stock on the market, or will have, and I expect to sell it for the highest figure that I can get out of it. If I did not, I could not raise any stock next year. That is the situation. I have not heard any members of the committee whom I happen to know are rather extensive stock and cattle feeders—I have not heard them complain that hogs are 18 cents and asking the Government to compel the farmers to put it down to 16 cents. That is all there is to this thing. Gentlemen, you are attempting to do just what you tried to do in the food bill. You are trying to control the law of supply and demand by legislative enactment, and it can not be done. Mr. Hoover scolded and stormed about profiteering for six months, and eggs just kept going up until it got so that you could not pay a lady a greater compliment than to call her a hen. That was equivalent to calling her the bird of paradise. But eggs kept going up, and the spring time came. Then the American hen, who never heard of Hoover, because she had eggs in her system, simply took off her coat and went to laying and cackling, and eggs have gone down 40 cents a dozen in four weeks—without any talk of profiteering at all, and the American hen beat Hoover's argument on profiteering. Now, the thing you are trying to do here is a physical impossibility, and this Congress, more than any other Congress, I presume, will tackle more absolutely absurd legislation——

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. DEMPSEY. Mr. Chairman, the gentleman from Missouri [Mr. MEEKER] bases his argument, as it seems to me, on this proposition on the supposition that everyone in the United States is seeking to get the highest price he can for his product, whatever it may be. I call attention to the significant fact that liberty bonds bearing 3½ per cent interest and liberty bonds bearing only 4 per cent interest have been sold by the billions, when patriotic Americans throughout this land could go into the market and get 6 and 7 per cent for their money.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Not now.

Mr. MEEKER. In connection with that, I would like to ask the gentleman one question.

Mr. DEMPSEY. One moment. There is no doubt about the fact that the Americans are proving themselves a patriotic people. There is no question that here you have a genuine grievance with which to deal, and the only question is this: With rents raised to an unconscionable degree, with a condition which brought it about naturally, the question is, Shall the Congress of the United States legislate wisely or unwisely; shall we legislate in anger or shall we legislate wisely and with discretion. Here is a problem. Can it be dealt with wisely or not? It is not a simple problem; it is a very difficult problem. At the outset comes the question of price fixing. Everyone admits that price fixing should be avoided as far as possible. Everyone admits that we should resort to price fixing only when it is necessary. Everyone admits that if you can remedy this evil

without going any further into that question than is absolutely necessary you are acting the part of wisdom. Let us see the principle of the two bills proposed here and see whether the one or the other comes within that rule. The bill proposed by the majority of the committee affects all rents. That is your first proposition. It deals with all rents alike. It is obvious that in both particulars it is wrong. You should not deal with rents except in cases where the rents have been extortionate and unjust. That is plain. We will all admit that. You should not deal with all rents alike because conditions vary. That is obvious and simple. What then is the principle of the Tinkham bill? The principle of the Tinkham bill is this, that you shall deal with rents only in cases where there are complaints. There will be complaints wherever there should be, you may depend upon that. Of course, there is a genuine grievance; of course, there have been a multitude of wrongs committed; of course, those wrongs should be, so far as we can wisely and discreetly and with all due observance of rules of wise legislation, remedied, but we should be careful not to be carried away, not to do something that is unwise, not to legislate in anger.

Let us take the principle of the committee bill. If you are going to pass that bill you can amend it in this way. You can amend it by saying that the man who owns the property shall have permission to fix the rent, and at the same time you can revise the rent by a rent administrator as provided in the Tinkham bill. If the landlord insists on a rent above that which the rent administrator finds to be just and reasonable and fair under all the circumstances, to be exercised only upon complaint, then you can tax him the amount of the excess. I do not say that this legislation, take it all in all, is wise legislation. I do not say that we ought to pass it. I do say that the whole realm of this question is filled with doubt; but I do say, if we are going to pass any legislation, let us do it on the principle of the Tinkham bill, or let us reform the present bill to meet the suggestions that I have made. I now yield to the gentleman from Missouri.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DEMPSEY. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

Mr. JOHNSON of Kentucky. Mr. Chairman, reserving the right to object, I ask unanimous consent that all debate on this amendment close with the remarks of the gentleman from New York.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that all debate on the pending amendment close at the expiration of two minutes. Is there objection?

Mr. FRENCH. Mr. Chairman, reserving the right to object, I made a few remarks a short time ago touching one phase of this amendment. I have since that time prepared an amendment in line with those remarks and have sent it to the Clerk's desk, and I would like to have five minutes to explain just what it is.

Mr. JOHNSON of Kentucky. Mr. Chairman, I ask unanimous consent that all debate on this amendment which is now pending and all amendments thereto close in 12 minutes, 2 minutes to be used by the gentleman who has the floor, 5 minutes to be used by the gentleman who will propose the amendment, and 5 minutes by myself, if I shall see fit to use it.

Mr. GRAHAM of Illinois. Mr. Chairman, reserving the right to object, I desire to make a few remarks in answer to the remarks of the gentleman from Missouri [Mr. MEEKER] on this proposition, and I would like to have five minutes for that purpose.

Mr. JOHNSON of Kentucky. Then I add five minutes to my request.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that debate on this section and all amendments thereto shall close in 17 minutes; 2 minutes to be used by the gentleman from New York who has now the floor [Mr. DEMPSEY], 5 minutes by the gentleman from Idaho [Mr. FRENCH], 5 minutes by the gentleman from Illinois [Mr. GRAHAM], and 5 minutes by the chairman of the committee. Is there objection?

Mr. MEEKER. Inasmuch as the gentleman——

The CHAIRMAN. Let the Chair state the question. Is there objection? [After a pause.] The Chair hears none.

Mr. MEEKER. I would like, inasmuch as the gentleman admitted at the beginning I did not quite appreciate the patriotism of the country as I should, and referred to liberty bonds——

Mr. DEMPSEY. I should prefer the gentleman to ask the question.

Mr. MEEKER. I am going to ask it. Why was the first liberty bond sold at 3½, the second at 4 per cent, and the next at 4¼ per cent, and they are now below par? Why does not patriotism keep them up?

Mr. DEMPSEY. The reason was simply this: When you sold your first bonds you sold them to the richest country in the world, with its coffers overflowing, and they took those bonds simply from that surplus; and when you came to the second bonds, you went about among the people of the country—here, there, and everywhere—and you said to the man who had a little and you said to the man who even did not have that little but hoped to get it, "You borrow and subscribe to the bond. You will have to pay more, perhaps, for your interest upon the investment while you are paying the principal, but you will be doing a patriotic duty; you are supporting the soldier at the front; you are helping to wage a war in which your country is right." It was that which induced the increase in the rate—it was all those circumstances. All wars tend to increase rates from the first loan until the last, but we believe that through the loans and the sacrifices which the people will make they will gain a great and glorious victory. [Applause.]

Mr. MEEKER. Why did not that keep them at par?

Mr. CARTER of Oklahoma. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENCH. Mr. Chairman, I offer the amendment which I have sent to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. FRENCH to the amendment offered by Mr. JOHNSON of Kentucky: Strike out the first four words of line 4 and insert in lieu thereof the following: "The real property and 50 per cent of the value of the furniture," so that the amendment as amended would read:

"If no such income was charged or received during said period of 18 months, then the deduction from such gross income of each taxable year shall be an amount equal to 10 per cent of the value of the real property and 50 per cent of the value of the furniture, if any, producing the income," etc.

Mr. FRENCH. Mr. Chairman, I think the members of the committee as a whole realize that there is a condition here that is serious and that we must meet. Undoubtedly profiteering has been indulged in by certain householders. On the other hand, if we leave the language of the amendment as it was originally proposed, we will discourage the renting of furnished houses to such an extent that they will not be rented in any adequate degree, and many of those renting them now will close out as soon as they can get rid of their tenants, unless patriotism will require them to do at a great sacrifice that which they would do in continuing to rent furnished houses. The amendment that I have proposed does not disturb the original proposition so far as the real property is concerned. It leaves that at 10 per cent. It does, however, provide that to the extent of 50 per cent per annum the householder may receive compensation for the furniture that he will place in his property. This, gentlemen, is about the price that existed prior to the war in this country. It is about the price that obtains in New York or St. Louis or Chicago or in any other city. It is about the price that would obtain if a man who wants to rent property would rent an unfurnished house and then rent his furniture from a furniture store and place it himself in the apartment or house rented. A gentleman a little while ago, when I spoke on this subject, suggested that a furnished apartment of five or six rooms would not cost to furnish, say, more than about $150 or $200. If this is so, then the amount that the householder could receive for the $150 during the first year would be $75, or an additional amount of $6.25 a month during the period of the year. The people who come to this District from the State of Idaho, I think, are not looking for unfurnished houses. They are looking for furnished houses. They do not know how long they will remain. Most of them are men with small families or detached people who come here and who merely expect to be here for a temporary period. That being the case, they would prefer to pay a few dollars per month extra to have a furnished apartment that they could leave when the period of their service here was over without being bothered by owning furniture. It will be to their interest to pass my amendment.

If we leave the language of the bill as it is you will undoubtedly discourage the householder in renting his furnished apartment and there will be no inducement for him to continue housing our Government employees and rendering a great help to the city at this time and the country, as well as a tremendous accommodation to the employees who are coming here to do the Government's work. I surmise that the condition that exists with respect to those who have come to the District of Columbia from Idaho is not different from the condition that exists with respect to men and women who have come to the District from other States of this Union. Let me again refer to just my illustration. Here is an apartment that the householder is willing to rent for $40 a month, unfurnished. He is willing, however, to rent that apartment furnished for $65 per month,

which the tenant says is a reasonable price for him to pay. Under the terms of this bill you say to the householder, "You may rent this apartment for $40 a month unfurnished or you may rent it for $45 a month furnished." I submit that few householders will be willing to rent their property if we permit the language of the bill to remain as it is.

And I submit further that the language of the amendment that I have proposed brings to us to-day about the same condition as regards furnished apartments and houses and the rentals of the same that existed prior to the declaration of war and that also obtains in other cities throughout the country.

Mr. GRAHAM of Illinois. Mr. Chairman and gentlemen of the committee, I have wondered somewhat since this discussion started whether perhaps my interest in it was as broad minded as the interests of a man ought to be in approaching a question like this as a Member of the House, on account of some unfortunate personal experiences of my own. But I have tried to divest my mind of any feeling of that kind, if I have any. It occurs to me that many of us are not looking at this matter just exactly from the right viewpoint.

In the first place, this place was selected to be the seat of the Government of the United States. A great part of the expenditures that have been made in this District have been made by the people of the United States, who are now engaged in this war. Some time ago I took occasion to look back through the reports of the Secretary of the Treasury in order to try to find out how much we have spent—the people of the United States—in this District, and I found we had appropriated and that there has been used in this District, out of taxes that the people of the United States have paid approximately $375,000,000 since the formation of the District. We spent that money here. It has been spent by the people of the United States. Now, the people are in a great war. From year to year the residents of this District have come in here; they have established their businesses; they have built their houses here; and they have been living as the result of the bounty of the people of the United States, and they are living that way now. [Applause.]

Talk about profiteering, gentlemen. I know there is profiteering here. I know there is one standard for men like you and me and another standard for our secretaries. To illustrate that I will relate a little experience of my own. Some time ago I had to send my children to school. It cost me $18 to have two of them vaccinated. My secretary went to an equally good physician and got his children vaccinated for $2. And the same thing is true throughout the whole realm of prices. I have taken particular interest in figuring up the prices for groceries in this town, and I have taken the prices from New York, from Fort Worth, Tex., from St. Paul, Chicago, and other great cities of the country—I have them in my office, but not knowing this discussion would arise I do not have them here—and I found that the prices of delivered groceries in the city of Washington to-day will average 33⅓ per cent higher than in any other place in the United States of anything equal the size of Washington. They are taking advantage of this situation to put up the rents to the people who come here. Members of Congress and officials of the Government are only here because this is where they must perform their official duties. They have no choice as to where they shall reside.

I want to say that I think these stenographers and clerks who come here are sacrificing a great deal to be here. I have heard something said about their being here because they want to better their condition. I do not think so. I think many of them are here because they want to be here, but there are many of them imbued with the same idea as the boys that go out to serve and want to do their bit. I know of many girls from my district who are here to-day and who are not getting as much as they would get at home.

The gentleman from Missouri [Mr. MEEKER] made an argument that appealed to me somewhat until I got to thinking about it. He spoke about the price of hogs and the price of live stock in comparison with real estate prices. The situation is different. The real estate that is here was here before the war; the taxes on it are no more to-day and it costs no more to maintain, and yet the prices have risen from 50 to 300 per cent; while the man who raises live stock on the farm finds his original investment has increased and the cost of feeding his stock for the market is much higher than originally.

It is a different proposition to pay a dollar and a half a bushel for corn with which to feed cattle and other live stock than to pay 50 cents. And I have found from my experience in the country districts that the man who is raising live stock at the present time is not making very much profit on the stuff that he raises in comparison with the prices other people are getting for the stuff that they raise or have to sell. And it occurs to me in the consideration of this question that these rents ought to be curbed within reasonable lines, in order that the people who come here and have to stay here ought not to be compelled to pay exorbitant prices for the services they are getting that do not cost more than the same services cost before the war.

Mr. JOHNSON of Kentucky. Mr. Chairman, I have only a few words to say, but I must say that I do not believe that anybody ought to vote for an amendment allowing a man in one year to collect 50 per cent from a wage earner for the furniture which that wage earner may use during the year. Everyone here knows that furniture does not wear out in two years, and to allow the landlord to collect the full value of furniture in two years' time would be an outrage on the wage earners who would be compelled to pay for it. A thousand dollars' worth of furniture is exempt from taxation in the District of Columbia.

Mr. Chairman, before a vote is taken on this amendment I believe it would be proper for the Committee of the Whole to revert to the amendment offered by the gentleman from Michigan [Mr. MAPES]. It was discussed back and forth as to whether or not "18" ought to be changed to "12." I believe that the gentleman has concluded that the change should be made.

Mr. STAFFORD. Will the gentleman yield on the pending proposition, because the time is limited? I would like to direct an inquiry as to the amendment offered by the gentleman from Idaho [Mr. FRENCH], if the gentleman will permit. The time is only limited on the pending proposition.

Mr. JOHNSON of Kentucky. I yield to the gentleman.

Mr. STAFFORD. Would the gentleman have any objection to substituting "25 per cent" instead of "50 per cent"? The idea comes to me that where a person purchases furniture for the convenience of some temporary dweller here, with the depreciation of the personal property, if he sells that, there would not be a sufficient return to him by allowing only 10 per cent on the furniture, whereas, taking depreciation into consideration, with 25 per cent there would be an incentive to him to furnish the apartment for the temporary sojourner who does not wish to furnish the apartment.

Mr. JOHNSON of Kentucky. I will say to the gentleman that most of these apartments are not furnished with new furniture. Most of it is bought down here at the second-hand stores.

Mr. STAFFORD. There is a great depreciation in furniture, as we all know.

Mr. JOHNSON of Kentucky. I wish to comply with the unanimous-consent arrangement had a few moments ago—that the debate on this close—but I ask unanimous consent that the gentleman from Michigan may have the right to perfect his amendment, because the amendment which I just offered uses the word "eighteen" instead of "twelve," believing that the gentleman's amendment would not be adopted.

Mr. REED. Mr. Chairman, will the gentleman yield for a second?

Mr. JOHNSON of Kentucky. I will if I have time. I ask that the gentleman from Michigan [Mr. MAPES] be permitted to have his amendment adopted by unanimous consent, to change "eighteen" where it appears to "twelve," so that it can be considered without prejudice to the other agreement.

The CHAIRMAN. Is this the amendment that was withdrawn once to-day?

Mr. JOHNSON of Kentucky. Yes. The gentleman from Michigan offered it and withdrew it.

The CHAIRMAN. Now the gentleman from Michigan offers it again. Without objection, the amendment will be reported.

The Clerk read as follows:

Amendment offered by Mr. MAPES: Strike out the words "18 months" wherever they appear, in section 2, and insert "12 months."

Mr. MAPES. Mr. Chairman, I desire to change that amendment somewhat. In line 20, where the words "18 months" appear, those words should be stricken out. The words "or 18 months" should be stricken out and the word "or" placed before the word "year."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Modified amendment by Mr. MAPES: Page 2, line 20, after the word "month," in line 20, insert the word "or," and strike out after the word "year" the words "or 18 months."

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAPES. Now, Mr. Chairman, a further amendment, striking out the words "18 months," in line 22, on the same page.

Mr. JOHNSON of Kentucky. And substituting "12 months"?

Mr. MAPES. Yes; substituting "12 months" for "18 months."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Second amendment offered by Mr. MAPES: Page 2, line 22, strike out the word "eighteen" and insert in lieu thereof the word "twelve."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield in that connection?

The CHAIRMAN. There is no debate on the amendment.

Mr. STAFFORD. I understand that this is a separate amendment entirely. This has nothing to do with the agreement that was had a while ago about the amendment offered by the gentleman from Kentucky.

The CHAIRMAN. The gentleman from Wisconsin will proceed.

Mr. STAFFORD. Of course, we are all agreed as to the amendment just adopted.

Mr. JOHNSON of Kentucky. I wish the gentleman to address himself to the gentleman from Michigan.

Mr. STAFFORD. I wish to obtain the opinion of the gentleman from Michigan, whether, if "12 months" be substituted for "18 months," as now proposed, the time of September 30 as the date would be applicable? Here you add under your first amendment that these excess incomes should only be levied from and after April 1. Now you seek to make the standard of your computation a period of time on the 12 months preceding September 30, 1916. Is that your idea? Is it your idea to have September 30, 1916, as the limit for the basis of the year computation of income?

Mr. MAPES. My amendment made no attempt to change the basis for the rent. My amendment simply did away with the retroactive feature of the law, but allowed the same prewar period for determining the proper rent as contained in the bill, and that is the period before September 30, 1916.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan [Mr. MAPES].

The amendment was agreed to.

Mr. STAFFORD. Now, Mr. Chairman, I offer——

Mr. JOHNSON of Kentucky. Now, Mr. Chairman, I ask unanimous consent to change the word "eighteen," in the first line of the amendment I offered, to "twelve," in order to fit the amendment offered by the gentleman from Michigan.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to modify the amendment. Is there objection?

There was no objection.

Mr. STAFFORD rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. STAFFORD. To offer an amendment.

The CHAIRMAN. There are two amendments pending. The question now is on the amendment offered by the gentleman from Idaho [Mr. FRENCH] to the amendment of the gentleman from Kentucky [Mr. JOHNSON]. Without objection, the Clerk will report the two amendments.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: Strike out all of lines 5 to 10, inclusive, on page 3, and insert in lieu thereof the following: "If no such income was charged or received during said period of 12 months, then the deduction from such gross income of each taxable year shall be an amount equal to 10 per cent of the value of the property, including furniture, if any, producing the income as determined by the assessor of the District of Columbia for the purposes of this act, and at the same rate for any greater or less period of time: *Provided, however*, That in cases of such last-named property where the landlord furnishes heat, light, or elevator service an additional deduction of an amount equal to the actual cost to the landlord of the heat, light, and elevator service so furnished shall be allowed."

Amendment of Mr. FRENCH to the amendment of Mr. JOHNSON of Kentucky: Strike out, in the fourth line of the Johnson amendment, the words "the property including furniture" and insert in lieu thereof the words "the real property and 50 per cent of the value of the furniture."

Mr. STAFFORD. Mr. Chairman, I offer as a substitute for the amendment just read the following:

The real property and 25 per cent of the value of the furniture.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. STAFFORD moves to amend the amendment of Mr. FRENCH by striking out the word "fifty" and inserting in lieu thereof the word "twenty-five," so that it will read "the real property and 25 per cent of the value of the furniture."

Mr. JOHNSON of Kentucky. Mr. Chairman, I wish to inquire of the gentleman from Wisconsin whether he has offered that as an amendment to my amendment or to the amendment to my amendment?

Mr. STAFFORD. It is offered as a substitute for the amendment of the gentleman from Idaho, so as to get it before the committee.

Mr. MEEKER. I move to strike out the last word.

Mr. JOHNSON of Kentucky. Mr. Chairman, debate is closed on the proposition.

The CHAIRMAN. Debate has been closed by unanimous consent. The question now is on the substitute offered by the gentleman from Wisconsin [Mr. STAFFORD].

The question being taken, on a division (demanded by Mr. JOHNSON of Kentucky) there were—ayes 19, noes 21.

Accordingly the substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Idaho [Mr. FRENCH] to the amendment of the gentleman from Kentucky [Mr. JOHNSON].

The question being taken, on a division (demanded by Mr. FRENCH) there were—ayes 15, noes 25.

Accordingly the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. JOHNSON].

The question being taken, the amendment was agreed to.

Mr. JOHNSON of Kentucky. Mr. Chairman, I offer a committee amendment, to come in at the end of the section.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report:

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: At the end of section 2, on page 4, insert the following:

"In cases where a charge is made for the use of real estate, furnished or unfurnished, and for food, meals, or board, it shall be the duty of the assessor of the District of Columbia to ascertain what proportion of the total increase in the charge for the combined accommodations furnished to any person is due to the increased cost of materials and labor utilized in furnishing such accommodations, and the remainder of the increase in the charge made to any person for the combined accommodations furnished him shall be regarded for the purposes of this act as increase in the income from the real estate used by such persons."

Mr. STAFFORD. Mr. Chairman, I suppose the purpose of the amendment is to take care of those cases of rentals where not only is a charge made for rental of the room, but for board as well.

Mr. JOHNSON of Kentucky. The gentleman is correct in that.

Mr. STAFFORD. I gather the intent, from the reading of the amendment, to be to have the local assessor determine the various elements of cost in proportion to the whole rent.

Mr. JOHNSON of Kentucky. The bill does not use the assessor in his capacity as assessor in any way, but just selects that individual to determine these questions.

Mr. STAFFORD. Is he a sort of an arbiter or judge to pass upon the amount?

Mr. JOHNSON of Kentucky. Yes; to apportion the amount between board and room.

Mr. TINKHAM. I should like to ask the honorable gentleman from Kentucky how the assessor could do that, on what theory he could apportion what would be the elements, outside of his own bare arbitrary judgment?

Mr. JOHNSON of Kentucky. I will say in answer to the gentleman that it is fully set out in the amendment, and it becomes quite an easy matter for the assessor, acting as arbiter, to find out what is correct for the rental of the room, under the basis laid down in the bill, and then the rest of the charge is for board.

Mr. TINKHAM. I ask by what elements he is going to make a decision that is not purely arbitrary and personal?

Mr. JOHNSON of Kentucky. The value is ascertained in this instance just as it is in all other instances. The bill lays down the premises upon which the value of the income from the room is ascertained, and after that has been ascertained, then the rest of the charge is for board.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. MEEKER. On the matter just passed the landlord is allowed to charge 10 per cent on the value of the furniture. Is that it?

Mr. JOHNSON of Kentucky. Yes.

Mr. MEEKER. So that if a man paid $30 at a furniture store for a bed, he could rent it for 10 per cent of $30, which would be $3 a year?

Mr. JOHNSON of Kentucky. Yes.

Mr. MEEKER. And he could get his money back for the bed in 10 years?

Mr. JOHNSON of Kentucky. Yes. I have in my house some beds that are more than 100 years old, and they are just as good now as they were a hundred years ago.

Mr. MEEKER. Are they assessed at the original cost?

Mr. JOHNSON of Kentucky. I do not know what they cost, but I will assure the gentleman that they are assessed high enough.

The CHAIRMAN. The question is on the amendment of the gentleman from Kentucky [Mr. JOHNSON].

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word of the amendment.

Mr. DEMPSEY. I have an amendment which has been sent to the desk.

The CHAIRMAN. An amendment to the amendment?

Mr. DEMPSEY. An amendment to the section as amended.

The CHAIRMAN. The gentleman will be recognized later.

Mr. TREADWAY. Mr. Chairman, I have been endeavoring to understand the purport of the amendment that has just been offered. I will admit that I am pretty dense, but it looks to me that if a man is paying a hundred dollars a month for his room and board the landlord or the assessor who goes around must say that $50 of that is for board and $50 is for the rent of the room, and that on the $50 for the room there is to be a certain tax and on the $50 for board there is to be some other kind of a tax. I take it that is the purpose of the amendment. Now, if there is any one thing that has varied in cost it is food. There is no question about the increased price of food outside the District. It applies just as much outside the District as in the District. Let me illustrate: Last year the market price of loins, the wholesale price, was 30 cents a pound. Two years before that you could buy the best loins in the neighborhood for 15 to 18 cents a pound. I was told the other day that the price now is 42 cents a pound.

A few moments ago a gentleman told me that he priced some oranges down town and they were 8 cents apiece. Oranges run from 150 to 210 in a box, and if the man growing them in Florida could get $3 a box for all that he raises he would get rich. So that what he gets 2 cents apiece for probably the retailer here is getting 6½ to 8 cents. The same applies to every commodity we have to buy.

Now, I would like to ask the gentleman from Kentucky in all fairness how often this assessor that is going to make these prices would go around and vary these rates between the room and the board proposition which he is endeavoring to separate in this amendment?

Mr. JOHNSON of Kentucky. My answer is that he would not have to go but once. He would fix the value of the room on that one trip, but he would not interfere with the price of food thereafter, because there is no provision here that would warrant him in doing so. The bill of fare at the hotels would show what they were charging for food.

Mr. TREADWAY. Not necessarily; there are two ways of charging for food at a hotel. Some charge on the American plan and others on the European plan. I am asking for information, but I do not think the gentleman has furnished me with any more than he did this morning when I was anxious to get some.

Mr. JOHNSON of Kentucky. Does the gentleman believe that I could ever answer any question that he put to me so that he would vote for this bill?

Mr. TREADWAY. No; because I must say that I never saw a more foolish piece of legislation than this that the gentleman has brought in to us to-day. We are entitled to information.

Mr. JOHNSON of Kentucky. The gentleman knows more about what concerns the hotels here than I do, and I am going to accept what he says, and I ask him to accept the fact that I have information on other subjects.

Mr. TREADWAY. I was trying to get information, but the gentleman did not get very far in giving it to me.

Mr. JOHNSON of Kentucky. The gentleman from Massachusetts limits it to fixing the price of rooms and meals at a hotel, and I am endeavoring to go further than that.

Mr. TREADWAY. No; I am taking it in a broader view than that. I do not live at a hotel myself, and I am not vitally interested in this matter. I do know something about the cost of food in hotels, and I am taking it in the broad sense and trying to secure information that the gentleman has, and how extensive this so-called profiteering in the District is. The only reply I have received from the gentleman was that he did not believe the evidence of a reputable organization as submitted to his committee. That was the extent of the information that I secured.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. SMITH of Michigan. The gentleman referred to the difference in the price of loins. I presume the gentleman referred to that to show that the landlord was justified in increasing the price of board on account of the difference in the cost of living?

Mr. TREADWAY. There is no question about that.

Mr. SMITH of Michigan. Is the price of wheat any higher this year than it was last year?

Mr. TREADWAY. Under the law the minimum price of wheat has been regulated; I do not know whether the maximum price has been raised or not. I believe there is no limit to it. This is an attempt to establish a maximum price irrespective of cost.

Mr. JOHNSON of Washington. Does this mean that the assessor has got to ask the landlord whether he gave his customer loin, pork chops, or tenderloin?

Mr. TREADWAY. He would have to proceed in just that way?

Mr. JOHNSON of Kentucky. Mr. Chairman, I ask unanimous consent that all debate on this amendment and amendments thereto close in five minutes.

Mr. TINKHAM. I object.

Mr. JOHNSON of Kentucky. I would like to ask the gentleman from Massachusetts how much time he thinks we ought to have on this?

Mr. TINKHAM. I think we ought to discuss this amendment, which is very important and very vital, for at least 20 minutes.

Mr. JOHNSON of Kentucky. Does the gentleman claim under the rules that he is entitled to that time?

Mr. TINKHAM. I will also say that there are other Members who have other amendments. I do not think it is fair to close debate as soon as that.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move that all debate on this amendment and amendments thereto close in 10 minutes, the gentleman from Massachusetts to have 8 minutes and I to have 2 minutes.

The CHAIRMAN. The gentleman from Kentucky moves that all debate on this amendment and amendments thereto close in 10 minutes, the gentleman from Massachusetts to have 8 minutes and he to have 2 minutes.

The question was taken, and the motion was lost.

Mr. TINKHAM. Mr. Chairman, I want to read this amendment to the House and then comment on it. It says:

> In cases where the charge is made for the use of real estate, furnished or unfurnished, and for food, meals, or board, it shall be the duty of the assessor of the District of Columbia to ascertain what proportion of the total increase that has been charged for the combined accommodations furnished to any person is due to the increased cost of materials and labor utilized in furnishing such accommodations, and the remainder of the increase in the charge made to any one person for the combined accommodations furnished him shall be regarded for the purposes of this act as an increase in the income from the real estate used by such person.

Now, the only possible thing that any assessor could do if this amendment were adopted would be, in the case of each particular hotel and each individual who furnished rooms and board, to go to the hotel or individual and find out what the hotel keeper or boarding-house keeper had paid for the food and what that element of cost was. Some people buy at one market, others buy at another market, some buy at wholesale, and some at retail. It would be absolutely impossible for any figure to be set except in individual cases, and, in the first place, the assessor could not arrive at a decision probably for two years on all of the hotels and lodging houses, of which there are hundreds, that render this service in the District of Columbia.

Mr. JOHNSON of Kentucky. Would the gentleman object to that delay?

Mr. TINKHAM. Mr. Chairman, I do not object to any delay in this bill, as I am utterly opposed to it, believing it to be unsound, unworkable, and unthinkable as being passed by this House. There is a substitute bill which, as the committee knows, I am to offer later, which meets the situation and which is practical to prevent unfair profiteering in the District of Columbia. I had made up my mind not to enter into a discussion of this bill until I offered my substitute bill, but when such an amendment as this is offered, so utterly unworkable and impractical, I can not restrain myself.

Mr. JOHNSON of Kentucky. Perhaps the gentleman is suffering from shell shock and can not understand that.

Mr. TREADWAY. Mr. Chairman, I would like to know whether the gentleman agrees with the idea of the chairman of the committee that the assessor would have to make only one visit to find out?

Mr. TINKHAM. Under this amendment the assessor would have to assess in accordance with the changes in the cost of the food every 24 hours, the rate that could be charged for the rooms, for as the price of food changed he could not

increase his price for food and lodgings without having a reapportionment; otherwise he might exceed what the law would allow.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. TINKHAM. Yes.

Mr. MEEKER. At 10 per cent of the cost of the bed for the year, would that pay for the laundering of the linen? That is, if you changed the linen once a year? [Laughter.]

Mr. TINKHAM. I think the honorable Representative from Massachusetts, my colleague [Mr. TREADWAY], who is a hotel man of national fame and distinction and who has been president of the New England Hotel Men's Association, can speak with more authority in relation to that matter than I.

Mr. TREADWAY. Not in relation to the once-a-year change. I do not know about that kind.

Mr. TINKHAM. Mr. Chairman, I hope this amendment, which I think I have demonstrated is impossible of application and absurd, will not be adopted even to this very impractical bill.

Mr. CROSSER. Mr. Chairman, I do not care to say more than a word or two in regard to the pending amendment. It seems to me that if there is any section of the bill that could be of some use in the District of Columbia, this proposed section would be the one. When this bill was under consideration two weeks ago we were told how the landlords were going to kick everybody out, if they were required to accept a reasonable return for the use of their premises, but it is not likely that hotel keepers because they are confined to a reasonable return, namely, the rent that they were getting in the prewar period plus 10 per cent, are going to turn anyone out or refuse to take anyone in. The amendment if adopted will unmask a lot of people who, under the guise of an increased charge for board and meals, are getting a great deal more rent for their rooms than they had been getting during the prewar period. In brief, what has been happening is this: Where they received perhaps forty or fifty dollars a month for a room at a hotel, and $50 a month for the meals, in order now to meet the situation with which they are confronted in this bill, they are saying that all of the increase is due to the increase in the cost of furnishing the meals. If that is a fact, it is an easy matter to ascertain it. The assessor can look at the man's books and determine immediately; he can look at the bills and find out what the cost of the service and the food he is serving has been, and the difference properly distributed can easily be determined and regarded as the increased rent they are charging for the use of the room or rooms. We might as well tear the mask off these gentlemen and call a spade a spade. What they are doing, under the guise of increasing the charge for board and meals, is in reality increasing the charge for the use of their rooms, and this would prevent them from doing that.

Mr. MEEKER. Mr. Chairman, I move to strike out the last word.

Mr. FRENCH. Mr. Chairman, I desire to speak on the amendment.

The CHAIRMAN. Has the gentleman an amendment to offer?

Mr. FRENCH. I have no amendment.

The CHAIRMAN. The gentleman from Missouri is recognized.

Mr. MEEKER. Mr. Chairman, I think there is one thing that has not been taken into account, in spite of the fact the chairman of the committee admitted having a hundred-year-old bed. Ten per cent on the cost of a bed—$30—would be $3 a year; 25 cents a month for laundry and all. The 100-year-old bed may be worth something to the gentleman who owns it, but, on the average, bedding and mattresses and things of that sort that are used generally after two or three years are not quite what they should be, and I doubt very seriously whether the gentleman from Kentucky would care to go into a room that had not had a new bed or new mattress in it for 10 years or more. Now, of course, the increase in population in that bed in 10 years' time is something that people who had anything to do with that bed would not value, and the greater the population the less the bed is worth.

Mr. JOHNSON of Kentucky. I will say the gentleman's information on that subject is far superior to mine.

Mr. MEEKER. That may be. I have traveled over the country somewhat. The gentleman always stays at home, and is fortunate at that. But when we talk about the general use of household furniture by people who are compelled to live in congested quarters, as they are with these conditions here, and talk about allowing only 10 per cent rental on the furniture which, if we purchased it new and attempted to resell it the second day, you could not get more than 50 per cent of what you paid for it—the very fact that it becomes second-hand furniture by virtue of that depreciation. This proposition is absolutely too silly, and to ask people here to take care of their homes, to take care of their linens and bedding, however, that part of the bill is on a par and parity with the rest, as far as that is concerned. The intention of the bill may be good, but when we talk about saying to people who will furnish their homes—and we ask that they do it; we are insisting that they shall open their homes for people who want them, that they shall have some sort of furniture there besides soap boxes on which to make their toilet dressing, etc.—we men on the floor of this House are only making ourselves ridiculous in the eyes not only of the people here but of the country to talk about such absurd charge as that.

Now, I do not know whether the gentleman from Kentucky has rented any rooms or not. I do not know whether he has a room to spare in his house. If he has I do not know what he would charge for it, but is it not a fair proposition that if he has a room to rent and has not rented it——

Mr. JOHNSON of Washington. Why not?

Mr. MEEKER. Why not? That is the only question that comes, If he has not, why not? Now, when we are going to talk about what we are doing to the other fellow or for the other fellow, how are we doing in our own affairs? Is every Member of Congress here who has any rooms to rent renting them? Are there any Members of Congress who are willing to rent their rooms for $5 a week and furnish them and put in new bedding and everything of that sort? I do not think there is a man here who would think of it for a minute, and yet we come here and want to get as good quarters as we possibly can at the least money we can, and if we have a spare room, keep it, while we say to the other man, "You go out and fit up a room, spend $150 or $200 on that room, and rent it at 10 per cent of the cost of the furniture. That is all you will get."

Mr. JOHNSON of Kentucky. The gentleman seems to forget there is an allowance here of 15 per cent over and above.

Mr. MEEKER. I do not forget that, but 15 per cent will not take care of it. There is another thing has been said by my good friend from Illinois which has gone unchallenged up to the present time. I do not think there is any man who has employed domestic labor in Washington who will say you can keep a house now for what you could before the increase here. I was talking to a man only yesterday, he is using his rooms for leasing, and when he went to bring back an old cook he was told that she was getting $20 per week at a restaurant and $2 a day in tips.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENCH. Mr. Chairman, I do not quite understand how the committee harmonizes this paragraph with the preceding paragraph. The amendment that I proposed to the last paragraph would have retained in the bill 10 per cent upon the value of the real property and given to the householder 50 per cent during the year on the value of the furniture.

If that amendment had prevailed I should have proposed a similar amendment to this paragraph, but apparently the committee is not disposed to accept that view of the situation. However, there is a remarkable difference between the conditions under this paragraph and under the last paragraph. Under this paragraph if a householder did not rent his house furnished prior to a couple of years ago and furnishes it now and then rents it furnished he may receive, not 10 per cent on the value of his house and his furniture, but 15 per cent on the value of his house and his furniture. In other words, I suppose that the 10 per cent on the value of his house may be regarded as an offset to the 10 per cent under the preceding paragraph that he may receive on the value of his house. The other 5 per cent on the value of his house must be charged up, then, as an extra inducement to the householder to furnish his apartment or his house.

The chairman of the committee said he was opposed to a proposition that would permit a householder to earn 50 per cent of the value of his furniture in one year. Here is a proposition that may permit the householder to earn 100 per cent on the value of his furniture in one year. How? If the value of the furniture is 5 per cent only, or even more than 5 per cent, of the value of his house, then the privilege of charging 15 per cent instead of 10 per cent on the house itself permits the householder to buy his furniture and more than pay for it within one year.

Going further, there is an inducement in this paragraph to every householder to furnish his house as cheaply as he can, because of the extra rate or increase in his profits on the house itself instead of upon the furniture.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. JOHNSON].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. TINKHAM. Mr. Chairman, I demand a division.

The committee divided; and there were—ayes 38, noes 11.

So the amendment was agreed to.

Mr. REED. Mr. Chairman——

Mr. DEMPSEY. Mr. Chairman, I offer an amendment, which I have sent to the Clerk's desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report:

The Clerk read as follows:

Amendment offered by Mr. DEMPSEY: Pages 1, 2, 3, and 4, after the word "the," line 14, strike out "deductions herein allowed" and insert "reasonable rent thereof to be fixed as hereby provided"; line 16, beginning with "deducted," strike out the balance of the section and insert in place thereof the following: "appointed a rent administrator, who shall, upon complaint of the lessee of any real estate that the rent exacted of him is unjust and excessive, find and fix the reasonable rent of such real estate, whose decision, except it is and until reversed as hereinafter provided, shall be final.

"That the President is hereby authorized to appoint a rent administrator, who shall be a citizen of the United States and resident of the District of Columbia.

"That the President is hereby authorized to appoint a board of rent appeals, consisting of three persons, who shall be citizens of the United States and residents of the District of Columbia. Said board of rent appeals shall have the power to hear and determine any appeal from any order of the rent administrator authorized under section 2 of this act, and said board of rent appeals shall have power, upon consideration of such appeal, by its order, to affirm or reverse the order of the rent administrator, and in case of reversal thereof to increase, diminish, or otherwise modify the amount of rent fixed in the order of the rent administrator, and the amount so fixed in the order of the board of rent appeals shall be considered to be and be the reasonable amount of rent of the real estate affected thereby until the same shall be, upon new facts or other conditions, again changed and fixed by order of the rent administrator or the board of rent appeals, as the case may be."

Mr. JOHNSON of Kentucky. Mr. Chairman, I make a point of order against the amendment, because it is not germane.

The CHAIRMAN. The gentleman from Kentucky makes a point of order against the amendment.

Mr. DEMPSEY. Mr. Chairman, I ask to be heard on the point of order.

The CHAIRMAN. The Chair will hear the gentleman on the point of order.

Mr. DEMPSEY. The object of this section, section 2, is simply to tax rents in the District of Columbia upon a basis to be fixed by that section, and the amendment simply varies the way in which the amount of rent which shall be made subject to taxation, or rather how the amount of the tax shall be ascertained. It is precisely the same provision, only reached in another way.

In the bill it is provided that any rent in excess of 10 per cent beyond the rent which was paid at a certain date, April 1, 1918, shall be, all of it, taken for taxation purposes; shall, in other words, be a tax. I say in my provision that this rent, beyond a reasonable amount to be ascertained by an administrator to be appointed by the President, shall be taxed. In other words, we reach the same result by a different route. The first is by the 10 per cent route. Mine is on the reasonable-amount basis, to be fixed by the administrator to be appointed by the President.

It is precisely the same thing ascertained in a different way.

Mr. FOSTER. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. FOSTER. The gentleman's amendment, as I understand, creates a board. Now, is there anything in this bill that provides anything of the kind? Is it the gentleman's opinion that an amendment creating a board of rents, or an administrator of rents and a board to hear complaints, is germane to a bill of this kind?

Mr. DEMPSEY. I will say, if the Chair please, in answer to the gentleman's question, two things. I will say, first, that his question goes to only a small portion of this amendment, and that the Chair can rule, if need be, on that part separately. I will say, secondly, that the Chair has just ruled that the amendment proposed by the gentleman from Kentucky, of a similar nature as to an assessor, is valid and is in point.

Mr. FOSTER. The gentleman may be right, that it is a small part of it, in his judgment. But that small part may be such as to make it offensive to the rule of being germane. There is nothing in this bill providing for a board of appeals or a rent administrator. Now, if he can change the aspects of the bill entirely by putting in such language as that it is a strange thing under the rules of the House. It is not germane to the bill.

Mr. JOHNSON of Kentucky. Mr. Chairman, I feel quite sure that if you will read the rule laid down on page 343 there is no sort of question as to the fact that the amendment is not germane. It has only a pretense of color to be germane.

The CHAIRMAN. The rule to which the chairman of the committee calls the Chair's attention reads as follows:

No motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

The bill under consideration provides for raising revenue, levying an income tax. The amendment offered by the gentleman from New York [Mr. DEMPSEY] proposes to regulate and control the matter of the collection of rents——

Mr. DEMPSEY. Oh, no. The amendment proposes that it shall be assessed in a different manner. It does not propose to regulate rents at all. It proposes, in order to ascertain what the amount of the tax shall be, that there shall be a rent administrator appointed, who shall find and fix a reasonable rent, and any rent imposed beyond a reasonable rent shall be taxed.

Mr. JOHNSON of Kentucky. It is a clear case of substituting a board here, Mr. Chairman.

The CHAIRMAN. Without discussing it further, the Chair is clearly of the impression that it is not germane. It is legislation on a subject entirely different from that in the bill. The point of order is therefore sustained. The Clerk will read.

Mr. DEMPSEY. If the Chair please, I will appeal from the decision of the Chair.

The CHAIRMAN. The gentleman from New York appeals from the decision of the Chair. As many as favor sustaining the decision of the Chair and having his decision stand as the judgment of the committee will please say "aye."

The question was taken; and the Chairman announced that the "noes" seemed to have it.

Mr. JOHNSON of Kentucky and Mr. FOSTER demanded a division.

The CHAIRMAN. A division is called for.

The committee devided; and there were—ayes 29, noes 9.

The CHAIRMAN. The committee is determined to sustain the decision of the Chair.

Mr. HARDY. Mr. Chairman, I have taken up but little time of this committee, and I wish to offer an amendment and I wish to discuss that amendment some. It is possible that the amendment is subject to a point of order.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HARDY: Strike out all after the enacting clause and insert the following: "That the term 'real estate' as herein used shall be construed to include lands, buildings, parts of buildings, houses, dwellings, apartments——

Mr. JOHNSON of Kentucky. Mr. Chairman, I think the Clerk has read far enough so that I may make the point of order——

Mr. DEMPSEY. I think we ought to have the amendment read.

Mr. HARDY. I do not wish to take up much time. Will the gentleman reserve his point of order and let me have five minutes to present my proposition?

Mr. JOHNSON of Kentucky. Yes.

The CHAIRMAN. The gentleman from Kentucky reserves the point of order. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HARDY: Strike out all after the enacting clause and insert the following:

"That the term 'real estate' as herein used shall be construed to include lands, buildings, parts of buildings, houses, dwellings, apartments, rooms, suites of rooms, and every improvement and structure whatsoever, or any part thereof, upon land.

"Second. That for the purpose of securing necessary housing for employees of the Government at fair and reasonable rates and charges the President of the United States is authorized to appoint a rent administrator and, through such administrator, fix the reasonable rental value of any real estate within the District of Columbia which may be taken for the use of employees of the Government.

"Third. That the President of the United States may take for the use of such employees any real estate within said District whenever, in his judgment, the said real estate is needed for housing such employees, upon payment to the owner thereof of the sum fixed by said rent administrator as the rental value thereof: *Provided*, That no private residence or any part thereof occupied by the owner shall be taken without the consent of the owner: *And provided further*, That if the owner of any real estate taken under this act shall not agree to accept such sum as full compensation for the use of his property, such owner shall be paid 75 per cent of the rental value fixed by the rent administrator and may bring suit against the United States in any court of general jurisdiction in the District of Columbia for any additional sum claimed by him for compensation."

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a point of order on the amendment.

Mr. HARDY. Mr. Chairman, I wish to present this amendment in order to explain my view of this legislation. I do not believe that this Congress sits here for the purpose of preventing one millionaire from New York being imposed upon by another millionaire in Washington as to the price of his room rent and hotel bills, but I do believe that this Congress

is earnestly concerned in securing housing for the employees of the Government at reasonable cost. I believe that for that purpose the Government has the right to take over any property that it sees proper to take, at prices reasonably fixed as fair rental value. My amendment provides the President may appoint a rent administrator, and that the rent administrator shall determine the rental value of property to be taken, and if the property owner shall disagree to that, he is given the usual remedy—to appeal to the courts. I say if he declines to accept the rental sum fixed by the administrator as full compensation, then pay him 75 per cent of that sum, as we have done in all the other commandeering propositions submitted to this Congress, and then give him the right to go into court and obtain just compensation if what is fixed is not just. It seems to me that this bill as framed by the committee is destructive of all ideas of property rights. I do not speak of its being undemocratic or unrepublican. It simply destroys the foundation of all property in this country. When you start with rents in general in this city you will go to rents in general in all cities, and you will quickly go to all other business or private interests. You can not draw a distinction between this and the fixing of the prices of shoes, either in justice or in policy. But if the Government wants to commandeer any property here, in order to provide reasonable quarters for its employees whom it must have, give it the authority, and then provide for just compensation as you do in everything else. [Applause.] I have stated what will prompt my vote, and I say that neither the Tinkham bill nor this bill under consideration comes within the purview of the teachings that I have had all my life as to property rights. [Applause.] Yet I know that the demagogue may attack me, because he will say I am unwilling to tear down high prices here in Washington. I am willing to treat Washington as I treat the world. I am willing to treat Washington as I treat my home town, and I am unwilling to go into my home town and fix a price on every item there. I am unwilling to go onto the farm and fix the price of the private property of the farmer, to say that he shall sell his mule to his neighbor for $100, and that if he sells for more we will tax him 100 per cent of the excess and give the purchaser a right to sue him and recover from him twice the amount paid in excess of $100. "With what measure ye mete it shall be measured unto you." What we do to Washington or here in Washington we should be willing to have done to us at our homes. If the Government needs housing, let it take it and pay just compensation under the principles that our fathers established in the founding of this Government. [Applause.] If the Government needs anything I have, let it take it in the same way. I would protect all employees brought here by our war emergencies. I denounce all profiteering at the expense of the Government, and I denounce all conspiracies and combinations to rob the Government or to raise prices and rob the public, but what we have to do with what a wealthy citizen who wants to spend the winter in Washington shall pay to another wealthy citizen as rent for his home here in Washington I fail to see.

My amendment would provide for taking private property for public uses upon just compensation, and, if need be, I will go further and vote for an appropriation to build houses for Government employees, and I will vote to make it a crime for men to combine or conspire to raise prices, either of rents or other property; but the bill presented by the committee destroys all rights of private property, and I can not vote for it. [Applause.] That is all I wish to say.

Mr. JOHNSON of Kentucky. Mr. Chairman, I make the point of order; and since the gentleman from Texas practically concedes that the amendment is subject to the point of order, I do not care to argue it.

The CHAIRMAN. Does the gentleman from Texas desire to be heard?

Mr. HARDY. I shall not take up time on the point of order except to say that the purpose of this bill is to regulate rents. The purpose of my amendment is to regulate rents. If the purpose being the same does not make my amendment germane, then I have nothing further to say. I am not a parliamentarian.

Mr. JOHNSON of Kentucky. Mr. Chairman, the bill speaks for itself. It is a bill to raise revenue and not a bill to regulate rents.

Mr. HARDY. The bill is also a bill to regulate rents by providing that one who pays rent may sue for it.

The CHAIRMAN. Without discussing the matter, it is exactly the same proposition submitted to the Chair a few minutes ago, and the Chair makes the same ruling and sustains the point of order.

Mr. MADDEN. I will ask the gentleman from Kentucky if he expects to finish this bill to-night?

Mr. JOHNSON of Kentucky. If no other amendments are offered and the Clerk is permitted to read right along, I do not see why we should not.

Mr. CRAMTON. Mr. Chairman, I desire to offer the following amendment.

The Clerk read as follows:

Page 3, lines 15 and 16, after the word "increase," strike out the words "to 15 per cent" and insert the words "by 15 per cent of the value of the furnishings."

Mr. JOHNSON of Kentucky. Mr. Chairman, I reserve a point of order on the amendment.

Mr. CRAMTON. Mr. Chairman, I desire the attention of the chairman of the committee as to one or two matters of information. First, as I read the bill at the present time, lines 11 to 16, they would work out in this way: If in the previous period a certain house was leased unfurnished at $100 per month, then under this provision it would be proper now to lease it unfurnished at $110 per month, giving an additional amount of 10 per cent on the former rental. If, however, instead of renting it unfurnished, as was the case before, it should be rented furnished, the house which was rented for $100 in the former period unfurnished could only be leased for $115 furnished. That additional rental of $5 for the furnishing of perhaps a $10,000 house does not seem to me to be what the committee has intended.

Now, I in good faith desire to know of the chairman if I am correct in my position. If I am correct in my position, then the desirability of the amendment that I have suggested is apparent. It simply provides that in such a case a man may deduct or consider a proper rental of $110 for the house and an additional rental of 15 per cent of the value of the furnishings, whatever they may be. If I am right in my understanding of the facts, I hope the gentleman will be willing to accept my amendment.

Mr. JOHNSON of Kentucky. If I correctly understood the gentleman's question, the 15 per cent allowed in the bill relates to real estate and personal effects.

Mr. CRAMTON. But I think the 15 per cent, as it reads in the bill, does not refer to the value, but goes back to the rental. So it is not 15 per cent of the value, but 15 per cent of the former rental, and as there was no furniture in the house previously there was no former rental of furniture. I think lines 11 to 16 should not be construed as referring to the per cent of value as provided in lines 5 and 10, but rather the per cent goes back to the rental discussed in the first part of the section.

I will say further to the gentleman from Kentucky, that if this 15 per cent refers to the value of the property, then it is hardly consistent with his theory of the bill, because the house is furnished to allow 15 per cent——

Mr. JOHNSON of Kentucky. I will say that I answered the gentleman hurriedly on a quick reading of his amendment; but let me ask the gentleman what would be the effect of the provision if his amendment was adopted?

Mr. CRAMTON. If the house in the prewar period rented at $100, it might be rented at $110 for the house and an additional 15 per cent of the value of the furnishings now put in as the rent for the furnishings.

Mr. JOHNSON of Kentucky. Will the gentleman state that again?

Mr. CRAMTON. If the house was rented in the prewar period at $100 a month——

Mr. JOHNSON of Kentucky. The bill would allow an increase of 10 per cent on that.

Mr. CRAMTON. That would be $110 for the house. Then, if there were no furnishings in it before, and now the furnishings are put in, you would allow them to charge 15 per cent of the value of the furnishings under my amendment.

Mr. JOHNSON of Kentucky. Mr. Chairman, I really see no objection to the gentleman's amendment. As far as I am concerned I will not oppose it and I withdraw the point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CRAMTON].

The question was taken, and the amendment was agreed to.

Mr. MADDEN. Mr. Chairman, we have made real progress, as the adoption of the amendment of the gentleman from Michigan [Mr. CRAMTON] indicates. We have worked hard all day and we have a strenuous day ahead of us to-morrow, the consideration of the legislative bill. In order to give each man a chance to get the cobwebs out of his head between now and to-morrow morning, I make the point of order that there is no quorum present.

Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman withhold that for a moment?

Mr. MADDEN. Yes.

Mr. JOHNSON of Kentucky. I hope the gentleman will not insist upon that. It is only 5 o'clock.

Mr. MADDEN. It is 10 minutes after 5 o'clock.

Mr. JOHNSON of Kentucky. If we adjourn this afternoon without disposing of the bill, it can not come up again for two weeks, and in the meantime some of the gentlemen's constituents and mine, and the mothers and the wives of the soldiers who are across the sea, are suffering because of the extortion here, and I would hate to see the gentleman stop the progress of the bill at this time of day.

Mr. MADDEN. It is impossible to finish the bill to-night. If there was any chance of finishing it to-night I would be glad to yield the point.

Mr. JOHNSON of Kentucky. We can go along here for three-quarters of an hour yet.

Mr. MADDEN. We all have a lot of mail to sign before we can go home.

Mr. JOHNSON of Kentucky. That can be done to-night.

Mr. MADDEN. Mr. Chairman, I insist upon the point of order.

The CHAIRMAN. The gentleman from Illinois makes the point of order that there is no quorum present. The Chair will count. [After counting.] Sixty-five Members present; not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Edmonds	Kreider	Rowe
Anthony	Estopinal	LaGuardia	Rowland
Bacharach	Fairchild, B. L.	Lee, Ga.	Rubey
Barkley	Fairchild, G. W.	Lenroot	Sabath
Britten	Ferris	Lesher	Scott, Mich.
Brodbeck	Foss	Lever	Scott, Pa.
Browne	Flynn	Linthicum	Scully
Buchanan	Fordney	Longworth	Sherley
Caldwell	Gallivan	McClintic	Shouse
Campbell, Kans.	Gard	McCormick	Siegel
Campbell, Pa.	Garland	McCulloch	Small
Cannon	Garrett, Tex.	McFadden	Smith, Thos. F.
Cantrill	Goodall	McKenzie	Snyder
Capstick	Gould	McKeown	Steele
Carew	Graham, Pa.	McLemore	Steenerson
Church	Gray, N. J.	Maher	Stephens, Nebr.
Clark, Fla.	Greene, Mass.	Mann	Sterling, Pa.
Clark, Pa.	Griest	Miller, Minn.	Stevenson
Cooper, Ohio	Hamill	Montague	Stiness
Copley	Hamilton, N. Y.	Moores, Ind.	Sullivan
Costello	Haskell	Morin	Swift
Crago	Heaton	Neely	Switzer
Crisp	Heintz	Nicholls, S. C.	Talbott
Currie, Mich.	Helvering	Nichols, Mich.	Templeton
Curry, Cal.	Hollingsworth	Park	Towner
Davidson	Hood	Parker, N. Y.	Van Dyke
Dewalt	Howard	Phelan	Walker
Dies	Husted	Platt	Watson, Pa.
Dooling	Hutchinson	Polk	Weaver
Doremus	Johnson, S. Dak.	Pou	Webb
Doughton	Keating	Powers	White, Ohio
Drukker	Kehoe	Price	Wilson, Ill.
Dunn	Kelley, Mich.	Ragsdale	Wilson, La.
Eagan	Key, Ohio	Ramsey	Woodyard
Eagle	Kraus	Riordan	Young, Tex.

The committee rose; and the Speaker having resumed the chair, Mr. RUCKER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9248, and, finding itself without a quorum, had caused the roll to be called, whereupon 287 Members responded to their names, a quorum, and he handed in the list of absentees for publication in the RECORD.

The SPEAKER. The committee will resume its sitting.

The committee resumed its sitting.

The Clerk read as follows:

SEC. 3. That, on or before the 10th of July, 1918, a true and accurate return under oath shall be made by each "person" subject to said tax, or his authorized agent, to the assessor of the District of Columbia, setting forth specifically the gross amount of such income from all separate sources accrued during the period from December 31, 1916, to June 30, 1918, and the deductions to which he may be entitled under this act; and the said taxes thereon, computed as provided in section 2, shall become due and collectible on or before September 1, 1918. And on or before the 10th of August, 1918, and of each and every month thereafter a true and accurate return under oath shall be made by each "person" subject to said tax or by "his" authorized agent, to the said assessor, setting forth specifically the gross amount of such income from all separate sources accrued during the next preceding month, together with a statement of such deductions. If any person subject to said tax fails to make any such return at the time herein fixed, or makes, willfully or otherwise, a false or fraudulent return, the assessor of the District of Columbia shall make the return from his own knowledge or from such information as he can obtain through testimony or by any other means; and the return so made shall be sufficient for all purposes of this act. To the amount of the tax due upon all returns so made by the assessor there shall be added a penalty of 50 per cent of the tax; but when it shall appear that the failure to file the return of the making of a false return was due to an unavoidable or excusable cause, the said penalty may be abated by the Commissioners of the District of Columbia. It shall be the duty of said commissioners to prepare and furnish to each taxpayer making application therefor printed forms on which such returns shall be made. The said tax and all penalties thereon shall constitute a superior lien on the "real estate" from which the income has been derived, and shall be assessed and collected by the same officers, at the same time except as herein otherwise provided, and by similar proceedings as other taxes on real and personal property in said District.

The committee amendment was read, as follows:

Page 5, line 8, after the word "return" strike out the word "of" and insert the word "or."

The amendment was agreed to.

Mr. JOHNSON of Kentucky. Mr. Chairman, I offer the following committee amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Kentucky: Amend page 5 by striking out lines 14, 15, 16, 17, 18, and 19 and insert in lieu thereof the following:

"The tax and penalties which are assessed, levied, and made payable by any of the provisions of this act are hereby made a superior lien on the property, both real and personal, from the use or occupancy of which the taxable income has been derived: *Provided, however*, That the said entire personal property without any exemptions whatever shall be exhausted before the real estate is proceeded against by either tax or penalties. The said tax and penalties shall be assessed by the same officers at the same time, except as herein otherwise provided, and by similar proceedings as are other taxes on real and personal property in said District."

Mr. JOHNSON of Kentucky. Mr. Chairman, in the bill as it was originally written the lien for the tax was retained upon the "real estate" only. This amendment retains the tax lien upon both the "real estate and the personal property from which the revenue is derived. In other words, the owner of the property from which the income is derived should see that that tax is paid. Objection has been made to that provision of the bill, but I hope I have now remedied it so as to overcome that objection. I believe that those who furnish the tools with which these extortions are made should be answerable for the tax. The real estate people say that the real estate should not be subject to any part of the lien, but we insist that it should be. Wherever a piece of real estate becomes liable for the payment of any part of this tax then the owners of the property are going to become sentinels. They should be drafted and used as sentinels to watch their property to see that none of their tenants rob the mothers and widows of the soldiers who are now abroad—that nobody robs the clerks who are here working for small wages in an effort to win the war. [Applause.] I say that they ought to stand as sentinels over their own property, and I hope this House will carry this amendment and compel them to do so. The amendment which I have offered makes no exemption to anybody for personal property. The last vestige of the personal property can be taken and sold for the payment of this tax. There is nothing whatever exempted from it at all, and I believe that that will save the real estate people from having a lien go upon their property, and if it does not they themselves can prevent it, and they are the first people in this District who should come forth and say, "We will do our part patriotically and see that no tenant of ours shall practice extortion. [Applause.]

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the amendment to inquire of the gentleman whether there are other amendments to be proposed to this section and inquire if he will be kind enough to take the committee into his confidence as to what time he expects to rise.

Mr. JOHNSON of Kentucky. Mr. Chairman, I can say to the gentleman that as far as I now see I have no further amendment to offer to this section, but I do not see why the Members of the House should not be willing to sit here a little while, perhaps less than an hour, to relieve this ugly situation that is now confronting us in the District of Columbia. [Applause.] Therefore I shall be glad to see the bill finished to-night.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The question was taken, and the amendment was agreed to.

Mr. MAPES. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows.

Page 4, line 10, strike out, "December 31, 1916," and insert in lieu thereof "April 1, 1918."

Mr. STAFFORD. Will the gentleman yield? [Cries of "Vote!"] This is not for the purpose of taking up time, but I wish to say to those who have been absent most of the day that there have been some changes in the bill that require some amendments as to dates, and this is one of them. I wish to inquire of the gentleman as to the reason why he has stricken out "December 31, 1916," and substituted "April 1, 1918."

Mr. MAPES. That is merely to conform to the amendment which was made in the second section.

Mr. STAFFORD. May I have the attention of the chairman of the committee? In all good faith I ask this question. The chairman agreed to the amendment of the gentleman from Michigan [Mr. MAPES], substituting a yearly period instead of an 18-months' period.

Mr. JOHNSON of Kentucky. I will say to the gentleman I did not make such agreement.

Mr. STAFFORD. This has been incorporated in the bill as a one-year basis for computation instead of 18 months, which is the basis of the dates in lines 10 and 11, on page 4. That is, the period from December 3, 1916, to June 30, 1918, was taken as the 18-months' period. What does the gentleman propose by his amendment? He proposes, instead of submitting a yearly period to substitute a period merely from April 1 to June 30, or a three-months' period. I respectfully represent, not only to the chairman of the committee but to the gentleman offering the amendment, that it is not in harmony with the fundamental principle of the amendments heretofore adopted.

Mr. JOHNSON of Kentucky. My opinion is that the amendment is not right. I would like to hear from the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Chairman, I do not think the gentleman from Wisconsin has carefully read this section in connection with the other sections of the bill?

Mr. STAFFORD. The gentleman is mistaken in that particular.

Mr. MAPES. At least his interpretation does not agree with mine.

Mr. STAFFORD. I am not surprised that my interpretation does not agree with the gentleman's.

Mr. MAPES. If the gentleman will permit and allow me to explain, I will try to do it to his satisfaction.

This provision in this section states the period for which the property owners shall file their return with the District assessors and during which they are liable to a tax. This bill proposes to tax men who charge more than 10 per cent over the prewar period after April 1 of this year. This provision provides that everybody who charges more than the prewar rent from April 1 to July 1 shall file his return. There is nothing inconsistent in this amendment with the other provisions of the bill. It would be entirely inconsistent unless this amendment is adopted. And it is put in merely to make this section conform with section 2 as amended here this afternoon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MAPES].

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 7. That the Commissioners of the District of Columbia are hereby authorized and directed to make all reasonable and needed rules and regulations for the enforcement of this act.

Mr. HILLIARD. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Colorado [Mr. HILLIARD] offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILLIARD: Page 7, immediately after line 10, insert as a new section the following:

"SEC. 8. That if any clause, sentence, paragraph, or part of this act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. HILLIARD].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. MADDEN. A division, Mr. Chairman.

The committee divided; and there were—ayes 103, noes 16.

So the amendment was agreed to.

Mr. HILLIARD. Mr. Chairman, I ask unanimous consent that the amendment just adopted be known as section 8 and the next section designated as No. 9.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent that the amendment just adopted be known as section 8 and the next section be known as No. 9. Is there objection?

There was no objection.

The Clerk concluded the reading of the bill.

Mr. TINKHAM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. TINKHAM offers the following as a substitute for the bill: Insert after the enacting clause:

"That by reason of the existence of a state of war it is essential to the national security and defense and for the successful prosecution of the war to establish governmental control and assure adequate regulation of rents of real estate in the District of Columbia during the war. For such purpose the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this act.

"SEC. 2. That in the interpretation and construction of this act the following rules shall be observed, namely:

"First. The term 'real estate,' as herein used, shall be construed to include lands, buildings, parts of buildings, houses, dwellings, apartments, rooms, suites of rooms, and every improvement and structure whatsoever, and every portion and part thereof, situated and being in the District of Columbia, and any and all estates and rights therein or thereto.

"Second. The word 'party' or 'person' shall include individuals, legal representatives of individuals, partnerships, joint-stock companies, associations, corporations, societies, bodies corporate, the Government of the United States in all is branches, departments, bureaus, boards, councils, and other agencies and instrumentalities, and all representatives, agencies, bodies, and instrumentalities acting for or in behalf of or employed or used by any and all foreign Governments not at war with the United States, unless such construction would be unreasonable; and the reference to any officer shall include any person authorized by law, or by regulation made in accordance with this act, to perform the duties of his office.

"Third. Words importing the singular number shall be held to include the plural, and vice versa, except where such construction would be unreasonable.

"Fourth. Words importing the masculine gender shall be held to include all genders, except where such construction would be unreasonable.

"Fifth. The term 'rent' or 'rent from real estate' shall include any and all amounts received for the daily, weekly, monthly, yearly, or other periodical or term use or occupancy of real estate, or any part or multiple of any such periods of time.

"SEC. 3. That the President is authorized, from time to time, to fix the amount of rent of real estate in the District of Columbia and to revise and change the amount of existing rents thereof, so that the same shall be just and reasonable, which may now or hereafter be rented, leased, subleased, transferred by assignment of lease or rental contract, used or occupied by any party or person.

"SEC. 4. That the President is hereby authorized to appoint a rent administrator, who shall be a citizen of the United States and resident of the District of Columbia, who shall have full power and authority, under the direction of the President, to revise and change and (or) to fix, upon request of any party or person in interest, or otherwise, as the rent administrator may determine, the amount of rent which can be lawfully charged and received for the use and occupation of any real estate in the District of Columbia which is now or may hereafter be rented, leased, subleased, used, or occupied by any party or person; and any and all orders of the rent administrator revising and changing existing rents shall relate back to and take effect as of the date of the approval of this act by the President: *Provided*, That any party in interest may prosecute an appeal from any order of the rent administrator to the board of rent appeals provided for in this act, under and in accordance with such rules and regulations as may be made respecting appeals; and until such appeal shall be decided by the board of rent appeals the order of the rent administrator shall be superseded by the appeal.

"SEC. 5. That from and after the date of promulgation of any order of the rent administrator fixing an amount of rent in any case, it shall be unlawful and be a violation of this act for any person to charge or receive a greater rent than the amount so fixed; subject, however, to the right of appeal hereinbefore created.

"SEC. 6. That the rent administrator is authorized, under the direction of the President, to make and promulgate rules and regulations not inconsistent with this act for carrying out the provisions hereof.

"SEC. 7. That the President is hereby authorized to appoint a board of rent appeals, consisting of three persons, who shall be citizens of the United States and residents of the District of Columbia. Said board of rent appeals shall have the power to hear and determine any appeal from any order of the rent administrator authorized under section 4 of this act, and said board of rent appeal shall have power, upon consideration of such appeal, by its order, to affirm or reverse the order of the rent administrator, and in case of reversal thereof to increase, diminish, or otherwise modify the amount of rent fixed in the order of the rent administrator, and the amount so fixed in the order of the board of rent appeals shall be the amount of rent which can be lawfully charged and received for the use and occupation of the real estate affected thereby until the same shall be, upon new facts or other conditions, again changed and fixed by order of the rent administrator or the board of rent appeals, as the case may be.

"SEC. 8. That nothing in this act shall be construed to prevent the renting of real estate by the party or person entitled thereto at such price or prices and for such period of time and on such terms as the parties to the contract or agreement of renting shall agree upon: *Provided, however*, That the amount of rent provided for in any and all such leases, contracts, and agreements shall be subject to revision and change by the rent administrator from time to time, upon the application of any party thereto, or otherwise as the rent administrator may determine, and the rent administrator may from time to time approve and confirm the existing rent or may decrease or increase the same as he may determine to be just and reasonable, as in this act provided.

"SEC. 9. That the rent administrator and such agents as he may appoint for that purpose shall have power to summon witnesses and require the production of books and documents, and may administer oaths and affirmations to witnesses so summoned and take testimony respecting the matters covered by this act"——

Mr. NORTON rose.

The CHAIRMAN. For what purpose does the gentleman from North Dakota rise?

Mr. NORTON. To make a point of order that the amendment is not in order. Clearly it is not in order.

The CHAIRMAN. The Clerk has not finished reading the substitute. The Clerk will proceed with the reading.

The Clerk read as follows:

"SEC. 10. That any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and shall be punished by a fine of not exceeding $1,000 for each offense.

"SEC. 11. That if any clause, sentence, paragraph, or part of this act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or in-

validate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

"SEC. 12. That this act shall remain in full force and effect until a treaty of peace between the Imperial German Government and the United States shall have been concluded and proclamation thereof shall have been made by the President of the United States."

Mr. JOHNSON of Kentucky. Mr. Chairman, I make a point of order against it.

The CHAIRMAN. The gentleman from Kentucky makes a point of order against the substitute.

Mr. JOHNSON of Kentucky. As not being germane.

The CHAIRMAN. The gentleman from Kentucky makes a point of order against the substitute on the ground that the substitute offered by the gentleman from Massachusetts [Mr. TINKHAM] is not germane to the bill.

Mr. TINKHAM. Mr. Chairman, I believe it is germane.

Mr. JOHNSON of Kentucky. The bill is for the raising of revenue, and the substitute does not propose to raise any revenue, but to appoint a rent commissioner instead of that.

The CHAIRMAN. Does the gentleman from Massachusetts [Mr. TINKHAM] want to be heard?

Mr. TINKHAM. I do. The bill offered by the honorable gentleman from Kentucky has for the first time been stated to raise revenue. It has up to now been discussed as a bill to prevent unfair profiteering, and everyone who can read the bill must say that that is its only purpose. Its very title says so. I have offered a bill to meet unfair profiteering, but by a different method. If his bill is not a bill to reach unfair profiteering, then my bill is not germane. But if the purpose of his bill, as declared throughout its terms and by him in debate and also those who support him, is to prevent unfair profiteering, then my bill, offered as a substitute, is for the same purpose and germane.

Mr. GILLETT rose.

The CHAIRMAN. Does the gentleman from Massachusetts [Mr. GILLETT] desire to be heard?

Mr. GILLETT. It only occurred to me, Mr. Chairman, when the gentleman from Kentucky said this was not in order because his bill provided revenue and this did not, that this inference was a strained one.

If his logic is correct, then no amendment would ever be in order, because an amendment must be different from the original bill or it is not an amendment, so that the fact that this substitute differs from the original bill does not prove that it is out of order.

It seems to me that my colleague states it fairly. This bill is simply and solely a bill to prevent profiteering here in the District, as all the debate has shown, and the bill that my colleague presents accomplishes the same object in another way, but it is clearly attempting to accomplish just that object and nothing else. Therefore it seems to me that as a whole bill it is germane to this whole bill.

Mr. FOSTER. Mr. Chairman, will the gentleman yield?

Mr. GILLETT. Yes.

Mr. FOSTER. This bill, as I understand it, introduces another subject entirely, and that is that they shall appoint a rent administrator and a board of appeals.

Mr. GILLETT. Yes.

Mr. FOSTER. And does not raise any tax whatever.

Mr. GILLETT. No.

Mr. FOSTER. Now, does the gentleman from Massachusetts think that with that new matter in the bill, which provides for an administrator and a board of appeals, enlarging it in that way, it is germane to a bill of this kind?

Mr. GILLETT. I certainly do, because the purpose is absolutely the same. It accomplishes it in a somewhat different way. But it can not accomplish it in exactly the same way. If it did, it would not be an amendment at all.

Mr. FOSTER. Does the gentleman think that a bill to provide for an administrator and a board of appeals is in order on this bill?

Mr. GILLETT. It is to accomplish the same purpose.

Mr. FOSTER. I might agree with the gentleman on that.

Mr. GILLETT. Of course you would.

Mr. FOSTER. But that does not make it in order, because the rule distinctly says, as read by the Chair this afternoon on a similar amendment——

Mr. GILLETT. Then would you claim that no method is in order except a method of raising revenue? Is that your grounds?

Mr. FOSTER. Let me say to the gentleman from Massachusetts that it has been held time and time again, as he knows better than I do, that a commission on a bill is not in order; it is not in order on any bill. That has been held time and again.

Mr. GILLETT. It has been held both ways, if I recollect aright, on that very point.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. I remember it the other way.

Mr. GILLETT. I yield to the gentleman.

Mr. COOPER of Wisconsin. I would like to ask the gentleman from Massachusetts one question. The bill introduced by the gentleman from Kentucky [Mr. JOHNSON] is a tax bill, a bill to raise taxes. As I heard the substitute of the gentleman from Massachusetts [Mr. TINKHAM] read, it does not relate to taxes at all.

Then, is a bill which does not relate at all to taxes, but which proposes another matter entirely, germane as an amendment to a purely tax bill?

Mr. MEEKER. Will the gentleman yield for a question? If this is a revenue bill, then it should have gone to the Committee on Ways and Means.

Mr. COOPER of Wisconsin. It is too late to talk about that.

Mr. MEEKER. But did not the gentleman from Kentucky, the chairman of the committee, specifically announce at the opening of the consideration of the bill that it was to stop profiteering?

Mr. COOPER of Wisconsin. It does it by the imposition of taxes. That is the method. The amendment of the gentleman from Massachusetts [Mr. TINKHAM] has nothing to do with taxes.

Mr. CRAMTON. Will the gentleman yield?

Mr. COOPER of Wisconsin. I yield to the gentleman from Michigan.

Mr. CRAMTON. Mr. Chairman, the purpose of the bill as to raising revenue will be accomplished only in case of unfair rentals. Therefore, if the bill is successful in stopping profiteering, as the gentleman from Kentucky [Mr. JOHNSON] desires, there will be no revenue raised. Hence it is obvious that the purpose of the bill is not to raise revenue, but to stop profiteering.

Mr. TINKHAM rose.

The CHAIRMAN. Does the gentleman from Massachusetts desire to be heard?

Mr. TINKHAM. I do.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. TINKHAM. The title of the bill introduced by the honorable Representative from Kentucky [Mr. JOHNSON] reads "to prevent extortion."

Mr. JOHNSON of Kentucky. Read it all.

Mr. TINKHAM. "To impose taxes upon certain incomes in the District of Columbia, and for other purposes"; but its principal intent, according to the title of the bill and the entire argument made in the committee, has been to prevent extortion. The honorable Representative from Kentucky is not proposing it as, nor does he pretend at this moment that it is, a tax measure. If he does pretend so, then all of his arguments in relation to the bill have been false and fraudulent. It is an anti-profiteering bill and nothing else. It is not a tax bill.

Mr. JOHNSON of Kentucky. If there is anyone who has a right to complain of that, it is the tax collector.

Mr. TINKHAM. One moment, the honorable Representative from Kentucky states that he intends to impose a tax by this bill, but in section 5 he says that anyone who must contribute a tax has made a contract which is contrary to public policy and unenforcible. That means that it is not a tax measure. If that does not mean that it is not a tax measure, if it does not mean that it is a fraud on the House to call it a tax measure, then I do not know what a fraud upon a legislative body can be. I hope the Chair will rule in accordance with the merits of this matter, that my bill, which seeks to reach the unfair profiteer, is germane to his bill, which seeks to reach the unfair profiteer, and proper to be offered as a substitute. [Applause.]

Mr. NORTON. Mr. Chairman, I do not wish to detain the committee, because the amendment is clearly not germane, and if the Chair is going to rule according to my view of the matter I am not going to occupy any time.

The CHAIRMAN. The Chair has no information as to what information the gentleman from North Dakota has, as to how the Chair is going to rule; but the Chair is prepared to rule.

The bill which the committee has had under consideration provides for the levying and collecting of an income tax for raising revenue under certain conditions. The substitute carries no provision of that sort, as the Chair understands it. There is no provision in the bill offered as a substitute by which income taxes or revenue would be provided for or authorized.

Now, it is argued by the gentleman that this legislation is designed to prevent profiteering in the District, that the bill which the committee has under consideration seeks to accomplish that purpose, and that the bill which is offered as a substitute has the same purpose in view. Gentlemen say that there-

fore the substitute offered is germane. The chairman of the committee presents the point of order that the substitute is not germane.

If it should be conceded that the purpose of the bill is to prevent the practice of what has been characterized as profiteering, alleged to exist in this city, the Chair suggests that the same purpose might be accomplished in still another way. If an amendment were offered to the bill under consideration, authorizing the Federal Government to build a large number of residences, or houses, or apartment houses, for rent at a very low rental, that might accomplish the purpose sought to be secured by this legislation because, through the means of competition, it would destroy the opportunity of those having property to demand and receive exorbitant rates. And yet I think that even the gentleman from Massachusetts [Mr. TINKHAM] who offers this substitute would not insist that such an amendment would be germane. The Chair has no doubt about it. The only doubt the Chair has is one that he has always in mind, that the Chair may be wrong; but the Chair's conviction is strong that the point of order is well taken that the amendment is not germane, and therefore sustains the point of order.

Mr. JOHNSON of Kentucky. Mr. Speaker, I move that the committee rise and report the bill to the House, with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The CHAIRMAN. The gentleman from Kentucky moves that the committee rise and report the bill, with sundry amendments, to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. RUCKER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. JOHNSON of Kentucky. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

Mr. GILLETT. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The gentleman from Kentucky moves the previous question on the bill and amendments to final passage, and the gentleman from Massachusetts makes a preferential motion that the House do now adjourn.

Mr. JOHNSON of Kentucky. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of Kentucky. If the House should adjourn before ordering the previous question, the bill would not come up to-morrow, but if the previous question is ordered it would come up to-morrow as unfinished business.

The SPEAKER. The gentleman from Kentucky is correct.

The question is on the motion of the gentleman from Massachusetts that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. GILLETT) there were 71 ayes and 110 noes.

So the House refused to adjourn.

Mr. JOHNSON of Kentucky. Mr. Speaker, I renew my motion.

The SPEAKER. The gentleman from Kentucky moves the previous question on the bill and amendments to its final passage.

The question was taken, and the motion was agreed to.

The SPEAKER. Is a separate vote demanded on any amendment. If not, the Chair will put them in gross.

There was no demand for a separate vote, and the amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. MEEKER. Mr. Speaker, I demand the reading of the engrossed bill.

The SPEAKER. The engrossed bill is not here.

ENROLLED BILLS SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 175. An act to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915 and for prior years, and for other purposes."

The SPEAKER announced his signature to enrolled bill of the following title:

S. 3471. An act to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States.

LEAVE OF ABSENCE.

Mr. MCKEOWN, by unanimous consent, was given leave of absence for the balance of the day, on account of illness in the family.

ADJOURNMENT.

Mr. JOHNSON of Kentucky. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 20 minutes p. m.) the House adjourned until to-morrow, Tuesday, March 12, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Acting Secretary of War, transmitting a list of 66 leases granted by the Secretary of War under authority of the act approved July 28, 1892, during the calendar year 1917 (H. Doc. No. 967) was taken from the Speaker's table, referred to the Committee on Expenditures in the War Department, and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ROUSE: A bill (H. R. 10627) providing for an examination of the Ohio River with a view to the construction of an ice pier on the south side of said river in the vicinity of Covington and Newport, Ky.; to the Committee on Rivers and Harbors.

By Mr. KALANIANAOLE: A bill (H. R. 10628) to further provide for the national security and defense and for the purpose of assisting the prosecution of the war, and to provide for the assistance and appropriations by the Federal Government for the repair and maintenance of such improved highways of the several States as may, because of the extraordinary circumstances of war, be declared to be military roads; to the Committee on Appropriations.

By Mr. KELLY of Pennsylvania: A bill (H. R. 10629) to provide death penalty for convicted spies; to the Committee on the Judiciary.

By Mr. JAMES: A bill (H. R. 10630) to provide death penalty for convicted spies; to the Committee on the Judiciary.

By Mr. FLOOD: A bill (H. R. 10631) to prevent alien enemies from voting for electors for President and Vice President or United States Senators or Members of the House of Representatives; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. KALANIANAOLE: Resolution (H. Res. 269) directing that the Committee on Military Affairs of the House of Representatives be directed to make inquiry of the proper naval and military authorities and report to the House the necessary legislation to bring to the highest degree of efficiency the naval base and fortifications on the island of Oahu; to the Committee on Military Affairs.

By Mr. POU: Resolution (H. Res. 270) providing for the immediate consideration of H. R. 8409; to the Committee on Rules.

By Mr. RUBEY: Resolution (H. Res. 271) asking for the consideration of H. R. 7795; to the Committee on Rules.

By Mr. JAMES: Joint resolution (H. J. Res. 263) proposing an amendment to section 7, Article I, of the Constitution, relative to the Executive veto of bills passed by Congress; to the Committee on the Judiciary.

By Mr. COOPER of Wisconsin: Memorial of the Wisconsin Legislature, asking Congress to impose certain taxes on incomes, inheritances, and excess profits during the war; to the Committee on Ways and Means.

Also, memorial of the Wisconsin Legislature, asking Congress to enact necessary legislation to permit soldiers' mail to be transmitted free of postage; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND: A bill (H. R. 10632) granting a pension to Joseph Bessi; to the Committee on Pensions.

By Mr. BOOHER: A bill (H. R. 10633) granting an increase of pension to Durbin Longfellow; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 10634) granting an increase of pension to Susan E. Brown; to the Committee on Pensions.

By Mr. CANTRILL: A bill (H. R. 10635) granting an increase of pension to Samuel M. Boone; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 10636) granting a pension to John Kerns; to the Committee on Pensions.

By Mr. COOPER of West Virginia: A bill (H. R. 10637) granting an increase of pension to Johnson Hatfield; to the Committee on Invalid Pensions.

By Mr. DENTON: A bill (H. R. 10638) granting a pension to Levi C. Posey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10639) granting an honorable discharge to John D. Gardner, alias John Darity; to the Committee on Military Affairs.

By Mr. DEWALT: A bill (H. R. 10640) granting an increase of pension to William H. Spang; to the Committee on Invalid Pensions.

By Mr. DIXON: A bill (H. R. 10641) granting an increase of pension to Phineas P. Ewan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10642) granting a pension to Luther Bedel; to the Committee on Pensions.

Also, a bill (H. R. 10643) granting an increase of pension to Allen Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10644) granting an increase of pension to Jacob H. Lynch; to the Committee on Pensions.

Also, a bill (H. R. 10645) granting an increase of pension to Andrew J. Green; to the Committee on Invalid Pensions.

By Mr. FRANCIS: A bill (H. R. 10646) for the relief of Charles Haythorpe; to the Committee on Patents.

By Mr. GODWIN of North Carolina: A bill (H. R. 10647) granting an increase of pension to Elijah Coffman; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 10648) granting an increase of pension to Charlotte Heald; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 10649) granting a pension to Eva Rhodes; to the Committee on Invalid Pensions.

By Mr. MOTT: A bill (H. R. 10650) granting an increase of pension to Robert Henderson; to the Committee on Invalid Pensions.

By Mr. NEELY: A bill (H. R. 10651) granting an increase of pension to Francis M. Cain; to the Committee on Invalid Pensions.

By Mr. ROBBINS: A bill (H. R. 10652) granting an increase of pension to James K. Gallagher; to the Committee on Invalid Pensions.

By Mr. ROUSE: A bill (H. R. 10653) granting an increase of pension to James L. Young; to the Committee on Invalid Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 10654) granting an increase of pension to Francis M. Lee; to the Committee on Invalid Pensions.

By Mr. SEARS: A bill (H. R. 10655) granting a pension to Rosalie Thomas Draper; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 10656) granting an increase of pension to Charles N. Wheeler; to the Committee on Invalid Pensions.

By Mr. WALSH: A bill (H. R. 10657) granting an increase of pension to Henry A. Turner; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Women's Municipal League, of Boston, favoring House bill 9642, appropriating $50,000,000 for the housing of war workers; to the Committee on Public Buildings and Grounds.

Also (by request), petitions of 24 members of the Bucklick Farm Club, New Haven; 26 members of the Rock Hill Farm Club, Krakow; 22 members of the Grand Farm Club, New Haven; and memorials of the Good Hope Farmers' Club, Gerald; Evergreen Farm Club, of school district No. 57, Franklin County, and the Union Community Farm Club, Atlanta, all in the State of Missouri, protesting against the discrimination against the farmers in price schedules and asking that farmers be allowed such prices as will pay cost of production and a small profit; to the Committee on Agriculture.

Also (by request), resolution of the Visiting Nurse Association, Mount Vernon, N. Y., urging that military rank be conferred upon members of the nursing corps; to the Committee on Military Affairs.

Also (by request), resolution of the Irish Progressive League of Boston, urging recognition of Ireland as an independent nation; to the Committee on Foreign Affairs.

Also (by request), petition of J. H. Bloom, editor of Devils Lake Journal, Devils Lake, N. Dak., favoring the zone system for second-class postage, and recommending the increase of such rates; to the Committee on Ways and Means.

Also, a resolution of the Pierian Club, Trinidad, Colo., protesting against this system and urging its repeal; to the Committee on Ways and Means.

By Mr. BLAND: Evidence in support of a bill to pension Joseph Bessi; to the Committee on Pensions.

By Mr. DALE of New York: Petitions of Louis Lowinson, New York City; Dunn & McCarty, Auburn, N. Y.; and Rose Bros., New York City, urging the passage of the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

By Mr. DICKINSON: Petitions of R. B. Williams and 11 other citizens, H. H. Evilsizer and 9 other citizens, of Butler, Mo., for the closing of all saloons and breweries for the period of the war, to save food, fuel, and man power; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Memorial of Irish Woman's Council, favoring an Irish Republic; to the Committee on Foreign Affairs.

Also, petition of Dr. Clifford E. Smith and 24 other physicians of Dekalb County, Ill., asking that physicians in the Medical Reserve Corps of the Army be given the same rank and percentage as in the Navy; to the Committee on Military Affairs.

Also, petition of the Chicago Woman's Club, opposing the zone system for second-class mail; to the Committee on Ways and Means.

Also, petition of L. W. Potter and 12 other citizens of Rockford, Ill., favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. MOORE of Pennsylvania: Resolutions of the Mount Pleasant Citizens' Association, approving Government operation of the Chesapeake & Ohio Canal; to the Committee on Railways and Canals.

By Mr. RAKER: Resolution of the Central Labor Council of Alameda County, Cal., in re Walter V. Wohelke, a German, who has attacked organized labor through the columns of Sunset Magazine; to the Committee on Labor.

Also, letter of C. A. Hawkins, of San Francisco, Cal., in re war cabinet; to the Committee on Military Affairs.

By Mr. TAYLOR of Colorado: Petition of citizens of Montrose, Colo., urging the enactment of war-prohibition legislation; to the Committee on the Judiciary.

By Mr. TEMPLE: Petition of the Hanover United Presbyterian Church, Beaver County, Pa., for national prohibition as a war measure; to the Committee on the Judiciary.

By Mr. VARE: Memorial of the Philadelphia Chamber of Commerce, asking for the passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

TUESDAY, *March 12, 1918.*

(Legislative day of Friday, March 8, 1918.)

The Senate met at 12 o'clock meridian.

ALBERT B. FALL, a Senator from the State of New Mexico, appeared in his seat to-day.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	Nelson	Smith, S. C.
Baird	Hitchcock	New	Smoot
Beckham	Hollis	Nugent	Sterling
Calder	Johnson, Cal.	Overman	Sutherland
Culberson	Johnson, S. Dak.	Poindexter	Thomas
Curtis	Jones, Wash.	Pomerene	Thompson
Dillingham	Kellogg	Reed	Townsend
Fletcher	Kenyon	Robinson	Trammell
Frelinghuysen	Knox	Saulsbury	Underwood
Gallinger	McCumber	Shafroth	Vardaman
Gerry	McKellar	Sheppard	Walsh
Hale	McLean	Smith, Ariz.	Warren
Harding	McNary	Smith, Ga.	Watson
Hardwick	Martin	Smith, Mich.	Williams

The PRESIDENT pro tempore (Mr. SAULSBURY). I desire to announce that my colleague [Mr. WOLCOTT] is detained at home by illness.

Mr. MCNARY. I wish to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness.

Mr. SUTHERLAND. I desire to announce that my colleague [Mr. GOFF] is absent on account of illness.

Mr. THOMPSON. I wish to announce that the Senator from Oklahoma [Mr. GORE], the Senator from Louisiana [Mr. RANSDELL], the Senator from North Dakota [Mr. GRONNA], the Senator from Nebraska [Mr. NORRIS], the Senator from New Mexico [Mr. JONES], and the Senator from New York [Mr. WADSWORTH] are detained on official business.

The PRESIDENT pro tempore. Fifty-six Senators have answered to their names. There is a quorum present.

COAL OUTPUT IN COLORADO.

Mr. THOMAS. Mr. President, last Friday I took occasion to insert in the RECORD an order of the Fuel Commission materially reducing the prices of coal to operators in the four States of Colorado, Wyoming, Montana, and Utah. I then ventured a prediction that the order which by its own terms went into effect on the 11th day of March would result in a material restriction of the coal output in my State. My forecast was verified much earlier than I expected. I have received a telegram from one of the operators, dated March 9, informing me that in consequence of the promulgation of the order 27 mines had at once closed, while coal in transit to dealers would not be settled for until April, the consignees desiring to take advantage of the increased reduction for that month.

I at once wired for the names of the mines which had suspended. I was unable to get them all, but this morning I received a telegram listing 20 of them, whose daily output is 7,180 tons. They employ 1,593 men, who are now idle. In addition to this situation, 7 of the larger mines have begun to dump their slack, which is no longer marketable at the prices fixed by the commission.

These, Mr. President, I shall submit to the Senate without comment as the first and immediate fruit of an order which should never have been made. I am unable to account for this extreme and radical reduction in prices which, in effect, ignores the requirements of the statute that a reasonable profit shall be allowed, unless it be that the commissioner, having confined his suspension order of last January to the territory east of the Mississippi, has recently satisfied himself that equity and justice required him to make another order which would similarly affect all the country west of the Mississippi, thus imposing his orders, like the rain from heaven, alike upon the heads of the just and the unjust.

Mr. President, I ask leave to insert in the RECORD, without reading, the two telegrams to which I have just called attention.

The PRESIDENT pro tempore. Is there objection?

Mr. REED. I should like to have the telegrams read.

Mr. THOMAS. I do not object. I did not read them myself, because I did not want to take up any further time of the Senate.

Mr. WARREN. May I ask the Senator a question before he takes his seat? I think it perfectly apparent, and should be so, that the price of slack which the Senator has just stated places it beyond the reach of any consumption, and therefore it is wasted.

Mr. THOMAS. Yes; the dumping of the slack disposes of it; it is no longer available for commercial purposes. I might say a great deal regarding this order, but will refrain, lest in my exasperation I say something that I should afterwards regret.

Mr. REED. I should like to have the telegrams read for the information of the Senate as well as for my own information.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the telegrams were read, as follows:

DENVER, COLO., *March 9, 1918.*

Senator CHARLES S. THOMAS,
Washington, D. C.:

The last announcement by Fuel Administration of large reduction in Colorado coal prices effective March 11 and still larger reduction effective April 1 is a great shock to the coal industry of this State, and in my opinion is entirely unwarranted and unjust. Because of this reduction about 27 mines are closed to-day and coal in transit to dealers from northern Nebraska to central Texas is being refused by them, they demanding the April price. This is a condition that we tried to impress on the Fuel Administration would prevail if they made any announcement of prices prior to April 1, so that Colorado bituminous operators are in the position of not only losing money on coal that they mine from and after March 11, but on the coal they have mined during the last three weeks. I will wire you Monday the names of the mines that are down, also those that have been forced to dump slack. It is a safe estimate that the output to Colorado for 1918 will be curtailed because the prices set by the Fuel Administration are not remunerative. Most of the mines will lose less money by shutting down than by continuing operation under these unjust prices. The wage scale for the Trinidad district is less than the wage scale for the Walsenburg and Canon City districts, yet the Fuel Administration allows them 10 cents more per ton for mine-run coal. Many other inequalities exist in their recent decision, showing plainly that they have not used facts as basis for their order. Hundreds of miners in this State are not earning a penny this day on account of this order, and these men would have been working had the Fuel Administration left our prices alone and the Nation would have had the increased production in place of the loss to men of wages and to the country of coal. Colorado operators have never been confronted with a more serious condition than exists now, and the condition will rapidly become worse if this price order is not immediately withdrawn and remunerative prices permitted. Our miners will scatter to the four winds and the people dependent on Colorado for coal will suffer. Operators think that prices in effect March 1 should be continued and that no lower storage prices be made than those mentioned in our briefs, copy of which you have, and that an order to this effect should be issued immediately to save the situation. Please wire me your views.

HARRY F. NASH.

DENVER, COLO., *March 11, 1918.*

Senator CHARLES S. THOMAS,
Washington, D. C.:

There is a heavy windstorm on to-day in southern Colorado, putting out of commission telephone and telegraph lines, so am not able to give you full reports of mines down to-day. Those I know of as not working to-day are Hecla, Acme, Nonpareil, Centennial, Sunnyside, Monarch, Two, Gorham, Industrial, Matchless, Fox, Russell, McNeil, Wolferee, Laramore, Turner, Royal Gorge, Emerald King, Anthracite, Buckley. Total lost tonnage for day of these mines, 7,180. Total men out of employment at these mines, 1,593. Am satisfied that easily 2,000 men are out of employment at mines to-day and loss of 10,000 tons. The following mines are dumping slack: Big Four, Black Canyon, Aztec, McGregor, Cadell, Strong, Monument, Valley. Operators are thoroughly disheartened.

HARRY F. NASH.

NATIONAL ARMY DRAFT.

Mr. JONES of Washington. Mr. President, I received a statement this morning from the War Department with reference to its policy as to the coming draft. I presume that every Senator received a copy of it through the mail. I think it is a matter that ought to be given as much publicity as possible. I have no doubt but that the War Department has given it to the newspapers. It discloses the course that the department is going to take in the new draft in order to disturb as little as possible the industries of the country, and especially to take care of the agricultural situation. In order to assist in the publicity of it, however, I think it would be well to have it printed in the RECORD, and I ask that this may be done.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE NEXT DRAFT.

There has been a great deal of speculation in the press concerning what has been termed "the date of the next draft." Almost every week announcements have been made, and these announcements, being mere guesses, have resulted in an unrest and uncertainty that has been unfortunate.

As a matter of fact, the state of preparedness of the Army to assimilate recruits varies from day to day and from week to week, and the most scientific manner of recruiting the forces will be to withdraw them from civil life as fast as they can be assimilated by the Army and no faster. According to this plan, men will be inducted into the service in very small groups, apportioned among the various States, from week to week or from month to month as they are needed. In order to distribute the burden equally over the various States, however, it is necessary to make arithmetical computations of the share of each State, and it is not practicable to make these computations for such small numbers. For mere bookkeeping facility, therefore, it is necessary to assume a total of considerable size and to apportion it among the several States as their immediate burden. This total is called a national quota and the various shares are called State quotas. The announcement of the quota does not mean that any such great number of men will be called to military service at once and, indeed, has no necessary relation to the date of call for the reason that a constantly changing situation causes changes in the number of men who are to be called to the colors.

It is unwise to attempt to make a forecast of the number of men that will be called for immediate military service in advance of the development of the whole complex problem of supply and transportation. It is also unwise to make public announcements of specific figures which might serve the enemy as a precise basis for determining the plans for military participation of the Nation in this war. It is necessary, however, to compose the present unrest and uncertainty by some public announcement, and for this reason the following is authoritatively stated:

The next national quota will be announced and apportioned among the several States as soon as pending legislation authorizing a change in the basis of computation is enacted by Congress. This legislation has been passed by the Senate and favorably reported by the House Military Committee. The number that will be assumed as a basis for computation will be 800,000, which is well within the authorization of clause 4 of section 1 of the selective-service act of a second increment of 500,000 men, increased by the recruit training units authorized by clause 5 of said section 1, and by the special and technical troops authorized by section 2 of said act. It can not now be announced what the total number to be called to the colors each month will be, but it may be stated that no more men will be called than can be properly accommodated and promptly assimilated.

There are difficulties confronting the Nation in the supply of labor appurtenant to agriculture. Class I, from which new levies are to be withdrawn, will contain many more men than are at present required for the Army. It would be a most unscientific and fatuous step if the men in Class I were called indiscriminately without regard to the labor situation in agriculture. Therefore the local boards will be directed to fill their quotas in the order of liability of men in Class I as determined by the national drawing, except that where it is shown that a registrant is completely and assiduously engaged in the planting, cultivation, or reaping of a crop his call to the colors shall be deferred to the foot of the quota of his board as long as he continues to be so engaged. Whenever any registrant whose call to the colors has been deferred by reason of his engagement in agriculture is shown to have been idle on the farm on which he is engaged or to have

trified with the deferment that has been accorded him, the boards will forthwith induct him into military service if his order number has been reached in the meantime. The effect of this expedient is to grant furloughs from service prior to actual call to the colors to the men so greatly needed in the production of this year's crop.

This is not, however, the only expedient that is to be adopted to conserve the supply of labor appurtenant to agriculture and to mobilize all means for increasing the harvest for the agricultural season of 1918. There is now pending before Congress a bill authorizing the Secretary of War to grant furloughs, with or without pay, to men in the Army to enable them to engage in industrial and agricultural pursuits. The purpose of this bill is to relieve serious situations in particular instances in which men who are the mainstay of farms have been inducted into the service, either through voluntary enlistment or selection, and whose services during the present emergency in agriculture are needed. These furloughs will be granted after consideration of the circumstances of the individual case in which they arise, and when the military situation is such that they can be granted without too great disruption and disorganization of the Army or of any particular organization of the Army.

As to further means to protect agriculture, a new regulation has been promulgated authorizing agricultural students in their senior year in land-grant colleges to enlist in the Enlisted Reserve Corps of the Quartermaster Department, provided their class standing is such as to place them in the upper third of their class. By this means it will be possible to defer the draft call of such young men in order to enable them to perfect themselves as agriculturalists, and thereafter to protect them in such services as it may seem that they should perform in the best interests of the Nation.

The whole industrial and agricultural situation is being subjected to a very comprehensive study in order to discover any means that may be taken to protect and augment the labor supply appurtenant to industry and agriculture without precluding the prompt and orderly progress of our military plans. It is confidently believed that great progress can be made along this line, and that more effective measures than any yet devised can be put into operation to attain the desired end.

It must be emphasized that this is a war of mechanics. The need of the several armed forces for men highly skilled in technical and mechanical pursuits is greater than in any former war. Yet this need for specially skilled men finds the Nation under a necessity for increasing its production in almost every line of industry. Withdrawals of men from industry must be made, and these withdrawals must take men who might otherwise be deferred on account of their special qualifications and skill. The necessary numbers of such skilled men will be obtained in one of three ways: First, men already in the military service who have such special skill will be taken from the line regiments and assigned to the staff organizations and departments where their skill is needed. Second, men classified by the selection boards, even though they may have been placed in a deferred classification, will be withdrawn with great care and particularity from the industries of the Nation for special service in staff corps and departments. Third, young men of draft age with certain educational qualifications will be inducted into the service and sent to universities, colleges, and technical and secondary schools to be instructed in technical arts until they have acquired such proficiency as will justify their assignment to the special units that are being organized in considerable numbers.

In accordance with this plan, the Provost Marshal General has already called upon the States for some 10,000 skilled artisans, and will shortly call upon the States for 10,000 young men, graduates of grammar school, who will be sent before the 1st of April to various technical and other schools throughout the United States for a two months' course of training. Regularly thereafter an increasing stream of selected men will be sent through educational and other training institutions for this purpose.

To sum up, it may be said that there will be no sudden withdrawal of great numbers of men from the ranks of industry and agriculture during the coming summer, but that men will be drawn in relatively small groups throughout the year in such a way as to create the least possible interference with industry and agriculture. Men in deferred classes as well as men in Class I will be selected in small numbers, either on account of their special technical qualifications or for the purpose of sending them to schools where they will be given an opportunity to acquire such qualifications.

ESTIMATES OF APPROPRIATION.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Secretary of War submitting supplemental estimates of appropriation in the sum of $11,295,000 required for terminal storage and shipping buildings, Watertown Arsenal, Watertown, Mass., and manufacture of arms, Rock Island Arsenal, Rock Island, Ill. (S. Doc. No. 198), which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, submitting an estimate of appropriation of $30,000 for fuel, light, and water, Public Health Service (S. Doc. No. 199), which was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Acting Secretary of War submitting additional estimates of appropriations required by the Ordnance Department to complete the service for the fiscal year ending June 30, 1918, armament of fortifications, $375,074,465, and proving-ground facilities, $6,300,000 (S. Doc. No. 200), which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House had passed a bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, in which it requested the concurrence of the Senate.

The message also transmitted to the Senate resolutions on the life and public services of Hon. HENRY T. HELGESEN, late a Representative from the State of North Dakota.

PETITIONS AND MEMORIALS.

Mr. GALLINGER presented a petition of the United Congregations of the Congregational and Methodist Churches of Lancaster, N. H., praying for the conservation of food and fuel by the closing of all breweries and for prohibitory regulations in France. which was referred to the Committee on Military Affairs.

Mr. FLETCHER presented a petition of the Manatee Medical Society, of Manatee County, Fla., praying for an advanced rank for officers of the Medical Corps, which was referred to the Committee on Military Affairs.

Mr. TOWNSEND presented petitions of sundry citizens of Cadillac and Ironwood and of W. H. Barnum, of Fremont, all in the State of Michigan, praying for an advanced rank for officers of the Medical Corps, which were referred to the Committee on Military Affairs.

He also presented a petition of the Business Woman's Club of Detroit, Mich., praying for a repeal of the present zone system of postage rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of sundry citizens of River Junction; of the Woman's Christian Temperance Union of Cadillac; of the Woman's Christian Temperance Union of Adrian; of the Men's Brotherhood of the First Baptist Church of Flint; of the congregation of the Lakeview Methodist Church, of Flint; and of the congregation of the North Baptist Church, of Flint, all in the State of Michigan, praying for national prohibition as a war measure, which were ordered to lie on the table.

He also presented a petition of the Business Woman's Club of Detroit, Mich., praying for the admission into the medical branch of the Navy of osteopathic physicians and providing for their official status, rank, and pay, which was referred to the Committee on Naval Affairs.

Mr. McKELLAR. I present a telegram from the editor of the Commercial Appeal, of Memphis, Tenn., which I ask may be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MEMPHIS, TENN., *March 11, 1918.*

KENNETH D. MCKELLAR,
United States Senate, Washington, D. C.:

This ruling of the War Department about not giving out the home address of killed soldiers is an outrage and is breaking the hearts of a lot of fathers and mothers in Memphis. At this hour we have already checked up six boys killed who were members of an ambulance company. It was the first company that went abroad from Memphis. Some received their telegrams early, others later. We are printing the story in paper to-morrow morning of seven Memphisans killed. We get our data from roster of company and from weeping parents. Other parents uncertain as to fate of their own in the same company. The people are already as if 10,000 miles away from the war, except when death enters their homes. There is nothing that will so deaden the interest in the war as to suppress the identity of those killed and wounded. It takes all the newspapers can do to arouse the people to the colossal work the Nation must do. I am making no claim as to the rights of newspapers, but I do feel that this course will be hurtful to the cause. Please have Senator NEW insist on his resolution. All the newspapers want is the names and address and next of kin in the men killed and wounded. We care nothing for the regiment, etc., just the names and address.

C. P. J. MOONEY,
Editor Commercial Appeal.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

A bill (S. 4074) granting an increase of pension to Adaline D. Norris; to the Committee on Pensions.

By Mr. HALE:

A bill (S. 4075) granting a pension to Mary S. Kimball (with accompanying papers); to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 4076) to amend section 5200 of the Revised Statutes, as amended; to the Committee on Banking and Currency.

A bill (S. 4077) granting an increase of pension to Martha Jane Morrow;

A bill (S. 4078) granting an increase of pension to George S. Richardson; and

A bill (S. 4079) granting an increase of pension to Malinda K. McGowen; to the Committee on Pensions.

By Mr. LEWIS:

A bill (S. 4080) to incorporate the Woman's Association of Commerce of the United States of America; to the Committee on the Judiciary.

By Mr. McKELLAR:

A joint resolution (S. J. Res. 139) for the appointment of three members of the Board of Managers of the National Home for Disabled Volunteer Soldiers; to the Committee on Military Affairs.

AMENDMENT TO LEGISLATIVE APPROPRIATION BILL.

Mr. SMOOT submitted an amendment proposing to appropriate $30,000 for the standardization and design of sugar-testing apparatus, etc., intended to be proposed by him to the legislative, etc., appropriation bill; which was referred to the Committee on Appropriations and ordered to be printed.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on the 11th instant, approved and signed the joint resolution (S. J. Res. 92) providing additional time for the payment of purchase money under homestead entries within the former Colville Indian Reservation, Wash.

HOUSE BILL REFERRED.

H. R. 9248. An act to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

URGENT DEFICIENCY APPROPRIATIONS.

The PRESIDENT pro tempore. The unfinished business will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

The Secretary resumed the reading of the bill on page 4, line 9, and read as follows:

UNITED STATES FOOD AND FUEL ADMINISTRATIONS.

For expenses of the United States Food and Fuel Administrations, created under authority contained in the act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, including personal and other services and rent in the District of Columbia and elsewhere, per diem allowances in lieu of subsistence not exceeding $4, traveling expenses, printing and binding, and necessary supplies and equipment, $1,750,000.

Mr. REED. I understand unanimous consent was given that the bill should be read for amendment, the committee amendments to be first considered.

Mr. MARTIN. That is the order of the Senate.

Mr. REED. To this point the committee amendments have been disposed of, have they not?

Mr. MARTIN. Yes, sir; but there are quite a large number of committee amendments.

Mr. REED. Then there are committee amendments still to come?

Mr. MARTIN. That is correct.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the head of "Library of Congress," on page 5, line 3, after the word "thereof," to strike out "$1,500" and insert "$5,000," so as to make the clause read:

Legislative reference: To enable the Librarian of Congress to employ competent persons to gather, classify, and make available, in translations, indexes, digests, compilations, and bulletins, and otherwise, data for or bearing upon legislation, and to render such data serviceable to Congress and committees and Members thereof, $5,000.

The amendment was agreed to.

The next amendment was, on page 5, after line 15, to insert:

WAR TRADE BOARD.

For the expenses of the War Trade Board, created by the Executive order of October 12, 1917, which Executive order was made under authority of the acts of June 15, 1917, known as the "espionage act," and the act of October 6, 1917, known as the "trading with the enemy act," for traveling expenses of officials and employees while traveling on official business, including per diem allowances in lieu of subsistence not exceeding $4 per day; purchase of periodicals and books of reference; purchase, operation, maintenance, fuel, and repairs of motor-propelled vehicles; payment of ground rent and rent of office buildings in the District of Columbia and elsewhere in the United States where branch offices have heretofore been or may hereafter be established; foreign postage and expense of printing and publication of reports, circulars, journals, and other publicity matter; purchase of such material and equipment and employment of such persons and means in the city of Washington or elsewhere as may be necessary to carry on the operations intrusted to the War Trade Board by the President, $1,018,331.

The amendment was agreed to.

The next amendment was, under the head of "Department of State," subhead "Foreign intercourse," on page 7, after line 12, to insert:

Contingent expenses, foreign missions: For contingent expenses, foreign missions, including the same objects specified under this head in the Diplomatic and Consular appropriation act for the fiscal year 1917, $27,856.72.

Mr. SMOOT. Mr. President, the Senator from North Carolina [Mr. OVERMAN] is not in the Chamber. He called my attention to this amendment, and I will ask the chairman of the committee to let it go over until the Senator returns.

Mr. MARTIN. The amendment may be passed over until the Senator from North Carolina comes in.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

Mr. MARTIN subsequently said: Mr. President, the Senator from North Carolina [Mr. OVERMAN] has now come into the Chamber. At the request of the Senator from Utah [Mr. SMOOT] the Senate passed over the committee amendment on page 7, line 13, down to and including line 17. That amendment provides for an actual deficiency, and the Senator from North Carolina is now perfectly satisfied that it ought to remain in the bill. I ask that the amendment may be disposed of.

The PRESIDENT pro tempore. The question is on agreeing to the amendment as proposed by the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 7, after line 17, to insert:

Transportation of diplomatic and consular officers: To pay the actual and necessary expenses of transportation, under such regulations as the Secretary of State may prescribe, of diplomatic and consular officers and clerks in embassies, legations, and consulates in going to and returning from their posts or when traveling under orders of the Secretary of State, but not including any expense incurred in connection with leaves of absence, $20,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 14, to insert:

Relief and protection of American seamen: For relief and protection of American seamen in foreign countries, and in the Panama Canal Zone, and shipwrecked American seamen in the Territory of Alaska, in the Hawaiian Islands, Porto Rico, and the Philippine Islands, $60,000.

The amendment was agreed to.

The next amendment was, on page 8, after line 19, to insert:

Emergencies arising in the Diplomatic and Consular Service: To enable the President to meet unforeseen emergencies arising in the Diplomatic and Consular Service and to extend the commercial and other interests of the United States and to meet the necessary expenses attendant upon the execution of the neutrality act, to be expended pursuant to the requirements of section 291 of the Revised Statutes: *Provided*, That in his discretion the President may employ part of this fund for payment of personal services in the District of Columbia or elsewhere, notwithstanding the provisions of any other law, $300,000.

The amendment was agreed to.

The next amendment was, on page 9, after line 5, to insert:

Contingent expenses, United States consulates: Expenses of providing all such stationery, blanks, record and other books, seals, presses, flags, signs, rent (so much as may be necessary), repairs to consular buildings owned by the United States, postage, furniture, including typewriters and exchange of same, statistics, newspapers, freight (foreign and domestic), telegrams, advertising, messenger service, traveling expenses of consular officers and consular assistants, compensation of Chinese writers, loss by exchange, and such other miscellaneous expenses as the President may think necessary for the several consulates and consular agencies in the transaction of their business, and payments in advance of subscriptions for newspapers (foreign and domestic) under this appropriation is hereby authorized, $100,000.

The amendment was agreed to.

The next amendment was, under the head of "Treasury Department," subhead "Contingent expenses," on page 10, line 19, after the word "articles," to strike out "$3,500" and insert "$7,000," so as to make the clause read:

For washing and hemming towels, purchase of awnings and fixtures, window shades and fixtures, alcohol, benzine, turpentine, varnish, baskets, belting, bellows, bowls, brooms, buckets, brushes, canvas, crash, cloth, chamois skins, cotton waste, door and window fasteners, dusters; flower-garden, street, and engine hose; lace leather, lye, nails, oils, plants, picks, pitchers, powders, stencil plates, hand stamps and repairs of same, spittoons, soap, matches, match safes, sponges, tacks, traps, thermometers, toilet paper, tools, towels, towel racks, tumblers, wire, zinc, and for blacksmithing, repairs of machinery, removal of rubbish, sharpening tools, street car tickets not exceeding $250, advertising for proposals, and for sales at public auction in Washington, D. C., of condemned property belonging to the Treasury Department, payment of auctioneer fees, and purchase of other absolutely necessary articles, $7,000.

The amendment was agreed to.

The next amendment was, on page 10, line 26, after the word "articles," to strike out "$5,000" and insert "$11,000," so as to make the clause read:

For purchase of boxes, book rests, chairs, chair cane, chair covers, desks, bookcases, clocks, cloth for covering desks, cushions, leather for covering chairs and sofas, locks, lumber, screens, tables, typewriters, including the exchange of same, wardrobe cabinets, washstands, water coolers and stands, and for replacing other worn and unservicable articles, $11,000.

The amendment was agreed to.

The next amendment was, under the subhead "Public buildings, construction, sites, extentsions, and rent," on page 16, after line 14, to insert:

Washington, D. C., Treasury Building Annex: For commencement, within the limit of cost heretofore authorized, $500,000.

The amendment was agreed to.

The next amendment was, at the top of page 20, to insert:

CUSTOMS SERVICE.

Enforcement of the espionage act and the trading with the enemy act. For salaries and expenses for the enforcement of the provisions of the act approved June 15, 1917, known as the "espionage act," and the act approved October 6, 1917, known as the "trading with the enemy act," $300,000.

The amendment was agreed to.

The next amendment was, under the subhead "Public Health Service," on page 21, after line 17, to insert:

Quarantine Service: For maintenance and ordinary expenses, exclusive of pay of officers and employees, of quarantine stations, including the leprosy hospital and including not exceeding $500 for printing, $30,000.

The amendment was agreed to.

The Secretary continued the reading of the bill to the end of line 24, on page 22, the last paragraph being as follows:

IMPROVEMENTS AND REPAIRS.

Repairs to suburban roads: For current work of repairs to suburban roads and suburban streets, including maintenance of motor vehicles, $20,000.

Mr. GALLINGER. Mr. President, in connection with the last item, for the improvement and repair of suburban roads, I desire simply to say that I presume the appropriation is very much needed; but I want to state in the RECORD, hoping that the Commissioners of the District of Columbia will take cognizance of what I say, that I think the roads in the city of Washington were never in such bad condition as they are at the present time. Very likely the appropriation has been inadequate to permit needed repairs, and, if that be so, I trust the commissioners will see to it that they make recommendations for added appropriations, so that the roads of this city may be put in as good condition as they are in the ordinary country village, which is not the case at the present time.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the head of "District of Columbia," subhead "Improvements and repairs," at the top of page 23, to insert:

Highway bridge across Potomac River: For replacing the fenders of the bridge $50,000.

The amendment was agreed to.

The next amendment was, on page 23, after line 2, to insert:

Paving Park Road: The appropriation of $17,500 for paving Park Road, New Hampshire Avenue to Fourteenth Street NW., contained in the act making appropriations to provide for the expenses of the District of Columbia for the fiscal year 1917, approved September 1, 1916, is reappropriated and continued available during the fiscal year 1918.

The amendment was agreed to.

The next amendment was, under the head of "Public Schools," on page 25, after line 20, to insert:

Community forums and civic centers: For necessary expenses connected with the organization and conducting of community forums and civic centers in school buildings, including fixtures and supplies for lighting and equipping the buildings, janitor service, secretaries, teachers, and organizers and employees of day schools may also be employees of the community forums and civic centers, $15,000.

Mr. GALLINGER. Mr. President, I presume it is useless to try to make any saving in the appropriations that we are so lavishly granting at the present time, most of which are urgently needed, I have no doubt. However, there are some matters that we might as well make a little saving on, and this item is one of them. As I understand, this amendment proposes to open the schoolhouses of the District of Columbia for what some good men and women think is a very important purpose, but which does not appeal to me as being at all necessary at the present time. All I will ask is the privilege of having the amendment submitted to the Senate to give me an opportunity to vote against it. If the Senate wants to put it in the bill, I have no fault to find.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee.

Mr. SMOOT. Mr. President, I simply wish to say to the Senator from New Hampshire that I am opposed to this amendment and shall cast my vote against it. I do not want to take up the time of the Senate in discussing it; but I think we are embarking upon a dangerous proposition as to which we can not foresee where it is going to lead or where it is going to end. This same subject matter has been before the Senate a number of times in the past, but it has never passed. This is simply the camel getting his nose into the tent; it is a beginning; this is the first appropriation, and there is no telling where it will end.

Mr. SMITH of Michigan. Mr. President, there is every evidence as to where it will end; it will end in the District of Columbia, for that is the only place where the Government pretends to exercise jurisdiction over the schools. It will end with such service as is performed here, and if this is an enlightening service I do not know why it should not be a part of the appropriation for the maintenance of the schools.

Mr. MARTIN. Mr. President, I will occupy only two or three minutes. This amendment commended itself to me in the strongest possible way. We all know that this city is full of young women now working for the Government, who are crowded in hall rooms, garrets, and in other very uncomfortable quarters, with very little, if any, opportunity for recreation or association. This item comes here strongly recommended. I will not take the time to read the letters received favoring this appropriation; but the school authorities, the District Commissioners, the Secretary of War, and others, who are interested in this as a benevolent provision for a very helpless class of Government workers, have recommended it.

Mr. SMITH of Georgia. Will the Senator tell us who will have charge and direction of the expenditure of the fund? I agree with him that something of the kind ought to be done, and I cordially support the proposed appropriation, hoping that it will be wisely directed.

Mr. MARTIN. I will say that the school authorities will have charge of it. This appropriation of the small sum of $15,000 is to enable the school authorities to exercise proper supervision over this service.

I was about to read a letter from the Secretary of War, which is an exceedingly strong one, but I am so anxious to save time that I will not read it. I will simply state to the Senate that I have, I am sure, a dozen letters here, including letters from the District Commissioners, the school authorities, the Secretary of War, and others, who are interested in this matter from purely benevolent considerations. I hope the Senate will adopt the amendment.

Mr. GALLINGER. Mr. President, it will be remembered that this matter has been urged in the past before this flood of young women were brought into the District of Columbia. It is, in my opinion, a fad, pure and simple, and nothing else.

It should also be remembered that the States, through the National Government, are paying one-half of the expenses for the school buildings and tuition in the District of Columbia, so that it is not purely a District matter. I have had very grave apprehension that when we open our schoolhouses, which to-day are inadequate for the educational needs of the District, to these gatherings of various kinds much larger appropriations will be demanded of us for repairs and for construction of schoolhouses than are required at the present time. This item does not appeal to me as at all necessary, and while probably it will remain in the bill, because it is a hopeless effort—at least I have found it so—to endeavor to curtail appropriations in any direction, I want the privilege of voting against it, and that is all I ask.

Mr. SHAFROTH. Mr. President, there is no question that very many uses can be made of the school buildings and schoolrooms for education purposes other than the teaching of children. They are public buildings; the people are interested in and own them; and why should the people when a lecturer comes around be compelled to go to the expense of hiring a theater, which would probably cost $100, in order that they may listen to an address that will have a tendency to elevate mankind and be of great benefit to those who hear it? In some sections of the city there are no halls, and it would be very inconvenient if a question arose of great moment to the people of one of those sections if it became necessary to hold a public meeting at a theater down town. During this war it is very important to have meetings to encourage philanthropic work for our soldiers and people for the obtaining of subscriptions to liberty loans, thrift stamps, and Red Cross work. Art lectures, musical entertainments, and debating societies are elevating in their influence.

This question has been discussed considerably, at least in the State of Colorado, and there we have the schools open for such purposes. It is in the interest of economy; it is in the interest of education; it has a tendency to draw people to highly intellectual lectures and speeches; and I can not see, when the people own these buildings and when the cost is merely nominal compared to the benefit received, why we can not open the schools for purposes that the school directors may deem advisable. Of course this amendment does not mean that every kind of an entertainment will be permitted in the schools; it means that the school authorities will determine such matters themselves; and I can not see why it should not be done, when it is at such a minimum cost and when to put citizens and civic associations to the enormous expense of hiring theaters would, of course, be a very great detriment to their treasuries.

Mr. JONES of Washington. Mr. President, I desire to ask the Senator if Congress some time ago did not pass a bill covering the subject; and if this is not an appropriation to carry out

that law? We passed it through the Senate I know, and I thought it became a law; but I may be mistaken about that.

Mr. SHAFROTH. I do not remember whether or not that is true, but, whether or not it is true, I can not see, when we have the buildings, when the buildings are heated, and when there is hardly any expense involved, and when citizens of the District of Columbia want to have a discussion upon some question, or if they want to have a meeting relative to what is best for their section of the city, why they should be put to unnecessary expense by being compelled to hire halls at enormous expense.

Mr. JONES of Washington. I hope the Senator will permit me to say that I agree with him in that. I did not ask the question as indicating my opposition to this, but I thought we had passed general legislation that would cover the matter.

Mr. SHAFROTH. I do not know; I do not remember whether we passed it or not. If we did, there is still more reason for this appropriation, and I am glad it meets with the Senator's approval. Whether we did or not, however, it seems to me it is time that these buildings should be utilized for additional educational purposes and for community meetings that are for the benefit of the people, and at which questions can be discussed that are of interest to them. I therefore hope this amendment will be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Fire department," on page 27, line 1, after the words "fire boat," to strike out "$3,000" and insert "$5,000," so as to make the clause read:

For repairs to and improvements of the fire boat, $5,000.

The amendment was agreed to.

The next amendment was, under the subhead "Medical charities," on page 28, after line 17, to insert:

Central Dispensary and Emergency Hospital: For the purchase and installation of a new elevator in the Central Dispensary and Emergency Hospital, $12,000, or so much thereof as may be necessary.

The amendment was agreed to.

The next amendment was, under the subhead "Water service," at the top of page 31, to insert:

For constructing 24-inch water main in Twenty-first Street from Virginia Avenue to B Street, and in B Street between Seventeenth and Twenty-first Streets, $39,600; and for constructing 16-inch water main in B Street between Twenty-first and Twenty-sixth Streets and in Twenty-sixth Street between B and D Streets, $18,700; and for constructing a 20-inch water main in Missouri Avenue between Four-and-a half and Sixth Streets, NW., $6,000; and for constructing 12-inch water main in the Mall between Seventh and Ninth Streets and B Street north and B Street south, $2,400; in all, $66,700, to continue available during the fiscal year 1919.

The amendment was agreed to.

The next amendment was, under the head of "War Department," on page 32, after line 13, to insert:

ADDITIONAL EMPLOYEES.

For the temporary employment of such additional force of clerks and other employees as in the judgment of the Secretary of War may be proper and necessary to the prompt, efficient, and accurate dispatch of official business in the War Department and its bureaus, to be allotted by the Secretary of War to such bureaus and offices as the exigencies of the existing situation may demand: *Provided*, That the Secretary of War shall submit to Congress on the first day of its next regular session a statement showing by bureaus or offices the number and designation of the persons employed hereunder and the annual rate of compensation paid to each: *Provided further*, That no more than 30 persons shall be employed hereunder at a rate of compensation in excess of $1,800 per annum each and not exceeding $2,400 per annum each, $4,470,747.30.

Mr. SMITH of Michigan. Mr. President, I should like to ask the Senator from Virginia if this is the only authority under the law for the employment of this additional force?

Mr. MARTIN. These people are employed now. They are there, working for the Government, and this deficiency results from that service.

Mr. SMITH of Michigan. A careful reading of the amendment would indicate that the authority to employ was not limited to any other law than the authority contained in this appropriation. The point I am getting at is whether these people are employed through the Civil Service Commission or whether they are regarded as temporary employees?

Mr. UNDERWOOD. Mr. President, I think I can explain this matter to the Senator. Last summer, when the war broke out and the necessity arose for a large number of additional clerks in the War Department, the Committee on Appropriations placed in a deficiency bill—I have forgotten whether it was the one we passed in July or the one we passed in October; I think it was the first one—a provision following this language, providing for temporary clerks; but, as Congress was going to meet in December, we did not put in that bill a sufficient amount of money to carry them through the year, believing that when we met in December we would have a better viewpoint from which to determine the question of its continuation. This is not to employ new clerks at this time, but it is to pay the salaries of clerks that were employed last summer and fall, under the former appropriation, up to and including the last day of the fiscal year.

Mr. SMITH of Michigan. There could be no doubt about the authority of the Secretary of War to appoint new clerks under this provision.

Mr. UNDERWOOD. He had that under the other provision.

Mr. SMITH of Michigan. I notice in the first proviso that the Secretary of War is to submit to Congress on the first day of its next regular session a statement showing by bureaus, and so forth, the number and designation of the people employed. The only point I want to make is this: Of course he must have the help needed, and he must have the money to pay them; but I am frequently met with the suggestion that there is no way to employ clerks in these bureaus except through the Civil Service Commission.

Mr. UNDERWOOD. Why, these clerks come from the Civil Service Commission.

Mr. SMITH of Michigan. Yet I think, under the authority contained in that language, the Secretary of War has the right to appoint anybody he pleases.

Mr. UNDERWOOD. Oh, no; no. The Senator is mistaken about that.

Mr. SMITH of Michigan. I do not see any limitation in this language.

Mr. UNDERWOOD. It does not require a limitation here. Under the general law, if we make an appropriation authorizing the appointment of clerks and do not waive the civil-service requirement, the Government is required to get them under the civil-service statute.

Mr. GALLINGER. Mr. President, if the Senator from Alabama will permit me, while for a brief time when the emergency was very great there were clerks appointed without reference to the civil-service law in a temporary capacity——

Mr. UNDERWOOD. That was because the Executive waived it, not because we waived it.

Mr. GALLINGER. Yes; exactly. At the present time, as I understand the matter—I have been so informed by the Civil Service Commission—these appointments are all made in accordance with the civil-service law.

Mr. UNDERWOOD. That is my understanding.

Mr. SMITH of Michigan. Mr. President, I would not have the Senator from Alabama misunderstand me. I was not pleading the cause of the Civil Service Commission, because I think just as good help can be selected by using the judgment and discretion of executive officers or departmental officers as can be obtained by a civil-service examination which does not examine, and I am not so keen about preserving the rights of the Civil Service Commission; but I should like to have the interpretation of the committee as to whether or not under this language there is sufficient power granted to enable the Secretary of War to select this additional force in his own way without any reference to the Civil Service Commission.

Mr. UNDERWOOD. Undoubtedly the language here does not authorize him to select them except through the Civil Service Commission. Of course the President has always had the power to waive the civil-service requirement if he wants to.

Mr. SMITH of Michigan. Oh, yes.

Mr. THOMAS. Mr. President, if it be true that the employees provided by this part of the bill can only be appointed through the Civil Service Commission, I shall vote for the bill with great reluctance. [Laughter.]

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 33, after line 4, to insert:

OFFICE OF CHIEF OF ORDNANCE.

The Chief of Ordnance is authorized to appoint one of the Army officers serving in his office as disbursing officer to pay the civilian employees in the Ordnance Office authorized in the urgent deficiency appropriation act approved October 6, 1917, and the legislative, executive, and judicial appropriation act for the fiscal year 1918.

Mr. MARTIN. Mr. President, on page 33, at the end of line 8, I move to insert the words "this act." The amendment, as it stands, is not broad enough.

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The SECRETARY. At the end of line 8, in the committee amendment, after the words "authorized in," it is proposed to insert the words "this act."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. TOWNSEND. Mr. President, does not the Senator wish to put in some other words there to connect that up?

Mr. MARTIN. No.

Mr. TOWNSEND. You have not made your sentence complete by just putting that in without connecting it up with the balance of the language.

Mr. MARTIN. I do not see any necessity for adding anything. It now reads "in the Ordnance Office authorized in this act." That is perfect without any other words. There should be a comma after the word "act"; then comes "the urgent deficiency appropriation act," and so forth. I move to insert a comma after the word "act." That is all that is necessary.

The PRESIDENT pro tempore. Without objection, the Secretary will be authorized to insert a comma after the word "act."

The SECRETARY. So that it will read "authorized in this act, the urgent deficiency appropriation act," and so forth.

Mr. JONES of Washington. Mr. President, I desire to ask a question of the chairman of the committee. I noticed in the papers two or three weeks ago a statement to the effect that, as I understood it, the War Department had sent down estimates to Congress asking for $400,000,000 for the Ordnance Bureau in order that they might make the necessary contracts for guns and things of that kind. I will ask the chairman of the committee if such an estimate has come to Congress?

Mr. MARTIN. Such an estimate has not reached the committee. I have been advised of it. It will have to be provided for, possibly, later on; but it is not provided for in this bill, because it has not yet reached the committee.

Mr. JONES of Washington. But if it should get to Congress before this bill is disposed of I hope it will be considered in connection with this measure. It was stated in the paper—I did not feel that there was any basis for it—that some of the leaders of Congress had gotten together and had decided that an appropriation of that kind could be put over to some other bill.

Mr. MARTIN. Mr. President, I do not think that appropriation is of such an urgent character as to require any delay in this urgent deficiency bill. It embraces, as was stated to me by the officer who came to the committee room about it, our coast defenses. For instance, the first thing in it is an item of $84,000,000 for the construction of heavy guns, and we were told that two years would elapse before the first gun manufactured would be ready for use. It is not a matter that is so urgent as to require any delay in the consideration of this bill, and it is a large item that requires careful investigation. Furthermore, as I say, it has not yet reached the committee.

Mr. JONES of Washington. It did not involve appropriations for Army supplies, guns, and so forth, that were immediately needed in connection with the war that is now going on?

Mr. MARTIN. It did not, as it was explained to me.

Mr. JONES of Washington. Of course, Mr. President, the only information I had was what I saw in the paper. Apparently some representative of the department has been to the committee; and if it does not call for an appropriation in order to furnish guns and ammunition and supplies for the immediate conduct of this war, of course I do not think it would be necessary to go on this bill. If it does contemplate appropriations that the War Department considers it necessary and important that we should make early provision for, then I would be strongly in favor of covering the matter in this bill, because we do not want to withhold from the department anything that it deems necessary and essential to the effective conduct of this war, and I know that the chairman of the committee does not desire to do so.

Mr. MARTIN. I am in full accord with the Senator, but that is not involved in this amendment. It can easily go until a more convenient time. It will have early consideration just as soon as the data is furnished.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Contingent expenses," on page 34, line 4, after the word "subsistence," to strike out "$488,000" and insert "$738,208.83," so as to make the clause read:

For purchase of professional and scientific books, law books, including their exchange; books of reference, blank books, pamphlets, periodicals, newspapers, maps; typewriters and adding machines; furniture and repairs to same; carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges, fuel, gas, and heating apparatus for and repairs to buildings (outside of the State, War, and Navy Department Building) occupied by the War Department and its bureaus, purchase, exchange, care, and subsistence of horses, and the purchase, maintenance, repair, and exchange of wagons, motor trucks, and horse-drawn passenger-carrying vehicles, and harness, to be used only for official purposes; freight and express charges; street car tickets, not exceeding $300; and other absolutely necessary expenses, including a per diem allowance not to exceed $4 in lieu of subsistence, $738,208.83.

The amendment was agreed to.

The next amendment was, on page 34, after line 8, to insert:

For rent of buildings in the District of Columbia for the use of the War Department and its bureaus and offices, $289,899.95.

Mr. SMITH of Georgia. Mr. President, I wish to ask the chairman of the committee if this is necessary in addition to the acres of buildings that have been put up here at enormous expense?

Mr. MARTIN. This liability has already been incurred, so that it is impossible to avoid making this provision.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 34, after line 11, to insert:

Authority is given the Secretary of War to erect a telephone switchboard building on lots numbered 5 and 6, block 169, situated between Seventeenth and Eighteenth and F and G Streets NW., Washington, D. C.

The amendment was agreed to.

The next amendment was, under the subhead "Armories and arsenals," on page 34, line 18, before the word "Arsenal," to strike out "Benecia" and insert "Benicia," so as to make the clause read:

Benicia Arsenal, Cal.: For additional for an addition to the main issuing and receiving storehouse, $10,000.

The amendment was agreed to.

The next amendment was, on page 35, after line 5, to insert:

For additional for improving water-power plant, Rock Island Arsenal, $95,000.

The amendment was agreed to.

The next amendment was, on page 35, after line 17, to insert:

Watertown Arsenal, Watertown, Mass.: For extension of main office building, $100,000.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous," on page 36, after line 4, to insert:

Executive Mansion: For fuel for the Executive Mansion and greenhouses, $2,000.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous," on page 36, after line 6, to insert:

Heating offices, watchmen's lodges, etc.: For heating offices, watchmen's lodges, and greenhouses at the propagating gardens, $1,500.

The amendment was agreed to.

The next amendment was, under the subhead "Miscellaneous," on page 36, after line 11, to insert:

For fuel, lights, oil, waste, packing, tools, matches, paints, brushes, brooms, lanterns, rope, nails, screws, lead, electric lights, heating apparatus, oil stoves for elevator car and upper and lower floors, repairs to engines, boilers, dynamos, elevator, and repairs of all kinds connected with the Monument and machinery; and purchase of all necessary articles for keeping the Monument, machinery, elevator, and electric plant in good order, $2,000.

The amendment was agreed to.

The next amendment was, under the head of "Military Establishment," subhead "Quartermaster Corps," on page 37, line 15, after the words "authorized by law," to strike out "$3,000,000" and insert "$5,500,000." so as to make the clause read:

Mileage: For mileage to commissioned officers, members of the Officers' Reserve Corps when ordered to active duty, contract surgeons, expert accountant, Inspector General's Department, Army field clerks, and field clerks of the Quartermaster Corps, when authorized by law, $5,500,000.

The amendment was agreed to.

The next amendment was, in the item of appropriation for regular supplies of the Quartermaster Corps, including their care and protection, etc., an page 40, line 1, after the word "report," to strike out "$23,203,076" and insert "$28,358,176," so as to read:

For remounts and for the authorized number of officers' horses, including bedding for the animals; for seeds and implements required for the raising of forage at remount depots and on military reservations in the Hawaiian and Philippine Islands and for labor and expenses incident thereto, including, when specifically authorized by the Secretary of War, the cost of irrigation; for straw for soldiers' bedding, stationery, typewriters and exchange of same, including blank books and blank forms for the Quartermaster Corps, certificates for discharged soldiers, and for printing department orders and reports, $28,358,176.

The amendment was agreed to.

The next amendment was, on page 45, after line 9, to insert:

War Port Board: For necessary expenses of the War Port Board, port of New York, $4,500.

The amendment was agreed to.

The next amendment was, in the item of appropriation for barracks and quarters, on page 46, line 14, after the words "United States," to strike out "$52,151,604" and insert "$67,252,744," so as to read:

For the hire of recruiting stations and lodgings for recruits; for such furniture for the public rooms of officers' messes and for officers' quarters at military posts as may be approved by the Secretary of War;

for wall lockers in permanent barracks and refrigerators in barracks and quarters; for screen doors, window screens, storm doors and sash, and window shades for barracks, offices, and quarters, and for flooring and framing for tents, and for the National Guard when called or drafted into the service of the United States, $67,252,744.

The amendment was agreed to.

The next amendment was, on page 47, line 7, after the word "employees," to strike out "$13,996,820" and insert "$20,181,820." so as to make the clause read:

Water and sewers at military posts: For procuring and introducing water to buildings and premises at such military posts and stations as from their situations require it to be brought from a distance; for the installation and extension of plumbing within buildings where the same is not specifically provided for in other appropriations; for the purchase and repair of fire apparatus, including fire-alarm systems; for the disposal of sewage, and expenses incident thereto, including the authorized issue of toilet paper; for repairs to water and sewer systems and plumbing within buildings; for hire of employees, $20,181,820.

The amendment was agreed to.

The next amendment was, on page 47, line 13, after the word "stations," to strike out "$7,303,800" and insert "$9,944,100," so as to make the clause read:

Roads, walks, wharves, and drainage: For the construction and repair by the Quartermaster Corps of road, walks, and wharves; pay of employees; disposal of drainage; dredging channels; and care and improvement of grounds at military posts and stations, $9,944,100.

The amendment was agreed to.

The next amendment was, on page 48, line 4, after the word "sewers," to insert "electric work, cooking apparatus"; and in the same line, after the word "same," to strike out "$18,000,000" and insert "$21,274,300," so as to make the clause read:

Construction and repair of hospitals: For construction and repair of hospitals at military posts already established and occupied, including the extra-duty pay of enlisted men employed on the same; construction and repair of general hospitals and expenses incident thereto; additions needed to meet the requirements of increased garrisons, temporary hospitals in standing camps and cantonments; and, during the fiscal year 1918, for the alteration of permanent buildings at posts for use as hospitals, construction and repair of temporary hospital buildings at permanent posts, construction and repair of temporary general hospitals, rental of grounds and rental and alteration of buildings for use for hospital purposes in the District of Columbia and elsewhere, including necessary temporary quarters for hospital personnel, outbuildings, heating and laundry apparatus, plumbing, water and sewers, electric work, cooking apparatus, and roads and walks for the same, $21,274,300.

The amendment was agreed to.

The next amendment was, on page 49, after line 12, to insert:

Claims of officers and enlisted men for loss of private property destroyed in the military service: The act entitled "An act to provide for the settlement of the claims of officers and enlisted men of the Army for loss of private property destroyed in the military service of the United States," approved March 3, 1885 (chap. 335, 23d Stats., p. 350), is amended to read as follows:

"SECTION 1. Property belonging to officers, enlisted men, and members of the Nurse Corps (female) of the Army, which they are required by law or regulations to own and use in the performance of their duties, and horses and equipment required by law or regulations to be provided by mounted officers, which since the 5th day of April, 1917, has been, or shall hereafter be, lost, damaged, or destroyed in the military service, shall be replaced, or the damage thereto, or its value, recouped, to the owner as hereinafter provided, when such loss, damage, or destruction has occurred or shall hereafter occur in any of the following circumstances:

"First. When such loss or destruction was without fault or negligence on the part of the owner.

"Second. When such private property so lost or destroyed was shipped on board an unseaworthy vessel by order of an officer authorized to give such order or direct such shipment, or destroyed by the enemy or by shipwreck.

"Third. When it appears that such private property was so lost or destroyed in consequence of its owner having given his attention to the saving of property belonging to the United States which was in danger at the same time and in similar circumstances.

"Fourth. When such private property is destroyed or captured by the enemy, or is destroyed to prevent its falling into the hands of the enemy, or is abandoned on account of lack of transportation or by reason of military emergency requiring its abandonment.

"SEC. 2. The proper accounting officers of the Treasury are authorized and directed to examine into, ascertain, and determine the value of such property lost, destroyed, captured, or abandoned as specified in the foregoing sections, or the amount of the damage thereto, as the case may be; and the amount of such value or damage so ascertained and determined shall be paid out of any money in the Treasury not otherwise appropriated, or such property lost, destroyed, captured, or abandoned, or so damaged as to be unfit for service, may be replaced in kind from Government property on hand by the supply officer or quartermaster of the organization to which the person entitled thereto belongs or with which he is serving upon the order of the commanding officer thereof.

"SEC. 3. Tender of replacement or the determination made by the proper accounting officers of the Treasury upon a claim presented as provided for in the foregoing section shall constitute a final determination of any claim cognizable under this act, and such claim shall not thereafter be reopened or considered.

"SEC. 4. No claim arising under this act shall be considered unless made within one year from the time that it accrued, or presented within six months after peace is established."

Mr. UNDERWOOD. Mr. President, this amendment, of course, is new legislation. The necessity for putting it in this bill is that it requires immediate action. There is a law on the statute books to-day which provides for the replacement of property lost and destroyed that belongs to officers and soldiers during time of peace, but for some reason it does not apply to time of war. A notable instance of the way we need this law is the case of the *Tuscania*, which went down by reason of being sunk by an enemy torpedo. The officers and soldiers on the ship were required to leave without taking their property, and when they landed without any clothes, it was necessary for the American officers abroad personally to indorse their notes, I am told, so as to get additional equipment of clothing, because there was no law on the statute books that allowed Government action.

This is intended to allow the Government to take care of the situation so that where the property is destroyed of an officer or soldier without fault on his part the Government can immediately replace it in kind, or if it is his personal property and it can not be replaced in kind, they can pay him the value of it if he makes the claim within six months. But, of course, the bill only applies to that class of property which the Government regulations require that a soldier shall have. It does not apply to anything except his uniform, his sword, or other personal property that the law requires him to have.

Mr. President, I wish to say, in addition, that this amendment was submitted to the War Department. It has been gone over by them and meets their approval. I wish to offer an amendment that has been suggested by the officer in the War Department who passed on the matter. There are really two amendments, but I ask the Secretary to read them one at a time.

The PRESIDENT pro tempore. The first amendment to the amendment will be stated.

The SECRETARY. On page 51, line 10, after the word "hand," the last word in the line, insert "or an adequate commutation given therefor when replacement in kind can not be made within a reasonable time."

Mr. UNDERWOOD. I am not quite sure whether the language I sent to the desk follows exactly the suggestion which came from the War Department. It was in line 10, page 51, to insert, after the word "hand" the words "or an adequate commutation given therefor when replacement in kind can not be made or can not be made within a reasonable time."

Mr. FLETCHER. If the Senator will allow me to interrupt him, down to line 24 the amendment sets out precisely what has been reported by the Committee on Military Affairs as Senate bill 2527, and on March 2, at the suggestion of the department, I offered an amendment to that bill. The amendment now proposed by the Senator from Alabama is in accordance with the letter of the War Department and in accordance with the amendment which I offered to the Senate bill. I think, if this amendment is agreed to, the Senate bill might as well be indefinitely postponed, as it covers the same matter. I have here the letter from the department.

Mr. WARREN. The Senator will of course wait until the bill has gone to conference and this matter has been finally passed upon before striking the Senate bill off the calendar.

Mr. FLETCHER. Of course. I merely suggest that that might be the course taken with that bill. I have a letter from the Secretary of War on the subject, if the Senator desires to have it inserted in the RECORD.

Mr. UNDERWOOD. I would be glad if the Senator would send it to the desk.

Mr. FLETCHER. It gives the reasons for it and suggests the amendment which the Senator offered on the part of the committee.

The PRESIDENT pro tempore. Without objection, the letter will be inserted in the RECORD.

The letter is as follows:

WAR DEPARTMENT,
Washington, February 27, 1918.

To the CHAIRMAN COMMITTEE ON MILITARY AFFAIRS,
United States Senate.

SIR: I have the honor to request your assistance in amending certain sections of Senate bill 3527. The necessity of these amendments arises from the fact that nothing in the bill provides for commutation for property lost, but only for its replacement in kind. It is not always possible to make a replacement in kind, as, for instance, in the uniform of nurses. Nurses furnish their own uniforms and the Government has no such property on hand. Again, it has been brought to my attention by the sinking of the S. S. *Tuscania* that replacement in kind can not be made in England within a reasonable time, at least with regard to officers. By the amendments requested, the purposes of the bill will be accomplished.

The amendments I suggest are as follows:

In line 9, page 51, interpolate after the word "hand" the following: "Or an adequate commutation given therefor when replacement in kind can not be made or can not be made within a reasonable time"; and on the same page, in line 14, interpolate after the word "replacement" "or of commutation."

Respectfully,

NEWTON D. BAKER,
Secretary of War.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The second amendment to the amendment sent to the desk by the Senator from Alabama will be stated.

The SECRETARY. In line 14, after the word "replacement," insert the words "or of commutation," so as to read:

Tender of replacement or of commutation or the determination made by the proper accounting officers of the Treasury.

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee as amended.

Mr. McKELLAR. The part in italics, beginning at line 24, on page 51, going down to line 18, on page 52, has not been reached.

The PRESIDENT pro tempore. The Chair is informed that that is another amendment, and it has not yet been read. The question is on agreeing to the amendment of the committee as amended.

Mr. SMOOT. Mr. President, just a word. I like the original amendment reported by the committee a great deal better than I do the amendment as amended. I think when the Government of the United States is perfectly willing to replace the property that has been lost by an officer from the Government property on hand it is going far enough. As I understand the amendment, they are either to replace it by property on hand or they are to pay for the property lost.

Mr. UNDERWOOD. If the Senator from Utah will allow me, as I understand the amendment it only allows them to pay it when they can not replace it.

Mr. SMOOT. That is not what it says.

Mr. UNDERWOOD. That was the purpose of the amendment.

Mr. SMOOT. That is exactly what I thought the amendment intended, but that is not what the amendment says. I shall not take further time of the Senate, but I will ask the Senator having the bill in charge to consider it when it comes into conference. It seems to me that the wording does not cover the point that ought to be covered.

Mr. MARTIN. I agree with the Senator from Utah. I think it is covered. If it is not it is the intention to cover it, and it will be made to cover it.

Mr. WILLIAMS. Mr. President, I do not understand it exactly, and I ask for information. In some of these cases, where the officers lost their effects upon the *Tuscania*, for example, and other officers furnished them money and credit to replace their kit are you going to refuse to pay them, provided you can replace it?

Mr. UNDERWOOD. The proposition merely provides that when they can not be replaced in kind, and, of course, in that kind of a case where it has already been replaced in kind they can not do it.

Mr. WILLIAMS. If you were an officer and lost your pocketbook and your watch and I gave you the money and you bought a new outfit——

Mr. UNDERWOOD. But that was not this case. It is in the discretion of the department to pay those men the cash for what they paid out, and I have no doubt it will be done.

Mr. WILLIAMS. If this amendment is adopted you could not do that if you could replace it.

Mr. UNDERWOOD In this case you can not do it. The amendment was suggested by the War Department for the very purpose of meeting that case.

Mr. WILLIAMS. I think your amendment as it is now does cover it. If there is an additional amendment put on in conference then you will get into a box so far as this particular case is concerned.

The PRESIDENT pro tempore. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The next amendment was, on page 51, after line 23, to insert:

So much of section 16 of the act making further and more effectual provision for the national defense, and for other purposes, approved June 3, 1916, as provides that the Veterinary Corps as therein constituted shall be a part of the Medical Department of the Army, is hereby amended so as to make the Veterinary Corps a part of the Quartermaster Corps of the Army; and, further, so as to authorize appointments of reserve veterinarians in the Veterinary Corps upon the recommendation of the Quartermaster General of the Army: *Provided*, That all appropriations made for the purchase of veterinary supplies and the hire of veterinary surgeons shall be available for the purposes for which made and shall hereafter be disbursed through the Quartermaster Corps: *Provided further*, That hereafter all construction and repair work under the War Department shall be executed through the Engineer Department of the Army, and all appropriations made for such work shall be available for the purposes for which made, and disbursed through said Engineer Department of the Army.

Mr. KENYON. Mr. President, that is merely a change in the law of June 3, 1916, section 9 thereof. It also changes the whole system under which the cantonments were being constructed and the hospital work. It seems to me that it is a subject which ought to go to the Committee on Military Affairs. Therefore I am constrained to make a point of order against this amendment, that it is legislation attached to an appropriation bill, and is also changing existing law.

Mr. MARTIN. I am satisfied that the point of order is well taken, and I am the more willing that it should go out because there is some confusion about the matter anyhow. After the amendment was put in the bill by the committee we received a further communication from the War Department which left the matter in an unsatisfactory shape in the minds of the committee. All I desire to say on the present occasion is that I am satisfied the point of order is well taken.

The PRESIDENT pro tempore. The Chair sustains the point of order.

Mr. FLETCHER. That does not apply to what has already been agreed to.

Mr. McKELLAR. It applies to the amendment beginning at line 24, page 51, and ending a line 17, on page 52.

Mr. MARTIN. That is correct. It is ruled out.

Mr. McKELLAR. That has been stricken out.

The PRESIDENT pro tempore. It is stricken out.

The next amendment was, under the subhead "Ordnance Department," on page 55, line 7, after the word "arms," to strike out "$27,996,100" and insert "$33,996,100," so as to make the clause read:

Manufacture of arms. For manufacturing, repairing, procuring, and issuing arms, $33,996,100.

The amendment was agreed to.

The next amendment was, on page 55, after line 7, to insert:

Terminal storage and shipping buildings: For terminal storage and shipping buildings and other facilities, including rentals and purchases of lands, $5,000,000.

The amendment was agreed to.

The next amendment was, under the head of "State, War, and Navy Department Buildings," on page 58, line 6, after the words "as follows," to insert "Assistant superintendent, $2,000"; in line 7, before the words "One of class 3," to strike out "Clerks" and insert "clerks"; in line 8, after the word "messenger," to strike out "two" and insert "three"; in line 10, before the words "at $1,200 each," to strike out "three" and insert "two"; in the same line, after the word "each," to insert "three at $1,000 each"; in line 12, after the word "each," where it occurs the second time, to insert "two carpenters at $1,000 each"; in line 14, before the words "general mechanics," to strike out "eight" and insert "ten"; in the same line, after the word "each," to insert "chief engineer, $1,400"; in line 15, after the words "assistant engineers," to strike out "two at $1,400 each"; in line 16, before the words "at $1,200 each," to strike out "two" and insert "four"; in the same line, after the word "each," to insert "steamfitter, $1,080"; in line 18, before the words "at $660 each," to strike out "thirty" and insert "fifty"; in line 20, after the word "each," where it occurs the second time, to strike out "one hundred and thirty-five" and insert "one hundred and fifty-five"; in line 22, before the word "forewomen," to strike out "three" and insert "four"; in the same line, before the words "at $240 each," to strike out "sixty" and insert "eighty"; and in line 23, after the words "in all," to strike out "$67,466.67" and insert "$81,900," so as to make the clause read:

War and Navy Department Buildings (Henry Park Reservation): For the following employees from March 1 to June 30, 1918, inclusive, at annual rates of compensation, as follows: Assistant superintendent, $2,000; clerks—1 of class 3, 1 of class 2, 2 of class 1, 1 at $1,000; 3 messengers, at $720 each; electricians—chief $1,400, 2 at $1,200 each, 3 at $1,000 each, 2 plumbers, at $1,200 each; machinist, $1,200; foreman, $1,500; 2 painters, at $1,200 each; 4 carpenters, at $1,200 each; 2 carpenters, at $1,000 each; 3 switchboard operators, at $1,000 each; 10 general mechanics, at $1,000 each; chief engineer, $1,400; assistant engineers—4 at $1,200 each; steamfitter, $1,080; firemen—7 at $840 each, 11 at $720 each; laborers—foreman $1,000, 50 at $660 each; 9 female laborers, at $480 each; guards—captain $1,600, 3 lieutenants at $1,000 each 6 sergeants at $840 each, 155 at $720 each; charwomen—4 forewomen at $300 each, 80 at $240 each; in all, $81,900.

Mr. MARTIN. I desire to ask a correction in the spelling of the word "eighty," in line 22, on page 58. It should be "eighty" instead of "eigthy."

The PRESIDENT pro tempore. That correction will be made. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 58, after line 23, to strike out:

Provided, That the superintendent, assistant superintendent, and chief engineer of the State, War, and Navy Department Buildings shall serve in similar capacities in connection with these buildings.

The amendment was agreed to.

The next amendment was, on page 59, after line 2, to insert:

The superintendent of the State, War, and Navy Department Buildings shall serve in a similar capacity in connection with these buildings.

The amendment was agreed to.

The next amendment was, on page 59, after line 8, to insert:

For completing construction of the temporary office buildings for the War and Navy Departments in Henry Park, as authorized in the urgent deficiency act approved October 6, 1917, $100,000.

The amendment was agreed to.

The next amendment was, under the head of "Temporary office buildings," on page 60, line 6, after "$5,775,000," to insert:

Provided, That the Secretary of the Navy is authorized to contract for the heating of the buildings authorized in this paragraph in lieu of the erection and operation of a heating plant authorized therefor, if in his discretion the contracting for said heating is more economical and to the best interests of the Government.

So as to make the clause read:

For two three-story temporary office buildings of reinforced concrete with wings 60 feet wide, one for the Navy Department to contain approximately 940,000 square feet and one for the War Department to contain approximately 835,000 square feet, to be erected under the direction of the Secretary of the Navy in Potomac Park west of Seventeenth Street and South of B Street, beginning with the Navy Department Building at a point not less than 235 feet west of the westerly curb line of Seventeenth Street and 50 feet south from the southerly curb line of B Street and extending southerly not more than 620 feet from the said B Street curb line and westerly to a point not beyond the easterly building line of Twenty-first Street, including electrical equipment and a temporary heating plant for both buildings, to be located south of D Street and west of Twenty-fifth Street, with necessary connecting mains, $5,775,000: *Provided*, That the Secretary of the Navy is authorized to contract for the heating of the buildings authorized in this paragraph in lieu of the erection and operation of a heating plant authorized therefor, if in his discretion the contracting for said heating is more economical and to the best interests of the Government.

The amendment was agreed to.

The next amendment was, on page 60, line 18, before the word "streets," to strike out "Eighth" and insert "Ninth," so as to make the clause read:

For two three-story temporary office buildings of the type erected in Henry Park, one to be located in Seaton Park (north) between Four-and-a-half and Sixth Streets and south of Missouri Avenue and to contain approximately 370,000 square feet and one to be located on the Mall between Seventh and Ninth Streets and B Street north and B Street south and to contain approximately 300,000 square feet, and for a three-story temporary office building of reinforced concrete to be located in Seaton Park (south) between Four-and-a-half and Sixth Streets and north of Maine Avenue and to contain approximately 270,000 square feet, including heating and lighting and the necessary connections, to be erected under the direction of the Secretary of War for the use of the War Department, $2,377,500.

The amendment was agreed to.

The next amendment was, on page 61, line 3, after the words "direction of the," to strike out "officer in charge of public buildings and grounds" and insert "superintendent of the State, War, and Navy Department Buildings," so as to make the clause read:

The maintenance and protection of all of the foregoing temporary buildings when completed shall be under the supervision and direction of the superintendent of the State, War, and Navy Department Buildings.

The amendment was agreed to.

The next amendment was, under the head of "Navy Department," subhead "Temporary employees," on page 64, after line 8, to insert:

Office of the Secretary, $1,575.

The amendment was agreed to.

The next amendment was, on page 64, line 13, after the words "In all," to strike out "$63,750" and insert "$65,325," so as to read:

In all, $65,325.

The amendment was agreed to.

The next amendment was, under the subhead "Contingent expenses," on page 64, after line 18, to insert:

For professional and technical books and periodicals, law books, and necessary reference books, including city directories, railway guides, freight, passenger, and express tariff books, for department library, $1,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Ordnance," on page 70, line 19, after the word "plant," to strike out "$2,000,000" and insert "$5,499,737," so as to make the clause read:

Naval Gun Factory, Washington, D. C.: For tools and machinery plant, $5,499,737.

The amendment was agreed to.

The next amendment was, on page 70, after line 19, to insert:

Contingent, Bureau of Ordnance: For miscellaneous items, namely, cartage, expenses of light and water at ammunition depots and stations, tools, ferriage, technical books, and incidental expenses attending inspection of ordnance material, $25,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Yards and Docks," on page 72, line 10, after the words "on leave," to strike out "$750,000" and insert "$4,144,000," so as to read:

Maintenance, Bureau Yards and Docks: For general maintenance of yards and docks, namely: For books, maps, models, and drawings; purchase and repair of fire engines; fire apparatus and plants; machinery, operation or repair; purchase; maintenance of horses and driving teams; carts, timber wheels, and all vehicles, including motor-propelled and horse-drawn passenger-carrying vehicles to be used only for official purposes, and including motor-propelled vehicles for freight-carrying purposes only for use in the navy yards; tools and repair of the same; stationery; furniture for Government houses and offices in navy yards and naval stations; coal and other fuel; candles, oil, and gas; attendance on light and power plants; cleaning and clearing up yards and care of buildings; attendance on fires, lights, fire engines, and fire apparatus and plants; incidental labor at navy yards; water tax, tolls, and ferriage; pay of watchmen in navy yards; awnings and packing boxes; and for pay of employees on leave, $4,144,000.

The amendment was agreed to.

The next amendment was, under the subhead "Public works, Bureau of Yards and Docks," on page 73, line 2, after the words "medical supplies," to strike out "$2,750,000" and insert "$7,750,000," so as to make the clause read:

Hospital construction: For temporary hospital construction and repairs, as may be necessary, at points not provided with suitable hospital facilities, and for buildings for naval medical supplies, $7,750,000.

The amendment was agreed to.

The next amendment was, on page 73, line 9, after the words "Bureau of Ordnance," to strike out "$500,000" and insert "$2,500,000," so as to make the clause read:

Ordnance stations: For improvements at stations under jurisdiction of the Bureau of Ordnance, $2,500,000.

The amendment was agreed to.

The next amendment was, on page 73, line 15, after the words "construction of ships," to strike out "$1,570,000" and insert "$3,140,000," so as to make the clause read:

Improvement and equipment of navy yards: To enable the Secretary of the Navy to add to the equipment of navy yards suitable and necessary machinery, implements, building ways, and other facilities for the construction of ships, $3,140,000.

The amendment was agreed to.

The next amendment was, on page 73, line 20, after the words "nineteen hundred and seventeen," to strike out "$55,072.25" and insert "$222,935," so as to make the clause read:

Hampton Roads, Va., naval operating base: For additional for payment of compensation for property taken over under the authority contained in the deficiency appropriation act approved June 15, 1917, $222,935, or so much thereof as may be necessary.

The amendment was agreed to.

The next amendment was, at the top of page 74, to insert:

Purchase of land for warehouses, South Brooklyn, N. Y.: For the purchase of land for terminal warehouses between Twenty-eighth and Thirty-second Streets and Second and Third Avenues, South Brooklyn, N. Y., $705,000.

The amendment was agreed to.

The next amendment was, on page 74, line 7, after the word "stations," to strike out "$500,000" and insert "$1,000,000," so as to make the clause read:

Repairs and preservation at navy yards and stations: For repairs and preservation at navy yards, fuel depots, fuel plants, and stations, $1,000,000.

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of Supplies and Accounts," on page 74, line 25, after the words "sum of," to strike out "$100,000" and insert "$200,000," so as to make the clause read:

Maintenance, Bureau of Supplies and Accounts: The limitation specified in the naval appropriation act for the fiscal year 1918 on expenditures from the appropriation "Maintenance, Bureau of Supplies and Accounts," for pay of clerical, inspection, storemen, store laborers, and messenger service is further increased by the sum of $200,000.

The amendment was agreed to.

The next amendment was, on page 78, line 10, after the word "classify," to increase from $800,000 to $1,180,000 the total of the appropriation for contingent expenses of the Marine Corps.

The amendment was agreed to.

The next amendment was, under the head of "Department of the Interior," on page 78, after line 20, to strike out:

INDIAN SERVICE.

For support of Indian day, boarding, and industrial schools, in addition to the general and specific appropriations made for that purpose in the Indian appropriation act for the fiscal year 1918, $250,000, or so much thereof as may be necessary: *Provided*, That no part of this sum shall be expended upon improvements or used to increase the compensation of employees: *Provided further*, That except for pay for superintendents and for transportation of goods and supplies and transportation of pupils, not more than $200 shall be expended from appropriations made in this act for the annual support and education of any one pupil in any Indian school, unless the attendance in any school shall be less than 100 pupils, in which case the Secretary of the Interior may authorize a per capita expenditure not to exceed $225: *Provided*, That the total amount appropriated for the support of such school shall not be exceeded: *Provided further*, That the number of pupils in any school entitled to the per capita allowance hereby provided for shall be determined by taking the average attendance for the entire fiscal year and not any fractional part thereof.

Mr. ASHURST. Mr. President, with particular reference to the amendment of the committee commencing in line 21, on page 78, and extending down to and including line 17, on page 79, I wish to make a brief statement, and will premise the statement by saying that no one could appreciate more than I the necessity for haste with reference to the passage of this bill——

Mr. MARTIN. If the Senator from Arizona will excuse me for interrupting him, if he will charge himself with seeing that the item goes out in the Indian appropriation bill, I shall consent that the committee amendment be disagreed to. The committee reported to leave the item out of this bill because it was contained in the Indian appropriation bill, and we did not like to carry the same item in two bills, both being on the Calendar of the Senate at the same time. However as there seems to be some urgency about this matter, and there may be some evil consequences if what is provided for in the item is not done directly, I have no objection to the provision staying in the bill, with the assurance of the Senator from Arizona that it will go out of the Indian appropriation bill.

Mr ASHURST. Mr. President, first I thank the Senator from Virginia, the chairman of the committee, and wish to assure him that, of course, the similar item which is carried in the Indian appropriation bill will most certainly be stricken from that bill. I wish to give the most positive assurance that that will not escape the attention of myself or of the Senate when the Indian appropriation bill comes before the Senate. Again thanking the Senator from Virginia, I ask that the amendment of the committee be disagreed to.

The PRESIDENT pro tempore. The question is on the amendment reported by the committee.

The amendment was rejected.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, on page 79, after line 17, to strike out:

Not to exceed $50,000 of the funds derived from the sale of timber from the Red Lake Indian Forest, Minn., under authority of the act of May 18, 1916 (39 Stat., p. 137), may be expended by the Secretary of the Interior in the logging, booming, towing, and manufacturing of timber from burned-over areas at the Red Lake Agency sawmill and in the reimbursement from the said timber receipts of the amounts expended from other Indian tribal funds in the prosecution of such work.

The amendment was agreed to.

The next amendment was, under the subhead "Geological Survey," on page 80, line 21, after the word "laws," to strike out "$150,000" and insert "$250,000," so as to make the clause read:

For the examination and classification of lands requisite to the determination of their suitability for enlarged homesteads, stock-raising homesteads, public watering places, and stock driveways, as required by the public land laws, $250,000.

The amendment was agreed to.

The next amendment was, on page 81, after line 14, to insert:

ST. ELIZABETHS HOSPITAL.

The annual compensation of the employees holding the following positions shall be increased as follows: Head baker, from $780 to $924; assistant baker, from $420 to $660; first assistant baker, from $420 to $660; 5 special attendants, from $360 to $726 each; foreman of laundry, from $920 to $1,200; 6 launderers, from $300 to $480 each; 3 cooks, from $300 to $600 each; 8 kitchen helpers, from $168 to $300 each; electrical engineer, from $1,200 to $1,600; and foreman of electrical construction, from $1,100 to $1,400, and the accounting officers of the Treasury shall credit the disbursing agent for payments made, or which shall be made to employees filling the positions named at the annual compensation above stated.

The amendment was agreed to.

The next amendment was, under the head of "Post Office Department," on page 83, after line 8, to insert:

OFFICE OF POSTMASTER GENERAL.

For enforcement of title 12 of the espionage act, approved June 15, 1917, and section 19 of the trading-with-the-enemy act, approved October 6, 1917, $20,000.

The amendment was agreed to.

The next amendment was, under the head of "Postal Service," subhead "Out of the Postal Revenues, Office of First Assistant Postmaster General," on page 84, line 3, after the word "second classes," to strike out "$150,000" and insert "$300,000," so as to make the clause read:

For miscellaneous items necessary and incidental to post offices of the first and second classes, $300,000.

The amendment was agreed to.

The next amendment was, on page 84, line 8, after the word "services," to strike out "$400,000" and insert "$600,000," so as to make the clause read:

For vehicle allowance, the hiring of drivers, the rental of vehicles, and the purchase and exchange and maintenance, including stable and garage facilities, of wagons or automobiles, for and the operation of, screen-wagon and city delivery and collection services, $600,000.

The amendment was agreed to.

The next amendment was, on page 84, line 9, after the word "service," to strike out "$250,000" and insert "$400,000," so as to make the clause read:

For mail messenger service, $400,000.

The amendment was agreed to.

The next amendment was, on page 84, after line 11, to insert:

OFFICE OF THIRD ASSISTANT POSTMASTER GENERAL.

For manufacture of adhesive postage stamps, special-delivery stamps, books of stamps, and for coiling of stamps, $60,000.

The amendment was agreed to.

The next amendment was, on page 84, after line 15, to insert:

For manufacture of stamped envelopes and newspaper wrappers, $700,000.

The amendment was agreed to.

The next amendment was, on page 84, after line 17, to insert:

For payment of limited indemnity for the injury or loss of pieces of domestic registered matter, insured, and collect-on-delivery mail, $180,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of Fourth Assistant Postmaster General," on page 84, after line 22, to insert:

For stationery for the Postal Service, including blanks, books, printed and engraved matter, binding and carbon paper, and other miscellaneous items for the money-order and registry systems; also the preparation, publication, and free distribution by postmasters to the public of pamphlet containing general postal information; and also pay of one envelope inspector at $1,800 per annum, and one assistant at $900 per annum, $160,000.

The amendment was agreed to.

The next amendment was, on page 85 after line 6, to insert:

For postmarking, rating, money-order stamps, and electrotype plates, and repairs to same, metal, rubber, and combination type, dates and figures, type holders, ink and pads for canceling and stamping purposes, $10,000.

The amendment was agreed to.

The next amendment was, on page 85, after line 10, to insert:

For defraying expenses incident to the shipment of supplies, including hardware, boxing, packing, cartage, freight, and the pay of one carpenter at $1,200 per annum, and nine requisition filers, at $900 each per annum, for assignment in connection therewith, $35,000.

The amendment was agreed to.

The next amendment was, on page 85, after line 15, to insert:

For equipment for City Delivery Service, including letter boxes, letter-box fasteners, package boxes, posts, furniture, and the erecting and painting of same, also trucks, baskets, satchels, straps, time cards, and time-card frames, and the repairing of such equipment, and for the purchase and repair of presses and dies and manufacture of letter boxes, $40,000

The amendment was agreed to.

The next amendment was, on page 85, after line 22, to insert:

For mail bags and equipment, $250,000.

The amendment was agreed to.

The next amendment was, under the head of "Department of Justice," subhead "Contingent expenses," on page 86, after line 7, to insert:

For furniture and repairs, including carpets, file holders and cases, $2,500.

The amendment was agreed to.

The next amendment was, on page 86, after line 9, to insert:

For stationery for department and its several bureaus, $2,500.

The amendment was agreed to.

The next amendment was, on page 86, after line 11, to insert:

For miscellaneous expenditures, including telegraphing, fuel, lights, foreign postage, labor, repairs of buildings, care of grounds, books of reference, periodicals, typewriters and adding machines and exchange of same, street car tickets not exceeding $200, and other necessaries, directly ordered by the Attorney General, $7,500.

The amendment was agreed to.

The next amendment was, under the head of "Department of Commerce," subhead "Coast and Geodetic Survey," on page 93, line 7, before the word "not," to strike out "and" and insert "at"; in line 11, after the word "each," to strike out "in all, $3,600," and insert "3 dynamo tenders, $1,080 each; 3 laborers, $840; in all, $5,040," so as to make the clause read:

For additional employees from April 1 to June 30, 1918, inclusive, at not exceeding annual rates of compensation as follows: Six astronomical, geodetic, tidal, and miscellaneous computers, $1,200 each; 3 topographic and hydrographic draftsmen, $1,200 each; 3 clerks, $1,200 each; 3 dynamo tenders, $1,080 each; 3 laborers, $840; in all, $5,040.

The amendment was agreed to.

The next amendment was, on page 93, after line 13, to insert:

For purchase of new instruments, including their exchange, materials and supplies required in the instrument shop, carpenter shop, and drawing division, books, scientific and technical books, journals, books of reference, charts, maps, and subscriptions; copper plates, chart paper, printer's ink, copper, zinc, and chemicals for electrotyping and photographing; engraving, printing, photographing, and electrotyping supplies; photolithographing charts and printing from stone and copper for

immediate use; including the employment in the District of Columbia of such personal services, other than clerical, as may be necessary for the prompt preparation of charts, not to exceed $6,000; stationery for office and field parties; transportation of instruments and supplies when not charged to party expenses; office wagon and horses or automobile truck; heating, lighting, and power; telephones, including operation of switchboard; telegrams, ice, and washing; office furniture, repairs, traveling expenses of officers and others employed in the office sent on special duty in the service of the office; miscellaneous expenses, contingencies of all kinds, and not exceeding $3,400 for extra labor, $8,000.

The amendment was agreed to.

The next amendment was, under the subhead "Lighthouse Service," on page 94, line 16, after the word "hurricane," to strike out "$100,000" and insert "$150,000," so as to make the clause read:

For rebuilding, repairing, and reestablishing aids to navigation and structures connected therewith on the coast of the Gulf of Mexico which have been damaged or destroyed by hurricane, $150,000.

Mr. MARTIN. I ask that that amendment be disagreed to; and I send to the desk an amendment which accomplishes the same result, but makes a transposition to correct an error.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee on page 94, line 16.

The amendment was rejected.

The PRESIDENT pro tempore. The Secretary will now state the amendment offered by the Senator from Virginia.

The SECRETARY. On page 94, line 20, it is proposed to strike out "$100,000" and insert "$150,000."

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the head of "Legislative," on page 96, after line 1, to insert:

SENATE.

To pay Irene M. Brady, widow of Hon. James H. Brady, late a Senator from the State of Idaho, $7,500.

The amendment was agreed to.

The next amendment was, after line 4, to insert:

To pay Margaret Hughes, widow of William Hughes, late a Senator from the State of New Jersey, $7,500.

The amendment was agreed to.

The next amendment was, after line 6, to insert:

To pay Edith McAllister Newlands, widow of Hon. Francis G. Newlands, late a Senator from the State of Nevada, $7,500.

The amendment was agreed to.

The next amendment was, after line 9, to insert:

To pay John P. Husting and Mary Husting, heirs at law of Hon. Paul O. Husting, late a Senator from the State of Wisconsin, $7,500.

The amendment was agreed to.

The next amendment was, after line 12, to insert:

Office of Sergeant at Arms and Doorkeeper: For two additional telephone operators from April 1 to June 30, 1918, inclusive, at the rate of $900 per annum each, $450.

The amendment was agreed to.

The next amendment was, after line 16, to insert:

Contingent expenses: For folding speeches and pamphlets, at a rate not exceeding $1 per thousand, $5,000.

The amendment was agreed to.

The next amendment was, after line 18, to insert:

For the Capitol: For repairs, improvements, and equipment for Senate kitchens and restaurants, Capitol Building and Senate Office Building, including personal and other services, to be expended by the Superintendent of the Capitol Building and Grounds, under the supervision of the Committee on Rules, United States Senate, $14,000.

The amendment was agreed to.

Mr. OVERMAN. Mr. President, I offer an amendment, which I send to the desk, which I think the chairman of the committee will accept. It is in accordance with an estimate made by Mr. Woods, Superintendent of the Capitol Buildings and Grounds, and submitted to the Committee on Rules. It was passed upon favorably by the Committee on Rules, but for some reason, either through my mistake or that of some one else, it was not brought to the attention of the Committee on Appropriations, although I thought it had been. It is, as I have stated, estimated for and has been passed upon by a standing committee.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. At the bottom of page 96 it is proposed to insert the following:

Senate Office Building: For maintenance, miscellaneous items and supplies, and for all necessary personal and other services for the care and operation of the Senate Office Building, under the direction and supervision of the Senate Committee on Rules, $8,500.

Mr. MARTIN. I am satisfied that that is correct; I think the appropriation is necessary, and I accept the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from North Carolina.

The amendment was agreed to.

Mr. OVERMAN. Now, in the amendment of the committee which has been agreed to on page 96, line 21, I desire to move to strike out the words "and Senate Office Building." With that in view, I move to reconsider the vote by which the amendment beginning on line 19, on page 96, was agreed to.

The PRESIDENT pro tempore. Without objection, the vote whereby the amendment referred to was agreed to, will be reconsidered. The question is now on the amendment offered by the Senator from North Carolina to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. GALLINGER. I will ask the Senator from Virginia if all the committee amendments have been acted on?

Mr. MARTIN. Not quite all.

Mr. GALLINGER. I desire to offer an amendment, but I do not wish to interfere with action upon the committee amendments.

The PRESIDENT pro tempore. The Secretary will state the next committee amendment.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "House of Representatives," on page 97, after line 18 to insert:

Office of the Clerk: For two additional telephone operators from April 1 to June 30, 1918, inclusive, at the rate of $900 per annum each, $450.

The amendment was agreed to.

The next amendment was, under the head of "Government Printing Office," subhead "Printing and binding," on page 99, line 9, after the words "offices," to strike out "$1,000,000" and insert "$1,585,841.49," so as to read:

For printing and binding for the War Department and its bureaus and offices, $1,585,841.49.

The amendment was agreed to.

The PRESIDENT pro tempore. The Chair will state that completes the committee amendments.

Mr. GALLINGER obtained the floor.

Mr. MARTIN. If the Senator from New Hampshire will yield to me, I desire to offer an amendment.

Mr. GALLINGER. I yield.

Mr. MARTIN. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 99, after line 17, it is proposed to insert the following:

For printing and binding for the Navy Department, $100,000.

Mr. SMOOT. Mr. President, I will inquire of the Senator from Virginia had that not better come in under the Navy Department items? The Senator has put it under the Government Printing Office items.

Mr. MARTIN. I think it had better come in under "Printing and binding"; I think that is the logical place, although it is immaterial where it comes so that it is in the bill. I think it is more logical, however, to put it where I have requested.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

Mr. OVERMAN. After reading the amendment on page 96, beginning in line 19, I will say to the chairman that I think I was mistaken about striking out the words "and Senate Office Building."

Mr. MARTIN. I was sure the Senator was.

Mr. OVERMAN. I therefore ask to disagree to the amendment I offered in line 21.

Mr. WARREN. And leave the text as it originally stood?

Mr. OVERMAN. Leave it as the committee originally reported the amendment.

The PRESIDENT pro tempore. The Senator had better move to reconsider the vote whereby the amendment as amended was agreed to.

Mr. OVERMAN. I make that motion.

The PRESIDENT pro tempore. The question is on reconsidering the vote by which the amendment on page 96, beginning in line 19, as amended, was agreed to.

The motion was agreed to.

The PRESIDENT pro tempore. The question now is on reconsidering the vote by which the amendment to the amendment, in line 21, striking out the words "and Senate Office Building" to the amendment reported by the committee, was adopted. Without objection, the vote by which the amendment to the amendment was agreed to is reconsidered, and the amendment to the amendment is disagreed to. Now the question comes on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. MARTIN. I have one more amendment to offer. It is not a committee amendment, but if the Senator from New Hampshire will excuse me I will offer it now.

Mr. GALLINGER. I yield to the Senator, of course.

Mr. MARTIN. It is a matter which the Secretary had better read. I will say that it simply permits certain munitions and Army supplies to come in free of duty. It is taking money from one pocket and putting it into another; but the officers at the War Department tell me that it will save a great deal of time and some complications to permit these war supplies to come in free of duty.

Mr. GALLINGER. Let the amendment be read.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The SECRETARY. On page 20, after line 8, it is proposed to insert the following:

During the present emergency, upon request made by the Secretary of War to the Secretary of the Treasury, and under such regulations as the Secretary of the Treasury may prescribe, there may be imported into the United States, without payment of duty thereon, raw materials, parts or partly fabricated parts of equipment and finished equipment required to hasten the production of munitions or machinery of war, or other necessary war supplies, whenever such duty would otherwise be payable directly or indirectly, from appropriations for the support of the Army.

Mr. SMOOT. Mr. President, I desire to ask the Senator having the bill in charge a question. The wording of the amendment in part is this:

whenever such duty would otherwise be payable, directly or indirectly, from appropriations for the support of the Army.

Do I understand that to mean that upon request of the Secretary of War, the Secretary of the Treasury shall allow everything to come into the United States free whenever such duty would otherwise be payable, directly or indirectly, from appropriations for the support of the Army?

Mr. MARTIN. That is the purpose—not to collect for Army supplies, although they would be dutiable, but whenever the Secretary requests otherwise, that they shall come in duty free.

Mr. SMOOT. I think that would be all right if it applied only to payments made directly from appropriations for the support of the Army.

Mr. MARTIN. That is what it does.

Mr. SMOOT. It says "indirectly," and it seems to me, Mr. President, that that would allow everything to come into the United States free of duty that may come indirectly to the Government, or, in other words, any institution in the United States——

Mr. MARTIN. Oh, no; it must be payable at the United States Treasury. The amendment only releases duties which are payable out of the United States Treasury. If the duties are not collected out of the United States Treasury, the amendment does not touch them at all.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Virginia.

The amendment was agreed to.

Mr. MARTIN. That completes all the amendments I have to offer on behalf of the committee.

Mr. GALLINGER. Mr. President, there are two small parks running from Third Street to Sixth Street, bounded on the north by Missouri Avenue, which on two occasions the Committee on the Library has reported should be added to the Botanic Garden. They are separated from the Botanic Garden by Third Street at the present time. The Senate has passed the bill twice unanimously.

Mr. President, in this bill it is proposed to put temporary structures on those two small parks. In every other instance where temporary structures have been built, so far as I know, as a war emergency act, a provision has been made that they shall be removed within a certain definite time. I desire to offer an amendment touching those two parks, along the line that has been adopted in connection with other reservations, providing that they shall be removed within two years, and that those two parks shall be added to the Botanic Garden. I send the amendment to the desk, and ask that it be stated.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The SECRETARY. On page 60, after line 26, at the bottom of the page, it is proposed to insert the following proviso:

Provided, That within two years after the conclusion of the existing war the buildings provided for in this paragraph shall be removed, and the parcels of land known as East Seaton Park and West Seaton Park, lying between Third Street on the east, Sixth Street on the west, Missouri Avenue on the north, and Maine Avenue on the south, shall be attached to and become a part of the United States Botanic Garden, and available for the purposes thereof: *Provided further*, That the location of conservatories and other improvements of a permanent character which may be built within said parcels shall be confined to areas not intended as the sites for future public buildings and driveways as provided in the plan for that vicinity prepared by the park commission.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. MARTIN. Mr. President, I do not know that I understand it thoroughly; but I am willing to have it adopted and go to conference, when we will investigate it carefully. I am not prepared to express an opinion about it now.

Mr. GALLINGER. That is all I could ask—that it be considered in conference.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

The amendment was agreed to.

Mr. WEEKS. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 36, after line 24, it is proposed to insert:

For reimbursement to the State of Massachusetts for expenses incurred in supplying State troops at the request of the United States marshal at Boston for guard and patrol duty at Boston Harbor in the interest of the Federal Government, $7,056.37.

Mr. MARTIN. Mr. President, that seems to be an expenditure for war purposes made by the State of Massachusetts, and I am very willing to have it go in the bill. I think it ought to be provided for.

Mr. WEEKS. I hope the Senator understands that it is an expenditure for war purposes.

Mr. MARTIN. As I understand, it is something that the United States ought to have paid for, and they made the State of Massachusetts pay for it.

Mr. WEEKS. The expenditure was made by the Commonwealth of Massachusets at the request of the United States marshal.

Mr. MARTIN. I think it ought to go in the bill.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

Mr. WEEKS. Mr. President, I offer another amendment, which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. After line 16, on page 94, it is proposed to insert:

For the installation of an electrically operated fog-signal whistle on the east breakwater, Nantucket Harbor, Mass., $15,000.

Mr. WEEKS. Mr. President, I call the attention of the chairman of the committee to this amendment. It was suggested that possibly there was a contingent fund which would provide for this purpose. I made inquiry of the Department of Commerce, and I find that there is no fund provided for such purposes as this; and it will be necessary, therefore, to make an appropriation. At present there is no signal of any kind at the entrance to Nantucket Harbor, and I do not think that condition ought to be allowed to continue.

Mr. UNDERWOOD. Mr. President, I wish to say that the committee has not had a chance to investigate this item. It clearly is not a deficiency, and it has not been estimated for; but if the Senator is willing to allow it to go to conference, with the understanding that the conference committee may have a full opportunity to hear the matter and exercise its judgment in conference, I see no objection.

Mr. WEEKS. I expect that that will be done.

Mr. UNDERWOOD. I think there is no objection, then.

Mr. WEEKS. It is not unlike the proposition of appropriating $100,000 or so for repairs due to the hurricane. This is due to the breaking up of the ice.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

Mr. WEEKS. Mr. President, I have one more amendment.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 84, line 11, after the figures "$300,000," it is proposed to insert:

Provided, That no part of this appropriation shall be expended to pay the expense of censoring mail from the military forces connected with the American Expeditionary Force, which mail has been censored in Europe.

Mr. SMOOT. Mr. President, I will say to the Senator from Massachusetts that no part of the appropriation would be used for that purpose under present conditions.

Mr. WEEKS. Mr. President, I do not think the Senator from Utah is correctly informed on that subject.

Mr. SMOOT. The Senator from Utah got his information from the Post Office Department.

Mr. WEEKS. Mr. President, my purpose in introducing this amendment is to prevent the necessity of censoring mail twice. I have had brought to my attention several cases where the mail of soldiers who were on the fighting line in Europe which is censored by the military censor abroad is censored again when it reaches this country—mail that is written by the soldier to his wife, to his mother, and to his father. It seems to me that that is almost an outrage, and certainly it is a waste of public money that mail should be censored twice. I want to put a limitation on that kind of expenditure of money—heaping an insult on a soldier who is actually at the front by censoring his mail a second time when it reaches this country.

Mr. WILLIAMS. Does the Senator refer to military censoring?

Mr. WEEKS. Yes.

Mr. MARTIN. Mr. President, the Postmaster General stated to the committee positively that this duplication does not go on.

Mr. WEEKS. I can exhibit to the Senator from Virginia envelopes showing that mail is censored by the military censor in Europe and is censored again on this side.

Mr. MARTIN. I am willing to have it go into the bill, subject to a reexamination by the conferees.

Mr. WEEKS. I want to make this request of the Senator from Virginia. If that question arises, and the statement is made that mail is not censored twice, I want to be called before the conferees, so that I can demonstrate that it is censored twice.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

Mr. UNDERWOOD. Mr. President, I desire to offer an amendment that was not agreed to by the committee, but subsequently information came in which I think is convincing that the amendment ought to be agreed to. I ask the Secretary to state the amendment.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 81, after line 6, it is proposed to insert:

War materials investigation: For inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and utilization of ores and other mineral substances which are particularly needed for carrying on the war, in connection with military and manufacturing purposes, and which have heretofore been largely imported, with a view to developing domestic sources of supply and substitutes for such ores and mineral products as are particularly needed, and conserving resources through the prevention of waste in the mining, quarrying, metallurgical, and other mineral industries; to inquire into the economic conditions affecting these industries; and including all equipment, supplies, expenses of travel, and subsistence; to continue available during the fiscal year 1919, $150,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. REED. Mr. President, I move to amend by striking from the bill all of lines 9 to 21, both inclusive, on page 4.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 4, it is proposed to strike out lines 9 to 21, both inclusive, in the following words:

UNITED STATES FOOD AND FUEL ADMINISTRATIONS.

For expenses of the United States Food and Fuel Administrations, created under authority contained in the act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, including personal and other services and rent in the District of Columbia, and elsewhere, per diem allowances in lieu of subsistence not exceeding $4, traveling expenses, printing and binding, and necessary supplies and equipment, $1,750,000.

Mr. REED. Mr. President, the language I propose to strike out carries as an emergency appropriation for the Food and Fuel Administrations $1,750,000. I am totally at a loss to understand how this item reaches the Senate with the approval of the House under the circumstances which appear to be disclosed by the hearing before the House committee. That hearing, at pages 1149 to 1152, shows that there is an unexpended balance on hand at the present time of $1,257,950.23. With an unexpended balance of that magnitude, it is difficult to understand why we are called upon to appropriate as an emergency matter an additional sum of $1,750,000.

My understanding of the purpose of an emergency appropriation is that it is to meet expenses which have been suddenly thrust upon a department or an officer which could not have been reasonably anticipated when the regular appropriation was asked. On the face of the showing made by the Food Control Department in the hearing before the committee of the House, $1,257,950.23 is still on hand unexpended, and until and unless this record shall show some necessity for more money, Congress, even at this time of wild and reckless extravagance, ought to hesitate to expend a million and three-quarters of money on a department that already has over a million and a quarter of money on hand unexpended.

If Senators will examine this report of Mr. Hoover I believe they will be startled, if, indeed, anything can now startle anybody. The Food Administration has had appropriated for its benefit $5,515,000. Its primary legal existence began August 10, 1917. In addition to that, it has received from the President, out of those moneys which we gave the President to employ for such purposes as the emergency seemed to him to demand, $340,000.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER (Mr. THOMPSON in the chair). Does the Senator from Missouri yield to the Senator from New Hampshire?

Mr. REED. Certainly.

Mr. GALLINGER. Will the Senator repeat the first amount?

Mr. REED. The amount appropriated directly by Congress to the Food Administration is $5,515,000. In addition to that, it appears to have received from the President, out of the President's fund, $340,000, which, it is stated, were in the way of preliminary expenses.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri further yield to the Senator from New Hampshire?

Mr. REED. I do.

Mr. GALLINGER. Has the Senator from Missouri any way of ascertaining through what avenues the expenditure of about $6,000,000 has been made by the Food Administrator? Has it been largely for the payment of the help that he has employed throughout the country?

Mr. REED. There are two reports filed, which make up two large pamphlets. The one of them in my hands, which is principally an accounting, has aproximately 190 pages in it. They comprehend many items, some of which I will comment on.

On January 31 of this year it was stated before the committee of the House that of the $5,515,000 there had been disbursed $1,985,429.08, but that there were encumbrances of $2,272,383.22. Now, I pause to inquire if anybody in this Chamber ever heard of a public department of the Government being run in just that way?

Naturally, we expect bills to be paid with reasonable promptness. The Government is supposed to be a good paymaster, especially where moneys have been duly appropriated and some one has been authorized to pay the money down. Yet, on January 31, the day Mr. Hoover testified before the House committee, the amount of expenses actually paid was $1,985,429.08, while the encumbrances, whatever that may mean, were $2,272,383.22. I am curious to know why these bills have not been paid and reported to Congress. I want to know why they have been held back in this remarkable manner. I gather from the testimony that was given before the House committee that these encumbrances are for bills that have been incurred. I read from the testimony before the House committee:

The CHAIRMAN. From the statement you have just handed to me it appears that you had a total appropriation for the Food and Fuel Administrations of $5,515,000; that out of that there has been an actual expenditure of $1,985,429.08; that there are now obligations, or what are called here encumbrances, of $2,272,383.22, leaving what you designate as an available balance—and what we frequently speak of as a free balance—of $1,257,950.23.

Mr. HUTTERLY. Yes, sir.

I repeat, I am very curious to know—and the Senate has a right to be curious when it is asked to dip into the Treasury and take out a million and three-quarters of the taxpayers' money—why these bills have not been paid, why these encumbrances exist, and what they are for. I affirm that in the whole history of this Government there has never been such a saturnalia of wastefulness and of extravagance as I shall show you has gone on and is going on in the Food Administration. A drunken sailor landed in port for the first time in five years and filled up with a bad quality of New England rum never threw money around as the Food Administration is now doing.

The law under which this report is made reads as follows:

SEC. 21. The President shall cause a detailed report to be made to the Congress on the 1st day of January of each year of all proceedings had under this act during the year preceding. Such report shall, in addition to other matters, contain an account of all persons appointed or employed, the salary or compensation paid or allowed each, the aggregate amount of the different kinds of property purchased or requisitioned, the use and disposition made of such property, and a statement of all receipts, payments, and expenditures, together with a statement showing the general character, and estimated value of all property then on hand, and the aggregate amount and character of all claims against the United States growing out of this act.

A statement that there are encumbrances of over two and one-fourth million dollars does not comply with that act.

I want to call the attention of the Senate to the fact that the Food Administration in some of its forms or organizations has large sources of income, the collection and distribution of which the country is entitled to have information about. I hold in my hand what is called a Food Administration agreement. It is entitled "Food Administration Grain Corporation," and it would appear now that they have organized a corporation. Who it is, what it is, I do not know; but this agreement, which I place in the RECORD and ask to have incorporated as a part of my remarks without reading all of it, contains these provisions, speaking in a very condensed form:

That the Grain Corporation agrees with the miller by the terms of which the miller agrees in purchasing wheat that he will observe and respect all the rules and regulations of the Grain Corporation. The Grain Corporation then guarantees the miller against loss by a decline, and then the miller agrees to pay to the Grain Corporation 1 per cent on all wheat purchased by him at the price level fixed by the price commissioner.

I insert the agreement in full:

[Execute in duplicate and return both copies.]

FOOD ADMINISTRATION GRAIN CORPORATION.

AGREEMENT.

This agreement, made and entered into this —— day of ——— A. D. 1917, between the Food Administration Grain Corporation, of the one part, and the undersigned ——— ——— of ——— (hereinafter called the miller) of the other part,

Witnesseth whereas the said Food Administration Grain Corporation has been created pursuant to an act of Congress approved August 10, 1917, and known as the food-control act; and

Whereas the undersigned ——— ——— is a miller and is desirous of aiding and promoting the efficient administration of said act and of securing the purposes thereby to be accomplished,

Now therefore, in consideration of the premises it is mutually agreed as follows:

1. The miller hereby agrees that in purchasing wheat ——— shall observe and respect and be governed by all rules and regulations which said Food Administration Grain Corporation may from time to time enact and promulgate.

2. Said Food Administration Grain Corporation hereby expressly guarantees the miller against a loss by a decline in value on all accumulated surplus of unsold wheat bought in accordance with the grain corporation's regulations, and flour ground therefrom, in the event of a decline from the price at which said wheat was bought, which said guaranty shall be adjusted promptly after change of price. Said corporation further agrees to endeavor to maintain in available positions an adequate supply of suitable wheat to meet the milling demands of the miller at the general price level of wheat, as recommended by the Price Commission with such adjustments, by reason of freight, storage, insurance, interest or other causes as shall be deemed necessary by the grain corporation, it being the intent of the grain corporation to make no profit on sales of wheat to the miller.

3. In consideration of the assurance against a loss by a decline in price as described in paragraph 2, the miller hereby agrees to pay to the said Food Administration Grain Corporation a fee equal to 1 per cent on all wheat purchased by ——— at a price level based upon that fixed by the Price Commission established under the authority of the Food Administrator, or purchased under the direction of the Grain Corporation and used by the miller for milling purposes (exclusive of grain bought to fill existing contracts). This fee shall be accounted for and paid over to the grain corporation monthly on the basis of grain so bought and actually milled during said period. This charge is intended, so far as may be, to equalize storage charges and other expenses of holding and handling grain held by the said grain corporation, and it is the intent as above of said grain corporation to make no profit in the sales of wheat to the millers.

Effective September 10, 1917.

In witness whereof the parties hereto have subscribed this agreement by their duly authorized representatives the day and year first above written.

FOOD ADMINISTRATION GRAIN CORPORATION,
By ——— ———.

Attest:
——— ———.

———— ————,
By ——— ———.

Attest:
——— ———.

(Return in inclosed envelope to United States Food Administration, 42 Broadway, New York City.)

Without going into details it is enough to say that the scheme worked out absolutely compels every farmer in the United States to sell his wheat at the price fixed. It compels practically every bushel of it to go through the machinery of the boards of trade and ultimately through the Grain Corporation, and compels every miller to acquire substantially his entire stock from the Grain Corporation. Consequently every bushel of wheat in the United States must pay its toll of 1 per cent to this corporation.

Mr. President, last year's wheat crop was 650,828,000 bushels. The price fixed for No. 1 northern was $2.20, but the farmer does not realize that price. I estimated the other day that the farmer receives $1.85, and hence I use that figure now. Six hundred and fifty million eight hundred and twenty-eight thousand bushels of wheat at $1.85 a bushel aggregates $1,204,031,800. One per cent upon that, which must go to this corporation organized by Mr. Hoover, brings the stupendous sum of $12,040,318.

I want to know what has become and what is becoming of that $12,000,000. I want to know it before Congress votes anymore money to this institution. It would seem that a partial statement is made, and it appears at page 44 of the report filed on January 19. I want to read it into the RECORD:

[Exhibit J.]

FOOD ADMINISTRATION GRAIN CORPORATION.

Statement of receipts and disbursements for period Aug. 10, 1917, to Nov. 30, 1917, inclusive.

RECEIPTS.

Capital stock subscriptions	$50,000,000.00
Grain and flour sales	119,779,196.12
Guarantee and operating expense fund	1,927,817.31
Reserve for marine insurance	80,629.25
Total receipts	171,787,642.68

DISBURSEMENTS.

Office furniture and fixtures		$70,376.76
Grain and flour purchases		142,311,047.85
Accounts receivable		1,121,141.97
Expense:		
General office	$94,103.62	
Agencies	211,081.37	
		305,184.99
Total disbursements		143,807,751.57
Cash balance		27,979,891.11
		171,787,642.68

Notice the item "Office furniture and fixtures, $70,376.76."

Somebody suggests that it must be Louis XIV furniture.

Notice the item "Agencies, $211,081.37." Also notice the enormous cash balance of $27,979,891.11.

Mr. President, as nearly as I can decipher Mr. Hoover's accounts, he has cost the country in expense alone—

Paid out	$1,985,429.08
Obligations	2,272,383.22
Received from President's fund	340,000.00
Grain Corporation office and agency	305,184.99
Grain Corporation office fixtures	70,376.76
Grain Corporation accounts	1,121,141.97
Total	6,094,331.03
He has cash on hand	1,257,950.23
He demands	1,750,000.00
Total	3,007,950.23

This, he says, will only run him to June 1. In other words, he will cost, for expenses alone, for 10 months, $6,094,331.03 plus $3,007,950.23, or $9,102,281.26. To employ a slang phrase, "that is going some." Add to this the interest, at 4 per cent, on the fifty million he has used for six months and we have $1,000,000, bringing the total to $10,102,281.26. This much, if I can understand the Hoover report, we know. I would like to have further light on the Grain Corporation.

Mr. Hoover had not been appointed to the office. The bill was not passed until August 10. Every item of the expenditure that I now read to you was incurred and included in the account for June 30, over a month before the bill was passed, before it could be known by any person with certainty that Congress would pass a bill and, if so, in what form it would be passed. Yet we find this statement:

"Herbert Hoover. Expenses in preparatory work, $5,903.74."

No date.

Ditto, ditto again, $4,081.

Ditto and ditto again, without date, $5,427.51.

Total, $15,412.25.

Going over to the next page and carrying it along to the quarter ending September 30 you will find that the amount is increased to $22,681.08.

The expenses I have read are evidently Mr. Hoover's personal expenses. If they are anything else, he is to blame for not making it plainer in his report. But he also had a pay roll, as you will find on reading page 146 of this report, which shows a pay roll, before he was ever appointed to any office by authority of law, of $32,692.23.

That would hire a large number of dollar-a-year men, and the public has been pretty generally given to understand that Mr. Hoover's force is largely composed of patriots. Is it not a most remarkable thing that before the food bill was passed by Congress Mr. Hoover had set up an office and drawn from the Public Treasury for his own personal expenses something like $22,000 and for employees over $30,000?

Mr. GORE. Did these accounts pass the Comptroller of the Treasury?

Mr. REED. I do not think they go through the Comptroller. Here is a total of $55,373.31 expended before a bill is passed, before there is any authority of law to expend a penny, and by a gentleman who has no kind of official position.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Hampshire?

Mr. REED. I do.

Mr. GALLINGER. May I ask the Senator if he has taken occasion to run through the items of expenditure in this report?

Mr. REED. Some of them I have and some of them I am going to call attention to.

Mr. GALLINGER. I notice, for instance, one here—and there are several items covering the same project—carbon paper, $418.95, and a still more remarkable one, $58 spent for erasers. I think it would be well for the Senator if he would ask one of his secretaries to count up what is paid out for typewriters, as the Underwood Co. has evidently had a first-class customer. Let me call the Senator's attention to the item of pencils. On one page is $135.60, $97.90, and $143.84 for pencils. Then, turning over to page 2, there is another item——

Mr. REED. If the Senator wants to go to typewriters, I can tell him the page on which to find the item. On the bottom of page 158, the Senator will find these: Underwood typewriters, $25,717.50; the Remington, $13,510.04; the L. C. Smith, $8,540; the Royal $950; and the Oliver, $49.

Mr. GALLINGER. In addition to the items for pencils, I want to read two additional items: "Pencils, $98.90; pencils, $203.04." There must be $600 or thereabouts expended for pencils on these two pages. I have not had time to look up all of these expenditures.

Mr. REED. I can give the Senator some items which are even more startling than those. Let me start with the Hoover speeches.

Hoover's speeches cost the Government $16,000; I do not know what additional commitments are included in the two and a quarter million dollars encumbrances, but the speeches that are reported cost $16,000; and I think he also had the franking privilege; so that is $16,000 for printing alone. Again, dropping into the vernacular, that is "a whale of a bill" for speeches—$16,000! Of course, it is remarkable to me that they had to be circulated at all, for I can not understand why words falling from Mr. Hoover's lips would not be greedily sought after by the press of the country and circulated by the millions free through the columns of the public prints.

Again, Hoover buttons cost the Government $40,000.

Mr. GALLINGER. Buttons?

Mr. REED. I will ask the Senator to look at pages 152 and 153. Let me read a few of these items. Whitehead & Hoge Co., metal and celluloid buttons, voucher No. 983, $3,367. The same company have the following other items under date of October 26—this is one day's order, one day's business—$3,083, $3,367, $3,700, $3,700, $3,700, $3,700, $3,700, and $2,479. The aggregate, as I run it up, is about $40,000. Now, I wonder how much of that would have been done if a man had been spending his own money. When we wrote the food-control bill the main purpose of which, as everybody knows, was to encourage production—it is so recited in the preamble of the bill and so recited in its body—who was it dreamed that we were going to expend $40,000 for buttons? How much more there has been spent since the account was filed I do not know. This is what is reported. How many buttons are to be included in this $1,750,000 that is now being asked. I inquire of the chairman, if he can tell me? Has any information been furnished to our committee upon this subject with reference to this remarkable request? But I proceed, for buttons are only one of the items.

Mr. GORE. Are they counted as encumbrances?

Mr. REED. I do not know how they are counted. Let us come to the matter of photographs. Let me read you the photograph bill: The Commercial Camera Co., $115.67; Harris & Ewing, $24.75; the National Photo Co., $92, $92.35, $31.75, $72.10; Harris & Ewing again, $16, $178.50, $47.50, $33; National Photo Co. again, $116.20; Clinedinst Studio, $614; Harris & Ewing again, $27.70 and $109.40; Harris & Ewing again, $40; National Photo Co. again, $206.40 and $178.20; Harris & Ewing again, $64.05 and $24.10; Elizabeth Watson, $13.80; Underwood & Underwood, $12; National Photo Co., $227.50 and again, $155.75.

I do not know whose pictures were taken; I do not know what graceful forms and classic features may have been thus produced and sent broadcast for the delectation of our country. There is only one item that is specific. It is one of the smallest items in the list. It is the bill of Underwood & Underwood; and it is recited that it is for Hoover's picture. I have not stopped to add how many hundreds of dollars we have expended in photographs; I do not know what these photographs are; I have tried to find out, and when you telephone one of the photographers down here and ask him what this bill is for he always has to refer you to his clerk, and the clerk is always out. They talk from the other end of the wire as though they are speaking in fear and trembling lest they shall not get any more of this work. Who was it conceived, when we were passing the food-control bill, that we were going to spend thousands of dollars for photographs.

This is a rare account. It ought to be read by everybody in the Senate. It will not be read by many, because Senators are too busy; but they ought to read it. Forty thousand dollars for buttons and thousands of dollars for photographs.

Here is another item—moving-picture slides. For the purpose of producing more wheat and more pork in this country and feeding our allies we have expended $7,811.76 on moving-picture slides. I have seen some slides that I suspected were being produced by the Food Administration, just as I have suspected some editorial comments that accompanied large-sized advertisements. I have seen those moving-picture slides. Generally they are very stupid reproductions of something that did nobody any good, but which always advertise the Food Administration. When you go to see them in the future and pay your 10 cents or 30 cents, or whatever it costs you to get into the particular moving-picture emporium that you patronize, you will have the sweet satisfaction of knowing that you have paid for those pictures twice—first, as a taxpayer and proprietor, and, second, as a patron of the theater.

Now, I come to another item; what it is "deponent saith not." I call attention to it as one of those mysteries that can only be understood when one has become one of the inner circle of a Federal bureau. Not having yet become an initiate, I can only read it, and out of the abundance of my ignorance submit it to you.

For medallions, $18,000. What is this medallion? Whose medallion is it? How much does it contribute toward food production? How many soldiers will it feed in France? How many ships will it man? What is it except a wild waste of money by a man who came here and has been able to thrust his arm into the National Treasury deeper than any other man in all the history of this country.

Over $27,000,000 on hand in one fund, over $2,000,000 on hand in another fund, and asking for $1,750,000 more!

But I read on. Here is the Capital Publishing Co., with an item of $10,500; there is no description; no information.

Observe the motor-car account. I think it is imperfect. Automobiles, one, $534.58. That must be a Ford. I do not see how they came to get a Ford car, unless it was to stand in with Henry; one, a touring car, $1,065; a runabout, $367; a nondescript, $421.88.

Then we come to the question of home cards, pledge cards, and so forth. I have only run over eight pages and find items aggregating over $33,000,000. I can not even make a wild guess as to what all these cards have cost, but there are over 20 pages of items in addition to the 8 pages I have gone over; they run into many, many thousands of dollars.

Now, Mr. President, I call attention to some other items, all of which may be susceptible of easy explanation; but if you will turn to page 112 of this book you will find this curious sort of item, "Mary J. Downey, rent, 1628 I. Street, $180." Without reading, I will put in a statement showing some of these rent items:

[House Document No. 890, 65th Cong., 2d sess.]

Rent account.

Page	Address.	Amount.
34	1439 K Street	$34.95
43	1721 M Street	200.00
45	1000 Vermont Avenue	73.93
45	Gordon Hotel	140.00
47	817 Fourteenth Street	253.00
48	1013 Fifteenth Street	120.00
48	....do	300.00
48	Gordon Hotel	4,892.44
48	1720 M Street	200.00
49	No address	900.00
49	....do	676.67
69	1015 Sixteenth Street	250.00
69	1617 O Street	70.00
74	901 Sixteenth Street	200.00
74	817 Fourteenth Street	250.00
74	1013 Fifteenth Street	150.00
74	1721 M Street	200.00
76	1023 Sixteenth Street	500.00
77	Square 146	233.33
93	1617 O street	70.00
93	1439 K street	145.00
93	1721 M street	83.33
99	1015 Sixteenth street	250.00
100	1023 Sixteenth street	500.00

These items, with the Gordon Hotel item excepted, are not for office rent; they seem to be rent for individual residences.

There are a lot of scattered places. What they are I do not know. Now, here is another item, "Rent charge to Hugh J. Phillips for premises at the corner of Vermont Avenue

and L Street, $800 a month." I do not pretend to say that I have found half of the rent items. This has been a very hasty examination on my part, but it seems that there are a number of places around town for which rent is being paid.

Here is an item that I can not pass over:

The Columbia Printing Company, Incorporated, applications for licenses, $204.07.

Then:

The Columbia Printing Company, Incorporated, the Prussian system, $551.50.

I do not know what the "Prussian system" is; I am in total ignorance on that question; but it seems to me that Congress ought to have some light on that important item.

Here are some other items:

Printing Hoover's supplement, $757.15.
Publicity work, to W. D. Sheehan, $160.
For writing manuscript, to Elizabeth Watson, $900.

Truly, we have some valuable literary assistants in this department. It would be interesting to know the character of this particular article, whether it is one of the numerous eulogies penned regarding Mr. Hoover, which constantly emanate from his headquarters, or whether it was a dissertation upon yoking, or—well, just what it might be—$900 for a manuscript!

Understand this is the people's money, and who cares how much of the people's money is spent? Have we not $27,000,000 and more on hand, and have we not in another account $2,000,000 on hand, and have we not a Congress that will give us $1,750,000 without asking questions? Why not spend $40,000 for buttons in one chunk? It is the people's money. Why not expend it, especially as the spender has probably never paid a dollar of taxes in the United States, and certainly has never voted here, for so he testified.

Mr. HITCHCOCK. Mr. President——

Mr. REED. I yield.

Mr. HITCHCOCK. As I recall, the Senator from Missouri and I occupied very much the same position on some of the details of the food-control bill when it was originally passed, and as passed the bill placed a certain work in Mr. Hoover's hands under rather limited powers. It placed him in a position where he was required to maintain a campaign of education. He was compelled to depend very largely on the voluntary cooperation of the American people, and went out in his work not only to educate the American people, but he went out for the purpose of arousing their interest and their cooperation. My observation in my own State has been that his agents have done this work in schools; they have done it by voluntary organizations, and have done it in such a way that the use of buttons such as are used in Red Cross work, the use of prizes, as in the case of the medallions, and the use of literature, such as that to which the Senator has referred, is really about the only purpose for which money could be expended to arouse public sentiment and toward crystallizing public sentiment. My observation has been that this campaign has been remarkably successful in securing the voluntary cooperation of the American people. Now, I should like to ask the Senator this question: Does he not think, under those circumstances, that to make a campaign and secure popular support of this work was rather better than to endow Mr. Hoover with power to enforce his views? He was compelled to arouse public cooperation, and how could he do it except by the methods which he has adopted?

Mr. REED. Mr. President, he was not compelled to do anything. That is the first answer that I make to the Senator. The next answer I make is that, if he saw fit to undertake to arouse public sentiment, that to arouse public sentiment by buying $70,000 worth of furniture, to arouse public sentiment by paying a thousand dollars for this manuscript and $900 for that manuscript, to arouse public sentiment by spending thousands of dollars for photographs, to arouse public sentiment by the reckless throwing away of the people's money is not justifiable, whether he had authority or did not have authority. Furthermore, as I have shown, through the corporation that he has organized he will take off in fees this year over $12,000,000—forced fees.

The Senator says Mr. Hoover has no authority. I grant you he has no legal and proper authority, but, by the exercise of the power that we did give him—the power of licensing—he has so employed it that he has compelled every bushel of wheat in the United States to go through his hopper, and, as it goes through, he takes off 1 per cent of its value; and that figures over $12,000,000. If he does not have power except to appeal to the consciences of the American people, then he is guilty of a usurpation to-day such as has never been witnessed in a free country since time was. He has undertaken to control the price of every farm product; and, if he has no authority, then by what right does he compel the millers of the country to engage themselves to pay to his corporation 1 per cent on all the wheat they handle? If he has no authority, then by what right does he send out to the grocers of this town the command that they can not sell the citizen wheat flour unless at the same time he shall buy an equal amount of some other kind of cereal, whether he wants it or not?

Mr. OVERMAN. Mr. President, I should like to make an inquiry of the Senator, if he will yield to me. I am interested in one statement the Senator has made, because I have had some correspondence in regard to it, and that is the power of Mr. Hoover to collect 1 cent a bushel on wheat that goes through his "hopper," as the Senator calls it. What becomes of that $12,000,000 he collects, and what does he collect it for?

Mr. REED. I have asked the question; I can not answer it. But I am being drawn away from these items. I will come back to this particular item in a moment and I intend to be rather brief.

Here is another item:

Preparing pamphlets for publicity, to Mr. Judd, $1,000.
Photo supplies, $115.16.
Luncheons at the Lafayette Hotel, $82.25.

Now, here are some items that are interesting:

Teaspoons, $132.68.
Coffee urn and trays, $48.25.

Mr. HARDWICK. If the Senator will yield, may I inquire if Mr. Hoover is running an eating house?

Mr. REED. I do not know, but this item looks like a restaurant (reading):

Steam table, $488.38.
Electric range, $100.31.
Hudson bicycles, $60.
Car tickets, $5.
Gold Medal flour, $43.75.
Camera, $147.83.
Flour and sugar to Corby Baking Co., $44.49.

Now, let us see under what authority all this money was expended. I read the body of the act:

Be it enacted, etc., That by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement, of foods, feeds, fuel, including fuel oil and natural gas, and fertilizer and fertilizer ingredients, tools, utensils, implements, machinery and equipment required for the actual production of foods, feeds, and fuels, hereafter in this act called necessaries; to prevent, locally or generally, scarcity, monopolization—

And so forth. That is the authority. That was the business in which they were engaged. How do they, then, get this particular authority to use this money? Where do they find it?

I am going to read you from an address delivered by Julius H. Barnes, the president of this grain corporation, in a speech he made on January 17 at the La Salle Hotel, in Chicago.

Somebody sent me a manuscript of that speech. Mr. Barnes was a very large grain dealer, one of that class of men who were held up before the country when this bill was about to be passed as horrible examples of profiteers, of wicked men who gambled upon the boards of trade. I do not say Mr. Barnes was a gambler; but all men on boards of trade were classed together, and were held up before the country as objects of scorn, as wicked creatures who had to be controlled and put out of business; yet the Food Administrator's manly form had not settled securely in his chair of office until he called the biggest one of all these board of trade wheat dealers and put him at the head of the grain corporation. In every town that I know of he has selected the same class of men to be his representatives. In my own city the man who represents the Food Administration, who has been put in to boss the other members of the board of trade, is a man who would come within all of the denunciations that Mr. Hoover ever uttered except that of being a grain gambler. He belongs to that class of men whom Mr. Hoover denounced generally to the public. In the city of St. Louis Mr. Hoover is represented by a gentleman against whom I say nothing further than that he was "one of the chief of the sinners," if, indeed, they were sinners at all.

Mr. Barnes in the speech that he made on the food bill tells us where and how the Food Administration got its authority. I read:

And the food bill finally passed, declaring its purposes to be to prevent private control and establish public control of necessities—and then without a single effective weapon in it except an obscure clause which permitted voluntary agreements.

An obscure clause which permitted voluntary agreements:

And this bill, which came out of conference curtailed, robbed and shorn of its power, was the only bill on which we had to build, and almost in 48 hours a plan had to be constructed to take control of the wheat crop of America, and to so fairly control it that it could be apportioned not only to satisfy our needs but to discharge obligations to our allies which we were beginning to recognize as pressing and sacred. And it was only through the clause of voluntary agreements that any effective control was possible under the food bill as it passed; that we sought to create a price monopoly in this country by that weapon of voluntary agreements.

I am now answering the question of the Senator from Nebraska. Says Mr. Barnes, the president of this corporation, the right hand and sustainer and prop of Mr. Hoover: "It was only through voluntary agreements that they found the power to create a price monopoly."

When by enlisting so many of the mills with us, enlisting them to aid us by working under our direction, and, through the Grain Corporation securing in our hands the agreement of the allies that all of their needs should be provided through that channel—taking advantage of the fact that the embargo had shut the neutral from our market. It was on that basis that a public control was proposed of this most vital crop. And when we had established by voluntary agreements a practical monopoly the responsibility to make the price on the chief crop of America almost appalled us. Then a Price Commission was evolved and after considerable hesitation they recommended to the President of the United States that a fair price, all things considered, was $2.20 per bushel.

I am glad Mr. Barnes made that speech. I am glad that he made it in that frank manner. With a frankness that is brutal—and I do not use the word in any harsh way toward Mr. Barnes—he tells the American Congress that when it passed this bill, it passed shorn of the powers they had wanted; that Congress brought it out of conference in such shape that they could not control the price. The fair inference from his words is that Congress did not intend to give them any such power. Then they hunted for a power, and they found we had given the power to make voluntary agreements, and they employed that power to make voluntary agreements for the purpose of fixing prices, which Congress never gave them and never intended to give them, and which Mr. Hoover, before the passage of the bill, testified he did not expect or want.

Time and time again, when Mr. Hoover was testifying upon the passage of the food-control bill, he solemnly assured the Agricultural Committee, and through it the Congress, that it was not intended to affect in any way the prices of the producer; that it was intended to be limited in its operation to the middleman; that it was the profiteer—the middleman—that he was after, and repeatedly he said: "There is no price fixing in this bill," and there was none.

But when the bill came out, Mr. Barnes and these keen men that had been called together from the boards of trade, these gentlemen who knew all about the habits of the bulls and the haunts of the bears, because they made their habitat with them and were of them, said "Behold: There is the power for voluntary agreements. That power to make voluntary agreements will distort so that we will be able through it to fix these farmers so that they will have no market." Everybody knows that if it were not for the law against voluntary agreements a few men could get together in a room in a short time, make a combination by voluntary agreement, and control the price of any article.

I now read a portion of the testimony Mr. Hoover gave when this bill was being urged for passage.

Mr. Hoover was delivering a lecture to the Agricultural Committee:

There are a number of current illusions about the legislation proposed. The first is the illusion in some quarters that the bill is directed against the producer

Now, notice his language:

It would not be necessary to traverse this statement to anyone that had read the bill. It especially excepts the producer from every one of its provisions, with the exception of one section, and that is the provision for a guaranty; and this section is designed to entirely benefit and secure the producer.

That is the $2 minimum guaranty for wheat—

The savings of the American consumer ought not and should not be made by a sacrifice on the part of the producer—

In other words, the saving to the American consumer should not be made by regulating the farmer's prices. That is what Mr. Hoover was telling the American farmer and the American Congress.

I read on:

They should be made by the exclusion of speculative profits from the handling of our foodstuffs.

Again, he said:

The second illusion is that there is price fixing by this bill. There is no provision for price fixing—

Now, notice—

and no such thing can be carried out under the bill.

Now, Mr. Hoover's chief apostle tells us that after this bill had been passed, its powers shorn and reduced, Mr. Hoover and his associates got together and they found that there was no price fixing in the bill; but he tells you in good, round terms that they discovered there was the power to make voluntary agreements and that these usurpers concluded they could employ the privilege of making voluntary agreements so as to establish monopoly prices, and that they set about doing it immediately. Within 48 hours before the ink of the President's signature was dry, before the country had finished congratulating itself upon the low prices that the consumer was going to get and the high prices that the farmer was to receive, before the people of the cities had time to quit complimenting themselves upon the fact that a great savior had come who was going to give them cheap bread and cheap meat and give the farmers high prices, their new guardians, the reformed bulls and bears and Mr. Hoover, had conceived a plan by which they could corner the grain, control the markets of America, and fix prices to suit themselves.

Mr. President, there is such a thing as good faith. No man can ever afford to lay it aside. There is such a thing as a pledge of honor, and no man can afford to disregard such a pledge. If the power to fix prices had been written in this bill after the statement Mr. Hoover made, it seems to me he would have declined to enforce such a power, for he would have said, "I told the American people and the American Congress that no such power was in the bill, and I will not exercise it." But instead of taking that position, we find the man who told us there was no price fixing in the bill seated around the table in consultation with a lot of board-of-trade sharps—notice I do not say "sharks"; I say "sharps"—devising a plan to do the very thing their leader assured the people and Congress could not be done, and they are now extending that on to other articles and are further employing it to levy toll upon all wheat bought or sold.

This much of a digression I make for the benefit of that Senator who asked where the authority came from to collect the money, the $12,000,000 that is coming out of the producer and the consumer alike in this country and that is going into the coffers of a corporation.

Now, notice another statement of Mr. Barnes. For its proper appreciation I beg to say by way of preliminary that the country was startled the other day when it was told by Mr. McAdoo that "Mr. Hoover was the sole purchasing agent for the allies." I stood on the floor of the Senate when this bill was being considered, and argued that a man who had recently come from England, where he had spent all of his grown-up life, ought not to be given this great power over our people, because he might have a natural bias and leaning and sympathy toward the country of his long-time adoption. Because I made that argument I was severely criticized, not only on the floor of the Senate but in the press of the country. It was said that I was appealing to prejudice. Let me at this point say that I never entertained prejudice against any man because he may have happened to be born in England, or because he happened to migrate to England, and lived there all of his grown-up life. I have no prejudice against any man because of that. But the point I sought to impress was this: When we were giving authority over our foodstuffs, that authority ought not to be vested in any man who might have a prejudice or might have a sympathy in favor of the country of his long-time residence.

But, Mr. President, many virtuous editors rose and denounced me for being personal. There was no personal feeling in it. I have no personal feeling now. Mr. Hoover means no more to me than a name and a principle that is involved and wrapped up in his present official conduct.

But now what are we told? We are told by the Secretary of the Treasury, the biggest man in the Cabinet, that Mr. Hoover is, in fact, the sole purchasing agent for the allies. Mr. Hoover does not deny the soft impeachment; and now comes his associate, Mr. Barnes, and tells us, in the language which I have just read, that—

Through the grain corporation we have secured into our hands the agreement of the allies that all of their needs shall be provided through that channel, taking advantage of the fact that the embargo had shut the neutral from our market. It was on that basis that a public control was proposed of this most vital crop.

So, Mr. President, you now have the fact admitted. I challenge the attention of every lawyer in the Senate, of every man who has ever sat upon a bench, and of every man who understands the rudiments of equity, to the fact that there is now established in this country an agency, a power, set up under our Government, which, by the distortion of the purpose of a law passed by Congress, has gained complete control of the farmer's market, and is able to fix the price upon every bushel of wheat that is raised in the United States—such being the declaration of Mr. Julius H. Barnes, such being the fact well known to those who have studied the case for a long time—and that that power which sets a price upon the wheat of the farmer in this country is at the same time the agent of foreign Governments and foreign persons that are to be the purchasers of large quantities of that wheat.

I do not care, sir, whether or not we are in alliance with Great Britain and with France and with Italy—God bless them all—

their agents should not fix the price upon the products of American farms. Their representative should not be the master of the American farmer. They should not be the buyers and, through their agents, the sellers.

No man can serve two masters. Even if the American farmer is to have a price arbitrarily fixed upon his products; it ought to be fixed by a man who represents the American farmer alone, and he ought not to owe an allegiance, either by contract or otherwise, to foreign governments or to foreign merchants.

Mr. HITCHCOCK and Mr. LEWIS addressed the Chair.

The PRESIDING OFFICER (Mr. WARREN in the chair). Does the Senator from Missouri yield; and if so, to whom?

Mr. REED. I yield to the Senator from Nebraska.

Mr. HITCHCOCK. Is it not a fact well known to the Senator from Missouri that the foreign Governments were required to accept Mr. Hoover as their agent? Their agent was appointed by the President of the United States for the purpose of carrying out functions which the necessities of war compel us to perform in provisioning our allies on the other side. Is it not a fact that Mr. Hoover is not their agent selected by them, but their agent named by us, whom they are required to accept, and does not that entirely alter the situation?

Mr. REED. Does the Senator from Illinois desire to ask me a question?

Mr. LEWIS. Yes, Mr. President. I desire to invite the Senator's attention to the statement he has made as to France and Britain being the allies of the United States, and to ask him if he does not understand that there is really no such relation between France and the United States and Britain and the United States; that there is no alliance between the United States and Britain of any nature that would give Mr. Hoover, or any other agency whatsoever, the position of agent for the United States upon the theory that he was the agent of any member of an alliance with which France or Britain was connected? I beg to say to the Senator that, as I understand it, and must insist in behalf of my Government, there is no alliance between this country and Great Britain or France.

Mr. REED. Mr. President, of course, I use the term "allies" in the sense in which we ordinarily use it. I do not know what our arrangements are with France and Great Britain technically; but I know that for all practical purposes we are at the present time fighting one war, and that in so far as that is concerned our interests are to a large extent the same. And so, without stopping to debate the technical phases of the question raised by the Senator from Illinois, and with that one word of explanation, I pass to the interrogatory of the Senator from Nebraska.

I do not know the facts to be as the interrogatory of the Senator from Nebraska appears to indicate. The statement made by Mr. McAdoo did not indicate that the President of the United States had said to Great Britain and our other allies that they must purchase their grain through Mr. Hoover's corporation. The statement contained in Mr. Barnes's speech, which I have just read, would not indicate that; and I question very seriously whether the President of the United States ever said to these foreign countries—our allies or our friends or our associates, by whatever name you may choose to call them—"You must buy through Mr. Hoover's corporation, and upon his terms."

On the contrary, I think Mr. Hoover's testimony which he gave before the Agricultural Committee before the bill was ever passed indicates that he was himself at that time most urgently insistent that the allies should have a single purchasing agent. I can quote the Senator that testimony or refer him to it as soon as I conclude. I do not have it on my desk at this moment.

It will be urged by some that we ought to furnish our grains to our allies as cheaply as they are furnished to our own people, the argument being that we are engaged in a common cause. But, Mr. President, if that is true, the obligation ought to be mutual.

If we are to furnish to our allies the things they need as cheaply as we furnish them to our own people, if we are to arbitrarily control the price of our products for their benefit, then there should be a reciprocal relation and the goods they produce and we need ought to be furnished to us at a regulated price, for if they be our allies then the relation is mutual. There is no more reason why we should sell our products at a controlled price and buy theirs at a war price than there is that they should buy ours at a war price and sell theirs at a controlled price. Examine the reports and find the enormous amount of goods we are buying from the allied countries every year and ask yourselves if we are buying at war prices and selling at controlled prices what the result must be.

Mr. President, at this point, although it is aside from the theme I am discussing, I want to put another matter before the country. A few days ago Mr. Hoover certified to us that the East was about to starve to death, and said it was because the railroads could not haul the grain. Mr. McAdoo said, "Tell me where your grain is and I will haul it." That ended the matter. Then a few days later the country was again told there was going to be an enormous wheat shortage; that we were confronting something like wheat starvation in this country. The impression was broadly given that so much of our wheat had been sent abroad that there was not enough left to feed our people, and the suggestion was made we would have to eat a great deal less than we ever had eaten.

I took occasion the other day to challenge those statements, although I had not had time then to examine the records. I now have the figures, and I call the attention of the Senate to the fact that we have more wheat in this country to-day than we had at this same period last year.

The wheat crop of 1916 was 636,318,000 bushels; of 1917, 650,828,000 bushels. That is to say, in 1917 we produced more wheat than we did in 1916 by 14,510,000 bushels. The wheat exported, both in the form of wheat and flour, from July 1, 1916, to March 1, 1917, was 135,000,000 bushels, and for the same period of time in 1917–18, 120,000,000 bushels. In other words, we shipped abroad 15,000,0000 bushels less in 1917 than we did for the same period of time in 1916, whereas our crop was 14,510,000 bushels greater, so that we have in round numbers 30,000,000 bushels more wheat in this country to-day than we had at this same period last year.

Why, then, should these alarming reports be sent out to the country? Why should the people be told they are about to starve to death? Why should they be told one day that they are going to starve to death because there are not any cars and then when that statement is refuted, why should a statement be made to the country that leads the people to understand that the wheat has been shipped out of the country when, as a matter of fact, we are 30,000,000 bushels better off to-day than we were during this period one year ago?

It is difficult to understand why statements of this kind are made. It is difficult to understand what motive can inspire any man to put forth declarations of this sort. If the railroads had been under private control and the statement had been made by Mr. Hoover that was made, all the railroad presidents in the world might have made solemn affidavits that they were ready to move the wheat, this country would have believed that Mr. Hoover was correct in his statement when he said that there were not any cars to move the wheat. But it happened that William G. McAdoo was in control of the railroads and he spoke as one having authority, not as these mere scribes, the former presidents of railroads, and when he said there were cars the people took his word for it.

Then we were told that for some mysterious reason we were going to starve to death any way. I have answered that from the figures.

Mr. President, I have only a word or two more to say. If you will look through these reports of the Food Administration you will find the most astounding salary list. When we examined Mr. Hoover before the sugar-investigating committee the question was asked about the salary of Mr. Allen, whom he brought here. Mr. Hoover stated that he was receiving $200 a month, my recollection is, for expenses, but I find in looking at this book that he is a $4,800 a year salaried man. I find there are men drawing salaries of $5,000 here and similar amounts in various cities and towns of the United States. Some of these men work for the corporation; some of them, perhaps, work for the general organizations; but it is in fact all one, and the expenses first or last come from the American public.

My attention has been called to a telegram from London. I want to read a little of it. It quotes from Edmund Burke, of Peek Bros. & Winch (Ltd.), of London, England.

> This food control is partly a folly, partly a sham, but it is altogether a crime against the public, and especially the poor. I say it has raised prices. I say it has hoarded stocks. I say it has created artificial as well as real scarcity. I say it has profiteered. In addition to the excessive food taxes so unwisely levied by Parliament, it has imposed charges on food which amount to illicit taxation. I say it has wasted public money. I affirm, and about this there will be no dispute, that it has been a blundering, ineffective, and costly administration.

Such is the result in England. We here pursue the same foolish way, but employ agents and methods much more foolish than any Englishman could produce if he tried. The English are lacking in the necessary imagination.

I desire to print the whole article in the RECORD as a part of my remarks. I apply a part of it to this Food Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The article referred to is as follows:

BRITISH FOOD CONTROL DECLARED A FAILURE—LEADING WHOLESALER ATTACKS GOVERNMENT POLICY—EDMUND BURKE, OF PEEK BROS. & WINCH, CRITICIZES SYSTEM AS BEING "A CRIME AGAINST THE PUBLIC"—CLAIMS IT HAS HOARDED STOCKS AND ENCOURAGED PROFITEERING—CALLS ADMINISTRATION "BLUNDERING AND COSTLY."

LONDON, *February 1.*

Sharp criticism of the food-control system was made by Edmund Burke, of Peek Bros. & Winch (Ltd.), dealers in wholesale groceries, at the annual meeting of the company. He declared that the people were "all toads under the oppression of a well-meaning Government, and that food control was a crime against the public."

Mr. Burke said:

"This food control is partly a folly, partly a sham, but it is altogether a crime against the public and especially the poor. I say it has raised prices. I say it has hoarded stocks. I say it has created artificial as well as real scarcity. I say it has profiteered. In addition to the excessive food taxes so unwisely levied by Parliament it has imposed charges on food which amount to illicit taxation. I say it has wasted public money. I affirm, and about this there will be no dispute, that it has been a blundering, ineffective, and costly administration.

SAYS GOVERNMENT MEANS WELL.

"We are all toads under the oppression of a well-meaning Government. Some of the toads have expressed to me their doubts even of the alleged good intent, but there is no doubt about the oppression. In the midst of war abroad the Government is making war upon trade at home. It has restricted our imports and exports.

"That may be necessary. It does not apply to cement for Holland, but then we deal in foodstuffs—not in goods of the cement class. We don't even touch Government cheese. But they have gone further than this. They have curtailed and impeded the distribution of food to our people at home. They may not have intended it, but that is the effect of what they have done. Perhaps you have heard that there is a food controller. He appears to have a good press agent, who keeps him prominently in the limelight.

"Well, I am not going to utter one word against Lord Rhondda personally. He is a well-intentioned peer, who is trying to feed the people on printed forms. But he is struggling with an impossible task, and working with impossible tools. He is in the hands of officials picked up in the Temple, the clubs, and placed in control of great trades requiring technical knowledge and experience, of which they are utterly destitute. Lord Rhondda himself knows everything about coal and little or nothing about food. That is why they made him, not coal controller, but food controller.

INVITES OFFICIAL INVESTIGATION.

"Well, now, I am going to state some plain facts about his department. It is time that the public knew the whole truth about it, and if one of our M. P.'s will move for a committee of the House to investigate its working I will undertake to offer some very startling evidence. I am speaking with full deliberation, but with full knowledge and with a deep sense of responsibility which I do not even ask my colleagues to share. I am prepared to substantiate everything that I feel it my duty to say

"I could keep you here all day telling you funny stories—and tragic stories, too—of this control folly. But I will only mention as an instance one article in which we deal and with which you have probably had painful experience. You know something about the sugar-card fiasco and you have felt the pinch of the sugar famine. Perhaps you do not know that we are not allowed to import sugar, but we may bring in American chewing gum, and we do. You may have heard of sugar queues, of poor women waiting in the cold street while their unguarded children burned to death at home. But you may not know that during recent months this precious Government department was hoarding up sugar by thousands of tons and gorging the warehouses with twice the stocks they contained a year ago.

BLAMES CONDITIONS ON RED TAPE.

"I say nothing about tea except that want of shipping is not accountable for the shortage, and that the Government is compelling us to pay prices which are 25 to 50 per cent too high, and giving us insufficient quantity at that. Tea ought to be 4d. to 6d. per pound cheaper to-day. Remove their control, allow freedom of import and of sale, and tea will fall by that amount at least. Transfer the duty to some luxury which only the rich consume, and the retail price of tea will be cheapened by 50 per cent for the poor.

"Now, why have I troubled you with all these statements about food control? In the first place, because I want to take this opportunity of repudiating the calumnies that interested persons have set afloat as to traders generally and as to the small retail grocer in particular. I want to repudiate on his behalf the charges of unscrupulous profiteering and hoarding that have been brought against him. He forms one of the most honorable, industrious, and at the present time, as has been proven, indispensable classes of the community.

"All the queues are preventable. Most of the scarcity is preventable. The whole of the red tape—the whole of the army of officials—might be scrapped to-morrow with advantage to the State. But they will not be scrapped because they have all snug berths. The danger is they will go on interfering with the food supply until we have little left to sell and the people have little left to eat. In that case one more noble lord will get a step in the peerage. But then there will be placed upon the stage a new act in this tragedy of food control—the stagnation of trade and the discontent of a disillusioned people."

Mr. REED. I want at this point to read a telegram which I have received from one of the leading newspaper men of California. This applies to the tomato question I discussed a few days ago. I hope there are some Senators from tomato States present:

LOS ANGELES, CAL., *March 9, 1918.*

Senator JAMES A REED,
1956 Biltmore Street, Washington, D. C.:

Committee on coordination of purchases circulated order through Food Administration fixing basis of awards for tomato products for Army and Navy use at no higher than $21 per ton for Maryland, Delaware, and other States; $20 for New York and Michigan; $18 for Ohio, Indiana, and Illinois; and $15 for Western States. This order becomes maximum price for tomatoes for all uses and manifestly places growers in Kansas, Oklahoma, Colorado, Utah, Montana, Idaho, California, Nevada, and Washington at mercy of California Packing Corporation, which alone packs 70 per cent of western pack. This corporation is represented by Charles Bentley on Hoover staff, who gets approximately $15,000 salary from that corporation; J. K. Armsby, president of the corporation, is the head of the California preserved-food committee of Food Administration; another Armsby on staff at Washington. This corporation works with Libby packers. Prior to Bentley's order California canners were offering tonnage contracts at $17.50 and $18 per ton. This order enables Bentley's concern to buy from producer $6 cheaper than Delaware canners. About two-thirds of entire western crop will be sold commercially and one-third to Government. See John Francis Neylan, of San Francisco, at Shoreham Hotel, representing California Tomato Growers' Association. He knows details regarding Bentley, Armsby, and prices.

F. W. KELLOGG.

This is the sort of thing that is going on, and the people are to pay for it. The price of California tomatoes is to be beaten down to $15, and men on Mr. Hoover's staff are engaged in the packing business in California. When they come to sell their tomatoes, they will sell tomatoes that they bought at $15 a ton as against tomatoes that the eastern canner bought at $21 a ton. There is $6 a ton difference in favor of the western packer who holds a job under Hoover. I can understand why men work at a dollar a year under those circumstances, and so can you understand it, and so the country is beginning to understand it.

There is another thing I am going to call attention to. The packers have been licensed. Senators, the food-control law would never have been passed if the country had understood that Mr. Hoover under this extraordinary grant of power was going to make the packers agree to not pay the farmer more than a certain specified price for their hogs and cattle and sheep. Never in the world would it have been passed.

How was it passed, I repeat? Mr. Hoover told us there was no price fixing in the bill. It was argued on the floor of the Senate that there was no price fixing in the bill. Those of us who declared that there were powers that might be employed for fixing prices were denounced, and yet I am about to submit to you that Mr. Hoover has fixed the prices upon the cattle and hogs of this country. He fixed the prices through the licensing clause. He fixed them through that distortion of the purpose of the bill which his agent boastfully stated was wrought out of an obscure clause not intended to give the power at all. It takes a highly educated board of trade conscience to state a thing of that kind boastfully. Here is a part of the letter that was produced in the Heney investigation. It seems that the packers have established a correspondence school. They have not learned the lesson of not committing too many things to paper. There is a Dr. Durand, of the Food Administration. Everybody who gets into one of these Government jobs down here immediately becomes a doctor. If a man would go out and catch a Kansas jack rabbit and bring it here and get it a job in any one of these administration bureaus, they would on the next day be addressing it as Dr. Jackabus. Doctors are more numerous in the Food Administration than colonels are in Kentucky. Dr. Durand has been the agent of the Food Administration in dealing with the packing-house situation. One of the letters that Mr. Heney produced is from Mr. White, of Armour & Co.

In part it reads as follows:

Under date of January 18, 1918, F. E. Wilhelm, of the Cudahy Co., was quoted as having written to the south side station of the Cudahy Packing Co., at Omaha, relative to a meeting of representatives of Armour, Swift, Morris, Wilson, and Cudahy companies; that Dr. Durand, of the Food Administration, wanted to know the actual stocks of frozen beef in the country. He found, the letter said, that the amount was about 20,000,000 pounds.

The doctor then said that the letter stated that they were going to buy big quantities of beef every month—

I suppose this is a corporation that is going to buy—

and he was skeptical about our being able to take care of the orders. He thought the quantity would be a minimum of 6,000,000 pounds a week. He asked for suggestions on how to provide this quantity. His first thought was to have a meatless week—

Mark you, this meat is to be bought to be shipped abroad, and bought through this monopoly company that is controlled and run and has its habitat with the Food Administration, and in order to get 6,000,000 pounds of meat the first suggestion was that we should shut off the American people's meat for one week.

When Freedom from her mountain height
Unfurled her standard to the air.

I read on:

His first thought was to have a meatless day, but was shown instantly that was impracticable, as there was no chance of us freezing our entire week's kill, and the effect of such a measure would be as bad, probably, as the present embargo on fuel.

How did we escape this calamity? The only reason why we are allowed to have meat in our stomachs for a week, regardless of our color, race, or previous condition of servitude or

health, was because the freezing plants of the packing houses would not quite take care of all the kill. I continue reading:

Mr. White, of Armour & Co., suggested that each packer freeze 10 per cent of his kill; and on this basis we should be able to secure 6,000,000 pounds of meat if the receipts ran as liberally as expected.

The letter said it was decided to try the plan.

Continuing the letter said:

"Dr. Durand said the situation would have to be handled in some way to avoid advancing the cattle market."

They were going to get this meat for shipment abroad, and they proposed to shut off all meat to the American consumer and have a meatless week; and, secondly, Dr. Durand rose up and said, in any event there should not be any advance to the farmers on this account. And so he continued:

"Dr. Durand said that the situation would have to be handled in some way to avoid advancing the cattle market; that that was the thing that absolutely must not come about; and if it did, he would take drastic measures to prevent it. He hinted that if it couldn't be worked out they would have to go into the question of closing up the branches—that where we had branches side by side that they would close at certain points.

"We are really on trial to see how we behave, and if we can take care of this export business without putting things out of condition in this country, all right."

Mr. GORE. Mr. President——

Mr. REED (continuing)—

"He hinted that if it could not be worked out they would have to go into the question of closing up the branches where we had branches side by side that they would close at certain points."

I yield to the Senator from Oklahoma.

Mr. GORE. I wish to say to the Senator in this place that the Committee on Agriculture had before it this morning a farmer and a live-stock man from Illinois, and they submitted cost sheets showing the cattle bought by feeders last fall when the Food Administration was encouraging them to buy and feed and fatten cattle that were bought at 12 cents, then had been wintered and fattened on corn costing from $1.50 to $1.75 a bushel, and they have been sold at 12 cents, the feeders losing from $42 to $85 per head, making no allowance for labor or for overhead charges.

Mr. REED. Now, we have this situation: The open market for the sale of American cattle has been absolutely taken away—taken away by the Food Administration through the corporation it created. That corporation is at the same time the agent of European countries and merchants. It wants meat for its European clients and is willing to cut American citizens off from meat, but, above everything else, it is determined that the price shall not be advanced a single penny to its European clients. So these packing houses have at last found a master. They are told, "Advance the price at your peril." But unfortunately the man who is master of the packing houses is also master of 45,000,000 Americans engaged in agriculture, and he is likewise the master of all the consumers of this country, and he is the very efficient and effective agent of the English Government and of France and of Italy and of the neutral countries and of their merchants.

Mr. President, I repeat, one thing at least ought to be agreed upon, that if the price of the thing the American farmer raises is to be arbitrarily fixed, if he is to be denied access to the markets of the world, if the purposes of this bill are to be disregarded, and if new purposes and new powers are to be twisted and distorted out of an obscure passage—I quote the language of Mr. Barnes—if this is to be the way the American producer is to be treated, then, as a matter of common fairness, there ought to be the same kind of fixation of prices upon everything produced abroad. The producers of this country either ought to be allowed the markets of the world in which to sell, or those from whom we purchase ought to be compelled to sell in a controlled market.

If we do not produce an equality of market conditions the result will be that our allies will be trading us a small amount of goods for a large amount of goods; we will be worsted in every transaction, probably from 25 to 75 per cent; and when the war is over other countries will have all the money. I repeat—for I want it to be clearly understood—that the argument can not be made that because France and England and Italy with their soldiers are fighting on the same battle line as ourselves, therefore we must give them these trade advantages; because if they are our allies and we ought to give them trade advantages, then we are their allies and we are entitled to reciprocal advantages.

But we have no agent in France or in England or in Italy to fix the price upon the things they produce that are to be sent to America.

As is suggested to me by the Senator from Oklahoma [Mr. GORE], Mr. Hoover fixes the prices upon our exports, but nobody fixes the prices upon our imports. Ponder this question I am talking about; sit down and figure the amount of our exports; sit down and figure the amount of our imports and find out how much this country loses every year by regulating the price of all it ships abroad, and then buying in the open war market of the world all that it imports.

Speaking of the fact that Mr. Durand has had the packers on the carpet and has issued these orders, I apprehend the packers have not been greatly taken by surprise. I have an article here from the Chicago Daily Tribune of February 28. The article states that Mr. Heney put into the record figures from the packers' books which show that men on Mr. Hoover's food board have been, and are still being, paid by certain packers. More than this, he showed that some have collected their pay in advance—some of the Government's "dollar-a-year men." Under the headline "Who's who and how much?" appears this:

Some of the Government's "dollar-a-year men" and the pay these men get from packing houses was recorded as follows:

H. B. Collins, assistant chief of the Division of Coordination of Purchases for Hoover; salary from Swift & Co., $10,000 a year; pay collected to March 2, 1918; "special account," supposedly for expenses—

I am curious to know what farmer there is—what real, sure-enough farmer there is—down there in the Food Administration to watch Mr. Collins and see what Mr. Collins does. I should like to have a little coordination down there, in which the farmers of the country might be a part of the coordinators. I read on:

E. A. Heyl, member of Hoover board, on Libby, McNeil & Libby pay roll at $9,600 a year; pay collected to February 16, 1918.

F. S. Brooks, member of Hoover board, formerly in charge of stockyard interests of Swift & Co., on pay roll at $9,000 a year; credited on books for pay to March 2, 1918.

W. F. Priebe, head of the poultry and egg division, Hoover food board, on Priebe & Co. pay roll at $275 a month, plus 25 per cent of profits after 7 per cent is paid on capital invested.

It was explained that Libby, McNeil & Libby and W. F. Priebe & Co. are both Swift & Co. subsidiaries or "departments"; so all four, in effect, are on the Swift & Co. pay roll.

Mr. President, there are cords of facts like these. Let me tell you what has been done——

Mr. VARDAMAN. Will the Senator permit me to ask him what the men whose names he has just read receive from the Government of the United States?

Mr. REED. I do not know, but I have not the slightest doubt that they are "dollar-a-year" patriots, men who are literally pouring out their blood sitting down here on swivel chairs and fixing up jobs by which their present bosses get the best of every transaction between them and the American people.

Mr. VARDAMAN. Perhaps they are pouring out their breath.

Mr. REED. No; they are pouring out their blood. A "dollar-a-year" patriot never sheds anything but blood. He may not shed much of it, but he would not be content if not credited with the loss of a little blood.

For years we fought against combinations that sought to control the price of cattle and swine. We denounced packing houses because they sought to establish monopoly control. We have had the packers indicted and tried and have undertaken to send them to the penitentiary. The country stood on tiptoe wanting them sent to the penitentiary. Why? Because the country believed they were fixing prices upon the meat products of this country.

Now comes one Herbert C. Hoover and proceeds to order them to fix a price, and to fix it so low that the farmer can not live. But what is the difference whether Herbert C. Hoover fixes the price or whether the packing houses by an illegal combination fix the price? The question is whether the price has been fixed at a point that will injure the American producer. It does not make any difference whose hand holds the knife; if it is driven through your heart, you die. It does not make any difference who fixes the price, whether it is done by a voluntary agreement of the packers meeting with each other for the purpose of increasing their profits or whether it is done by a voluntary agreement of the packers meeting with Herbert C. Hoover for the purpose of decreasing the prices to European clients of Mr. Hoover, if the price fixed is too low it is in either case equally ruinous.

Whenever you find working in the boards that fix the price the agents of the packing houses—their great and their responsible agents, their $10,000 a year men—you may be very sure that the packing houses are not getting any of the worst of it. As the Senator from Oklahoma has very well said, so far as the farmer is concerned, they are ex parte prices.

But I go further. When we go to the grain business we find that the great grain dealers were brought in and that agreements were made with them that were satisfactory; at least they have been silenced, perhaps because they still get bigger commissions than they got before. The miller is called in; he is still permitted to grind the grain and is paid a bigger percentage than

he got before. Who is it that the reduction comes from, then? The reduction, if it occurs at all, comes from the farmer, the very man whom Mr. Hoover said in his testimony he did not propose to touch; the very man he said it was not his purpose to molest. I am almost tempted to stop and read that testimony once more, but I shall not do it.

When the bill was before Congress there was a great hurrah through the country about the wicked board of trade men. As I heard them described here by Senators, I would almost imagine that the gates of perdition had been opened and that a column of choice imps, with horns and tails and scales and brimstone rolling from their mouths, were marching forth, that each one of the vast army was a board of trade man. And that, confronting the on-rolling host, our great protector, our dauntless champion, killer of dragons, Hoover, stood, his burnished shield upraised, his lance poised, ready to drive the vicious horde into the flaming vortex from which they had come forth. But, sir, I beheld a different scene. I saw him selecting their captains and their lieutenants and their sergeants, picking them out carefully one by one, their leaders, taking them down to the food headquarters, and putting them in charge of the food supply of the "dear people" that he so much doth love. And now all over this country, in every market of the land, you find those men placed in command.

I do not denounce them; I do not say the things we were told of them were true; my experience has been that some of the men engaged in the grain business, just as in other businesses, are speculators, some are gamblers, but the great majority of them are simply plain dealers who buy and sell for commission and who are thoroughly honorable men. When this crusade was being worked up the man who dared say as much as I have said now would have been denounced as an enemy of the people and a friend of profiteers.

Mr. President, let me go a little further. We were told that there would be no effort, as I have said repeatedly—and I intend to keep on saying it as long as I have the power of protest—that there would be no effort to take away the farmer's market.

Some of the men who were denounced as profiteers were the millers. They were brought in and were consulted, and an agreement was made with them, as I showed you awhile ago, to pay them 1 per cent on every bushel of grain they handled, and to guarantee them against any loss; and that guarantee to the miller against loss is met out of the $50,000,000 that the United States Government took of the people's money and turned over to capitalize this corporation. So wherever you go you find not only in this place, but you find in other boards in Washington, that the men whom the people believe have been mistreating them and profiteering are the men who are in charge and in control. We tried, as has been suggested by the Senator from Oklahoma, to put a provision in the bill to prohibit that sort of thing, but its teeth were drawn.

I heard one of these gentlemen before the Military Affairs Committee solemnly swear that shoddy was the proper material with which to clothe American soldiers; that it was a better material for overcoats than the pure wool taken from the sheep's back. If he had said we were out of wool and we had to use this material, and if that had been true, I would have made no complaint, but he undertook to claim it was a superior article.

I saw men appear and heard them undertake to justify the expenditure of money where individuals who have only drawn a salary in the past of a couple of hundred dollars a month suddenly, when the taxpayers are to foot the bill, blossom into $10,000 a year men. I see accounts where newspaper men, writers, who have been working for years at fifty or sixty dollars a week suddenly are worth $12,000 a year; and when you inquire why they are employed, no one can explain what useful purpose they serve in the building of ships.

Mr. VARDAMAN. One of the Hog Island men, Mr. President, if I may interrupt the Senator, had his salary raised from $12,000 to $25,000. That is the usual way the Hog Island patriot for perquisites has of showing his consuming love of country.

Mr. REED. Let me tell you there is a bottom to every barrel; there is an end to every fortune; there is a limit to the wealth that any nation can produce. The American people in some respects are the most conceited people in the world. They have fed themselves on their own adulation until they are drunk, I sometimes think, with conceit—and I say this, of course, kindly. We have talked about our bravery until there was a great American statesman who actually thought that we could raise an army of a million men overnight; and he was in perfect good faith. I am not sure but that I have indulged in some of that kind of nonsense myself in the past, but generally I limited it to the Fourth of July or thereabouts. [Laughter.]

One of the things that we have been teaching ourselves for the past three years is that we are the richest nation on earth and that we have so much money that there is no end to it. My brother Senators, let me say to you, that before this war is ended it may be determined by a slight turn of the balance. Clemenceau, the French premier, said the other day that the nation won in a war that could make itself think it was not beaten for a quarter of an hour after the other side realized it was beaten. Before this war is over, it may be that the balance will be determined by a few billion dollars—a very few—and therefore we should not waste money to-day.

We must pay two or three prices often in order to get things quickly. There may be justification in instances of that kind, but not a single dollar of our money should be unnecessarily expended; we should hoard it, because, after all, in one sense money is the lifeblood of this enterprise. We must keep our men upon the field; our expenses will mount higher and higher; we must create armaments and still greater armaments, and the expenditures will mount and mount beyond calculation. We must build ships and still more ships, and we must literally pave the bottom of the ocean, if something can not be done to suppress the submarine, with vessels that have cost us millions and millions of money and with the precious cargoes that represent even more of our toil and our money. We must care for the widows and for the orphans that are being made; we must support the old fathers and the old mothers whose sons are beginning to die; we must be prepared to meet the awful accumulation of sorrow and woe, and, as far as money will go, we must be ready to assuage the grief of these people; but, above everything and beyond everything, we must keep our land prosperous; we must keep its industries humming; we must keep its energies alive; we must keep its industrial thews strong, its arteries of commerce open, its great enginery of production at its very highest point, so that as we expend we shall also produce; and in everything we do, while we should be spendthrifts for the purpose of carrying on this war, we should be misers in the wasting of a single dollar.

So I say, when the Food Administration comes here to-day, admitting that it has a million and a quarter of dollars on hand; that it has $29,000,000 in the treasury of its corporation; that it has a fund outside of that of an unknown amount; and that it has assets, that are supposed to be good, of almost $2,000,000, at this time there should be no further grant.

The committee—and I say it with the utmost respect—have accepted, I believe, the mere report of the House, and, being engaged in other things, did not investigate this item. I may have spoken to deaf ears, but I believe, whether I speak successfully to-day or not, the time is coming when an accounting must be had, and I ask that the item go out of the bill.

Mr. REED subsequently said: Mr. President, I ask unanimous consent to print as a part of my remarks, as an addendum, the rule that has been promulgated by the Federal Food Administration for the District of Columbia specifying the things that people are to be permitted to purchase at grocery stores, quantities, and so forth.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

The following rules and regulations have been promulgated by the United States Food Administration and went into effect Monday, January 28, 1918:

Special rules 23 to 32, inclusive, are promulgated for the purpose of assuring an adequate supply and equitable distribution of wheat flour for purposes essential to the national security and defense and to the successful prosecution of the war. Under existing conditions, the present unrestricted distribution of flour is deemed to be clearly an unjust, unreasonable, and wasteful practice.

Rule 23. No licensee shall sell, use, or deliver to any person any flour other than the grade generally known as "second clear" or "low grade" for any purpose other than the manufacture of human food.

(A) MILLERS.

RULE 24. The licensee manufacturing wheat flour shall distribute his output, not sold to the Government of the United States, to the Food Administration, or for export through his customary markets and channels of distribution, in such manner that each of his customers receives his fair share thereof, and that during the three-months period from February 1, 1918, to April 30, 1918, and from May 1, 1918, to July 31, 1918, no town, city, State, or district receives from the licensee's mill more than 70 per cent of the amount it received in the corresponding quarter of the year 1917. He shall not seek new markets or channels of distribution, and sales of large quantities to new customers will be regarded, prima facie, as a violation of this rule.

RULE 25. The licensee manufacturing wheat flour shall not on and after February 24, 1918, sell or deliver to any person engaged in the business of baking bread or rolls any wheat flour, except whole-wheat flour, unless the buyer purchases at the same time, or the licensee satisfies himself that the buyer has purchased 1 pound of wheat-flour substitutes for every 4 pounds of wheat flour purchased.

Wheat flour substitutes for the purpose of this rule and of rule 30 shall include bran, shorts, and middlings, corn flour, corn meal, edible cornstarch, hominy, corn grits, barley flour, rolled oats, oatmeal, rice, rice flour, potato flour, sweet-potato flour, buckwheat flour, cottonseed

flour, milo, kaffir, and feterita flours and meals, soya-bean flour, peanut flour, casava flour, taro flour, banana flour, and other products of a similar nature.

In making any combination sales under this rule, or rules 26, 29, 30, and 31, the licensee shall name a price for each of the articles so sold, which shall not represent more than a normal prewar profit on any one of such articles.

Rule 26. No licensee manufacturing wheat flour shall, without the permission of the United States Food Administrator, sell or deliver such wheat flour to any retailer or consumer thereof unless the buyer purchases at the same time or the licensee satisfies himself that the buyer has purchased 1 pound of wheat-flour substitutes for every pound of wheat flour purchased.

Wheat-flour substitutes for the purposes of this rule and of rules 29 and 31 shall include hominy, corn grits, corn meal, corn flour, edible cornstarch, barley flour, rolled oats, oatmeal, rice, rice flour, buckwheat flour, potato flour, sweet-potato flour, soya-bean flour, and feterita flour and meal, or in case of whole wheat or graham flour containing at least 95 per cent of the entire wheat, six-tenths of a pound of wheat flour substitutes for every pound of such whole wheat or graham flour purchased.

(B) WHOLESALERS AND JOBBERS.

RULE 27. The licensee dealing in wheat flour at wholesale shall not, without the written permission of the United States Food Administrator, purchase for delivery to him during the three months' periods from February 1 to April 30 and May 1 to July 31, in 1918, more than 70 per cent of his normal requirements of flour for such period. The amount of purchases made in the corresponding three months' periods in 1917 will be regarded as prima facie evidence of such normal requirements.

RULE 28. The licensee dealing in wheat flour at wholesale should distribute the 70 per cent of his requirements, purchased in accordance with rule 27, through his customary markets and channels of distribution in such manner that each of his customers receives his fair share thereof, and that during the three months' periods from February 1, 1918, to April 30, 1918, and from May 1, 1918, to July 31, 1918, no town, city, State, or district receives from the licensee more than 70 per cent of the amount it received in the corresponding three-months' period in the year 1917. He shall not seek new markets or channels of distribution, and sales of large quantities to new customers will be regarded prima facie as a violation of this rule.

RULE 29. The licensee dealing in wheat flour at wholesale shall not, without the written permission of the United States Food Administrator, sell or deliver such flour to any retailer or consumer unless the buyer purchases at the same time or the licensee satisfies himself that the buyer has purchased 1 pound of wheat-flour substitutes for every pound of wheat flour purchased, or, in case of whole wheat or graham flour containing at least 95 per cent of the entire wheat, six-tenths of a pound of wheat-flour substitutes for every pound of such whole wheat or graham flour purchased.

RULE 30. The licensee dealing in wheat flour at wholesale shall not, on and after February 24, 1918, sell to any person engaged in the business of baking bread or rolls any wheat flour, except whole wheat flour, unless the buyer purchases at the same time or the licensee satisfies himself that the buyer has purchased 1 pound of wheat flour substitutes for every 4 pounds of wheat flour purchased.

Note to rules 25, 26, 29, and 30.—A certificate from the buyer that he has purchased a given quantity and kind of wheat flour substitutes, not balanced by other purchases of wheat flour, may be accepted as satisfactory evidence of the facts stated.

(C) RETAILERS.

RULE 31. The licensee dealing in wheat flour at retail shall not without the written permission of the United States Food Administrator sell wheat flour to any person unless such person purchases from him at the same time 1 pound of wheat-flour substitutes for every pound of wheat flour purchased, or in case of whole wheat or graham flour, containing at least 95 per cent of the entire wheat, six-tenths of a pound of wheat-flour substitutes for every pound of such whole wheat or graham flour purchased.

RULE 32. The licensee dealing in wheat flour at retail should distribute the flour which he receives as equitably as possible among his customers in such manner that no one of such customers shall receive more than his fair share thereof. He shall not without the written permission of the United States Food Administrator sell to individual consumers residing in towns or cities in quantities in excess of one-eighth to one-quarter barrel, nor to any individual consumer in rural or farm communities in quantities in excess of one-quarter to one-half barrel.

NOTE.—All retailers, whether licensed or not, must, in selling wheat flour, and all consumers must, in buying wheat flour, conform to the foregoing regulations. That is, the retailer, whether licensed or not, shall not sell wheat flour to any person unless such person purchases from him at the same time one pound of wheat-flour substitute for every pound of wheat flour purchased, or in the case of whole wheat or graham flour containing at least 95 per cent of the entire wheat, six-tenths of a pound of wheat-flour substitutes for every pound of such whole wheat or graham flour purchased.

The substitutes for wheat flour are corn meal, cornstarch, corn flour, hominy, corn grits, barley flour, rice, rice flour, oat meal, rolled oats, buckwheat flour, potato flour, sweet-potato flour, soya-bean flour, and feterita flours and meals. Any substitute or combination of substitutes may be used.

CLARENCE R. WILSON,
Federal Food Administrator for the District of Columbia.

Mr. UNDERWOOD. Mr. President, I will only detain the Senate a few moments in stating the position of the committee in reference to this item. In the first place, the Senate should bear in mind that the Appropriations Committee, except under extraordinary circumstances, and then without the rule, does not recommend creative legislation. Its purpose is to comply with the law, not to make the law. It is not the part of an appropriations committee to determine whether a law is good or bad or whether the authorizations made by law should be expended or not; but when it finds that the Congress has enacted laws that require the expenditure of money, it is its duty to recommend the appropriation of the money for that purpose.

Now, so far as the Committee on Appropriations in this instance is concerned, up to this hour it has had nothing whatever to do with the Food or Fuel Administration, either in the enactment of the law or in the appropriation of money for its carrying on. The money that was spent by Mr. Hoover before the food-control bill was passed came from funds that the Congress had placed in the hands of the President of the United States without limitation, and if the President saw fit, in his wisdom, to turn it over to Mr. Hoover for expenditure, it was a matter for the President to determine, and not for ourselves.

As to the appropriation of the money that has been spent since the enactment of the food and fuel control law, it came from other sources than the Committee on Appropriations, and is the law of the land. On the 10th day of August, 1917, the Congress passed and the President approved an act "to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel." It is under that law, and under that law alone, that Mr. Hoover has secured his rights and his powers and the money that has been expended up to this time.

In the first place, this bill of August 10, 1917, appropriated $150,000,000 to be turned over by the President to the head of the Food Administration for the purpose of conserving and controlling the wheat supply of the country. It also appropriated $10,000,000 to authorize the purchase of nitrogen for the benefit of the farmers of the country. Neither of these items had anything to do with the appropriation that is contained in this bill. But there was a third item that has all to do with the item now under consideration, and if you will refer to section 18 of that enactment you will find that it reads as follows:

That the sum of $2,500,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be available until June 30, 1918, for the payment of such rent, the expense, including postage, of such printing and publications, the purchase of such material and equipment, and the employment of such persons and means, in the city of Washington and elsewhere, as the President may deem essential.

It is under that clause in this bill that these powers were exercised. It is under that clause in this bill that this money has been expended. Now, I said some days ago that I recognized that in the first days of the war it was necessary for the Congress to pass speedy, sometimes ill-considered and unguarded legislation, and this bill was one of those measures. It came in the very inception of war, when Congress was under a strain to meet war conditions, and there may not have been the time at hand to carefully analyze, to point out the details, to put the safeguards in this measure to protect it; and the necessity for speed may have required the appropriation of money in the legislation itself instead of making the authorization and allowing the Appropriations Committee to handle the appropriation. But be that as it may, the Appropriations Committee of the Senate has nothing to do with the law. It has no power to change the law, except by unanimous consent of the Senate. It is not the tribunal or the forum in which that question is tried. All we have to do is to take the law as it is; and when the departments estimate what is necessary to be expended to carry on the work, if the estimate comes within the terms of the law, it is our duty to report the appropriation.

Now, what does this say? Mark you, in the legislation under which we must operate there is no limitation. It says that this money is appropriated and these powers are given—

For the purpose of such rent; the expense, including postage, of such printing and publications; the purchase of such material and equipment; and the employment of such persons and means, in the city of Washington and elsewhere, as the President may deem essential.

It does not say where the expenditure of money for postage and speeches and printing shall be made, nor is there any limitation fixed by law on that expenditure. The Congress has already granted this authority. It is an enactment of the law. The Congress makes no limitation on the number of persons employed. Under the terms of this act they can employ a million men.

Ordinarily I do not justify legislation of that kind. I say the time has come now, if Congress is going to legislate, when it should put in each bill the checks and balances necessary to protect the American people and to protect the Treasury of the United States. But you know and I know that this bill was passed under whip and spur. It was passed at a time when the Congress did not have the chance to pause and consider as it might do at this time; or, if it had the time to pause and consider, it did not pause and consider; and that is the law.

I shall not attempt to defend the expenditures to which the Senator from Missouri has referred. They were not authorized by the Appropriations Committee. They did not secure the money from that source. They were undoubtedly within the

law, and their continuation is within the law if the Congress cares to keep the law on the statute books. Really, as a matter of fact, the principal work of the Food Administration, so far as the expenditure of money is concerned, is in a propaganda to encourage the American people to do certain things that the Food Administrator deems necessary in order to conserve food products. The only question involved here is the question as to whether you are going to allow the law to be operative, or whether you are going to strangle it in an appropriation bill.

That is the only issue. This is the law. No man can deny the law. The organization is already perfected and working, and no man can deny that money is being expended along the lines of this organization, and honestly expended; because, whether Mr. Hoover has spent his money wisely or unwisely, he has certainly given the Congress of the United States a full and complete and ample statement of every dollar that he has expended.

I am not here to defend Mr. Hoover's expenditures. He is amply able to defend himself; and, more than that, I am not provided with the information to answer in defense. I never met Mr. Hoover but once, and that was many, many months ago. He has not been before the committee, and I am not prepared to give his reasons for the necessity of expending this money. The sole question before the Senate to-day is as to whether you are going to indirectly throttle the Food Administration by cutting off this appropriation, or whether you are going to make an appropriation that is within the terms of the statute as it is now provided by law. As a matter of fact, this has been duly, properly estimated for.

Mr. TOWNSEND. Mr. President, may I ask the Senator a question?

Mr. UNDERWOOD. Certainly.

Mr. TOWNSEND. Did not the committee investigate and determine how the money was spent?

Mr. UNDERWOOD. The House committee went into a full investigation of the matter, and reduced the estimate from $2,000,000 to $1,750,000; and as the Senate committee were satisfied with their work on the subject, they did not open it or change the item at all, and therefore, of course, made no further investigation. It is usual, where the Senate Appropriations Committee is satisfied with an item that the House has already worked through, not to reopen it, because if we reopen every House item we would never get through with our work.

The only question before the Senate is this: If the majority of the Senate of the United States think these appropriations are unwise, then they are unwise because the law is unwise. The proper way to go at it is to repeal the law, not to stop the appropriations. If a majority of the Senate are now dissatisfied with the Food and Fuel Administration law, then there is the regular and proper way to get it off the statute books—namely, by introducing a bill for its repeal. But if the law is on the statute books, properly there, and the proposed expenditures are within the terms of the bill, there was nothing else to do but for the Appropriations Committee to propose the authorized appropriation and allow the Senate to determine the question for itself. I myself believe that if you are going to continue the law you ought not to continue it in a way that will only create a deficit that must be paid some day in the future, but you ought to appropriate the money as you go along. If you do not want to continue the law, then repeal the law, but do not strike down the appropriation.

Mr. REED. Mr. President, let me just say this:

While the law authorizes certain things to be done and has not placed a limit, of course Congress always has the right, when it comes to an appropriation, to limit the appropriation. That right of control never leaves Congress; and it does not follow that the whole Food Administration law should be stricken out if you do not give this $1,750,000. It simply means that there would have to be some curtailment of expenses.

I am sure the Senator did not mean to state that so broadly.

Mr. UNDERWOOD. But I was debating the matter from the standpoint of the Senator's motion. This is a deficit.

Mr. REED. Oh, no.

Mr. UNDERWOOD. This money is appropriated for the expenditures that are needed between now and the 30th of June.

Mr. REED. I beg the Senator's pardon; the money, as I read it, is not a deficit at all. The Senator wants to get this right, as he does everything else, and I call his attention——

Mr. UNDERWOOD. I call the Senator's attention to the fact that this money is appropriated for one year only, and that is the fiscal year 1918. That year ends on the 30th of June next, and that is the limitation on the item on page 4 relating to the Food Administration. So it is presented to us with an estimate, and the appropriation appropriates it, for the use of the Food and Fuel Administrators for the balance of this fiscal year.

Mr. REED. No, Mr. President. Here is the table. I call attention to the summary appearing in the House hearings on page 1152. The total appropriations are $5,515,000. The disbursements are $1,985,429.08. The incumbrances—which, as I have stated, and which the evidence shows, are obligations that have been incurred there—are $2,272,383.22. The available balance is $1,257,950.23.

Now, they have that available balance, as I read this testimony, to run them until the next appropriation bill. They may think that they want more. They may think that they want to continue this extravagant and wasteful use of money; but it does not at all follow that the Congress is obliged because it has passed this law to continue to authorize these expenditures. I grant you that when the expenditures have been incurred, if this is to meet past bills, we will have to pay them. This is not, according to the statement that I have before me, to meet past bills at all.

Mr. UNDERWOOD. If the Senator will allow me, I find that about the middle of page 1150 of the House hearings it seems to be made clear. The chairman said:

That evidently is without taking into the account the allotments that have been made by the President?

Mr. HOOVER. Yes.

The CHAIRMAN. Because this would show a total of a little over $3,000,000;

Mr. HOOVER. The expenditures up to January 31 are $1,985,429.08 from all appropriations, in addition to which we have what we call incumbrances—that is, bills receivable, the continuation of our present rate of pay rolls, etc.—to carry us to the 30th of June on all appropriations, amounting to a further $2,272,383.22.

I suppose the word "sum" should be put in there, although it is not in the text.

The CHAIRMAN. Is that in addition to your $1,985,429.08?

Mr. HUTTERLY. Yes, sir.

Mr. CANNON. That is the unexpended amount for the balance of the year?

Mr HOOVER That is based on the salary roll as at present, and on the present basis of all funds except the completion of buildings and foreign representation.

The CHAIRMAN. Of course, the $1,985,429.08 represents more than salary expenditures?

Mr. HUTTERLY. Oh, yes, sir; it represents purchase orders, traveling expenses, and all of our operations. It also includes $334,104.99 of the cost of the buildings so far completed, out of a total of $600,000 building allotment from the President—

Which clearly shows that there is a deficit——

Mr. REED. Oh, no.

Mr. UNDERWOOD (continuing). That they are required to have additional money to run their establishment up to the 30th of June, and that this is not for additional money, but it is required to take care of the situation up to that time.

Mr. REED. Mr. President, the Senator is too candid a man to want to have anything understood except absolutely what the facts are.

Mr. UNDERWOOD. To be sure; but I have read the facts.

Mr. REED. And the Senator has misapprehended this testimony, as I think I can show him. Now, I ask him kindly to go back to the middle of the page, a little further back than he did, beginning at the middle of the page. I read this simply for the context:

The CHAIRMAN. If you can, I wish you would give the committee a summary of the financial situation under these appropriations.

Mr. HOOVER. We had total disbursements as of January 31 amounting to $1,985,429.08.

The CHAIRMAN. Is that under both services?

Mr HOOVER. That is under all of our operations.

The CHAIRMAN. The operations of both the Food and Fuel Administrations or just one administration?

Mr. HOOVER. For both administrations—the Food and Fuel Administrations.

The CHAIRMAN. That leaves an available balance of how much?

Mr. HOOVER. That leaves us an available balance under all appropriations of $1,208,150.23.

To get the explanation of that will the Senator turn over the page to the bottom of page 1152? I call his attention to the summary of appropriations and allotments and to the next to the last item under the head of "Appropriations," which is $5,515,000. Under the head of disbursements the total is $1,985,429.08. That is what they have expended. Then comes the next item, which is incumbrances. That is $2,272,383.22. There is all that they have expended and all they have bound themselves to expend; and it leaves that available balance of $1,257,950.23 to run them to the end of the month of June, after taking care of all the expenses and of all of the incumbrances. Now, the question is, without any other evidence than that, Are we to give them a million and three-quarters more of money. I surely can not be mistaken in reading that. If I am, I want to be set right.

Mr. UNDERWOOD. I think the Senator is mistaken, although I may not thoroughly grasp the situation from the figures to which he has called my attention.

Mr. REED. Let me state it again.

We gave them $5,515,000. You will find that at the bottom of page 1152. They have disbursed $1,985,429.08. They have in-

cumbrances—that is, they have incurred obligations—to the amount of $2,272,383.22. The aggregate of those two things taken together, subtracted from the $5,515,000, leaves on hand unexpended and unincumbered an available balance of $1,257,950.23; and in the testimony you will find that the chairman, at the bottom of page 1150, asked this question, which elucidates the matter:

From the statement you have just handed to me it appears that you had a total appropriation for the Food and Fuel Administration of $5,515,000; that out of that there has been an actual expenditure of $1,985,429.08; that there are now obligations, or what are called here incumbrances, of $2,272,383.22, leaving what you designate as an available balance—and what we frequently speak of as a free balance—of $1,257,950.23.

Mr. HUTTERLY. Yes, sir.

The CHAIRMAN. That is predicated upon your existing organizations at the present time?

Mr. HUTTERLY. Yes, sir.

I think that makes it pretty plain that they have got that much money.

Mr. UNDERWOOD. I can very much better answer the Senator in Mr. Hoover's own words as to whether this money is called for as a deficiency under this bill; and, of course, it is a deficiency, because after the 30th of June they can not expend the money if we appropriate it in this bill. If it were a permanent appropriation that Mr. Hoover desires, he would have gone to the sundry civil bill, to carry it through next year. But he comes on this deficiency bill and the appropriation is limited. If he does not spend the money between now and the 30th of June, it goes back into the Treasury.

Mr. REED. I understand; but there will be no trouble about that.

Mr. UNDERWOOD. The Senator means there will be no trouble about his spending it?

Mr. REED. Not at all.

Mr. UNDERWOOD. Well, then, he needs it; at least, he thinks he needs it.

Mr. REED. That is a different question.

Mr. UNDERWOOD. On page 1168, here is what Mr. Hoover said about these expenditures:

The CHAIRMAN. So what you must contemplate, assuming that you will need all of your available balance and all of your estimate of $2,000,000, is an increase in expenditure of nearly 200 per cent?

Mr. HOOVER. We want to increase in the Food Administration our State expenditures about $200,000 per month—that is, nearly a million dollars. There is also an implied expenditure by our organization here of half a million dollars in five months. My own estimates were about $1,000,000 in five months in the States and an expenditure of about $500,000 over and above our present rate of expenditures here, if we have to take transportation and those other problems. Now, Dr. Garfield comes along with a desire for a large expansion in the Fuel Administration, which we are not answering for.

In addition to that, let me say to the Senator that my understanding is that although this sum is lumped—the item contained in this bill under the Food and Fuel Administration headline—one-third of this appropriation goes to the Fuel Administrator.

Mr. REED. No; not that much.

Mr. UNDERWOOD. That is the understanding.

Mr. REED. Of this particular item?

Mr. UNDERWOOD. Of this particular item. Our understanding is that one-third goes to the Fuel Administration and the other two-thirds goes to the Food Administration. So that reduces the proportion that Mr. Hoover would get under this appropriation to a little less than $1,200,000.

Mr. REED. Now, coming back to that question we were discussing, since we are having this good-natured colloquy—as the Senator from Alabama and myself always can have—I think the Senator will now agree that the statement he has just made clearly shows that the money that is now asked is an additional appropriation in order to take care of a contemplated increase that Mr. Hoover proposes to make, because he says:

The CHAIRMAN. So what you must contemplate, assuming that you will need all of your available balance and all of your estimate of $2,000,000, is an increase in expenditure of nearly 200 per cent.

Mr. HOOVER. We want to increase in the Food Administration our State expenditures about $200,000 per month—that is, nearly a million dollars.

Then he goes on to state that there is also an implied expenditure, and so forth.

Mr. UNDERWOOD. I agree with the Senator about that. It is not all for an increase; but at least a part of the $1,200,000 is for an increase—an expansion—not of new work, but of the work that he is already engaged in in the State administration.

Mr. REED. It is for the expansion of the work in the States, he tells us, and then an expansion in Dr. Garfield's department; but in both cases it is new expansion work. Therefore, the question we now want to settle is this: On this sort of showing, are we satisfied to give him this $1,750,000 to be expended in extending and expanding the work that he has been doing in the past? If he has enough money now to conduct the part of the work that we think ought to be conducted, then we ought not to give him more money.

Mr. UNDERWOOD. That is a question for the Senate to determine.

Mr. REED. I am trying to answer the Senator's argument; that is all.

Mr. UNDERWOOD. The object of the committee was to report this appropriation when it came to us as a deficiency, and it was shown that the purpose of the deficiency was to carry out an authorization made by Congress.

Mr. REED. I will make just this one brief statement in reply: I am not criticizing this committee at all, and I have not criticized it in any way. I simply took this item. In the Senate committee it evidently had no investigation, and I do not criticize them for that, because I know the Senate committee can not go into every item that comes over from the House. But I have taken the trouble to look into these accounts and see the use to which our money has been put; and now the question is, Are we going to increase the million and a quarter that is already there and that they will have to run them until June, when the new appropriation will come, by $1,750,000 in order to expand their activities? I am willing to submit the question in that form.

The PRESIDING OFFICER (Mr. WARREN in the chair). The question is on the amendment of the Senator from Missouri, which is to strike out the language of the House text on page 4, from line 9 to line 21, inclusive.

Mr. WADSWORTH. May I ask a question of the Senator in charge of the bill? Can the Senator state whether the committee has been informed how many persons are employed by the Food Administration?

Mr. UNDERWOOD. No; as I stated to the Senator from Missouri the Appropriations Committee of the Senate accepted the House item, as the investigation seemed to have been pretty thorough in the House on that subject. We merely accepted the House hearings and did not make an independent investigation of our own, as is done in many items. I do not think the House hearings disclosed the number of employees; at least I could not say with definiteness. It is long, and I could not run through it at this time, and I do not recall that it was given there.

Mr. WADSWORTH. Does the Senator know whether the employees are under the civil service, all of them?

Mr. UNDERWOOD. My understanding is that the employees under the Food Administration, most of them, at any rate, are not under the civil service. It is my understanding that they are not civil-service employees.

Mr. WADSWORTH. Does the Senator know what this extension work in the States means? Apparently a million dollars of this appropriation is to be spent in that way. Does that mean more employees, or is it in printing and publicity work?

Mr. UNDERWOOD. Under the Food Administration act Mr. Hoover has or assumes that he has power to regulate prices to a certain extent and to control production, but he has no power to coerce saving, and under the law the only way he can accomplish that result is through a propaganda to encourage people from patriotic motives to save food supplies. My understanding is that the organizations in the States are largely along that line, although I think they operate to some extent along the other line. Mostly I think it is toward having public meetings, publications of information in the papers and pamphlets, and agents to go out and see the people to try and get them to put Food Administration cards in their windows, stating that they observe the recommendations of the Food Administration in reference to the conservation of food. I think it is along those lines that this money is being expended to a large extent.

Mr. WADSWORTH. The information is rather indefinite. I suppose it can not be helped in these war times.

Mr. UNDERWOOD. I will say candidly, although I did not rise for the purpose of defending Mr. Hoover, because I am not sufficiently informed to do so, I am not in touch with the administration and he has not seen fit to put before myself or the Senate committee any information on the subject; but so far as I am concerned I am not nearly as much opposed to the use of money to encourage people through patriotism to save and support the Government as I am to those laws which seek to use the strong arm and force the people of the United States to do things which may not be necessary.

When the people of the United States, in response to their patriotism, which has been aided by propaganda of Mr. Hoover, see fit to say we will have meatless days and wheatless days, that is only a response to patriotism, no one forces it upon them, and I think that is really good work. I do not know but it is the best work that is being done in the war. It certainly does not curtail the liberty of any citizen of the United

States. When a man does without his food in order to encourage the soldiers on the battle line it seems to me that more soldiers are likely to go to the front.

Mr. WADSWORTH. I am not out of sympathy with one of the purposes just referred to by the Senator from Alabama, namely, the encouragement of the citizens of this country to bring about saving in order that more wheat or flour may be sent across the ocean. I can not agree, however, as to meatless days, for they have done a very grave injury to the production of live stock in the United States and we are not saving any meat for our allies.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. WADSWORTH. I yield.

Mr. SMOOT. In answer to the question asked by the Senator as to the number of employees in the Food Administration, I will state that the only testimony that was given was given by Mr. Hoover before the House committee. He does not give the number of employees, but states the amount that was paid monthly for salaries in Washington, and that amounts to $185,000 per month, roughly speaking, as testified to by Mr. Hoover.

Mr. WADSWORTH. That is in Washington.

Mr. SMOOT. In Washington.

Mr. WADSWORTH. Does the Senator know approximately the average salary?

Mr. SMOOT. No; if I did, I could tell the number of employees.

Mr. WADSWORTH. I will wait until next year.

Mr. TOWNSEND. Mr. President, I have not recklessly criticized the Food Administration, because I have known very little about it and have wished for it success. I have had, however, very many complaints both against the food department and the fuel department. All Senators have had the same experience, and it seems to me that these complaints have been sufficient to have induced the Committee on Appropriations to scrutinize very carefully this particular appropriation. Such scrutiny was due to both the Government and the administrations.

I do not wish to pose as a critic, and yet when the committee itself says it did not look into the matter at all, but accepted the work of the House committee, which it appears did not investigate the matter very extensively, either, I feel as though I am justified in stating that the Senate has not been furnished with the information it ought to have on this important question.

I am convinced by the colloquy between the Senator from Alabama [Mr. UNDERWOOD] and the Senator from Missouri [Mr. REED] that this is not in the proper sense a deficiency need. The appropriation is not necessary for the operation of food control. It does not affect the existence or the usefulness of the Food or Fuel Administration. Money sufficient has been appropriated to meet the demands that were estimated for at the time the original bill was passed. There is over a million dollars on hand now, and the testimony shows that amount to be quite enough to carry out the work of the administration as originally planned. Its obligations have been met. Its work is unimpeded by lack of funds.

I would not vote at this time to interfere with the efficiency of the Food Administration, many as have been the complaints made against it, because I feel that there was need for something to be done, and I am not ready to condemn it unqualifiedly; but I do not think it is quite fair to present at this time a proposition in the nature of a deficiency appropriation which is not such in fact.

There is no deficiency in the Food and Fuel Departments today, and there will be none by June 30 next unless enlarged plans are adopted before the end of the year, and unless I know more than the committee seems to know about those plans I can not vote this nearly $2,000,000.

I rose simply to say that I do not wish to be understood as voting against the Food Administration, and in voting against this appropriation I do not regard myself as voting against the proper administration of that department. I can not, however, force myself to vote for an appropriation under the guise of an emergency or deficiency which is not that. Before Congress enlarges its plans for food and fuel control we should be quite sure that what has been done has been beneficial and that the additional millions of appropriations are to be used for the good of our country and its cause. The committee should have obtained and presented information to the Senate before it asked for this misnamed deficiency appropriation.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Missouri [Mr. REED] to strike out the paragraph of the bill on page 4 from line 9 to line 21, inclusive.

The amendment was rejected.

Mr. UNDERWOOD. Mr. President, I desire to offer an amendment which has come since the bill was reported to the Senate and which was not before the committee, but I have consulted the chairman about it and it is of such importance that I think it ought to be called to the attention of the Senate. On page 21 there is an item carried which reads:

> For the control of malaria, cerebrospinal meningitis, and other communicable diseases in the areas adjoining military and naval reservations, and for the control of venereal infections, in order properly to safeguard the health of the military forces, including personal services, $500,000, to continue available during the fiscal year 1919.

That was placed in the bill by the House, but since the committee reported the bill I have been informed by the Public Health Service that some of the main trouble in reference to this health situation is not around the camps and cantonments but is at Government reservations and Government works where the laborers are living, because of the congested condition of the population and the health conditions surrounding them that need this work to be done, if anything more so, around the public works, shipbuilding, and nitrate plants, and other plants of that kind, than even at the cantonments.

Therefore I move to amend the section by inserting the following amendments, which I send to the desk. I ask the Secretary to read the first amendment.

The PRESIDING OFFICER. It will be read.

The SECRETARY. On page 21, line 21, after the word "reservations," insert "and on or adjoining other Government reservations or works for the protection of the civil population," so as to read:

> For the control of malaria, cerebrospinal meningitis, and other communicable diseases in the areas adjoining military and naval reservations and on or adjoining other Government reservations or works for the protection of the civil population—

And so forth.

Mr. GALLINGER. Mr. President, I will inquire of the Senator from Alabama whether this is to be followed by an amendment increasing the appropriation?

Mr. UNDERWOOD. Yes. I intend to ask, at the suggestion of the bureau, for an additional appropriation of $25,000. It does not largely increase it, nevertheless they say that it will be necessary.

Mr. GALLINGER. That is not very large. I am astonished that they were so modest, because I have never found a department or bureau of the Government that thought money enough was appropriated to do anything. My own judgment is that there is money enough appropriated in the bill to accomplish the result, but, as the addition is so slight, I am not going to object.

Mr. UNDERWOOD. They stated that $25,000 was the minimum sum that they could get along with, and I accepted the minimum sum instead of the maximum.

Mr. GALLINGER. It is absolutely impossible for them to know that fact. They can not know it. The Senator will agree with me on that point. It is a guess at best.

Mr. UNDERWOOD. I agree with the Senator, but I realize that in the great shipbuilding and nitrate plants and other public works it is just as necessary, and more so, to protect the health of the community and keep the workmen there as it is in the cantonments.

Mr. GALLINGER. I agree with the Senator on that point; but the Senator from Utah [Mr. SMOOT], who keeps better informed than I possibly can do on the matter of appropriations, says that $500,000 is appropriated in the bill already for that purpose.

Mr. UNDERWOOD. There is $500,000 appropriated, but they think it requires an additional amount.

Mr. GALLINGER. Twenty-five thousand dollars, of course, is negligible; and yet I think it is an absurd addition to a $500,000 appropriation.

Mr. UNDERWOOD. I am inclined to agree with the Senator about that. I think it is important for $25,000 to protect the health of the civil population that must be around the work that must go on at the shipbuilding and nitrate plants and the other great industries. If the Government is going to prepare for war, I do not think we can hesitate on an appropriation of $25,000 when it looks like we are going to spend $25,000,000,000 before we get through.

Mr. SMOOT. I wish to say to the Senator that I think most of the money appropriated ought to be spent other than the places enumerated in the bill, for which $500,000 is appropriated. In my opinion, the most of the money should be spent for preventing diseases at the places enumerated in the Senator's amendment, rather than those that are enumerated in the bill.

It does seem to me that an outrageously large amount was appropriated in the House; perhaps it is now intended to take half the money appropriated by the House and use it for the purposes specified in this amendment.

Mr. UNDERWOOD. I can not say as to that; but they do say that $25,000 is the minimum they can get along with, and it is very small in comparison with the balance. I think it is the part of wisdom to let them have it.

Mr. SMOOT. They could get along with $500,000 by just adopting the amendment already offered.

Mr. UNDERWOOD. Possibly that is true, but I do not think we ought to take chances on it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama.

The amendment was agreed to.

Mr. UNDERWOOD. I have another amendment to offer.

The PRESIDING OFFICER. It will be stated.

The SECRETARY. In line 15, on the same page, strike out "$500,000" and insert "$528,000."

The amendment was agreed to.

Mr. MARTIN. Since the bill was reported to the Senate I have had a letter from the Secretary of the Treasury asking for an increase in the appropriation for the Public Health Service. On page 20, line 22, I move to strike out "$20,000" and insert in lieu thereof "$30,000." The Secretary of the Treasury has explained it by saying it has become necessary to open additional wards in many hospitals in order to take care of men at the military posts of the United States. I present it from that point of view. It is not perhaps very regular, but I think we ought to give this additional amount. I move to amend by increasing it to $30,000.

Mr. SMOOT. I did not hear where the Senator wanted to insert the amendment.

Mr. MARTIN. The Secretary will state it.

The SECRETARY. On page 20, line 22, strike out "$20,000" and insert "$30,000," so as to read:

For fuel, light and water, $30,000.

The amendment was agreed to.

Mr. CALDER. Mr. President, I offer an amendment, and ask to have it read.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. On page 96, after line 12, insert:

Assistance to Senators: For an additional clerk for each Senator for the period of the war and six months thereafter, which is hereby authorized, at the rate of $1,500 per annum, from April 1 to June 30, 1918, $36,000.

Mr. MARTIN. Mr. President, I think an arrangement will be made for all necessary clerks. Surely this is not the proper place for it, and I am surprised that the Senator should offer it. The chairman of the Committee on Contingent Expenses sent to me to-day an amendment to increase the contingent fund in order to provide for increased expenditures; but surely we ought not to be expected to take up the matter of additional clerks to Senators on this bill. It is not a deficiency in any sense.

Mr. CALDER. I regret that the Senator is surprised at my offering the amendment. I have looked carefully through the pending bill and I find that appropriations are authorized aggregating over $5,000,000 for additional clerk hire and other employees in the different departments of the Government. Mr. President, I pay out of my own pocket for the services of two clerks, and a number of other Senators also employ such additional clerks. Not only that, Mr. President, but some Senators are permitted to pay their clerks higher salaries than are others. I am allowed $2,000 a year for my first clerk, while most Senators—two-thirds of them, in fact—are allowed $2,200 for their first clerks. I am allowed $1,200 for my second clerk, while some other Senators are allowed $1,440. So it seems to me that when department heads can come here and ask and Congress authorizes additional funds to pay for their necessary clerks Senators have a perfect right to do likewise.

The work in my office has doubled. It is impossible for me to keep abreast of it without this additional help. I do not know how many other Senators are in the same position, but I know many are. If the Senate is not disposed to appropriate for clerks for all Senators, at least some provision should be made for help for those Senators who need it. I know that it is unusual to offer an amendment of this kind to this bill, but it seems to me the situation is unusual. I hope that the chairman of the committee, the Senator from Virginia [Mr. MARTIN], will not object to the amendment.

Mr. MARTIN. Mr. President, I have not the slightest idea that if this amendment is adopted by the Senate it can be maintained in conference. I am satisfied the Senator is injuring the very object which he has in view. I told him there was a plan on foot—that the chairman of the Committee on Contingent Expenses has a resolution attempting to provide for this matter. Whether or not he can do it I do not know, but it is certainly more appropriate to be provided for in that way than on this bill. The Senate may make any disposition of this matter that it sees fit. I do not desire to combat the amendment; on the contrary, I am anxious to meet the views of Senators like the Senator from New York in a fair, equitable way and in the proper place, but if he wants to inject it here in a way which I think is improper he can do it, and the Senate can do as it sees fit.

Mr. CALDER. Do I understand the Senator from Virginia to say that a movement is in contemplation to provide for the clerks for Senators who need them?

Mr. MARTIN. The chairman of the Committee on Contingent expenses has a plan to increase the contingent fund of the Senate in order to enable this difficulty to be bridged over. He showed me a resolution which he was going to offer. Whether he will succeed in it, of course, I can not guarantee, but I believe there is a general disposition to give relief where it is really necessary. If, however, the Senator from New York wants to put it on this bill it is up to the Senate; I have nothing to say about it one way or the other. I have no idea, however, of being able to sustain it in conference.

Mr. THOMAS. I should like to ask the Senator from New York a question before he sits down.

Mr. CALDER. Very well.

Mr. THOMAS. I merely wish to ask what number of clerks the Senator from New York now has?

Mr. CALDER. I have five.

Mr. THOMAS. That is two more than I have.

Mr. CALDER. I am allowed but three clerks, I will say to the Senator from Colorado, and I am paying for two others out of my own pocket.

Mr. THOMAS. Of course, my inquiry had reference to the Senator's official force.

Mr. CALDER. I am allowed three clerks, I will say to the Senator.

Mr. SMOOT. Mr. President——

Mr. CALDER. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, this question must be met before very long, and I think that it ought to be met by the Committee to Audit and Control the Contingent Expenses of the Senate. There has been trouble in the past when we legislated to authorize a new clerk for any particular committee, that perhaps in three months the Senator holding that committee chairmanship would be given another committee, a change would be made in the chairmanship, and some other Senator who would not require the number of clerks that the former Senator required would succeed him and have more clerks provided than he needed, while a Senator who really did need the clerks could not have them. I know the Senator from New York represents a constituency of nearly 10,000,000 people.

Mr. CALDER. Eleven million, I will say to the Senator.

Mr. SMOOT. The Senator from New York says his constituency consists of 11,000,000 people. His mail must necessarily be larger than that of Senators from most of the other States. Another thing, he lives close to Washington, and he has naturally numerous calls from his constituents, where other Senators have but few. The Senator from New York has discussed this matter with me several times as a member of the Committee to Audit and Control the Contingent Expenses of the Senate.

I will say to the Senator that the reason there has been no action taken in his case is that up to about three weeks ago it was understood that there was to be some policy adopted in reference to this matter, but evidently that has been abandoned. I now suggest to the Senator from New York that he introduce a resolution and have it referred to the Committee to Audit and Control the Contingent Expenses of the Senate, asking for an additional clerk, or for two additional clerks, if they are absolutely necessary. That committee will meet and will agree upon some policy which is to be hereafter pursued.

I myself think that almost all Senators, when it is understood that we are going to grant additional clerks other than those provided for in the legislative appropriation bill, will ask for additional assistance.

Mr. MCKELLAR. If the Senator will yield, as I understand the situation the Committee to Audit and Control the Contingent Expenses of the Senate have not now the money, but, of course, an additional sum will have to be appropriated for the use of that committee before any plan can be adopted. I am rather inclined to think that the Senator from Utah is entirely correct, and that it would be better to take the form that he has suggested, that a sum of money be appropriated by the Appropriations Committee for the use of the Contingent Expenses Committee of the Senate.

Mr. OVERMAN. If the Senator will yield to me a moment, I desire to say that I do not believe in doing business in that way, in appropriating money for the contingent fund, and then taking that money to pay clerk hire. I think we ought to fight this matter straight from the shoulder, if we are going to fight it at all. The place to introduce the amendment, I will suggest to the Senator from Utah, is on the legislative bill, which will be here next week. Such amendment does not belong on a deficiency bill, because there is no deficiency. If, however, we are going to change our policy, the legislative bill is the place on which to put such an amendment. If the Senator will offer an amendment intended to be proposed by him to the legislative bill and have it referred to the Committee on Appropriations, I assure him that every member of the committee will be glad to give it consideration. I repeat, however, it does not belong on this bill.

Mr. SMOOT. Mr. President, of course, whenever such an appropriation is provided for in the legislative appropriation bill, it goes to the committees and not to an individual Senator. I have sometimes thought it would be better to make a direct authorization of certain clerks to certain Senators, and not to the committees themselves. I think the matter will have to be worked out in some such way.

In relation to the appropriation the Senator from Tennessee [Mr. MCKELLAR] speaks of, that will have to be taken care of, and that can be taken care of in the next deficiency bill. I will say to the Senator that we shall have three or four more of them, in my opinion, before the session closes.

Mr. MCKELLAR. Mr. President, from my examination of the matter, if the Senator will permit me, I think that is the only way it can possibly be arranged, from what I know of the situation.

Mr. SMOOT. I think, Mr. President, that there is perhaps now an amount sufficient in the contingent fund of the Senate to take care of a few such cases until the next deficiency bill comes, but not very many cases I will say.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Washington?

Mr. CALDER. I yield to the Senator.

Mr. JONES of Washington. I desire to suggest to the Senator from Utah that I introduced an amendment yesterday, which I expect to propose to the legislative appropriation bill, changing to a certain extent the manner in which we have been making these appropriations and providing that appropriations shall go to clerks for Senators in certain cases rather than to insignificant committees, as we have provided heretofore. It does not probably fully cover the situation of the Senator from New York, however, because it simply treats all Senators alike.

Mr. SMOOT. I know that the Senator from New York is in the condition which he says he is, and I know that, with the three clerks which he has and with the amount of business which comes to him, particularly during this war time, it is impossible for him to properly attend to his correspondence.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him?

Mr. CALDER. Certainly.

Mr. GALLINGER. I assume that at least one of the so-called three clerks of the Senator is a messenger.

Mr. CALDER. He is called a messenger, but I have no messenger. In my office the messenger is a stenographer.

Mr. GALLINGER. I understand he takes the place of the messenger who is assigned in the case of certain committees.

Mr. CALDER. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New York.

Mr. CALDER. Mr. President, in bringing this question up to-day I am not only speaking for myself, but for other Senators from the larger States. I venture the statement that at least 20 Members of this body are employing clerks and paying for them themselves. That is unjust; it is not right. Provision should be made for the payment of such clerks. If the Secretary of War wants additional clerks we do not ask him to pay for them out of his own pocket, nor do we ask any other executive department to do so; nor should Senators be asked to pay for their clerical help themselves. Those of us who come from the larger States have unusual demands upon us in war times, and particularly those of us who come from near-by States. The State which I have the honor in part to represent has as large a population as 19 of the smaller States put together, and it is unreasonable that we should not have the necessary help.

I am not going to insist upon the amendment, Mr. President, but I am going to ask the chairman of the Appropriations Committee, before the legislative appropriation bill is reported, to give me an opportunity to appear before his committee and discuss this question with the committee, in the hope that we can arrive at some basis of settlement of this matter which will be fair to all. I now withdraw the amendment.

Mr. MARTIN. The Senator will certainly have that opportunity. I will send for him when the bill comes before the committee.

The PRESIDING OFFICER. Does the Senator from New York withdraw the amendment?

Mr. CALDER. I do.

Mr. ASHURST. I desire to offer an amendment, and ask that it be read. I will then make a very short statement regarding it.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 78, after line 20, it is proposed to insert the following:

INDIAN SERVICE.

For support of Indian day, boarding, and industrial schools during the fiscal year ending June 30, 1918, in addition to the general and specific appropriations made for that purpose in the act approved March 2, 1917 (39 Stats. L., pp. 969–993), the sum of $250,000, or so much thereof as may be necessary to prevent the closing of said schools or the creation of deficiencies in appropriations because of the increased cost of supplies to be immediately available: *Provided*, That the operation of the act of September 7, 1916 (35 Stats. L., p. 741), limiting annual expenditures for support and education of pupils in Indian schools to $200 per capita, is hereby suspended during the fiscal year ending June 30, 1918: *Provided*, That no part of this sum shall be expended upon improvements or used to increase the compensation of employees.

Mr. ASHURST. Mr. President, it will be recalled that some two or three hours ago the Senate disagreed to the amendment reported by the Committee on Appropriations proposing to strike out that portion of the bill comprehended within line 21, on page 78, down to and including line 17, on page 79. This amendment does not propose to change the amount carried by that amendment, either by way of increase or decrease, but simply is a draft of the provision on the same subject reported in the Indian appropriation bill. I have been advised by the Interior Department that the House text is not appropriate for the purpose contemplated. I simply wish to have agreed to the provision as reported in the Indian appropriation bill. So my motion is to strike out all commencing in line 21, on page 78, down to and including line 17, on page 79, and insert that which the Secretary has read.

Mr. MARTIN. Mr. President, it is entirely agreeable to me for the language now in the bill to be stricken out and the amendment offered by the Senator from Arizona to be inserted.

Mr. SMOOT. Mr. President, I wish to ask the Senator from Arizona a question. I notice that about the only difference between the amendment now suggested by the Senator from Arizona and the amendment which the Senate adopted to-day is that the amendment just presented leaves out this language:

In which case the Secretary of the Interior may authorize a per capita expenditure not to exceed $225.

That is in cases where there are 100 pupils or over. Did the Senator intend to eliminate that part of the provision which has already been adopted?

Mr. ASHURST. Yes; so that there will be no limitation whatever on the expenditure of this money. There is a general limitation; but so far as this money is concerned, it is desired that there shall be no limitation. That is the essential, prime difference between the House text and the provision as reported by the Senate Committee on Indian Affairs.

Mr. SMOOT. I noticed that that was the difference.

Mr. ASHURST. That is the difference.

Mr. SMOOT. And I asked the question whether the Senator really intended that, because in all of the appropriations that have been made for the Indian schools that specific proviso has been included, whereas the amendment suggested by the Senator from Arizona would allow an unlimited amount to be expended upon each pupil. For instance, instead of $225 they could spend $500 on each pupil under his amendment.

Mr. ASHURST. If the Senator will pardon me, that is quite true; but in some places—for instance, the school at Sherman and at another place in California, and the one at Mount Pleasant—the price of staples has increased 100 per cent. I think that only in a few instances, if at all, will they exceed the limitation, but I do not believe the limitation ought to be placed upon this appropriation.

Mr. MARTIN. I am perfectly willing that the language we adopted this morning shall be stricken out and that the Senator's amendment shall be inserted in lieu of it; but, of course, it must be understood that it will be scrutinized in conference, for we have had no opportunity to scrutinize it here on the floor.

The PRESIDING OFFICER. The Chair calls the attention of the Senator in charge of the bill to the fact that the amendment on page 78, beginning in line 21, has already been rejected, which, of course, has the effect of leaving in the bill the House provision. It will be necessary, therefore, to reconsider the vote by which the amendment was rejected.

Mr. MARTIN. It will be necessary to reconsider the vote by which the amendment was rejected, and I make that motion.

The PRESIDING OFFICER. The question is on the motion of the Senator from Virginia to reconsider the vote by which the Senate rejected the amendment reported by the Committee on Appropriations to strike out on page 78, beginning in line 21, down to and including line 17, on page 79.

The motion was agreed to.

The PRESIDING OFFICER. The question recurs on the amendment reported by the committee to strike out the language referred to.

The amendment was agreed to.

The PRESIDING OFFICER. Now the question is on the amendment of the Senator from Arizona proposing to insert the language read by the Secretary.

The amendment was agreed to.

Mr. MYERS. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed to insert the following as a new section:

That there is hereby appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $9,117 to be paid to Katherine Macdonald, of Butte, Mont., for and on account of unpaid claims held by her on account of work and services performed on or supplies furnished for the construction of the Corbett Tunnel, a part of the Shoshone reclamation project, in the State of Wyoming.

Mr. MARTIN. I make the point of order against the amendment that it has not been estimated for.

The PRESIDING OFFICER. The point of order is sustained. The bill is still before the Senate, as in Committee of the Whole, and open to amendment.

Mr. SMOOT. I desire to reserve for a separate vote in the Senate the amendment offered by the Senator from Virginia [Mr. MARTIN], on page 20, after line 8, to insert:

During the present emergency, upon request made by the Secretary of War to the Secretary of the Treasury, and under such regulations as the Secretary of the Treasury may prescribe, there may be imported into the United States, without payment of duty thereon, raw materials, parts or partly fabricated parts of equipment and finished equipment required to hasten the production of munitions or machinery of war, or other necessary war supplies, whenever such duty would otherwise be payable directly or indirectly from appropriations for the support of the Army.

Mr. MARTIN. Why not make a point of order on the amendment?

Mr. SMOOT. I can not do that until the bill gets to the Senate, as the amendment has been agreed to.

Mr. MARTIN. The Senator is correct.

Mr. SMOOT. So I merely reserve the right to make a point of order on the amendment when the bill reaches the Senate.

The PRESIDING OFFICER. The bill is still before the Senate, as in Committee of the Whole, and open to amendment.

Mr. CALDER. Mr. President, I should like to inquire from the Senator in charge of the bill concerning the item on page 96, beginning on line 10:

To pay John P. Husting and Mary Husting, heirs at law of Hon. Paul O. Husting, late a Senator from the State of Wisconsin, $7,500.

I have never opposed a provision of this character, but it seems to me this is rather an unusual one. I know the amendment has been agreed to in Committee of the Whole but before making objection to it in the Senate I want to inquire if this is not a most unusual way of inserting a provision of this kind?

Mr. MARTIN. It is the usual way, just exactly as it has been done in other cases in the Senate.

Mr. CALDER. Mr. President, when I was a member of the House Committee on Appropriations we always refused to appropriate money for the benefit of a Member's heirs. Where he left a widow or children, dependent sisters or a mother, no objection was raised; but this is the first instance within my recollection in which Congress has every appropriated any money for a Member or Senator's heirs at law.

Mr. MARTIN. It has been done frequently. Of course, those cases do not happen so frequently as those where there are widows and children, but it has been the custom to appropriate it to the next of kin.

Mr. CALDER. May I inquire if these persons are the father and mother?

Mr. SMOOT. They are the father and mother of the Senator.

Mr. CALDER. If that is so, Mr. President, of course I have no objection; but that ought to be stated in the bill. I do not believe we ought to go into the business of appropriating money for the heirs of Senators unless they are immediate relatives.

I might add that the House Committee on Appropriations several years ago refused to provide the $7,500 benefit for the son of Sereno E. Payne. When it was discovered that he had dependent sisters we voted it for their benefit, but we would not give it to the Representative's son. If the man whose name appears here is an adult son or a brother, I would oppose the appropriation under all circumstances; but if these persons are the father and mother, and they were in any way dependent upon the late Senator, that is a different matter.

Mr. MARTIN. Mr. President, I am not willing to state about that, because I do not know.

Mr. SMOOT. Mr. President, I asked the question if these were the father and mother of the late Senator Husting, and was told that they were, and I think that is absolutely correct. I understand that his father and mother were here visiting him just before he left to go home at the close of the last session of Congress; and I will say to the Senator that I am quite sure these are his father and mother.

Mr. GALLINGER. Mr. President, this is not so unusual as some Senators seem to think. One of the recent cases that comes to my mind is in connection with the death of the late Senator Burleigh, of Maine. His wife died a little while before he did, and we made the usual appropriation for the children of the Senator. There was no objection at that time; and I think there have been other cases of a similar nature.

Mr. CALDER. Mr. President, we have often provided this benefit for the children of Representatives or Senators, and, as I have already stated, on the occasion of the death of the late Representative Payne we appropriated it for the benefit of his sisters; but if the people mentioned in this provision of the bill are not near relatives—if they are cousins or distant relatives—then it is a mistake for the Senate to go into the business of providing for the benefit of distant relatives.

Mr. MARTIN. These certainly are not distant relatives. I do not know whether they are the father and mother or the brother and sister.

Mr. THOMAS. Mr. President, I think they are the brother and sister.

Mr. MARTIN. That was my impression.

Mr. THOMAS. John P. Husting is the brother of the deceased and Mary Husting is the sister. If this is not allowed, surely we should not make the appropriation for the widow of the late Senator Brady, who does not need it. I think they should both be allowed.

Mr. CALDER. I bring the matter to the attention of the Senate because I think we are going pretty far afield if we appropriate money to heirs at law of Senators. If they are immediate relatives, I have no objection.

Mr. MARTIN. We have done it frequently for brothers and sisters.

The PRESIDING OFFICER. The bill is still in the Senate and open to amendment. If there be no further amendment, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The PRESIDING OFFICER. The question is, Shall the amendments made as in Committee of the Whole be concurred in, with the exception of the one reserved by the Senator from Utah [Mr. SMOOT]?

Mr. GALLINGER. Mr. President, before the amendments are concurred in I want to say a single word.

When the Senate had before it the amendment proposed by the committee giving authority for taking over the docks and wharves formerly occupied by the ships of two German corporations, I did not take the time of the Senate to utter a single word, because I took it for granted that the amendment would be adopted; but before it is concurred in I want to say that I have been utterly unable to see any reason why we should make that expenditure, especially in view of the fact that nobody knows how many millions of dollars it will involve. The Government now has possession of those docks, having commandeered them; it has the full use of them during the war; and I have been unable to see why the Government should hold them after the close of the war. However, that is an accomplished fact; and I simply want to put myself on record as having been opposed in committee to that provision, and not having changed my mind regarding it.

The PRESIDING OFFICER. The question is on concurring in the amendments made as in Committee of the Whole, with the exception of the one reserved.

The amendments were concurred in.

Mr. SMOOT. Mr. President, I make the point of order against the amendment on page 20 after line 8; and let me say just a word as to why I do so.

After the amendment was adopted, while the bill was in the Committee of the Whole, I secured a copy of it, and I found that it provides that whenever duties would otherwise be payable directly or indirectly from appropriations for the support of the Army, they should be remitted. That means, Mr. President, that if any company that has a contract to-day with the Government of the United States and imports goods into this country that would enter into the making of articles contracted for, they would be admitted into this country free of duty. That would relieve many of the contractors of the payment of millions of dollars, and as they have already bid upon the goods, and contracts have been made based upon the payment of the duty, it would enable contractors to make an additional profit equal to the amount of duty remitted. If it were not for that there would be some propriety in asking for the amendment. Again, Mr. President, I think the House would take exception to the Senate undertaking, on an appropriation bill, to amend the revenue laws.

Therefore, Mr. President, I make the point of order that this is general legislation upon an appropriation bill.

Mr. MARTIN. Mr. President, I think the point of order ought to be sustained. I have no objection to its being sustained, and would like to have the item go out.

The PRESIDING OFFICER. The point of order is sustained, and the section goes out.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MARTIN. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 50 minutes p. m., Tuesday, March 12, 1918) the Senate adjourned until to-morrow, Wednesday, March 13, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *March 12, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, our Heavenly Father, we lift up our hearts to Thee in gratitude for the genius of our Republic, handed down by our fathers and held sacred through all the vicissitudes of the past; for the great and fundamental principles in the Constitution of the United States, the embodiment of all that is sacred to our hearts—life, liberty, justice, fair play, and equal rights for all men.

We are now engaged in a gigantic struggle, not for conquest, not for gain, but in defense of those sacred rights. Unite us as a people, guide us by Thy counsels, and give victory to our arms, not only for ourselves but for the sake of all lovers of liberty, that a peace at last shall be established which shall make inviolate these sacred truths, and all praise be Thine, through Him, who disclosed the truth which makes all men free. Amen.

The Journal of the proceedings of yesterday was read and approved.

TAXES ON INCOMES, DISTRICT OF COLUMBIA.

The SPEAKER. The Clerk will read the engrossed copy of the bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, the third reading of which has been ordered.

The Clerk proceeded to read the engrossed copy of the bill.

Mr. MEEKER. Mr. Speaker, I withdraw the demand for the reading of the engrossed bill.

The SPEAKER. The gentleman from Missouri withdraws the demand for the reading of the engrossed bill.

Mr. TINKHAM. Mr. Speaker, I send to the desk the following motion to recommit and ask that it be read.

The Clerk read as follows:

Mr. TINKHAM moves to recommit the bill to the Committee on the District of Columbia with instructions to report the same forthwith with an amendment striking out all after the enacting clause and inserting the following:

"That in the interpretation and construction of this act the following rules shall be observed, namely:

"First. The term 'real estate' as herein used shall be construed to include lands, buildings, parts of buildings, houses, dwellings, apartments, rooms, suites of rooms, and every improvement and structure whatsoever, and every portion and part thereof, situated and being in the District of Columbia, and any and all estates and rights therein or thereto.

"Second. The word 'party' or 'person' shall include individuals, legal representatives of individuals, partnerships, joint-stock companies, associations, corporations, societies, bodies corporate, the Government of the United States in all its branches, departments, bureaus, boards, councils, and other agencies and instrumentalities, and all representatives, agencies, bodies, and instrumentalities acting for or in behalf of or employed or used by any and all foreign Governments not at war with the United States, unless such construction would be unreasonable; and the reference to any officer shall include any person authorized by law, or by regulation made in accordance with this act, to perform the duties of his office.

"Third. Words importing the singular number shall be held to include the plural, and vice versa, except where such construction would be unreasonable.

"Fourth. Words importing the masculine gender shall be held to include all genders, except where such construction would be unreasonable.

"Fifth. The term 'rent' or 'rent from real estate' shall include any and all amounts received for the daily, weekly, monthly, yearly, or other periodical or term use or occupancy of real estate, or any part or multiple of any such periods of time.

"SEC. 2. That in addition to other taxes imposed by law there is hereby levied and shall be assessed, collected, and paid to the District of Columbia an annual tax of 100 per cent upon so much of the income from real estate of every person, whether resident or nonresident of said District, received from and after July 1, 1918, as exceeds the deductions herein allowed. For the purpose of ascertaining the amount of income subject to said tax there shall be deducted from the gross income reported as herein provided so much thereof as equals the lawful rent fixed and determined by the President or the rent income tax administrator, to be appointed as hereinafter provided, for the use and occupation of any real estate situated in the District of Columbia.

"SEC. 3. That the President is hereby authorized to appoint a rent income tax administrator, who shall be a citizen of the United States and a resident of the District of Columbia, who shall have full power and authority, and whose duty it shall be, under the direction of the President, to revise existing rents of real estate in the District of Columbia, and, by appropriate orders or rules, to fix the amounts of rents which it shall be lawful to charge, collect, and receive from real estate in the District of Columbia, which rents shall be uniform in so far as they apply to like pieces or parcels of real estate.

"SEC. 4. That it shall be the duty of the rent income tax administrator, on or before the 1st day of July, 1918, by specific order designating the real estate to be affected thereby, or by general order affecting groups or classes of pieces or parcels of real estate, to fix the amount of rent which it shall be lawful for the party entitled to charge, collect, and receive for all real estate situated in the District of Columbia then or thereafter rented, leased, subleased, used, or occupied by any party or person: *Provided*, That the President, in his discretion, may extend the time within which the rent income tax administrator shall so fix the amount of lawful rents for said real estate: *And provided further*, That any party in interest may prosecute an appeal from any order of the rent income tax administrator to the board of rent income tax appeals provided for in this act, under and in accordance with such rules and regulations as may be made respecting appeals; and until such appeal shall be decided by the board of rent income tax appeals the order of the rent income tax administrator, in so far as it affects the property described in the appeal, shall be superseded by the appeal.

"SEC. 5. That from and after the promulgation of the order of the rent income tax administrator fixing the lawful amounts of rents of real estate in the District of Columbia, as provided in section 4, it shall be unlawful and be a violation of this act for any person to charge or receive a greater rent than the amount so fixed.

"SEC. 6. That the President and the rent income tax administrator, under the direction of the President, are hereby authorized to make and promulgate such orders, rules, and regulations not inconsistent with this act as may be necessary or appropriate effectively to carry out the provisions of this act.

"SEC. 7. That the President is hereby authorized to appoint a board of rent income tax appeals consisting of three persons, who shall be citizens of the United States and residents of the District of Columbia. Said board of rent income tax appeals shall have the power to hear and determine any appeal from any order of the rent income tax administrator authorized by this act, and said board of rent income tax appeals shall have power, upon consideration of such appeal, by its order, to affirm or reverse the order of the rent income tax administrator, and in case of reversal thereof to increase, diminish, or otherwise modify the amount of rent fixed in the order of the rent income tax administrator, and the amount so fixed in the order of the board of rent income tax appeals shall be the amount of rent which can be lawfully charged and received for the use and occupation of the real estate affected thereby until the same shall be, upon new facts or other conditions, again changed and fixed by order of the rent income tax administrator or the board of rent income tax appeals, as the case may be: *Provided*, That no such further change shall be made within six months.

"SEC. 8. That on or before the 1st day of July, 1919, a true and accurate return, under oath, shall be made by every person subject to said tax, or his authorized agent, to the rent income tax administrator, setting forth the gross amount of such income from all separate sources accrued during the period from July 1, 1918, to and including June 30, 1919, and the deductions to which he may be entitled under this act, and the said taxes thereon, computed as provided in section 2, shall become due and collectible on or before September 1, 1919, and annually as hereinafter provided. If any person subject to said tax fails to make such return at the time herein fixed or makes a false return, the rent income tax administrator shall make the return from his own knowledge from such information as he can obtain, through testimony or otherwise, and the return so made shall be sufficient for all the purposes of this act. And to the amount of the tax due upon the returns so made by the rent income tax administrator there shall be added a penalty of 20 per cent of the tax, but when it shall appear that the failure to file the return or the making of a false return was due to an unavoidable or excusable cause the said penalty may be abated by the income tax administrator. It shall be the duty of the said rent income tax administrator to prepare and furnish to each taxpayer making application therefor printed forms upon which such returns shall be made. Said tax and all penalties thereon shall be payable to the collector of taxes for the District of Columbia on or before September 1, 1919, and annually thereafter so long as this act shall remain in force.

"SEC. 9. Every person who shall charge, collect, or receive rent of any real estate in the District of Columbia without having paid the tax herein provided for when the same shall be due shall, besides being liable for the payment of said tax, be guilty of a misdemeanor, and upon conviction thereof shall pay a fine of not more than $1,000.

"SEC. 10. That any person who shall contract for, collect, or receive a greater rent for any real estate than that fixed by order of the President or of the rent income tax administrator, or, in case of appeal, by the board of rent income tax appeals, shall be deemed guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 for each offense; and this shall apply to sublessors and assignees of tenancies as well as to the original lessors.

"SEC. 11. This act shall remain in full force and effect for all purposes until one year after a treaty of peace between the Imperial German Government and the United States shall have been concluded: *Provided*, That, for the purpose of collecting taxes and penalties accrued before the conclusion of such peace, this act shall remain in force until the same are collected or enforced."

Mr. JOHNSON of Kentucky. Mr. Speaker, I make the point of order on the motion to recommit on the ground that it is not germane, and that it fixes a rent commission, which is foreign to the original bill. I do not know how familiar the Chair is with the original bill, but I will say for his information that in the original bill there is no provision for anyone to fix rents. I ask the Chair to distinguish between the provision in the original bill which authorizes the assessor of the District of Columbia to fix values upon real property, and that a tax is then fixed on those values, but there is nothing in the original bill which fixes rent.

In section 4 of the proposed substitute which the gentleman has just offered I find this language:

That it shall be the duty of the rent-income tax administrator on or before the 1st day of July, 1918, by specific order designating the real estate to be affected thereby, or by general order affecting groups or classes of pieces or parcels of real estate, to fix the amount of rent which it shall be lawful for the party to charge.

I say that is absolutely foreign to the bill. There is no provision in the original bill for fixing rents. There is a basis laid down upon which income taxes are to be charged, but nowhere in the bill is there anything said about fixing rents. That of itself, without going into the other parts of the motion, make it subject to the point of order.

I make the point, Mr. Speaker, that this provides for a commission, and again I ask that the Chair bear in mind that the original bill does not fix rents, and that the proposed amendment or substitute offered by the gentleman from Massachusetts provides for a commission to fix rents when, to repeat again, nothing of that sort is in the original bill.

The SPEAKER. Does the gentleman from Massachusetts desire to be heard?

Mr. TINKHAM. Mr. Speaker, I do. The bill offered by the honorable Representative from Kentucky seeks to fix rents in the District of Columbia and then to levy a tax upon all excesses. He attempts to do that in this way: That rents in the District of Columbia shall be fixed as of September 30, 1916, and 10 per cent advance, and that any excess of those rents shall be paid to the District treasury. That is the bare provision and principle of his bill. The provisions of my substitute merely differ from his bill in the following particular: I establish as he does a tax of 100 per cent of an excess over what may be fixed by a rent commissioner. I establish a rent commissioner who shall say what the rental shall be, and then anything in excess of what he fixes shall be paid at the same rate in the same manner and to the same place as in the bill of the honorable Representative from Kentucky. In other words, his bill is a tax measure upon its face and, he claims, in principle; and the bill which I offer is a tax measure on its face and in principle, but with a commissioner fixing the rental instead of the rental being fixed as of a certain date, a change merely in the machinery for obtaining the same result. Therefore, it is germane.

The SPEAKER. Does the gentleman from Wisconsin [Mr. STAFFORD] desire to be heard?

Mr. STAFFORD. Mr. Speaker, I do not wish to take up the time of the House, or even the time of the Speaker if he has resolved that this substitute offered by the gentleman from Massachusetts [Mr. TINKHAM] is in order. I rise to make an argument that the motion to recommit as submitted is not subject to the point of order as advanced by the gentleman from Kentucky [Mr. JOHNSON]. I predicate that position upon the fact that the bill under consideration, the Johnson-Mapes bill, is a bill, according to its very title, to prevent extortion, and the whole scope of that bill provides the machinery by which extortion on the part of owners of real estate in the District can be checked. It not only provides the machinery in one way to control and check it by resorting to the taxing power and levying 100 per cent additional taxes on incomes above those received on or before a prior date, but it goes further and in section 5 provides a criminal penalty for any person to charge higher than the rate as fixed in his income-tax return. There are two ideas in the bill that carry out the idea of preventing extortion: First, levying a maximum amount of 100 per cent and confiscating all of the additional returns that have accrued from rentals since a certain date. Second, under section 5 it provides—

That all leases, contracts, and agreements, expressed or implied, providing for the payment of any large amount of money, or at a higher rate than that fixed by the deduction herein allowed, for the use or occupancy of any real estate are hereby declared to be contrary to public policy and unenforceable.

Now, what does the substitute offered by the gentleman from Massachusetts provide? There is no question whatsoever that it was within the authority of the House, and even now, to offer an amendment reducing the amount of tax that might be represented by these excess charges. That could be done, and there could be no question of the germaneness of such an amendment; that instead of levying 100 per cent, with a reduction of 10 per cent, as provided in the bill, there should be levied a tax of 75 per cent, which might be claimed was sufficient to deter these profiteers from exacting these excessive charges. But the gentleman from Massachusetts in his amendment provides another means of determining what should be the excess of charge. It does not say absolutely that it should be 75 per cent, 90 per cent, or 100 per cent, less 10 per cent, but it provides that there shall be a levy of 100 per cent on excesses of what represents a reasonable rental value, which will be determined by a board. Now, the subject matter of this matter before the House is to prevent exorbitant charges of rent——

Mr. COX. Rule!

Mr. STAFFORD. I thank the gentleman from Indiana for that remark—to prevent extortionate charges of rent by the profiteers in the District. The gentleman from Kentucky provides one method; the gentleman from Massachusetts provides another. Mr. Speaker, I respectfully contend that this is quite on all fours with the decision of a former Speaker, when we had up for consideration the determination of a proposal to establish the Isthmian Canal. That precedent is found in section 5909 of Hinds' Precedents, volume 5:

To a bill providing for an interoceanic canal, specifying a certain route, an amendment providing for another route was held to be germane.

The main subject of that bill was the establishment of an interoceanic canal. The bill as introduced prescribed one route. It was held by the Speaker that the designation of another route was germane. So here in this matter before the House to-day, though the bill provides one method of levying the tax, the substitute offered by the gentleman from Massachusetts offers another method of determining the tax. Both are taxation measures, both with penalizing sections to check profiteering. I also direct the Chair's attention to a citation which is the foundation, I take it, of all the decisions of all Speakers on the question of germaneness, as found in Hinds' Precedents, section 5825, the noted decision of former Speaker Carlisle, where he lays down the fundamentals which should guide presiding officers in construing what should be germane and what should not be germane. He used this general language, which should be a guide for Speakers for all time in determining the question of germaneness:

When, therefore, it is objected that a proposed amendment is not in order because it is not germane, the meaning of the objection is simply that it (the proposed amendment) is a motion or proposition on a subject different from that under consideration. This is a test of admissibility prescribed by the express language of the rule; and if the Chair, upon an examination of the bill under consideration and the proposed amendment, shall be of the opinion that they do not relate to the same subject, he is bound to sustain the objection and exclude the objection, subject, of course, to the revisory power of the Committee of the Whole on appeal.

The question before the Speaker is whether the amendment offered by the gentleman from Massachusetts is related, is akin to the subject as contained in the Johnson bill. Why, the Speaker will have to go pretty far in holding that it is not related, because the Tinkham bill is a taxation measure providing for 100 per cent of the income and the only difference is how this additional income is to be determined. The gentleman from Kentucky directs that the income shall be determined absolutely by taking the return as the standard. The gentleman from Massachusetts determines that the 100 per cent shall be determined by first ascertaining what is a reasonable rent for this property. I well remember the position that the Speaker took when he was a Member on the floor that this motion to recommit should not be prostituted by allowing some Member to rise and move a motion to recommit without instructions; that recognition should be given to some Member in opposition to a bill to move to recommit with directions, so as to give the House on a record vote an opportunity for them to express their judgment as to the respective questions in dispute.

True, the House can not be privileged to vote on something foreign and not related to the matter, but the House should always be privileged to have the opportunity to vote on something that is akin. Otherwise, if you adopt a different rule you make the committee that reports the bill the master of the actions of the House in determining what legislation should be enacted. This House may be inclined, and undoubtedly is, to stop this profiteering, but it may be opposed to the method of confiscation provided by the bill offered by the gentleman from

Kentucky [Mr. JOHNSON]. But some opportunity should be given to provide for reaching these profiteers by a method akin to it, by saying the excess income over that previously charged above a reasonable rental and to be determined by a board, should be that which should be levied, rather than the arbitrary standard as fixed in the Johnson bill.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. STAFFORD. In just one minute.

Mr. Fitzgerald, in a noted decision from the Speaker's chair, said that in order to determine the question of germaneness the question is whether it is related, whether it is akin, to the matter before the House. The question is whether the mere change in the machinery for determining what is a reasonable rent on which this income tax should be levied is not related to the standard as fixed in the Johnson bill.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman.

Mr. JOHNSON of Kentucky. I will ask the gentleman if it is not true that on page 424 of Hinds' Precedents, volume 5, the Chair sustained the very point of order which the gentleman now refers to?

Mr. STAFFORD. Oh, Mr. Speaker, I have read and reread that decision and know the facts. What were the facts in that case?

Mr. JOHNSON of Kentucky. It says the amendment was excluded. That is the language.

Mr. STAFFORD. Every decision of a Speaker on a question submitted to him must be determined according to the facts as presented for decision. What were the facts in that case? A deficiency appropriation bill was under consideration. It happened to contain an item making an appropriation for the support of the Government Printing Office, and if my memory serves me—I have not read the decision for more than a year—some person offered to establish the salary of the Public Printer on an item relating to the general maintenance of the Government Printing Office, and Speaker Carlisle naturally ruled that the question of the salary of the Public Printer was not related to the question providing for the maintenance of the Government Printing Office, which did not have anything to do with the question of the salaries of the employees.

I wish to make one further brief remark. The question is entirely different from the questions that were submitted in the Committee of the Whole. The bill as submitted there had no relation to the taxation feature at all.

The SPEAKER. The Chair is aware of that.

On the 8th of May, 1913, in the first session of the Sixty-third Congress, there was a battle royal in this House on a question very much like this one. It was on a motion to recommit the Underwood tariff bill. At the request of the Chair the gentleman from Illinois [Mr. MANN] and the gentleman from New York [Mr. PAYNE] furnished the Chair in advance of their motion to recommit, and it gave me ample time to investigate the matter. I did investigate it thoroughly and conscientiously. The question involved was whether they could hitch a tariff commission onto the bill. The proponents, Mr. MANN and Mr. PAYNE, upheld their side, as always, with a great deal of force and ability. The opposition was led by Mr. UNDERWOOD, who made the point of order against its germaneness. The opinion delivered covers three or four pages and was carefully prepared. I am not going to read it now, but I would advise all the Members of the House who take any interest in the parliamentary points to read it. The Chair sustained the point of order, because it was setting up a new kind of a machine that had nothing to do with the bill. Now, in this present case the Chair is not going to pass upon any of these points that are being raised and is not going to talk about them. There is one proposition in this motion to recommit that compels the Speaker in light of the precedents to hold this point of order well taken, and that is the bringing up of this administration feature, of the tax commission, a great machine, and all that.

The point of order is sustained. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. JOHNSON of Kentucky and Mr. MANN demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 222, nays 101, answered "present" 6, not voting 99, as follows:

YEAS—222.

Alexander	Barkley	Brand	Caraway
Almon	Barnhart	Brodbeck	Carlin
Anderson	Beakes	Browne	Carter, Okla.
Ashbrook	Beshlin	Burnett	Cary
Aswell	Bland	Butler	Church
Austin	Blanton	Byrnes, S. C.	Classon
Ayres	Borland	Byrns, Tenn.	Claypool
Baer	Bowers	Candler, Miss.	Collier
Connally, Tex.	Hadley	Lonergan	Shackleford
Connelly, Kans.	Hamilton, Mich.	Lundeen	Shallenberger
Cooper, W. Va.	Hamlin	Lunn	Sherley
Cooper, Wis.	Harrison, Miss.	Magee	Sherwood
Cox	Hastings	Mansfield	Shouse
Crosser	Haugen	Mapes	Sims
Dale, N. Y.	Hawley	Martin	Sinnott
Dale, Vt.	Hayden	Mays	Sloan
Davidson	Heflin	Miller, Wash.	Smith, Idaho
Decker	Helm	Moon	Smith, Mich.
Denton	Helvering	Morgan	Smith, C. B.
Dewalt	Hensley	Neely	Smith, T. F.
Dickinson	Hilliard	Nelson	Steagall
Dill	Holland	Nicholls, S. C.	Stedman
Dillon	Houston	Nichols, Mich.	Steele
Dixon	Howard	Nolan	Stephens, Miss.
Dominick	Huddleston	Norton	Sterling, Pa.
Doolittle	Hull, Iowa	Oldfield	Stiness
Doremus	Hull, Tenn.	Oliver, Ala.	Sumners
Dowell	Humphreys	Oliver, N. Y.	Sweet
Drane	Igoe	O'Shaunessy	Tague
Emerson	Ireland	Overmyer	Taylor, Ark.
Esch	Jacoway	Overstreet	Taylor, Colo.
Estopinal	Johnson, Ky.	Padgett	Thomas
Evans	Jones, Tex.	Park	Thompson
Farr	Kearns	Price	Tillman
Ferris	Keating	Purnell	Timberlake
Fields	Kelly, Pa.	Quin	Venable
Fisher	Kennedy, Iowa	Rainey	Vestal
Flood	Kennedy, R. I.	Raker	Vinson
Fordney	Kettner	Ramseyer	Voigt
Foster	Key, Ohio	Rankin	Walton
Freeman	Kincheloe	Rayburn	Watkins
French	King	Reavis	Weaver
Fuller, Ill.	Kinkaid	Reed	Webb
Gallagher	Kitchin	Robbins	Welling
Gandy	Knutson	Roberts	Welty
Gard	La Follette	Robinson	Whaley
Garrett, Tenn.	Langley	Romjue	Wheeler
Garrett, Tex.	Larsen	Rouse	Wilson, Ill.
Godwin, N. C.	Lazaro	Rubey	Wingo
Good	Lea, Cal.	Rucker	Wood, Ind.
Goodwin, Ark.	Lesher	Russell	Woods, Iowa
Gordon	Lever	Sabath	Wright
Graham, Ill.	Linthicum	Sanders, La.	Young, N. Dak.
Gray, Ala.	Littlepage	Saunders, Va.	Young, Tex.
Greene, Vt.	Lobeck	Scott, Iowa	
Gregg	London	Sells	

NAYS—101.

Bacharach	Frear	Mason	Snell
Blackmon	Garner	Meeker	Snook
Britten	Gillett	Merritt	Stafford
Buchanan	Glynn	Montague	Steenerson
Burroughs	Gray, N. J.	Moore, Pa.	Sterling, Ill.
Caldwell	Green, Iowa	Moores, Ind.	Strong
Campbell, Kans.	Greene, Mass.	Mott	Swift
Cannon	Hardy	Mudd	Switzer
Carter, Mass.	Harrison, Va.	Olney	Temple
Chandler, N. Y.	Haskell	Osborne	Tilson
Chandler, Okla.	Hayes	Paige	Tinkham
Coady	Hersey	Parker, N. J.	Towner
Copley	Hicks	Peters	Vare
Dallinger	Hutchinson	Polk	Waldow
Darrow	Jones, Va.	Pou	Walsh
Dempsey	Juul	Powers	Ward
Denison	Kiess, Pa.	Pratt	Wason
Dent	Lehlbach	Ramsey	Watson, Pa.
Dupré	Longworth	Rodenberg	White, Me.
Dyer	Lufkin	Rogers	Williams
Elliott	McArthur	Rose	Wilson, Tex.
Ellsworth	McKinley	Sanders, Ind.	Winslow
Elston	McLaughlin, Pa.	Sanders, N. Y.	Woodyard
Fairfield	McLemore	Sanford	
Focht	Madden	Siegel	
Francis	Mann	Slayden	

ANSWERED "PRESENT"—6.

Bankhead	Browning	Johnson, Wash.	Wise
Booher	Glass		

NOT VOTING—99.

Anthony	Edmunds	Kraus	Rowe
Bell	Fairchild, B. L.	Kreider	Rowland
Black	Fairchild, G. W.	LaGuardia	Schall
Brumbaugh	Fess	Lee, Ga.	Scott, Mich.
Campbell, Pa.	Flynn	Lenroot	Scott, Pa.
Cantrill	Foss	Little	Scully
Capstick	Fuller, Mass.	McAndrews	Sears
Carew	Gallivan	McClintic	Sisson
Clark, Fla.	Garland	McCormick	Slemp
Clark, Pa.	Goodall	McCulloch	Small
Cooper, Ohio	Gould	McFadden	Snyder
Costello	Graham, Pa.	McKenzie	Stephens, Nebr.
Crago	Griest	McKeown	Stevenson
Cramton	Hamill	McLaughlin, Mich.	Sullivan
Crisp	Hamilton, N. Y.	Maher	Talbott
Currie, Mich.	Heaton	Miller, Minn.	Templeton
Curry, Cal.	Heintz	Mondell	Treadway
Davis	Hollingsworth	Morin	Van Dyke
Dies	Hood	Parker, N. Y.	Volstead
Dooling	Husted	Phelan	Walker
Doughton	James	Platt	Watson, Va.
Drukker	Johnson, S. Dak.	Porter	White, Ohio
Dunn	Kahn	Ragsdale	Wilson, La.
Eagan	Kehoe	Randall	Zihlman
Eagle	Kelley, Mich.	Riordan	

So the bill was passed.

The Clerk announced the following pairs:

On the vote:

Mr. SISSON (for) with Mr. PARKER of New York (against).

Mr. BOOHER (for) with Mr. TREADWAY (against).

Mr. CANTRILL (for) with Mr. GRAHAM of Pennsylvania (against).

Mr. HAMILL (for) with Mr. BENJAMIN L. FAIRCHILD (against).
Mr. BELL (for) with Mr. GOULD (against).
Until further notice:
Mr. STEPHENS of Nebraska with Mr. CURRY of California.
Mr. STEVENSON with Mr. COOPER of Ohio.
Mr. TALBOTT with Mr. BROWNING.
Mr. MCCLINTIC with Mr. GEORGE W. FAIRCHILD.
Mr. KEHOE with Mr. ZIHLMAN.
Mr. WATSON of Virginia with Mr. DUNN.
Mr. KELLY of Pennsylvania with Mr. JAMES.
Mr. SEARS with Mr. HAMILTON of New York.
Mr. SCULLY with Mr. LITTLE.
Mr. DOUGHTON with Mr. FOSS.
Mr. HOOD with Mr. VOLSTEAD.
Mr. CRISP with Mr. FESS.
Mr. LEE of Georgia with Mr. ANTHONY.
Mr. BLACK with Mr. COSTELLO.
Mr. BRUMBAUGH with Mr. EDMONDS.
Mr. BYRNES of South Carolina with Mr. FULLER of Massachusetts.
Mr. CAREW with Mr. GARLAND.
Mr. CLARK of Florida with Mr. GOODALL.
Mr. CLARK of Pennsylvania with Mr. HEATON.
Mr. DIES with Mr. CRAGO.
Mr. DOOLING with Mr. GRIEST..
Mr. EAGLE with Mr. CRAMTON.
Mr. EAGAN with Mr. DAVIS.
Mr. FLYNN with Mr. HUSTED.
Mr. GALLIVAN with Mr. KAHN.
Mr. MCKEOWN with Mr. PLATT.
Mr. MCANDREWS with Mr. KELLEY of Michigan.
Mr. PHELAN with Mr. ROWE.
Mr. MAHER with Mr. MCCULLOCH.
Mr. RAGSDALE with Mr. MCFADDEN.
Mr. RIORDAN with Mr. PORTER.
Mr. RANDALL with Mr. MCKENZIE.
Mr. SCHALL with Mr. TEMPLETON.
Mr. SMALL with Mr. ROWLAND.
Mr. VAN DYKE with Mr. MCLAUGHLIN of Michigan.
Mr. SULLIVAN with Mr. SCOTT of Michigan.
Mr. WALKER with Mr. SLEMP.
Mr. WHITE of Ohio with Mr. MILLER of Minnesota.
Mr. WILSON of Louisiana with Mr. DRUKKER.

Mr. BROWNING. Mr. Speaker, I voted "no." I have a pair with my colleague, Mr. TALBOTT, and I want to withdraw my vote and be recorded as "present."

The SPEAKER. The Clerk will call the gentleman's name.

The Clerk called the name of Mr. BROWNING, and he answered "Present."

Mr. KELLY of Pennsylvania. Mr. Speaker, I voted "aye." I have a pair with Mr. JAMES, of Michigan, who, if he were here, would vote the same way. I wish my vote to stand.

Mr. ALEXANDER. Mr. Speaker, I understand my name was called on the second roll call. I voted "aye" on the first roll call. I desire to have the RECORD corrected.

The SPEAKER. The Clerk will call the gentleman's name.

The Clerk called the name of Mr. ALEXANDER, and he voted in the affirmative.

The result of the vote was announced as above recorded.

On motion of Mr. JOHNSON of Kentucky, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEAVE OF ABSENCE.

Mr. KEHOE, by unanimous consent, was granted leave of absence for two days, on account of important business.

DAYLIGHT-SAVING BILL.

Mr. SIMS. Mr. Speaker, I want to ask unanimous consent that what is known as the Senate daylight-saving bill be given a privileged status.

Mr. KING. Mr. Speaker, I object.

The SPEAKER. The gentleman from Illinois objects.

EXTENSION OF REMARKS.

Mr. JOHNSON of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks on the bill which has just been passed. I wish to do so for the purpose of criticizing the bill introduced by the gentleman from Massachusetts [Mr. TINKHAM] on that subject.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to extend his remarks on the bill just passed. Is there objection?

There was no objection.

Mr. KEARNS. Mr. Speaker, I make the same request.

The SPEAKER. As to what?

Mr. KEARNS. To extend my remarks in the RECORD on the bill.

Mr. WALSH. Reserving the right to object, Mr. Speaker, I desire to inquire if the gentleman from Ohio desires to extend his remarks on the bill just passed?

Mr. KEARNS. That is what I asked.

The SPEAKER. Is there objection to the request of the gentleman from Ohio, that he may extend his remarks in the RECORD, the remarks to be confined to the bill just passed as nearly as he can?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed bill and joint resolution of the following titles:

On March 8, 1918:

H. R. 6361. An act to extend protection to the civil rights of members of the Military and Naval Establishments of the United States engaged in the present war.

On March 11, 1918:

S. J. Res. 92. Joint resolution providing additional time for the payment of purchase money under homestead entries within the former Colville Indian Reservation, Wash.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The motion was agreed to.

The SPEAKER. The gentleman from Virginia [Mr. SAUNDERS] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes.

The CHAIRMAN. The pending matter is an amendment offered by the gentleman from Missouri [Mr. RUCKER] to strike out a certain paragraph of the bill. The gentleman from Missouri is recognized.

Mr. RUCKER. Mr. Chairman, before I proceed could I ask the Chair to have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will report the amendment indicated.

The Clerk read as follows:

Amendment offered by Mr. RUCKER: Page 105: strike out the paragraph beginning on line 5 and ending on line 17, which reads as follows:

"Appointment shall not be made to any of the positions herein appropriated for in the classified service of the Bureau of Pensions not actually filled June 30, 1918, nor shall more than 25 per cent of other vacancies actually occurring in any grade in the classified service of that bureau, during the fiscal year 1919, be filled by original appointment or promotion. The salaries or compensation of all places which may not be filled as hereinabove provided for shall not be available for expenditure but shall lapse and shall be covered into the Treasury. The provisions of this paragraph shall not apply to any position with a salary of $2,250 or above than sum."

Mr. RUCKER. Now, Mr. Chairman, if I can have the attention of the committee I will be very glad to explain as best I can the significance of this paragraph in the bill, and the reasons which I think justify the motion to strike it out.

The Bureau of Pensions is not a new creation. It has been in the service of the Government a long time, for many years. It is a fact well known to gentlemen on both sides of the aisle that many of the employees in the Pension Bureau are veterans of the Civil War. Necessarily that class of employees in the service of the Pension Bureau are aged men. In this connection let me say that in response to a question propounded to the Deputy Commissioner of Pensions by the chairman having this bill in charge as to the average age of the employees in the Pension Bureau, the Deputy Commissioner stated that a careful examination recently made showed that the average age of all the employees in the service of that bureau is 57 years. Even the chairman and his associate who sits on the other side of the aisle evidently were somewhat astounded at the information, because—immediately the inquiry was made—I do not know that I quote the question verbatim, but I do in substance:

"That does not include the messenger boys, does it?" The answer was, "Yes; it includes them all." When you consider and include messenger boys in that service, which, of course, reduces the general average of the age—because they are quite young men—the average age of those who are to-day performing service in that bureau is 57 years. They run from among the youngest men in the Government service to the very eldest. There are men there past 80 years of age, a number of them. And so it happens, and it happens without a complaint or protest of any mortal man who is patriotic, generally speaking, these old men, these old veterans, hold the highest-paid positions. The committee having in charge the preparation of this bill, which is brought in and passed by the House and by Congress annually, has for three or four years, without any sort of bad feeling, without any personality, but persuaded by an erroneous, and I think a faulty judgment, has been whittling away at the organization of the Pension Office.

Mr. HAMLIN. Will my colleague yield right there?

Mr. RUCKER. I do.

Mr. HAMLIN. Is any provision similar to this carried in the bill against any other bureau?

Mr. RUCKER. I am glad the gentleman asked me that, because I do not want to forget it. I will reply in a moment.

I repeat, if there be an error in the policy of the committee, I will assume that it is merely an error of judgment, and I want if I can to appeal to the judgment of each member of this committee to help correct the error. The Committee on Appropriations is the servant of the House and not its master. If I, as your servant, should err in my judgment, would you blindly follow my lead after you have considered the facts and discovered my error? Or will you say to your public servant: "You must respond to the will of the House whose servant you are!" Any other course produces right here under the dome of the Capitol of the Nation a condition against which men are to-day pledging their lives, an autocracy that can not be tolerated.

My colleague from Missouri [Mr. HAMLIN] asks if there is any provision similar to the one which was read from the Clerk's desk a moment ago, which the pending amendment seeks to strike out, with reference to any other bureau in the public service, and in the presence of the chairman of the committee that framed the bill I answer no; there is not.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RUSSELL. I ask unanimous consent that the gentleman's time be extended five minutes.

Mr. RUCKER. Mr. Chairman, I ask permission to proceed for 10 minutes. I do not think I will ask any more.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. RUCKER. There are many bureaus in the departments of the Government here, some in their infancy. There are bureaus all over the town, in all the different departments, and they are multiplying and growing like mushrooms. New ones are being organized practically every day; but you can search the records of congressional proceedings until you tire and you will not find, with reference to a single other bureau, an effort to place shackles upon Government agencies like those which gentlemen would bind around and upon the employees and those in charge of the Pension Bureau. I ask the chairman of the committee in charge of this bill not to forget to answer in his own time to the membership of this House why a distinct, positive, unmistakable discrimination is made against the officials and clerical force of the Pension Bureau. I would not appeal to partisan spirit and I would not suggest that, because gentlemen high in authority on the Committee on Appropriations come from States in a certain section of this Nation, that such fact has anything to do with the question, because on the other side are gentlemen who come from other sections who are in harmony with the action of the committee. But I ask gentlemen on either side of the aisle to give the House some reason why this particular bureau should be discriminated against in this way? May I say that it seems to me this discrimination is so bad and so pronounced as to cast a reflection upon distinguished and honorable men charged with the administration of the affairs of that bureau? Do gentlemen say they have been prodigal? Have they been neglectful? Have they been inefficient? Have they done anything to merit this kind of unfriendly and offensive treatment at the hands of Congress? But gentlemen say the work is getting less, that the old soldiers are dying, and that is a lamentable truth which we all know. They are dying, and dying fast. But, in the providence of God, they are leaving good widows, many of them; they are leaving children; and, notwithstanding the large death rate which annually decimates the ranks of these old men who a few years ago wore the blue so proudly and so bravely in defense of this great Nation of ours, the truth is that, notwithstanding the columns of these old veterans are broken by the invasion of the angel of death, and that many of them annually respond to the last roll call, there are substantially as many names on the pension roll now, I think, as there were a year ago—not of soldiers, perhaps, but of widows of soldiers and the children of soldiers.

And again I will say that this Congress, whether rightfully or wrongfully, a year or so ago enacted what is called the Ashbrook law, which has brought to the Pension Office more than 175,000 extra applications for pensions to be disposed of by that bureau.

Then, there is the bill with reference to the Spanish-American War soldiers, which entailed very much additional work on the bureau. That is recent legislation. There is legislation on the calendar now, which I think I am warranted in saying will become a law, which is going to add still further to the work of the bureau.

Mr. LANGLEY. Mr. Chairman, will it interrupt the gentleman if I ask him a question?

Mr. RUCKER. I am glad to yield to the gentleman from Kentucky.

Mr. LANGLEY. Is it not a fact that the correspondence of the bureau is further behind now than it has been in recent years? Is not that the gentleman's experience? It is mine. I know they are behind with their correspondence. I have had numerous instances of it lately

Mr. RUCKER. Mr. Chairman, a direct answer to that question may be at variance with the experience of Members of the House who do any considerable amount of pension work, for the reason that I am privately informed by the Deputy Commissioner of Pensions that the work is practically current, so far as correspondence with Members of Congress is concerned. He makes a special effort to keep up with congressional correspondence, but the thousands of cases which come direct to the Pension Bureau have caused them to get behind in their work. The gentleman from Kentucky [Mr. LANGLEY] is right.

Mr. LANGLEY. I want to say that I have cases in mind now, dozens of them, where answers to letters which I have written to the bureau have not been received for three weeks after the inquiry was submitted, and the explanation has been made to me that they were behind with their correspondence. I am not criticizing the bureau, which, I think, is doing the best it can with the force at its command. I am merely combating the argument that they are up with their work. I know it is not so.

Mr. RUCKER. I am glad to have the gentleman say that, because I know the fact is that there has been a world of increase in their work there.

Mr. O'SHAUNESSY. Would the fact of the bureau being up to date with its correspondence be any indication of there being no necessity for more help?

Mr. RUCKER. I will say to the gentleman frankly that that would be one way by which we would determine the adequacy of the help, but not necessarily conclusive.

Mr. O'SHAUNESSY. The suggestion I want to bring home to the gentleman and the House is the fact that you might get a prompt reply, but the party about whom you were writing might have to wait months and months.

Mr. RUCKER. There is no question about that.

Mr. O'SHAUNESSY. They have to wait months for the aid that this bureau should give practically at a moment's notice.

Mr. RUCKER. Mr. Chairman, I am glad that the gentleman emphasizes that thought.

Mr. O'SHAUNESSY. Will the gentleman permit me something not in the form of a question? If there is anything in the world, or any bureau in the world, where there should be a sufficient clerical and field force to respond to the needs and necessities of the American people, it is the Bureau of Pensions. There should be no delay. Once a claim is submitted, there should be an expeditious handling of the claim, and I do not believe in stinting it under any circumstances.

Mr. RUCKER. I am obliged to the gentleman from Rhode Island for his statement. Let me say to the committee—and I know that I am looking into the faces of gentlemen who have had similar experiences—that time and again I have put forth my efforts to bring relief to some suffering old man, or suffering old widow of a soldier, to hasten action on a pension claim as much as I could with conditions existing as they do at the Pension Office, and yet before the Government could extend to the man the little bounty it had pledged to him and scatter a little sunshine, hope, and joy into his life, that soldier or widow, as the case may have been, has been summoned from this world. There are many cases of that sort. Men die wait-

ing for action because some men in the country say that we do not need any more force in the Pension Bureau, because the old soldiers are fast dying. I confess that I become a little excited when I hear men speaking of those things unfeelingly, I think.

Let me tell you what this bill proposes. It proposes, as I said, a distinct discrimination. In all the numerous, countless bureaus of this Government there is no provision like this. Listen to this: Mark you, in this very bill you cut out about 100 employees in the Pension Office. Is that not true, I ask the chairman of the committee?

Mr. BYRNS of Tennessee. Forty-three.

Mr. RUCKER. Only 43; I thought it was more than that. Notwithstanding that and notwithstanding it will be said to you to-day that those who fought during the War of the Rebellion are dying rapidly, and that must be confessed and admitted to be true, yet the committee in this bill says:

Appointment shall not be made to any of the positions herein appropriated for in the classified service of the Bureau of Pensions not actually filled June 30, 1918.

In the corresponding bill which was enacted last year similar language was carried; so if there were three vacancies in a certain class, or in many classes, not actually filled——

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. GREENE of Massachusetts. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RUCKER (continuing)—

Nor shall more than 25 per cent of other vacancies actually occurring in any grade in the classified service of that bureau, during the fiscal year 1919, be filled by original appointment or promotion.

Do gentlemen comprehend what that means? Here are a number of classes, class 1, 2, 3, 4, and 5, and in some of the classes quite a number of people are necessarily employed in order to do the work that the Government ought to and must do. This committee exercises an iron control, almost a despotic power, in curtailing the number of clerks in every class in the Pension Bureau when they think more clerks are employed than are needed, and only appropriate for those which they—the committee—finds are needed. If in this bill they appropriate for 75 clerks of a certain class it is because this committee realizes that that number of clerks are needed. Then, mark you, what follows? I will assume that there are 75 clerks in class 1, for argument. This bill provides that not more than 25 per cent of the vacancies actually occurring in any grade during the fiscal year shall be filled by promotion or by original appointments.

Here these gentlemen solemnly determine that the bureau needs 75 clerks for the ensuing year, and appropriate for them but during the year 3 clerks may die, and hence there would be three vacancies. You ask why not fill them? The answer is because these gentlemen, the Committee on Appropriations, say that you shall not fill them. They say you can only fill 25 per cent of the places, and therefore it requires four vacancies in order to secure one appointment. If three men die in class 1 and class 2 and class 3 and class 4, thus creating twelve vacancies, in each of which the Committee on Appropriations says a clerk is needed, yet the vacancies can not be filled either by promotion or original appointment, because there were only three to die in each class, and the Appropriations Committee has decreed that there must exist four vacancies in each class before one place can be filled either by promotion or appointment.

Mr. KEY of Ohio. Will the gentleman yield?

Mr. RUCKER. Yes.

Mr. KEY of Ohio. In the event that there are only three employees in class 1, what provision is made for filling that vacancy if it requires four?

Mr. RUCKER. The Committee on Appropriations is a progressive committee, and it has made some progress. They had that sort of a proposition in the bill the year before or two years ago, but this limitation has been liberalized some little since then.

I speak candidly, and I say that this committee, after much deliberation, solemnly came into this House last year, if I am not mistaken as to the date, with a provision which in the event of death or catastrophe having removed all of the medical examiners, that would have left the bureau without a single medical examiner, because the bill declared that there should be no filling of any place unless four vacancies should exist. See how peculiar it is. If gentlemen say we need four clerks in a given class, why require all four to die, and then only allow the promotion or appointment of one to take the place of four. If such a policy must exist in this country, I insist that it should, as a matter of fairness and right, be a universal policy, because one of the principles that I learned early in life was that there should be no special favoritism shown in these matters and no unjust discrimination against men who are honestly and courageously performing official duties.

Mr. HAMLIN. Mr. Chairman, will the gentleman yield there?

Mr. RUCKER. Yes; I gladly yield.

Mr. HAMLIN. Awhile ago something was said about the work being current. I took occasion yesterday to read the testimony in regard to this matter, and I remember very well that the Deputy Commissioner said it was practically current so far as the correspondence went in collecting the testimony, but they did not have the force to make it anything like current in adjudicating the cases after they came in, which is the principal and main thing. He also testified there were a good many vacancies incurred by transfers from his bureau to other bureaus in the Government where they paid better salaries than they could afford to pay there. Then, under the provision the gentleman is discussing, they can not fill those unless there are three.

Mr. RUCKER. Certainly not.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. RUCKER. The bill provides that four men in the Pension Office resign from it before they can put in one in the service. I yield to the gentleman who has arisen.

Mr. GOOD. It is a fact that no clerk can secure a transfer without the consent of the chief of the bureau in which he is employed, so if transfers are being made they are made with the consent of the Commissioner of Pensions, and he certainly would not consent to them if he is in such dire straits as the gentleman stated.

Mr. RUCKER. Mr. Chairman, the gentleman from Iowa is correct, but why should the officials refuse transfers when you say here that if three men die in a class during this fiscal year the vacancies shall not be filled either by appointment or promotion. If some of those men who are doomed to go from that bureau by virtue of this odious limitation, who have been working so faithfully all these years, because you have refused to appropriate for them, and the chairman says this bill fails to appropriate for 43 clerks who were provided for in the bill passed last year—if those unfortunate clerks over whose heads the ax is swinging, soon to be dropped with disastrous consequences to them, can find a place in some other bureau, why not let them be transferred to some other service?

Mr. KEY of Ohio. Mr. Chairman, will the gentleman yield?

Mr. RUCKER. Yes.

Mr. KEY of Ohio. I would like to say to the gentleman that about 18 months ago I filed quite a number of widows' claims in the Bureau of Pensions. Shortly after the applications were filed I filed all the necessary evidence in order to prosecute the claims. Several months elapsed, and I wrote the commissioner asking him why the claims had not been allowed. I was advised after 18 months had elapsed there were still 48,000 claims pending in the Bureau of Pensions, and that these claims were taken up in the order in which they were filed, and it was not possible to grant these pensions until they were reached in the regular order.

I would like to ask the gentleman this question: Does it seem like the proper thing to do, like the wise thing to do, if these old widows, some of them 85 years old, are compelled to wait for 18 months to 2 years to have their claims adjudicated, when all of the necessary evidence has been furnished—is it proper and wise for this committee to decrease the force further or to increase it?

Mr. RUCKER. Oh, the gentleman's question answers itself. Unless we intend to slap that bureau in the face, we ought to give them adequate force. No one will deny that.

Mr. WOOD of Indiana. Mr. Chairman, will the gentleman yield?

Mr. RUCKER. Yes.

Mr. WOOD of Indiana. It has been reported—I have heard it several times, and I want to ask the gentleman if he has made any investigation in respect to it—that there is a studied attempt being made for the purpose of discrediting the Pension Bureau on account of the new War-Risk Bureau, and for the purpose of boosting the new War-Risk Bureau so that it will eventually take over the pension end of this Government?

Mr. RUCKER. I will say to the gentleman that I have heard such rumors, but really I can not think they are true. I still insist, hard though it is for me to do so, that this is simply a matter of bad judgment on the part of this committee. I do not think the committee can be actuated by a desire to turn the Pension Bureau, with its corps of well-trained and efficient clerks, over to the War-Risk Bureau.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. RUCKER. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RUCKER. Mr. Chairman, let me remind gentlemen that civil-service law is in force in this land. The present administration favors it and past administrations favored it. Gentlemen who are on this committee, and I think every one of them, stand sponsors for civil service, but when it comes to the Pension Bureau they contradict their every act in official life and insist that as to this one bureau clerks and employees engaged there shall not enjoy the rights, emoluments, and benefits of civil service. If there is anything in civil service to justify any sane man in voting for it or standing for it, it is that idea of equality and reward for merit, that idea that you or I or any man in the land, though inexperienced, may, by faithful effort, by loyal and patriotic endeavor, by assiduous care and devotion to the work intrusted to us shall in recognition of valuable services be moved up a step to a more responsible place, with possibly a little pittance more of compensation, when vacancies occur for which we are eligible and qualified.

The very soul of civil-service law is the hope that encourages one to confidently believe that if he continues to prove his fidelity to his country, his loyalty to his Government, and his fidelity to duty, that when a vacancy higher up occurs those in authority will say to him, step up higher; we will reward the patriotic, diligent, and untiring efforts of a faithful and worthy clerk. But in the Pension Bureau see, oh, see, how dark and dismal is the future to one of these civil-service employees of that office. There is no hope—no chance for promotion. No. Why? Because this group of distinguished men—the Committee on Appropriations—selected by us to serve us, have determined that, however faithful the service of any man in that bureau, there shall be no reward for his fidelity, there is no hope of his promotion, but he must be doomed to sit at the desk where he started in life with every avenue of advancement closed to him.

Gentlemen, is it possible that the representatives of a great Nation will, without reason or excuse for the act, after they have had their attention called to it, deal so harshly and cruelly with men intrusted with the performance of official duties and who always have been true and loyal to their obligations? I hope you will wipe out this section by unanimous vote. Give the boy in the Pension Bureau an even opportunity in life; give him a chance if he is worthy of it, if he is loyal, if he is sober, if he is faithful, if he performs his duty well, give him the same chance to be promoted that every other clerk in every other department of this Government enjoys.

Mr. KEY of Ohio. Do not we owe more to the soldiers and their widows in expediting the adjudicating of their claims?

Mr. RUCKER. I am trying, if I can, to avoid a discussion of that thought, because I am afraid there may be those somewhere to whom such an appeal would be fruitless. I believe if gentlemen who are in my presence to-day could go and see what I have seen, if they could visit the humble home of some man who bled and almost died for that flag, if they could see how dark and dismal with despair are many of the humble abodes of good, brave, and true men, and hear the shrieks of agony that come from widows, emaciated and broken by the burdens of life, their helpless children whose father's proudest boast was that he was a faithful, brave Federal soldier, they would join with me in calling on this committee to take out of the bill that which I think does injustice to the sense of fairness of this House, and which I think stigmatizes the Pension Bureau, and which I think ought to be repudiated by every fair-minded man.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, the gentleman from Missouri [Mr. RUCKER] closed with a very eloquent appeal in behalf of his amendment to strike out this paragraph, but I think I can show to the committee that there is nothing in this provision which is recommended by the committee and nothing in the status of the work now in the Pension Office which justifies the appeal just made. Now, the gentleman speaks of this proposition as if it were a new one. As a matter of fact, this provision of law was first carried in an appropriation bill five years ago, and every year, without exception, the gentleman from Missouri has made a motion to strike it out, and has delivered an appeal such as he made here to-day, and the House has consistently refused to adopt his motion. Now, if you will pardon me for a moment, I want to state to you the reason which influenced the committee originally in placing this provision in the law. The committee found five years ago that there was an extraordinary number of clerks in the Pension Office. The committee felt that in the interest of economy, efficiency, and better administration something should be done to reduce the force in the Pension Office. Now, no one of the committee was willing to turn out any civil-service employee of the Pension Office, whether old or young. We were not willing to do an injustice to any employee of the Pension Office by eliminating the position that he held, because I want to say to you that we have no disposition whatever to deny the Pension Office a single clerk that is necessary to do the work of that office. On the contrary, we want the Pension Office to have all the force that is necessary to dispose of claims in that office at the earliest possible moment, and that is the desire of every member of the committee, coming as they do from every section of this country. But, as I say, confronted as we were with the patent proposition that there were too many clerks in the Pension Office, feeling that something should be done to reduce them, and at the same time not desiring to work any injury upon any particular individual employed in that office, the committee finally decided to adopt the provision which was, I am told, recommended by a former Commissioner of Pensions, Mr. Warner, I think it was, many years ago, and carried in the bill at that time. So it was provided that in the succeeding fiscal year not more than 25 per cent of the vacancies occurring in the Pension Office should be filled by appointment.

In that way the committee felt that we could reduce the force in the office and at the same time do no injury to any employee in the office. That provision was carried in the bill for one or two years. Now, what happened? We felt, gentlemen of the committee, I want to say in all frankness, that the House and the committee were not shown the spirit of cooperation that was expected. If a $1,800 clerk died or resigned, causing a vacancy, we immediately found in the next hearing that promotions were made from the lower to the $1,800 grade without regard to the number in the respective grades. The result was that in a couple of years we found that the Pension Office was top heavy in the higher salaries, containing a much higher percentage of clerks getting those large salaries than any other bureau of any other department in the Government. And to prove that——

Mr. RUCKER. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield to the gentleman.

Mr. RUCKER. How does the average salary of the Pension Office compare with the average salary of the War-Risk Bureau, say, or any other bureau of the Government?

Mr. BYRNS of Tennessee. I have those figures. I am glad the gentleman referred to them, because I intend to present them to the House.

Mr. RUCKER. If the gentleman will allow me to interrupt him—I hope not to do so again—I understood the gentleman to say awhile ago that you have reduced the number of clerks about 47 this year.

Mr. BYRNS of Tennessee. Forty-three employees in this bill.

Mr. RUCKER. But in your report accompanying this bill, as I read it, it says the number of persons employed in the Pension Office in 1918—that is, for this fiscal year—was 1,091, and the number provided for in this bill is 962, making a difference of 129.

Mr. BYRNS of Tennessee. Some of the vacancies have occurred by transfer, but, as a matter of fact, this bill only seeks to omit 43 positions. I can show the gentleman the statement.

Mr. RUCKER. That is, 43 that were carried in the last bill?

Mr. BYRNS of Tennessee. Yes.

Mr. RUCKER. You drop out a whole lot this year.

Mr. BYRNS of Tennessee. Now, again, I just made the remark that the result of that provision——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent for 10 minutes more.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent for 10 minutes more. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. The result was that we had a top-heavy force there in the Pension Office. We found a great big percentage of the clerks drawing $1,800 and $1,600 and $1,400, and a correspondingly small percentage of clerks drawing $1,100, $1,000, and $900.

Now, what could we do? As I say, without intending the least reflection on those in charge of the Pension Bureau, because I have the highest regard and esteem for them as capable, honest, and efficient Government officials, we felt that they had not altogether enforced the provision of law in the true spirit of its meaning and intention. But I want to say in justice to them that I do not think it was altogether their fault, because when an $1,800 vacancy occurred I have no doubt but that

many Members of Congress rushed down to them and insisted that they should promote some $1,600, $1,400, or $1,200 clerk, and we felt that in adopting this provision we were really relieving those gentlemen of the burden of resisting the importunities of Members of Congress who were bringing influence to bear in securing promotions for constituents of theirs in the Pension Bureau. So we adopted another provision that provided that not more than 25 per cent of the vacancies occurring in any one grade should be filled. And that is the way in which this provision was written into law.

Now, as bearing out what I said to you, and in response to the question of the gentleman from Missouri [Mr. RUCKER], let me tell you that there are now in the Pension Office a percentage of 6.1 drawing $2,000 and more; 11.7 per cent drawing $1,800; 8.9 per cent drawing $1,600; 25 per cent drawing $1,400; 33.2 per cent drawing $1,200; 6.5 per cent, $1,000; 3.7 per cent, $900; 2.3 per cent, $840; six-tenths of 1 per cent, $720; one-tenth of 1 per cent, $660; and six-tenths of 1 per cent, $420, and out of a total force of 962. In other words, at the present moment, gentlemen, there are 85.5—now, listen to this—85.5 per cent of the entire force of the Pension Bureau getting $1,200 or more and only 13.8 per cent getting less than $1,200.

Now, let us compare that with the War-Risk Bureau, with a force of 1,844 persons. Only 17.6 per cent of the employees of the War-Risk Bureau get $1,200 and over, as compared with 85.5 per cent of the Pension Bureau; 79.2 per cent of the War-Risk Bureau get less than $1,200, as compared with 13.8 per cent in the Pension Office. Or, in other words, the average salary of the employees in the War-Risk Bureau to-day, gentlemen, is only $1,063 per annum, while the average salary of the 962 employees in the Pension Office is $1,374 per annum.

Mr. LANGLEY. Will the gentleman yield?

Mr. BYRNS of Tennessee. I wish you gentlemen would let me get through, and I will be glad to yield.

Mr. LANGLEY. I wanted to ask a question pertinent at this point.

Mr. BYRNS of Tennessee. I will yield to the gentleman in a few moments. I want to refer for a moment to the statement made by the gentleman from Missouri [Mr. RUCKER] to the effect that the action of the committee was resulting in interfering with the efficient administration of the work in the bureau.

Now, I have a letter which was sent to me after the hearings were printed by the Assistant Pension Commissioner on January 10. He inclosed a letter addressed by the chief clerk of the Pension Bureau to the Pension Commissioner, and I shall read a portion of that letter to you and let you see from the statements of the chief clerk whether or not the action of the committee in the past has resulted in depriving the office of the necessary number of clerks to perform the work efficiently and promptly. What does he say? Listen:

> Recent legislation has thrown considerable new and important work upon this bureau. By reason of deaths, transfers, resignations, and employees entering military service the force now engaged on the adjudication of pension claims is about 100 fewer than this time last year.

And you will observe that the decrease in force comes from the resignations of clerks to go into the military service and with other objects in view. He says further:

> Notwithstanding this increase of work and decrease in help, the bureau has, by the adoption of new and simplified methods, the proper distribution of the clerks, the hearty cooperation of officials and employees, and the cutting of red tape, managed to expedite and handle with the proper care this additional work and at the same time keep current the regular work of the bureau.

[Applause.]

Mr. KEY of Ohio. Will the gentleman yield?

Mr. BYRNS of Tennessee. Now, gentlemen, there is no denying that statement made by the chief clerk of the Pension Bureau, and he has done that, remember, with a hundred less employees than he had at this time last year.

Mr. KEY of Ohio. I would like to ask the gentleman the date of the letter.

Mr. BYRNS of Tennessee. It is December 31. It was sent to me on January 10.

Mr. KEY of Ohio. Right along that line, let me ask the gentleman how he accounts for the fact that the bureau now, right at this time, is 12 months to 2 years behind in its work? If they are able to carry the current work up, how does he explain the proposition?

Mr. BYRNS of Tennessee. I explain that by saying, with all due deference to the gentleman, that in that statement he takes issue with the chief clerk of the Pension Bureau and also with the hearings which were taken before the committee.

Mr. KEY of Ohio. Let me say to the gentleman that last week I had occasion to call at the Bureau of Pensions. More than 18 months ago I filed a claim for an old Civil War widow. I filed all the evidence in the case shortly, within 60 days after the time the claim was filed. The old lady is past 85 years of age. If I have written one letter to the Bureau of Pensions, I have written a dozen.

Mr. BYRNS of Tennessee. Do not take all my time.

Mr. KEY of Ohio. I would like to finish this statement. I have written to the bureau asking why this claim has not been adjudicated, inasmuch as all the evidence had been filed.

Mr. BYRNS of Tennessee. That is, I think, easily explained.

Mr. KEY of Ohio. He explained to me that he had not had the force.

Mr. BYRNS of Tennessee. The assistant commissioner stated to the committee that there were approximately 55,000 pensioners removed from the rolls during the last year, and that they had received 117,000 new applications. He further stated that under the Ashbrook law, which raised the pensions of widows, there were 175,000 applications for increase filed.

That law, as you know, was passed in September, 1916, less than two years ago. Yet the Assistant Pension Commissioner stated that, notwithstanding the fact that he had no increased force, they had disposed of 165,000 of those 175,000 applications. He said that on account of raising the limit of marriage from 1890 to 1905 there had been 48,000 cases filed, and there were 16,000 filed by reason of the change of law as to marriage; 9,000 cases were filed on account of the law giving pensions to the survivors of the Indian wars, and 40,000 claims in other classes.

Now, he did say that in the work on claims in which evidence has been presented the office would be current by the 1st of June or July. You gentlemen know how difficult it is to get the necessary evidence. Sometimes the claims have to be sent back to the field and to the pension examiners time and time again before the proof is fully established so that it can be passed upon. I have had the same experience myself. I have had claims which have been sent to one State and then to another State to pension examiners for the purpose of securing evidence.

Now, when the gentleman says that those claims are behind, he states what is necessarily true.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr BYRNS of Tennessee. Yes.

Mr. LANGLEY. I have no objection to the present chief clerk of the bureau bragging on his own administration of his office. He is a personal friend of mine, and I desire to commend him for his faithful and efficient service. But I do know that the bureau is not up to date with its work, and I can pick out a dozen cases from memory right now where——

Mr. BYRNS of Tennessee. Oh, the gentleman may pick out a dozen cases or he may pick out a hundred cases from his district, because he has a great many from his district——

Mr. LANGLEY. That is true——

Mr. BYRNS of Tennessee. But I submit to him that in cases where there has been a considerable delay it has been because the applicants have not furnished the necessary proof in the first instance to secure action on the claims. The cases have to be sent sometimes to different pension examiners before the Pension Commissioner can act in one way or another upon them.

Mr. LANGLEY. Yes; but that argument does not apply to the case referred to by the gentleman from Ohio [Mr. KEY] and many others that I know of of a similar character, where the applications and the evidence were filed and months and months elapsed before any action, or where the applications have been filed and months pass by before they call for evidence in the cases. I am not criticizing the bureau; I am merely stating facts that are within my personal knowledge.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GOOD. If you will turn to page 567 of the hearings you will find that the assistant commissioner testified that all work would be current by the 1st of June or July. We are not making provision here that will become effective before that date, so that before this money is available all the work, according to the Assistant Commissioner of Pensions, will be current, and they will start off with that work current; and this force is to be 100 men more than they now have to do the work next year.

Mr. RUCKER. One hundred less.

Mr. BYRNS of Tennessee. I wish to repeat, gentlemen, that the committee is not actuated by any other purpose save that of bringing about or continuing the efficient and proper administration of the Pension Bureau and at the same time eliminating any clerks that may not be necessary.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I would like to have two minutes more.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for two minutes more. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. You gentlemen know that under the law which was passed last fall every application for pension to-day by a soldier who was in the Army after October 6 goes not to the Pension Office, but to the War-Risk Bureau. The Pension Office does not consider applications for pensions——

Mr. RUCKER. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. I have not the time. They do not consider applications for pension on the part of the soldiers who are in the Army to-day. They go to the War-Risk Bureau. Now why, under those circumstances, should we undertake to adopt this provision and permit this bureau to again unduly increase their force if they see fit to do it?

Mr. RUCKER. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. And not only increase it, but, as they did in the past, build up a great, big, top-heavy bureau of high-salaried clerks in comparison with other bureaus in this Government, because I say to you, without fear of successful contradiction, that there is not a bureau in any department of the Government that has nearly so large a percentage of high salaries as are now being paid in this particular bureau, and it is for that very reason that the committee adopted this provision, and it is for that reason that I ask you to sustain the committee in this matter by voting down this amendment.

Mr. RUCKER. Mr. Chairman, will the gentleman yield before he takes his seat?

Mr. BYRNS of Tennessee. Yes.

Mr. RUCKER. The gentleman speaks of the bureau being top-heavy. It could not put in more men of one class than the committee appropriates for, could it?

Mr. BYRNS of Tennessee. Does the gentleman know this, that to-day, when he talks about there being such a great necessity for clerks, it developed in the hearings that they had a $1,600 and $1,800 position that had been vacant for a time?

Mr. RUCKER. They could not fill it.

Mr. BYRNS of Tennessee. I beg your pardon. They could have done so.

Mr. RUCKER. Let me ask you a question.

Mr. BYRNS of Tennessee. I will read to you what Mr. Tieman said about it.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. RUCKER. Mr. Chairman, I ask that the gentleman's time be extended two minutes.

Mr. WOOD of Indiana. Mr. Chairman——

Mr. GREENE of Massachusetts. The gentleman from Tennessee offered to answer questions.

Mr. RUCKER. Mr. Chairman, I ask that the gentleman may have two minutes more.

Mr. LANGLEY. Mr. Chairman, I suggest that the gentleman be allowed to proceed for five minutes more.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that the gentleman from Tennessee may proceed for five minutes. Is there objection?

There was no objection.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. STAFFORD. I may be able to direct the gentleman's attention to what he wishes to quote. The gentleman will find it on page 559 of the hearings.

Mr. BYRNS of Tennessee. Will the gentleman read it?

Mr. STAFFORD. Yes. I read:

Mr. BYRNS. Take the 34 vacancies which have occurred since July 1, and give us those grades.

Mr. TIEMAN. One medical examiner, $1,800; one chief of division, $2,000; three principal examiners, $2,000—

Now, mark you—

four clerks of class 4, $1,800—

Those were vacancies existing at present, where under the existing provision he could appoint one. Then—

four clerks of class 3, $1,600—

Where he could appoint a clerk whom he had not appointed and where we have reason to assume he does not need that clerk—

seven clerks of class 2—

And yet no appointment to that vacancy, although he is entitled under this provision to make an appointment—

five clerks of class 1, $1,200—

But no appointment has been made under existing law. There is the proof that he has an adequate force.

Mr. RUCKER. Mr. Chairman, will the gentleman yield? That indicates that the Pension Bureau has not been prodigal, but exceedingly careful about filling places where they are not needed.

Mr. STAFFORD. It indicates that they have ample force down there, and we followed that in fixing the number of clerks in the respective grades, basing our action upon this information, so that in the next fiscal year the bureau will not be hampered in any way whatsoever.

Mr. RUCKER. It means that they are not advancing clerks in the bureau where they do not need them, does it not?

Mr. STAFFORD. No; it means that they are not employing clerks in the respective grades where they can employ them.

Mr. RUCKER. It does not mean anything of the kind. Now, Mr. Chairman, I want to ask the gentleman from Tennessee [Mr. BYRNS] another question, if he will permit me. Will the gentleman be kind enough to read the following paragraph of that letter which he received from the chief clerk down there?

Mr. BYRNS of Tennessee. Does the gentleman mean with reference to the 60,000 applications?

Mr. RUCKER. Yes. The paragraph which shows that there are 60,000 unadjudicated claims in the bureau right now.

Mr. BYRNS of Tennessee. That is stated in the hearings.

Mr. RUCKER. The gentleman has not read it. Will he kindly read that?

Mr. BYRNS of Tennessee. The paragraph to which the gentleman refers reads as follows:

There are now approximately 60,000 active pending claims in the bureau. There are also over 350,000 invalid pensioners now on the roll. These pensioners are dying at the rate of about 30,000 per annum. It is estimated that the death of 30,000 invalid pensioners occasions the filing of approximately 20,000 new claims—widows', minor children's, dependents', and reimbursement claims—and that the death of a certain number of widow pensioners will cause the filing of claims amounting to about one-fifth of that number, which would be, according to the number of widows dying each year, about 5,000 claims.

Now, that is practically the only source from which this Pension Bureau will get its additional claims unless new legislation is passed, because, as I just stated, under the law as it reads to-day, all claims for pensions on the part of soldiers in the Army after October 6 go to the War-Risk Bureau.

Mr. RUCKER. But the gentleman knows there have been a whole lot of applications caused by deaths and injuries before October 6.

Mr. BYRNS of Tennessee. Why should we undertake to maintain this force at its present size, when the work must necessarily grow less?

Mr. MAPES. Will the gentleman yield?

Mr. BYRNS of Tennessee. Until my time expires.

Mr. MAPES. I have heard it stated that it was the policy of the bureau to delay the granting of the applications of widows on the theory that they are dying off rapidly, and that if the bureau delays the granting of their pensions a year or so it will not be necessary to give a great many of them a pension at all. What does the gentleman know about that?

Mr. BYRNS of Tennessee. I can not believe that there is any truth in that sort of a statement.

Mr. MAPES. I hope there is not.

Mr. BYRNS of Tennessee. I certainly hope there is not, and my knowledge of the gentleman in charge of the Pension Bureau is such as to make me say that I am satisfied that there is no justification for that sort of a statement.

Mr. GREENE of Massachusetts. I had four cases this last year of persons who required the coming of a special examiner to examine their cases, and the special examiners came at four different times, incurring the expense of coming from Washington on four separate trips instead of taking the four cases at one time. They were all pending at the same time and could all have been examined at one time. They came at four different times, which delayed all of the cases. There has been an unwarrantable delay in case after care. I can not see any reason at all for it, and there is no excuse for it. I do not know what to make of it.

Mr. BYRNS of Tennessee. I can see no reason for it, either, unless it be that there was some difficulty in securing the necessary evidence.

Mr. GREENE of Massachusetts. Not at all. The evidence was easy. I have in my pocket now a case where the evidence has all been supplied, and yet I have seen a letter from the Pension Department demanding that the same evidence be furnished again, and the evidence has been supplied.

Mr. RUCKER. I am sure there is some mistake about that. But I will ask the gentleman from Tennessee to tell us if there is any other bureau in the Government treated in this way?

Mr. BYRNS of Tennessee. No; for there has been no necessity for this sort of a provision in any other bureau.

The CHAIRMAN. The time of the gentleman has expired.

Mr. O'SHAUNESSY. Mr. Chairman and gentlemen of the committee, I have listened with a great deal of interest to the gentleman from Tennessee [Mr. BYRNS], speaking so resolutely

for economy. I believe that, of all the bureaus of all the departments in the Government, the last place where there should be any cheese-paring spirit is the Bureau of Pensions, because it is so intimately connected with the good and welfare of American homes. Its action means comfort in old age for worthy pensioners. It means that those who served the country in its hour of stress and labor should be treated not only courteously and efficiently but promptly. I yield to no man in my expression of gratitude to those who did their part in the days when men were needed; and whenever a claim is presented to the Bureau of Pensions it should receive prompt consideration. The gentleman from Tennessee [Mr. BYRNS] says they should have all the help that is necessary. Well, if that be so, the gentleman ought to vote for the amendment of the gentleman from Missouri [Mr. RUCKER].

Mr. RUCKER. Will the gentleman pardon me? If the amendment which is now pending be adopted, it will not add a single man to the roll who is not now provided for.

Mr. O'SHAUNESSY. It merely keeps in office those who are there, and who, in my opinion, are insufficient to do the work.

Mr. LANGLEY. And it gives a chance for the promotion of worthy employees.

Mr. O'SHAUNESSY. The gentleman quotes the chief clerk of the Bureau of Pensions. I am going to quote the deputy commissioner, Mr. Tieman. I presume the deputy commissioner is rated a little higher than the chief clerk.

Mr. RUCKER. Will the gentleman pardon me for just one moment in that connection, to say one word that is personal?

Mr. O'SHAUNESSY. Certainly.

Mr. RUCKER. The Deputy Commissioner of Pensions of the United States, Mr. Tieman, came to Washington as my private secretary. He was with me, my confidential man, for 15 years. He got the place he has to-day on the recommendation of a large number of the membership of this House, by reason of his faithfulness, his fidelity, and his knowledge of pension matters. There is no better man in the employ of the Government to-day than the Deputy Commissioner of Pensions. [Applause.]

Mr. LANGLEY. That is right.

Mr. O'SHAUNESSY. I look upon the postponement of a petition by a veteran or a widow or dependent children as the refinement of cruelty by this Government. [Applause.] I can readily understand that old men and old women may be passing away in poverty, in sorrow, in tears, simply by virtue of the fact that the Government of the United States is lax in its prosecution of their petition. Cite to me anything more diabolical than the postponement of a worthy petition by a veteran of the Civil War.

Mr. LOBECK. Will the gentleman yield?

Mr. O'SHAUNESSY. I will.

Mr. LOBECK. Are not the most of these petitioners women?

Mr. O'SHAUNESSY. Yes.

Mr. LOBECK. And the postponement in their case is more severe than it would be if it was in the case of a man?

Mr. O'SHAUNESSY. Absolutely so. This House has done something for the women in generously voting them suffrage, but they are saying to these old widows, "We will consider your petition months from now." I am going to read a letter from the deputy commissioner to me, and it happens, by the way, that it is dated January 10, 1918, the same date as the letter read by the gentleman from Tennessee from the chief clerk. It is as follows:

DEPARTMENT OF THE INTERIOR,
BUREAU OF PENSIONS,
Washington, January 10, 1918.

Hon. GEORGE F. O'SHAUNESSY,
House of Representatives.

MY DEAR MR. O'SHAUNESSY: Answering inquiries made in your letter of the 8th instant in regard to delays in this bureau "in answering letters and settling claims," you are advised, in addition to the information contained in the attached report of the chief clerk of the bureau at the end of the last calendar year, that of the 60,000 active pending claims it is estimated that 20,000 are widows' claims, under the act of September 8, 1916 (the Ashbrook law), in which completing evidence has been filed.

It has been the practice to consider these claims in the order in which the evidence was filed, and claims in which evidence was received up to June 19, 1917, are now being handled in their regular turn. First calls for evidence are being made in claims received up to November 1.

Indian-war claims (act of Mar. 4, 1917) are about 60 days in arrears of reports from official sources in regard to the fact of service and length of same.

Other classes of claims are either practically current or within 60 days of being so.

Of the number of pieces of mail received during the last calendar year 67,000 were congressional letters. Except when they related to claims in certain stages of adjudication, replies to these letters are current in a majority of the divisions of the bureau. In those divisions where correspondence is heaviest replies are sometimes delayed from 10 days to 3 weeks. The delay in answering miscellaneous correspondence is much longer, often from 3 to 6 months.

In this connection I will say that 915 persons are employed in the bureau in the performance of clerical duties, and the average age of these employees is 57 years. I beg to say, further, that the difficulties under which the bureau is laboring could be entirely removed if the 25 per cent limitation clause inserted in the appropriation act, and which relates to the Pension Bureau alone, were eliminated. This would permit the appointment of such clerical help as is needed to keep the work more nearly current and to obviate those conditions which result from a restriction preventing the most effective adjustment of the force employed in the bureau to the labors to be performed in administering persion laws now in existence or which may hereafter be enacted.

Very truly, yours,

E. C. TIEMAN,
Deputy Commissioner.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. O'SHAUNESSY. Yes.

Mr. BYRNS of Tennessee. In view of that statement of the Assistant Pension Commissioner, will the gentleman tell the committee why they have not filled the vacancies of the $1,800 clerk and the $1,600 clerk, which have existed down there for several months?

Mr. O'SHAUNESSY. It has been answered by some gentlemen on this side, that the work of these men is of a special character, and may be men in another division or another class which they have not the power to fill.

Mr. BYRNS of Tennessee. They are all clerks in that class.

Mr. O'SHAUNESSY. I do not care whether they are specially trained or not. What I am here advocating is a decent treatment of the Pension Bureau and of the people that have to do business with the Pension Bureau.

It ill becomes the Congress of the United States to take such a position as is attempted to be taken by the chairman of the committee in this bill. [Applause.] Let me say that my complaint was not based on pique, it was based on delay. I am not one of those fractious individuals that takes umbrage at the slightest delay. There must have been some continuing reason for my interrogation of the bureau. While I recognize the splendid work they are doing I would strengthen their hands by retaining the force which in my opinion is not sufficient to do the work.

Mr. RUCKER. Will the gentleman let me interrupt him to ask a question of the chairman of the committee at this point?

Mr. O'SHAUNESSY. Certainly.

Mr. RUCKER. At the time of the hearings, I will ask the gentleman from Tennessee if there was not very much discussion between the subcommittee and the Deputy Commissioner of Pensions that was not put in the hearings?

Mr. BYRNS of Tennessee. There may have been some discussions.

Mr. RUCKER. In that conversation did not Mr. Tieman make it plain as possible that what he needed was to cut the shackles that bound him by taking out this 25 per cent limitation?

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I would like to see if we can not get some limitation on this debate.

Mr. O'SHAUNESSY. Mr. Chairman, I ask for five minutes more.

Mr. BYRNS of Tennessee. I want to see if we can not get some limitation on this debate. I am a little embarrassed in asking it, because I consumed so much of the time myself. I am not going to object to the extension of the time of the gentleman from Rhode Island, but I am going to see if we can not agree on a certain length of time. I ask unanimous consent that all debate on the pending paragraph and amendments thereto be closed in 30 minutes.

Mr. RUCKER. Reserving the right to object, I believe if the gentleman will modify his request a little there will be no objection to it. The gentleman says "on the paragraph and all amendments thereto."

Mr. BYRNS of Tennessee. We have discussed the matter at great length.

Mr. RUCKER. The gentleman from Tennessee is so genial that I want to pay my respects to him once more before I quit. Let the gentleman confine his request "to this amendment."

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that all debate on the paragraph and amendments thereto close in 35 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on the paragraph and amendments thereto close in 35 minutes.

Mr. HASTINGS. I object.

Mr. BYRNS of Tennessee. I will make it 30 minutes.

The CHAIRMAN. The gentleman from Tennessee modifies his request by making it 30 minutes. Is there objection?

Mr. RUCKER. Under certain conditions, I want five minutes. Does the gentleman's request contemplate that?

Mr. BYRNS of Tennessee. The Chair will control that.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that debate on this paragraph and all amendments thereto shall close in 30 minutes, and the gentleman from Tennessee has some understanding as to who shall occupy that time. He will have to inform the Chair in regard to that.

Mr. WALSH. Mr. Chairman, I object to the request.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that all debate on the paragraph and amendments thereto close in 30 minutes.

Mr. MADDEN. Mr. Chairman, I move to amend the motion by making it 15 minutes.

Mr. BYRNS of Tennessee. I accept the amendment.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on this paragraph and all amendments thereto shall conclude at the expiration of 30 minutes, and the gentleman from Illinois [Mr. MADDEN] moves to amend it by making it 15 minutes. The question is on the amendment of the gentleman from Illinois.

The question was taken, and the amendment to the motion was agreed to.

The CHAIRMAN. The question now is on the motion of the gentleman from Tennessee as amended.

The question was taken, and the motion was agreed to.

Mr. STAFFORD. Mr. Chairman——

Mr. O'SHAUNESSY. Mr. Chairman, I thought I was given five minutes under this combination. I would like to conclude in an orderly manner.

The CHAIRMAN. But the time of the gentleman from Rhode Island had expired.

Mr. O'SHAUNESSY. I asked unanimous consent to proceed for two minutes.

The CHAIRMAN. That was not agreed to.

Mr. SHERLEY. Mr. Chairman, I ask unanimous consent that the gentleman from Rhode Island have 2 minutes outside of the 15 minutes agreed upon.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. O'SHAUNESSY. Mr. Chairman, I want to say that I do not feel embarrassed because I take very little time of the House, but I would like to call attention to this salient fact, that we should be guided by the information of the deputy commissioner and not by that of the chief clerk. We should be guided by the necessities of those who do business with the Bureau of Pensions, and we should not be taken off our feet by this economical plea when we are extending the salaries of everybody in the employ of the Government. We have been cited to the case of some people down in the bureau who have been working there perhaps 50 years and have been receiving the munificent salary of $2,000 a year. We are cited to that fact in order that we may now be economical. We are given in minute detail and refined percentages, so to speak, the number of men who are receiving $1,800 a year, of those who receive $1,400 a year, when the cry throughout the land is the increased cost of living, and then we, the Congress of the United States, say: "Do not mind the pensioners, do not mind the veterans, do not mind the widows, but keep on reducing the clerical force, and thus postpone the day when deserving pensioners obtain a hearing. I am opposed to that policy of delay." [Applause.]

Mr. WOOD of Indiana. Mr. Chairman, it is true that the original veteran pensioner is passing very fast. Not long will it be until he is but a memory. There were more than 30,000 of them who died last year. The State of Indiana contributed 224,000 original enlistments. There are but 18,000 remaining in Indiana of those original enlistments; but it is not true that the pension work is decreasing. The evidence shows that it is increasing, and the evidence and the practical experience of those who have to do daily with the Pension Department do not conform to the testimony of the chief clerk as submitted to the committee. Only this morning I received a letter from an old lady, the widow of an old soldier, who filed her application for a pension in 1916, furnishing all the evidence that was necessary. She has been waiting patiently from that day to this for some result. I have written three different letters on that one case and I have received back a courteous reply every time after some 10 days or three weeks, stating that the case is under consideration, with a view of early determination. I expect that is a stereotyped answer that every gentleman here receives from that office. If this bill passes as it is now reported, 43 of these men go out as a matter of course, according to the statement of the chairman. According to the figures submitted at the hearings more than 100 go out, and 25 per cent of those who die during the current year will not have their places filled. If the business is increasing rather than decreasing there is no good practical sense in this proposition.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. I have only five minutes. On the other hand, there is a very great reason why, especially at this time, an adequate force should be maintained down there. The gentleman from Iowa [Mr. GOOD] states from the hearings that their business is current. It depends on what you call current. If these pension claims, where the evidence is submitted, where there is no question about the proof, remain there unexamined and undetermined for 18 months or two years, then I do not like their idea of currency. The time has come with reference to the pensioner, with reference to the widow of the survivor of the war, when her pension claim in no instance, except in rare cases, should be pending to exceed six months. If there is not sufficient force to make an examination in that time there should be.

I wish to say in passing that if there ever was a time in the history of the world when we should reaffirm the promise that was made during the period from sixty-one to sixty-four, that the survivor of the war and his dependents would be the wards of this Nation and receive its constant care and attention, now is that time. We are asking others to do what they did. We should show by our example here that we are true to the promises then made, and if, forsooth, they are passing so rapidly to the beyond, then we should show that we will be true not only to the last one of them but to their dependents as well. I want to say that if conditions were now as they were during the first quarter of a century after the close of the Civil War, when the old soldier dominated this Congress and the legislation of the country, more regard would be paid to him. Now that he is going and has left a dependent widow or child, the duty is none the less incumbent upon those who are filling the place now on behalf of those who bared their breast that this Nation might survive, and that we might stand as a beacon light for democracy in the world; so that I say that now of all times we should not lay a hand upon this last refuge of the old soldier.

Mr. GOOD. Mr. Chairman, I agree with the gentleman from Indiana [Mr. WOOD] that we ought to give to this department every clerk essential to transact the business of the Pension Office with the greatest dispatch, but I want to say to the gentleman from Indiana and to the members of this committee that that is just what the committee in reporting this bill has done. The Ashbrook bill threw on the Pension Office a great many new claims, and yet during the year, according to the letter of the chief clerk of that office, with almost a hundred vacancies in the force by reason of military enlistments, and so forth, the commissioner passed upon 165 of those claims under the Ashbrook Act in addition to the regular business. The assistant commissioner testified that by the 1st of June next the work of the office will be current. Let me ask the gentleman from Indiana this question: If there is such great need for clerks down there, why is it that from the commissioner's office there has been detailed all of the year 16 clerks to other departments of the Interior, why is it——

Mr. WOOD of Indiana rose.

Mr. GOOD. I can not yield.

Mr. WOOD of Indiana. Then why does the gentleman ask the question if he does not want an answer?

Mr. GOOD. Why is it that some of these clerks have been detailed since 1912, if there is a dearth of clerks in that office? Mr. Chairman, this House will find a greater problem confronting it if it adopts this amendment. The Pension Office is disappearing. The Pension Office to-day does not pass on a single claim of any of the men now serving in the Army and the Navy. Those claims go to the Bureau of War-Risk Insurance. One thousand persons, in round numbers, are employed in that office, and the problem is, how we are going to get rid of that large force after all of the work of the Pension Office has disappeared.

The committee took this matter into consideration when it originated this legislation several years ago. This legislation will not result in postponing for a single moment the consideraton of a single claim.

Mr. RUCKER. Will the gentleman yield?

Mr. GOOD. I regret I can not.

Mr. RUCKER. It did not have in view the establishment of the War-Risk Bureau five years ago, did it?

Mr. GOOD. No. Every claim that comes before the commissioner must go through a certain course of investigation. It must be sent in many cases out into the field, and the field investigators must investigate the facts that the commissioner desires investigated, and when those reports come back, then if there is a discrepancy in the report that discrepancy must be reconciled, and it is that investigation that takes the time. The trouble is with the red tape in the office and not in an

insufficient number of clerks. Why, if we even adopt this amendment, it does not affect the field force. It affects only the clerks here in the office, and if you have not sufficient clerks to do the work then why does the commissioner permit the details, some of whom have been detailed from 1912 down to the present time? Mr. Chairman, I have in my district an old soldiers' home. I have a great deal of correspondence with this department. I would not knowingly do a thing here to-day or in the Committee on Appropriations or anywhere that would postpone for a single minute the consideration of the claims of a soldier or the widow of a soldier. These claimants are getting old, and I sympathize with every effort to aid the Government to pass upon their claims with utmost dispatch. I have their interests in mind when I say this, but I have also in mind the interests of thousands of persons employed in the Pension Office—a disappearing office—and sooner or later you will be called upon to enact a law which practically eliminates a great many of those old and faithful employees, and there is hardly a man on the floor of this House to-day who would want to vote for that kind of a measure.

Mr. RUCKER. Is that the reason the gentleman wants to get rid of these employees a few at a time rather than all at once?

Mr. GOOD. We want to provide that no new ones be appointed, that the old ones remain there doing the work, and there are enough of them to do it promptly, for when this money will be available, according to Mr. Tieman's testimony, the work then will be current, notwithstanding the fact that he had in his office almost 100 persons less than were appropriated for, and he had in his office about 50 less than he will have during the year 1918, if this appropriation is used.

Mr. RUCKER. Will the gentleman yield?

Mr. GOOD. I yield.

Mr. RUCKER. If this amendment is adopted it will not add one single clerk you have not provided for?

Mr. GOOD. If it would not, the gentleman's argument falls to the ground. Then what is the gentleman complaining about?

Mr. RUCKER. I would strike out this limitation.

Mr. STAFFORD. Mr. Chairman, if the members of this committee had the facts before it as the subcommittee had them presented by the officers of the Pension Bureau, in my opinion there would be no question whatsoever but what they would approve and ratify the action of the committee. No one on the committee desires to do aught that will cripple the Pension Bureau, but the committee recognized that the additional work imposed upon the bureau was because of the passage of the Ashbrook law in September, 1917. Under that law 175,000 applications for increases were presented, of which at the present time 165,000 have been disposed of.

Mr. RUCKER. Will the gentleman yield?

Mr. STAFFORD. I can not yield in five minutes. Under the two other provisions of that law relating to the granting of increases to widows who had remarried and a pensionable status to those who married after June 27, 1890, the commissioner himself says on page 567 of the hearings that all the work under the Ashbrook law will be current on June 1 of this year. Now, there is no additional legislation pending that will impose additional work upon that bureau except an increase of pensions of soldiers, and yet we see that the existing clerical force have been able to keep up with their work to the extent of 165,000 out of 175,000 applications for increased pensions to widows. But more. The deputy commissioner says that at the time of the hearing in the latter part of last year there were 29 vacancies existing in the respective grades above $1,000 where he could have appointed five clerks, four of class 4, four of class 3, seven of class 2, and five of class 1. As he did not avail himself of the opportunity under the existing provision to appoint these additional clerks, that was proof positive to the committee that his present force was ample to meet, during the next fiscal year, the present needs, and more than ample to meet the needs of applications under the Ashbrook law which have been presented that will be passed upon and be made current on June 1 of this year. Since we passed this same provision last year we have passed the war-risk insurance law, which takes away all cases of pensions arising after the passage of that law. Now, what work will the Pension Bureau have to consider beginning with the next fiscal year——

Mr. KEY of Ohio. Will the gentleman yield?

Mr. STAFFORD. Not as much new pension work as in the past and very little under the Ashbrook law—I can not yield to the gentleman.

Mr. KEY of Ohio. The gentleman asks the question.

Mr. STAFFORD. I can not yield. I did not ask the gentleman; he is only pestering me. In the Pension Bureau at the present time there are 172 between the ages of 70 and 80 years. We realize there are many chances that these men, occupying these high-salaried places, will drop out continually by reason of death. We do not remove anyone, but we say under this provision the Pension Bureau shall not have the privilege of promoting those clerks in the lower grades into these vacancies which are occurring, say, in the $1,600 and $1,800 grades, and we say they shall only appoint one in case of every four vacancies. This provision has been in the bill for the last three years. It worked no ill, even with the additional work imposed by the Ashbrook pension law, notwithstanding that the work under that law was great. I say with all frankness that the clerks we provide here, schedule for schedule, in the commissioner's office on July 1, 1918, will be ample to meet all the conditions. As set forth by the gentleman from Iowa, for several years there have been 17 detailed from this office into the respective bureaus of the Department of the Interior, and the Commissioner of Pensions, at any time he wanted those $1,200, $1,400, $1,600, and $1,800 clerks detailed to those various offices, could command their services or direct their return.

The whole testimony shows that the Pension Bureau has as much of a clerical force as is needed. The question for the committee to determine is whether you are going to accept the judgment of the subcommittee, that spent days and weeks and months in the preparation of this detailed bill, or are going to follow the suggestions of Members who have only a superficial knowledge of the conditions.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. LANGLEY. Division, Mr. Chairman.

The committee divided; and there were—ayes 29, noes 42.

Mr. RUCKER. Mr. Chairman, I demand tellers.

Tellers were ordered, and Mr. BYRNS of Tennessee and Mr. RUCKER took their places as tellers.

The committee again divided; and the tellers reported—ayes 34, noes 41.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. RUCKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Missouri [Mr. RUCKER] offers an amendment, which the Clerk will report.

Mr. RUCKER. Mr. Chairman, I move to strike out all of line 17, on page 105, and insert, at the end of line 16, "$1,600 or less than that sum."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Amendment offered by Mr. RUCKER: Page 105, line 17, strike out "$2,250 or above that sum" and insert, at the end of line 16, "$1,600 or less than that sum," so that it will read:

"The provisions of this paragraph shall not apply to any salary of $1,600 or less than that sum."

Mr. BYRNS of Tennessee. Mr. Chairman, I call for a vote.

Mr. RUCKER. Hold on!

Mr. BYRNS of Tennessee. I make the point that debate on this paragraph and all amendments thereto has been closed.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. RUCKER. Mr. Chairman, there are not enough independent men here voting, and I make the point there is no quorum present.

The CHAIRMAN. The gentleman from Missouri makes the point there is no quorum present. The Chair will count. [After counting.] Ninety-five gentlemen are present, not a quorum.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee do now rise.

Mr. RUCKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RUCKER. I am not sure that it is a proper question, but I would like to know who is running this bill, this side of the House or that side?

Mr. BYRNS of Tennessee. This is a nonpartisan bill, I will say to the gentleman.

Mr. RUCKER. The gentleman does become nonpartisan at times.

The CHAIRMAN. The question is on the motion of the gentleman from Tennessee that the committee do now rise.

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. GARNER and Mr. STAFFORD requested tellers.

Tellers were ordered, and Mr. RUCKER and Mr. BYRNS of Tennessee took their places as tellers.

The committee divided; and the tellers reported—ayes 8, noes 91.

So the committee refused to rise.

The CHAIRMAN. A quorum is present. The question is on the amendment offered by the gentleman from Missouri [Mr. RUCKER].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For per diem at not exceeding $4 in lieu of subsistence for persons employed in the Bureau of Pensions, detailed for the purpose of making special investigations pertaining to said bureau and for actual and other necessary expenses, including telegrams, $90,000.

Mr. O'SHAUNESSY. Mr. Chairman, I offer an amendment.

Mr. COX. Mr. Chairman——

The CHAIRMAN. The gentleman from Indiana [Mr. COX], a member of the committee, is recognized.

Mr. COX. I offer an amendment to strike out the figure "4" and insert the figure "3."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. McKENZIE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, I do this for the purpose of calling the attention of the members of the committee to a very important matter, in my judgment. This morning I received the following telegram, dated Sterling, Ill., March 12, 1918:

Congressman JOHN C. MCKENZIE,
Washington:

Can you secure me point of enlistment of Walter E. Moore, reported among wounded in yesterday's casualty list.

(Signed) A. J. PLATT, *Mayor.*

Now, Mr. Chairman, we are all aware of the fact that the War Department has issued an order that in reporting all soldiers killed and wounded in France the name of the soldier alone shall be given to the public. We are told that Gen. Pershing requested this to be done, and that he did so upon the request of the French Government. When the order was issued I felt, as I believe every Member of this House felt, that it was a mistake, and that instead of doing the thing they expected it to do, it would only aggravate the matter. And this is the first evidence from my district, and it is evidence which will be coming from every district in the United States in a few days, unless that order is changed.

In my judgment it is not necessary in publishing such lists to give all the details, but it would do no harm to say, for example, that Walter E. Moore, of Sterling, Ill., was wounded on a certain date, and not give the regiment or the company, or even the division to which he belonged.

Mr. RUSSELL. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. RUSSELL. I will ask the gentleman if he does not believe it would be better not to give the name at all unless they are going to give us the address?

Mr. McKENZIE. Yes; I do; and for this reason: On investigation I have found that this man Moore did not live in Sterling, Ill. Yet his father and mother, when seeing that name published in the local papers or in the Chicago papers, immediately thought perhaps it was their son. Upon investigation I found that the man enlisted in Montana. The effect of the present regulation will be that, if there are 100 Smiths in the Army in France and one Smith should be wounded, the mother of every soldier by the name of Smith in France will not rest until she has word as to whether or not it is her son.

Now, Mr. Chairman and gentlemen of the committee, I am one of those, as I believe every Member here is, who is in favor of doing everything that will help our Government to win this war, and I would oppose anything that would give the great German Army any information that might aid in taking any advantage of our boys. But when an American boy lays down his life in France, or is even wounded there in upholding the colors of our country, I can see no harm in letting the people of this country know from what locality, at least, that boy came; and I hope that, in the wisdom of the War Department, that they will see the propriety of changing this order, which, to my mind, is uncalled for and unnecessary.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. LITTLE. Can the gentleman say whether any information was furnished to our War Department giving the reasons in support of such an order? Can anybody give any sensible reason for it?

Mr. McKENZIE. None; except that they are anxious to keep the Germans from knowing that the American boys are in front of them. But they will find that out.

Mr. LITTLE. That objection would be obviated if we would take them away from there. That would be as good a way as this.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. GARRETT of Tennessee. I do not mean to defend the practice, because I do not yet know enough of the reason for it; but I understand that it is the policy of the department to advise the relatives, or whoever the soldier may have given as his next friend, or next of kin.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. McKENZIE. May I have one minute more?

Mr. GARRETT of Tennessee. Mr. Chairman, I ask that the gentleman may have two minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GARRETT of Tennessee. The department advises those who are given by the soldier as his next friends. That is to say, in the case of the soldier to whom the gentleman refers, his friends in Montana were advised?

Mr. McKENZIE. Undoubtedly.

Mr. GARRETT of Tennessee. So that the parents of that boy, if they understand it, might feel perfectly safe unless they receive advice from the department itself; that is, if they understood it.

Mr. McKENZIE. Yes. But the unfortunate part of this order is that here is a mother, perhaps, in Sterling, Ill., who thinks this is her son. She will not be advised, while the mother in Montana will be, and rightfully.

Mr. GARRETT of Tennessee. And the mother in Illinois, if she understood the policy of the War Department, would feel perfectly safe, because she would know if it were her boy she would be informed, because the department has stated that the parents of soldiers would be advised.

Mr. McKENZIE. I know that the War Department is doing what it believes to be the best in this matter, but I do not believe that even the War Department of our country can make no mistake, and I believe this is a mistake.

Mr. LITTLE. What difference would it make to the Germans to know whether the boy came from Austin, Tex., or Topeka, Kans.?

Mr. McKENZIE. I can not see what difference it would make to the Kaiser of Germany, or to Von Hindenberg, or Ludendorff, or any great German general to know that John Smith, of Elizabeth, Ill., for example, was killed in front of their lines if the regiment was not named.

Mr. GLASS. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. GLASS. Do you imagine that the French Government, after three years' experience, would have made an idle request of this Government? Of course, all of us ascribe a patriotic motive to the gentleman who makes this motion; but do you suppose the French Government, after three years of actual experience, would have presented an idle request to this Government, not backed by a good reason?

Mr. McKENZIE. No; I do not. I impute no bad motive to the French Government, but I will say to my friend that in cutting off or denying the right to publish the number of the regiment or the division, that, in my judgment, is a wise military regulation; but I can not for my life see, when the name of a man is published as having come from a certain place, giving no connection whatever with the military organization, why it would affect in any way the safety of the other Americans in France. On the other hand, it would do away with this uncertainty that is bound to sweep over this land of ours if this order continues.

Mr. GLASS. As the gentleman from Tennessee has indicated, there ought not to be any uncertainty if the people will just understand that the nearest of kin or nearest in friendship will always be first apprised of any casualty by the War Department. Then nobody else ought to have any apprehension in the matter.

Mr. GILLETT. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. GILLETT. I ask that the gentleman may have five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. GILLETT. Does not the gentleman think it possible that a mother, seeing only the name of her son in the paper, might

suspect that the War Department has failed to notify her, or that the notification had not reached her?

Mr. GLASS. Yes. That would be a very distressing circumstance. While I do not fully understand the situation myself, I can not conceive that the French Government, after three years of war, would make a request of this sort if there was not something of vital importance behind it. My own view is that there has been too much publicity about these matters.

Mr. McKENZIE. I may say to the gentleman that I feel this way in regard to this matter, so far as the French Government is concerned. I can not help but feel that there must be somewhere along the line a mistake in properly deciphering the cablegrams giving these orders, because I can not understand how the French Government could raise this question.

Mr. GILLETT. Is the gentleman certain that the French Government did request the action taken by our War Department?

Mr. GLASS. No; I am not certain that the French Government did request the action taken by the War Department, except it has been specifically stated in the newspapers that the order was issued in pursuance to the request of the French Government, based on the supposition that these publications would furnish valuable information to the enemy, and that the request was concurred in by the English Government. Whether that is true or not I am not prepared to state.

Mr. MADDEN. There is one thing you can not change, a mother's hope or fear for her boy, and there ought not to be anything done to make it more difficult for her to bear the burden of sending her boy to the front than is necessary.

Mr. GLASS. Well, some of us have as much affection for our boys as others have, and if the boy is killed those who are most concerned are his parents, and if the parents are notified that ought to be sufficient. This thing of thinking that the public should be informed of everything that is done is a mistake, and I say that although I am a newspaper man myself.

Mr. McKENZIE. Mr. Chairman, in reply to the gentleman I simply want to say that some of us have not the good fortune to have boys in this Army, but I think every man in the House feels the same way about it, and I am sure he does, that notwithstanding the fact that we may not have sons of our own there we are interested in every boy that we know from our communities.

Mr. GLASS. Oh, I think so, too.

Mr. McKENZIE. And when we see the familiar name of a man in the list of casualties we would like to know whether he is from our community or not. [Applause.]

Mr. GLASS. I will say to my friend that I intended nothing personal in my observation. I am just insisting on my view that the French Government, if it did make this request, must have had some very good reason for it or it would not have made it.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. GRAHAM of Illinois. The British Government to-day publishes in the London Times daily a list of casualties. You can find the paper in the Library. If they have discontinued the practice it has been within the last month or so. They publish a casualty list, giving the command of the man who is killed or wounded. You will find long lists published each day. The French Government has never published any casualty list at any time. It has been the fixed policy of the French Government not to do that. But how much more dangerous is it for us to publish these lists than it is for the British Government to do so?

Mr. McKENZIE. I will say right in that connection that so far as I am personally concerned I have no ill feeling in this matter, but I simply call the attention of the committee to the fact that in my judgment it would be infinitely better not to publish the lists at all than to publish them as they are now published.

Mr. GLASS. I do not ascribe any captious motive to my friend in bringing this to the attention of the House. Responding to the interruption just now, I apprehend that the reason why there is no objection to the publication of the lists that we see in the English newspapers is the fact that it is as well known to the German Army as it is to the English Army itself precisely what part of the front the English troops occupy. There may be good reasons for not wanting the Germans to know just what particular part of the front the American Army occupy at this time.

Mr. ROBBINS. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. ROBBINS. Is it not the practice also to publish the names in the Canadian newspapers? I have seen in Canadian newspapers lists of names, giving the company, regiment, and division to which a man belongs.

Mr. McKENZIE. I can not say as to that. I do not know.

Mr. ROBBINS. Further, in answer to the gentleman from Virginia [Mr. GLASS], the gentleman seems to think there is great objection to publishing the names of American soldiers, on the ground that it is not known that the Americans are over there. Is it not known that Americans have been captured, and that they have been in the front trenches for some time? Of course the Germans know that they are there.

Mr. GARRETT of Tennessee. Mr. Chairman, I rise in opposition to the pro forma amendment just to say this: All the statements that I have seen in the press in connection with this order of the War Department to which the gentleman from Illinois [Mr. McKENZIE] has just addressed himself have been more or less critical, and it has seemed to me that perhaps the press has inadvertently failed to carry to the next of kin of soldiers information that it could very properly carry, and in the carrying of which it would render great service. That is, that it is the policy of the War Department, under this kind of an order, as it was before, immediately upon receipt of information of a casualty to advise the next of kin of the soldier of that fact. If this could be clearly understood—and if this order is to continue it ought to be understood in the country—then the parents and the next of kin of soldiers of the same name would not be alarmed if they did not receive advices.

Mr. MADDEN. Yes, they would.

Mr. GARRETT of Tennessee. Because, if they understood perfectly that they would be advised by the department, I do not think there would be any occasion for alarm.

Mr. MADDEN. You never could make a mother understand it though.

Mr. WASON. Can the gentleman inform the House how soon after the information reaches the War Department means are taken to inform the interested relatives?

Mr. GARRETT of Tennessee. I do not know, except that I had this experience: There were two young men from my district on the *Tuscania*. One of them was saved and one of them was lost. I myself made inquiries as to both of them before definite information was received by the department. It had been promised that I would be advised. About 3 o'clock on a Sunday morning I called the department by telephone, and I learned that they had received definite information as to the young man who was saved. They had finished deciphering a cablegram at 1.30 a. m., and had sent out a telegram to the father of the survivor at 1.45 a. m. That was one experience. As to the case of the one who was lost I do not know how long it was before they had definite information. Of course, I do not know how long it takes to get the telegrams out, but that has been one case in my experience.

Mr. WASON. Does the gentleman understand that the department communicates with the relatives of the soldiers by wire?

Mr. GARRETT of Tennessee. By wire in all instances where it is possible to send a wire. They have the telegraphic address and the mail address of the next of kin, as I understand.

Mr. HUMPHREYS. I move to amend the pro forma amendment by striking out two words.

The CHAIRMAN. The gentleman moves to strike out two words.

Mr. HUMPHREYS. I just want to make this suggestion, Mr. Chairman. This is a matter in which everybody is deeply concerned, of course, and the mothers of the country are anxious and will continue to be so. Here is the situation: We have selected to take charge of our armies in France men in whom we have absolute confidence. I think everybody has confidence in Gen. Pershing as a military man and also confidence in those who serve under him. The news comes and is published in the paper that certain named men have been killed or wounded. Just as soon as possible thereafter the department notifies the next of kin, the parents of the boy, that their boy is killed or wounded. The other mothers in the country are, of course, extremely anxious. Now, here is the question: If their sons have not been killed or injured the day of their anxiety and sorrow will soon end; but it is the deliberate judgment of the men who have charge of our armies on the field that it would be to the best interest of the boys who are not injured if this information were not published. So they say to the mothers, "While you may undergo a few hours or a few days of unnecessary anxiety, feeling that this may be your boy, it is better that you do that, because by giving out this information it may give such an advantage of the enemy as may result in injury and perhaps death to your boy."

Now, who is the best judge of that? I think there can be no two sides to that question. The men in France who are charged with this great responsibility—I do not know whether this is the advice of the French Government or the English Government, but I understand from the press that it is and that Gen. Pershing

himself agrees to it. If that be true, is it not better for all of us that we suffer these few days of great anxiety than to have a policy adopted which may result in the death of many more boys?

Mr. McKENZIE. Will the gentleman yield?

Mr. HUMPHREYS. I will.

Mr. McKENZIE. I would like to ask the gentleman if he does not believe that it would be just as well to say that 20 Americans, or 50 Americans, were killed on the 14th of March or the 15th of March, and just give the number without the names? Would it not be just as valuable to the public as to publish a string of names, and would it not be advisable to leave the names out entirely?

Mr. HUMPHREYS. Mr. Chairman, I confess that to my uninformed judgment on the subject that would answer every purpose. But the general in charge of the Army over there says that it is all right to publish this other information.

Mr. RUCKER. Mr. Chairman, this is a very instructive and illuminating discussion, and I think it deserves a better audience. I make the point that there is no quorum present.

The CHAIRMAN. The gentleman from Missouri makes the point that no quorum is present. The Chair will count. [After counting.] Eighty Members present, not a quorum.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee do now rise.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. BYRNS of Tennessee. I demand tellers.

Tellers were ordered; and the Chair appointed as tellers Mr. BYRNS of Tennessee and Mr. RUCKER.

The committee divided; and the tellers reported that there were 7 ayes and 84 noes.

The CHAIRMAN. There is not a quorum present, and the Clerk will call the roll.

The Clerk proceeded to call the roll, and the following Members failed to answer to their names:

Anthony	Fairchild, B. L.	Kreider	Roberts
Austin	Fairchild, G. W.	LaGuardia	Rodenberg
Barkley	Fess	Lee, Ga.	Rowe
Black	Flynn	Lenroot	Rowland
Caldwell	Fordney	Lesher	Sanford
Campbell, Kans.	Foss	Littlepage	Scott, Pa.
Campbell, Pa.	Freeman	Lufkin	Scully
Cantrill	Fuller, Mass.	McClintic	Sears
Capstick	Gallivan	McCormick	Siegel
Carew	Garland	McCulloch	Small
Carter, Mass.	Garrett, Tex.	McFadden	Snyder
Clark, Fla.	Goodall	McKeown	Steenerson
Clark, Pa.	Gould	McKinley	Stephens, Nebr.
Coady	Graham, Pa.	McLemore	Stevenson
Cooper, Ohio	Greene, Vt.	Magee	Sullivan
Cooper, Wis.	Hamill	Maher	Switzer
Copley	Hamilton, N. Y.	Mann	Tague
Costello	Haugen	Mason	Talbott
Crago	Hayes	Meeker	Templeton
Crisp	Heaton	Miller, Minn.	Treadway
Currie, Mich.	Heintz	Miller, Wash.	Van Dyke
Curry, Cal.	Holland	Morin	Vare
Davidson	Hollingsworth	Mott	Venable
Dies	Hood	Neely	Walker
Dooling	Husted	Nolan	Watson, Va.
Doremus	James	Parker, N. Y.	White, Ohio
Doughton	Johnson, S. Dak.	Peters	Wilson, Ill.
Drane	Jones, Va.	Phelan	Wilson, La.
Drukker	Kahn	Platt	Winslow
Dunn	Kehoe	Porter	Woodyard
Eagan	Kelley, Mich.	Price	Zihlman
Eagle	Kennedy, R. I.	Ragsdale	
Edmonds	Key, Ohio	Rainey	
Esch	Kraus	Riordan	

The committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 10358 and finding itself without a quorum, under the rule had caused the roll to be called, and 295 Members answered to their names, a quorum, and he presented a list of the absentees to the House.

The committee resumed its session.

The CHAIRMAN. When the point of order was made the gentleman from Mississippi [Mr. HUMPHREYS] had the floor.

Mr. HUMPHREYS. Mr. Chairman, I yield back the balance of my time.

Mr. O'SHAUNESSY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 105, line 22, strike out the figures "$90,000" and insert in lieu thereof "$120,000."

Mr. O'SHAUNESSY. Mr. Chairman and gentlemen of the committee, a short time ago the committee saw fit to retain in the bill the provision for limiting the number of employees in the Bureau of Pensions, and to say that in vacancies occurring but 25 per cent should be appointed to fill the places vacated. The gentleman from Missouri [Mr. RUCKER] offered an amendment to do away with that practice and to continue in the Bureau of Pensions a sufficient force to deal with the work done there. It was my privilege to read a letter at that time from the Bureau of Pensions, signed by the deputy commissioner, in which he very clearly set forth that one of the reasons why the work of the bureau was behind was on account of this system or practice that had been incorporated into law by the House three or four years ago. That is past history, however. I happen to be speaking just now to a greater number of men than were present in the Chamber a little while ago, and I am dealing with a related proposition. My amendment now is to increase the appropriation for the field force from $90,000 to $120,000, and I calculate that the increase of $30,000 will provide about 20 extra men in the field. With that force we will do away with the revolting spectacle of worthy pensioners, both men and women, seeking what is theirs by right and frequently dying before relief is given to them by the Pension Bureau.

There is no question about it that men and women frequently die before these investigating men, who are charged with many and various duties, get around to their cases; and so we have the spectacle of the United States Government enacting a law asking people to submit their claims to the Pension Bureau in time, being told either directly or indirectly through their Congressmen, "Your case has been referred to a special investigator, and when he gets time your case will be taken up." Generally speaking, these people are very old; they are practically verging on the grave, waiting for the final summons, and in many instances, as I have said, by the time the investigator gets around there is crêpe handing on the door. It amounts to this, that we want to put into the field a sufficient number of men so that there will not elapse, as there did elapse in a case in which I was personally interested not very long ago, one full year before the matter was disposed of. It is not the fault of the Bureau of Pensions; it is no fault of the Pension Commissioner; it is no fault of the force there. It is the fault of the picayune policy of Congress. I wish to protest against that picayune policy. These veterans may not have the same potential power now; they do not have so many votes perhaps, but their cause is just as sacred as ever [applause], and they are just as worthy of pensions as ever, and we should embrace this opportunity of providing a sufficient number of men to go out and do their work, not alone efficiently but promptly, in behalf of worthy men and women. [Applause.]

Mr. KEATING. Mr. Chairman, I hope the amendment submitted by the gentleman from Rhode Island [Mr. O'SHAUNESSY] will be adopted. Undoubtedly the work of the Pension Bureau is in arrears. The whole issue is whether responsibility should be placed upon the officials of the Pension Bureau or upon the Members of this House for failure to provide sufficient funds. I take it from the statement made by the gentleman from Rhode Island that the responsibility rests with the committee and with Congress. If that be true, then there is no question but that we should do something to relieve the situation. The gentleman from Rhode Island cites a case in his district where more than a year elapsed between the filing of the claim and the granting of the pension. I have had a great number of cases in my district where more than a year elapsed before the cases of widows of Civil War veterans could be adjudicated.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. KEATING. Yes.

Mr. WALSH. Does the gentleman understand the amendment of the gentleman from Rhode Island to permit the employing of extra help down there?

Mr. KEATING. I understood his amendment is to increase the force in the field.

Mr. WALSH. It does not increase the force in the field; it simply increases the amount of per diem for subsistence.

Mr. RUCKER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. Yes.

Mr. RUCKER. I am glad to hear the gentleman express the views he has expressed, but I feel that I should say to him that the Committee on Appropriations determined that the Pension Office shall not have an adequate force.

Mr. KEATING. Mr. Chairman, I do not desire to reflect upon the Committee on Appropriations, and I hesitate to believe that the committee would deprive the Pension Office of a sufficient force. But on this point there can be no doubt—the Pension Bureau is months and almost years behind its work. I can secure from the files of my office many, many letters from widows who filed their claims more than a year ago, and those claims have not been adjudicated. Many of these women are well known in the communities where they live, and there is no question about their right to a pension. I contend that these claims should be taken up and disposed of speedily.

Mr. SANFORD. Mr. Chairman, will the gentleman yield?
Mr. KEATING. Yes.
Mr. SANFORD. Does the gentleman think the Pension Bureau ought to consider a widow's claim out of its order because of the fact that it has an inquiry from a Member of Congress respecting it?
Mr. KEATING. I hope the Pension Bureau will give some consideration to inquiries from Members of Congress. I have written some myself.
Mr. SANFORD. Will the gentleman kindly answer my particular question? We had here this morning a statement that there were some 60,000 letters received from Congressmen during the last year. It occurs to me that that alone would disrupt the Pension Bureau. Does the gentleman think that the Pension Bureau ought to consider a widow's claim out of its order because of the fact that a Member of Congress has inquired about it?
Mr. KEATING. No; unless the Member of Congress submits some good reason why it should do so. I think Members of Congress should be treated like other citizens of the United States.
Mr. SANFORD. I agree with the gentleman.
Mr. KEATING. I can not believe that the letters written by Members of Congress have disrupted the Pension Bureau, and I sumbit it is up to the present Committee on Appropriations to prove that the present management of the Pension Office is inefficient or to grant a sufficient force to transact the business of that office.
Mr. FIELDS. Mr. Chairman, will the gentleman yield?
Mr. KEATING. Yes.
Mr. FIELDS. Is it not fair to assume that a large per cent, probably one-half, of those 60,000 letters that have gone to the bureau are inquiries about undue delays?
Mr. KEATING. I think that is true to a great extent. It has been my own experience.
Mr. O'SHAUNESSY. Mr. Chairman, I merely wish to say that I was misinformed. I asked the Clerk a little while ago, and my hurried reading of the paragraph led me to believe that the amendment would be applicable. I find that it is not. It merely provides for a per diem, and of course it would involve the offering of an amendment to the force in question. Now, there is in the bill no specific number of field men mentioned, and it would involve a study of the preceding paragraph on page 104 to work out the number who are available for this work.
Mr. LANGLEY. Will the gentleman yield to me there?
Mr. O'SHAUNESSY. I do.
Mr. LANGLEY. I was employed for a good many years in that bureau and know something about its work. As I understand it, the gentleman's amendment proposes to increase the allowance for per diem for the field men.
Mr. O'SHAUNESSY. What I desired to do was to increase the number of men.
Mr. LANGLEY. Well, the gentleman can accomplish that in effect by the amendment he is proposing. It would have that effect because they could detail, if they had a larger lump sum to pay this per diem, a larger number of clerks for the field work, and thus expedite it. If that is the purpose of the amendment it is all right.
Mr. O'SHAUNESSY. If it can be done, if the appropriation of $120,000 instead of $90,000 could be used for increasing the number of men upon field work, then I leave my amendment stand as it is and allow it to be answered by the chairman of the subcommittee.
Mr. WALSH. Will the gentleman yield for a question?
Mr. O'SHAUNESSY. I will.
Mr. WALSH. If it does what the gentleman from Kentucky suggests, the gentleman from Rhode Island and the gentleman from Kentucky would have to wait more than 10 days to get an answer to their letters if they are going to detail a lot of their present clerks on field work.
Mr. O'SHAUNESSY. I am willing to wait for answers to letters; but I want those people who put in definite, legitimate claims——
Mr. WALSH. The gentlemen were criticizing the bureau for not answering letters.
Mr. O'SHAUNESSY. I did not critieize the bureau; I am criticizing Congress.
Mr. LANGLEY. No; it was not my intention, either, to criticize the bureau. I was merely showing that it is not up with its work, and that therefore its force should not be depleted now.
Mr. BYRNS of Tennessee. Mr. Chairman, if the gentleman from Colorado had been here during the discussion upon the preceding paragraph he would have heard read a letter from the chief clerk of the Pension Bureau, in which he stated that notwithstanding the fact that his force had been depleted 100 in number from what it was a year ago, on account of resignations of members of the force going into the military and other service, that by putting in better methods and cutting out, as he expressed it, the red tape, the bureau was keeping the regular work current. As to this particular amendment the gentleman from Rhode Island has offered, the amendment increases this appropriation from $90,000 to $120,000 for per diem in lieu of subsistence, for the men in the field who make examinations of these pension claims. They have 52 men now detailed for that particular purpose. The Pension Bureau has not asked for a single increase in the number now detailed, and if this committee undertakes to vote this increased appropriation, you are voting for something the Pension Bureau has not asked and does not desire. Now, as a matter of fact, the committee raised this appropriation from $80,000 to $90,000. It gave them an increase of $10,000, and in addition to that allowed an increase of the per diem from $3 to $4 per day. So I repeat, gentlemen, that certainly in this day and in this time, when we are taxing the people as we are and when our Government is being put to an expense never before known in its history, we ought not to increase this appropriation $30,000 when the Commissioner of Pensions himself has not asked us to do it and does not expect it. I hope the amendment will be voted down.
Mr. O'SHAUNESSY. Will the gentleman yield?
Mr. BYRNS of Tennessee. I will yield.
Mr. O'SHAUNESSY. The gentleman, I presume, will not question the correctness of the letter which I read to the committee a little while ago, in which the deputy commissioner states as follows——
Mr. BYRNS of Tennessee. I yielded to a question. I did not yield for an argument.
Mr. O'SHAUNESSY. This is my question. Now, I want to ask the gentleman this question. The deputy commissioner said this:

I beg to say, further, that the difficulties under which the bureau is laboring could be entirely removed if the 25 per cent limitation clause inserted in the appropriation act, and with relation to the Pension Bureau alone, were eliminated.

Mr. BYRNS of Tennessee. That has no application to this amendment.
Mr. O'SHAUNESSY. Let me read:

This would permit the appointment of such clerical help as is needed to keep the work more nearly current and to obviate those conditions which result from a restriction preventing the most effective adjustment of the force employed in the bureau to the labors to be performed in administering pension laws now in existence or which may hereafter be enacted.
Very truly, yours—

And so forth.
Mr BYRNS of Tennessee. Now, the gentleman asks you to increase this appropriation $30,000 in order to further decrease that clerical force and send it into the field, when the Commissioner of Pensions has not asked for it and does not say it is necessary.
Mr. TOWNER. Will the gentleman yield?
Mr. BYRNS of Tennessee. I yield, if I have time.
Mr. TOWNER. Very reluctantly, evidently.
Mr. BYRNS of Tennessee. Oh, not at all; I will gladly yield to the gentleman, as I always do.
Mr. TOWNER. I notice that the estimate of the department, which the gentleman says was not increased, is $101,600. Upon what ground does the gentleman tell the committee that he has increased the appropriation rather than diminished it?
Mr. BYRNS of Tennessee. Why, the appropriation for the current year is $80,000——
Mr. TOWNER. Yes.
Mr. BYRNS of Tennessee. And we have increased it to $90,000.
Mr. TOWNER. I understood the gentleman to say you increased the estimate——
Mr. BYRNS of Tennessee. No; we never increase estimates, I will say to the gentleman. We never allow to a department more than is asked, because it has been my observation and experience that a department never asks for a less sum than is actually needed and very frequently asks for a great deal more.
Mr. TOWNER. Why does the gentleman and the committee reduce the estimates of the department in this case? Ought they not to have at least made the amount what was estimated for, $101,600, instead of $90,000?
Mr. BYRNS of Tennessee. The committee, I will say to the gentleman, allowed $10,000 increase, making $90,000. The committee felt, not being asked for additional examiners in the field, that the bureau could get along and take care of the extra increase of per diem with this $10,000.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Rhode Island [Mr. O'SHAUNESSY].

The question was taken; and the Chair announced that the noes seemed to have it.

Mr. O'SHAUNESSY. Division, Mr. Chairman.

The committee divided; and there were—ayes 20, noes 60.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Patent Office: Commissioner, $5,000; first assistant commissioner, $4,500; assistant commissioner, $3,500; chief clerk (who shall be qualified to act as principal examiners), $3,000; 5 law examiners, at $2,750 each; examiner of classification, $3,600; 5 examiners in chief, at $3,500 each; 2 examiners of interferences, at $2,700 each; examiners of trade-marks and designs—1 $2,700, first assistant $2,400, 6 assistants at $1,500 each; examiners—45 principals at $2,700 each, 90 first assistants at $2,400 each, 90 second assistants at $2,100 each, 90 third assistants at $1,800 each, 90 fourth assistants at $1,500 each; financial clerk, who shall give bond in such amount as the Secretary of the Interior may determine, $2,250; librarian, who shall be qualified to act as an assistant examiner, $2,000; 6 chiefs of divisions, at $2,000 each; 3 assistant chiefs of divisions, at $1,800 each; private secretary, to be selected and appointed by the commissioner, $1,800; translator of languages, $1,800; clerks—9 of class 4, 9 of class 3, 17 of class 2, 135 of class 1, 91 at $1,000 each; 3 skilled draftsmen, at $1,200 each; 4 draftsmen, at $1,000 each; 90 copyists; 40 copyists, at $720 each; 3 messengers (one transferred to building for Interior Department offices); 33 assistant messengers (two transferred to building for Interior Department offices); 13 laborers, at $600 each (four transferred to building for Interior Department offices); 45 examiners' aids, at $600 each; 24 copy pullers, at $480 each, who shall be selected without regard to apportionment; in all, $1,416,500.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word.

I shall not ask the committee to return to the item on page 101, which provides for the force of the General Land Office, but I shall beg the indulgence of the committee to discuss that item for a few moments. I was unavoidably absent from the Chamber late Saturday afternoon when this item was reached, and therefore unable to discuss it at that time. I should not, however, have offered an amendment had I been here, as I realize that the committee would not accept without further consideration such an amendment as should be offered. But I do hope that if in the Senate this item shall be considerably modified, the number of clerks considerably increased, and the appropriation increased, the conferees representing the House will see their way clear to approve the increases which will be asked for.

The General Land Office is one of the old-established institutions of the Government. It has been growing for three-quarters of a century and more, and in the main the salaries paid in that office have not been much increased in more than 50 years. The result is that men in that office, having exceedingly important questions to pass upon, aggregating in the course of the year property values of hundreds of millions of dollars, receive salaries much lower than those paid to officials in other and newer bureaus of the Government whose duties are very much less onerous, trying, responsible, and important than those of the law clerks and law examiners of the Land Office.

The Commissioner of the General Land Office, one of the most efficient of all of our public servants, has for the past two years been endeavoring to secure an increase in the force of his office and some increases in the salaries of some of the officials of his bureau. He himself should receive an increase of at least a thousand dollars a year, but has not asked for it. I realize that the subcommittee having to do with all of the multiplied affairs of the Government, in all the executive departments provided for in this bill, can not be fully informed as to the needs of any one, much less all, of the bureaus of the Government.

I am, therefore, not criticizing the members of the committee or the subcommittee because the increase in clerks and the increases in salaries that the commissioner asked for have not been granted. I do, however, believe a careful consideration of the arguments made by the commissioner and all the facts he presented would have fully justified the committee in granting practically all he asked.

The Commissioner of the General Land Office asked for 26 additional clerks, with salaries of from $1,000 to $1,600, and amounting in the aggregate to $32,400. In addition to this, he asked certain increases of from $100 to $500 in the salaries of some of the law clerks and examiners in his office. Had all the increases in clerical force and all the increases in salaries requested been granted, my opinion is that the commissioner would still be likely to be short of the necessary force to keep current the people's business coming before that office. Had he been granted the increases in salaries, those increases would not have brought the salaries of the men who would have been the beneficiaries of the increases as high as the salaries of men occupying corresponding positions in new bureaus by several hundred dollars per annum in any one case.

The commissioner made a very strong case before the committee I thought. I can see that the members of the subcommittee might not have realized the force of all the statements made, lacking, as they necessarily are, complete familiarity with the workings of the bureau. The Commissioner of the General Land Office is a very modest man——

The CHAIRMAN. The time of the gentleman has expired.

Mr. MONDELL. Mr. Chairman, I ask unanimous consent that I may have five minutes more.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent for five additional minutes. Is there objection?

There was no objection.

Mr. MONDELL. And while he stated his case clearly, possibly he did not state it with the vigor and vehemence that other gentlemen might, and therefore possibly the necessity and importance of these increases did not occur to the subcommittee. This is a part of what the commissioner said. The chairman of the subcommittee, Mr. BYRNS of Tennessee, asked the commissioner as to the condition and progress of work in his office, to which Mr. Tallman replied:

It is not in such good condition as it was a year ago.
Mr. BYRNS How is it in volume as compared with a year ago?
Mr. TALLMAN. The volume of business has increased.
Mr. BYRNS. You mean without taking into consideration the work in connection with the stock-raising homestead act?
Mr. TALLMAN. Yes; without taking that into consideration.

Then the commissioner went on to state the various causes for the increase of the work in his bureau. I shall not take the time to read two paragraphs in which he summed up in the main the important classes of work requiring additional help in the office. They appeal strongly to anyone familiar with public-land matters, and all of those from the West who know about these classes of increased business realize how they have been growing in the work of the office and how important they are. It might have been thought by some that the discussion held a few moments ago with regard to the working force of a certain office was from the standpoint of the interest of the clerks. I certainly have no such purpose of serving any individual's interest in what I am saying in regard to the Land Office. I am thinking only of the people's business—the people's business, which is efficiently handled in this bureau of the Government. No Member from the West has any special favors to ask of the General Land Office.

We simply desire to have the Land Office furnished with sufficient force, paid proper salaries, to secure that speedy, careful, faithful attention to the public business which is necessary. The commissioner made it very clear how a half dozen new pieces of legislation and a Supreme Court decision had very greatly increased the business of his office in the last year, without taking into consideration the new stock-raising homestead act. Now, how about that act? Here is what the commissioner said about it:

Now, the stock-raising homestead act is quite far-reaching; in fact, it is developing into the most important land legislation we have had for a good many years. I kept figures on it up to a few weeks ago, at which time there had been a fotal of over 60,000 entries, covering a gross area of some 24,000,000 acres. Now, that is 8,000,000 acres more than the total business of the year before in the shape of new business. I estimated for 26 clerks in the deficiency bill, thinking we would need them immediately. Fortunately we have not needed them so badly and will not until the appropriation we have under consideration comes into effect, for the reason that the entries under this stock-raising homestead act are not allowed until the land is designated by the Secretary of the Interior.

* * * * * * *

So, while we have gotten along, as it happens, fairly well without those 26 additional clerks, we will need all of them, and probably many more, to handle that business. I think 26 additional clerks will be sufficient to take up the work for the year and see how it turns out, and ascertain where we stand after working on it for a time.

The commissioner stated that very modestly. As a matter of fact, the business under the stock-raising homestead act alone in the year for which the appropriation in this bill provides will require a large additional force.

The CHAIRMAN. The time of the gentleman from Wyoming has again expired.

Mr. MONDELL. I hope the committee will indulge me for five minutes more, Mr. Chairman.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. MONDELL. Of the 26 clerks which the commissioner asked for, the committee allowed 8, a little less than one-third; 4 at $1,200 and 4 at $1,000. I am somewhat familiar with the business of the General Land Office, as every man from a Western land State is, and after careful inquiry and investigation I am of the opinion that every one of these 26 clerks is needed, needed badly, imperatively, if the public business is to be kept anything like current, if the business of the people is to be properly cared for.

One gentleman with whom I discussed this matter suggested that the war would make some difference in the Land Office business. That is true; but it makes this difference, that in the case of many classes of entries the war will greatly increase the business. Here is what the commissioner said of some of the classes of increases. There are others, some of them growing out of the war:

Mr. TALLMAN. One thing is the very large demand for certified copies of documents and the consequent necessity for searching and examining old records; another cause is new legislation, adding new forms of public-land business; and aside from that it is simply the current demand for public lands. You understand, the final proofs on entries made three and four years ago are just now coming in. The decision of the Supreme Court in what is known as the Deseret case released some 2,000,000 acres of suspended State indemnity selections for immediate adjudication. Much business has resulted from the building of the Alaska Railroad, particularly with respect to railroad town sites. Under the act of March 4, 1915, for the relief of desert-land entrymen, we have taken action on over 5,000 cases since the law was passed. The oil-land controversy, including the administration of contracts under the act of August 25, 1914, has required continuous attention by a considerable number of employees both in the office and in the field. The so-called "surface" acts, such as that of July 17, 1914, add complications to the matter of adjudication. Moreover, as a result of changed laws and policies and numerous withdrawals and restorations, it requires nearly double the work to adjudicate claims, as compared with some years ago. For example, irrigation under the desert act is now mostly by means of large projects; we examined and passed on 130 detailed engineers' reports of our field service on such projects last year. Our original entries, new business, shown in my annual report for last year—that is, for the year ending June 30, 1917—was over 16,000,000 acres of land entries, up to the average for recent years. That does not include any of the stock-raising business, you understand.

Mr. EVANS. That is due fundamentally to the desire of the people to acquire land?

Mr. TALLMAN. I should say so.

Mr. EVANS. And there is more contest work?

Mr. TALLMAN. Yes, sir. The contest work has increased a little lately. It fell off a little during the last two or three years. It is running now in round numbers a little over 5,000 contests from which, in round numbers, 4,000 are cases of default or failure to prosecute or to appeal. For instance, in the oil business in California we have records come to us of hundreds of pages. Those cases involve literally millions of dollars. The same thing is occurring in the Wyoming oil cases. For instance, we had to handle this year and are handling now the Oregon-California land grant. There are 2,300,000 acres which we have to classify. The results of the field examinations all have to come to our office to be fully assembled, examined, and platted. To do that we had to take the Oregon-California land grant and examine every tract of land that the railroad had ever received or could receive within the grant limits and ascertain from that every acre that the railroad might be entitled to, so as to close that grant. The amount of detail work on a proposition of that kind is very large. It keeps several people working on it all the time. Now, we are getting that classification under way. By next spring we have to furnish the public information as to what was shown by that classification and examination and open those lands to entry. At the same time we have got to prepare schedules showing our cruises of all the timber we have to dispose of and conduct the sales. All of that work has to be done in our office. Under many acts we have to do much original work in the nature of working out the governmental policy. For instance, Congress recently passed a law, the potash-leasing bill, with which you are familiar. It was a very general bill and gave the department very large authority. It is necessary to work out that whole scheme of procedure practically and to consider all of the technical and legal propositions that arise in connection with working out that plan. The same was true as to the leasing of Alaska coal lands.

The war, instead of decreasing the business in the General Land Office, has very considerably increased it; and, in addition to that, very few days pass without some new land legislation, all of which lays a new burden and an additional requirement on the General Land Office. As the public-land area decreases the amount of work connected with entries increases, for we are multiplying the classes of entries, we are constantly making new requirements in regard to almost all classes of entries, we are scrutinizing all classes of entries more carefully than in the past.

This public-land service is one of the most valuable under the flag. It is a service rendered to the pioneers who are developing the undeveloped resources of the country, making two blades of grass grow where one or none grew before, opening rich veins and fountains of mineral wealth, bringing fructifying waters from the mountain streams over the arid wastes, and making them blossom as the rose.

Mr. WALSH rose.

Mr. MONDELL. The public-land service is a service which has aided in creating great Commonwealths amid the mountains and on the desert plains, vastly increasing the wealth of the Nation, and establishing new and flourishing communities in the glorious and golden West. [Applause.]

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. WALSH. I rose some little time ago to ask the gentleman to yield, but I was so charmed by his eloquence that I could not prefer the request. The gentleman is an expert upon this particular sort of legislation and probably the best-posted man in the House upon public-land matters.

Mr. MONDELL. I thank the gentleman.

Mr. WALSH. I should like to ask the gentleman if there is any scheme or plan which is in operation or which may be put in operation whereby these public lands will at some time or other be turned over to the various States, for them to assume the burden of jurisdiction over them, and thus relieve the General Government of this supervision, which has been exercised for many years?

Mr. MONDELL. The plan and purpose of State ownership has been suggested and promoted at one time and another, but never very successfully.

The western people have never been a unit on the matter, and Congress has never shown any considerable disposition to enact the legislation. There are many people in the West who would be willing to assume the burden.

Mr. WALSH. There is no existing law for it?

Mr. MONDELL. There is not.

Mr. RUCKER. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk, as a new paragraph, to be inserted at the end of line 6 on page 107.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. RUCKER offers the following amendment: Insert as a new paragraph, following line 6 on page 107, the following:

"Appointment shall not be made to any of the positions herein appropriated for in the classified service of the Patent Office not actually filled June 30, 1918, nor shall more than 25 per cent of other vacancies actually occurring in any grade in the classified service of that bureau, during the fiscal year 1919, be filled by original appointment or promotion. The salaries or compensation of all places which may not be filled as hereinabove provided for shall not be available for expenditure, but shall lapse and shall be covered into the Treasury. The provisions of this paragraph shall not apply to any position with a salary of $2,250 or above that sum."

Mr. BYRNS of Tennessee. Mr. Chairman, I make the point of order, or I will reserve it if the gentleman desires me to——

Mr. RUCKER. Oh, let the gentleman make his point of order. I am not asking any favors.

Mr. BYRNS of Tennessee. I make the point of order on the paragraph.

Mr. RUCKER. What is the point of order?

The CHAIRMAN. What is the gentleman's point of order?

Mr. BYRNS of Tennessee. That it is legislation, and that it can not come under the Holman rule, which retrenches expenditures. There are no vacancies in the Patent Office, such as exist in the Pension Bureau, and therefore it is an entirely different proposition.

The CHAIRMAN. The Chair will hear the gentleman from Missouri.

Mr. RUCKER. Mr. Chairman, this amendment is identical in language with a paragraph found in the bill in another place. If it should be adopted, and there should be three deaths of clerks in the Patent Office, would there not be a saving of money, because it would save three clerks, and one could not be appointed until there were four vacancies? You would have to kill four before one could be appointed. This is the same point that was before the Chair a day or two ago and, I think, the same identical question.

The CHAIRMAN. The gentleman will note in that case the Chair particularly inquired, before ruling, whether there were any existing vacancies, and the answer was that there were existing vacancies.

Mr. RUCKER. That answer did not come from me.

The CHAIRMAN. No; it came from the chairman of the committee, based upon the evidence submitted to the committee. The vacancies, as the Chair understood, were of record, and undisputed. The Chair will further call attention to the fact that the amendment proposed presents an entirely different situation from the one heretofore ruled upon. It may be very likely, indeed highly probable, in the light of experience that there will be vacancies during the time to which the amendment relates. But that is a purely speculative proposition. In the case referred to there were actual existing vacancies which could not be filled, provided the paragraph remained in the bill. The retention of that paragraph kept those vacancies from being filled, and that result was, in effect, a reduction of existing employees of the Government, and of official salaries. That reduction brought the paragraph within the benefit of the Holman rule. But the case in hand, is as stated, a speculative proposition. There may be vacancies hereafter arising. It is highly probable that these vacancies will occur, but that is as far as we can go. The Chair can not say, that there is a moral certainty that these vacancies will take place, and unless it is a moral certainty that they will occur, thereby taking that occurrence out of the domain of speculation, the amendment proposed will not operate ex proprio vigore, to reduce expenditures. The Chair sustains the point of order.

Mr. RUCKER. Mr. Chairman, before the Chair rules let me say that I am not advised, and therefore will not make a statement to the Chair, with reference to whether there are vacancies

there or not. Before we reach another bureau I think I will have the opportunity to find out, and then I will offer this amendment again. For the present I withdraw the amendment, and I move now to amend, on page 107, line 4, by striking out "$600" and inserting "$750."

The CHAIRMAN. Does the gentleman desire to withdraw the amendment which was read?

Mr. RUCKER. I have tried to withdraw it; yes.

The CHAIRMAN. The gentleman asks unanimous consent to withdraw the amendment. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. RUCKER: Page 107, line 4, strike out "$600" and insert "$750."

Mr. RUCKER. Mr. Chairman, I want to say that I am not going to trespass upon the time of this committee and therefore will not ask any extension of time. It might be objectionable to some gentlemen to grant me an extension. I do not want to be interrupted during the few minutes I shall occupy the floor.

Mr. Chairman, there was a time when I was not much in favor of the amendment that has just been offered, and which, at the suggestion of the gentleman from Tennessee, was not allowed to be acted upon. Really I had no confidence in its wisdom until recently. I have been converted to the idea that perhaps the limitation upon the appropriations for the Pension Bureau may have some merit. My good friend, the genial gentleman from Tennessee [Mr. BYRNS], I am sure by his solemn and impressive manner impressed upon the minds of the occupants of the galleries that he enjoys some ministerial connection; and I am sure everyone was impressed when they heard the deep pathos of the gentleman from Iowa [Mr. GOOD], who pleaded his devotion to the soldier whose affairs are attended to in the Pension Bureau; and then the gallant, distinguished, and oratorical gentleman who talked with vim and vigor and almost ferocious eloquence. I am sure he and they succeeded in convincing this committee that the very wise provision they wrote into this bill ought by right to remain in the bill, because the Committee of the Whole voted down my amendment to strike it out. But the gentleman from Tennessee [Mr. BYRNS] was not willing to let the committee express its judgment on the propriety of making the same identical limitation apply to other Government bureaus. His very actions, to my mind, condemns the language, and I fully understand why he does not want to thus hamper and cripple other bureaus. But I offered, gentlemen, at the end of another paragraph, their own language, language which they incubated upon, if that is the proper word. [Laughter.] I withdraw it. No; it was hatched by the Chief of the Bureau of Efficiency and given to the gentleman.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. RUCKER. Yes.

Mr. BYRNS of Tennessee. I know the gentleman does not want to do any injustice to the committee nor to the Bureau of Efficiency. I will say, as I have said before, that the Bureau of Efficiency had absolutely nothing to do with suggesting, preparing, or even intimating this provision.

Mr. RUCKER. I do not want to be interrupted very long or very often by the gentleman because he can get more time than I can.

Mr. Chairman, I submit to you that it is a singular circumstance that when I pleaded with the gentleman in the most pathetic language I could command to tell us if there was a single other bureau in the Government that is handicapped like this, and although I called his attention to it again while he was on the floor, he refused to answer. I appealed to the gentleman from Iowa, and he promptly denied me the courtesy of a reply and refused to answer. I applied to the loquacious gentleman from Wisconsin who always has an answer for everything and for every one, whether right or wrong—most of the time wrong—and he was so busy talking about something else that he said he could not yield in five minutes, though he knew that he had plenty of time and could get plenty more if he desired it. [Laughter.] These gentlemen could not answer the question without betraying conditions for which this House would not stand. If I had them before an ordinary jury and could compel responses, I think I could develop some facts which would not justify the action of which I complain.

Now, gentlemen, I ask you, in the light of all that has been said, why should not this limitation be placed upon the appropriations for every bureau of the Government if it is placed against one? I seriously doubt if the policy that has been pursued is a wise policy. We are allowing gentlemen who have grasping dispositions to usurp too much power in the House; and when you undertake to bring people in here to outvote them, the gentlemen resort to all sorts of tactics, even to calling for tellers, in order to make delay in the transaction of the public business; and the gentleman from Iowa seems to have locomotor ataxia and can not walk at all. [Laughter.] Mr. Chairman, I withdraw the amendment.

Mr. ROBBINS. Mr. Chairman, I offer an amendment to the paragraph.

The Clerk read as follows:

Page 107, line 5, after the word "each," strike out the words "who shall be selected without regard to apportionment."

Mr. ROBBINS. Mr. Chairman, I offer the amendment for the purpose of eliciting from the chairman of the committee the reason for this singular provision in the bill that takes out of the classified service the apportionment between the States of 959 employees drawing salaries annually of $1,416,500. Why is it that they are not to be apportioned among the various States like other employees of the Government?

Mr. BYRNS of Tennessee. If the gentleman will read the paragraph, he will notice that the language applies only to 24 copy pullers, at $480 each.

Mr. ROBBINS. The paragraph does not limit it to that.

Mr. BYRNS of Tennessee. I beg the gentleman's pardon.

Mr. ROBBINS. How do you make it appear that way? If that is true, I do not wish to urge my amendment.

Mr. BYRNS of Tennessee. If the gentleman will observe the punctuation, he will readily see that it applies only to 24 copy pullers.

Mr. ROBBINS. The paragraph is divided by semicolons all the way through, and that limitation does not apply only to the last four employees, to wit, the copy pullers.

Mr. BYRNS of Tennessee. The gentleman will notice the semicolon, and then follows this language: "Twenty-four copy pullers, at $480 each, who shall be selected without regard to apportionment; in all, $1,416,500." I think if the gentleman will examine it closely, he must come to the conclusion that the language to which he objects applies only to the 24 copy pullers. I will say that that was put in upon the request and insistence of the Commissioner of Patents, who said that these copy pullers are boys and that it is impossible to get boys to come here from the States and accept a position at $480. For that reason he asked that the apportionment be waived with reference to these 24 boys, known as copy pullers, so that he could get them in the District of Columbia. The committee felt that under the circumstances the request ought to be granted.

Mr. ROBBINS. To clarify it you ought to insert "which last-mentioned employees shall be selected without regard to apportionment."

Mr. BYRNS of Tennessee. I do not think there is the slightest trouble about the paragraph as it reads; that would simply encumber the bill.

Mr. ROBBINS. There ought to be cleared up now what is ambiguous. You begin at the bottom of page 106, and each class of these employees is set off by a semicolon. It runs right along and there are 45 "examiners' aids," at $600 each; and then "24 copy pullers, at $480 each, who shall be selected without regard to apportionment; in all, $1,416,500."

Where is the limitation that fixes it, so that all of these employees enumerated in this section will not be entitled to be relieved of the restriction of "apportionment" now applied under the civil-service law to these employees?

Mr. BYRNS of Tennessee. I just tried to explain to the gentleman that it is contained within those semicolons.

Mr. ROBBINS. I do not so understand it.

Mr. RUCKER. Mr. Chairman, there seems to be a very profound intellectual controversy going on here about the construction of this legislation, and I think we ought to have the help of more Members. I therefore make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Missouri makes the point of order that there is no quorum present.

Mr. STAFFORD. Mr. Chairman, I move that the committee do now rise.

The question was taken.

Mr. STAFFORD. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. STAFFORD and Mr. RUCKER to act as tellers.

The committee divided; and the tellers reported—ayes 13, noes 47.

So the motion to rise was rejected.

The CHAIRMAN. The vote discloses the lack of a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Fairchild, B. L.	Key, Ohio	Robinson
Anthony	Fairchild, G. W.	Kraus	Rodenberg
Bankhead	Fess	Kreider	Rowe
Bland	Fields	La Follette	Rowland
Brodbeck	Flynn	LaGuardia	Sabath
Buchanan	Fordney	Lee, Ga.	Sanders, N. Y.
Butler	Foss	Lenroot	Sanford
Caldwell	Freeman	McClintic	Scott, Pa.
Campbell, Pa.	Fuller, Mass.	McCormick	Scully
Cantrill	Gallivan	McCulloch	Sears
Capstick	Garland	McFadden	Sells
Carew	Glass	McKenzie	Small
Chandler, N. Y.	Goodall	McKeown	Smith, C. B.
Church	Gould	McKinley	Smith, T. F.
Clark, Fla.	Graham, Pa.	Madden	Snyder
Clark, Pa.	Gray, N. J.	Mann	Stephens, Nebr.
Coady	Greene, Vt.	Meeker	Stevenson
Cooper, Ohio	Hamill	Miller, Minn.	Sullivan
Copley	Hamilton, N. Y.	Moores, Ind.	Switzer
Costello	Harrison, Va.	Morin	Talbott
Crago	Hayden	Mott	Templeton
Crisp	Heaton	Mudd	Treadway
Currie, Mich.	Heintz	Neely	Van Dyke
Curry, Cal.	Holland	Norton	Vare
Davidson	Hollingsworth	Parker, N. Y.	Voigt
Dies	Hood	Peters	Walker
Dooling	Howard	Phelan	Watson, Va.
Doughton	Hull, Tenn.	Platt	White, Ohio
Drane	Husted	Porter	Wilson, Ill.
Drukker	James	Pou	Wilson, La.
Dunn	Johnson, S. Dak.	Powers	Winslow
Eagan	Jones, Va.	Ragsdale	Wise
Eagle	Kahn	Rainey	Wood, Ind.
Edmonds	Kelley, Mich.	Riordan	Woodyard
Estopinal	Kennedy, R. I.	Roberts	Zihlman

The committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 10358, the legislative appropriation bill, and finding itself without a quorum, had directed the roll to be called, when 289 Members answered to their names, a quorum, and he handed in the names of the absentees for publication in the Journal.

The committee resumed its session.

Mr. ROBBINS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 107, line 4, after the word "pullers," strike out "at $480 each" and insert after the word "apportionment," in line 5, the words "at $480 each."

Mr. BYRNS of Tennessee. Mr. Chairman, I have no objection to the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

For rent of building for the Civil Service Commission, $16,875.

Mr. WALSH. Mr. Chairman, I move to strike out the last word, for the purpose of making an inquiry. Why is the Civil Service Commission in this item in the bill? Do they not occupy a building that is constructed by the Government?

Mr. BYRNS of Tennessee. No; they do not. They have a five-year lease of a building they occupy on F Street, and this is the contract price.

Mr. WALSH. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

POST OFFICE DEPARTMENT.

Office, Postmaster General: Postmaster General, $12,000; chief clerk, including $500 as superintendent of buildings, $4,000; private secretary, $2,500; disbursing clerk, $2,250; appointment clerk, assistant to chief clerk, confidential clerk to Postmaster General, and chairman, board of inspection, at $2,000 each; chief inspector, $4,000; chief clerk to chief inspector, $2,000; purchasing agent, $4,000; chief clerk to purchasing agent, $2,000; assistant attorneys—1 $3,000, 1 $2,500; 3 at $2,000 each; bond examiner, $2,500; law clerk, $1,800; clerks—86 of class 4, 130 of class 3, 200 of class 2, 246 of class 1, 183 at $1,000 each, 31 at $900 each; skilled draftsmen—3 at $1,800 each, 8 at $1,600 each, 5 at $1,400 each, 8 at $1,200 each; map mounter, $1,200; assistant map mounter, $1,000; blue printer, $900; assistant blue printer, $840; telegrapher, $1,500; typewriter repairer, $1,200; 3 telephone switchboard operators; 2 messengers in charge of mails at $900 each; 22 messengers; 35 assistant messengers; captain of the watch, $1,200; additional to 3 watchmen acting as lieutenant of watchmen, at $120 each; 34 watchmen; 2 engineers, at $1,200 each; 9 assistant engineers, at $1,000 each; 2 blacksmiths or steamfitters, at $1,000 each; 3 oilers, at $840 each; 15 firemen; 20 elevator conductors, at $720 each; chief engineer, $1,600; assistant electricians—2 at $1,200 each, 3 at $1,000 each; 2 dynamo tenders, at $900 each; carpenters—1 $1,400, 3 at $1,000 each; awning maker, painter, and plumber, at $1,000 each; assistant plumber, $900; laborers—foreman $900, assistant foreman $840, 2 at $840 each, 76 at $720 each, 3 at $660 each; female laborers—1 $540, 3 at $500 each, 9 at $480 each; 58 charwomen; actual and necessary expenses of the purchasing agent while traveling on business of the department, $500; in all, $1,459,690.

Mr. LOBECK. Mr. Chairman, I would like to ask the chairman of the committee a question.

Mr. MOON. Mr. Chairman, I reserve a point of order on this paragraph.

The CHAIRMAN. The gentleman from Tennessee reserves the point of order on the paragraph.

Mr. LOBECK. Mr. Chairman, I would like to ask the chairman of the committee in regard to the item in line 17, page 118. What is the pay the 58 charwomen get in salary?

Mr. BYRNS of Tennessee. They get $240 a year, the customary salary.

Mr. LOBECK. Two hundred and forty dollars a year?

Mr. BYRNS of Tennessee. Two hundred and forty dollars a year, $20 a month. That is the statutory salary paid to charwomen.

Mr. LOBECK. Oh, no; they are paying in the Treasury Department more than that.

Mr. BYRNS of Tennessee. What is that?

Mr. LOBECK. They are paying more in the Treasury Department. The custodians of these same buildings are paying more money than that.

Mr. BYRNS of Tennessee. Only in case where they are working all day, but not where they are working as these do from two not to exceed three hours in the evening or early in the morning in cleaning up the rooms.

Mr. LOBECK. Does the gentleman mean to say they only work two or three hours?

Mr. BYRNS of Tennessee. That is about all; about two or three hours; just as the charwomen in the House Office Building do, as the gentleman knows.

Mr. LOBECK. But where they are working four or five hours they are getting more pay than that?

Mr. BYRNS of Tennessee. I understand these women work two or three hours a day.

Mr. LOBECK. Well, the women in the Federal buildings under the direction of the Treasury Department, also in the Post Office Buildings are getting at the present time $25 a month. In New York City they are getting $325 a year.

Mr. STAFFORD. Will the gentleman yield?

Mr. LOBECK. I will.

Mr. STAFFORD. For how many hours a day do they work?

Mr. LOBECK. They are supposed to work between four and five hours.

Mr. STAFFORD. Well, even those in this instance where they are apparently receiving a higher compensation are not receiving proportionately as much as we are paying them here in the District. The testimony in the hearings of various chief clerks of whom we have asked, and we have asked several chief clerks, who have charge usually of the employment of these charwomen, that the time of the employment was usually two or three hours, rarely three, generally two to two and a half hours on the average.

Mr. LOBECK. I looked over the hearings, and I did not find anything in the hearings bearing on the subject.

I find in the payment of salaries of laborers in the Post Office Department they are paid $70 a month. In the Treasury Department they are paying $50 to $55 for the same service—that is, this Government is—we are paying for the women who are acting as charwomen in the Treasury Department in the same building, doing the same kind of work, and working the same hours as in the Post Office Department at the rate of $25 a month. There is a bill now before Congress to increase that pay to $35 a month for the women, instead of $25. I think $20 a month is too small a wage, and if it were proper to add an amendment—although I am afraid it would go out on the point of order—to increase the wages, I would do so; but I think it is wrong to pay these women—I do not care whether they work two or three hours in a day mopping the floors and cleaning up—only $20 per month, and most of these people have to pay car fare.

Mr. HICKS. Will the gentleman permit an inquiry?

Mr. LOBECK. Yes.

Mr. HICKS. Are these women who get this small compensation for the two or three hours' work employed in any other department so that they work continuously all day long?

Mr. LOBECK. I do not think so.

Mr. STAFFORD. There are instances, if the gentleman will permit, where charwomen employed in one department in the early morning are employed at another department late in the evening or in the early evening hours.

Mr. HICKS. It practically makes continuous labor?

Mr. STAFFORD. The testimony is that most of this labor is performed by women who are heads of families. They go to the departments in the early hours and return home in time to arrange matters in the home, the cooking and the like.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LOBECK. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LOBECK. Do they not return in the evening and finish the work they started in the morning?

Mr. STAFFORD. The testimony is that these women either come in the early morning or in the afternoon. If they perform service during the entire day of six hours, their compensation as fixed in this bill is $480, which is double that for the two and three hour period, for which we pay them $240.

Mr. HICKS. Will the gentleman from Nebraska permit me to interrogate the gentleman from Wisconsin in his time?

Mr. LOBECK. I will.

Mr. HICKS. Do I understand the gentleman from Wisconsin to say that these women have practically continuous service throughout the day?

Mr. STAFFORD. No. So far as I have been able to glean from the testimony, they are employed only once a day for two or three hours and then return home and perform their duties there. There are instances, however, where some charwomen are employed in two different departments, in two different shifts, for which they receive double the salary, or $480.

Mr. HICKS. That is, for two shifts?

Mr. LOBECK. Do they receive pay in one department first and then in another?

Mr. STAFFORD. Exactly.

Mr. LOBECK. I have looked for the testimony in the hearings, but was not able to find it. I am glad to get the information.

Mr. RUCKER. Mr. Chairman, I make the point of order there is no quorum present.

Mr. MOON. Mr. Chairman, I wish the gentleman would permit me to state my point of order.

The CHAIRMAN. The gentleman from Tennessee [Mr. MOON] is recognized.

Mr. MOON. Mr. Chairman, I reserve the point of order on this section because there are two or three items in it that are raises of salary. Of course, this committee had originally no jurisdiction to legislate, but they have done so. But the question of jurisdiction was not made. But under the rules they can not legislate in an appropriation bill. I think the point of order can be well sustained to the words "$3,000," on line 18, page 117, and on two or three smaller items that I do not care to make the point of order on.

Now, the increase here is very small, and it might have gone by unnoticed, but I desire to direct the attention of the House to the policy that is involved in this matter. This committee can not legislate. It ought not to undertake to raise salaries in this bill. It has no power to do that. But I realize, further, the fact that the Committee on Appropriations itself is not so much to blame when the representatives of the Post Office Department go before it and seek an increase of the salaries of officers in that department.

Now, the Committee on the Post Office and Post Roads has authority, and it is the only committee that has, to legislate for that department. It legislates not only for the Postal Service but for the departmental service, and while it is true that this committee may appropriate for departmental service but not for the Postal Service, yet it must appropriate in accordance with existing law. The representatives, as I said, of the Post Office Department go to the committee and ask for these increases, however.

They ought to go to the committee that is provided by law to determine them, and if they go there and do not get them they ought not to circumvent the jurisdiction of the committee that has control of legislation in reference to the Post Office Department by bringing the question again—or for the first time, as it may be—before the Appropriations Committee, and the Appropriations Committee ought not to submit to such a request. It puts the Post Office Department in bad attitude in reference to legislation, both as to the two committees and as to the House, and it ought to be rebuked. And while I do not know the officer who is getting a little increase of $250, and while that may not amount to very much, and it may be that it is due him, the place for him to get that increase under the law, if he is entitled to it, is before the Committee on the Post Office and Post Roads, in my judgment. Therefore I make the point of order on the words that I have read.

Mr. BYRNS of Tennessee. Mr. Chairman, the point of order which I understand the gentleman to make is directed to an increase of salary of the assistant solicitor from $2,750 to $3,000. The point of order is unquestionably good. I am very glad indeed to know that the gentleman from Tennessee [Mr. MOON] has had a change of heart in regard to legislation on appropriation bills, for I think if the record is investigated it will be found that a year ago when the Post Office appropriation bill was presented to this Congress, coming from his committee and under his charge, it contained more legislation upon an appropriation bill than any other appropriation bill that has been introduced in this House since I have been a Member of it.

Now, Mr. Chairman, I want to say this, in justice to the committee: The Postmaster General has been making a reorganization of his department ever since he has been Postmaster General. He has done that with the result of reducing the number of employees in his department by 189 persons, drawing salaries aggregating $174,360. In other words, the Postmaster General——

Mr. RUCKER. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. If the gentleman will excuse me, I will make this statement.

Mr. RUCKER. I will excuse you.

Mr. BYRNS of Tennessee. In other words, the action of the Postmaster General along this line has resulted in the saving in that one department alone of $174,360 every year.

Now, the pending bill, Mr. Chairman, under the recommendation and the estimate submitted by the Postmaster General, reduces the number of employees in that department by 37, their aggregate salaries amounting to $28,120.

Now, the Postmaster General came before the committee with that sort of a record and that sort of a statement, and the statement was made that this assistant solicitor had increased work, and that he acted as solicitor in the absence of the chief solicitor. In addition to that, it was shown that even before the war started there was a considerable natural growth in the volume and importance of the work of the legal officer for the Post Office Department, on account of the necessity for considering cases relating to lotteries and the misuse of the mails in the furtherance of schemes to defraud the public. Since the war, added responsibilities have been imposed upon the office of the solicitor, involving the administration of certain provisions of the espionage and trading with the enemy acts. This particular assistant attorney is doing a great deal of that work.

I submit, Mr. Chairman, that the point of order is well taken, but this increase is well deserved.

The CHAIRMAN. The point of order is sustained. The gentleman from Missouri [Mr. RUCKER] makes the point of——

Mr. MOON. One moment, Mr. Chairman, there is another point of order to be made here. We have not done with this yet. On page 118, line 1, are the words "telegrapher, $1,500."

Now, Mr. Chairman, in reply to my friend from Tennessee, I want to say this: Suppose it were true that the Committee on the Post Office and Post Roads did bring in a bill that had an immense amount of legislation on it. That is no justification for this action. That is begging the question. But the Committee on the Post Office and Post Roads, when it brought a bill into this House, has had the candor to say to this House, "This is new legislation and is subject to a point of order," at the beginning or else it has asked, in accordance with the rule, for a special rule to make it in order.

The gentleman says there has been great economy effected. Suppose there has been. The gentleman does not insist for a moment that the raising of salaries above what they were in any way contributed to that economy. That was the work of the department, without any intervention on the part of the Committee on Appropriations. The objection I make—and it is one that I think the House ought to well consider—is that these department officials, when they can not get what they want before the proper committee, have no right to go to another committee. They might in this instance just as well have gone to the Committee on Labor or to the Committee on Acoustics as to have gone to this committee. It is a bad practice and we ought to have a rule in this House, if I may be permitted to say it, that will require some respect to be paid to the judgment of this House and its constituted committees.

I am not speaking of the Post Office Department especially, but the practice of all these departments is that when they can not get what they want in one place—in the House—they go to another place, and if they can not get it in the House, they go to the Senate and get it from friendly conferees, finally, and the judgment of this House is thus overridden. There ought to be some rule in this House to protect us in legislation, and it is no part of the functions of this committee to participate in the usurpation of power and authority that belongs to another committee.

Now, Mr. Chairman, in reference to this particular item for a telegrapher at $1,500, the salary heretofore was $1,400. It is proper, perhaps, to raise it to $1,500. I do not know. If the

gentleman insists upon it, I will withdraw the point of order if he thinks the whole interests of the Republic rest upon this increase by his committee of $100 to a salary.

Mr. BYRNS of Tennessee. If the gentleman wants to make the point of order on this man getting $100 increase, he can make it. The committee unanimously felt that in all justice and fairness he ought to have this slight increase.

Mr. MOON. Well, if the gentleman is defiant about it, I will make the point of order.

Mr. RUCKER. Mr. Chairman, I insist upon my point of order.

The CHAIRMAN. The point of order made by the gentleman from Tennessee [Mr. MOON] is sustained. The gentleman from Missouri [Mr. RUCKER] makes the point of order that there is no quorum present. Evidently there is no quorum present. The Clerk will call the roll.

The Clerk called the roll, and the following Members answered to their names:

Anderson	Eagle	Kelley, Mich.	Reed
Anthony	Edmonds	Kennedy, Iowa	Riordan
Bacharach	Elliott	Key, Ohio	Roberts
Bankhead	Ellsworth	Knutson	Rodenberg
Barnhart	Estopinal	Kraus	Rowe
Beakes	Evans	Kreider	Rowland
Booher	Fairchild, B. L.	La Follette	Sanders, La.
Borland	Fairchild, G. W.	LaGuardia	Sanford
Brand	Ferris	Lazaro	Schall
Brumbaugh	Fess	Lee, Ga.	Scott, Pa.
Buchanan	Fields	Lenroot	Scully
Butler	Flynn	Longworth	Sears
Caldwell	Focht	McClintic	Sherwood
Campbell, Kans.	Foss	McCormick	Shouse
Campell, Pa.	Frear	McCulloch	Slayden
Cantrill	Fuller, Mass.	McFadden	Slemp
Capstick	Gallivan	McKenzie	Small
Carew	Gard	McKeown	Smith, Thomas F.
Chandler, N. Y.	Garland	McKinley	Snell
Church	Garner	McLemore	Snyder
Clark, Fla.	Gillett	Madden	Stedman
Clark, Pa.	Good	Magee	Steele
Claypool	Goodall	Mann	Steenerson
Coady	Gould	Martin	Stephens, Nebr.
Collier	Graham, Pa.	Mason	Stevenson
Connelly, Kans.	Gray, N. J.	Meeker	Sullivan
Cooper, Ohio	Gregg	Miller, Minn.	Switzer
Copley	Hamill	Morin	Talbott
Costello	Hamilton, N. Y.	Mott	Templeton
Crago	Hamlin	Mudd	Thompson
Cramton	Harrison, Miss.	Nelson	Towner
Crisp	Hastings	Nichols, Mich.	Treadway
Currie, Mich.	Heaton	Oldfield	Van Dyke
Curry, Cal.	Heflin	Padgett	Vare
Davidson	Heintz	Paige	Walker
Dempsey	Holland	Parker, N. Y.	Ward
Denison	Hollingsworth	Peters	Watson, Va.
Dewalt	Hood	Phelan	Webb
Dies	Houston	Platt	White, Ohio
Dooling	Howard	Polk	Williams
Doolittle	Husted	Porter	Wilson, Ill.
Doremus	Igoe	Pou	Wilson, La.
Doughton	James	Powers	Wise
Drane	Johnson, S. Dak.	Price	Wood, Ind.
Drukker	Jones, Va.	Purnell	Woods, Iowa
Dunn	Juul	Ragsdale	Woodyard
Dupré	Kahn	Ramsey	Young, Tex.
Eagan	Kehoe	Rayburn	Zihlman

The committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the legislative, executive, and judicial appropriation bill, H. R. 10358, found itself without a quorum, whereupon he caused the roll to be called, when 237 Members answered to their names, and he reported the names of the absentees to be printed in the Journal and RECORD.

The SPEAKER. A quorum is present. The committee will resume its session.

The committee resumed its session.

Mr. BYRNS of Tennessee. Mr. Chairman, I have an amendment which I wish to offer in line 18, page 117, to insert the figures "$2,750" after the first word "one."

Mr. MOORE of Pennsylvania. Mr. Chairman, I did not understand where that comes in.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BYRNS of Tennessee: Page 117, line 18, after the first word "one," insert "$2,750."

The CHAIRMAN. The question is on the amendment.

Mr. MOON. I reserve a point of order on the amendment for the purpose of asking my colleague if he recollects whether $2,750 is the amount fixed by the general law for this salary, or was that an increase on an appropriation bill over and above the original amount fixed by the general law?

Mr. BYRNS of Tennessee. That is the amount fixed by act of Congress passed March 4, 1915.

Mr. MOON. A general statute?

Mr. BYRNS of Tennessee. Yes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I want to ask the gentleman if that restores the figures of last year?

Mr. BYRNS of Tennessee. Yes.

Mr. MOORE of Pennsylvania. As in the preceding case?

Mr. BYRNS of Tennessee. Yes.

The CHAIRMAN. The question is on the amendment.

The question being taken, on a division (demanded by Mr. RUCKER), there were—ayes 70, noes none.

Accordingly the amendment was agreed to.

Mr. BYRNS of Tennessee. Now, Mr. Chairman, on page 118, after the word "telegrapher," in the first line, I move to insert the figures "$1,400."

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BYRNS of Tennessee: Page 118, line 1, after the word "telegrapher," insert "$1,400."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read as follows:

In making readjustments hereunder the salary of any clerk in any class may be fixed by the Postmaster General at $100 below the salary fixed by law for such class, and the unused portion of such salary shall be used to increase the salary of any clerk in any class entitled thereto by not less than $100 above the salary fixed by law for such class. The Postmaster General shall assign to the several bureaus, offices, and divisions of the Post Office Department such number of the employees herein authorized as may be necessary to perform the work required therein; and he shall submit a statement showing such assignments and the number employed at the various salaries in the annual Book of Estimates following the estimates for salaries in the Post Office Department.

Mr. MOON. Mr. Chairman, I reserve a point of order on that paragraph. I want to ask the gentleman from Tennessee if that section is not new law, beginning with line 21, on page 18, and ending with the word "class," in line 1, on page 119?

Mr. BYRNS of Tennessee. I will say to the gentleman that I think the first sentence of the paragraph is clearly subject to a point of order. It was inserted at the instance of the Postmaster General for the first time in the legislative bill last year, so as to enable the Postmaster General to promote or demote a clerk $100 at a time instead of $200. He made the statement that in some cases a clerk would not be entitled under his efficiency rating to a $200 increase, but he would be entitled to a $100 increase; or in some cases he could make two promotions of $100 each instead of leaving one clerk at his old salary and promoting another clerk, no more competent, $200. For that reason he felt that in justice to the employees of the department he ought to have that authority, and the committee inserted it in the bill last year for the first time. There was no objection made to it at that time.

Mr. MOON. Mr. Chairman, I think the place for the Postmaster General to go to get laws passed in reference to his department is before the Committee on the Post Office and Post Roads, and not to these other committees. I make the point of order on lines 21, 22, 23, 24, and 25, on page 118, and on line 1, on page 119, down to and including the word "class."

The CHAIRMAN. Has the chairman of the committee anything to say on that?

Mr. BYRNS of Tennessee. No.

The CHAIRMAN. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

Office Fourth Assistant Postmaster General: Fourth Assistant Postmaster General, $5,000; chief clerk, $2,500; division of rural mails—superintendent $3,000, chief clerk $2,000; division of equipment and supplies—superintendent $3,000, chief clerk $2,000; topographer, $2,400; in all, $19,900.

Mr. MOON. Mr. Chairman, I make the point of order on the words "two thousand dollars," line 16, page 120.

Mr. BYRNS of Tennessee. Mr. Chairman, I will state that that really is a reduction of expenses of this department. There were formerly fixed by statute a division of supplies, with a superintendent at $2,750, and a division of equipment, with a superintendent at $2,750. The statute created two divisions and fixed the salary of the two superintendents at $2,750 each. Under the reorganization the Postmaster General has provided for a division of equipment and supplies, with one superintendent, at $3,000, which is a reduction of one salary and a rise, of course, of $250 to the man who takes both divisions.

Mr. ASHBROOK. And one of the most obliging officials in the Post Office Department, Mr. Ellsworth.

Mr. BYRNS of Tennessee. We have been so assured, and in view of the fact that the duties are doubled, looking out for two divisions, the Postmaster General felt that he was entitled to the modest increase of $250, and by that reduction we save $2,500 to the Government.

Mr. MOON. Mr. Chairman, by making a reduction of a few dozen other matters they might save $25,000 more. The question is, Is this legislation in this bill? The statute provides $2,750 for the superintendent, and it does not provide for $3,000. This is one separate and distinct proposition, not connected with anything else. There is nothing on the face of this bill to show that there are any dual duties performed. It is simply proposed to raise the salary from $2,750 to $3,000.

Now, I do not care about the amount of salary; that is insignificant. But the idea is that the adjustment of these matters ought to go to the proper committee.

Mr. RUCKER. Mr. Chairman, I want to say to the gentleman that I am persuaded by what the gentleman from Tennessee has said that this really is in the interest of economy. This is one of the most efficient men in the Post Office Department, and if the gentleman had a district like mine, requiring the work that is done there, he would so view it.

Mr. MOON. Where is this gentleman from?

Mr. RUCKER. I do not know, he is always there. He is not from anywhere. [Laughter.]

Mr. MOON. Is he from Missouri?

Mr. RUCKER. Oh, no; I think he is from Tennessee. [Laughter.]

Mr. MOON. I have made the point of order, Mr. Chairman, and if the gentleman insists on it, it is not very material. I wanted to show to the House that legislation of this sort ought not to be encouraged, but in view of the solicitation of the gentleman from Missouri, and in deference to my friend from Tennessee, I withdraw the point of order.

Mr. RUCKER. Mr. Chairman, I move to strike out the last word. We have thus far made so many improvements in the bill that I am thoroughly satisfied with it now. I added some very desirable amendments to it myself and therefore if the gentlemen of the committee do not need my assistance any longer I am going to my office. [Laughter and applause.]

The CHAIRMAN. The pro forma amendment is withdrawn and the Clerk will read.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. How long does the gentleman from Tennessee plan to sit to-night?

Mr. BYRNS of Tennessee. If the gentleman will permit, we want to read 8 or 10 more pages. There are no controverted questions and it will only take a very few minutes. If the gentleman will permit us to get down to a point where we can consider the bill in one more day. The gentleman knows that we have not had an opportunity to read any considerable portion of the bill to-day, and I hope the gentleman will bear with us a few minutes longer.

Mr. MOORE of Pennsylvania. That surely has been no fault of this side. The gentleman, I understand, proposes to ask to dispense with Calendar Wednesday to-morrow, and it might be well to have the day start in in good humor. Gentlemen have been here all day.

Mr. SHERLEY. These 10 pages will probably be read in 10 minutes. We are not going to get into any controverted matters late to-night.

Mr. MOORE of Pennsylvania. I suggest that they read up to the Department of Justice.

Mr. BYRNS of Tennessee. I want to read as far as the Department of Commerce.

Mr. MOORE of Pennsylvania. Will the gentleman indicate how long he intends to run?

The CHAIRMAN. The Chair will say that if the committee remains in good humor the reading will be completed very soon.

The Clerk read as follows:

Contingent expenses, Post Office Department: For stationery and blank books, index and guide cards, folders, and binding devices, including purchase of free penalty envelopes, $25,000.

Mr. WALSH. Mr. Chairman, there is a typographical error in the spelling of the word "department," in line 19, page 120.

The CHAIRMAN. Without objection, the word will be spelled correctly.

There was no objection.

The Clerk read as follows:

For the purchase of a motor-propelled passenger-carrying vehicle for official use of the Postmaster General to cost not exceeding $4,000; purchase and exchange of a motor truck; maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle and of motor trucks, to be used only for official purposes, and garage rent, $7,500.

Mr. TAGUE. Mr. Chairman, I reserve the point of order on this to ask the chairman the purpose of the use of this, and if this is not subject to a point of order.

Mr. BYRNS of Tennessee. I do not think it is new legislation; I do not think it is subject to a point of order. I will say to the gentleman that the purpose of this paragraph is to authorize the purchase of an automobile for the official use of the Postmaster General. All Cabinet members are now provided with four horses and from two to four carriages, and the committee has made a thorough investigation and has come to the conclusion that it is a matter of economy to have an automobile instead of the horses. These horses cost from $30 to $35 a month each for board, in addition to the stable hire, and the repairs to the carriages, and the cost mounts up. The gentleman will recall that a year ago an automobile was authorized for the Secretary of State, and that automobile was purchased under the same terms provided here for the Postmaster General—and which I may say to the gentleman that has been done for all other Cabinet officials—and the actual facts show, as reported by the chief clerk of the Department of State, that the automobile has cost $1,000 less to the Government during the year than the horses and carriages.

Mr. ROBBINS. Which automobile saved that?

Mr. BYRNS of Tennessee. The automobile purchased by the Secretary of State.

Mr. ROBBINS. And now it is proposed to purchase one for the Postmaster General for that reason, is it?

Mr. BYRNS of Tennessee. Yes. And I may say to the gentleman that we have already provided automobiles in this bill for the Secretary of War, the Secretary of the Navy, and the Secretary of the Interior, and those items have been passed without objection.

Mr. WALSH. But they are not all of the time preaching economy.

Mr. BYRNS of Tennessee. And I want to say this in justice to the Postmaster General. The Postmaster General stated to the committee, through his chief clerk, that he did not want an automobile. He said that he preferred the use of the carriage and horses. Later on he came to the committee room and stated that he had been informed by another Cabinet officer that it was the opinion of the committee that money could be saved. Then he said, "While my personal preference is for my horses, yet if the committee thinks that it can save one dollar to the Government, give me an automobile and take my horses and carriages from me."

Mr. WALSH. Does the gentleman think by expending $4,000 for an automobile that the Government is going to save money?

Mr. BYRNS of Tennessee. There is no question about the matter of saving, if the gentleman will look into it.

Mr. WALSH. Does it cost $4,000 to keep that span of horses?

Mr. BYRNS of Tennessee. Those horses will be sold. Their upkeep will cost much more than the automobile will cost.

Mr. ROBBINS. Who owns the horses and carriages now?

Mr. BYRNS of Tennessee. The Government owns the horses and carriages. Let me say to the gentleman that it costs from $30 to $35 a month to board each one of those four horses. It cost nearly $2,600 last year to maintain the horses and carriages and expenses incident thereto of the Postmaster General. Does the gentleman think that it will cost $2,600 to maintain an automobile?

Mr. ROBBINS. If it costs $2,600 to maintain the horses, what will it cost to buy gasoline and hire a couple of chauffeurs?

Mr. BYRNS of Tennessee. The $2,600 does not take into consideration the cost of the drivers. It is simply the board of the horses and the cost of maintaining the vehicles, and purchasing horses when needed to take the places of those which die or become worthless.

Mr. ROBBINS. I think $2,600 is entirely too much to contribute to the mere board of horses.

Mr. BYRNS of Tennessee. The gentleman knows that it costs a great deal to board horses now, and the statement was made to the committee——

Mr. KEARNS. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-five Members are present, not a quorum, and the Clerk will call the roll.

Mr. STAFFORD. Does not the gentleman from Tennessee want to move to rise?

Mr. BYRNS of Tennessee. I think we ought to have some understanding about finishing this bill.

Mr. NORTON. Mr. Chairman, I move that the committee rise.

The CHAIRMAN. The gentleman from North Dakota moves that the committee rise.

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. NORTON) there were—ayes 40, noes 39.

Mr. BYRNS of Tennessee. Tellers, Mr. Chairman.

Tellers were ordered.

The committee again divided; and the tellers [Mr. BYRNS of Tennessee and Mr. NORTON] reported that there were—ayes 32, noes 46.

So the motion to rise was rejected.

The CHAIRMAN. On this vote the ayes are 32, the noes are 46, a quorum is not present, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Fairchild, B. L.	Kitchin	Robinson
Anthony	Fairchild, G. W.	Knutson	Rodenberg
Ayres	Ferris	Kraus	Rouse
Bacharach	Fess	Kreider	Rowe
Bankhead	Fields	La Follette	Rowland
Barkley	Fisher	LaGuardia	Rucker
Barnhart	Flynn	Lazaro	Russell
Beakes	Focht	Lee, Ga.	Sanders, La.
Bell	Fordney	Lenroot	Sanford
Blackmon	Foss	Lever	Schall
Borland	Frear	Linthicum	Scott, Mich.
Britten	Freeman	Little	Scott, Pa.
Browne	Fuller, Ill.	Lonergan	Scully
Brumbaugh	Fuller, Mass.	Longworth	Sears
Buchanan	Gallagher	Lunn	Sells
Burnett	Gallivan	McClintic	Shallenberger
Butler	Gard	McCormick	Sherwood
Byrnes, S. C.	Garland	McCulloch	Shouse
Caldwell	Garner	McFadden	Sims
Campbell, Kans.	Gillett	McKenzie	Slayden
Campbell, Pa.	Good	McKeown	Small
Cantrill	Goodall	McKinley	Smith, Mich.
Capstick	Gould	McLemore	Smith, C. B.
Carew	Graham, Ill.	Madden	Smith, T. F.
Carter, Mass.	Graham, Pa.	Magee	Snell
Chandler, N. Y.	Gray, N. J.	Mann	Snyder
Church	Green, Iowa	Martin	Stedman
Clark, Fla.	Gregg	Mason	Steele
Clark, Pa.	Hamill	Mays	Steenerson
Classon	Hamilton, Mich.	Meeker	Stephens, Miss.
Claypool	Hamilton, N. Y.	Merritt	Stephens, Nebr.
Coady	Hamlin	Miller, Minn.	Sterling, Pa.
Connelly, Kans.	Hardy	Mondell	Stevenson
Cooper, Ohio	Harrison, Miss.	Montague	Stiness
Cooper, Wis.	Heaton	Morin	Sullivan
Copley	Heflin	Mott	Switzer
Costello	Heintz	Nelson	Talbott
Crago	Hensley	Nicholls, S. C.	Taylor, Colo.
Cramton	Hersey	Nolan	Temple
Crisp	Hicks	Oldfield	Templeton
Curris, Mich.	Holland	Olney	Thompson
Curry, Cal.	Hollingsworth	O'Shaunnessy	Towner
Davidson	Hood	Overmyer	Treadway
Dempsey	Houston	Padgett	Vare
Dent	Howard	Paige	Walker
Dewalt	Hull, Iowa	Park	Walton
Dickinson	Hull, Tenn.	Parker, N. Y.	Ward
Dies	Husted	Peters	Watson, Va.
Dooling	James	Phelan	Weaver
Doolittle	Johnson, Ky.	Platt	Webb
Doremus	Johnson, S. Dak.	Polk	Whaley
Doughton	Johnson, Wash.	Porter	White, Ohio
Drukker	Jones, Va.	Pou	Wilson, Ill.
Dunn	Juul	Powers	Wilson, La.
Dupré	Kahn	Price	Winslow
Eagan	Kehoe	Purnell	Wise
Eagle	Kelley, Mich.	Ragsdale	Wood, Ind.
Edmonds	Kelly, Pa	Rainey	Woodyard
Elliott	Kennedy, Iowa	Ramsey	Young, Tex.
Ellsworth	Kennedy, R. I.	Ramseyer	Zihlman
Elston	Kettner	Rayburn	
Estopinal	Key, Ohio	Reed	
Evans	Kinkaid	Roberts	

The committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, finding itself without a quorum, under the rule he caused the roll to be called, whereupon 179 Members, a quorum, answered to their names, and he reported the list of absentees to be entered upon the Journal.

The SPEAKER. The committee will resume its sitting.

The CHAIRMAN. The gentleman from Massachusetts [Mr. TAGUE] has a point of order pending.

Mr. TAGUE. Mr. Chairman, I make the point of order on this section, in line 3, beginning with the word "for" and ending in line 5 with the semicolon.

The CHAIRMAN. What page?

Mr. TAGUE. Page 121.

Mr. BYRNS of Tennessee. What part of the bill?

Mr. TAGUE. Page 121, lines 3 to 5.

Mr. BYRNS of Tennessee. To the whole paragraph?

Mr. TAGUE. No; ending with the figures, "$4,000."

Mr. NORTON. On what does the gentleman make the point or order?

Mr. BYRNS of Tennessee. The gentleman leaves in the maintenance of a motor-propelled passenger-carrying vehicle. The gentleman's point of order would strike out the automobile and leave in the maintenance.

Mr. TAGUE. I make the point of order to the whole section.

The CHAIRMAN. The point of order is sustained.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

After line 2 insert the following: "For purchase, exchange, and maintenance of horses and horse-drawn, passenger-carrying vehicles, purchase of a motor truck, repair of vehicles including motor trucks and harness, $3,200.

Mr. NORTON. Mr. Chairman, I reserve a point of order on that. I want to ask the chairman of the committee——

Mr. SHERLEY. Let us have the point of order determined, Mr. Chairman.

Mr. NORTON. I make the point of order.

Mr. SHERLEY. It is not subject to a point of order.

Mr. NORTON. I make the point of order that that part providing for the purchase of a motor truck is new legislation.

Mr. STAFFORD. Will the gentleman reserve the point of order for just one minute?

Mr. SHERLEY. Let us get it passed upon. If the point of order is to be made, let us get rid of it and get along with the bill.

Mr. BYRNS of Tennessee. I will state that this provision has been carried in the bill heretofore. If gentlemen are going to deny to the department a motor truck, necessary to carry supplies from point to point, and similar facilities, I do not know how the department is going to operate. Now, it seems to me that the gentleman ought to take into consideration the fact that this department needs some vehicle of this kind.

Mr. TAGUE. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. TAGUE. I would like to ask the gentleman if he is not aware that the Post Office Committee gave the Post Office Department $400,000 for new automobiles?

Mr. BYRNS of Tennessee. And not a dollar of that sum can be expended in the District of Columbia, I will say to the gentleman.

Mr. TAGUE. I would like to ask the gentleman where the automobiles that are in the District will come from?

Mr. STAFFORD. Will the gentleman permit? Not one dollar may be spent in the departmental service, but any amount can be spent in connection with the Postal Service in the District of Columbia.

Mr. BYRNS of Tennessee. That is true so far as the Postal Service is concerned, but not one dollar can be spent in connection with the departmental service.

Mr. NORTON. Will the gentleman yield? I want to get some information. Does this provide——

Mr. MORGAN. Mr. Chairman, the regular order.

The CHAIRMAN. The regular order is the point of order.

Mr. NORTON. I withdraw the point of order.

Mr. McLAUGHLIN of Michigan. I would like to ask the gentleman from Tennessee if the bill provides that the money hereby appropriated for the maintenance of these motor trucks shall be used in the District of Columbia?

Mr. BYRNS of Tennessee. It is so provided. I will say to the gentleman from Michigan, in the bill later on. There is a provision to cover that.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. GREENE of Massachusetts. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Massachusetts rise

Mr. GREENE of Massachusetts. I move that the committee do now rise.

Mr. BYRNS of Tennessee. I hope the gentleman will not do that.

Mr. GREENE of Massachusetts. I insist on the motion. I move that the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from Massachusetts.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. GREENE of Massachusetts. Mr. Chairman, I call for a division.

The committee divided; and there were—ayes 37, noes 49.

Mr. GREENE of Massachusetts. I raise the point of no quorum.

The CHAIRMAN. The gentleman makes the point of no quorum. Evidently there is not a quorum present, and the Clerk will call the roll.

Mr. STAFFORD. I think, Mr. Chairman, there is a quorum present.

The CHAIRMAN. The Chair thinks not, but the Chair will count. [After counting.] One hundred and two Members are present, a quorum.

The Clerk will read.

The Clerk read as follows:

Appropriations made for the service of the Post Office Department in conformity with the act of July 2, 1836, shall not be expended for any of the purposes herein provided for on account of the Post Office Department at Washington, D. C.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, and had come to no resolution thereon.

DAYLIGHT SAVING.

Mr. GARRETT of Tennessee. Mr. Speaker, in behalf of my colleague from Tennessee [Mr. SIMS], the chairman of the Committee on Interstate and Foreign Commerce, who has had to leave the Hall on account of illness, I ask unanimous consent that the bill S. 1854, commonly known as the daylight-saving bill, may have a privileged status.

The SPEAKER. The gentleman from Tennessee [Mr. GARRETT] asks unanimous consent that the daylight-saving bill, so called, S. 1854, shall have a privileged status.

Mr. HAYES. Mr. Speaker, I object.

ADJOURNMENT.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 56 minutes p. m.) the House adjourned until to-morrow, Wednesday, March 13, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Navy, transmitting tentative amendments to H. R. 9390, a bill to promote the efficiency of the Navy, and for other purposes (H. Doc. No. 968); to the Committee on Naval Affairs and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting an estimate of an increase of $900,000 to the estimate of appropriation heretofore submitted for collecting the revenue from customs for the fiscal year ending June 30, 1919 (H. Doc. No. 969); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. ASHBROOK, from the Committee on Coinage, Weights, and Measures, to which was referred the bill (H. R. 8764) to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the admission of the State of Illinois into the Union, reported the same with amendment, accompanied by a report (No. 372), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. LA FOLLETTE, from the Committee on the Public Lands, to which was referred the bill (H. R. 5351) providing for the disposal of certain lands in block 32, in the city of Port Angeles, State of Washington, reported the same without amendment, accompanied by a report (No. 373), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. TIMBERLAKE, from the Committee on the Public Lands, to which was referred the bill (H. R. 171) to repeal the last proviso of section 4 of an act to establish the Rocky Mountain National Park, in the State of Colorado, and for other purposes, approved January 26, 1915, reported the same with amendment, accompanied by a report (No. 374), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SAUNDERS of Virginia: A bill (H. R. 10658) to provide for the building and testing of the Slate gun; to the Committee on Military Affairs.

By Mr. WEBB: A bill (H. R. 10659) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916; to the Committee on the Judiciary.

By Mr. BURNETT: A bill (H. R. 10660) to amend an act entitled "An act in reference to the expatriation of citizens and their protection abroad," approved March 2, 1907; to the Committee on Immigration and Naturalization.

By Mr. SABATH: A bill (H. R. 10661) to provide for the appointment of two additional judges of the District Court of the United States for the Northeastern District of Illinois; to the Committee on the Judiciary.

By Mr. WEBB: A bill (H. R. 10662) to authorize the judges of the United States Court of Customs Appeals to be assigned to any district or circuit court of appeals of the United States and conferring the jurisdiction of said courts upon them while so assigned; to the Committee on the Judiciary.

By Mr. DENTON: A bill (H. R. 10663) to convey a strip of land on the site of Federal building at Princeton, Ind.; to the Committee on Public Buildings and Grounds.

By Mr. SAUNDERS of Virginia: A bill (H. R. 10664) to empower the Secretary of War to grant furloughs to enlisted men engaged in agriculture and other industries intimately related to winning the war for such periods as he may designate to engage in such industries; to the Committee on Military Affairs.

By Mr. HILLIARD: A bill (H. R. 10665) to establish a bureau for the study of the criminal, pauper, and defective classes; to the Committee on Education.

By Mr. GLASS: A bill (H. R. 10691) to amend section 5200 of the Revised Statutes as amended; to the Committee on Banking and Currency.

By Mr. WALDOW: Resolution (H. Res. 272) for the restoration of the rural mail routes in the county of Erie, N. Y.; to the Committee on the Post Office and Post Roads.

By Mr. WELTY: Joint resolution (H. J. Res. 264) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. CARY: Joint resolution (H. J. Res. 265) providing for an increase of pay to the custodian employees of the Treasury Department; to the Committee on Expenditures in the Treasury Department.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLASSON: A bill (H. R. 10666) for the relief of Johanna Dunton; to the Committee on Claims.

By Mr. DENTON: A bill (H. R. 10667) granting a pension to Thomas R. Poole; to the Committee on Pensions.

By Mr. FARR: A bill (H. R. 10668) granting a pension to Georgia A. Colony; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10669) granting an increase of pension to Samuel S. Wint; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10670) granting a pension to Hattie M. Wescott; to the Committee on Pensions.

Also, a bill (H. R. 10671) granting a pension to Mary E. Armstrong; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10672) granting a pension to Anna B. Kenyon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10673) granting a pension to Kate M. Bingham; to the Committee on Pensions.

Also, a bill (H. R. 10674) granting an increase of pension to William Bowen; to the Committee on Pensions.

By Mr. FOCHT: A bill (H. R. 10675) granting an increase of pension to James H. Nale; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 10676) granting an increase of pension to John Linquist; to the Committee on Invalid Pensions.

By Mr. LOBECK: A bill (H. R. 10677) granting an increase of pension to William W. Agee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10678) granting an increase of pension to Henry Burcham; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 10679) granting an increase of pension to Alonzo C. Horton; to the Committee on Invalid Pensions.

By Mr. REED: A bill (H. R. 10680) granting an increase of pension to David C. Morgan; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 10681) granting a pension to Philip M. Earle; to the Committee on Invalid Pensions.

By Mr. RAKER: A bill (H. R. 10682) granting a pension to Ellen E. Greenfield; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Arkansas: A bill (H. R. 10683) granting an increase of pension to Samuel Jack; to the Committee on Invalid Pensions.

By Mr. WALSH: A bill (H. R. 10684) granting a pension to Charles E. Keck; to the Committee on Pensions.

Also, a bill (H. R. 10685) granting a pension to Clarinda L. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10686) granting an increase of pension to George A. Burgess; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10687) granting an increase of pension to Cora Fannie Mitchell; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 10688) granting an increase of pension to John Pierstock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10689) granting a pension to Alexander Shaw; to the Committee on Invalid Pensions.

By Mr. WHEELER: A bill (H. R. 10690) granting an increase of pension to David F. Hodges; to the Committee on Invalid Pensions.

By Mr. MAHER: A bill (H. R. 10692) granting a pension to Patrick Macdonnell; to the Committee on Pensions.

By Mr. DRANE: A bill (H. R. 10693) granting an increase of pension to Tony K. Wilson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of board of management, National Society Daughters of the American Revolution, against increase in second-class postage; to the Committee on Ways and Means.

Also (by request), petitions of Oakland Farmers' Club and other farm clubs of the State of Missouri, asking that the Government fix a price on meats and grain; to the Committee on Agriculture.

By Mr. CAREW: Memorial of New York Board of Trade and Transportation, relative to perpetual Federal railroad control; to the Committee on Interstate and Foreign Commerce.

Also, petition of National Live Stock Shippers' Protective League, favoring continuing rates and charges under Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. DALE of New York: Petition of Manhattan Single-Tax Club, of New York, favoring 160 acres of land for men in the military and naval service of the country; to the Committee on the Public Lands.

Also, petition of Joshua L. Bailey & Co., of New York, favoring passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. DALE of Vermont: Petition of Rev. Clarence L. Eaton, of St. Johnsbury, Vt., favoring the passage of H. R. 5407, for the admission of osteopathic physicians to examinations for commissions in the medical branch of the Army; to the Committee on Military Affairs.

By Mr. DYER: Memorial of council of the Chicago Medical Society, indorsing House bill 9563; to the Committee on Military Affairs.

By Mr. FULLER of Illinois: Petition of the Federal Board of Farm Organizations, in reference to amendment of draft regulations; to the Committee on Military Affairs.

Also, petition of the North End Business Men's Association of Chicago, favoring increased compensation for post-office employees; to the Committee on the Post Office and Post Roads.

Also, petition of the Loyal Order of Moose, for the Garland bill (H. R. 7364) to reincorporate the Loyal Order of Moose in the District of Columbia; to the Committee on the Judiciary.

Also, petition of National Sewing Machine Co., of Belvidere, Ill., that corporation income and excess taxes may be paid in quarterly installments; to the Committee on Ways and Means.

By Mr. GALLIVAN: Resolution of the carpenters' convention of the State of Massachusetts, asking the Shipping Board to commandeer all shipyards doing Government work, and asking that the President provide equal representation of labor on all commissions dealing with labor problems; to the Committee on the Merchant Marine and Fisheries.

By Mr. GRIEST: Resolution of the Lancaster Typographical Union, No. 70, urging the enactment of the old-age-pension law; to the Committee on Pensions.

By Mr. HAYES: Resolutions of the Grace Lutheran Church and the Grace Baptist Church, of San Jose, Cal., urging immediate prohibition as a war measure; to the Committee on the Judiciary.

Also, resolution of the board of governors of the Investment Bankers' Association of America, favoring the principle of the war finance corporation bill and suggesting changes that should be made; to the Committee on Ways and Means.

By Mr. HILLIARD: Letter from Denver Typographical Union, No. 49, indorsing Sherwood old-age pension bill; to the Committee on Pensions.

Also, letter from Colorado Prison Association, indorsing Senate bill 3076; to the Committee on Labor.

Also, petition of T. D. Hetherington, William Honeyman, A. C. McGuirre, Harold R. Smith, J. J. Ashenhurst, Dr. O. W. Spicer, R. E. Cook, R. A. Arens, T. B. Johnson, George R. Crow, Percy Parker, William Stevens, and John A. Frazer, all of Colorado Springs, Colo., urging immediate war prohibition; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Resolution of Providence (R. I.) Medical Society, urging passage of Senate bill 3748 and House bill 9563, creating advance rank for officers of Medical Corps in United States Army; to the Committee on Military Affairs.

By Mr. LINTHICUM: Petition of Surry Lumber Co., of Baltimore, Md., favoring passage of Senate bill 5426, relative to President taking over timberlands and sawmills during the war; to the Committee on Military Affairs.

Also, petition of John J. Reitz, of Baltimore, Md., favoring passage of House bill 5531, relative to pharmacists in United States Army; to the Committee on Military Affairs.

Also, petition of the Maryland Association for the Prevention and Relief of Tuberculosis, favoring passage of House bill 9663, to manufacture war munitions in prison shops; to the Committee on Labor.

Also, petition of Anna Maria Thomas, Washington, D. C., favoring passage of the bill to retire Government clerks; to the Committee on Reform in the Civil Service.

Also, memorial of the Railway Mail Association, third division, Baltimore Branch, urging increased pay for railway mail employees; to the Committee on the Post Office and Post Roads.

Also, petitions of William A. Marburg; Strouse & Bros.; William H. Whitridge; Armstrong, Cator & Co.; Sappington & Mofit; Gomprecht & Benesch, M. S. Levy & Sons (Inc.); William A. Dickey; Swindell Bros.; the Automobile Club of Maryland; and C. Thomas Kemp, all of Baltimore, Md., protesting against House bill 8565, taxing automobiles $25 per year; also, petitions of Joseph F. Hanselman, president of the Woodstock College, favoring House bill 9223 exempting educational legacies from income tax; to the Committee on Ways and Means.

By Mr. LUNDEEN: Petition of 4,000 Socialist Party members in Minnesota protesting against 20 years court-martial sentence at Camp Dodge of Allan Broms, Morris Kamman, and six other conscientious objectors; to the Committee on Military Affairs.

Also, petition of International Brotherhood of Blacksmiths and Helpers Local Union No. 205, Minneapolis, Minn., asking that Government ownership of railroads be given serious consideration at this time; to the Committee on Railways and Canals.

Also, petition of Electrical Workers' Union No. 292, Minneapolis, Minn., requesting that no time be fixed when the railroads shall be returned to private ownership, leaving the question for future determination; also requesting increased pay for Government employees; to the Committee on Railways and Canals.

Also, petition of International Association of Machinists legislative committee, State of Minnesota, requesting no action be taken as to future date for returning railways to private ownership, and asking a referendum on the question; to the Committee on Railways and Canals.

By Mr. MOORE of Pennsylvania: Resolution of the Pennsylvania State Chamber of Commerce, favoring the passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. SANFORD: Papers to accompany House bill 9142, granting a pension to William E. Martin; to the Committee on Pensions.

By Mr. SULZER: Petition of Igloo No. 15, Pioneers of Alaska, asking for the development of the coal and oil resources of Alaska; to the Committee on the Public Lands.

By Mr. TAGUE: Resolutions adopted by the Massachusetts State Council of Carpenters and Joiners of America, regarding the system of awarding contracts to shipbuilding concerns on the "cost-plus" basis; to the Committee on the Merchant Marine and Fisheries.

Also, resolutions adopted by the bituminous operators committee of the Wholesale Coal Trade Association of New York, on the food bill; to the Committee on Agriculture.

SENATE.

WEDNESDAY, *March 13, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thou who didst command the light to shine out of darkness, shine in our hearts with Thy truth that we may have knowledge of the glory of God and in the faith of Jesus Christ, Thy Son. Give to us spiritual inspiration for the duties of this day. May we be guided by Thy spirit of truth and of love and of wisdom in all that we do, that Thy will may be accomplished in us as a Nation. For Christ's sake. Amen.

The VICE PRESIDENT resumed the chair.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Friday, March 8, 1918, when, on request of Mr. THOMAS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

ESTIMATE OF APPROPRIATION (S. DOC. NO. 201).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a letter from the Acting Secretary of War submitting a deficiency estimate of appropriation in the sum of $200,000,000 required by the Signal Corps of the Army for "Increase in aviation, Signal Corps, 1918," being additional to the appropriation of $640,000,000 made for this object in public act No. 29, July 24, 1917, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House insists upon its amendments to the joint resolution (S. J. Res. 117) amending the act of July 2, 1909, governing the holding of civil-service examinations, disagreed to by the Senate, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. GODWIN of North Carolina, Mr. CARTER of Oklahoma, and Mr. LEHLBACH managers at the conference on the part of the House.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills:

H. R. 175. An act to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915 and for prior years, and for other purposes; and

S. 3471. An act to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States.

PETITIONS AND MEMORIALS.

Mr. SHEPPARD presented a petition of Texas Branch, National Woman's Party, of Corsicana, Tex., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

Mr. PHELAN presented a petition of the Board of Trade of Pasadena, Cal., praying for the enactment of legislation to provide for extreme penalties for persons guilty of attempting to destroy or destroying property, which was ordered to lie on the table.

He also presented the petition of Robert P. Dixon, president of the Board of Trustees of Lincoln, Cal., praying for universal military training, which was referred to the Committee on Military Affairs.

Mr. McLEAN presented a petition of the Woman's Christian Temperance Union of New Britain, Conn., praying for national prohibition as a war measure, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Hartford, Conn., praying for the self-determination and independence of Lithuania, which was referred to the Committee on Foreign Relations.

He also presented petitions of Milford Branch, National Woman's Party, of Milford, and of sundry citizens of West Hartford, Hartford, Bridgeport, New Haven, and New Britain, all in the State of Connecticut, praying for the submission of Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

Mr. WEEKS. I have a telegram relating to war prohibition. As I understand, the Senate has given the President all authority that is necessary to carry out the purposes of those who sent the telegram and that nothing is pending before the Senate, but as I have been requested to have it read and incorporated in the RECORD I ask that that be done.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read.

The Secretary read as follows:

BOSTON, MASS., *February 26.*

Hon. JOHN W. WEEKS,
United States Senate, Washington, D. C.:

Union preachers' meeting of Boston and vicinity asks following petition be printed in full in RECORD. News from Russia reminding of danger of social revolution at war's end, when many war industries collapse, brings supreme argument for immediate war prohibition to remove saloons as firebrands, that world reconstruction may be done soberly. Ratification of constitutional prohibition might come too late. Urge Congress and President invite Britain and France to joint prohibition for war and demobilization to win war and prevent anarchy, also because our farms this year have 2,000,000 fewer workers than last year, and grain can not be spared to make beer that wastes food and weakens fighting.

Mr. WEEKS. I present resolutions adopted by the Legislature of the Commonwealth of Massachusetts, which I ask to have printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the resolutions were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

[The Commonwealth of Massachusetts. In the year 1918.]

Resolutions in favor of the creation of a league of nations to safeguard permanent peace upon the termination of the present war.

Whereas the President of the United States has declared that our present and immediate task is to win the war; and

Whereas he has proclaimed that the chief aim of the war is to secure a permanent peace guaranteed by a partnership of free nations: Therefore be it

Resolved, By the general court of Massachusetts that the Commonwealth of Massachusetts pledges all its resources to the vigorous prosecution of the war until Prussian autocracy has been defeated; and be it further

Resolved, That the Commonwealth of Massachusetts favors the entrance of the United States, after the war, into a league of nations to safeguard the peace that must be won by the joint military forces of the allied nations; and be it further

Resolved, That certified copies of these resolutions be sent by the secretary of the Commonwealth to the President and to the Presiding Officers of both branches of Congress, and to each of the Senators and Representatives from Massachusetts.

In house of representatives, adopted February 6, 1918.
In senate, adopted in concurrence, February 11, 1918.
A true copy.
Attest:

ALBERT P. LANGTRY,
Secretary of the Commonwealth.

Mr. WEEKS. I present resolutions adopted by the General Court of Massachusetts, which I ask may be printed in the RECORD and referred to the Committee on Forest Reservations and the Protection of Game.

There being no objection, the resolutions were referred to the Committee on Forest Reservations and the Protection of Game and ordered to be printed in the RECORD, as follows:

[The Commonwealth of Massachusetts. In the year 1918.]

Resolutions in favor of the ratification of regulations establishing a closed season on waterfowl.

Resolved, That the general court of Massachusetts favors the approval and ratification of the regulations recommended by the Bureau of Biological Survey of the United States Department of Agriculture on the 13th day of May, 1916, in pursuance of an act of Congress providing for a closed season on waterfowl in Massachusetts between the 16th day of January and the 30th day of September, said regulations being ineffective, owing to their not being approved and ratified on August 16, 1916.

Resolved, That the general court of Massachusetts favors the ratification of the aforesaid regulations and requests its Senators and Representatives in Congress to take such steps as may be necessary to secure the approval and adoption of said regulations.

Resolved, That copies of these resolutions be sent by the Secretary of the Commonwealth to the Senators and Representatives in Congress from Massachusetts and to the Bureau of Biological Survey of the United States Department of Agriculture.

In house of representatives, adopted February 7, 1918.
In senate, adopted in concurrence February 12, 1918.
A true copy.
Attest:

ALBERT P. LANGTRY,
Secretary of the Commonwealth.

Mr. WEEKS presented a petition of sundry citizens of Suffolk County, Mass., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

Mr. VARDAMAN. I have received several telegrams this morning from citizens of Mississippi, protesting against the enactment of Senate bill 3426. I submit two of these telegrams and ask that they be printed in the RECORD.

Mr. WEEKS. I think I ought to say to the Senator from Mississippi that my understanding is that the bill has been recommitted to the Committee on Military Affairs and a hearing has been given this morning.

Mr. VARDAMAN. I shall ask, then, that the telegrams be printed in the RECORD and referred to the Committee on Military Affairs. I did not know the bill had been recommitted.

The telegrams were referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

LAKE, MISS., *March 12, 1918.*

Senator JAMES K. VARDAMAN,
Washington, D. C.:

Please do what you can to prevent passing of Senate bill 3426. I feel that most all sawmills are doing their best to furnish the lumber requirements of our Government. Car shortage and embargoes causing more trouble than anything else. Government may have all my lumber if they want it.

JOHN E. SUDOIS.

—

MEEHAN JUNCTION, MISS., *March 12, 1918.*

Senator JAMES K. VARDAMAN,
Washington, D. C.:

Reference Senate bill 3426. We have shipped 34 cars this month; could have shipped 125 if cars had been supplied. Have orders hundred cars, Government business, awaiting cars. We are doing our mightiest, but willing that Government take over our plant if it will relieve the car and embargo situation.

COTTON STATES LUMBER CO.

Mr. TOWNSEND. Mr. President, I have received many telegrams and letters and petitions on various subjects. I have generally referred those letters and telegrams to the departments of the Government which I thought had special charge over the matters, but I desire to present to the Senate and have inserted in the RECORD four telegrams on as many different subjects.

One of them has relation to the potato crop in northern Michigan and the method by which it is being handled or the lack of methods; one relative to a rumor, which I think is well founded, to the effect that the Director General is to adopt spot charges for the placing of cars on private tracks at various factories; one relative to the shipbuilding industry of the country as affected by labor; and the other has reference to the lumber situation. I ask that they be printed in the RECORD.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MARQUETTE, MICH., *March 12, 1918.*

Hon. CHARLES E. TOWNSEND,
United States Senate, Washington, D. C.:

What provisions are being made to take care of the surplus potato crop in Michigan? The upper peninsula farmers are very much dissatisfied, as they hold in pits and cellars most of their crop of last year. They were willing to sell last fall, but no market. A fair sample: The farmers surrounding Grand Marais raised 10,000 bushels of potatoes, could not sell them, and they are still on hand. We are facing a mighty serious situation unless the Government helps out. The farmers will not exert themselves this year unless taken care of.

JOHN D. MANGUM.

—

MIDLAND, MICH., *March 9, 1918.*

Senator CHARLES E. TOWNSEND,
Washington, D. C.:

The Dow Chemical Co., of Midland, Mich., maintain 6 miles of standard-gauge track, and two locomotives perform their own switching; take cars consigned to us from Pere Marquette rails; return either loaded or empty to Pere Marquette rails. We are opposed to the Director General's proposition of making $2 charge for every car placed on siding. Would be pleased to know Director General's reason for assessing this charge. If this measure is passed it will cost the Dow Chemical Co. better than $250,000 per year.

THE DOW CHEMICAL CO.

—

DETROIT, MICH., *March 12, 1918.*

Hon. CHARLES E. TOWNSEND,
United States Senate, Washington, D. C.:

Feel gravely concerned over comparative failure in vital matter of shipbuilding. Best brains of country should be called for construction of all kinds of ships—steel, wood, and concrete. Red tape should be eliminated. Present attitude of labor union intolerable. Strikers are traitors and should be so treated. Situation serious. Trust you will do your utmost.

JOHN N. STALKER.

—

CADILLAC, MICH., *March 11, 1918.*

Hon. CHARLES E. TOWNSEND,
United States Senate, Washington, D. C.:

Please be advised that the lumbermen of Michigan are not in favor of the passage of Senate bill 3426, as we consider same impracticable and think better results will be obtained under present conditions.

MICHIGAN HARDWOOD MFRS. ASSN.,
Per J. C. KNOX, *Secretary.*

Mr. JONES of Washington. Mr. President, I have a telegram from the Chamber of Commerce of Olympia, Wash., expressing its opposition to the bill providing for a long-and-short-haul clause for interior cities and relating to the hearing that I understand is to be held by the Committee on Interstate Commerce to-day.

I also have a telegram to a similar effect from the Chamber of Commerce of Aberdeen, Wash. I simply state the substance of these telegrams and ask to have them referred to the Committee on Interstate Commerce.

The VICE PRESIDENT. They will be so referred.

PRICE OF OFFICERS' UNIFORMS.

Mr. JONES of Washington. Mr. President, quite a while ago I introduced a bill to stop profiteering in officers' uniforms. The Senate acted promptly on that measure and passed it. It is now resting somewhere outside of this body, possibly at a place that it would not be parliamentary for me to refer to by name, but I am receiving a great many letters from those who are interested in that measure who seem to think that there is something further the Senate can do in reference to it.

I wish to take this opportunity to place in the RECORD the facts with reference to the legislative situation regarding it and also to call attention to an editorial relating to the matter in the Louisville Courier-Journal of March 8, and to read just an extract or two from the editorial showing how the people of the country are looking upon it. It is headed:

RESERVE OFFICERS ROBBED.

Everyone who has looked in shop windows and seen upon display at fancy prices garments and articles which military officers must have as a part of their required equipment has expressed the opinion that the young men who left lucrative positions in civil life to become candidates at training camps for officers did so at a great financial sacrifice. That profiteering has been done upon the principle "all the traffic will bear" has been plain to the wayfarer, though a fool. The New York Times attempts to estimate the amount of which the reserve officers have been robbed, and sets it down at $29,000,000. These figures relate to equipment only.

The Times reaches that conclusion in this way: We have taken into the Army something like 100,000 new officers. According to reports from officers who have fitted themselves out, they have had to pay $500, $600, and $700 for their uniform and equipment, when the Government could furnish it at practically half that price, and the Times estimates that on an average they have paid about $290 apiece more than they ought to have paid. I think that is really a conservative estimate. That gives the amount $29,000,000. This editorial says:

Officers formerly bought equipment from the Quartermaster at cost. When the camps for training reserve officers were instituted an order was issued suspending that privilege for reasons not quite clear. The result was that there was created an opportunity for tradesmen to charge officers extortionate prices. Suitable equipment being obligatory—

The officer had to get these uniforms, and he had to get certain equipment—

the officer could not escape being fleeced by the merciless vendors of his necessaries.

These are facts well known. When the men from the June encampments were getting their equipment the head of a wholesale hardware house called the attention of the Courier-Journal to the fact that his younger brother, a lieutenant, had showed him a pair of spurs for which he had paid a retailer $5. They were worth at retail, with a good profit to the dealer, about $2.

That is in line with the examples that I have placed in the RECORD from time to time. Then, omitting a great part of the editorial, it says:

The officers who have been skinned are majors, captains, first lieutenants, and second lieutenants. Very few majors were commissioned from the training camps, and the majority of the officers who were compelled to buy at $500 or $600 equipment worth $200 or $300 were below the rank of major, their pay running from $141.67 to $200 a month. Some of them were men of independent means; many were not. The robbery of the well-to-do young man who must buy equipment is not as severe a test of his patriotism as if he were poor, but it is not less unpatriotic upon the part of the tradesman on that account.

The editorial closes:

While the Government has limited the price of wheat and taken other measures to prevent farmers and middlemen from profiteering in food, merchants have been permitted—virtually invited—to fleece the young men of every community who offered their services to the flag, many of them above draft age and many of them heads of families. In allowing tradesmen to make prey of the reserve officers the Government placed itself in a situation for which there is no defense that suggests itself readily to the observer.

Mr. President, I want to call attention to the fact that summer is coming and new classes of uniforms will have to be secured by the men who have already gotten their uniforms and by others who may be taken into the Army, and I hope that Congress before that time comes will have put upon the statute books legislation that will protect them from further extortion. The sooner this can be done the better it will be not only for these young men who are offering their all for their country but the better it will be for the honor of the country itself. Congress should stop this extortion at once.

The Senate has acted upon this matter. The bill rests somewhere outside of this body and the responsibility for further extortion from these patriotic men rests there.

Mr. SMITH of Michigan. Let me ask the Senator if this must be done by law. Is it not possible for the department by some regulation to enable these officers to obtain from the Government the necessary clothing, and so forth, at prices that the department itself will fix?

Mr. JONES of Washington. The department has not been doing it.

Mr. SMITH of Michigan. My question is whether it is not possible for it to do it.

Mr. JONES of Washington. I am not prepared to say whether it is or not. They have not been doing it. The bill gives them legislative authority, in fact it is a legislative direction to do it,

and if necessary then they could commandeer the stock that is found in different stores and take care of the situation.

Mr. SMITH of Michigan. If the Senator will pardon me a word more, I think out of any stock the Government has it could fix such a price as in its judgment seems fair and just, and if legislation is to be delayed and this experience is to be repeated it seems to me that an effort might be made for the adoption of a resolution of inquiry of the department to ascertain whether or not the remedy which I speak of could not be at least temporarily introduced.

Mr. JONES of Washington. I will state to the Senator that I wrote to the War Department asking why it was not furnishing these uniforms and received a letter stating that it was not feasible to do it. They did not say that they did not have authority to do it, but they are not doing it. The Senate has acted, and I hope Congress will act.

SHORTAGE OF FARM LABOR.

Mr. BORAH. Mr. President, I have here a letter from Mrs. K. Josness, a resident of my State, with reference to a matter which I have heretofore called to the attention of the Senate, and that is to the shortage of labor upon the farms. I do not desire to incorporate the entire letter in the RECORD, because it it a long letter, but I desire to read a certain paragraph of it, which will take less time than it would to otherwise dispose of it. This letter is based upon a survey which has been made of the county from which the letter comes:

The amount of ground intended to summer fallow this year is 58,616 acres, while last year it was 87,531. This is a report covering half of the county.

After some further statements in regard to that matter, the letter goes on to say:

But the farmers who are in the sorest financial straits are not on their farms. They are working in the shops or elsewhere to earn their daily bread. Hence I should say our summer fallow is short by 75,000 acres. Even this is not all. From the report you will see there are 26,045 acres ready to be seeded this spring for which there is no seed and the 179 farmers who have no feed are of these who have ground ready but no seed. If this represents half, let us say, then 50,000 acres or more will lay idle.

This is attributed, Mr. President, in part to the fact of the shortage of the labor supply on the farms, to want of a proper farm-credit system.

Mr. KENYON. Mr. President——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Iowa?

Mr. BORAH. I do.

Mr. KENYON. I ask that the letter may be referred to the Committee on Agriculture and Forestry, which is now engaged in hearings on this very subject.

Mr. BORAH. Mr. President, I shall be very glad to send a copy of the letter to that committee.

PRODUCTION OF COAL IN COLORADO.

Mr. THOMAS. Mr. President, I desire to report the result of the Garfield drive on the State of Colorado up to the close of business last night:

Mines closed, 37.

Total tonnage per day, 12,200, equivalent to 366,000 tons per month or 4,392,000 tons per year.

Miners idle, 2,600.

Wages at $5 per diem, $13,000 per day, or $390,000 per month.

LAND IN SANDERS COUNTY, MONT.

Mr. MYERS, from the Committee on Public Lands, to which was referred the bill (S. 933) to authorize the Secretary of the Interior to issue patent for certain land to school district No. 9, of Sanders County, Mont., reported it without amendment and submitted a report (No. 312) thereon.

ASSISTANT SECRETARIES OF WAR.

Mr. THOMAS. From the Committee on Military Affairs I report back favorably with an amendment the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, and I submit a report (No. 311) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. SMOOT. Let it be read.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890 (26 Stat., p. 17), be, and the same hereby is, amended to read as follows:

"There shall be in the Department of War an Assistant Secretary, a Second Assistant Secretary, and a Third Assistant Secretary, each of whom shall be appointed by the President, by and with the advice and consent of the Senate, and shall be entitled to a salary of $4,500 a year, payable monthly, and shall perform such duties in the Department of War as shall be prescribed by the Secretary or as may be required by law."

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The amendment was, on page 1, line 11, to strike out "$4,500" and insert in lieu "$5,000."

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

OSAGE RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably the bill (S. 3833) to authorize Cole and Osage Counties, Mo., to construct a bridge across the Osage River, and I submit a report (No. 310) thereon. I ask for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PUBLIC-LAND ENTRIES.

Mr. MYERS. The bill (S. 3797) validating certain applications for and entries of public lands, and for other purposes, is on the calendar, having been reported from the Committee on Public Lands. I am the author of that bill, and I ask that it be recommitted to the committee. There are some matters in it that should be considered further. I ask unanimous consent that the bill be rereferred to the Committee on Public Lands.

The VICE PRESIDENT. Without objection, it is so ordered.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY (for Mr. CHAMBERLAIN):

A bill (S. 4081) granting a pension to Nathaniel Holt (with accompanying papers); to the Committee on Pensions.

A bill (S. 4082) granting a pension to Fred Boyd; to the Committee on Pensions.

By Mr. SHAFROTH:

A bill (S. 4083) for the relief of George A. McKenzie, alias William A. Williams; and

A bill (S. 4084) for the relief of Hannah Parker; to the Committee on Military Affairs.

A bill (S. 4085) granting an increase of pension to Charles Apple;

A bill (S. 4086) granting an increase of pension to Cecilia Hall;

A bill (S. 4087) granting a pension to Theodore Heiner;

A bill (S. 4088) granting an increase of pension to Martha A. Hodges;

A bill (S. 4089) granting an increase of pension to Frank D. Russell;

A bill (S. 4090) granting a pension to Ellen H. Sharp; and

A bill (S. 4091) granting an increase of pension to Thomas J. Vinyard; to the Committee on Pensions.

By Mr. NELSON:

A bill (S. 4092) granting an increase of pension to Thomas Critchette; to the Committee on Pensions.

By Mr. SMITH of Arizona:

A bill (S. 4093) increasing the pay of compositors and pressmen employed in the Government Printing Office, and for other purposes; to the Committee on Printing.

A bill (S. 4094) granting a right of way over public lands for certain purposes; to the Committee on Public Lands.

By Mr. POINDEXTER:

A bill (S. 4095) granting a pension to Grace Noden (with accompanying papers); to the Committee on Pensions.

By Mr. SWANSON:

A bill (S. 4096) granting a pension to Lillian May Woodard; to the Committee on Pensions.

By Mr. PENROSE:

A bill (S. 4097) granting an increase of pension to James C. M. Hamilton; and

A bill (S. 4098) granting an increase of pension to Samuel M. Bailey; to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 4099) to amend an reenact section 5200, Revised Statutes of the United States; to the Committee on Banking and Currency.

DEVICES FOR PROTECTION OF TELEGRAPH AND TELEPHONE WIRES.

Mr. OWEN. I submit the following resolution and ask that it lie on the table and be printed.

The VICE PRESIDENT. The Secretary will read the resolution.

The resolution (S. Res. 214) was read, as follows:

Resolved, That the Secretary of War is hereby requested to immediately advise the Senate as to the available devices known to the War Department to prevent spies from tapping telegraph or telephone wires over which messages are sent by the War Department, and to what extent such devices are employed.

RAILROAD CONTROL—CONFERENCE REPORT.

The VICE PRESIDENT. Is there further morning business? [A pause.] Morning business is closed.

Mr. LEWIS. Mr. President, there is a conference report to be brought before the body upon a very important subject, and as there are Senators who have asked to be informed, I take the method of informing them now by suggesting the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Harding	Nelson	Smith, S. C.
Baird	Henderson	New	Smoot
Bankhead	Hollis	Norris	Sterling
Beckham	Johnson, Cal.	Overman	Sutherland
Borah	Johnson, S. Dak.	Phelan	Swanson
Brandegee	Jones, Wash.	Pittman	Thomas
Calder	Kellogg	Poindexter	Thompson
Culberson	Kendrick	Pomerene	Townsend
Cummins	Kenyon	Ransdell	Trammell
Curtis	Knox	Robinson	Underwood
Dillingham	Lewis	Shafroth	Vardaman
Fletcher	McCumber	Sheppard	Walsh
France	McKellar	Sherman	Warren
Frelinghuysen	McLean	Shields	Watson
Gallinger	McNary	Smith, Ariz.	Weeks
Gerry	Martin	Smith, Ga.	Williams
Gore	Myers	Smith, Mich.	Wolcott

Mr. McNARY. I desire to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness, and I ask that this announcement may stand for the day.

Mr. SUTHERLAND. I desire to announce the absence of my colleague [Mr. GOFF] on account of illness.

Mr. LEWIS. Mr. President, let me announce the absence of the senior Senator from Kentucky [Mr. JAMES], occasioned by illness. I also desire to announce the absence of the Senator from Maryland [Mr. SMITH], occasioned by official business.

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is unavoidably detained from the Chamber.

The VICE PRESIDENT. Sixty-eight Senators have answered to the roll call. There is a quorum present.

Mr. SMITH of South Carolina. Mr. President, I now move that the Senate proceed to the consideration of the conference report on Senate bill 3752, known as the railroad-control bill.

The VICE PRESIDENT. The question is on the motion of the Senator from South Carolina.

The motion was agreed to; and the Senate resumed the consideration of the conference report on the disagreeing votes of the two Houses on the amendment of the House of Representatives to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

The VICE PRESIDENT. The question is on the adoption of the conference report.

Mr. FRELINGHUYSEN. Mr. President, I make the point of order against the conference report that the conferees have inserted new matter in the report contrary to our rules.

On request of the senior Senator from Oklahoma [Mr. GORE] I ask permission to insert in the RECORD a very interesting letter from the governor of Oklahoma upon the subject of the taxation of railroad properties under the proposed legislation.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

STATE OF OKLAHOMA, EXECUTIVE OFFICE.
Oklahoma City, January 14, 1918.

Hon. T. P. GORE,
United States Senate, Washington, D. C.

MY DEAR SIR: May I be permitted to call your attention to the importance that any congressional action re Government railroad control, does not interfere with existing methods or privileges of individual States and local units of taxation of railroad property or receipts. At this time in our State a large portion of the State's revenue is derived from taxation paid by railroads, and to amend in any form would greatly embarrass this State, necessitating new methods of taxation which would probably force the calling of an extra session of the legislature, and would be most burdensome and unfortunate to the whole of the State.

I do not know that any legislation contemplated will interfere with the State rights in this respect, but inasmuch as the Government is assuring stockholders a certain profit on their investment, it would seem, at least, wise to present our responsibility, in order that any regretable situation may be prevented. It is important that the present State rights and privileges relative to taxes from railroads, either by receipts or ad valorem taxation, be not amended or interfered with, but be saved and provided for in Federal legislation relative to taking over of the railroads.

Pardon me for calling this matter to your attention, but its importance prompted me to do so.

Very truly yours, R. L. WILLIAMS.

Mr. FRELINGHUYSEN. I will ask if the Chair is ready to rule on the point of order?

The VICE PRESIDENT. The Chair understands the point of order to be that the committee of conference has inserted new matter in the report not in either the bill as it originally passed the Senate or as it passed the House of Representatives.

Mr. GALLINGER. And also that they have stricken out matter agreed to by both Houses.

Mr. SMITH of South Carolina. Mr. President, I desire to call the attention of the Chair to the fact that on March 1 the subject-matter involved in this legislation was submitted to the conferees. The subject-matter was made up under the old rule and practice of the Senate. On March 8, which was Friday, the conferees reached an agreement. We asked for a confidential print of the agreement of the conferees. That print was made. We had reached this agreement on the morning of March 8. We then adjourned to look over the report and to see that there were no typographical errors. It happened by a remarkable coincidence that this very amendment which is now in question was left out of the print of the conference report, and we met and had it reinserted. The whole matter, however, was completed before the adoption of the new rule by the Senate on March 8.

The subject-matter having been submitted under the old rule and practice of the Senate of putting in anything and everything that seemed to be germane or pertinent, the conferees were allowed much discretion in order to reach what they thought was the desire and purpose of the two bodies or what would meet their approval. Working along that line, we proceeded and completed our labors without any knowledge whatever that any such rule was at all imminent. Our printed report was on the desks of Members on Friday morning, with the elimination to which I have referred. As I have said, we made the correction, and I submitted the formal report on Saturday, March 9.

Mr. OVERMAN. Will the Senator give the date when the rule was adopted?

Mr. SMITH of South Carolina. It was adopted on March 8, and we had reached our agreement on March 8.

Mr. POMERENE. Before the adoption of the rule?

Mr. SMITH of South Carolina. We met in the morning and reached our agreement before the new rule was adopted by the Senate.

The VICE PRESIDENT. Let the Chair ask the Senator from South Carolina whether it is his opinion that the conferees control the Senate or the Senate control the conferees?

Mr. SMITH of South Carolina. I think the Senate controlled the conferees when they gave us the subject matter under the old rules and practices and referred the bill to conference. The point I am making is that we reached an agreement under the old rule.

Mr. KNOX. Mr. President——

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Pennsylvania?

Mr. SMITH of South Carolina. I yield.

Mr. KNOX. May I make an inquiry?

Mr. SMITH of South Carolina. Yes.

Mr. KNOX. Does the Senator from South Carolina contend that under the old rule the conferees would have the right to insert in a conference report or in a bill any matter that had been prohibited to them by both Houses?

Mr. SMITH of South Carolina. I maintain, Mr. President, that to all intents and purposes this is in no wise new matter. I was arguing from a different standpoint and giving reasons, cumulative in nature, why the point of order is not well taken. The Senator from Arkansas [Mr. ROBINSON] has called attention to the precedents that existed before the new rule was adopted; and until the House and Senate see fit to forbid it, the practice of striking out and inserting must obtain. What I am saying is simply cumulative of what the Senator from Arkansas has said.

Mr. KNOX. Without any reference to any variance of views—and there is a variance of views as to whether this matter in the report is in line with the instructions—I should like the Senator from South Carolina, if he is willing to do so, to answer the specific question.

Mr. SMITH of South Carolina. I consider it is not new matter.

Mr. KNOX. I understand that perfectly well, but some Senators consider that it is new matter. That, however, is not my question. My question is, Does the Senator contend that under the old rule the conferees would have the right to insert new matter that had been prohibited, assuming now that it had been prohibited, by both Houses?

Mr. SMITH of South Carolina. I would take this view of it, that heretofore, under the old rule and the practices of the Senate, the conferees might have had a larger latitude than they have under the new rule, although I doubt if the interpretation——

Mr. KNOX. I am driven, Mr. President, to the conclusion that the Senator from South Carolina does not wish to answer the question that I have propounded to him.

Mr. SMITH of South Carolina. I propose to answer it in my own way; and if the Senator can get any comfort out of my way of answering it, he is welcome to do so.

Mr. KNOX. Very well, I will repeat the question. Of course the Senator will answer in his own way, and I am not trying to suggest that he should answer in any particular way; but I want the Senator from South Carolina to thoroughly understand the question. Does he contend, without any regard to the question as to whether in this particular case this is or is not new matter, that under the old rule the conferees would have a right to insert matter that had been prohibited by both Houses?

Mr. SMITH of South Carolina. That had been prohibited?

Mr. KNOX. Yes, sir; that is the point.

Mr. SMITH of South Carolina. I do not think the conferees would have any right to insert, nor did we insert, anything that had been prohibited, because in both of the bills there was subject matter that was capable of a construction as binding as the provision incorporated by the conferees.

The VICE PRESIDENT. Let us get down to the real question. The mind of the Chair has long been clear on the proposition that conferees have no right to insert new matter in a conference report and that they have no right to strike out anything that has been agreed upon.

Mr. SMITH of South Carolina. We did not strike out anything that had been agreed upon.

The VICE PRESIDENT. Exactly; the present occupant of the Chair has threatened a number of times to sustain a point of order under such circumstances, but for various reasons has been too timid to do so. If new matter has been inserted—and the present occupant of the chair does not know anything about that; he does not know as to the facts—but if new matter has been inserted or if matter has been stricken out which was agreed upon by both Houses the point of order is well taken; there is no doubt about that.

Mr. ROBINSON. Mr. President, will the Senator from South Carolina yield to me?

Mr. SMITH of South Carolina. I yield.

Mr. ROBINSON. Mr. President, the proposition of the Senator from South Carolina, I think, is conclusive of this matter; but I think there is at least one other proposition that is also determinative of it, and I want to take the liberty of asking the Chair's attention to it.

Under the parliamentary situation there has been no agreement between the two Houses on any provision of this bill, and I will proceed to show why that is true. The Senate passed the bill; it went to the House of Representatives, and the House struck out all after the enacting clause. When the bill came back to the Senate the Senate disagreed to the House amendment. Now, under every parliamentary rule, that left the whole matter in disagreement. Neither House had agreed to anything that the other House had done. It is immaterial that there happened to be in the bills passed by the respective Houses identical language; the parliamentary fact of importance is that there was nothing agreed to between the two Houses. The House had stricken out the entire Senate bill, which was a disagreement, of course, to the Senate provision, and the Senate had disagreed to the entire House bill, which put the whole matter in conference.

Now, the rule of the House of Representatives has for many years been the same, substantially, as the new Senate rule, and it is to that feature of the matter that I now call the Chair's attention.

The VICE PRESIDENT. Will the Senator from Arkansas pardon the Chair for an interruption?

Mr. ROBINSON. Certainly.

The VICE PRESIDENT. That gets down just exactly to where the Chair was. The Chair made a ruling upon the assumption that it was agreed that there was new matter inserted——

Mr. ROBINSON. Yes.

The VICE PRESIDENT. Or old matter stricken out; but if that be a disputed question of fact, that is not a question for the Chair to settle; that is a question for the Senate to settle.

Mr. ROBINSON. If the Chair will permit me, I think it is purely a question of law that the Chair can decide, and I think the Chair is right in his proposition that if it is a question of fact the Senate ought to determine it. But there is no dispute as to the facts. There is a controversy as to the legal effect of those facts, but I do not think there can be any serious parliamentary question as to what the status is. According to the decisions in all of the cases, there has been nothing agreed to between the two Houses, and there can be no such thing as the insertion of new matter under the parliamentary situation.

The VICE PRESIDENT. Pardon me—not agreed to between the two Houses, but in dispute between the two Houses.

Mr. ROBINSON. Well, the whole matter is in dispute between the two Houses, under the parliamentary status here.

Mr. SMITH of South Carolina. Mr. President, if the Senator from Arkansas will allow me, the House did not consider the Senate bill at all. It struck it out entirely.

The VICE PRESIDENT. I understand that fact. Now, is there anything in this conference report that was neither in the bill that the House passed nor in the bill that the Senate passed?

Mr. ROBINSON. There is some language there, certainly; quite a good deal of language.

The VICE PRESIDENT. I do not know about language.

Mr. ROBINSON. No; that is not the proposition. There is no subject matter in this conference report that was not embraced in the House bill, which was the basis of our consideration in this conference committee; but I want to call the Chair's attention now to the decisions on this rule.

I have already stated that the rule in the House has been for many years substantially the same as the new Senate rule, and the House has always placed on its rule the construction which I have just placed upon this new Senate rule. Now, here is a case exactly in point, if the Chair please, where the House decided that the action of the conferees now complained of was not the insertion of new matter and was not, therefore, obnoxious to the rule—that is, the rule of the House, which I have already repeatedly said is substantially the same as the new Senate rule. Until the adoption of this new Senate rule, which was adopted after the conference report was in fact agreed to, there was no limitation, so far as the Senate was concerned, upon the power to embrace new matter in a conference report.

Here is the House ruling, in volume 5 of Hinds' Precedents, section 6424:

Where the disagreement is as to an amendment in the nature of a substitute for the entire text of a bill, the managers have the whole subject before them and may exercise a broad discretion as to details. * * *

A Senate amendment having provided an appropriation to construct a road, and conferees having reported in lieu thereof a provision for a survey, it was held that the provision was within the differences.

Now, going back to the first case, here is what the Speaker said in ruling on that question:

The House substitute, by way of amendment, went to the Senate.

That is exactly what happened here.

The Senate disagreed to every line, paragraph, and section of the House provision.

That is what has happened here.

And with that disagreement to the Senate provision, and with the House provision in effect a disagreement to the original Senate bill, the whole matter went to conference. That is, by this action there was committed to conference the whole subject of immigration, and, as connected therewith, the prohibition of immigration by way of contract labor in the fullest sense of the words.

The case there determined was much broader than the one that is in controversy here. In the pending case the Senate passed a provision as follows:

And provided further, That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation.

The House passed the following provision embraced within its substitute for the Senate bill. Mark you, now, the House struck out the entire Senate bill. It did not agree to any language that we used. It struck it all out after the enacting clause. The House language is as follows:

That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation or the lawful police regulations of the several States, except wherein these regulations may affect the transportation of troops, war materials, or Government supplies, the regulation of rates, the expenditure of revenues, the addition to or improvement of properties, or the issue of stocks and bonds.

It will be noted that the House adopted an entirely different provision from the Senate provision. It struck out the entire

Senate provision and inserted a new one; and while it employed some of the language that happened to be in the Senate provision, it modified that by other language. The conferees struck out a part of the House provision and added to that a proviso, and it is the language of that proviso which it is claimed here is obnoxious to the rule forbidding the insertion of new matter.

Mr. GALLINGER. Or the striking out of matters agreed to by both Houses.

Mr. TOWNSEND. Mr. President, may I interrupt the Senator?

Mr. ROBINSON. I yield to the Senator from Michigan.

Mr. TOWNSEND. I do not think the Senator wishes to be understood as saying that there was a word of difference between the House provision and the Senate provision relative to the question of taxation.

Mr. ROBINSON. No; I have not said so. But the House modified our language by adding thereto.

Mr. TOWNSEND. I understood the Senator to say that the House adopted an entirely different proposition.

Mr. ROBINSON. It did adopt an entirely different proposition, save in a parliamentary sense.

Mr. TOWNSEND. Not in reference to taxation.

Mr. ROBINSON. But, as I have already said, it included in the proposition that it adopted some language that was identical with language that was in the bill passed by the Senate. The House, however, did not consider the Senate bill. It struck out all after the enacting clause and wrote a new bill and sent it over here, and when the Senate disagreed to the House substitute it put the entire matter in conference, according to the decisions of the House of Representatives, based on a rule almost identical with the rule which the Senate has adopted.

The Senator from South Carolina, in my opinion, is correct when he says that this conference report should not be governed by the new rule, because the conference was had and the agreement reached under the old rule and before the new rule became effective. But even if that were not the case, even if the new rule had become effective before the conference report was made, under the precedents of the House of Representatives, based upon a rule almost identical with our rule, his matter would not be obnoxious to the rule.

Mr. GALLINGER. Mr. President——

Mr. ROBINSON. I yield to the Senator from New Hampshire.

Mr. GALLINGER. I take the liberty of asking the Senator if he still adheres to the proposition he laid down when this matter was before the Senate a few days ago. That was that if one body struck out the entire text the whole matter went to the conference committee and they could write a new bill.

Mr. ROBINSON. Yes; so long as it is germane to the subject matter of the original bill.

Mr. GALLINGER. They could write a new bill and they could leave out matter agreed to by both Houses?

Mr. ROBINSON. Yes. That is the authority that I have just read, relating to a case which holds that nothing is agreed to under the status which existed when this measure went to conference.

Mr. GALLINGER. The Senator is reading from the decisions of the House of Representatives?

Mr. ROBINSON. Yes.

Mr. GALLINGER. Technically speaking, we have no right to even quote the House; but waiving that——

Mr. ROBINSON. Oh, well; the Senator has referred to the House. I can say "the body at the other end of the Capitol" just as well as the Senator can; but I do not think the Senator would resort to that sort of a contention at this time.

Mr. GALLINGER. Oh, no. I said I would waive that.

Mr. NORRIS. Mr. President——

Mr. ROBINSON. I yield to the Senator from Nebraska.

Mr. NORRIS. I want to ask the Senator——

Mr. ROBINSON. Just a moment before the Senator asks me a question.

The Senator from New Hampshire has repeatedly asserted that it is not proper for this body to take into consideration the precedents of the body at the other end of the Capitol. Mr. President, the decisions of the body at the other end of the Capitol are strongly persuasive in this case, because, as I have repeatedly said, the rule of the Senate is almost identical with the rule of the body at the other end of the Capitol; and the constructions which the body at the other end of the Capitol, if the Senator pleases, has placed upon that rule ought to be given consideration in determining the proper construction of this rule. We have adopted the House rule, and with it the constructions which the House has placed upon it.

I now yield to the Senator from Nebraska.

Mr. NORRIS. Let me say to the Senator that I agree with him that it is perfectly proper to refer to the decisions made in the House of Representatives, and they ought to have weight, I think. I am not finding fault with that. But the Senator has made the assertion, and it is in one of the decisions, that where one House strikes out the entire bill after the enacting clause and inserts a new one, the whole matter goes to conference, and the conferees can draw a new bill if they want to.

Let me ask the Senator this question, based upon that proposition: Suppose this bill were an omnibus pension bill and it passed the Senate containing pensions to certain individuals, and the House struck out the entire bill and put in another bill, including some of the ones in the Senate bill and others, and then the matter went to conference. Would the Senator claim that the conference committee had a right in that case to put in pensions for individuals that were not included in either the House bill or the Senate bill?

Mr. ROBINSON. Mr. President, that is a question that is purely hypothetical.

Mr. NORRIS. No; it is not. I beg the Senator's pardon.

Mr. ROBINSON. If the Senator will permit me, I do not know what the rules of the respective committees of the House of Representatives and of the Senate concerning omnibus pension bills may be, and I would not like to assert either that the conferees could not or that they could put in the names of pensioners not embraced in either bill. But I do make this proposition: That while it is not necessary to go that far in this case, I believe it is a correct parliamentary principle that generally whenever one House strikes out all after the enacting clause in the bill of the other, and the House first passing the bill disagrees to the amendment of the one so striking out and making a substitute, in the very nature of things, and of necessity, and according to well-established parliamentary rules, the effect is to put the whole subject matter in conference; and the conferees are undoubtedly given a very broad discretion, much broader than where the House takes the Senate bill and simply modifies it without striking out all after the enacting clause and adopting a new bill.

Mr. NORRIS. Now, will the Senator permit me further? The very question that I have asked him is decided, I think in the very volume from which the Senator is reading, by the House of Representatives. It is not a hypothetical question, as I view it; but it is passed on, I think, in volume 5 of Hinds' Precedents—the one, I think, that the Senator has before him. It was there expressly decided—perhaps it was in the case of an omnibus claims bill—that the conferees on such a bill had not authority to put in any claim that was not included in either one or the other of the Houses, or to exclude any claim that was included in both of them.

Mr. ROBINSON. On reflection, I think that is clearly true, because the inclusion of pensioners not in either bill would involve an entirely different subject matter. I think I can answer now, in view of the Senator's statement made subsequently to his first question, that I do not think the conferees would have such power, because it would be the insertion of new subject matter. But here the subject matter of Federal control of railroads and their taxation by the States was embraced in the bill, and this gave the conferees jurisdiction. In my opinion, even if the House had not pursued the course of striking out the Senate bill and adopting the substitute to which the Senate disagreed, even if the House had taken the Senate bill and amended it, since the bill contained the provision relating to taxation, which was modified by the House of Representatives, the conferees had the right to add this proviso.

Mr. SMOOT. Mr. President——

Mr. ROBINSON. I yield to the Senator from Utah.

Mr. SMOOT. Just so that I may know the exact position the Senator takes, let me cite a case to him.

Suppose the House of Representatives passed a tariff bill and provided that there should be a tax of 10 cents a pound upon news-print paper, or any other item. Suppose the bill came to the Senate and the Senate struck out all after the enacting clause and made a new bill, but the Senate bill still provided a tax of 10 cents a pound upon news-print paper, the same as the House bill had provided. Does the Senator hold that when that bill went to conference the conferees would have any power whatever to change that 10-cent rate?

Mr. ROBINSON. In the event that the whole bill of the House first passing it was stricken out, I think undoubtedly the conferees would have power to do it. I do not think, though, that the question the Senator has asked me is germane to this question, for the reason that the distinctions in the two cases are apparent.

Mr. SMOOT. I am asking the question to get the Senator's viewpoint of the rule. I had no reference whatever to the present case.

Mr. ROBINSON. If the Senator will pardon me, I think the Senate and the Chair are more interested in the viewpoint I

may have touching the particular case in controversy. I would prefer not to discuss every hypothetical case that might be suggested here. I think that in this particular case there can be no question that, for three reasons, the point of order should be overruled. The first is that the conference report was agreed to by the conferees before the Senate rule became effective. The second is that the House of Representatives——

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. ROBINSON. I yield to the Senator from North Carolina.

Mr. OVERMAN. The Senator was interrupted when he was about to read a very interesting matter that I wish he would read, and that is the proviso. He was stopped from going on with his speech and not allowed to read it. I wish he would read it.

The VICE PRESIDENT. In order to clarify the discussion, will the Senator from Arkansas let the Chair ask him a question?

Mr. ROBINSON. I shall be delighted to yield to the Chair.

The VICE PRESIDENT. The Senate of the United States passed this proviso in this bill:

That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation.

The House of Representatives, in the substituted bill, included that language exactly, and added to it:

or the lawful police regulations of the several States, except wherein these regulations may affect the transportation of troops, war materials, or Government supplies, the regulation of rates, the expenditure of revenues, the addition to or improvement of properties, or the issue of stocks and bonds.

Is that right?

Mr. ROBINSON. Yes, sir; that is exactly right.

The VICE PRESIDENT. Now, you put the House clause and the Senate clause in your conference report?

Mr. ROBINSON. Yes; all of the Senate bill language you have quoted and a part of the House provision.

The VICE PRESIDENT. And then you added the further proviso:

Provided, however, That no State or subdivision thereof, or the District of Columbia, shall levy, assess, or collect an amount of taxes from railroad property within the State or subdivision thereof, or the District of Columbia, while under Federal control, in excess of the ratio which the taxes derived from railroad property bore to the total taxes of such State or subdivision thereof, or the District of Columbia, for the year previous to Federal control.

That is what you added.

Mr. ROBINSON. Yes, sir.

The VICE PRESIDENT. Now, so far as the subject of taxation was concerned, was there any controversy between the Senate and the House in conference?

Mr. ROBINSON. Certainly.

The VICE PRESIDENT. What was it?

Mr. ROBINSON. The whole subject.

The VICE PRESIDENT. You are getting back to your discussion of it; but on the face of the two bills what was there upon the subject of taxation that was in dispute between the Senate and the House?

Mr. ROBINSON. The Senate bill, of course, had been stricken out.

The VICE PRESIDENT. I know.

Mr. ROBINSON. We were considering the House bill, and there were some who favored eliminating the entire provision. The whole subject of taxation by the States was in conference.

The VICE PRESIDENT. Just a moment.

Mr. ROBINSON. If the Chair will pardon me, the point I am trying to make is that the mere fact that when the Senate passed its bill there was some language in the Senate bill, which was also to be found in the House bill, could not estop the conferees, after the House had stricken out the Senate bill, from modifying the House provision. We took the House provision and simply modified it by striking out a portion of it and adding a proviso. That is what we have done.

The VICE PRESIDENT. I think I get the view of the Senator from Arkansas, and very clearly. So the bill going to conference, the House having stricken out the Senate bill, the entire subject of taxation was before the conferees, and they could change it in any way they pleased.

Mr. ROBINSON. So long as the change was germane to the original bill.

The VICE PRESIDENT. So long as it was germane to the bill. Now, there is no doubt, I say, that the proviso that you added totally changed both the Senate and House text.

Mr. ROBINSON. It modified it; certainly. That was the object.

The VICE PRESIDENT. And limited the power of the State to impose taxation.

Mr. ROBINSON. I think there is no doubt of that.

The VICE PRESIDENT. And your contention is that upon the subject of taxation the House and the Senate both agree.

Mr. ROBINSON. No; there is where the Chair is wrong, if he will pardon me. They did not agree on anything.

The VICE PRESIDENT. It was in the bill of each?

Mr. ROBINSON. That is true.

The VICE PRESIDENT. It was in the bill of each. Let us get through with this. The Chair sustains the point of order and the Senator appeals from the ruling of the Chair.

Mr. SMITH of South Carolina. I appeal from the decision of the Chair.

The VICE PRESIDENT. The question is, Shall the ruling of the Chair stand as the judgment of the Senate?

Mr. GALLINGER. Let us have the yeas and nays.

Mr. POMERENE. Mr. President, before this vote is finally taken I wish to be heard briefly.

The Senator from Arkansas [Mr. ROBINSON] has referred to the fact that the House struck out all after the enacting clause of the Senate bill and added an entirely new bill and to that the Senate disagreed. He correctly stated the legislative status.

I want to submit as a rule of legal construction that where a statute has been passed in one State and has received a judicial construction and later the same statute is passed in another State, ordinarily the courts of the second State adopt the construction which has been placed upon that statute by the courts of the first State. Applying that simple rule of judicial practice to the question now before the Senate, if the House has a given rule and has adopted a particular construction of that rule and later the Senate adopts substantially the same rule, it is at least persuasive upon the Senate that the construction placed upon that rule by the House should be the construction placed upon it by the Senate.

Now, Mr. President, I want Senators to bear in mind the proposition I am about to state. I do not know what was meant by the Committee on Rules when it used the expressions "new matter" or "matter" in the recent amendment to the rule. I do not know whether it is to receive a narrow construction or a broad construction; but I submit that the subject matter of legislation before the Senate and before the House is the question of the control of the railroads, or, to express it in another way, the question is, How far will the Federal Government take over the control and operation of the railroads and how far shall it remain a subject of legislation for the States?

It is true that one of the subjects of State control has been the question of taxation. The Senate adopted the provision as read. The House adopted that provision plus something more, namely, a limitation upon the power of the State over the subject of taxation. But that was not all. The House went further and said upon the subject of control, we are going to reserve to the States the power over the subject of taxation and also the police power of the States as theretofore.

The lawyers in the Senate will agree with me when I say that one of the most difficult problems which has ever presented itself to the legal profession or to the judiciary is to distinguish between the taxing power of the State and the police power of the State. To illustrate: States time out of mind have tried to place licenses upon traffic in the States, and the question arises as to whether or not the charge made is a license fee or a tax or burden upon interstate commerce.

When we join the two subjects of taxation and police power of the State we do away with those difficult problems. I dare say there is not any Senator who would attempt to lay down a rule which in every instance will distinguish between the taxing power and the police power of the State. We all recognize that around the taxing power there is a sort of a twilight zone. The same is true of the police power. But when we join the two together we do away with that twilight zone.

When the House saw fit to add to the taxing power the police power it in effect said that we are giving back or rather we are reserving to the States a twofold power in the exercise of which there shall be no difficulty. In other words, we are making that which in the Senate bill was uncertain so far as the taxing power is concerned certain when we combine with it the police power.

Mr. SMITH of Michigan. Mr. President——

Mr. POMERENE. Pardon me just a minute. I submit when the House sent over to the Senate this particular section combining the taxation power and the police power they changed the legislation which we sent to them from the Senate and gave us the right to add to or to modify or qualify the language that was in the House bill if we did not have it under the contention of the Senator from Arkansas, which, if I may repeat, is that the House having struck out of the Senate bill all after the

enacting clause and inserted new matter, and the Senate having disagreed to the amendment places the entire bill in conference.

Mr. SMITH of Michigan. I should like to ask the Senator from Ohio whether he believes that this railroad-control bill would have passed the Senate had there been anything in the bill which in any way attempted to control or minimize the right of the State to tax property in its own way?

Mr. POMERENE. Mr. President, as a general proposition I agree with the Senator, but when the House saw fit to couple with that taxation power another power which is closely allied to the taxation power, as closely allied as the police power of the State, then it changes the situation and the House reserved to the States a broader power than they would have had under the Senate provision.

Mr. SMITH of Michigan. I think the Senator is very frank in his reply, as he usually is. I wonder if he would be willing to say, as I am willing to say, that any attempt on the part of the Senate to nullify the State's right to taxation would be met with my disapproval. I would not have voted for the bill, and I do not believe the Senator from Ohio would have voted for it.

Mr. POMERENE. Mr. President, I think I have made at least my position clear so far as this matter is concerned.

Mr. LEWIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Illinois?

Mr. POMERENE. I yield.

Mr. LEWIS. I am sure the able Senator from Ohio did not mean to convey to the Senator from Michigan that it was his conviction that this bill deprived the State of the privilege and right of taxation. I ask the Senator from Ohio now, does he not understand clearly that under the bill a privilege of taxation still remains in the States? It is the mere application of it that has been changed.

Mr. POMERENE. Under this bill the complete power of taxation remains with the States save and except as we put this limitation upon it in the proviso.

Mr. SMITH of Michigan. Mr. President, the Senator from Illinois did not quote me correctly. I used the word "limited."

Mr. POMERENE. I think I understood the Senator.

Mr. SMITH of Michigan. I know it is not the purpose of the bill to supersede the constitutional right of the State to impose taxation upon property within the State in its own way, but I say that you have suspended temporarily at least the right of the State to tax property, and to that extent you have limited its constitutional and appropriate function.

Mr. POMERENE. Mr. President, I feel very clearly that the conferees of the Senate and of the House were within the scope of their authority when they added the limitation contained in the proviso in this amendment, but I believe——

The VICE PRESIDENT. Now, the Senator will permit the Chair to interrupt the Senator. The Chair does not want anybody to be controlled by the ruling of the Chair. The Chair has not the slightest intention of affecting anybody's opinion about it.

Mr. POMERENE. I am not questioning the position or the good faith of the Chair.

The VICE PRESIDENT. No; but Senators will vote on this question without regard to the decision of the Chair.

Mr. POMERENE. I think I fairly state the position of the Senators who are opposed to this conference report when I say that they have not invoked the rule recently adopted by the Senate so much out of regard for the rule itself, as they have because they want to defeat the placing of any limitation upon the taxing power of the States.

Mr. SMITH of Michigan. That is my position practically.

Mr. POMERENE. I think that fairly states the matter in dispute, and it is to that question, briefly, that I want to address myself at this particular time, though it might be more pertinent if we were discussing the general merits of the legislation itself.

No Senator who opposes this conference report is more jealous of the right of the States than I am. I believe that we should interfere as little as may be with the power of the States, but, on the other hand, I am very firmly of the opinion that the States ought not to do anything that is going to paralyze the arm of the Federal Government in this time of war.

Mr. FRELINGHUYSEN. May I interrupt the Senator?

Mr. POMERENE. I yield to the Senator.

Mr. FRELINGHUYSEN. Should the State impose any excessive taxation have not the railroads recourse to the courts?

Mr. POMERENE. Oh, well, I realize that; in an extreme case, if they saw fit to place a tax upon the railroads which would consume the entire earning power of the railroad I have no doubt the courts, slow as they are, would grant some relief. But that does not militate against the right of the Congress of the United States to place a reasonable limitation upon the power of the States. Now, let us see what is going to be the effect of this.

Mr. GALLINGER. Mr. President, not being a lawyer I feel at liberty to ask a lawyer a question, even though it may be a foolish one.

Mr. POMERENE. I am sure the Senator could not ask a foolish question.

Mr. GALLINGER. The provisions of the conference report absolutely traverse the constitutional provisions in the State of New Hampshire, which provide that all property shall be taxed equally upon the principles of equality. Now, if they deny the State the right to tax the increased value of the property which may accrue after the passage of this law, certainly the constitutional provision is made inoperative.

Mr. POMERENE. I think the Senator is wrong in his conclusion. We simply provide in this proviso that the ratio of the taxes as between the railroads and the other property in the State shall not be changed.

Mr. GALLINGER. Yes; shall nôt be changed, but the States could change the taxes on all other property next year, but could not change the taxes upon railroad property if this law is in effect.

Mr. POMERENE. Yes; they can. If there is an increase of 10 per cent upon the railroad property or upon the other property of the State there can be an increase of 10 per cent upon the railroads. The purpose of this legislation is to prevent discrimination against the railroads.

Now, I ask Senators to allow me to proceed a little further with my argument.

The subject of the present controversy came to the conferees in a very serious form, as we believed. In the legislatures of certain States—and I do not care to name them—bills were presented the purpose of which was to increase to a very great degree the taxation upon the railroads. In one of the States, where the property valuation is not very high, a bill was introduced which would increase the taxation upon the railroads of that State $500,000.

Mr. SMITH of Michigan. Did it pass?

Mr. POMERENE. Well, we did not know whether it would pass or not. I have observed that even in the Senate of the United States we are sometimes very much interested in preventing certain burdens being placed upon our States, and at times we are very much interested in getting all the revenue we can out of the Treasury of the United States for our respective States. Members of the legislatures in the States are not very different from the Members of the Federal Congress in that behalf.

Under the pending legislation the Federal Government has assumed certain obligations, among which are these: First, to pay the operating expenses of the railroads, including taxes, with certain exceptions; second, to pay the cost of repairs; third, to pay the cost of maintenance; fourth, for the purpose of paying the just compensation, which shall be fixed by the President by agreement with the different railroads. That is assuming a serious burden; and to the very extent that the taxes are increased in the several States and the subdivisions thereof, to that extent they will increase the burden of the Federal Government.

I think I fairly state, in a word, the general position throughout the country when I say that, whatever the conditions of taxation may have been some years ago, now, in most of the States, the railroads and public utilities are paying their fair share of the burden of taxation; in fact, in some States if there has been any discrimination it has been a discrimination against the railroads and not in favor of them. Under these circumstances, while we want the States to exercise the full power of taxation, ought we, sitting here as a Federal Congress, to say to them: "You may go on and raise your taxes upon the railroad properties as far as you can consistently with the laws of your own State, and thereby add to the burdens of the Public Treasury in a time of war"? That is a serious proposition.

Senators, while I am dwelling upon this subject, if I may, I wish to say just a word upon another proposition which was raised the other day, and that was as to the constitutionality of this limitation upon the powers of the States. Until the question had been raised on the floor of the Senate I did not believe there could have been any doubt about it. My investigation since the question was raised has confirmed my former opinion. Senators are familiar with the national banking act and the decisions of the Supreme Court under that act. In one of the sections of that law the Congress authorized the States to tax the national banks, but only in a certain way. They can tax the shares of the capital stock and they can tax the real estate belonging to the banks, but beyond that they

may not go. In the case of the Owensboro Bank against Owensboro, in One hundred and seventy-third United States Reports, it was clearly held that the States could not place any taxes upon national banks, which are an instrumentality of the Federal Government, except as Congress permitted them to place such taxes and only in the way it prescribed. The syllabus, in part, reads:

A State is wholly without power to levy any tax, either direct or indirect, upon national banks, their property, assets, or franchises, except when permitted so to do by the legislation of Congress.

Let us bear that rule in mind and then apply it to the bill under consideration. I do not think anyone will doubt the authority of the United States to take over the railroads as a war measure. That we have done. We have taken possession of them; we are operating them; we have control of them. The railroads can not move a train without the sanction of the President of the United States. Have not these railroads thereby become an instrument of the Federal Government? Are we not using them for the purpose of prosecuting this war and of keeping moving the necessary industries of this country as a handmaid to the war power? Though our possession of these railroads is temporary—for one year, two years, three, four, or five years—while we are operating them and taking the proceeds derived from that operation, I do not think there can be any doubt about their being property belonging to the Federal Government, or at least the Government has a qualified property right in them. Can it be said that, as a matter of constitutional power, we may not say to the States and to the subdivisions thereof, "You shall not place burdens upon these railroads which will drain the Treasury of the United States and hamper the Government in its financial operations"?

It is often interesting to refer to decisions of the Supreme Court of the United States in the earlier days, particularly when it was graced by the great Chief Justice Marshall, and I want to refer very briefly to the case of McCulloch against Maryland. I read from page 432:

If the States may tax one instrument employed by the Government in the execution of its powers they may tax any and every other instrument. They may tax the mail; they may tax the mint; they may tax patent rights; they may tax the papers of the customhouse; they may tax judicial process; they may tax all the means employed by the Government to an excess which would defeat all the ends of government. This was not intended by the American people. They did not design to make their Government dependent on the States.

And, again, if I may read from page 435:

The people of all the States have created the General Government and have conferred upon it the general power of taxation. The people of all the States, and the States themselves, are represented in Congress, and, by their Representatives, exercise this power. When they tax the chartered institutions of the States they tax their constituents, and these taxes must be uniform. But when a State taxes the operations of the Government of the United States—

And is not the control and operation of the railroads an operation of the United States?—

it acts upon institutions created not by their own constituents but by people over whom they claim no control. It acts upon the measures of a Government created by others as well as themselves, for the benefit of others in common with themselves.

On the following page this paragraph occurs:

The court has bestowed on this subject its most deliberate consideration. The result is a conviction that the States have no power, by taxation, or otherwise, to retard, impede, burden, or in any manner control the operations of the constitutional laws enacted by Congress to carry into execution the powers vested in the General Government. This is, we think, the unavoidable consequence of that supremacy which the Constitution has declared.

In the light of these authorities, how can anyone say that Congress can not place reasonable limitations on the power of the State to tax, so as to prevent their embarrassing the Government in time of war? If the railroads are not now an instrumentality of the Federal Government, what are they, and why did we take them over? Do we not use them to transport our troops and military supplies? Are they not instrumentalities employed by the Government in its war operations just as much as the trucks in the Quartermaster Department or the ships in the Navy? If so, then we have the right to say to the States, thus far you may tax them, and no farther.

Judge Cooley, in discussing this subject—and I shall only read a sentence, which follows a discussion of the very case from which I have just read—says:

So the States may not impose taxes upon the obligations or evidences of debt issued by the General Government upon the loans made to it unless such taxation is permitted by law of Congress, and then only in the manner such law shall prescribe, any such tax being an impediment to the operations of the Government in negotiating loans and, in greater or less degree in proportion to its magnitude, tending to cripple and embarrass the national power.

So that it seems to me that when the Congress has said, as it does say in this bill, that the powers of taxation shall lodge with the States as heretofore, except that now, the Government having taken over as a part of the war power the railroads, they thereby become an instrumentality of the Federal Government, and the States shall not tax them to an extent which will embarrass the Government.

Mr. President, the Federal Constitution itself declares that the "Constitution of the United States and all laws made in pursuance thereof" and all treaties made or which shall be made under the authority of the United States "shall be the supreme law of the land." Strange, indeed, it would seem if having taken over the railroads we should leave them entirely to the tender mercy of the taxation agencies belonging to the individual States. While Senators are jealous of the powers of the States and have received protests from time to time insisting that the taxing power shall rest with the States, I dare say there is no respectable element in any one of the States that would say, "We insist upon the exercise of this power to the extent that we choose, even though it does drain the Federal Treasury."

Mr. President, I do not know that I care to occupy the time of the Senate further, but it does seem to me that it would be a very great mistake at this particular time to eliminate this provision and let the States and the subdivisions thereof be in a position where perhaps some of those who are clothed with a little brief authority might have a greater interest in the local financial welfare of their States or subdivisions than in the great war enterprise which we are now conducting in the interest of America and of civilization the world over.

Mr. TOWNSEND. Mr. President, I do not care at this time to discuss the conference report. I shall have some remarks to submit on that question when it is properly up for consideration. Nor do I care generally to discuss the merits of section 15 of the report. I rise simply to say that I trust the decision of the Chair will be sustained, because I think that decision is right and of much more importance than the provision involved in the conference report. The rule is a wholesome one, and there is no question but that the conferees acted contrary to the expressed wish of the two Houses. I felt at the time when the matter was up that section 15 should be eliminated, because I believed that it added nothing of any value to the bill.

I do not believe the Federal Government has a constitutional right to interfere with the tax laws of a State affecting merely State property, and I do not believe that under the other provisions of the bill the States could tax the interstate railroads at this time in such a manner as to interfere with Federal control. It was unnecessary, in my judgment—and I so stated—to write this provision into the bill at all. It is simply irritating; it calls the attention of the States to the fact that there was an attempt made to restrict their constitutional taxing powers, whereas the Congress could not do that if it wanted to do it, in my judgment; and my offhand opinion now is that this provision is unconstitutional and will be so declared if it is passed and an attempt is made to enforce it.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Michigan yield to the Senator from Mississippi?

Mr. TOWNSEND. I yield.

Mr. VARDAMAN. The wisdom of the proposed legislation or the question of the constitutionality of the provision under consideration are not the matters now before the Senate for determination. It is rather a question of the interpretation of a Senate rule; and it occurs to me that unless the Vice President's decision shall be sustained we might as well repeal the rule adopted a few days ago. In my judgment the Vice President's ruling is sound, his reasoning is logical and clearly upholds the purpose of the rule. Whatever may be my views regarding the conference report, there is nothing left for me to do, if I shall follow the dictates of reason and my own convictions as to duty, but to vote to sustain the ruling of the chair.

Mr. TOWNSEND. Mr. President, I am in hearty accord with the statement of the Senator from Mississippi. There have been times when I have not agreed with him on matters of legislation, but I have never had doubts about his ability or integrity. There is no man in the Senate for whose honesty and patriotism I have greater regard than I have for those of the Senator from Mississippi. He is absolutely right in the proposition that the question of constitutionality or the merits of this proposition are not now before the Senate. He is also right when he infers that reversing the ruling of the Chair may lead to very serious results. At least it will nullify the recent rule which we all voted for, every Senator, I think, believing that it was a most wholesome provision to guard the processes of legislation. If I am correct, however, that it makes no material difference as to the powers of the Federal Government whether we leave this provision in or not, it seems to me clear that it is the duty of

the Senate to sustain the ruling of the Chair as he interpreted the rule which we so recently passed unanimously.

The PRESIDING OFFICER. The question is, Shall the ruling of the Chair stand as the judgment of the Senate?

Mr. LEWIS. Mr. President, I submit that we have no quorum present.

Mr. VARDAMAN. I call for the yeas and nays.

Mr. TOWNSEND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll for the purpose of ascertaining the presence of a quorum.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Jones, N. Mex.	Nugent	Smith, S. C.
Baird	Jones, Wash.	Overman	Smoot
Bankhead	Kellogg	Owen	Stone
Beckham	Kendrick	Penrose	Sutherland
Curtis	Kenyon	Phelan	Swanson
Dillingham	Kirby	Pittman	Thomas
Fall	Knox	Poindexter	Thompson
France	Lewis	Pomerene	Townsend
Frelinghuysen	McCumber	Ransdell	Trammell
Gerry	McKellar	Robinson	Underwood
Gronna	McNary	Shafroth	Vardaman
Harding	Martin	Sheppard	Walsh
Henderson	Myers	Sherman	Watson
Hollis	Nelson	Shields	Williams
Johnson, Cal.	New	Smith, Ariz.	Wolcott
Johnson, S. Dak.	Norris	Smith, Mich.	

Mr. OVERMAN. My colleague [Mr. SIMMONS] is unavoidably detained at his home.

Mr. GRONNA. I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness in his family.

The PRESIDING OFFICER. Sixty-three Senators having answered to their names, a quorum of the Senate is present. The question is, Shall the ruling of the Chair stand as the judgment of the Senate? On that question the yeas and nays have been ordered. The Secretary will call the roll.

Mr. CURTIS (when his name was called). I have a pair with the junior Senator from Georgia [Mr. HARDWICK], who is detained from the Chamber on account of illness. On this question, if he were present, he would vote the same way that I shall vote. I therefore vote "yea."

Mr. DILLINGHAM (when his name was called). I have a general pair with the senior Senator from Maryland [Mr. SMITH], who is absent to-day. I transfer that pair to my colleague [Mr. PAGE], who is absent, and vote "yea."

Mr. JOHNSON of South Dakota (when his name was called). I have a pair with the senior Senator from Maine [Mr. FERNALD]. I transfer that pair to the junior Senator from Utah [Mr. KING] and vote "nay."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS], and therefore withhold my vote.

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN], which I transfer to the senior Senator from Connecticut [Mr. BRANDEGEE] and vote "yea."

Mr. CURTIS (when Mr. LA FOLLETTE's name was called). I have been requested to announce that if the Senator from Wisconsin [Mr. LA FOLLETTE] were present he would vote in favor of sustaining the Chair.

Mr. WEEKS (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. JAMES]. As he is absent I withhold my vote.

I also wish to announce that my colleague [Mr. LODGE] is unavoidably absent. He has a general pair with the senior Senator from Georgia [Mr. SMITH]. If my colleague were present, he would vote "yea."

The roll call was concluded.

Mr. KELLOGG. I transfer my pair with the senior Senator from North Carolina [Mr. SIMMONS] to the Senator from Wisconsin [Mr. LA FOLLETTE], and vote "yea."

Mr. WEEKS. I transfer my general pair with the senior Senator from Kentucky [Mr. JAMES] to the junior Senator from Oregon [Mr. MCNARY] and vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN]; and

The Senator from Maine [Mr. HALE] with the Senator from Louisiana [Mr. BROUSSARD].

The result was announced—yeas 51, nays 23, as follows:

YEAS—51.

Ashurst	Curtis	Frelinghuysen	Harding
Baird	Dillingham	Gallinger	Henderson
Calder	Fall	Gore	Hitchcock
Cummins	France	Gronna	Hollis
Johnson, Cal.	New	Reed	Trammell
Jones, Wash.	Norris	Shafroth	Underwood
Kellogg	Nugent	Sherman	Vardaman
Kenyon	Overman	Smith, Mich.	Wadsworth
Kirby	Penrose	Smoot	Walsh
Knox	Phelan	Sterling	Warren
McCumber	Pittman	Stone	Watson
McLean	Poindexter	Sutherland	Weeks
Nelson	Ransdell	Townsend	

NAYS—23.

Bankhead	Kendrick	Pomerene	Swanson
Beckham	Lewis	Robinson	Thomas
Fletcher	McKellar	Sheppard	Thompson
Gerry	Martin	Shields	Williams
Johnson, S. Dak.	Myers	Smith, Ariz.	Wolcott
Jones, N. Mex.	Owen	Smith, S. C.	

NOT VOTING—21.

Borah	Fernald	La Follette	Smith, Ga.
Brandegee	Goff	Lodge	Smith, Md.
Broussard	Hale	McNary	Tillman
Chamberlain	Hardwick	Page	
Colt	James	Saulsbury	
Culberson	King	Simmons	

So the ruling of the Chair was sustained.

The PRESIDING OFFICER. The conference report is rejected on the point of order and recommitted to the committee of conference.

Mr. SMITH of South Carolina. Mr. President, does the rule automatically recommit the report to the conference committee?

The PRESIDING OFFICER. The Secretary will read the rule.

The SECRETARY. Rule XXVII, paragraph 2, reads as follows:

Conferees shall not insert in their report matter not committed to them by either House, nor shall they strike from the bill matter agreed to by both Houses. If new matter is inserted in the report, or if matter which was agreed to by both Houses is stricken from the bill, a point of order may be made against the report, and, if the point of order is sustained, the report shall be recommitted to the committee of conference.

The PRESIDING OFFICER. The report is automatically recommitted to the committee of conference.

Mr. MARTIN obtained the floor.

Mr. ROBINSON. Mr. President, I point out the fact that a rule of the Senate can not automatically recommit a report to the conferees. It can only do it so far as the Senate is concerned. The House of Representatives would have to take similar action. Otherwise one body could control a conference to the exclusion of the other. However, since the House can not act on the report until the Senate has approved of it, there will likely be no objection to the withdrawal of the report from the House.

Mr. GALLINGER. Why, Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from New Hampshire?

Mr. MARTIN. I am willing to yield to the Senator from New Hampshire.

Mr. GALLINGER. If the conference report is rejected, it goes back to the committee automatically.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from South Carolina?

Mr. MARTIN. I do.

Mr. SMITH of South Carolina. I understand that the report has not been made to the House, and therefore it would automatically go back.

Mr. UNDERWOOD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Alabama?

Mr. MARTIN. I do.

Mr. UNDERWOOD. Mr. President, I merely have this suggestion to make: This is the first time the matter has come before the Senate under this rule. The precedent may be of some value in the future. I do not think you can send a report back to a committee of conference without creating the committee.

I think that under the precedents when the conferees of the two Houses have acted and made their report to their respective Houses, whether it has been acted upon by one House or not, their duties are ended, their functions have ceased, and it is necessary then for the House that has the bill to take some affirmative action. I think the wiser and safer proceeding would be for the Senator from South Carolina to ask for a disagreement to the House amendment and have a further conference.

Mr. SMITH of South Carolina. The reason why I asked for the parliamentary status is because I was not very familiar with the last rule. I therefore ask that the Senate disagree to the House amendment and request a conference and I suggest the names of the conferees.

Mr. NORRIS. May I suggest to the Senator from South Carolina, it seems to me he ought to omit from his request that the Senate disagrees. We ought not to say to the House we

disagree to the House amendment, but we ought to say to the House the conference report has been rejected and we ask them for a further conference. Otherwise there would be no conference, of course.

Mr. SMITH of South Carolina. It is my opinion, on hearing the rule read, that automatically we have the same conference. I have made the motion, and if it is agreed to the Chair will appoint them.

The PRESIDING OFFICER. What is the motion of the Senator from South Carolina?

Mr. SMITH of South Carolina. The motion is that the Senate disagree to the House amendment and ask for a conference.

Mr. NORRIS. The Senator ought to include in his motion that the Senate disagrees to the conference report.

Mr. SMITH of South Carolina. My motion will necessarily involve the whole matter.

Mr. UNDERWOOD. I think it is apparent there is no conference report. That has been rejected by the Senate. The conference report is dead. There is no conference report to disagree to. The conference report is wiped out of existence by the point of order just as much as if it had been rejected by the Senate.

The PRESIDING OFFICER. If the Senator will pardon the Chair, the rule specifically says:

> And if the point of order is sustained, the report shall be recommitted to the committee of conference.

Mr. UNDERWOOD. I realize that a technical construction of the rule would amount to that, but the conference committee ceased to exist when they made their report. I will state the reason why I make this point. I am not concerned about what disposition is made of the pending bill at this time, whether it goes back to the conference committee automatically or whether it goes back to conference by the action of the Senate, but this is the first time this question has arisen, and I am objecting to its automatically going to the conference committee, because I think it makes a dangerous precedent. A technical reading of the rule would indicate that that was the course to be pursued, although I doubt whether you could make exact the proposition to the House of Representatives that we had disagreed to the report and ask for a further conference just automatically under the rule. But I will state the reason why I am objecting to the Chair or to the Senator adopting that procedure. It does not make any difference in this instance, because the same thing is going to happen whether it is automatically done or on the motion of the Senator from South Carolina. But there may a time come in the future when a conference report comes before the Senate and is rejected under the rule and before it goes back to the House the Senate may want to take some affirmative action on it. By adopting the rule that automatically it will go back to the House, in the future when a conference report is rejected in that way this body will lose control of the legislation and the papers will go to the other House without our having any option in the matter. I think that is an unwise position for the Senate to take.

Mr. SMITH of South Carolina. If the Senator will yield to me for a minute, the point he makes sends it back to the House automatically and leaves it exactly where it was when it went into conference.

Mr. UNDERWOOD. It does not. Any man who knows anything about the procedure of the two Houses must understand that neither House can act on a matter without the papers. If you make this procedure automatically, what will happen? The conference report is rejected. The House has a right to determine before it establishes another conference whether it will accede to the Senate amendment or whether it will not. The result is that you have to message the papers back to the House of Representatives, and when they go back to the House of Representatives they will determine whether they will have a further conference or not. You can not automatically deprive the House of Representatives of its right to determine whether it will have a conference or not, no matter what your automatic rule will do. If you say it automatically binds the Senate, you may bind the Senate, but you can not bind the House of Representatives, and when it goes back there they have a right to determine themselves the matter. I say it would be a very unwise precedent for the Senate to set to make a construction of the rule that it will act automatically when you reject a report because it is in violation of the rule. You are going to lose control of the papers.

Mr. STONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Missouri?

Mr. UNDERWOOD. I do.

Mr. STONE. There is a difference between the two Houses upon the passage of a bill and a committee of conference is appointed. The Senator says that when the conferees come to an agreement and report to their respective Houses the conference committee is automatically dissolved.

Mr. UNDERWOOD. If it is a full report, but if it is a partial report that is not true.

Mr. STONE. I was uncertain about whether it was absolutely dead and a new conference committee had to be appointed, or whether, if either House disagrees one way or another to the conference report, the committee appointed by the two Houses to confer and bring a conclusion out of the differences of their respective Houses would not have charge of it again.

Mr. UNDERWOOD. I can only call the Senator's attention to the universal precedent of both Houses. Of course, this does not apply where there is a partial conference report, but in cases where there is a full conference report. Suppose this conference report had been rejected directly by a vote of the Senate on the report and not on a point of order, what would have happened? If no point of order had been made and the report had been submitted to the Senate for approval, and the Senate had disagreed to the report, what would have happened? Would the conferees have gone back and told the House we want another conference? No; the chairman of the committee in charge of the bill would move a further disagreement with the House and ask for a further conference, because that is the only way that the House of Representatives would officially know that we had rejected this report. It can only be done by sending a message to them that we have rejected the report. You send a message that you have disagreed to the report and ask for a further conference, and reappoint the conferees. That is the universal practice. The House of Representatives is not going to surrender their right to control these papers when it comes back there for that purpose.

Mr. SWANSON. Mr. President——

Mr. UNDERWOOD. I yield to the Senator.

Mr. SWANSON. I wish to state the situation as it seems to me. The report was received here. A point of order was made against the report. The report was rejected and, according to the rule of the Senate, the conferees are in the position of having made no report. That was decided by the Vice President before the new rule, and will be found on page 124 of Gilfry's Precedents. A point of order was made by the Senator from Maine against the report, and a vote of the Senate was taken on it and the point of order was sustained. The Vice President decided that the Senate having refused to receive the report, it automatically went back to conference, no report ever having been made.

Mr. UNDERWOOD. You can message it back to the House; but when the two Houses have made their report and they have made the report on the bill in the House——

Mr. SWANSON. But the Senate has refused to receive this report, holding that it was not in order. Consequently, the point of order being made against it, it ceases to be a report because the conferees have not complied with the rule of the Senate in making the report.

Mr. UNDERWOOD. I am not familiar with that decision; but I know the universal practice in the House always has been that when a conference report is rejected by reason of a point of order the bill is there for any action the House sees fit to take. Here is the reason: It does not apply in this case, no one is objecting to the bill going back to conference, and I have not the slightest objection to the procedure, but suppose after the report was rejected, as it has been, the Senator from South Carolina, still believing that his report was wise and proper had desired to make an amendment to it, if you held that it goes back automatically, how could he get at it? He could not. It is not material in this case, but there might a case arise where the conferees exceeded their authority, the President of the Senate held they had exceeded their authority, and the report was rejected; and yet the men on the conference might believe that the Senate on a reconsideration would agree, if it had a chance to vote on it, to the subject matter put in the report. Yet this action will throttle them and keep them from doing so.

Mr. SMOOT. Mr. President, the Senate has charge of these papers. The House can not act upon the report until the papers get in the possession of the conferees of the House. The conferees of the House have not made any report to the House upon this conference, nor can they make any report to the House until the papers are in their possession. The Senator from Virginia was perfectly right in the statement that he made.

Mr. SWANSON. They can not make a report to the House until they get the original papers.

Mr. SMOOT. They can file their written report, but it is not before the House until they get the papers from the Senate.

Mr. SWANSON. Neither House can act on anything except they have the original papers.

Mr. SMOOT. That is, the House can not act.

I say to the Senator the case cited I remember very well. Not only that, Mr. President, but two years ago when the Indian appropriation bill was before the Senate it was sent back to conference three times by the Senate and there were no conferees appointed. The present occupant of the chair [Mr. ASHURST] had the bill in charge, and he knows it went automatically back to the conferees. Until there is a final report made that is accepted by the Senate the whole subject matter, as far as the House is concerned, is still in conference.

Mr. SMITH of South Carolina. I should like to ask the Senator a question.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. SMOOT. I yield to the Senator from South Carolina first and then I will yield to the Senator from Arkansas.

Mr. SMITH of South Carolina. If the action the Senator speaks of is automatic here and the same conferees have the bill in charge and have the papers, what will be the action on the part of the House?

Mr. SMOOT. The Senate conferees would notify the conferees on the part of the House that the Senate has disagreed to the report and that they will hold another conference, and if they can agree upon a report they will sign a report and submit it to the Senate.

Mr. SMITH of South Carolina. The point I want to get is that they have filed the report in the House. Would they have the right in the House without further action to modify that report?

Mr. SMOOT. Certainly, as soon as they get possession of the papers. I yield to the Senator from Arkansas.

Mr. ROBINSON. If the Senator from Utah will permit me in his time, the House upon receiving a message that the Senate has recommitted the bill to the conferees can give the conferees of the House authority to withdraw the report. I will state that there are two precedents which have been called to my attention in connection with this matter. May 11, 1917, in connection with the bill to authorize the President to increase temporarily the Military Establishment of the United States, the House of Representatives, which had charge of the papers, as the Senate now has charge of the papers in the case, recommitted the bill to the conferees, and thereupon the House of Representatives sent to the Senate this message:

A message from the House of Representatives, by Mr. South, its Chief Clerk:

Mr. President, I am directed to inform the Senate that the House of Representatives has recommitted to the committee of conference the report of the committee on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3545) to authorize the President to increase temporarily the Military Establishment of the United States.

Thereupon, the Senator from Oregon [Mr. CHAMBERLAIN] withdrew the report, which had been submitted to the Senate, as the report on this bill has been filed with the House of Representatives. To my mind the matter is very clear. Under the new rules, in so far as the Senate is concerned, the bill is automatically committed to the committee of conference, and the Senate will therefore notify the House of Representatives of that fact. Then the House of Representatives will, of course, take such action as it sees fit concerning the matter, and will probably permit the managers on the part of the House to withdraw the report, or itself recommit it to them, whichever it prefers.

Mr. SMOOT. I call the attention of the Senate to another case. A year ago when we had the legislative appropriation bill before the Senate, after it had passed the House, there was an amendment to that bill increasing the salaries of employees of the Government 10 and 15 per cent, according to the amount of salaries that they were receiving. That went to conference. The conferees agreed upon the amendment offered to the bill in the Senate. That report was made to the House. They had possession then of the papers, and they were the first to ask for a conference. The House turned down the conferees by a vote of the House.

Mr. President, all the Senate did was after they had been notified by the House of the action the same conferees met upon that legislative appropriation bill, and not only did the House turn them down once but they turned them down twice, and the same action was taken.

Mr. President, this automatically goes back to conference.

The PRESIDING OFFICER. And to the same conferees. Is there objection to that order being taken? The views of the Senator from Arkansas [Mr. ROBINSON] very strongly impressed the present occupant of the chair that the report is returned to the same conferees by virtue of the point of order.

Mr. SMOOT. And the House will be notified.

The PRESIDING OFFICER. The Chair assumes that the House will be notified by the Secretary.

COMMITTEE SERVICE.

Mr. MARTIN. I ask unanimous consent to have an order making two or three committee assignments. I send it to the desk.

The order was read and agreed to, as follows:

Ordered, That on their own requests, respectively, Senator WALSH is relieved from further service as chairman of the Committee on Mines and Mining, but not from membership on said committee; Senator HENDERSON is relieved from further service as chairman of the Committee on Industrial Expositions, but not from membership on said committee; and Senator PITTMAN is relieved from further service as a member of the Committee on Mines and Mining.

Senator WALSH is assigned to the chairmanship of the Committee on Pensions, and Senator HENDERSON is assigned to the chairmanship of the Committee on Mines and Mining.

JOSEPHINE W. BRECKONS.

Mr. THOMPSON, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate resolution 213, submitted by Mr. WARREN on the 11th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Josephine W. Breckons, widow of Joseph A. Breckons, late clerk to the Committee on Engrossed Bills of the United States Senate, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

LAND AT YELLOWSTONE, MONT.

Mr. SMOOT. I ask for the present consideration of the bill (S. 41) to authorize the sale of certain lands at or near Yellowstone, Mont., for hotel purposes. In making this request I will simply say that the permit expires April 17, 1918, and if anything is going to be done for the building of a hotel there it ought to be under way now. It is for that reason that I ask for the immediate consideration of the bill.

Mr. THOMAS. I ask that the bill be read.

The PRESIDING OFFICER. The Secretary will read the bill.

The Secretary read the bill, which had been reported from the Committee on Public Lands with amendments, on page 1, line 7, after the word "hotel," to insert "and other"; on page 2 to strike out from line 1 to line 11 and insert:

Lot 3 and the northeast ¼ of the southwest ¼ of section 34, in township 13 south, of range 5 east, Montana principal meridian, including the area at present covered by the right of way for the wye tracks of said Oregon Short Line Railroad Co.; also all that portion of the southeast ¼ of the northwest ¼ of said section 34 lying south of the right of way and station grounds of said company, the entire tract above described consisting of 88.02 acres.

And on page 3, after the word "Forest," to insert the following proviso:

Provided, however, That any hotel erected on said lands shall be operated by the said Oregon Short Line Railroad Co., or its successors in interest, under such rules and regulations as the Secretary of the Interior may prescribe for the conduct and operation of hotels within the Yellowstone National Park.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior be, and hereby is, authorized to sell and convey to Oregon Short Line Railroad Co., a corporation organized under the laws of the State of Utah and authorized to do business in the State of Montana, its successors and assigns, for hotel and other purposes, and at a price to be fixed by appraisement at not less than $25 per acre, and under such terms, conditions, and regulations as the Secretary of the Interior may prescribe, the following described lands, situated in Gallatin County, Mont.: Lot 3 and the northeast quarter of the southwest quarter of section 34, in township 13 south, of range 5 east, Montana principal meridian, including the area at present covered by the right of way for the wye tracks of said Oregon Short Line Railroad Co.; also all that portion of the southeast quarter of the northwest quarter of said section 34 lying south of the right of way and station grounds of said company, the entire tract above described consisting of 88.02 acres; the right of way and station grounds of said Oregon Short Line Railroad Co. and the right of way for the wye tracks of said company being designated in the filing map of the Yellowstone Park Railroad Co. filed with the Secretary of the Interior, the land described being within the boundaries of the Madison National Forest: *Provided, however*, That any hotel erected on said lands shall be operated by the said Oregon Short Line Railroad Co., or its successors in interest, under such rules and regulations as the Secretary of the Interior may prescribe for the conduct and operation of hotels within the Yellowstone National Park.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the sale of certain lands at or near Yellowstone, Mont., for hotel and other purposes."

AGRICULTURAL APPROPRIATIONS.

Mr. GORE. I move that the Senate proceed to the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

The motion was agreed to.

WOMAN SUFFRAGE.

Mr. CALDER. Mr. President, the civilized nations of the earth to-day are joined in the great struggle which it is hoped will forever banish autocracy and the force of militarism. Men and women are ready, as they have never been ready before in history, to give themselves, their life's blood, the things they hold nearest and dearest, for a cause which is greater than personal gain—a cause which means freedom to the world.

Those of us who have had convictions before and have been willing to see others work while we stood quietly aside or busied ourselves with other affairs, realize now that we have a duty, a great duty, which must be performed by sending hundreds of thousands of our young manhood to fight on the other side of the ocean.

Here in the United States another fight is going forward; a lesser fight, to be sure, and one in which no blood is shed, and still one which is linked irrevocably and indisputably with the fight for democracy which is being waged across the seas. I refer to the struggle for the enfranchisement of women. The final step, as far as Federal action is concerned, I am sure will culminate in success during the present session.

Never before in the history of our country was conscience so necessary to the world; and even if it were not the right of women, even if every phase of our economic and industrial life did not call for the giving to her of the right to vote, I should still say that it is our highest duty to bestow on her the suffrage, that we may add to the conscience of the vote at a time when democracy is fighting for its life—at a time when we need, more than we have ever needed before, a sense of moral values in settling the questions that are to affect civilization for generations to come.

There had to be an American Revolution and the various experiments with government on the part of the Colonies, in order that democracy should be a fact; and there had to be a land professing liberty before there could be a truly free people.

Important as was the Revolution of 1776, it was not more important than the revolution of the first 40 years of the last century, when the property qualification was slowly removed and suffrage was extended to men without regard to their wealth.

Men said then, in discussing the granting of suffrage to those who had no property, "that they were not prepared, that the common people were uninformed, and that it was a dangerous experiment."

Incidentally it was a man from the disfranchised class, a poor boy who came to New York with but a few dollars in his pocket, Horace Greeley, who affected more than any other individual in the country the vote that through the election of Abraham Lincoln led to the emancipation of the slave. Rhodes, the historian, tells us that possibly one-half of those who voted for Lincoln had probably at one time or another come under the influence of Horace Greeley, a single personal influence such as this country had never seen, an influence that was used always for democracy, an influence that came purely out of democracy, the greatest single influence in the freeing of the slaves, the third great triumph of democracy in this country.

It is interesting, too, that though he lived in a time when the woman's rights movement was considered a jest, and he died long before it had assumed serious proportions, Horace Greeley battled with the same earnestness and wrote with the same genius in behalf of the rights of woman that had distinguished his wonderful fight for abolition and for a more democratic country.

The triumph of American independence affected what had been but a part of a nation, the freeing of the slave affected a race, while the freeing of the women affects all humanity.

There are those who claim that this is no time to consider the question of woman suffrage; but the question of suffrage at this time is not only a right to women, but it is also a question of war-time efficiency for a country struggling in the throes of this great world war.

There are those who say, too, that women do not want the vote; that when they have the vote they do not use it.

The fact that women do want the vote was proven by the signatures of the 1,033,800 women now in the possession of the New York State Woman Suffrage Party.

That women who have the vote use it is evinced by the fact that in no suffrage State has suffrage ever been regretted or revoked after it once was given to women; that in every suffrage State labor legislation has advanced, not in tremendous, overwhelming strides, perhaps, but yet with a steady and parallel growth in each State, which shows that the women who have the vote use it to the best of their ability, use it to help conditions in the home, in the school, in the moral life of the community, in those developments of community life which are particularly women's sphere.

I have not always been in favor of woman suffrage, but have insisted that every opportunity should be given for an expression of opinion on the subject. It has seemed to me that when the women of the Nation really desired the right to vote the men would give it to them. In my opinion, that time has now arrived, and I have no doubt that if the subject was fairly presented a majority of our women would be overwhelmingly in favor of having the franchise.

In New York State, when a law was passed providing for the registration for war purposes of every person in the State between the ages of 16 and 50 years of age, the woman's party of the State offered their services without pay to take the registration. The governor accepted the offer, and every State and county official will testify to the value of the work performed. Almost 6,000,000 names were recorded. Every individual received an identification card, and complete lists were prepared and forwarded to the governor. Two-thirds of the work performed in obtaining this census was done by our women, without compensation, and so valuable were these lists that the governor has just furnished to the Department of Labor of the United States 69,000 names, with addresses and vocations, of men residing within the State of New York who are qualified to work in the shipyards of the country.

In the election of 1917 New York State gave a majority of 102,353 in favor of woman suffrage. It has been erroneously stated that this majority was obtained through the activity of the Socialist Party and pro-German elements in the city of New York. Let us see if that is so. In 28 of the 57 counties of the State outside of the city of New York, all strongly Republican, the Republican candidate for attorney general received 250,479 votes, the Democratic candidate 125,219 votes, and the Socialist candidate 32,230 votes, while the suffrage amendment received 203,178 favorable votes, conclusive evidence, I submit, that in the rural sections of New York the Socialist vote was not influential in settling this important question.

Everyone residing in New York City knows that the Socialist Party was not the deciding factor in determining the result there. It was my privilege to speak for woman suffrage at a great mass meeting in New York City shortly prior to the election. The junior Senator from Oklahoma [Mr. OWEN] was present and delivered an eloquent address. He will recall that Mr. Mitchel, the Fusion candidate, and Mr. Hillquit, the Socialist candidate, were present and advocated suffrage for women, and that letters were read from Mr. Hylan, the Democratic nominee, and Mr. Bennett, the Republican, all urging the approval of the suffrage proposal. All four candidates for mayor in that election favored suffrage.

There are 62 assembly districts in the city of New York. In the recent election the Democrats carried 34, the Republicans 18, and the Socialists 10, but all 62 were carried for woman suffrage. Let me point out the result in some of these districts. In the ninth district of New York County, a Republican section, 6,318 votes were cast for the amendment. In this district only 735 votes were cast for the Socialist ticket. In the fifth district of New York County, a strong Democratic section, 5,656 votes were cast for the amendment and only 854 for the Socialist ticket. The same result holds good in the other counties of the city. In the seventh district of Brooklyn, a strong Democratic section, 4,549 votes were cast for the amendment and only 738 for the Socialist ticket; and in the twenty-first assembly district of Brooklyn, the strongest Republican district in the city, 7,683 votes were cast for suffrage and only 1,131 for the Socialist ticket.

Perhaps no more decisive evidence of the fact that the vote for the suffrage amendment in New York State was a patriotic one can be given than the soldier vote cast in the camps of the country. This was 26,664 in the affirmative to 15,760 in the negative, a majority of nearly 11,000. I submit, Mr. President, that the result in New York State on this question was obtained because the women of New York convinced the men that they wanted the vote and possessed every qualification for it.

Those of us who believe in democracy believe that when, in a time which brings into play the most serious and honest impulse and thought of an entire people, there arises a greatly preponderating opinion in favor of a particular measure it is safe to accept the conclusion thus reached as fundamentally sound and as one that will stand the test of experience. So I feel justified in saying that the conclusion reached in other

warring nations, and particularly in the great conservative State of New York, in favor of granting woman suffrage is almost conclusive evidence both of what will be done and what ought to be done in this matter. As the war prepared the way for the settlement of this issue abroad, almost certainly the war is preparing the way with us and, I believe, with the same result.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from New York yield to the Senator from Iowa?

Mr. CALDER. I yield.

Mr. KENYON. I should like to ask the Senator a question, but if he is going to discuss the matter later he may defer his answer. We hear the charge often made that women do not take an interest in voting and did not go to the polls as men did in the recent election in New York a few weeks ago. Could the Senator from New York enlighten us, or does he propose to do so, as to the percentage of women who were registered and who voted, and what interest women took in the election as compared to the percentage of men who voted? If the Senator intends to refer to that matter, I do not want to intrude on his most excellent address, but I think that information would be interesting.

Mr. CALDER. Mr. President, I did not intend to touch upon the question raised by the Senator from Iowa, but I will say to him that about 35 per cent of the women who were entitled to vote in the recent New York City congressional elections registered. This, in my opinion, was very large, particularly in view of the fact that the election came in the middle of the winter, when there was little interest, and the additional fact that they only had one full day of registry and three hours on another day.

Of the number of women registered, about 93 per cent voted. The registration last fall was utilized in permitting men to vote. There was an additional day for men, but very few took advantage of it. So the vote of the men was based on the registration of the fall of 1917. Of the men who were entitled to vote, less than 37 per cent took advantage of the opportunity; so that with a large registration of men very few more voted than women. In the eighth congressional district, which is entirely within the confines of Brooklyn, as many women voted as men, with a registration of about one-third of the total registration of the men.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Colorado?

Mr. CALDER. I yield to the Senator.

Mr. SHAFROTH. I will state to the Senator from Iowa [Mr. KENYON] that we have had in operation a law permitting woman suffrage in the State of Colorado for 25 years, and there is nearly the same percentage of women who vote as of men. They keep a tabulation of the sex of voters in the cities; that is, in Denver, in Pueblo, and in Colorado Springs, but they do not keep such a tabulation in other parts of the State. As to Denver, in the last two elections, 82 per cent of the men who were registered voted and 78 per cent of the women. There is a variation of not more than 1 per cent either way in excess or in diminution of that percentage in other elections. Women vote practically in the same proportion as do men.

Mr. CALDER. I thank the Senator from Colorado.

From now on practically every woman must be directly affected by a vast majority of the activities of Government. Government in concerning itself with the activity of the individual, in whatever direction, must take account of, provide for, and satisfy women. If we are convinced that democracy is sound in principle, if we are determined to protect and extend and perpetuate the system, must we not concede to women the right and must we not ask them to assume the obligation of assisting to direct the course of the State and Nation? Let me earnestly solicit the support of the Republicans of the Senate for this amendment.

The States where suffrage has been granted women are in the main Republican. When the vote was taken in the House of Representatives on this question, five-sixths of the Republican membership voted for it, and at the recent meeting of the Republican National Committee at St. Louis the action of these Representatives was unanimously approved.

Mr. SMOOT. Mr. President, before the Senator from New York leaves that point, I should like to make a suggestion.

The PRESIDING OFFICER (Mr. THOMPSON in the chair). Does the Senator from New York yield to the Senator from Utah?

Mr. CALDER. I yield to the Senator.

Mr. SMOOT. Perhaps it would be well to say that I am positive that there are over three-fourths of the Republican Members of the Senate who, when an opportunity is given, will vote for the woman-suffrage amendment to the Constitution. I am not going to ask that three-fourths of our Democratic friends vote for the amendment, but I do not have to ask that, nor do I have to ask that even two-thirds of their membership vote for it; but if they will give something approaching two-thirds of their voting strength for the woman-suffrage amendment it can carry in the Senate of the United States and may be passed at any time.

Mr. CALDER. I thank the Senator from Utah for his interruption.

It has been suggested that in States where equal suffrage exists the women have lost their love of home and family. The slightest inquiry will demonstrate the falsity of this statement.

The men of New York have accorded to their women the right to vote. They have no fear that it will take from them any of the womanly virtues. It will not only preserve these, but it will add to their usefulness in many respects. It will require them to interest themselves in public affairs. It will make them more than ever the intelligent partner of the man, which, after all, is the true place of woman. Let me urge upon the Senate the approval of this amendment, which will give to all of the women of America the privilege already accorded to their sex by nearly half of the States.

Mr. SHAFROTH. Mr. President, I can state to the Senator from New York that what he has predicted would be the result of woman suffrage in New York has actually happened in the State of Colorado. The woman vote has been the most wholesome element that has aided good government in our State. It has produced reforms of most excellent character, and it has made the people practically unanimous in favor of the suffrage. While here and there a man may be found who deplores its existence, there has never yet in the General Assembly of the State of Colorado been presented even a resolution or petition to rerefer the question to the people.

There was one senator in the legislature of seven years ago who, after his election, made the boast that he would have the law repealed. I made the prediction at the time that he would not even introduce a resolution into the legislature to resubmit the question. As time passed, however, he boasted of his power and of his strength in the State senate, but after a while he began to conclude that he did not have the support which he thought he had. When the last day of the session arrived, when it would have been in order for him to introduce a bill or a resolution, he said he was unable to find a single senator who would join with him in support of such a measure. Such has been the sentiment of the people for the last 25 years in the State of Colorado.

By the adoption of woman suffrage we have had a splendid element added to the body politic of our State, which always votes in behalf of good legislation. On all occasions you will find that whenever a moral question arises the woman is upon the right side. Woman suffrage has a tendency to make better politics; to make better nominations; to make better laws. It can not be possible when we take into the political system of our National Government our mothers, our sisters, our wives, and our daughters that we are introducing an element that will be a detriment to good government. In fact, it has been a most excellent addition in behalf of good government, and I have no doubt that in New York it will prove, as it has proved in the State of Colorado, to be one of the most valuable reform measures that has ever been incorporated into the constitution of our State.

AGRICULTURAL APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

Mr. NORRIS. Mr. President, if the record has been properly kept, as I assume it has been, by our very competent clerks, the pending amendment is one that I have offered to the substitute offered by the chairman of the committee [Mr. GORE] for the committee amendment. The Senator from Oklahoma, when we last had this bill before the Senate, offered a substitute for the committee amendment. I do not have before me a copy of the bill.

The PRESIDING OFFICER. Does the Senator desire the amendment stated?

Mr. NORRIS. Yes; I will ask the Secretary to state the amendment.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Oklahoma [Mr. GORE] as a substitute for the amendment reported by the committee.

The SECRETARY. As a substitute for the amendment reported by the committee, on page 92, lines 21, 22, 23, and 24, and lines 1 to 9, inclusive, on page 93, it is proposed to insert the following:

To enable the Secretary of Agriculture to establish and operate plants for the drying or dehydration of vegetables, fruits, and other edible products, including the erection or rent of necessary buildings and cooperation with plants maintained and operated for the manufacture of such products, to purchase raw material, to standardize, sell, or otherwise dispose of dried products, and for all necessary expenses, including salaries in Washington and elsewhere, $250,000, which sum shall be immediately available upon the passage of this act, and this fund may be used as a revolving fund until June 30, 1919.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Oklahoma?

Mr. NORRIS. I wish the Senator would wait until I ask the Secretary to read the pending amendment.

Mr. GORE. I merely wish to make a correction, I will say to the Senator, in the copy of the amendment just read by the Secretary.

Mr. NORRIS. Very well.

Mr. GORE. The words "and cooperation" in line 4 ought to be stricken out and the words "to cooperate" ought to be inserted. I ask that that change be made.

The PRESIDING OFFICER. Without objection, the amendment will be so modified. The Secretary will now state the amendment offered by the Senator from Nebraska to the amendment submitted by the Senator from Oklahoma.

The SECRETARY. At the end of the amendment proposed by Mr. GORE it is proposed to insert the following proviso:

Provided, That the Secretary of Agriculture is hereby authorized, upon the request of the President, to use all or any part of this appropriation for the establishment of such plant or plants at any place in the United States for the purpose of supplying food for the Army and Navy.

Mr. NORRIS. Mr. President, the amendment which I have offered, as will be seen from its reading, gives the Secretary of Agriculture authority, when authorized so to do by the President, to use all this appropriation or any part of it to construct on behalf of the Government a dehydration plant or plants for the purpose of supplying food for the Army and Navy.

The dehydration, or drying of fruits and vegetables, as was stated when we had this matter under consideration several days ago, is a process that is very old; it was known and practiced a great many years ago. It possesses, as I think I shall be able to show by the testimony given by competent persons before the committee, some very material advantages over any other known method for the preparation and preservation of food products. Coming now at a time when the question of food, not only for us but for the entire world, is the paramount question of all, it is exceedingly desirable, if it can be done, that we take advantage of the modern methods of dehydrating or drying fruits and vegetables for the purpose of economizing and for the purpose of supplying food particularly for the Army and Navy, and incidentally for all our people, as well as for the people of the allied Governments and of the neutral nations.

I think I shall be able to show, Mr. President, that there are some advantages in this method of preparing and preserving food which indicate that, under existing circumstances, we will make a serious mistake if we do not put it into active operation. If we should fail to do so, I think we would make a mistake, even if we were not at war. I think it is a question that could well be considered and investigated, with a view of supplying information as to the methods by which this work can be carried on even in times of peace. But particularly is it important now when, as we are advised—and I think truthfully—everywhere over the country that food will win the war, the corollary being that without food we can not win the war.

The amendment is peculiarly a war proposition. I would not favor it, Mr. President, if we were not at war; but the effect of the amendment is to give to the Government the right to use the money proposed to be appropriated under this item for the construction of governmental plants for the purpose of drying food and vegetables in connection with our war operations for our Army and our Navy.

The testimony before the Committee on Agriculture showed that in the Boer War the British Government, contracting, I think—although, as I remember, that question did not appear, but it is not material—with a private individual or individuals or corporations, had on hand a quantity of dehydrated food of various kinds. The British Government had purchased this dried fruit during the Boer War, and at the conclusion of hostilities had large quantities of it on hand, and, of course, had no further use for it so far as war operations were concerned. So these dehydrated fruits and vegetables remained in storage from the time of the Boer War until the breaking out of hostilities in the present war. Then the British officials investigated to ascertain the condition of those fruits and vegetables, and found they were in exactly as good condition as they were years before, when they were put up during the Boer War. So they were actually being given to the soldiers of the British Army during the present war and used by them.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. NORRIS. I yield to the Senator from Utah.

Mr. SMOOT. Was that fruit dried by the old process or by the new process?

Mr. NORRIS. I am not informed as to the exact process employed in the drying of those fruits and vegetables. I presume the Senator refers to the particular fruit and vegetables to which I have made reference, acquired by the British Government during the Boer War?

Mr. SMOOT. Yes.

Mr. NORRIS. I do not know what process was used. There are various processes; but, after all, they nearly all come down to the same fundamental proposition. The essential principle is the taking of the water out of the fruit and vegetables; that is all there is to it. When that is done properly the product can be kept indefinitely; it is not necessary to put it in an expensive container; it is not necessary to take any precautions to protect it from freezing or from heat, although it must be kept dry and kept free from vermin. It is less expensive to prepare and less expensive to keep fruits and vegetables preserved in this manner than by any other known method.

I have here, Mr. President, some samples. I only have a few; but this process can be applied to almost any fruit or vegetable. I will have something to say later on about applying it to potatoes, a crop that in some years is very abundant and in other years is very short, as we all know. Last year we did not have sufficient potatoes, and a potato became a curiosity, while this year, in answer to appeals made to them, our patriotic people all through the West and all through the potato belt everywhere put out potatoes. We now find potatoes spoiling in Idaho, in Washington, in Nebraska, and in Wisconsin because the producers are unable to get them to market, the expense of bringing them to market being too great, and oftentimes it is an impossibility to get cars in which to ship them to market.

If the potato crop were dried it would not make any difference whether it were shipped this fall or next fall or next spring, but under present conditions potatoes must be shipped within a given time. If they were dried the same quantity of potatoes could be shipped by the use of one-twentieth of the number of cars, and it would be unnecessary to pay any attention to freezing or cold weather, as is the case in shipping raw potatoes, making the shipping of the dried product a much less expensive operation.

This process can be applied, as I have said, to almost every known fruit and vegetable. For instance, I have here [indicating] a sample of corn, a sample of parsnips, a sample of potatoes, and a sample of onions. The samples, with the exception of the sample of onions, I have taken home. Mrs. Norris has prepared, and I have eaten in connection with my family food prepared from these samples, and I want to say, for instance as to the corn I have here, that I have never tasted canned corn in my life that I thought equaled in flavor this dried corn.

This little box [indicating] containing the package is still three-fourths full, and yet I ate out of it more corn than I could eat in one meal, and, in addition, other members of my family ate of it, although perhaps not all they might have eaten. It is only illustrative of the fact that it is possible, under this method of preserving vegetables and fruit, not only to save space, not only to save expense in putting it up, not only to save expense in preserving it and keeping it, not only to save the expense of transportation and the use of a large number of cars, but absolutely to have a food product that is the equal of food prepared by any method known to man, so far as its preserving qualities are concerned.

Here is a sample of potatoes, out of which I had one meal, known as riced potatoes. You could carry in your pocket enough potatoes to last you a week put up in that form, and all you have to do is to put hot water on it and cook it, and then season it as you may desire, and you will have fine mashed potatoes. They are not only put up in that form—riced potatoes, I believe they call that form, very fine—but they are sliced and dried in that way. You can dry corn on the cob if you want to and have roasting ears a year afterwards by simply putting the corn in water and soaking up and getting the water back that you took out.

Mr. WEEKS. Mr. President——

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Nebraska yield to the Senator from Massachusetts?

Mr. NORRIS. I do.

Mr. WEEKS. I was going to ask the Senator further about some other form of putting up these potatoes. I had a letter not long ago from the manager or owner of a factory in Aroostook County, Me., which is, I think, the most productive potato-raising section in the United States, in which he sent me samples of potatoes that were sliced and dried in some way. I have not the letter at hand, but it indicated that very large quantities of those potatoes were being sold for the use of the allied armies. That was before we became engaged in the war, as I recall it; but he stated that it was developing into an important and useful industry.

Mr. NORRIS. I will say to the Senator that potatoes are put up in various forms. We had samples before the committee sliced, as the Senator says. They can be put in that form just as well as in this form. The only advantage in having anything that you may want to put up in small quantities is to make the drying process easier, because all you do is to take the water out of it, and if you have it in a large bulk it is a little more expensive to do it than the other way.

Potatoes are also put up after they are cooked. They first cook them thoroughly and then dry them. In that case they are very available, especially in the Army, because all you have to do is to put water on them and heat them, and you have them ready for human consumption.

Mr. GALLINGER. Mr. President——

Mr. NORRIS. I yield to the Senator from New Hampshire.

Mr. GALLINGER. I will ask the Senator if the Department of Agriculture has issued any bulletins on this subject, and if they have been distributed throughout the country?

Mr. NORRIS. Yes; they have issued some, and I am going to read the Senate a little later some testimony from some of the officials of the Agricultural Department. They have been doing considerable work along this line, making considerable investigations.

I should be glad to have the Senators examine these samples, any of them.

I want to refer now to the suggestion made by the Senator from Massachusetts.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Mississippi?

Mr. NORRIS. Yes.

Mr. VARDAMAN. May I ask the Senator if he can tell me the number of these factories that have been established in the United States?

Mr. NORRIS. No; I can not give the Senator that information.

Mr. VARDAMAN. There are a number of independent, privately owned factories, are there not?

Mr. NORRIS. Yes.

Mr. VARDAMAN. The purpose of this appropriation is to establish a Government-owned factory?

Mr. NORRIS. The purpose of the appropriation is to permit the Government to do that as a sort of experimental proposition—not experimental, either, but to carry it out to the people where they have never done anything of this kind, and show what can be done. The amendment that is pending, that I have offered, gives to the Government the right to use this $250,000 appropriation to construct dehydration plants to prepare food for the Army and Navy.

Mr. VARDAMAN. I wanted to know of the Senator if it had not really passed the experimental stage?

Mr. NORRIS. I think it has. I will be frank. There is not any experiment about it. The people of the country, however, outside of a few places, have practically no knowledge of the ease with which the fruits and the vegetables of the country can be prepared and preserved for future use.

Mr. VARDAMAN. Is it the purpose of the Senator to establish a Government-owned plant to treat vegetables in this way for the consumption of the Army, or just to teach the masses of the people, as the Senator says?

Mr. NORRIS. I take it that it is more the object of the amendment to disseminate the information and show the practicability of the business; but the amendment which I have offered, as I have said, permits the Government to go into the business directly, and construct these plants for the purpose of getting food for the Army and the Navy.

Mr. VARDAMAN. Starting with an appropriation of $250,000?

Mr. NORRIS. Starting with an appropriation of $250,000; yes.

Mr. VARDAMAN. That will not go very far, will it?

Mr. NORRIS. Not very far, no; but it will go as far as $250,000 will go. My idea is that the appropriation ought to be larger.

Mr. JONES of Washington. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. JONES of Washington. Has the committee any information as to what it will cost to install such a plant?

Mr. NORRIS. Yes. I will give that information a little later on.

Mr. JONES of Washington. Very well. I will withdraw the question, then.

Mr. NORRIS. Through the West—for instance, through the potato country, as far as I know—the people do not understand how easily potatoes could be preserved for years, and how, instead of seeing millions of bushels of potatoes rot, we could see them properly preserved for future use, even for future generations, if necessary.

Mr. JONES of Washington. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. JONES of Washington. That reminds me of a suggestion that was made some time ago by a gentleman of California, who brought several samples of this same sort to my office—Mr. Horst—and I think it well to put this suggestion in the RECORD.

Out in our State we have a great many hop-drying houses, where the hops that we raised had been dried. Our people are going out of the hop-raising business to a considerable extent, and Mr. Horst stated that with very little expense there hop-drying houses could be converted into establishments where these vegetables could be dried.

Mr. NORRIS. That is what Mr. Horst is doing. He is a hop man also, I will say to the Senator.

Mr. JONES of Washington. Yes; I know he is.

Mr. NORRIS. I shall have occasion to read a little from his testimony. He had a large hop industry in California. He has gone out of it, and he is transforming the plants into dehydration plants.

The Senator from Massachusetts [Mr. WEEKS] asked me about the factories which are in existence, I think. The particular samples that I have here were made in the Senator's State, at Pittsfield, Mass., by a private institution. They have a patent process. I have seen the samples that have been dried by Mr. Horst, who does not claim any patent on anything, and also samples from a Chicago institution that claims to have a patent process, and, of course, the samples that I have here; and I do not think anybody can detect any difference in the product. The effect of all the processes is exactly the same.

I presume most of the Senators remember, years ago, when we used to dry various kinds of fruits and vegetables and preserve them in that way; but the country gradually drifted into the canning business, and the canning business has been carried on all over the country on a very large scale. Until some of the gentlemen that I have mentioned recently went into the business there never has been any dehydration on a large scale. A man could establish a plant on his own farm and dry his own potatoes, but it would not be the most economical way to do it. It ought to be done in a larger plant.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Iowa?

Mr. NORRIS. I yield to the Senator.

Mr. KENYON. How does this differ from the process of drying apples, peaches, and so forth?

Mr. NORRIS. There is no difference. They dry peaches and apples in just the same way.

Mr. KENYON. As I remember from boyhood days, drying apples and peaches is a process that has been in vogue for some time.

Mr. NORRIS. Oh, yes; and they have dried corn and fruit of nearly all kinds, for a great many years. As I said, there is not anything new about it; but gradually the country has gone out of it, and has been canning these things instead. Now, in my judgment, there is not any doubt but that any fruit or vegetable properly dehydrated, properly dried, will in no case be inferior to the same product canned, and in many cases it will be far superior; and that is the testimony.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield further to the Senator from Iowa?

Mr. NORRIS. I yield.

Mr. KENYON. Do I understand that now the private interests are doing this work of drying potatoes, carrots, radishes, and all that?

Mr. NORRIS. Somewhat; yes.

Mr. KENYON. Then, just what is the need of the Government going into it?

Mr. NORRIS. Mr. President, I may not have the proper view of it, but to me it seems perfectly plain that with an army of a couple of million men, and with the probabilities that we are going to increase it to five or six million, with armies of our allies of eight or ten million, with millions of people in the allied countries that must get their food from this country, with millions of people even in the neutral countries that we must supply with food, we are presented with the proposition, How can we do it with the least possible expense and with the least loss? We have hundreds of thousands of bushels of potatoes rotting now in some sections of the country, while in other sections people are going hungry because they have not the money to buy potatoes at the prices they have to pay. They can not get the cars. We have the same difficulty, only probably in a less degree, with all the canning industries of the United States. You first have to get the cars to ship the cans to the canning factory, and then you have to ship lumber to crate the cans. That takes cars, it takes money, it takes labor, it takes men. Then you put the product back in the cars again, in crates, and ship it to the consumer.

If the same product were dried, there would be no shipping of cans. Those cars would be eliminated from the equation, and only from one-twentieth to one-thirtieth of the cars would be necessary to ship the finished product.

Now, we have got to feed our soldiers. Of course this can not be done this year; but I am going on the theory—and I believe everybody wants to do that—that we ought to legislate just the same as though we knew that this war was going to last for years. So that for the purpose of legislation we ought to go on the theory that next year we are going to be called upon to send thousands of bushels of potatoes to Europe to our soldiers, to be taken out in the trenches, thousands of tons of corn, of tomatoes, of onions, and of all the other vegetables. The Government now can get ready to take the next year's crop and put it in such a condition that it can be handled at perhaps one-twentieth of the cost and the effort that we will be put to if we do not resort to something of that kind.

Mr. McCUMBER. Mr. President——

Mr. NORRIS. I yield to the Senator from North Dakota.

Mr. McCUMBER. I think the Senator could add another proposition, which I believe is even more important than those he has already mentioned. We can raise enough agricultural products in the United States, including corn, barley, wheat, and so forth, to feed ourselves and our allies, provided we have the shipping. Now, we can not very well use corn over in Europe, because we can not ship the corn. It spoils on the way after it is ground into flour, and of course, as a rule, we can not have mills at the front. It will spoil in a few days in such a climate as they have in France. Now, if we could find a method of drying that corn in immense quantities, it could be used in Europe just as well as in the United States, and it would not be incumbent upon us to have wheatless days in order to get sufficient wheat or other cereals over to Europe, because then they could use corn as well as we could.

Mr. NORRIS. I thank the Senator; and I will say, in addition to what he has said, that not only would we be enabled to get it there, because it would not take nearly so many ships to carry it, and we could handle it better when it got there, but if we did not use it the first week we could use it the next week; if we did not use it this year, we could use it next year; if we did not use it next year, we could use it the year after. All we would have to do would be to keep it dry; and if an accident happened to it and it got wet all we would have to do would be to dehydrate it again before it was spoiled and you would have the product preserved. You can not do any of those things unless you put the food in this state.

Mr. President, we had before the committee two or three witnesses to whose testimony I now desire briefly to refer.

First, I want to read a few testimonials as to the value of this product, showing that this is, as a matter of fact, the best way to preserve fruits and food. I do not claim for it, Mr. President, that corn, for instance, dried in this way, would be just the same as a fresh ear of corn taken right out of the field; but, in my judgment, it would be superior to any canned corn. The same thing is true with other things; for instance, with tomatoes. They put those up in several forms. I have not any of those samples here, but I took a sample home with me and had tomato soup made of it. It was a powder, a dry powder, nothing but a powder; and all you had to do to make your soup was to pour enough hot water on that powder and boil it a little. In that way you would have tomato soup just as nutritious and just as fine as any tomato soup you ever tasted; and you can carry it into the trenches in France without any danger of breakage and without any danger of its freezing, with one-twentieth of the expense to take it there, and to that extent you can release all these methods of transportation to be used in other activities.

Mr. President, I could give here all the balance of the day the testimonials of practical men, commercial men, who have put this product into use and the hotels that have used it. Here is a letter to Mr. Horst, in which the writer says:

> After having given your dry vegetables a thorough trial, I am pleased to state to you that they are very satisfactory, and as soon as you have them in quantities so that they will be put on the market, will you please send me a price list, and I shall be glad to give you an order.
>
> I find that the flavor is much fresher after they have been prepared than that of canned goods, and it is much easier to keep and to store.

That is from the Stratford Hotel in Chicago, one of the leading hotels in the United States and of the world, where they have put this product to a practical test. I might go on and read you testimonials from institutions like that, where they have been given samples, and where they have tried it all over the country, but I am not going to burden the RECORD or take up your time with it.

Mr. Horst says in his testimony:

> As to the subject of expense, of course the dried vegetable is not going to be as cheap as the fresh vegetable, because there is the cost of drying; that is, if you take the fresh vegetable in season and dry it you have the additional expense of drying the product. But when you take the vegetable out of season, then the dried product will be cheaper than the fresh product and far cheaper than the canned goods.

Now, I wish Senators would listen to this:

> For example, a case of canned tomatoes that cost roughly $4—solid-pack tomatoes—2 dozen tins, which weigh 2 pounds each, the gross weight of the case being 60 pounds, and you have $4 for a case of tomatoes containing a total of not over 15 cents original cost of tomatoes. In other words, you have spent $3.85 to preserve 15 cents' worth of tomatoes.
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> The same illustration holds good in a number of other products to the same extent, and to a lesser extent in all vegetables that are canned. The cost of dried vegetables is the cost of drying plus the cost of the fresh vegetables; in other words, in round figures the cost of dried vegetables is less than double the original farm price of fresh vegetables, while with canning it takes approximately twenty times and often more than twenty times the cost of the fresh vegetable to make the cost of the canned product.
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> * * * * * * *
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> On the question of weight and transportation, a 60-pound case of canned tomatoes, when the tomatoes are dried, gives you, in round figures, 2½ pounds of the dried product.
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> The same illustration roughly holds good of other vegetables, like spinach, and perhaps sprouts, and all these other light-weight vegetables that contain much moisture, say, something like 75 to 95 per cent moisture.
>
> When you have canned goods, you have to ship not only the canned goods but you have to ship an equal number of cars of empty cans to the cannery. For instance, 30 carloads of canned tomatoes would be equal to 1 carload of dried tomatoes. * * * If you take the tomatoes of 30 carloads of canned tomatoes and dry them, you will have one carload of dried tomatoes. * * * The contents of 30 carloads of canned tomatoes * * * can be put in one carload. * * * When you have your 30 carloads of canned tomatoes, you have to add on another 30 cars for the movement of the empty cans from the can factory to the cannery. That makes 60 cars.
>
> Then, again, you have in a carload of canned tomatoes 10,000 pounds of tin and 14,000 pounds of lumber, a total of 24,000 pounds. Then you have the movement of the tin-making material from the mines to the tin-plate factory, and the movement of the tin plate from the tin-plate factory to the tin-can factory, and the movement of the logs to the sawmill and of the lumber to the box-shook factory, and the box shooks to the cannery, which gives you a grand total of about 105 carloads as against 1 carload of dried product.

He says further:

> Just before I left California I saw a shipment of 50 pounds of green sprouts from California to some point East, where the express rate is 12 cents per pound. In order to ship these 50 pounds of green sprouts to the East they had to ship a 100-pound cake of ice and pay the expressage at the rate of 12 cents per hundred pounds on the ice and the 50 pounds of sprouts, making 150 pounds at 12 cents a pound, which made $18 to ship this 50 pounds of sprouts. The whole 50 pounds could have been dried and shipped as 3 pounds by parcel post at a cost of 35 or 36 cents instead of $18 for expressage alone, and not counting the cost of the sprouts and ice. So that the differences in cost for vegetables, no matter how you figure them, is in favor of the dried product. * * * It is estimated that of all of the vegetables grown in the United States, potatoes included, that there is about 40 or 50 per cent of the product that never reaches the dinner table; those are the losses between the farm and the consumer and by the consumer.

Mr. Horst says:

> The drying plants in Germany are estimated to be in number somewhere between 1,000 and 2,000. There were something like 850 plants before the war, and it is reported—how reliably I do not know—that they now have close on to 2,000 plants, the purpose being, of course, to save everything. * * * The quantity of potatoes dried in Germany for the last year of which there is official record by our Government is 800,000,000 bushels, which is more than twice the quantity of potatoes that are raised in the United States per annum; and figuring it on a per capita basis it is seven times as many potatoes as we raise. On top of that quantity, of course, Germany raises a very large additional amount of potatoes. Their crop in 1915, according to our Government Yearbook, was, in round figures, 2,000,000,000 bushels, as against 350,000,000 bushels in our country.

Now, Mr. Horst speaks of the process, and I should like to have Senators notice what he says in regard to it:

The process of doing this is very simple. It involves no patent whatever—that is, the process itself involves no patent.

As I have said, there are some factories operating that claim to have a patent process of doing the work.

There are minor features of it, perhaps, affecting the cost of operation that are covered by patents, but they can be utterly ignored, as they are of no value whatever in the general proposition. The business is very simple; there is no secret about it. The sum and substance of the proposition is to dry the product quickly, and not too quickly, and to use only air in doing it. And any plant by which the air is run through the product in sufficient quantities will dry the product in proportion to the water-carrying capacity of the air that is passed through the product. In other words, if you take air at ordinary humidity, say, about 75 per cent, there is the 25 per cent left for water-carrying ability of the air, and at low temperature that water-carrying capacity is very small, and you would have to drive enormous quantities of air through the product, while by raising the temperature to, say, 130°, 140°, or 150°, you do absolutely no injury to the product and you greatly increase the drying capacity of the air. In other words, say, at 150° you dry roughly about ten times as fast as with air at 80°. I have not those figures in my mind, but I have a memorandum here in my pocket from which I can get the figures, if you care to have them.

Now, in regard to the cost, Mr. Horst gives us some information:

You can get up a home dryer with which you can dry celery tips and your odds and ends around the house. The Department of Agriculture has been working on it; they have the plans, and they know the cost better than I do. But it can not be more than $20, I suppose. Of course you have not much capacity with such an outfit. For practical business—that is, to run drying on a scale such as it ought to be done in this country—you will need large plants, and those plants ought to be distributed throughout the United States in the agricultural districts to arrange for the different products.

Mr. Horst refers to the flavor, and I want to read what he says about it:

Vegetables will not lose their flavor as compared with cooked vegetables. If you take a raw vegetable, dry it, and then soak it—that is, put the water back in it—it is not going to taste, uncooked, the same as the fresh fruit or vegetable does before dried. But if you take the two products and cook them, then you have the dried product at least as good as the fresh product, unless, per chance, you take your fresh product directly on the farm and eat it on the farm. You get a crispness and snappiness on the farm that you do not get in the city.

The chairman asked Mr. Horst this question:

Mr. Horst, I wish you would file with your statement these conversion figures, or ratios, the weight of the fresh vegetable as compared with the dried vegetable.

Mr. HORST. I can give them to you in round figures. For instance, potatoes, about 6 to 1; cabbage, about 20 to 1; tomatoes, about 20 to 1; spinach, about 18 to 1; turnips, 14 to 1; carrots, about 9 to 1. That gives you the general relation.

Senator NORRIS. That is bulk?

Mr. HORST. In weight; and in cubic measurements you can take your dried products and compress them so that the question of bulk is entirely eliminated. We press—

That is another proposition that I have mentioned. If perchance after this product was dried you are still short of space you can compress it in a much smaller compress and save space so that the question of bulk is entirely eliminated.

We press cabbage, onions, spinach, and tomatoes. I have a little brick of tomatoes here, which weighs 7 ounces, and five of those little bricks is equal to a 60-pound case of canned tomatoes; and I have the chemist's report on that quantitative analysis to confirm those figures.

And that 60-pound case of tomatoes he can almost carry in his vest pocket when put up in this way.

I want to read a small portion of the testimony of Dr. Carl L. Alsberg. Dr. Alsberg is in the Agricultural Department here in Washington and has been for a good many years. He is one of the chemists and one of the recognized men along that line in the United States if not in the world. He was asked this question:

The CHAIRMAN. Do you agree about the product being substantially as good as the fresh vegetable?

He was referring in the question to the dried product.

Dr. ALSBERG. That depends upon what you mean by "as good." It has the same food value. It has not in all cases exactly the same flavor. It is not in all cases exactly the same product, any more than the ordinary dried apple that is on the market is the same product as the fresh apple; but the dried apple is a very useful and valuable food, and has the food value of the apple from which it is made.

I will say right here, Mr. President, that it is not all the foods that work out in a completely satisfactory way in my judgment. The apple, for instance, is one that does not. The dried apple as I have read the testimony, and if I had time to go into it it would show, loses some of its flavor, and while it may have technically, as the chemists say, the same food value, it lacks in a good many other respects. But that is not true of anything that is used, for instance, for soups; potatoes that are cut up in little small cubes and dried and then used to make potato soup are just as good, and all the chemists say they are just as valuable 20 years after they are put up as they were the day they were put up.

So some of these vegetables will be regarded—

I am reading from Dr. Alsberg—

as just the same as the fresh product when they are properly prepared; others will be regarded as bearing the same relation to the fresh product that the ordinary commercial dried apple bears to the fresh apple.

Mr. President, to my mind when we are going to spend millions and millions for our Army, when we are short of cars and are going to be short of cars, when we are short of tin and have a famine almost of tin; when we are short of lumber; when we are short of labor, we ought to avail ourselves of every opportunity that presents itself to prepare the products if it can be done in such a way as to avoid as much as possible the use of tin, the use of lumber, the use of cars, and the use of labor. To my mind the Government could well go into Idaho, Washington, northwestern Nebraska, North and South Dakota, and into Colorado, where they raise potatoes, and down in Georgia, where they raise sweet potatoes, and in Alabama——

Mr. SMITH of Georgia. If the Senator will yield to me, I will state that great quantities of sweet potatoes are raised in the State of Georgia.

Mr. NORRIS. If the Government would put up factories, if private individuals will not do it, and probably we can not expect them to spend a million dollars in putting up these drying plants, when we have a crop of potatoes like we had last year we will settle the question of food as far as potatoes are concerned. If we can dry all the potatoes that are going to waste we would settle it for next year as well as this year, and we can feed the Army and the balance of the people at much less expense. Indeed, we can feed them where now it is sometimes almost impossible to supply them, with the car shortage and all the other shortages that we have got to contend with, and will continue to contend with.

It seems to me, therefore, it would be good policy in the places where these products are produced, if private parties will not do it under reasonable conditions, to have the Government itself put up a plant and dehydrate these products.

Mr. SMITH of Georgia. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. SMITH of Georgia. I wish, with the Senator's permission, to say in his speech at this point that the potatoes alone which could be cared for in this way furnished to our troops and our allies ought to take the place of an immense quantity of flour that would otherwise be required.

Mr. NORRIS. It would; there is no doubt about that. We will not always be able to give them potato soup; we will not always be able to give them potatoes or, as the Senator from North Dakota said, when we get them there they will not be in a condition where they can use them like they can be used in this condition. We will not be able to give them corn practically as good as fresh corn right off the farm; we will not be able to give them onions, parsnips, and parsley, and the other things. It strikes me that here is an avenue by which we would be enabled if we took advantage of it, to meet the situation squarely and not only supply the Government and the Army and the people but to prevent the almost sinful waste of these products that is going on every year for the lack of shipping facilities and other facilities.

Mr. McCUMBER. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. McCUMBER. May I ask the Senator whether this dehydrating process has been used on anything except fresh vegetables and fruit?

Mr. NORRIS. On vegetables and fruits.

Mr. McCUMBER. There is not any such thing, then, as taking in June a dozen eggs and dehydrating them and having fresh eggs in February?

Mr. NORRIS. Not that I know of. I will say to the Senator.

Mr. President, I do not know that I have anything further to say. It seems to me that this amendment ought to prevail and we ought to give the Government the right to construct these plants and supply our own Army. I hope the Senator from Oklahoma will consent, as far as he is concerned, to the adoption of the amendment.

Mr. THOMAS. Mr. President, there is no doubt about the value of this method of preserving foodstuffs. I can not say how long the process has been in practical operation, but I think it extends over quite a number of years. The value of the process and its simplicity long ago addressed itself to private enterprise, where it properly belongs. If it was in the experimental stage, if advanced processes were in the experimental stage, I can well understand the propriety of including an appropriation for its development in an agricultural bill.

The process of preserving fruits is well known. The processes of canning are equally well known and both are well established. I can see no difference, therefore, between an appropriation for the drying and dehydration of vegetables in connection with the

land-grant colleges in the several States and an appropriation for preserving and canning fruits in similar fashion.

The process of curing meats and of pickling them are both very old ones. They have been resorted to for many years for the preservation of meat foods. They are also in the hands of private enterprise where they properly belong. Hence there is no necessity for appropriations for the purpose of preserving meat in connection with our land-grant colleges or otherwise.

This is a small appropriation as appropriations go in these days of billions; it is hardly worth talking about; and I have no expectation that my remarks will affect the action of the Senate, but I shall protest as vigorously as I can against the constant introduction of new items of appropriations in our agricultural and in our other bills. If we are to feed our Army, if that is the purpose of this appropriation, it is entirely too small. The dehydration of vegetables for a million men, and more than that if we include those receiving their rations from the Government here, if the Government is to manufacture as well as to distribute, $250,000 for the erection of structures and factories would be infinitesimal.

There being no occasion for experimenting with an established process, and no possibility of using this amount of money to preserve food to feed the Army, why do we have it at all? Machinery is extremely expensive in these days. Some machinery is not available at all. The drying processes used by the beet-sugar factories, if I am correctly informed, have all been turned over to those engaged in the dehydration of vegetables so that they can add to their product during the war. The obtaining of similar machines not only takes considerable time, but I doubt whether they can be obtained at all.

This is, therefore, Mr. President, an appropriation that can subserve no useful purpose whatever except as the entering wedge for similar appropriations hereafter. If the Government was going to establish these plants at the land-grant colleges of the several States it would need more than $250,000. There are 48 States, and I think some of them support more than one agricultural college, and if it is necessary to have them at the agricultural colleges it is equally essential that we should provide them at the agricultural stations, and by the time we have done that every locality in the country will want a plant at its own door, since the money expended for its construction will be circulated through the community. This is sufficient, therefore, to start the procession. Next year we will have $500,000, perhaps, to establish plants elsewhere, the next year $750,000 or a million dollars, and so it will go just as with so many other appropriations which disfigure this bill.

We have appropriations here, as I said the other day, for the investigation of the attempted destruction of nearly all the insects that infest the earth. Some of them go back a good many years. The insects which were to be exterminated by them have thriven vigorously upon them. We are now appropriating money to kill coyotes, wolves, and other predatory animals which are said to infest the stock-raising districts. We began with, I think, $100,000. We are appropriating now over $500,000 for that purpose. The coyotes and the wolves and the other predatory animals also thrive upon these appropriations, and the Lord only knows what will become of that class of gentlemen who are supposed to destroy these animals if they should become extinct. Their source of livelihood would be gone, and, of course, it is to their interest to see that their victims propagate freely, increase, and multiply. In an old novel called "The Cloister and the Hearth," which was very popular when I was a boy, is a character, a soldier of fortune, who, whenever excited, would say, "The devil is dead." He uttered that exclamation once in the presence of two priests, who devoutly crossed themselves and said, "God forbid." When asked why, they replied that if the devil were dead their occupation would be gone. If these chinch bugs die, if the gypsy moths and the other moths should disappear, if the coyotes should no longer sing to the moon on the western prairies on cold nights of the autumn, and if the other predatory animals should disappear, God knows what calamity would overtake those who are supposed to destroy them. These appropriations are a constant succession of progressive increases.

Mr. KENYON. Mr. President——

Mr. THOMAS. I will yield in just a moment. If it be true that these appropriations only serve to increase the pest they are supposed to destroy, why not begin the other process and decrease the pest with a decrease of the appropriation? I yield to the Senator from Iowa.

Mr. KENYON. I was going to ask the Senator, as he speaks of these appropriations increasing progressively, if he has noticed that something has been accomplished in this bill, and that there is no appropriation this year to study the diseases of wild ducks?

Mr. THOMAS. Mr. President, I am astonished at that. My distinguished friend the Senator from Utah [Mr. SMOOT] was one of the champions of the wild-duck disease, and he is quite a stickler, too, for economy. I am inclined to think perhaps the Senator has concluded that the more money expended upon the extinction of diseases of wild ducks the more the diseases multiply.

Mr. SMOOT. Mr. President——

Mr. THOMAS. I yield to the Senator.

Mr. SMOOT. I will simply say that I think $10,000 was appropriated for the eradication of the diseases of wild duck, and just as soon as that was accomplished no one was ever found here asking for an appropriation to look after ducks unhatched and have experts watch for the disease among them as they were hatched.

Mr. THOMAS. I am glad to know that in this desert of increasing appropriations there is one infinitesimal oasis out in Utah. I hope it will not be revived, because if so, the ailments of wild ducks will increase also.

I venture the forecast that this $250,000 appropriation next year will be $500,000, and so on as future bills are introduced and considered.

Mr. SMITH of Georgia. Mr. President, I dissent from everything that the Senator from Colorado [Mr. THOMAS] has said. I believe that the agricultural bill is full of splendid items, and the appropriations through that bill are of inestimable value to the people of this country. Of course, occasionally something may have been spent that did no good, but as a rule it has been beneficial and helpful and productive and has brought many, many times its cost in return not only to the farmers but to the whole people of the country.

I shall vote for this amendment. I was very much impressed with the value of this work. I agree with the views expressed by the Senator from Nebraska [Mr. NORRIS]. If this drying machine built by the Government accomplishes what it seems probable it will accomplish, and they are built then in large numbers by private citizens, as I believe they will be built, it will be an immense contribution to the food supply of the country, and the immediate production of these machines, I think, will be valuable at this particular time. I cordially support the measure.

Mr. RANSDELL. Mr. President, I wish to say just a word in favor of this amendment. One of the problems that confronts us very seriously now is that of transportation. We are suffering very much in many sections of the country for lack of proper transportation.

I wish to call the attention of the committee to some evidence given by Mr. Horst, of California, on that subject. I read from page 10 of the hearings before the committee, in which he says that "if you take the tomatoes of 30 carloads of canned tomatoes and dry them you will have 1 carload of dried tomatoes." Then he was asked if it meant that much in bulk or space. He said "the contents of 30 carloads of canned tomatoes can be put in 1 carload." He emphasizes that fact and then goes on to show that "when you have in a carload of canned tomatoes 10,000 pounds of tin and 14,000 pounds of lumber, a total of 24,000 pounds," you are making a very great saving if you can by dehydrating these vegetables put them in one carload.

Not only, sir, will there be an immense saving in transporting the tin and the lumber necessary for the canned tomatoes or the other canned vegetables, but you will be enabled to carry this thing out in many sections of the country far away from the railroads where it would be impossible to get transportation. It will enable the people in the country districts to can their vegetables and save them where they are now lost.

I listened with a great deal of interest to the testimony given when this matter was before the Agricultural Committee, and it struck me as one of the most important things that has been before us in a long while.

I shall not detain the Senate, Mr. President, by making any prolonged speech on this subject, but I wish to say that of all the measures in this bill I know of none more important than this, and I hope that it will be adopted.

RAILROAD CONTROL—CONFERENCE REPORT.

Mr. SMITH of South Carolina. Mr. President, on behalf of the conferees on the part of the Senate I submit the conference report upon the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Does the Senator desire to have the whole report read, or just the action of the conferees, to-day?

Mr. SMITH of South Carolina. No; just the part stricken out.

The PRESIDING OFFICER. The Senator from South Carolina asks unanimous consent for the immediate consideration of the conference report.

Mr. SMOOT. Mr. President——

Mr. SMITH of South Carolina. All that was done was to strike from the bill the proviso that was objected to on a point of order.

The PRESIDING OFFICER. It will be read.

The SECRETARY. On page 9 of the printed bill the conferees strike out the proviso.

Mr. SMITH of South Carolina. That is all.

The PRESIDING OFFICER. It will be read.

The Secretary read as follows:

Provided, however, That no State or subdivision thereof, or the District of Columbia, shall levy, assess, or collect an amount of taxes from railroad property within the State or subdivision thereof, or the District of Columbia, while under Federal control in excess of the ratio which the taxes derived from railroad property bore to the total taxes of such State or subdivision thereof, or the District of Columbia, for the year previous to Federal control.

Mr. SMOOT. I do not know whether there is any objection or not to this report. I am not going to object to the consideration of the report at all. I want, however, to suggest the absence of a quorum so that other Senators interested in the report may have an opportunity to be here.

The PRESIDING OFFICER (Mr. LEWIS in the chair). The absence of a quorum being suggested, the Secretary will please call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gronna	McNary	Sutherland
Baird	Hitchcock	Martin	Swanson
Cummins	Johnson, Cal.	New	Thomas
Curtis	Johnson, S. Dak.	Norris	Thompson
Fall	Jones, Wash.	Ransdell	Townsend
Fletcher	Kenyon	Sheppard	Vardaman
France	Kirby	Smith, Ariz.	Weeks
Frelinghuysen	Knox	Smith, Mich.	Williams
Gallinger	Lewis	Smith, S. C.	
Gore	McCumber	Smoot	

The PRESIDING OFFICER. Thirty-eight Senators have responded to their names. There appearing to be no quorum present, the Secretary is directed to call the names of the absentees.

The Secretary called the names of absent Senators, and Mr. ROBINSON, Mr. SHAFROTH, Mr. STONE, Mr. WADSWORTH, and Mr. WATSON answered to their names when called.

Mr. KIRBY. I desire to announce the unavoidable absence of the Senator from Florida [Mr. TRAMMELL] and also of the Senator from Kentucky [Mr. BECKHAM] on official business.

Mr. BORAH, Mr. MCKELLAR, Mr. OVERMAN, Mr. KENDRICK, Mr. SMITH of Georgia, Mr. STERLING, Mr. NUGENT, Mr. OWEN, Mr. BANKHEAD, Mr. PITTMAN, Mr. SHIELDS, and Mr. WALCOTT entered the Chamber and responded to their names.

The PRESIDING OFFICER. Fifty-five Senators having responded to the call, there is a quorum present. Is there objection to proceeding to the consideration of the report of the committee of conference on Senate bill 3752, known as the railroad-operation bill?

There being no objection, the Senate proceeded to consider the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the matter proposed by the House, insert the following:

"That the President, having in time of war taken over the possession, use, control, and operation (called herein Federal control) of certain railroads and systems of transportation (called herein carriers), is hereby authorized to agree with and to guarantee to any such carrier making operating returns to the Interstate Commerce Commission, that during the period of such Federal control it shall receive as just compensation an annual sum, payable from time to time in reasonable installments, for each year and pro rata for any fractional year of such Federal control, not exceeding a sum equivalent as nearly as may be to its average annual railway operating income for the three years ended June 30, 1917. That any railway operating income accruing during the period of Federal control in excess of such just compensation shall remain the property of the United States. In the computation of such income, debits and credits arising from the accounts called in the monthly reports to the Interstate Commerce Commission equipment rents and joint facility rents shall be included, but debits and credits arising from the operation of such street electric passenger railways, including railways commonly called interurbans, as are at the time of the agreement not under Federal control, shall be excluded. If any lines were acquired by, leased to, or consolidated with such railroad or system between July 1, 1914, and December 31, 1917, both inclusive, and separate operating returns to the Interstate Commerce Commission were not made for such lines after such acquisition, lease, or consolidation, there shall (before the average is computed) be added to the total railway operating income of such railroad or system for the three years ended June 30, 1917, the total railway operating income of the lines so acquired, leased, or consolidated, for the period beginning July 1, 1914, and ending on the date of such acquisition, lease, or consolidation, or on December 31, 1917, whichever is the earlier. The average annual railway operating income shall be ascertained by the Interstate Commerce Commission and certified by it to the President. Its certificate shall, for the purpose of such agreement, be taken as conclusive of the amount of such average annual railway operating income.

"Every such agreement shall provide that any Federal taxes under the act of October 3, 1917, or acts in addition thereto or in amendment thereof, commonly called war taxes, assessed for the period of Federal control beginning January 1, 1918, or any part of such period, shall be paid by the carrier out of its own funds, or shall be charged against or deducted from the just compensation; that other taxes assessed under Federal or any other governmental authority for the period of Federal control or any part thereof, either on the property used under such Federal control or on the right to operate as a carrier, or on the revenues or any part thereof derived from operation (not including, however, assessments for public improvements or taxes assessed on property under construction, and chargeable under the classification of the Interstate Commerce Commission to investment in road and equipment), shall be paid out of revenues derived from railway operations while under Federal control; that all taxes assessed under Federal or any other governmental authority for the period prior to January 1, 1918, whenever levied or payable, shall be paid by the carrier out of its own funds, or shall be charged against or deducted from the just compensation.

"Every such agreement shall also contain adequate and appropriate provisions for the maintenance, repair, renewals, and depreciation of the property, for the creation of any reserves or reserve funds found necessary in connection therewith, and for such accounting and adjustments of charges and payments, both during and at the end of Federal control as may be requisite in order that the property of each carrier may be returned to it in substantially as good repair and in substantially as complete equipment as it was in at the beginning of Federal control, and also that the United States may, by deductions from the just compensations or by other proper means and charges, be reimbursed for the cost of any additions, repairs, renewals, and betterments to such property not justly chargeable to the United States; in making such accounting and adjustments, due consideration shall be given to the amounts expended or reserved by each carrier for maintenance, repairs, renewals, and depreciation during the three years ended June 30, 1917, to the condition of the property at the beginning and at the end of Federal control and to any other pertinent facts and circumstances.

"The President is further authorized in such agreement to make all other reasonable provisions, not inconsistent with the provisions of this act or of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, that he may deem necessary or proper for such Federal control or for the determination of the mutual rights and obligations of the parties to the agreement arising from or out of such Federal control.

"If the President shall find that the condition of any carrier was during all or a substantial portion of the period of three years ended June 30, 1917, because of nonoperation, receivership, or where recent expenditures for additions or improvements or equipment were not fully reflected in the operating railway income of said three years or a substantial portion thereof, or because of any undeveloped or abnormal conditions, so exceptional as to make the basis of earnings hereinabove provided for plainly inequitable as a fair measure of just compensation, then the President may make with the carrier such agreement for such amount as just compensation as under the circumstances of the particular case he shall find just.

"That every railroad not owned, controlled, or operated by another carrier company, and which has heretofore competed for traffic with a railroad or railroads of which the President has

taken the possession, use, and control, or which connects with such railroads and is engaged as a common carrier in general transportation, shall be held and considered as within 'Federal control,' as herein defined, and necessary for the prosecution of the war, and shall be entitled to the benefit of all the provisions of this act: *Provided, however*, That nothing in this paragraph shall be construed as including any street or interurban electric railway which has as its principal source of operating revenue, urban, suburban, or interurban passenger traffic, or sale of power, heat and light, or both.

"The agreement shall also provide that the carrier shall accept all the terms and conditions of this act and any regulation or order made by or through the President under authority of this act or of that portion of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, which authorizes the President in time of war to take possession, assume control, and utilize systems of transportation.

"SEC. 2. That if no such agreement is made, or pending the execution of an agreement, the President may nevertheless pay to any carrier while under Federal control an annual amount, payable in reasonable installments, not exceeding 90 per cent of the estimated annual amount of just compensation, remitting such carrier, in case where no agreement is made, to its legal rights for any balance claimed to the remedies provided in section 3 hereof. Any amount thereafter found due such carrier above the amount paid shall bear interest at the rate of 6 per cent per annum. The acceptance of any benefits under this section shall constitute an acceptance by the carrier of all the provisions of this act and shall obligate the carrier to pay to the United States, with interest at the rate of 6 per cent per annum from a date or dates fixed in proceedings under section 3, the amount by which the sums received under this section exceed the sum found due in such proceedings.

"SEC. 3. That all claims for just compensation not adjusted (as provided in section 1) shall, on the application of the President or of any carrier, be submitted to boards, each consisting of three referees to be appointed by the Interstate Commerce Commission, members of which and the official force thereof being eligible for service on such boards without additional compensation. Such boards of referees are hereby authorized to summon witnesses, require the production of records, books, correspondence, documents, memoranda, and other papers, view properties, administer oaths, and may hold hearings in Washington and elsewhere, as their duties and the convenience of the parties may require. In case of disobedience to a subpœna the board may invoke the aid of any district court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpœna issued to any person, corporation, partnership, or association, issue an order requiring appearance before the board, or the production of documentay evidence if so ordered, or the giving of evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. Such cases may be heard separately or together or by classes, by such boards as the Interstate Commerce Commission in the first instance, or any board of referees to which any such cases shall be referred may determine. Said boards shall give full hearings to such carriers and to the United States; shall consider all the facts and circumstances, and shall report as soon as practicable in each case to the President the just compensation, calculated on an annual basis and otherwise in such form as to be convenient and available for the making of such agreement as is authorized in section 1. The President is authorized to enter into an agreement with such carrier for just compensation upon a basis not in excess of that reported by such board, and may include therein provisions similar to those authorized under section 1. Failing such agreement, either the United States or such carrier may file a petition in the Court of Claims for the purpose of determining the amount of such just compensation, and in the proceedings in said court the report of said referees shall be prima facie evidence of the amount of just compensation and of the facts therein stated. Proceedings in the Court of Claims under this section shall be given precedence and expedited in every practicable way.

"SEC. 4. That the just compensation that may be determined as hereinbefore provided by agreement or that may be adjudicated by the Court of Claims, shall be increased by an amount reckoned at a reasonable rate per cent to be fixed by the President upon the cost of any additions and betterments, less retirements, and upon the cost of road extensions to the property of such carrier made by such carrier with the approval of or by order of the President while such property is under Federal control.

"SEC. 5. That no carrier while under Federal control shall, without the prior approval of the President, declare or pay any dividend in excess of its regular rate of dividends during the three years ended June 30, 1917: *Provided, however*, That such carriers as have paid no regular dividends or no dividends during said period may, with the prior approval of the President, pay dividends at such rate as the President may determine.

"SEC. 6. That the sum of $500,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, which, together with any funds available from any operating income of said carriers, may be used by the President as a revolving fund for the purpose of paying the expenses of the Federal control, and so far as necessary the amount of just compensation, and to provide terminals, motive power, cars, and other necessary equipment, such terminals, motive power, cars, and equipment to be used and accounted for as the President may direct and to be disposed of as Congress may hereafter by law provide.

"The President may also make or order any carrier to make any additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other equipment necessary or desirable for war purposes or in the public interest on or in connection with the property of any carrier. He may from said revolving fund advance to such carrier all or any part of the expense of such additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other necessary equipment so ordered and constructed by such carrier or by the President, such advances to be charged against such carrier and to bear interest at such rate and be payable on such terms as may be determined by the President, to the end that the United States may be fully reimbursed for any sums so advanced.

"Any loss claimed by any carrier by reason of any such additions, betterments, or road extensions so ordered and constructed may be determined by agreement between the President and such carrier; failing such agreement the amount of such loss shall be ascertained as provided in section 3 hereof.

"From said revolving fund the President may expend such an amount as he may deem necessary or desirable for the utilization and operation of canals, or for the purchase, construction, or utilization and operation of boats, barges, tugs, and other transportation facilities on the inland, canal, and coastwise waterways, and may in the operation and use of such facilities create or employ such agencies and enter into such contracts and agreements as he shall deem in the public interest.

"SEC. 7. That for the purpose of providing funds requisite for maturing obligations or for other legal and proper expenditures, or for reorganizing railroads in receivership, cariers may, during the period of Federal control, issue such bonds, notes, equipment trust certificates, stock, and other forms of securities, secured or unsecured by mortgage, as the President may first approve as consistent with the public interest. The President may, out of the revolving fund created by this act, purchase for the United States all or any part of such securities at prices not exceeding par, and may sell such securities whenever in his judgment it is desirable at prices not less than the cost thereof. Any securities so purchased shall be held by the Secretary of the Treasury, who shall, under the direction of the President, represent the United States in all matters in connection therewith in the same manner as a private holder thereof. The President shall each year as soon as practicable after January 1, cause a detailed report to be submitted to the Congress of all receipts and expenditures made under this section and section 6 during the preceding calendar year.

"SEC. 8. That the President may execute any of the powers herein and heretofore granted him with relation to Federal control through such agencies as he may determine, and may fix the reasonable compensation for the performance of services in connection therewith, and may avail himself of the advice, assistance, and cooperation of the Interstate Commerce Commission and of the members and employees thereof, and may also call upon any department, commission, or board of the Government for such services as he may deem expedient. But no such official or employee of the United States shall receive any additional compensation for such services except as now permitted by law.

"SEC. 9. That the provisions of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, shall remain in force and effect except as expressly modified and restricted by this act; and the President, in addition to the powers conferred by this act, shall have and is hereby given such other and further powers necessary or appropriate to give effect to the powers herein and heretofore con-

ferred. The provisions of this act shall also apply to any carriers to which Federal control may be hereafter extended.

"SEC. 10. That carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control or with any order of the President. Actions at law or suits in equity may be brought by and against such carriers and judgments rendered as now provided by law; and in any action at law or suit in equity against the carrier, no defense shall be made thereto upon the ground that the carrier is an instrumentality or agency of the Federal Government. Nor shall any such carrier be entitled to have transferred to a Federal court any action heretofore or hereafter instituted by or against it, which action was not so transferable prior to the Federal control of such carrier; and any action which has heretofore been so transferred because of such Federal control or of any act of Congress or official order or proclamation relating thereto shall upon motion of either party be retransferred to the court in which it was originally instituted. But no process, mesne or final, shall be levied against any property under such Federal control.

"That during the period of Federal control, whenever in his opinion the public interest requires, the President may initiate rates, fares, charges, classifications, regulations, and practices by filing the same with the Interstate Commerce Commission, which said rates, fares, charges, classifications, regulations, and practices shall not be suspended by the commission pending final determination.

"Said rates, fares, charges, classifications, regulations, and practices shall be reasonable and just and shall take effect at such time and upon such notice as he may direct, but the Interstate Commerce Commission shall, upon complaint, enter upon a hearing concerning the justness and reasonableness of so much of any order of the President as establishes or changes any rate, fare, charge, classification, regulation, or practice of any carrier under Federal control, and may consider all the facts and circumstances existing at the time of the making of the same. In determining any question concerning any such rates, fares, charges, classifications, regulations, or practices or changes therein, the Interstate Commerce Commission shall give due consideration to the fact that the transportation systems are being operated under a unified and coordinated national control and not in competition.

"After full hearing the commission may make such findings and orders as are authorized by the act to regulate commerce as amended, and said findings and orders shall be enforced as provided in said act: *Provided, however*, That when the President shall find and certify to the Interstate Commerce Commission that in order to defray the expenses of Federal control and operation fairly chargeable to railway operating expenses, and also to pay railway tax accruals other than war taxes, net rents for joint facilities and equipment, and compensation to the carriers, operating as a unit, it is necessary to increase the railway operating revenues, the Interstate Commerce Commission in determining the justness and reasonableness of any rate, fare, charge, classification, regulation, or practice shall take into consideration said finding and certificate by the President, together with such recommendations as he may make.

"SEC. 11. That every person or corporation, whether carrier or shipper, or any receiver, trustee, lessee, agent, or person acting for or employed by a carrier or shipper, or other person, who shall knowingly violate or fail to observe any of the provisions of this act, or shall knowingly interfere with or impede the possession, use, operation, or control of any railroad property, railroad, or transportation system hitherto or hereafter taken over by the President, or shall knowingly violate any of the provisions of any order or regulation made in pursuance of this act, shall be guilty of a misdemeanor, and shall, upon conviction, be punished by a fine of not more than $5,000, or, if a person, by imprisonment for not more than two years, or both. Each independent transaction constituting a violation of, or a failure to observe, any of the provisions of this act, or any order entered in pursuance hereof, shall constitute a separate offense. For the taking or conversion to his own use or the embezzlement of money or property derived from or used in connection with the possession, use, or operation of said railroads or transportation systems, the criminal statutes of the United States, as well as the criminal statutes of the various States where applicable, shall apply to all officers, agents, and employees engaged in said railroad and transportation service, while the same is under Federal control, to the same extent as to persons employed in the regular service of the United States. Prosecutions for violations of this act or of any order entered hereunder shall be in the district courts of the United States, under the direction of the Attorney General, in accordance with the procedure for the collection and imposing of fines and penalties now existing in said courts.

"SEC. 12. That moneys and other property derived from the operation of the carriers during Federal control are hereby declared to be the property of the United States. Unless otherwise directed by the President, such moneys shall not be covered into the Treasury, but such moneys and property shall remain in the custody of the same officers, and the accounting thereof shall be in the same manner and form as before Federal control. Disbursements therefrom shall, without further appropriation, be made in the same manner as before Federal control and for such purposes as under the Interstate Commerce Commission classification of accounts in force on December 27, 1917, are chargeable to operating expenses or to railway tax accruals and for such other purposes in connection with Federal control as the President may direct, except that taxes under Titles 1 and 2 of the act entitled 'An act to provide revenue to defray war expenses, and for other purposes,' approved October 3, 1917, or any act in addition thereto or in amendment thereof, shall be paid by the carrier out of its own funds. If Federal control begins or ends during the tax year for which any taxes so chargeable to railway tax accruals are assessed, the taxes for such year shall be apportioned to the date of the beginning or ending of such Federal control, and disbursements shall be made only for that portion of such taxes as is due for the part of such tax year which falls within the period of Federal control.

"At such periods as the President may direct, the books shall be closed and the balance of revenues over disbursements shall be covered into the Treasury of the United States to the credit of the revolving fund created by this act. If such revenues are insufficient to meet such disbursements, the deficit shall be paid out of such revolving fund in such manner as the President may direct.

"SEC. 13. That all pending cases in the courts of the United States affecting railroads or other transportation systems brought under the act to regulate commerce, approved February 4, 1887, as amended and supplemented, including the commodities clause, so called, or under the act to protect trade and commerce against unlawful restraints and monopolies, approved July 2, 1890, and amendments thereto, shall proceed to final determination as soon as may be, as if the United States had not assumed control of transportation systems; but in any such case the court having jurisdiction may, upon the application of the United States, stay execution of final judgment or decree until such time as it shall deem proper.

"SEC. 14. That the Federal control of railroads and transportation systems herein and heretofore provided for shall continue for and during the period of the war and for a reasonable time thereafter, which shall not exceed one year and nine months next following the date of the proclamation by the President of the exchange of ratifications of the treaty of peace: *Provided, however*, That the President may, prior to July 1, 1918, relinquish control of all or any part of any railroad or system of transportation, further Federal control of which the President shall deem not needful or desirable; and the President may at any time during the period of Federal control agree with the owners thereof to relinquish all or any part of any railroad or system of transportation. The President may relinquish all railroads and systems of transportation under Federal control at any time he shall deem such action needful or desirable. No right to compensation shall accrue to such owners from and after the date of relinquishment for the property so relinquished.

"SEC. 15. That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation or the lawful police regulations of the several States, except wherein such laws, powers, or regulations may affect the transportation of troops, war materials, Government supplies, or the issue of stocks and bonds.

"SEC. 16. That this act is expressly declared to be emergency legislation enacted to meet conditions growing out of war; and nothing herein is to be construed as expressing or prejudicing the future policy of the Federal Government concerning the ownership, control, or regulation of carriers or the method or basis of the capitalization thereof."

And the House agree to the same.

E. D. SMITH,
ATLEE POMERENE,
JOE T. ROBINSON,
CHAS. E. TOWNSEND,
Managers on the part of the Senate.

T. W. SIMS,
FRANK E. DOREMUS,
JOHN J. ESCH,
Managers on the part of the House.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. TOWNSEND. Mr. President, before the final chapter in this legislation has been written, I desire to submit some remarks on the bill itself and briefly to review its course from its inception outside of Congress to this hour.

It will be remembered that in August, 1916, Congress passed a law conferring upon the President of the United States absolute and unqualified authority to take over and to manage the railroads of the United States. After 16 months, the President, on December 28, 1917, issued his proclamation taking the roads over. Shortly thereafter a bill was prepared, not by any committee of Congress or by any Member of Congress, but evidently by the Secretary of the Treasury or some one under his authority, which was sent to Congress, submitted to the two Houses, and referred to the Interstate and Foreign Commerce Committee of the House and to the Interstate Commerce Committee of the Senate.

When the bill was presented, its one declared object was to facilitate a settlement between the Government and the railroads which were taken over. The Constitution provides a way for paying the railroads for the use of their property, but the Secretary of the Treasury stated to the committee that it would be very embarrassing to him in his efforts to raise $10,000,000,000 by July 30 if a settlement with the roads could not be quickly effected if the bonds and other securities of the railroads were left uncertain, as they would be in case of a series of suits. So this bill ostensibly was for the purpose of authorizing the President to enter into an agreement with the railroads which would satisfy the latter and thus relieve the money market.

But soon after the bill was presented by the representative of the Director General of Railroads—who, by the way, remained with the committee much of the time it was considering the bill—and he was instrumental in engrafting on to the bill matters which some of us believed were not at all necessary for the war operation of the railroads. In fact, that bill became quite similar to Jack's bean stalk, which you remember, that grew very rapidly. Over night the bill's expansion could be discovered, and something new was injected into the measure.

Some of these additions were very objectionable. For instance, section 10, about which we have been in discussion and which the conference committee were required to revise, contained several provisions which I thought were not only unnecessary as war measures but were absolutely subversive of the principles of good government, as they affect transportation. Both of the paragraphs of section 10 of the bill were the subject of controversy. The first paragraph is as follows:

> That carriers while under Federal control shall, in so far as is not inconsistent therewith, or with the provisions of this act, or any other act applicable to such Federal control, or with any order of the President be subject to all laws and liabilities as common carriers, whether arising under Federal or State statutes or at common law, and suits may be brought—

And so forth.

The words, "Or with any order of the President" were imputed into the bill and they had no object known to the committee. They were not necessary for the purposes of the paragraph. It is clear to anyone who will read the bill that the original provision was intended simply to fix the status of claimants against the railroads after they were taken over by the Federal Government. It was thought that perhaps a new situation would arise by such taking over, and that, therefore, the same laws and procedure which had obtained prior to Federal control relative to claims and suits should be specifically mentioned as applying to conditions afterwards. No lawyer would have difficulty in discovering what the paragraph meant.

But it was thought by the Director General, or by some one outside of the committee, that it was wise to insert the words, "or with any order of the President," meaning by that that State and Federal laws could be set aside by the President's order, and that not necessarily for war purposes.

There could be no possible reason for inserting this language so far as the effective control of the railroads is concerned. That specific power has not been granted the President up to the present time and yet the Director General has been operating the roads for three months and no complaint of lack of power has been mentioned. The author of this provision probably had in mind what purpose it might serve, but it will not be one necessary to the operation of the roads for war purposes.

Until the Senator from Arkansas [Mr. ROBINSON] so forcefully and effectively discussed this provision in the Senate, I had not known that anyone believed that with it left out the President would be unable to operate the railroads successfully. I am confident the Senator is mistaken, for I repeat that they have been operated without difficulty for three months without this law, and if it were never enacted no embarrassment would result to Government control. I still insist that these objectionable words have no legitimate place in this paragraph. The House of Representatives left them out.

Mr. President, it is perhaps an old-fashioned notion, but I have always believed that when I was placed upon a conference committee it was my duty to maintain the contention of the Senate, whether in my opinion the provision was right or wrong. So I took that attitude on this conference committee. The members from the other House, however, readily yielded to the arguments of my colleagues and this alien sentence was restored to the bill.

The provision is given added importance by a subsequent provision of the bill which makes criminal and punishable with imprisonment any violation of an order made by the Director General acting for the President. In a matter so possibly serious would it not be wise on the part of Congress to know in advance just how the provision is to be employed and whether it is in reality a war necessity?

The Congress has stricken similar provisions making the violations of Executive orders criminal from other bills that have been before us, but it has left it in the railroad-control bill. I do not know exactly what the original proponents of the provision had in mind; but knowing, as I do know, what has come from legislation heretofore enacted by Congress—namely, the food and fuel control bill—I thought it was very unwise to incorporate arbitrary power in this measure unless there was some definite reason for doing so and some war emergency was to be served. This matter was debated on the floor of the Senate; but my contention was not agreed to by the Senate, and so I had to adhere to the action of the Senate in the conference committee; but all I had to do was to remain silent.

Section 10 contains another paragraph that has been the subject of no little discussion. I thought when it was before the committee, I thought when it was before the conference, and I think now that it is entirely wrong.

I have never been able to bring myself to believe that the question of rate making was a necessary war power. I knew that the railroads had been taken over on the 27th or 28th day of last December, and that they had been operated without let or hindrance from that time until this, under the law of 1916. I do not believe that any new law is necessary in order to give the President ample power to do everything that is necessary to be done with the railroads for facilitating the prosecution of the war or growing out of war emergencies. We provided in the committee of the Senate, under a compromise, that the President should have the right to initiate rates and put them into effect upon notice, but that they should be subject to challenge; that the Interstate Commerce Commission should hear complaints and determine the justness and reasonableness of the rates, and if they were found unjust or unreasonable it should set them aside. The House provided practically the same thing, except that when the Interstate Commerce Commission should find, if it should, that the rates were unjust and unreasonable, they should report to the President, and the President could observe the finding or not, as he saw fit; which practically meant that the President could make the rates, put them into effect, and from his decision there could be no appeal.

Mr. President, there were many things that came out in the course of this discussion. One of them was that some of the railroads and the Director General were confident that the action of the Interstate Commerce Commission theretofore in refusing to permit an increase in freight and passenger rates and fares was improper, and therefore they welcomed the idea of an agreement between the railroads and the Director General whereby rates would be raised. I do not care to discuss the merits of the question as to whether rates should be high or low or whether they should be increased or decreased; my statement of fact is that the power to increase rates is not essential to the conduct of the war, so far as the railroads are concerned. The question of raising rates is to be brought about after a general increase of the wages of railroad men throughout the United States has occurred, and that condition will be carried over into times of peace when the war is over.

It is this fact which pleases the railroad owners. We had great contention over this subject. Finally the department desired that we should incorporate in the bill a provision whereby the Interstate Commerce Commission could fix the rates, but they were obliged to fix those rates so high as to compensate for all of the expenses of Federal operation of the roads. I contended against that proposition, believing it to be absolutely wrong.

The railroads were taken over as a war necessity; there was no other excuse for taking them over. Those railroads were to be operated not in accordance with the principles of economy but in accordance with the principle of efficiency for the

war. Provision was made for constructing tracks, if the President so desired, to munition factories or other institutions operated by the Government and to shipyards, and extensions could be built which would not contribute in the least either to the welfare or the convenience of the shippers of the country. To have Congress provide that the Interstate Commerce Commission must fix the rates of traffic so high as to meet all of these extraordinary expenses was to put in force a law which was unjust in the extreme. The farmer whose products are transported by rail to market, the merchant who brings his merchandise by railroad, the consumers of fuel and clothes and groceries should not be compelled to pay for the operation of railroads for war purposes.

I recognized the fact that if the rates of wages were raised, that very fact would be an element which should be considered by the Interstate Commerce Commission in fixing rates; there is no question about that. The shipper must pay a reasonable charge for the privilege of using the road, and rates possibly might have been raised; but the shippers of this country ought not to be compelled to pay for the operations of war, for the expenditure of money from which they can obtain no benefit whatever. I know the argument was made and the question was asked, "What difference does it make whether we take this money out of the shippers directly or whether we go into the Treasury and take out the balance?" It makes all the difference in the world. When we speak of shippers, we are reminded frequently that many of the shippers have made large sums of money, and that they can well afford to contribute out of their earnings and profits this extra rate; but that loses sight of the actual fact that the shipper does not pay the freight in all cases or, indeed, in a majority of cases; it is the producer and the consumer of this country who pay the freight.

The man who buys something to be shipped to another city takes into consideration the freight when he pays the price, and frequently that freight rate is taken out of the price paid the producer and added to the price paid by the consumer; and thus like many revenue taxes which are a source of revenue to the person taxed, so this freight rate is not necessarily detrimental to the shipper but is always a burden upon the producer and consumer. We finally eliminated at least the open and frank idea of making the rate large enough to cover all cost of Federal control; but we wrote into the bill a provision that, while the Interstate Commerce Commission should fix the rate, it must take into consideration the fact that the roads are operated under a unified control and that they must be sufficiently high to pay the compensation provided for the railroads, the taxes, repairs, and so forth, and it is also provided that the President's recommendations shall be practically conclusive of what the rates shall be. This, of course, means that the Director General will make the rates. Unnecessary restrictions, unnecessary and uncertain provisions were put into the bill. I wanted to leave the freight rate and passenger fare situation as it is under existing law.

There could be no question but that the Interstate Commerce Commission would respond to any legitimate argument presented by the President. If he thought it was necessary to raise rates, they could be increased, but we would preserve intact the Interstate Commerce Commission, a commission in which the people of this country have more confidence than in any other commission that has ever been created. I would have preferred to have left that situation as it was before Government control and not to change it by this arbitrary, revolutionary rule. I do not like the deceptive argument that the emergency of war requires this action, for it can not be true.

I said when this bill was before the Senate that one of the greatest objections I had to the measure and to other so-called war measures was that we have been writing into them provisions that apply not to war but to peace; that we have been putting them in because we have had an opportunity to do so. Under the excitement and hysteria that prevails now every measure is urged as a war necessity whether it is so in fact or not. Real war measures are necessary and always in order, but even they are detrimental to prosperity and the general material welfare divorced from war; but the life and safety of the Republic being of first importance, prosperity and happiness must give way. How unwise it is, however, to place in the war category measures which are not so in fact. We should disturb the sane and normal as little as possible. We should avoid with great care those things which irritate the people. Patriotism should be encouraged, not discouraged.

Mr. President, I supported, as I have said, this conference report because I felt in duty bound to do so, being sent by the Senate as one of its representatives to sustain what it had done; but the measure itself is indefensible in many respects. We do not need such a law in order to have efficient operation of the railroads by the Federal Government, and it has become the vehicle for carrying unwise—certainly doubtful—provisions. If the food and fuel laws furnished opportunity for unanticipated autocratic power, this measure swarms with such opportunities. I am confident that Congress is making a mistake in enacting this bill into law. I have the satisfaction of knowing that a good many of the amendments for which I contended on the floor of the Senate when the bill was under consideration here, and which Senators did not have time to consider, were incorporated in the House bill and have remained in the measure. It has been benefited to some extent, in my judgment, by those amendments; but it is still defective, especially so as applied to the rate-making provisions. I think we will regret the day when we gave one man this great power.

I repeat that all through the measure are indefinite provisions like, for instance, a provision in section 9, which I would like somebody to tell me the necessity for and why it should be in the bill. It reads:

That nothing herein contained—

And this was in the Senate bill—

shall be construed as modifying or restricting the powers heretofore conferred upon the President to take possession and assume control of any or all systems of transportation; and the President, in addition to the powers conferred by this act, shall have, and is hereby given, such other and further powers necessary or appropriate to give effect to the powers herein and heretofore conferred. The provisions of this act shall also apply to any carriers to which Federal control may be hereafter extended.

It has seemed desirable to somebody that we should not only confer direct power to do the things that were in mind, but that we should convey blanket powers. I presume hereafter that some of the Senators who voted for that provision will complain because of the unusual things which will be done under the authority of this act. I shall not be surprised if this proposed law be used as the authority for doing many things by the Director General about which no Senator has yet thought. It conveys authority to rape the Constitution, set aside State laws, nullify State rights, and to send to prison offenders against the ipse dixit of the Director General.

I have endeavored to hold this bill to its original declared objects, but I have failed. It is a dangerous thing to confer arbitrary power at any time. Sometimes it is necessary, but it is never necessary for a Republic to confer general blanket powers upon any man, however wise. Congress should and does know what power it desires to vest in the Executive. It should invest no others.

We are legislating dangerously. I think sometimes we are cowards. A bill is presented, and some enthusiastic supporter of it runs up the flag of patriotism and cries, "This is a war measure, and you are not with the President unless you support it."

Well, Mr. President, I would rather be with my country than ride in the band wagon filled with insincere claquers. I have granted and I will continue to grant to the President any power when I am convinced that that power is necessary for the successful prosecution of the war. I have never hesitated to do this. I have a sworn duty to perform, and it seems to me that the time has arrived when Congress should legislate on its own information and belief. As for myself, sir, when I know that a measure is wrong and calculated, in my judgment, to retard the war, I shall not be stampeded into supporting it by the false and hypocritical charge that opposition to it means disloyalty to our cause.

I have felt, Mr. President, like saying this much before the final vote was taken on the bill. I have been interested in the measure. I have assiduously attended to the duties of the committee. I have not thought or worked from a partisan standpoint. My supreme desire is to win this war and as quickly as possible. To that end I will vote for any necessary measure of legislation. Whatever little ability and energy I possesss is devoted to my country, and I will not stultify it by remaining silent when I feel that legislation inimical to that country is being enacted either by mistake or deception.

Mr. LEWIS. Mr. President, I should like to avail myself of this opportunity to make an expression concerning one or two features of this bill, largely that I might disabuse an impression that seems to prevail in certain parts of the country, charging with inconsistency Senators who belong to the school of thought that I have expressed in my own behalf; one of which charges is that while professing to be for the Government taking over the railroads as a public utility, we voted against that opportunity when it was tendered here upon the floor in the original consideration of this bill.

Mr. President, to have taken these railroads and appropriated them to the Government as a matter of Government ownership, under a measure that had for its sole object the carrying out

of a contract between the railroads and the Government for the Government to obtain money as a loan upon the railroads as security, would have been an exhibition of bad faith. Had we passed a law taking the railroads, merely because we had the power to do it, under a measure that came before us with the single object of carrying out a contract between the railroads and the Government to lend the railroads money upon their property, we would have been guilty of an embezzlement of power; we would have been guilty of a national trick that would have been little less than dishonorable.

When we get ready to wholly take over these roads—as I hope we will in a short time—the roads will have a right to be heard concerning the value of their property, the stockholders to be heard concerning their rights, the representatives of the Government to be heard as to the value to be paid or the arrangements to be consummated through which the roads are to come to the United States. Until such preliminary has been entered upon and a hearing afforded all concerned, the Senate could not do such a guilty thing as to take advantage of the opportunity, when we held the roads in our possession, and they defenseless, to appropriate them under the guise of a measure to lend them money. Therefore, Mr. President, Senators, such as myself, who favor this Government at an early time taking possession of the public utilities for the welfare of the Government could not under that bill have taken advantage of that occasion without having been guilty of bad faith.

Second, sir, it is charged, and no doubt believed in the circles from whence the charge comes, that the limitation of time expressed in the bill is made by the Government for the purpose of holding the roads after the war for that length of time in which to prepare to take possession and continue that possession of the roads, because of having possession of them under this lease of security which we obtain through lending them money. I would that the public shall get such an idea out of their minds. Surely that was never in the mind of any Senator; and however competent have been these sociological writers upon the subject, and however sincere the editors of public papers, let this be understood: When the Government gets ready to take these roads it will go directly to the point. Such men as myself, who believe in it, will advocate it at once, without disguise. But surely no such provision is put in the bill with a view of holding the roads after the war so that we may hold them in our hands, and while in our hands, through that advantage, trade against the owners.

The reasons, sir, for this limitation in the bill of holding these roads a certain length of time after the war is in order that we may hold the property until we can collect from it the money that is due to the Government upon the loan which we have given it of the taxpayers' money. If the property passed at once out of our hands at the close of the war, and we had no longer any control of its revenues by which we could apply those revenues to the debt, we would probably, if the roads had passed into dishonorable hands—as we know many railroads have passed through dishonorable hands in the later years—be remitted to a court of law to sue the roads for the amount that was due; and we will not forget nor hesitate to remind the public that we were for 23 years in the courts to collect claims against certain railroads, Pacific railroads, Government railroads which had put us in just such a position that once the property was out of our control we were forced to go to the courts to collect what was due us; and every one knows that men who were interested in the controversy passed through their lives to the grave without ever seeing the result. It was to avoid a repetition of that that this extra time was put into the bill, that it might assure us opportunity to collect the money that may be due us at the end of the war, should the war come to a termination before sufficient time has expired for us to collect our debt.

Now, I come to the feature to which the eminent Senator from Michigan [Mr. TOWNSEND] has alluded, and with reference to which I fancy the able Senator from Arkansas [Mr. ROBINSON], who has given so much detailed attention to this subject, will close the debate with a better contribution than I can offer.

Mr. ROBINSON. Mr. President, I desire to say to the Senator from Illinois in that particular that I think this whole subject has been fully discussed; and, so far as I am concerned, I am anxious to secure a vote on the conference report. Therefore I do not expect to submit any further remarks unless something further develops which I think makes it necessary.

Mr. LEWIS. Then, Mr. President, I shall content myself with a few words which I hope may facilitate an early vote.

Mr. President, being on the committee, I am, of course, one of those who participated in many of the features of this measure, and I am to some degree responsible for certain votes which led to conclusions which the eminent Senator from Michigan is called upon by his conscientious sense of conviction to oppose. I now advert to the last feature to which I wish to make reference, that of rate making.

These roads have now passed into the hands of the Government for two objects. One is that the Government may exercise a form of control and influence through which these roads may serve the United States for war necessities; the other, that we may administer them in such a way as to get back the money that we are putting into them. Now, it must be perfectly clear to everyone that the rates the roads will charge will be the source from which we must obtain revenue, and that the rates the roads will charge must be those which the public must bear.

Mr. President, I have a regard for the Interstate Commerce Commission, but I want here to make this statement: If I had my way, I would repeal now the act creating the Interstate Commerce Commission. I would promptly end the existence of that body. It has served a very excellent office in the past. It has, no doubt, done excellent work for the Government and for the people.

But, Mr. President, I am not able to see the justice of forcing an individual who has a grievance against a railroad, because of the unjust charges made against him in connection with his business or his shipments, to come thousands of miles to the city of Washington to present his grievance, and before he has it presented to have him bankrupted, or before it is ever decided to have him in his grave. It may be that the great duties put upon that commission have been to some degree responsible; but, Mr. President, what would be said in this hour if it were proposed that a man who lived in the State of Washington, the State of Illinois, the State of Michigan, or California, or New York, or one of the New England States, who had a lawsuit, had to bring his case to the court at Washington to be heard before he could get redress, and pay all his expenses before arriving here? What relief, in the final end, would ever be his?

Therefore, sir, I want some agency now created that shall take this body of relief to the people instead of bringing the people to them, that shall take it to the shipper at his door where he is wronged, or to the roads where they have rights, that they may be promptly heard and promptly disposed of, and that we may end the era which we have had here for years of a body located at Washington so circumstanced that those who are the most needy are the last to be heard, and the relief that should be first had is the last to be ever enjoyed.

Mr. OWEN. Mr. President——

Mr. LEWIS. I yield to the Senator from Oklahoma.

Mr. OWEN. I should like to ask the Senator whether he is entirely satisfied with the extraordinary speed exhibited in the valuation of these roads as a basis of rates?

Mr. LEWIS. The Senator brings to my mind an interesting thought. I admit I have been attracted to that subject. The Congress passed a law authorizing this agency to ascertain the physical value of the property, which in itself could be a basis for rates. All of the years have elapsed, all of the time has expired, and, as the Senator has intimated, where is the result? In the meantime, millions and millions of losses to the roads and to the shippers have transpired as a result of the condition, and I am not able to see any relief.

Therefore I hope the President will do this: If I were to have any influence with the President, it would be to ask him to recommend to this body—Congress—promptly to execute that provision which the eminent Senator from Michigan finds a grievance, putting the power in the President to make rates; that he shall create bodies representing this Government, divided among the geographical districts of this country as the circuit courts of appeal of the United States are now constituted, having the power in each of these geographical districts exactly equal to the power in the other districts, by which these bodies may be near the people, near the shipper, near the road, so that when a man has a complaint he may make it at once, it may be heard peremptorily and disposed of, and then that the appeal may come from that body directly to the court upon any particular subject that is the subject of appeal; and that a body such as we now have centered here in Washington, sending out an examiner here and there to drag an investigation through years, shall cease, and that we shall now put into effect some form of machinery that will meet the new conditions of the Government.

I for myself, speaking upon my own authority, will assume that under the provision to which the eminent Senator alludes there will be now undertaken a machinery that shall create an agency that will hear all disputes of rates, giving justice to the Government and justice to the shipper; that this agency will be put at the door of the people and the shipper; and that we will end this very long delay, this long, useless contention, and this

final destruction of the welfare of shipper and roads which has transpired under the present constitution, organization, and administration of the Interstate Commerce Commission.

I support the report.

Mr. CUMMINS. Mr. President, while I am nominally a member of the conference committee, I have been so situated that I have not been able to take any part in the consideration of the bill in conference. I am not, therefore, responsible for the conference report in any way or in any part.

I was opposed to the bill when it passed the Senate. I voted against it. There was no roll call, and I think it is quite fair that I should state now my general views with regard to the measure. I hope that upon the adoption or rejection of the conference report there may be a roll call, so that those of us who believe that this bill is radically wrong, and that it will do a great deal more toward losing the war than winning the war, may have an opportunity to record our convictions in some enduring form.

Mr. President, though I am opposed to the bill, it is not because the Government is in possession and operation of the railway properties. As I said when we were considering the bill originally, I am in entire sympathy with the policy which led the President of the United States to take possession of the transportation facilities of the United States. I think it was not only a wise step, but a necessary step, for there was no other way to command the efficiency required in the emergency which confronted us. This bill, however, does not give the President the power to take possession of and to operate the railways of this country. He had that power before; and I want it distinctly understood that in opposing the bill I am not interfering in any way whatsoever with the full and complete unification of the railway systems of this country through Government operation.

I am opposed to the bill for three chief reasons. It was a bad measure when it passed the Senate. It is very much worse now. The conference report has robbed the bill of the only virtue which, in my opinion, it had. I will point out presently the changes or modifications that have been made in the conference report.

My first objection to the bill, and therefore to the conference report, is that it authorizes an unjust, unfair, oppressive, and excessive compensation to certain railway systems which comprise the larger part of the transportation facilities of the United States. I pointed out the basis of my conviction in this regard when the bill was before the Senate.

If it were necessary, in order to continue Government operation, that we should agree to the monstrous and indefensible authority that is here given with regard to compensation, I might be able to yield my opposition to the standard proposed, in view of the larger and more imperative need of Government operation and general unification. But it is not necessary, in order to put the Government into possession of this property and to operate it for all the people and for the purposes of the successful prosecution of the war, that we should pay the railroads the sums of money that are here authorized. It is not necessary to rob the people of this country in order to give the Government authority to use these facilities for its own high needs and purposes. We are doing that without any necessity at all; and we are really doing it, as I believe—I assume that those who are in favor of doing it are honestly convinced that we are but offering fair compensation—because the railway companies have threatened that if we offer a less compensation they will not accept the offer and we will be compelled to resort to the courts in order to ascertain what is fair and just compensation for the use of the property. No one appreciates more fully than I do that it is desirable that agreements shall be made in order to avoid a resort to the courts; but that desirability ought not to coerce us into an offer of which, although this bill was under debate for days and days, I have yet to hear a single defense save the one that I have just suggested.

Under the circumstances I can not bring myself to vote for a bill which is intended simply to provide compensation, or largely so, which tenders to some of the railway companies a reward for the use of their property which shocks my moral sense and which, in my judgment, will shock the moral sense and arouse the indignation of all the people of the United States when they become familiar with the facts which underlie the problem which we are engaged in solving.

I believe that the injustice that is proposed in this bill will do more to sow the seeds of discontent among the people of the country than any measure which has been proposed in Congress since the war began; and if I understand the prosecution of the war aright it is bottomed, and it must be bottomed, upon a conviction on the part of the great body of the people that the Government intends to be just and fair with them. Once you firmly plant in their minds the belief that this Government has calmly and deliberately decided to pay excessive and unfair compensation to these railway companies in order that we may use them in the great emergency which confronts us, you will have dampened beyond repair the ardor and the enthusiam of the people in the prosecution of the great undertaking in which we are engaged. It is just as essential that we be just and fair and right and honest in our dealings with all these properties and with their relations to the people of the country as it is to gather armies together in order to fight our way to victory. If I know anything with regard to the temper of the men who must do the fighting and the men who must supply the sinews of war, the men upon whose shoulders must rest the vast fabric we are creating in order to win what we believe to be a righteous victory, they will resent the thing that is here proposed.

This is my first objection to the conference report and to the bill. I do not look with as much complacency as some people seem to do upon the proposal to pay what I regard as a compensation which, in the aggregate, if the war lasts five years, including the period after the war, will amount to a billion dollars more than would be awarded in any court; a billion dollars more than can be defended by any course of reasoning or any facts which the history of transportation in this country has developed.

There are a great many other objections. Those of us who heard the analysis of the bill made by the Senator from Michigan [Mr. TOWNSEND] when it was under consideration originally can not have forgotten how awkward and inapt and unintelligible many of the provisions of the measure are.

But my second objection is that the conference committee has stricken out the saving provision of section 4. In our committee, as it will be remembered, some of us struggled very earnestly for a provision which would deny to the railway companies the right to a return upon property created out of a surplus after the payment of dividends, after capital had been fully rewarded, including, of course, the cost of maintenance and operation and depreciation, and including interest and every other fixed charge and then a reasonable dividend besides upon capital. We believe, and I think every student of the subject believes, that the surplus which remains and which the railway companies may devote to additions and extensions and enlargements of property should not be made the basis of thereafter taxing the people again for the use of that property. Already the people in rates have contributed the sum necessary to create the property after fully rewarding capital. I will not pause to discuss now the question whether railway companies should be permitted to accumulate surplus for enlargements. I am not contending that they should not be permitted when they are in private operation to accumulate a surplus, but if they do accumulate a surplus and if that surplus is used in the enlargement and betterment of property which is to be devoted to public use they are not entitled to make the people who paid the money originally to pay again by way of reward upon the values thus created.

In the bill as it passed the Senate there was a partial recognition of that just principle, and I may be allowed to read it. Section 4 of the bill as it passed the Senate provided:

> That the just compensation that may be determined as hereinbefore provided by agreement, or that may be adjudicated by the Court of Claims, shall be increased by an amount reckoned at a reasonable rate per centum to be fixed by the President upon the cost of any additions and betterments, less retirements, and upon the cost of rate extensions to the property of such carrier made by such carrier with the approval of or by the President while such property is under Federal control.

We added in the committee and the Senate preserved the provision upon its passage here:

> *Provided*, That there shall be no increase of compensation for any additions, improvements, or betterments constructed out of or purchased by the earnings for investment or surplus earned during the period of Federal control.

That was a partial acknowledgment of the principle for which we contended. I thought it ought to have gone indefinitely into the future, and that the property created out of surplus so earned ought never to be made the basis of fixing rates; in other words, that that was a value which was so charged with a public use and had been so created out of funds of the people that it ought not be reckoned in determining the value of the property upon which the carrier was entitled to a fair return.

But the committee and the Senate saw fit to limit the application of the principle to the period of control; and while they did not grant the full claim, as I thought it ought to be granted, nevertheless it was a step in the right direction and was a fair appreciation of an honest and an upright adjustment between carriers and the public.

I find, however, that the conference committee has permitted that provision to be eliminated, and now all surplus, no matter how great it may be, no matter how fully or how lavishly capital may have been rewarded or how large the dividend may have been, under the bill as it is, if the carriers or the Government use any part of this surplus, the result of rates paid by those to whom service is rendered in the betterment or the extension or in additions to the property which is used, compensation for use is immediately increased by a rate per cent to be fixed by the President.

It is utterly impossible to give assent to a proposal so shockingly unjust and which is so at war with every conception which I hold of the relation between public carriers and the people.

My third objection relates to section 10, which provides for rate making. I do not regard the defense which is made by the distinguished Senator from Illinois [Mr. LEWIS] as adequate. I fear that he is using an unquestioned defect in the interstate commerce law to quiet the qualms of his conscience.

I think he realizes as well as any Senator can how utterly unfair it is to speak of the rate-making power as a power to be exercised by the President personally, because we all know that the President can not in view of his duties make railway rates or initiate railway rates. Let me tell you who will make the railway rates, and I am not speaking fancifully. Who is determining the policy of the railway companies in this particular? First, there is a very eminent railway man of the highest capacity, of approved competency, a man who has brought his own property to the highest state of perfection, a Mr. Smith, who is president of the New York Central system. I say not a word with regard to his honor, his desire to be fair, but it should be remembered that he for Mr. McAdoo is managing the eastern district I refer again to Mr. Aishton. Mr. Aishton is a man of integrity; he is the president or general manager—I have forgotten which—of the Chicago & North Western Railway Co., a man who has spent his whole life in the management and the operation of that great property. I think one of the best railways and the most legitimately operated and managed system in the whole country. He directs the management of the Government in the western territory.

I think that a Mr. Markham, vice president of the Illinois Central Railway Co., or one of them, another distinguished man who has rendered most excellent service to his company, is one of the managers of the Government operation in the southern country.

I do not disparage any one of these men. I have the highest admiration for all of them as railway men; but, Mr. President, each one of them has been insisting for years that railway rates are too low. Each one of them has been exerting to my knowledge all the influence that he could command to secure an increase of rates at the hands of the Interstate Commerce Commission.

There are other men of the same general type, but do you think that these men can escape the environment in which they have been bred? Do you think they can escape the convictions to which they have been led through their allegiance to their several railway companies and view the rate question from an unprejudiced, impartial standpoint? It is absurd to even suggest that they can.

Yet these men and others of the same general training are the men who will determine whether the railway rates of this country are sufficient to meet the demands of the Government and of the railway companies? Can you have any doubt how they will determine it? If you have any doubt about it I can only ask you to await the development of events and mark my prediction that within six months the railway rates of the United States will be substantially increased in accordance with the view the men who are now managing these properties have entertained for years and years.

Remembering that situation, then mark section 10. I was opposed to section 10 as it was reported by the committee and as it passed the Senate. I believe that the President ought to have the power to initiate rates precisely as carriers now do, because the carriers initiate rates. Nobody else initiates a rate. I thought the President, who is to operate these properties, ought to have power, and I think he would have had the power, even if no word had been said about it in the bill; but I believed then and I believe now that the Interstate Commerce Commission should have the same full, complete, supreme authority over rates for the movement of general commerce that it has exercised in the past.

I recognize the defect in the interstate commerce law. I have known of the difficulties, the delays, the heart-breaking postponements that have occurred in the administration of the interstate commerce law. We all realize this, and I have for years insisted that there ought to be regional commissions that, as the Senator from Illinois said, could sit at the very doors of the people who had complaints to make, and we were gradually forging our way in that direction when this emergency overtook us.

That, however, is no answer to the proposal that we are here giving to the very power which initiates rates the power to finally decide whether they ought to have been initiated or not. We are preserving to the Interstate Commerce Commission only the shadow, the semblance of power. We are saying that upon the challenge of an interested person the Interstate Commerce Commission may take up the question and determine whether the rate so established is reasonable or not.

But, mark you, the President is given the power to initiate the rates. That is, the Director General initiates the rate, Mr. Smith initiates it, Mr. Aishton initiates it, Mr. Markham initiates it, or whoever may be in actual operation of the property, and the rates are to be put into effect at once immediately whenever the Government acting through whatever agency it selects declares the rate in effect, and then under the bill as it passed the Senate the power conferred was given to an aggrieved shipper to file a complaint with the Interstate Commerce Commission and the long and wearisome process so graphically described by the Senator from Illinois would go forward with the rate so established and so challenged in full force and effect.

That was bad enough, and I said to the Senate and I repeat now, that it was keeping the promise to the ear and breaking it to the hope, because I did not believe that even that provision would be of great value to the shippers of the country.

Now, mark you, I am not talking about rates for the transportation of troops. I am not talking about rates for the transportation of war materials or Government property, for I agree that the President ought to have complete power over the movement of any Government property and of Government troops.

But I have sought to convince the Senate that as to the great volume of commerce, the business of the people, which has been carried on upon an adjustment of rates, sometimes imperfect, sometimes unjust, but which nevertheless had knit itself together so that it was a fairly harmonized whole—to turn over to the President the power to disarrange that system, to dislocate it, without any hearing, without the least opportunity to those whose whole fortune may be involved in the relation which the rates which have been established by the Interstate Commerce Commission held toward each other—I do not see how you can defend a proposal of that kind, however imperfect the Interstate Commerce Commission may have been in the past.

But let us see now what has been added to that by the conference committee. The conference committee provide—this was in the bill originally—

> After full hearing the commission may make such findings and orders as are authorized by the act to regulate commerce as amended, and said findings and orders shall be enforced as provided in said act: *Provided, however*—

Now, mark this—

> That when the President shall find and certify to the Interstate Commerce Commission that in order to defray the expenses of Federal control and operation fairly chargeable to railway operating expenses, and also to pay railway tax accruals other than war taxes, net rents for joint facilities and equipment, and compensation to the carriers; operating as a unit, it is necessary to increase the railway operating revenues, the Interstate Commerce Commission in determining the justness and reasonableness of any rate, fare, charge, classification, regulation, or practice shall take into consideration said finding and certificate by the President, together with such recommendations as he may make.

I do not know why we indulge in any farce of that kind. Do you imagine that the Interstate Commerce Commission will fail to accept the proviso which I have just read as a direction to follow the certificate made by the President or by one who is operating the railroads under his authority? If you do, you are more credulous than I can conceive a human being could be. It is perfect folly. It is the intent, it is the plain, manifest purpose of this bill, as it is now framed, to give the President of the United States the conclusive authority—practically conclusive authority—to make the rates which shall be charged for the transportation of persons and property.

So far as I am concerned—and I say it without the least hesitation—I had vastly rather the railway companies themselves should make the rates, without any appeal whatever. That is not to question the honesty or the patriotism of those who are selected to manage these properties; no; but the railway companies would have some care about the future; they would have some regard for the rights which have grown up in particular communities for businesses which have been established under the rates of the past. I assume that they think that at some time these properties will be returned to them, and they would not desire them returned under a mal-

adjustment of rates, however much they might desire them to be returned upon an enhanced adjustment of rates. But no such motive will prevail in the Government operation of these properties in times of war. The needs of the war, the need of revenue, will be the consideration which must move the President. I do not object to that; I do not object to such disposition of the matter as will promote the welfare of the country. If we are to use these railway companies as a single system, if we are to use them for the benefit of the people generally, if we are to use them as instrumentalities of war and not primarily as instrumentalities of commerce, it is a hideous injustice to devolve the burden upon those who may in the meantime pay the freight in the transportation of persons and property in commerce generally.

Can you defend any such course as that? Will any Senator here be heard to say that if this war requires the railroads to be used in a particular way—in an abnormal, unusual, extraordinary way—in order to carry on the war, the men and the women who are dependent upon transportation in carrying forward the ordinary affairs of life shall bear the burden? You know as well as I that a burden of that kind ought to be borne through general taxation and not through railway rates; and yet you propose to say to the Interstate Commerce Committee that in the exercise of what little authority is given to it in determining the justness and the reasonableness of rates, which may be increased by the President, they must take into account the President's certificate that the needs of war require the increase in these rates in the way set forth in the certificate.

I hope, Mr. President, that my earnestness in this matter will not be misunderstood. There is no Senator here who is so anxious to give the President all the authority that he can employ to carry on this war with the utmost vigor and to the completest victory as am I. I have at this moment, as I never had before, a feeling of revenge almost sweeping through my heart against the most vicious military system in the world. I have suffered a loss within a few days from this brutal despotism for which there can be no atonement, and you can always count on me to clothe the President with every power that he can use to make the United States strong and victorious; but I must be the judge and you must be the judge of whether any given power which is asked is necessary or wise to make him strong in the conduct of the war.

It is not necessary that the business of the country shall be destroyed, so far as rates are concerned, to carry on the war successfully. The railroads are in the President's hands—completely in his hands. He can use them as he pleases.

He can direct traffic wheresoever he thinks it ought to move; he can direct the business of this country that touches the war to the exclusion of all other traffic, if he so desires; but why do you want to give him the power to make railroad rates in general?

I presume it is somewhat irrelevant, but I can not help referring to the fact that we have before the Judiciary Committee a bill which proposes to give to the President of the United States the power to transfer the functions of any commission or body to any other commission or body. I am not suggesting what I may do with regard to that bill; but let me ask you what do you think the country will say when you pass this bill, meager as it is in giving the Interstate Commerce Commission authority, if the next day the President shall transfer all the functions of the Interstate Commerce Commission to the Secretary of the Treasury? We would then have the anomaly, the almost unthinkable situation, in which the Secretary of the Treasury would make a rate and a shipper would appeal to the Secretary of the Treasury for its revision and modification! I do not know, I have no reason to think, that the President would do that, but it is all tending in the same direction. It all means just what the Senator from Michigan said a few moments ago; it means a reaching for more power, it means a greed for authority that takes advantage of the disinclination of every citizen to question anything that the Commander in Chief desires. The time has come, however, when we must emancipate ourselves from that slavery; the time has come when the Senate of the United States in part must determine what is necessary in order to conduct the war successfully. It will no longer be possible, in my opinion, to set up the standard suggested by the Senator from Michigan and rally around it all those who desire that the war shall be carried forward successfully and to a victorious end. The time has come when the Congress of the United States will clothe the President with every authority that is necessary, in its judgment, to exert every ounce of strength in the conduct of the war, but will deny to him or to any other officer of the Government unusual, extraordinary, and indefensible powers that are not necessary in the conduct of the war.

Mr. STONE. Mr. President, before the Senator concludes, may I interrupt him?

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Does the Senator from Iowa yield to the Senator from Missouri?

Mr. CUMMINS. I yield.

Mr. STONE. I have listened, as I always do, with pleasure and profit to the Senator's discussion of questions of this kind. It may be said, and I do say, that, in my opinion, when he discusses them he has a pretty clear idea of what he is talking about and it does sometimes happen, and it may be happening at this instant, that Senators and others discuss questions when they really are not very sure that they know exactly what they are talking about.

Mr. CUMMINS. I have known of instances of that kind.

Mr. STONE. Such things have happened in the experience of all of us.

Mr. CUMMINS. Yes.

Mr. STONE. In listening to the Senator I gathered, among other things, that he concludes that there are three instrumentalities that might fix rates—and on the subject of rates I interpolate here that it does seem to me that in this time of war rates on war freight and rates on what the Senator designates as general commercial business are so related one to the other as to make it necessarily often difficult to separate them.

Now, there are three sources of power, as the Senator has indicated, for fixing rates, namely, the President, or, what is the same thing, the Director General in control of the railroads; secondly, the railroad officials themselves; and, thirdly, the Interstate Commerce Commission. The Senator has said that while he preferred the Interstate Commerce Commission, as a second preference he would rather that the railroads themselves would fix rates than to have the President do it or the Director General do it, and he thought that the railroad officials themselves would do it to better purpose, because they would contemplate the future; they would recognize existing obligations between the carrying companies and communities, and all that.

Now, between the President or the Director General upon the one hand as an extreme and the Interstate Commerce Commission upon the other as the extreme come the railroads themselves, through their officials, fixing the rates. Mr. Smith, of the New York Central; Mr. Aishton, of the Chicago & North Western; and the other eminent railroad officials named by the Senator are in this very work in conjunction with Secretary McAdoo, as Director General, cooperating with him. The Senator, if he will recall, said that these men had been educated for years along the line of thought of increased rates, and that it would be difficult for them to separate themselves from that environment, and yet he thought he would rather leave it to them than to the Director General. Since they are allied and associated together in this work, I submit to the Senator—I am not joining issue with the Senator; I am submitting this to his thought—that you have these experienced railroad officials, who would be your second choice in fixing the rates, associated with the Government official in control, working in concert to fix rates. You have the two.

I am about through. I wish to say this: I submit that it is important that decisions, in the circumstances of the times, must ordinarily be made quickly. They can not be delayed with long hearings. They make them. It is a temporary arrangement for the period of the war. Now, is not that really better than to have all these things go to the Interstate Commerce Commission to be thrashed out? Although the conclusion in the end might be better, yet for the purposes of the present, the war emergency, is it not better that it should be left to the joint action of the railroad officials and the Director General than to have complaints lodged with the Interstate Commerce Commission, and long hearings that will probably occupy not only weeks but months before a decision is reached?

Mr. CUMMINS. Mr. President, I do not think the Senator from Missouri fully comprehended the statement that I made; and on account of that failure to fully apprehend my meaning, I think he has given a very fair illustration of the thought with which he began his remarks.

The railroad companies have no right now to fix rates.

Mr. STONE. No; I know that.

Mr. CUMMINS. Or to initiate rates.

Mr. STONE. I know that.

Mr. CUMMINS. It is only the operator of a property that can initiate rates, or at least that ought to initiate rates; and the railroad companies are not particularly interested in rates until the properties are returned to them. What I said, or what I meant to say, but I may not have clearly expressed myself,

was that I would rather, when the railroad companies have the right to initiate rates, trust to them without the intervention of the Interstate Commerce Commission, than to trust to the Government in a time like this without the intervention of the Interstate Commerce Commission, because the plan, the object to be obtained on the part of the Government, can not in the very nature of things result in fair and reasonable rates, at least viewed from the standpoint that we have heretofore occupied.

Of course, if these railroads are to be made the instrumentality for raising revenue instead of taxation in the ordinary sense, then we are doing indirectly what the Senator from Missouri would not venture to do directly, namely, trying to give to the President the power of taxation. I suppose that there is nothing in the Constitution nowadays that would prevent Congress, if it were asked to do it, from delegating to the President the absolute power of taxation, if it were suggested that it was necessary in order to carry on the war successfully, and yet I hope that there are still some Members of Congress who have enough regard for that ancient, if obsolete, instrument to insist that Congress must still levy the taxes through which we are to carry on the war.

No, Mr. President; there is no necessity for a change in the rates that govern and control general commerce. The railroad companies themselves now file hundreds of thousands of tariffs every year. They go into effect at the end of 30 days or 60 days. They are not disturbed at all unless the commission itself desires to suspend them, or unless some one challenges them by way of a petition; and my desire was to leave this matter in just that way for the future.

Mr. OVERMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from North Carolina?

Mr. CUMMINS. I do.

Mr. OVERMAN. I should like to ask the Senator whether he considers the Interstate Commerce Commission an executive department, or is it not rather a legislative agency, quasi judicial?

Mr. CUMMINS. Plainly the latter.

Mr. OVERMAN. Quasi judicial. The Senator then says it is not, in his judgment, an executive agency?

Mr. CUMMINS. I say it is entirely legislative, although it performs functions which are judicial in their character.

Mr. OVERMAN. Then I understand the Senator to say that it is a legislative agency, judicial in its character. That is my understanding of it, and I fully agree with the Senator.

Mr. CUMMINS. The line is not easily drawn.

Mr. OVERMAN. No.

Mr. CUMMINS. The Interstate Commerce Commission is a part of the legislative branch of the Government. It is a commission to which Congress has delegated one of its legislative powers. Now, we could do the same thing; we could do just what the Interstate Commerce Commission has been doing. We could hold hearings, and we could fix rates; and in doing that, although our duties would be somewhat judicial in their character—some phases of the matter, anyhow, would be judicial in character—we would be performing a legislative function; and I think the Interstate Commerce Commission performs a legislative function.

Mr. OVERMAN. I fully agree with the Senator. I do not consider it an executive agency.

Mr. CUMMINS. I do not, either.

Mr. OVERMAN. Probably, then, when the Senator construes the bill as he has done on the floor of the Senate to-day, he will support the bill now before the Judiciary Committee, because he will find, I think, that it only provides for the redistribution of executive functions.

Mr. CUMMINS. Mr. President, I ought to have modified what I said. I heard the bill discussed a moment this morning and what I asserted as to its meaning seemed to be the prevalent opinion of some Senators who were in the meeting of the committee. If I am in error with regard to that, and if upon examining the bill more fully I find that the power does not extend to such cases as I have instanced, I shall be very glad to correct my statement.

Mr. President, I beg the pardon of the Senate for consuming any such length of time as this, and especially I hope that I may continue in the good will of the chairman of the committee, who, I know, is very anxious to dispose of the report; but I could not feel that my duty was fully performed until I had stated why I could not support this measure. I only hope that I may be given an opportunity to vote against it in such a way that there may be no doubt about my convictions in the matter.

Mr. JOHNSON of California. Mr. President, I do not rise for the purpose of repeating or reiterating the objections which I have heretofore made to this particular bill, but that I may in some fashion go upon record as against the bill and as against the conference report.

There was no yea-and-nay vote upon the bill. I hope there will be one upon the conference report; but for fear that there might not be a yea-and-nay vote upon the conference report I wanted to record my objection and opposition, both to the bill and to the conference report.

I shall not attempt to state at all my objections. Suffice it to say that, in my opinion, the bill is so unfair and unjust to the people and so outrageously generous to the railroad companies that its enactment into law is shameful and iniquitous. For the reasons which have been so very well given by the Senator from Iowa [Mr. CUMMINS] this afternoon, which I wholly indorse, for the reasons that have been voiced by the Senator from Michigan [Mr. TOWNSEND], and those that I endeavored to state when the bill was before the Senate, I wish to go upon record against the bill and against the conference report.

Mr. BORAH. Mr. President, I ask for the yeas and nays on the conference report.

Mr. TOWNSEND. Mr. President——

Mr. ROBINSON. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	Martin	Shields
Baird	Hitchcock	New	Smith, Mich.
Borah	Hollis	Norris	Smith, S. C.
Cummins	Johnson, Cal.	Overman	Smoot
Curtis	Johnson, S. Dak.	Owen	Stone
Fall	Jones, Wash.	Penrose	Sutherland
Fletcher	Kellogg	Pittman	Swanson
Frelinghuysen	Kenyon	Pomerene	Thomas
Gallinger	Knox	Robinson	Townsend
Gore	Lewis	Shafroth	
Gronna	McKellar	Sheppard	

The PRESIDING OFFICER. Forty-two Senators have answered to their names—not a quorum. The Secretary will call the names of the absentees.

The Secretary called the names of the absent Senators, and Mr. GERRY, Mr. VARDAMAN, Mr. WATSON, and Mr. WILLIAMS answered to their names when called.

Mr. THOMPSON, Mr. POINDEXTER, Mr. SMITH of Georgia, Mr. BANKHEAD, Mr. BECKHAM, Mr. STERLING, Mr. NUGENT, Mr. RANSDELL, and Mr. KIRBY entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-five Senators having answered to their names, a quorum is present.

Mr. TOWNSEND. Mr. President, just a word.

I voted against this bill when it was before the Senate because I knew it was not necessary for full Federal control of the railroads and it had been changed from its original object. Instead of a bill to facilitate Federal operation for war purposes, it became a measure calculated to facilitate politics; at least it was full of such possibilities. I was willing to pass a bill which would expedite the settlement with the railroads, but very much opposed to the foreign matter put in the bill. I was placed upon the conference committee by the Senate and felt it my duty to sustain the contention of the Senate, and I did that to the best of my ability. I signed the conference report to the Congress, and then I felt at liberty to vote my convictions. I believe the bill to be against the best interest of the people, and shall therefore vote against it.

Mr. JONES of Washington. Mr. President, I am not going to take the time of the Senate at any length. I had intended to submit my views with reference to the merits of this measure. I am simply going to content myself by saying that I agree with the criticisms which have been made upon the measure. I think it is unfair and unjust to the people of the country, but that the country may have whatever benefit may come from as nearly a unanimous vote, and as this is a measure which seems necessary in the conduct of the war I am going to vote for the bill.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. BORAH. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SMITH of Georgia. Mr. President, there is much in this bill that I do not approve, but it is the best I see any chance for us to get out of the situation. I shall therefore vote for it while not agreeing to a great deal that is in it.

The PRESIDING OFFICER. The question is on agreeing to the conference report upon which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). I have a pair with the junior Senator from Georgia [Mr. HARDWICK], who is detained from the Senate by illness. Not knowing how he would vote on this question, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. FRELINGHUYSEN (when his name was called). I have a pair with the junior Senator from Montana [Mr. WALSH]. I transfer that pair to the junior Senator from Maryland [Mr. FRANCE] and vote "yea."

Mr. JOHNSON of South Dakota (when his name was called). I am paired with the Senator from Maine [Mr. FERNALD]. I transfer that pair to the Senator from Utah [Mr. KING] and vote "yea."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS] and therefore withhold my vote.

Mr. KNOX (when his name was called). I transfer my general pair with the Senator from Oregon [Mr. CHAMBERLAIN] to the Senator from Connecticut [Mr. BRANDEGEE] and vote "yea."

Mr. GRONNA (when Mr. LA FOLLETTE'S name was called). I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is necessarily absent, due to serious illness in his family.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. I transfer that pair to the senior Senator from Arizona [Mr. SMITH] and vote "yea."

Mr. OVERMAN (when Mr. SIMMONS'S name was called). My colleague [Mr. SIMMONS] is unavoidably absent from the Senate and is paired with the junior Senator from Minnesota [Mr. KELLOGG].

Mr. SMITH of Georgia (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. LODGE]. I transfer that pair to the senior Senator from Texas [Mr. CULBERSON] and vote. I vote "yea."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. In his absence I withhold my vote.

Mr. THOMPSON (when his name was called). I have a general pair with the Senator from Illinois [Mr. SHERMAN]. In his absence I withhold my vote.

Mr. WATSON (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. WOLCOTT]. I transfer that pair to the Senator from Vermont [Mr. PAGE] and vote "yea."

The roll call was concluded.

Mr. LEWIS. I wish to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN], occasioned by illness; and of the Senator from Kentucky [Mr. JAMES], owing to illness, and would say that the Senator from Kentucky [Mr. JAMES] authorized me to state that he would vote "yea" if he were here.

Mr. KELLOGG. I transfer my pair with the Senator from North Carolina [Mr. SIMMONS] to the senior Senator from Minnesota [Mr. NELSON] and vote "yea."

Mr. SMITH of Michigan (after having voted in the affirmative). I transfer my pair with the Senator from Missouri [Mr. REED] to the senior Senator from New York [Mr. WADSWORTH] and let my vote stand.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN];

The Senator from Maine [Mr. HALE] with the Senator from Louisiana [Mr. BROUSSARD];

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS]; and

The Senator from Massachusetts [Mr. WEEKS] with the Senator from Kentucky [Mr. JAMES].

The result was announced—yeas 47, nays 8, as follows:

YEAS—47.

Ashurst	Fletcher	Hollis	Knox
Baird	Frelinghuysen	Johnson, S. Dak.	Lewis
Bankhead	Gallinger	Jones, N. Mex.	McKellar
Beckham	Gerry	Jones, Wash.	McNary
Calder	Henderson	Kellogg	Martin
Fall	Hitchcock	Kirby	New
Nugent	Poindexter	Shields	Sutherland
Overman	Pomerene	Smith, Ga.	Swanson
Owen	Ransdell	Smith, Mich.	Trammell
Penrose	Robinson	Smith, S. C.	Watson
Phelan	Shafroth	Sterling	Williams
Pittman	Sheppard	Stone	

NAYS—8.

Borah	Gore	Johnson, Cal.	Norris
Cummins	Gronna	Kenyon	Townsend

NOT VOTING—40.

Brandegee	Hale	Myers	Thomas
Broussard	Harding	Nelson	Thompson
Chamberlain	Hardwick	Page	Tillman
Colt	James	Reed	Underwood
Culberson	Kendrick	Saulsbury	Vardaman
Curtis	King	Sherman	Wadsworth
Dillingham	La Follette	Simmons	Walsh
Fernald	Lodge	Smith, Ariz.	Warren
France	McCumber	Smith, Md.	Weeks
Goff	McLean	Smoot	Wolcott

So the conference report was agreed to.

AGRICULTURAL APPROPRIATIONS.

Mr. SMITH of South Carolina. I move that the Senate proceed to the consideration of House bill 9054, the Agricultural appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

ADJOURNMENT.

Mr. SMITH of South Carolina. I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Thursday, March 14, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *March 13, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God our Heavenly Father, creator, upholder, sustainer of all, bring us by Thy holy influence into a closer communion with Thee, that we may be guided in all the transactions of this day by Thy Spirit; and follow the dictates of our conscience in all that we undertake, that we may be satisfied with our conduct and receive the approbation of Thy will; and thus be faithful servants of the Master, who taught us the way and the truth and the life. Amen.

The Journal of the proceedings of yesterday was read and approved.

UNANIMOUS-CONSENT REQUEST.

Mr. RAKER rose.

The SPEAKER. For what purpose does the gentleman from California rise?

Mr. RAKER. I rise to ask unanimous consent that——

The SPEAKER. No.

Mr. RAKER. Then I move——

The SPEAKER. Move what?

Mr. RAKER. I move, under the direction of the Committee on Woman Suffrage——

The SPEAKER. You can not do it on Calendar Wednesday.

Mr. RAKER. What? Not move to transfer a bill?

The SPEAKER. No, sir.

Mr. RAKER. All right.

CALENDAR WEDNESDAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday be dispensed with to-day. I believe gentlemen of the House understand the importance of getting the legislative bill through, so that the railroad conference report, the war finance bill, and other legislation can be enacted. I will say to the House that it will be very important for us to pass by April 23 or 24 a new bond bill.

Mr. MADDEN. And the Post Office salary bill?

Mr. KITCHIN. Yes; that is coming up, too. I hope no Member will object.

Mr. ROBBINS. Mr. Speaker, may I ask what is coming up?

The SPEAKER. The war finance bill and the Madden postal increase bill.

Mr. ROBBINS. That is, if we do away to-day with Calendar Wednesday?

The SPEAKER. If you do away with Calendar Wednesday, Mr. BYRNS of Tennessee goes on with the legislative appropria-

tion bill. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent to dispense with Calendar Wednesday to-day. Is there objection?

There was no objection.

COPIES OF SOLDIERS AND SAILORS' CIVIL RELIEF ACT.

Mr. BARNHART. Mr. Speaker, I offer a privileged resolution, which I ask the Clerk to read.

The SPEAKER. The gentleman from Indiana offers a privileged resolution, which the Clerk will report.

The Clerk read as follows:

House concurrent resolution 39 (H. Rept. No. 378).

Resolved by the House of Representatives (the Senate concurring), That there be printed 250,000 copies of the soldiers and sailors' civil relief act, approved March 8, 1918, of which 75,000 copies shall be for the use of the Senate and 175,000 copies for the use of the House of Representatives, the same to be distributed through the folding rooms.

Mr. BARNHART. Question!

The SPEAKER pro tempore (Mr. GARRETT of Tennessee). The question is on the adoption of the House concurrent resolution.

The House concurrent resolution was agreed to.

OFFICIAL GRAIN STANDARDS OF THE UNITED STATES.

Mr. BARNHART. Mr. Speaker, I offer another privileged resolution.

The SPEAKER pro tempore. The gentleman from Indiana offers another privileged resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 256.

Resolved, That there be printed as a House document 1,600 copies of hearings before the Director of the Bureau of Markets, Department of Agriculture, relating to official grain standards of the United States, on December 27, 1917, at Washington, D. C., for the use of the document room of the House of Representatives.

With a committee amendment, as follows:

Strike out the words "1,600 copies of."

The SPEAKER pro tempore. The question is on agreeing to the amendment.

Mr. FOSTER. Mr. Speaker, may I ask the gentleman a question?

Mr. BARNHART. Yes.

Mr. FOSTER. I would like to know why it is necessary for the House to authorize the printing of these regulations. The Department of Agriculture has an allowance for printing, and it seems to me, unless there is some special reason why it should otherwise be, the House should not be asked out of its appropriations to print these regulations with reference to grain.

Mr. BARNHART. Mr. Speaker, in reply to that I would say that the intention of the resolution is to print the hearings held recently at Minneapolis before a grain association there, at which a Government representative and an Agricultural Department representative and a United States food-control representative were present. The resolution is by Mr. STEENERSON and affects very largely his locality in the Northwest.

Mr. MADDEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. MADDEN. Is the resolution subject to amendment?

Mr. BARNHART. Certainly.

The SPEAKER pro tempore. Certainly.

Mr. MADDEN. I would like to offer an amendment to it.

The SPEAKER pro tempore. The gentleman can not offer it now.

Mr. MADDEN. The gentleman yielded the time.

Mr. FOSTER. These hearings, as I understand, were taken by the Agricultural Department?

Mr. BARNHART. Yes.

Mr. FOSTER. Does the Agricultural Department print these hearings at all, or does it depend upon Congress to do the printing?

Mr. BARNHART. I understand these hearings are not available for distribution.

Mr. FOSTER. And they have no fund with which to print these hearings?

Mr. BARNHART. That is my understanding.

Mr. MONDELL. How large a volume would it make?

Mr. BARNHART. I can not tell. It is still in manuscript form. I know what the cost is. The cost is $205.66.

Mr. MONDELL. For how many copies?

Mr. BARNHART. Sixteen hundred copies.

Mr. FOSTER. I think it is a very important thing for the farmers of the country. I have no objection.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. BARNHART. Yes.

Mr. STAFFORD. As I understand the amendment reported by the Clerk, it was to strike out the words "sixteen hundred." I wish to inquire how many copies will be printed under the resolution with the amendment as reported by the Clerk?

Mr. BARNHART. The striking out of the words "sixteen hundred" merely makes it a House document. That means 1,326 copies.

Mr. FOSTER. These will not go through the folding room?

Mr. BARNHART. No; through the document room.

Mr. FOSTER. Of course, there are a great many Members who, I judge, would probably have no use for them.

Mr. HUMPHREYS. None in the world.

Mr. FOSTER. And it would be a waste to distribute these to them; and those Members who are especially interested in these documents ought to have them.

Mr. BARNHART. Mr. Speaker, I ask to withdraw the resolution for the time being.

The SPEAKER pro tempore. The gentleman from Indiana withdraws the resolution.

CONDEMNATION OF LANDS FOR MILITARY PURPOSES.

Mr. DENT. Mr. Speaker, I ask that S. 3994, now on the Speaker's table, be laid before the House. An exactly similar bill was reported prior to the time that this bill came to the Speaker's desk, and I am instructed by formal action of the Military Affairs Committee, which reported the bill, to call this up.

Mr. MONDELL. Mr. Speaker, we could not understand the number of t' bill.

The SPEAKER pro tempore. S. 3994.

Mr. BORLAND. Reserving the right to object, let the bill be reported.

Mr. WINGO. Mr. Speaker, let us have the bill reported.

The SPEAKER pro tempore. The Clerk will report the bill.

The bill (S. 3994) to amend an act entitled "An act to authorize condemnation proceedings of lands for military purposes," approved July 2, 1917, and for other purposes, was read, as follows:

Be it enacted, etc., That page 1, line 8, of an act entitled "An act to authorize condemnation proceedings of lands for military purposes," approved July 2, 1917, be, and the same is hereby, amended by adding, after the word "camps," the following: "and for the construction and operation of plants for the production of nitrates and other compounds and the manufacture of explosives and other munitions of war and for the development and transmission of power for the operation of such plants," so that the same when amended will read as follows:

"That hereafter the Secretary of War may cause proceedings to be instituted in the name of the United States, in any court having jurisdiction of such proceedings, for the acquirement by condemnation of any land, temporary use thereof or other interest therein, or right pertaining thereto, needed for the site, location, construction, or prosecution of works for fortifications, coast defenses, military training camps, and for the construction and operation of plants for the production of nitrate and other compounds and the manufacture of explosives and other munitions of war and for the development and transmission of power for the operations of such plants; such proceedings to be prosecuted in accordance with the laws relating to suits for the condemnation of property of the States wherein the proceedings may be instituted: *Provided*, That when the owner of such land, interest, or rights pertaining thereto shall fix a price for the same which, in the opinion of the Secretary of War, shall be reasonable, he may purchase or enter into a contract for the use of the same at such price without further delay: *Provided further*, That the Secretary of War is hereby authorized to accept on behalf of the United States donations of land and the interest and rights pertaining thereto required for the above-mentioned purposes: *And provided further*, That when such property is acquired in time of war, or the imminence thereof, upon the filing of the petition for the condemnation of any land, temporary use thereof or other interest therein or right pertaining thereto to be acquired for any of the purposes aforesaid, immediate possession thereof may be taken to the extent of the interest to be acquired and the lands may be occupied and used for military purposes, and the provisions of section 355 of the Revised Statutes, providing that no public money shall be expended upon such land until the written opinion of the Attorney General shall be had in favor of the validity of the title, nor until the consent of the legislature of the State in which the land is located has been given, shall be, and the same are hereby, suspended during the period of the existing emergency."

Mr. STAFFORD. Mr. Speaker, I reserve a point of order on the bill. The matter is not privileged.

Mr. BORLAND. I will ask the gentleman if he will not withdraw his request at this time, because there seems to be very little prospect of getting immediate consideration of it.

Mr. DENT. Mr. Speaker, I was under the impression that this bill was on the House Calendar. It is simply a bill authorizing condemnation proceedings. It seems to me it ought to have been on the House Calendar, but I have just been informed that it is on the Union Calendar, and of course I would not have any right to call it up if it is on the Union Calendar.

Mr. FOSTER. I think it ought to be on the Union Calendar.

Mr. BORLAND. I hope the gentleman will withdraw it.

Mr. DENT. I would like to make a brief statement, and then I will withdraw my request.

Mr. JOHNSON of Washington. I hope the gentleman will take time to explain the bill fully.

Mr. DENT. This is the fourth occasion on which I have tried to get this bill passed. Whatever may have been the differences of opinion on the subject, the President of the United States has located two plants at Muscle Shoals, Ala. There are only two or three people with whom the Government has been unable to make an agreement as to the price of their lands. One of these is a foreigner. The Government expects to manufacture nitrates from the air, and to have that process in actual practical operation by next August. The delay of this bill is holding back the Government in one of the most important of its functions.

Mr. BORLAND. Will the gentleman yield for a question?

Mr. DENT. I will.

Mr. BORLAND. Is it not true that the nitrate-supply committee, composed of Gen. Crozier, Admiral Earl, Dr. Parsons, and several others, have brought in a report to the effect that nitrates can not be procured by hydroelectric power at any time within the present war, and that they can not be procured as cheaply as they can from the by-products of coke ovens?

Mr. DENT. I am not familiar with that report——

Mr. BORLAND. Will not the gentleman consult that report?

Mr. DENT. But I have been informed by the War Department that they expect to manufacture nitrates from the air as early as August next, and we know that as a matter of fact nitrates are being manufactured by that process at Niagara Falls now.

Mr. JOHNSON of Washington. Do I understand that this bill, in addition to the nitrate feature of it, is a general condemnation bill?

Mr. DENT. No; it is not. It applies only to nitrates and explosives.

Mr. JOHNSON of Washington. But it seeks to amend the general condemnation bill.

Mr. DENT. The condemnation bill which was passed by this Congress at the last session provides for the condemnation of land for camps, for cantonment purposes, for fortification, and for coast-defense purposes. This bill simply adds a provision for the condemnation of land for plants for the production of nitrates and the manufacture of explosives.

Mr. JOHNSON of Washington. The reason I ask the question is this: An attempt is being made to take by condemnation 5,000 acres of land belonging to a tribe of Indians and add that 5,000 acres to 75,000 acres presented to the Government by one county in the State of Washington. These Indians do not want to lose that 5,000 acres.

Mr. DENT. This would not affect that. If the gentleman will examine House bill 8409, he will find on page 2, after line 16, in italics, the exact amendment:

> And for the construction and operation of plants for the production of, nitrate and other compounds and the manufacture of explosives and other munitions of war and for the development and transmission of power for the operations of such plants.

Mr. JOHNSON of Washington. I thank the gentleman. I have no desire at all to delay his bill.

Mr. LONGWORTH. Do I understand the gentleman to say that he has been informed that nitrogen will be made by the arc process within a few months?

Mr. DENT. By the cyanamid process.

Mr. LONGWORTH. But does the gentleman claim that it is the Muscle Shoals project?

Mr. DENT. The plant has been located at Muscle Shoals.

Mr. ALMON. The only effect of this bill, as stated by Mr. DENT, is to amend the condemnation act of July 2, 1917, so as to authorize the Government to acquire by condemnation proceedings lands needed for the construction and operation of plants for the production of nitrates and other compounds and the manufacture of explosives and other munitions of war and for the development and transmission of power for the operation of such plants. It is purely a war measure, and it is exceedingly important that it be passed without further delay, for the reason that the nitrate plants provided by the act of Congress approved June 3, 1916, have been located by the President and are in process of construction—one of them, plant No. 1, at Sheffield, Ala., and the other, plant No. 2, near by at Muscle Shoals, on the Tennessee River.

The Government has not been able as yet to purchase some of the lands necessary for the building and operation of these plants, and it will be necessary to institute condemnation proceedings. The bill provides that such condemnation proceedings shall be prosecuted in accordance with the laws relating to suits for the condemnation of property of the States wherein the proceedings may be instituted. So the owners of such lands will be paid in accordance with the awards in the condemnation proceedings.

The title to some of the lands needed by the Government at these plants is in minors, and condemnation proceedings will be necessary in order for the Government to acquire title.

In answer to the questions propounded by the gentleman from Missouri [Mr. BORLAND], would say that whatever may have been the report of the Nitrate Supply Committee, the President of the United States has located the nitrate plants in accordance with the act of Congress—one at Sheffield, Ala., and one a few miles away at Muscle Shoals, on the Tennessee River—and I am advised by the representative of the War Department who has charge of the construction of these nitrate plants that it is expected that they will be put into operation not later than the 1st of August, 1918, and that full production is expected to be reached by the 31st of December, 1918, or soon thereafter, when it is expected that 132,000 tons, or 264,000,000 pounds, of ammonium nitrate will be produced per year. It is expected that 15,000 to 20,000 tons, or 30,000,000 to 40,000,000 pounds, of ammonium nitrate will be produced at these plants during this year. While it is true that it will require some time to complete the dam and develop the water power at Muscle Shoals, still arrangements have been made by the Government by which the cyanamide plant at Muscle Shoals will be operated by power brought from another plant over a transmission line while the dam is being constructed.

I am unable to understand why any Member of this House would object to immediate consideration of this bill, its purpose being to aid the Government in its adopted plan of making explosives for the prosecution of the war, the location of the plants and the processes to be used having been agreed upon and determined after almost two years of investigation by the War Department.

Our Government has wisely decided to no longer depend exclusively upon Chile saltpeter or sodium nitrate for the manufacture of explosives for the following among other reasons:

First. That the production of the plants in Chile are limited and are divided between several nations by an international board.

Second. Organized labor trouble there might interfere with the production.

Third. It is shipped along the Pacific coast and through the Panama Canal, and if for any reason the enemy should be able to prevent such shipments our supply would be cut off and we would not have explosives sufficient to conduct the war for a month.

Fourth. On account of the high cost and freight charges.

Fifth. The ships now being used to transport it to the United States are needed in the transportation of troops and supplies to Europe. It is said that 3,000 tons of ammonium nitrate that we produce at home will save a round-trip voyage for a large cargo vessel between the United States and Chile, requiring as much time as it would for this vessel to make two round trips to Europe.

In answer to the question of the gentleman from Ohio [Mr. LONGWORTH] I would say that this is not a Muscle Shoals project. It is a Government project, primarily, for supplying our Government with explosives for the prosecution of the war, and, secondly, for the manufacture of commercial fertilizer for the benefit of the farmers when not needed for making munitions of war as provided by act of Congress. It is true that the principal plant has been located at Muscle Shoals on the Tennessee River near the other plant at Sheffield, Ala., and it is presumed that it was so located on account of the advantages of that location. It is the best from a national-defense standpoint, being far distant from the Atlantic coast and the Gulf of Mexico, with all of the raw materials for the manufacture of nitrate in close proximity and in inexhaustible quantities, such as coal, limestone, coke, and phosphate rock. With good transportation facilities both by rail and water, with good climatic conditions, and is the most central point from an agricultural standpoint for the manufacture of commercial fertilizer.

The synthetic process of the General Chemical Co. is to be used in the Sheffield plant and the cyanamide process at the Muscle Shoals plant. German air nitrate plants now have an output of four times the amount contemplated by ours. France is making about twice what our program contemplates. England's air nitrate plants, it is said, will be about what we are planning for.

Whatever may have been the difference of opinion about processes and locations has been settled by the President, and I feel that every Member of this House should want to do everything in his power to put these plants into operation as

soon as possible in order to aid in bringing the war to a speedy and successful conclusion.

With this explanation and information, I do not believe that there is a single Member who will oppose the passage of this bill when it properly comes before the House for consideration, which, I hope, can be done at a very early date.

Mr. SHERLEY. Mr. Speaker, I do not like to stop the discussion, but, inasmuch as the gentleman from Alabama [Mr. DENT] is going to withdraw the bill, I think it ought to be done now.

Mr. DENT. Mr. Speaker, I will withdraw the bill.

CIVIL-SERVICE EXAMINATIONS.

Mr. GODWIN of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate joint resolution 117, amending the act of July 2, 1909, governing the holding of civil-service examinations, insist on the House amendments, and agree to the conference asked for.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent to take from the Speaker's table Senate joint resolution 117, insist on the House amendments, and agree to the conference asked for. Is there objection?

There was no objection.

The SPEAKER pro tempore appointed as conferees Mr. GODWIN of North Carolina, Mr. CARTER of Oklahoma, and Mr. LEHLBACH.

AMENDING SECTION OF THE CRIMINAL CODE.

Mr. WEBB. Mr. Speaker, I ask unanimous consent that Senate bill 3470 be taken from the Committee on Military Affairs and referred to the Judiciary Committee. It was improperly referred. That is satisfactory to the chairman of the Military Affairs Committee, and I make this request with his consent.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent that the Committee on Military Affairs be discharged from further consideration of the bill S. 3470 and the same be referred to the Committee on the Judiciary. Is there objection?

There was no objection.

RENT PROFITEERING.

Mr. JOHNSON of Kentucky. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER pro tempore. The gentleman from Kentucky asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. Mr. Speaker, this morning Gen. Chamberlain called me up by telephone and told me that Gen. Black, who is at the head of the Engineer Corps of the Army of the United States, is now in France; that he left behind him here when he went away his wife—God bless her—quite ill with pneumonia. His wife is still ill but convalescent. Gen. Chamberlain further states that Gen. Black for two years has been renting premises 1730 I Street NW., in this city, for which he is paying $100 per month. He says, further, that through the real estate agency of William Corcoran Hill a man named McGee, who is the owner of that property, has served notice that next month the rent will be increased to $250 a month, and that thereafter the premises will only be leased by the month.

In this connection I wish to state that the United States Government owns the premises upon which the Washington Market is located on Pennsylvania Avenue. For these premises the Washington Market is paying the United States $7,500 a year That company has grown patriotic to the extent that some floor space for which it has no particular use is now being leased to the United States for $8,000 a year—$500 more than they pay for all of it. [Laughter.]

Further, the United States is lending money to Great Britain, our most important ally. The Munsey Trust Co. is charging Great Britain $3 per square foot for office space in its building on Pennsylvania Avenue. In my remarks day before yesterday I stated that the Munsey Trust Co. had notified the United States that on the 1st of July the space for which the United States is now paying $10,000 would be charged for at the rate of $31,500 a year.

Yet these three unholy profiteers seem to have their supporters and apologists here.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent for half a minute in that connection.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent to address the House for half a minute. Is there objection?

There was no objection.

Mr. GREEN of Iowa. I am informed that that same space before the war rented for $1 a square foot.

Mr. JOHNSON of Kentucky. The United States is now paying for the space to which the gentleman refers, in the Munsey Building, $10,000 a year for 10,500 square feet, which is less than $1 a foot. The contemplated increased rate is $3 a square foot.

CHANGE OF REFERENCE.

The SPEAKER pro tempore. House Document No. 848 seems to have been improperly referred to the Committee on Rivers and Harbors. Without objection, it will be referred to the Committee on Flood Control. Is there objection?

There was no objection.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The SPEAKER pro tempore. The gentleman from Tennessee moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the legislative, executive, and judicial appropriation bill.

Mr. BYRNS of Tennessee. And pending that motion I wish to state to the House that it is the hope and desire of the committee to conclude this bill to-day, and that we can easily do that if the Members of the House will give it their cooperation and stay here until the bill is finished.

Mr. SHERLEY. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. SHERLEY. I think the House will be interested also in the further statement that there is now being printed an amendment, which ought to be back here in a very few minutes, dealing with the question of increased pay for employees, and which it is hoped unanimous consent may be obtained for offering. That would leave the matter open for amendments that were germane. Failing that, there will be a request for a rule to make it in order, and it is hoped that the bill now before the committee with this amendment may be considered and acted upon before adjournment. [Applause.]

The SPEAKER pro tempore. The question is on the motion of the gentleman from Tennessee [Mr. BYRNS] that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill, with Mr. SAUNDERS of Virginia in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For securing information for census reports, provided for by law, semimonthly reports of cotton production, periodical reports of stocks of baled cotton in the United States and of the domestic and foreign consumption of cotton; quarterly reports of tobacco; per diem compensation of special agents and expenses of same and of detailed employees, whether employed in Washington, D. C., or elsewhere; not to exceed $10,000 for the temporary employment of clerks, stenographers, and machine operators in the District of Columbia, to be selected from the registers of the Civil Service Commission, and to be paid at the rate of not to exceed $100 per month, the same person to be employed for not more than six consecutive months; the cost of transcribing State, municipal, and other records; temporary rental of quarters outside of the District of Columbia; for supervising special agents and employment by them of such temporary service as may be necessary in collecting the statistics required by law, including $15,000 for collecting tobacco statistics authorized by law in addition to any other fund available therefor: *Provided*, That the compensation of not to exceed seven special agents provided for in this paragraph may be fixed at a rate not to exceed $8 per day, $450,000.

Mr. WALSH. Mr. Chairman, I reserve the point of order on the paragraph. I would like to ask the gentleman in charge of the measure what is the idea of permitting certain employees in connection with the Census Bureau to be employed at a rate not to exceed $8 per day when other work in the same item of apparently similar character is limited to $100 per month?

Mr. BYRNS of Tennessee. Those are special agents, in the nature of supervising agents. They have been carried for many years. They are special agents who are specially selected and whose work is in the nature of supervising the work done in the collection of the information by this bureau.

Mr. WALSH. Why are they carried under a per diem compensation? Why are they not on the rolls as the other employees of the Census Bureau?

Mr. BYRNS of Tennessee. That is for the reason that they do not want annual employees. It is a flexible roll. They may

be employed for a portion of the year and their services may not be needed for the remainder.

Mr. WALSH. But they will be needed for the whole of the year pretty soon, when they begin to take the Fourteenth Census, will they not?

Mr. BYRNS of Tennessee. That is quite true, but the gentleman knows that when we once put an employee upon the statutory roll it is a very difficult matter to eliminate him, even though his services may be no longer necessary, and that after this census is taken we would be confronted with the fact that these special agents had been placed on the statutory roll and there might be some trouble in dispensing with their services.

Mr. WALSH. The gentleman did not encounter very much difficulty yesterday, although there was some delay, in providing for a reduction of those on the roll in the Pension Bureau, but the answer of the gentleman is sufficient and I withdraw the reservation of the point of order.

Mr. KINCHELOE. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. KINCHELOE. Mr. Chairman and gentlemen of the committee, not having an opportunity to speak when the abolition of the Subtreasuries was under consideration, I want to take this opportunity of doing so. I want to congratulate the members of the Committee on Appropriations for the adroit way in which they handled this fight that finally resulted in the retention of the committee provision in the bill, which abolishes all of the Subtreasuries six months after the treaty of peace shall have been declared. I want to congratulate my serious and nonpartisan friend from Iowa [Mr. GOOD] for the way in which he handled his side of it. In his adroit way he made an argument to his colleagues on that side of the aisle, a characteristic argument which always appeals to his colleagues, namely, the cracking of the party whip over their heads, and in order to make that argument more profound he by innuendo warned them that if they failed to vote for the retention of this provision they might hit the rocks in the November election.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. KINCHELOE. Not now; I have not the time.

Mr. MOORE of Pennsylvania. The party whip was not heard throughout the Hall, I want to say.

Mr. KINCHELOE. I shall come to that in a minute. The converse of his argument was that if they voted practically as a whole to retain this amendment they might be able in November to get a sight of the promised land and a vision of political pie. In order to reintrench himself and force his position more strongly upon his colleagues, he did not cite Hinds' Precedents, but he cited Mann's precedents, and, of course, when that argument was presented practically all of his colleagues rallied to the standard and retained this provision, except a few among whom my good friend from Pennsylvania [Mr. MOORE] is one, who has a constituent Subtreasury in his district. I want to congratulate the gentleman from Tennessee [Mr. BYRNS], the chairman of this subcommittee. In his unique, characteristic, idiosyncratic, but clerical way he not only appealed to the Members on this side of the House, but he exhorted the entire membership to vote to retain this provision. I voted with him. I am glad that it was retained, but after the motion to strike out was defeated the gentleman from Missouri [Mr. DYER] offered an amendment which I had already prepared and would have presented, except for the fact that he first procured the floor, to make this provision to do away with these Subtreasuries operative on or before January 1, 1919, and not to wait until the treaty of peace shall have been declared. What does the gentleman from Tennessee [Mr. BYRNS] say the functions of these Subtreasuries are? I want to quote a part of his speech that he made on Saturday last, in which he said:

> So I say there is not a single function now performed by these Subtreasuries which is not being performed by other agents of this country to-day.

When the Dyer amendment was offered not a member of this subcommittee raised his voice in behalf of it, and it did not receive a corporal's guard. Why should not that amendment pass? The gentleman from Tennessee says:

> The Subtreasuries could be immediately abolished without the least injury or loss.

The reason he gives why his committee did not provide for the immediate abolition of them is this:

> But to meet the objection of the Assistant Secretary and also to deprive the opposition of the cry that nothing of the kind should be underaken while the war is in progress, the committee has recommended that they be continued until six months after the war.

In order to appease the opinion of the Assistant Secretary of the Treasury and to mitigate the opposition of those already against the bill, they let it stay in, and let the Dyer amendment be defeated, when the gentleman from Tennessee says it costs the taxpayers of this Government $450,000 a year to maintain these useless things, and the gentleman from Iowa says it costs $600,000 to maintain them, when the two members of the committee admit that they are performing no functions for this Government. Yet the gentleman from Iowa appeals to his colleagues to maintain this section, if for no other reason because of the fact that they are members of that decadent, hungry, nonfunctioning, and impotent political party, the Grand Old Party; in the face of the fact that he says that the people of the country will be taxed to the extent of $600,000 a year to maintain them, and that the Federal reserve bank and the branch Federal reserve banks are performing the service which they claim to perform.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. KINCHELOE. If I can get more time; yes.

Mr. BYRNS of Tennessee. I am in thorough accord with what the gentleman has said about the abolition——

The CHAIRMAN. The time of the gentleman has expired.

Mr. KINCHELOE. Mr. Chairman, I ask unanimous consent that I may proceed for five minutes more.

Mr. MONDELL. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent for five additional minutes. Is there objection?

Mr. MONDELL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. KINCHELOE. Mr. Chairman, I want to serve notice that there will not be anybody else, while this bill is on, who will speak for over five minutes, and I say that for the benefit of the gentleman from Wyoming, who hardly ever speaks.

Mr. MONDELL. If the gentleman spoke in a parliamentary manner when he does speak possibly he can get an extension.

Mr. KINCHELOE. I was more parliamentary than the gentleman was yesterday.

Mr. MONDELL. I will say to the gentleman——

Mr. KINCHELOE. Much more parliamentary than the gentleman was yesterday.

The CHAIRMAN. The gentlemen are out of order.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. Mr. Chairman, when the gentleman from Kentucky, who has just spoken, asked unanimous consent to proceed for 10 minutes, like other Members of the House I had no desire to object, because I believed he was making that request in good faith. There was no suggestion in his request that he intended to make a partisan or political speech. The gentleman from Tennessee, the chairman of the subcommittee in charge of this bill, indicated this morning that he desired to make haste and made the request of all Members, of Members on this side of the House as well as the Members on the other side, that he would like to finish this bill to-day. The gentleman from Tennessee made that request in good faith, and it was so accepted on this side. But the gentleman from Tennessee sat quietly by while the gentleman from Kentucky made his request and made no objection even when the gentleman from Kentucky launched into a political diatribe. Now, I do not know what objection the gentleman from Kentucky has against the Subtreasuries of the United States. If he thinks he can make political capital by a 10-minute speech followed by threats, that nobody else can answer or that no other speeches shall be made without his consent, of course he has the right to make the most of it. I fear, however, that the gentleman from Kentucky can not make political capital out of an attack upon the Subtreasuries of the United States. The Subtreasuries were the direct result of the agitation and of the action of one of the greatest Democrats who ever lived, Andrew Jackson, whose memory seems to have been forgotten by the gentleman from Kentucky. It was Andrew Jackson who desired that a great central bank should not be established in the United States for the control of the money of the United States. He did not want a Wall Street to be a Government agency, but desired that the funds of the Government should be distributed, and distributed through Subtreasuries, the very Subtreasuries the abolition of which is now demanded. What quarrel, therefore, has the gentleman from Kentucky with the Republican Party, which he calls decadent, because some of its members differ upon the question of continuing the Subtreasuries——

Mr. PLATT. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I can not yield in five minutes, although I would like to do so. I call to the attention of the gentleman of Kentucky the letter written by the present Secretary of the Treasury, Hon. William G. McAdoo, and which I placed in the RECORD a day or two ago, indorsing the Sub-

treasury proposition and insisting that they should not be abolished. The Secretary contended that to destroy the Subtreasuries of the United States would mean to add to rather than retrench the expenses of the Government. I would also call to the attention of the gentleman from Kentucky what evidently he and some others who have been opposing Subtreasuries do not know, that the Federal reserve act which was passed, largely through the influence of the gentlemen on that side of the House, continues the use of the Subtreasuries and provides for their use. They are actually in use to-day, due to this so-called Democratic legislation. Now, it makes no difference to me whether the gentleman from Kentucky proposes to prevent gentlemen from discussing matters of state. He has his rights under the unanimous-consent rule, but we upon this side at least have the right of 5 minutes—though he gets 10 by our sufferance—to say at least this much in response to the attack he has made. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment will be considered as withdrawn.

There was no objection.

The Clerk read as follows:

Commercial attachés: For commercial attachés, to be appointed by the Secretary of Commerce, after examination to be held under his direction to determine their competency, and to be accredited through the State Department, whose duties shall be to investigate and report upon such conditions in the manufacturing industries and trade of foreign countries as may be of interest to the United States; and for one clerk to each of said commercial attachés to be paid a salary not to exceed $1,500 each and for necessary traveling and subsistence expenses, rent, purchase of reports, books of reference and periodicals, travel to and from the United States, exchange on official checks, and all other necessary expenses not included in the foregoing; such commercial attachés shall serve directly under the Secretary of Commerce and shall report directly to him, $125,000: *Provided*, That not more than $25,000 of the foregoing sum may be used by the Secretary of Commerce, in his discretion and in accordance with such regulations as he may prescribe, to make special allowances by way of additional compensation to officers and employees of the commercial attaché service, in order to adjust their official income to the ascertained cost of living at the posts to which they may be assigned.

Mr. ROGERS. Mr. Chairman, I move to strike out the last word. This commercial-attaché item is carried in this bill, I think, for the fifth time. I had hoped that the Committee on Appropriations would have deemed it wise to eliminate the item from this bill this year with the view of having it carried in another bill, so that the officials themselves might be subject to the Department of State and be officers of the Department of State, where it seems to me they very clearly belong. I do not propose at this time and in this emergency to make any contest upon the retention of these commercial attachés. I have previously in this House voiced my opinion of the subject, and other Members of the House have voiced the same opinion. It does seem to me, however, that we ought to be making up our minds that commercial attachés, however valuable they are potentially as officers of the United States, can not do the kind of service that they ought to do under the Department of Commerce. They ought to be under the Department of State. I have never heard any man whom I considered a competent judge, either in the United States or in other countries which make use of the commercial-attaché service, who did not agree that the Department of State was the one department where these officers could render the most effective service to their country. I have in my hand a very brief extract from an article which recently appeared in the American press and which illustrates the policy of Great Britain in this regard. Great Britain has had these commercial attachés for some years, and the attachés have been under the secretary of state for foreign affairs of Great Britain. The system has worked extremely well, and the commercial attaché in that capacity has proven very valuable, proved so valuable that Great Britain has extended and amplified his work. This brief article illustrates in some detail just what has been done by Great Britain very recently. I should like to have unanimous consent, without taking up the time of the committee to read it, to insert it in the RECORD.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The following is the article referred to:

With respect to foreign countries there are three distinct services, namely, the Diplomatic, the commercial attaché, and the Consular Services.

In the past the Consular Service has been overwhelmed with routine, added to which the staffs have generally been insufficient, with the result that the consul has not been able to devote sufficient time to the more important commercial work. In future the posts will be supplied with larger staffs, and in consequence the consuls will have more time at their disposal for dealing with the many important commercial questions.

Again, the consuls who will do the spade work, so important to keep the commercial attachés thoroughly informed will be better paid and will be able to look forward to promotion to the commercial attaché service as a normal reward for the accomplishment of good commercial work; thus they will be given an incentive which has certainly been lacking in the past.

The commercial attaché service, in its proposed form, will be something really new. In the past there have been commercial attachés, but they have had no regular status, nor has there been a regular service of them. Under the new scheme there will be a number of attachés in every country; in some as many as three or four. It will constitute a regular service with grades, and what is more the attachés will carry high diplomatic rank. They will be well paid and granted large local allowances; they will also be given a good staff, and so be free to travel with their attention untrammeled by unnecessary detail. They will return home frequently in order to confer with the sections dealing with their department and with all the business world. In this way the attachés will keep in touch with the Government at home, and in its turn the Government will be kept completely and accurately informed as to the condition of affairs in the countries in which the attachés are stationed.

The commercial attaché in each foreign country will also be virtually the head of the Consular Service in that country, subject to the general control of the ambassador, so that consuls will send in all reports of importance through him. In this way these attachés will know all of importance that is taking place in the country concerned, and consequently will be in a good position to compile the annual report which they will have to send to the Government. In addition to this, they will be responsible for the inspection of the consulates, and the consuls, it should be stated, will have the opportunity of coming home with comparative frequency.

With regard to the appointment of commercial attachés, it is probable that they will eventually be recruited largely from the Consular Service, but at first a considerable number must be appointed from outside.

It would be difficult to exaggerate the importance of the new department, but, at the same time, the point must not be overlooked that the foreign office will always be in close touch with it. The new department will constitute what may best be described as a training ground in commercial work for the foreign office, Consular Service, commercial attaché and Diplomatic Service, and eventually it will have complete control, subject always to the Secretary of State, of the consular and commercial attaché service.

Mr. WALSH. Will my colleague yield?

Mr. ROGERS. I will.

Mr. WALSH. Is it not a fact that the secretary of state for foreign affairs of Great Britain not only represents the State Department in dealing with foreign nations, but he also performs duties in relation to commercial activities with foreign nations that are now under the supervision of our Secretary of Commerce?

Mr. ROGERS. That may be true in part. There are two cabinet officers of Great Britain in ordinary times, and there may be more in these emergency times, who handle questions of domestic commerce. One is the secretary of state for home affairs and the other is the president of the board of trade.

Mr. WALSH. But is the president of the board of trade a member of the British cabinet?

Mr. ROGERS. He is a member of the British ministry. He may or may not be a member of the cabinet.

Mr. WALSH. But the secretary of state for home affairs does handle commercial matters?

Mr. ROGERS. Yes.

Mr. WALSH. So that in Great Britain, at least, the duties which are performed by commercial representatives are under the judisdiction of the secretary of state for home affairs or the secretary of state for foreign affairs?

Mr. ROGERS. The secretary of state for foreign affairs, who is a different officer from the secretary of state for home affairs, of course.

Mr. WALSH. They are both members of the state portfolio?

Mr. ROGERS. Oh, no. The secretary of state for home affairs has nothing whatever to do with what we would call State Department matters. He is purely a domestic functionary, although he happens to have historically the name of "secretary of state."

Mr. LONGWORTH. Do not all of the cabinet officers of Great Britain have the title of "secretary of state"?

Mr. ROGERS. I think only the secretary of state for home affairs, the secretary of state for war, the secretary of state for foreign affairs, the secretary of state for the colonies, and the secretary of state for India. Our great commercial rivals in the world, either of the past or of the future, have adopted this policy of placing commercial attachés under the state department—Germany, France, Japan, and Great Britain.

Mr. GOOD. Mr. Chairman, I move to strike out the last word. I recall the hearings at the time these officers were created. I recall that there was a demand for real commercial agents abroad, whose actions were not governed by those little niceties recognized by the State Department. An establishment or a country that wants to sell its product must make positive statements with regard to it. The product offered must be superior to the product with which it comes in competition or it must be offered at a lower price or it will not find a sale. And the difficulty with the State Department in handling our commercial interests abroad seems to have been that it handled the subject only diplomatically and was unwilling to make

positive statements. Their statements have been diplomatic, even to the expense of the American manufacture.

I am reminded in this connection of the story of Rameses, when he was about to abdicate the throne, calling to his side for counsel the man who was to succeed him on the throne, told him to surround himself with real diplomats; that a ruler who would succeed must have around him great diplomats. He said, "You know the difference between a diplomat and a lady. If the diplomat says 'yes' he means 'perhaps,' if he says 'perhaps' he means 'no,' and if he says 'no' he is no diplomat. Whereas if a lady says 'no' she means 'perhaps,' if she says 'perhaps' she means 'yes,' and if she says 'yes' she is no lady." [Applause.]

What we want in the trade extension of our foreign diplomatic service, if we are going to extend our foreign trade, are real representatives who can say yes when they mean yes and no when they mean no, and who can say it with some positiveness and without violating these nice rules of diplomacy.

Mr. WALSH. I wanted to inquire if this is the cigarette man Rameses that the gentleman is talking about? [Laughter.]

Mr. MOORE of Pennsylvania. Rameses is dead, is he not? [Laughter.]

Mr. SLOAN. As an Egyptologist, can the gentleman inform us whether it was Rameses I or Rameses III?

Mr. FLOOD. Mr. Chairman, I want to concur in the views expressed by the gentleman from Massachusetts [Mr. ROGERS] as to commercial attachés and ask unanimous consent that I may extend my remarks in the RECORD on that subject.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to extend his remarks in the RECORD. Is there objection. [After a pause.] The Chair hears none. The Clerk will read.

The Clerk read as follows:

Bureau of Standards: Director, $6,000; physicists—chief $4,800, 1 qualified in optics $3,600, 2 at $3,600 each, 1 $3,300, 3 at $3,000 each; assistant to the Director, $3,600; associate physicists—5 at $2,700 each, 5 at $2,500 each, 4 at $2,200 each, 7 at $2,000 each; assistant physicists—12 at $1,800 each, 13 at $1,600 each, 18 at $1,400 each; chemists—chief $4,800, 1 $3,500, 1 $3,000; associate chemists—3 at $2,700 each, 2 at $2,500 each, 1 $2,200, 4 at $2,000 each; assistant chemists—4 at $1,800 each, 4 at $1,600 each, 6 at $1,400 each; physical chemist, $1,800; laboratory assistants—23 at $1,200 each, 18 at $1,000 each; laboratory helpers—2 at $840 each, 4 at $720 each, 3 at $600 each; aids—14 at $900 each, 16 at $720 each; 20 laboratory apprentices at $540 each; secretary, $2,200; storekeeper, $1,000; librarian, $1,600; chief clerk, $2,200; clerks—1 of class 4, 3 of class 3, 3 of class 2, 8 of class 1, 7 at $1,000 each, 5 at $900 each, 2 at $720 each; 2 telephone operators, at $720 each; office apprentices—4 at $540 each, 2 at $480 each, 2 at $420 each; 5 elevator boys at $480 each; mechanicians—chief $1,800, 1 $1,600, 1 $1,500, 2 at $1,400 each, 5 at $1,200 each, 6 at $1,000 each, 1 $900; machinist, $1,200; shop apprentices—2 at $600 each, 2 at $540 each, 3 at $480 each; 8 watchmen; skilled woodworkers—foreman of woodworking shops $1,500, 1 $1,200, 2 at $1,000 each; skilled laborers—2 at $840 each, 5 at $720 each; draftsman, $1,200; photographers—1 $1,400, 1 $1,200; packer, $840; 2 messengers; assistant messenger; superintendent of mechanical plant, $2,500; assistant engineers—1 $1,600, 1 $1,400, 2 at $1,200 each, 1 $1,000, 1 $900; 2 pipe fitters at $1,000 each; 5 firemen; glassblowers—1 $1,600, 1 $1,200; glassworker, $1,600; electricians—1 $1,400, 1 $1,200, 1 $900; foreman of janitors and laborers, $900; 14 laborers; janitors—3 at $660 each, 1 $600; 2 female laborers at $360 each; in all, $432,360.

Mr. DALLINGER and Mr. ROBBINS rose.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. ROBBINS] is recognized.

Mr. ROBBINS. Mr. Chairman, I move to strike out the last word. Here is an increase in this item from $348,000 to $432,360, and in the number of employees from 278 to 342. I want to ask the chairman of the committee—and I make a motion to strike out the last word for the purpose of asking him—to make some explanation of that wonderful increase in the amount expended and of the employees of the Bureau of Standards. I reserve a point of order on the paragraph, too.

Mr. BYRNS of Tennessee. I will say to the gentleman that this paragraph provides for an increase of 72 new employees, and the aggregate salaries will amount to $87,200. Those employees range from men of high technical skill down to laborers and messengers. The gentleman is, of course, aware of the work that is being done by the Bureau of Standards?

Mr. ROBBINS. I wish to state that I am not aware of it. That is what I want to find out. I can see the number of employees and the difference in the appropriation, but that gives me no information as to what is the necessity for it.

Mr. BYRNS of Tennessee. I will say to the gentleman that in a report submitted by the Director of the Bureau of Standards for the fiscal year which ended June 30, 1917, he will find a very full statement, covering 158 pages, showing the various investigations made by this bureau and the work performed by it during the fiscal year. It is one of the most important bureaus in the Government.

Now, in addition to that, I will say that since the war began there has been an extraordinary increase of work on the part correctly, that at the present time 90 per cent of the work being done by the bureau was being done in connection with the War and Navy Departments and the war activities. That is, of course, done in connection with the research laboratories for these two departments, investigating and testing the various supplies furnished the Government, establishing standards, and furnishing very valuable and necessary information to those departments with reference to the supplies furnished.

Mr. LONGWORTH. The work has largely increased, has it not, since the war began?

Mr. BYRNS of Tennessee. I was just saying that the Director of the Bureau of Standards states that 90 per cent of the work of this bureau is now being done on account of the war.

Mr. LONGWORTH. The fact is that the liberty motor was finally completed there, was it not?

Mr. BYRNS of Tennessee. Yes. The liberty motor was tested at the Bureau of Standards.

Mr. ROBBINS. I know that it was tested there. I was there at the time. I observed not the actual tests, but they were resetting the motor when I was there. Do these tests of war materials made of the samples submitted for the various contracts for supplies take place before the property is accepted?

Mr. BYRNS of Tennessee. Yes; they do, and in addition to that they test all construction material, concrete and steel, and all the materials that go into the various buildings erected by the Government, when called upon.

Mr. ROBBINS. Do they test the steel there for armor plate and guns and gun carriages and cloth for uniforms?

Mr. BYRNS of Tennessee. They test the cloth that goes into the uniforms.

Mr. ROBBINS. I understand, and it is commonly asserted, that the cloth is 50 per cent shoddy and 50 per cent wool. Is it as a result of their tests that such cloth is accepted by the Government?

Mr. BYRNS of Tennessee. What they do is to test the cloth submitted to them, and it goes into the uniforms; and they give to the department in charge information as to just what it is, as to its durability, and so forth.

Mr. ROBBINS. The acceptance of the cloth, then, rests with the purchasing departments of the Government, and not with the Bureau of Standards?

Mr. BYRNS of Tennessee. No. The Bureau of Standards has nothing to do with that.

Mr. ROBBINS. Mr. Chairman, in view of the explanation made, I withdraw my pro forma amendment.

Mr. DALLINGER. Mr. Chairman, I offer an amendment, which is in the hands of the Clerk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: Page 135, line 24, after the figures "$900," strike out the words "two pipe fitters, at $1,000 each," and insert "two pipe fitters, one at $1,400 and one at $1,000."

Mr. BYRNS of Tennessee. Mr. Chairman, I reserve a point of order on the amendment.

Mr. DALLINGER. Mr. Chairman, I understand that this is not a salary fixed by statute, but it is simply raising a salary under $1,800, and therefore, in accordance with the practice of the House, the amendment which I have offered is in order. I trust that the gentleman from Tennessee will not press his point of order, and that he will accept this amendment.

I understand that Dr. Stratton, the Director of the Bureau of Standards, recommended this increase and also recommended that one of the woodworkers be raised to $1,500 and one of the electricians be raised to $1,400, both of which recommendations were acted upon favorably by the committee.

I have a letter in my hand from this head pipe fitter, which I desire to read in part, because it seems to me that to refuse his request is to indulge in a parsimonious economy which the Congress of the United States ought not to be guilty of. It is a very well written letter, showing that he is a man of education. He says:

In the report on the legislative bill the position of pipe fitters, Bureau of Standards, at $1,400, was stricken out. I feel that the committee were not fully acquainted with the conditions under which this item was asked for, so beg leave to submit the following for consideration. At present I am drawing a salary of $1,000 per annum and have full responsibility for all work in connection with installation, inspection of and repair of plumbing, heating, and apparatus work, including the power plant. We are paying $5 per day to temporary plumbers and $5.25 for steam fitters, and owing to the vast amount of work have been carrying them for over two years. Helpers are drawing $2.80 and plumbers' laborers $4 per day.

Now, I know that in the other cities of the country the ordinary journeyman plumber receives twice as much as you are paying this man for the supervising work. It seems to me that to pay at this time, with the cost of living what it is, the man

who is supervising the plumbing and heating and the power-plant repairs in this Bureau of Standards $1,000 and refuse his request for $1,400 is something that the Committee on Appropriations ought not to do, particularly in view of the favorable recommendation of the Director of the Bureau.

Mr. SHERLEY. Mr. Chairman, will the gentleman yield?

Mr. DALLINGER. Yes.

Mr. SHERLEY. For a week past the Committee on Appropriations has been abused because it saw fit, in its judgment, to suggest to the House, subject to the approval of the House, certain increases of salary. We were told that the Committee on Appropriations was an appropriating committee and not a legislative committee. Now, I suggest to the gentleman that his quarrel rests with a great many committees that do not work as many hours through the month and year as the Committee on Appropriations—committees that have jurisdiction to deal with this matter without being subject to being held up at the instance of any single member of the committee. It seems to be the policy of the House that the Committee on Appropriations shall not increase any salaries whenever it suits anybody to object.

If that rule is to be enforced, it must be enforced all along the line, and the Committee on Appropriations will not be increasing anybody's salary.

Mr. DALLINGER. I want to say that I do not know what other Members of the House are guilty of, but the gentleman from Kentucky can not point to an instance where I have ever objected to a raise in the pay of a Government employee. I do not know of a single case where I have objected to the raising of the pay of a Government employee who is doing his work creditably.

Mr. SHERLEY. I am not quarreling with the gentleman's statement at all. The Committee on Appropriations tries as best it can to perform its duties, and it has seen fit in a limited number of cases, where there were special reasons urged, to bring in items increasing salaries. We have been met with severe criticism and points of order made on all those.

Now I submit that if this committee, after investigation, is not to be allowed to recommend any increases, certainly the individual Member, without that consideration, ought not to recommend an increase.

Mr. DALLINGER. I am simply calling attention to the fact of the discrimination made against this man. The other two men were recommended for increases by the Director of the Bureau of Standards were given the desired raise by your committee, and no objection was made to it. It seems to me that this man is entitled to the same treatment. That is all.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BYRNS of Tennessee. The bureau heretofore has had one pipe fitter at $1,000. The Director of the Bureau of Standards did request that an additional position of pipe fitter at $1,400 be allowed. The committee felt that if it allowed that position he should be paid the same salary that is now being paid to the pipe fitter who is employed at the present time; and for that reason in granting his request for two pipe fitters, the committee fixed the salary of both at $1,000, thinking it proper to fix the same salary for each, because they are to do the same character of work. I want to call the attention of the gentleman from Massachusetts [Mr. DALLINGER] to the fact that it is certain that before this bill is concluded there will be an amendment proposed which will allow a general increase for Government employees, which will take care of the situation of which the gentleman complains, at least to a certain extent.

Mr. DALLINGER. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. DALLINGER. I should like to ask the chairman of the subcommittee if he thinks it is right that a man who has been here in the Government service for years, who has charge of the plumbing and heating work and apparatus, including the power plant in those buildings up there, should continue to receive the pittance of $1,000 a year, which is very much less than what is paid to the men that he picks up in the street to help on the work?

That is just the situation exactly. He is paying very much more to these journeymen whom he calls in to work under his supervision than he is getting himself. In my home city in Massachusetts there are plumbers who are to-day getting regularly twice what this man is getting from the United States Government for supervising the work in these buildings.

Mr. BYRNS of Tennessee. These particular individuals do not have charge of the electrical work in connection with the bureau, because the Bureau of Standards has an electrician. In addition to that, it has a number of mechanicians, one drawing $1,800, one $1,600, one $1,500, two at $1,400, five at $1,200, six at $1,000, and one at $900. Now, as I stated a moment ago, this pipe fitter only looks after the pipes. The committee felt that it would be making an unwarranted discrimination to allow two pipe fitters at different salaries; so it granted the request of the Director of the Bureau of Standards and gave him an additional pipe fitter, but placed him at the same salary as the one now employed.

The CHAIRMAN. Does the gentleman insist on the point of order that was reserved?

Mr. BYRNS of Tennessee. No; I ask for a vote, Mr. Chairman.

The CHAIRMAN. The point of order is withdrawn. The question is on the amendment of the gentleman from Massachusetts [Mr. DALLINGER].

The question was taken; and on a division (demanded by Mr. DALLINGER) there were—ayes 13, noes 24.

Accordingly the amendment was rejected.

The Clerk read as follows:

To investigate the dangers to life and property due to the transmission of electric currents at high potentials, and the precautions to be taken and the best methods of construction, installation, and operation to be followed in the distribution and return of such currents, in order to reduce to a minimum such dangers; also to investigate the best means of protecting life and property from lightning, including personal services in the District of Columbia and in the field, $15,000.

Mr. FOSTER. Mr. Chairman, I move to strike out the last word. As to the paragraph—

To investigate the best means of protecting life and property from lightning, including personal services—

And so forth, what knowledge has the gentleman as to the progress that this bureau is making along these lines?

Mr. BYRNS of Tennessee. This investigation is not confined exclusively to the danger to life and property from lightning.

Mr. FOSTER. I understand that.

Mr. BYRNS of Tennessee. It applies to all electrical currents.

Mr. FOSTER. I understand that, but I am wondering what progress they are making. The Agricultural Department issues bulletins on this subject, and I wonder what progress they are making in reference to this matter in the Bureau of Standards?

Mr. BYRNS of Tennessee. As the gentleman will observe, this appropriation has been carried for about five years.

Mr. FOSTER. Yes; I know that.

Mr. BYRNS of Tennessee. During that time investigations have been made by the Bureau of Standards, and I can best answer the gentleman, I think, by reading to him what the Director of the Bureau of Standards, Dr. Stratton, had to say on the subject. He said this:

The increase there is due very largely, almost entirely, to the demands made upon the bureau for information regarding the proper way to install high-potential work. A great deal of this is coming in from the military departments now, but its greatest importance is in connection with the public-utilities commissions and the public-service commissions all over the country. It has to do with the installation of the high-tension wires and protection from lightning—general work of that kind. It has proven one of the most useful lines of work that the electrical department of the bureau has taken up. The question of the distribution of high-potential power circuits in the cities is growing every day, and the cities are looking to us for a statement of what is good practice—what should be allowed under those conditions.

Mr. FOSTER. I remember that this item went into the bill a few years ago, with the idea of investigating the danger from fires and so on from electrical currents; but as to this provision concerning lightning, I wondered what they had done with that. From the reading, I take it that they have done nothing except in connection with these utility plants.

Mr. BYRNS of Tennessee. Yes; in connection with utility plants, and also, as the director states, he is having many requests which come to him from the Military Department.

Mr. FOSTER. While I am on the floor let me ask as to the next item, that has not been read, for the continuation of the investigation of structural material. Does that apply only to stone, clay, and cement, in so far as building operations are concerned?

Mr. BYRNS of Tennessee. Any material that is used in putting up structures.

Mr. FOSTER. That does not apply to the use of clays in porcelain ware or anything of that kind?

Mr. BYRNS of Tennessee. No; it does not. It is confined altogether to building or structural materials. I may say that the director of the bureau states that the bureau has done more testing and examination for the War Department in the past month or two along this line than it did in the whole previous year.

Mr. FOSTER. I just wanted to inquire about the other. I withdraw the pro forma amendment.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. HAMLIN having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendments the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed the following resolution:

Resolved, That the Secretary be directed to inform the House of Representatives that the Senate has recommitted to the committee of conference the report of the committee on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

The committee resumed its session.

The CHAIRMAN (Mr. FLOOD). The Clerk will read.

The Clerk read as follows:

To study methods of measurement and technical processes used in the manufacture of pottery, brick, tile, terra cotta, and other clay products, and the study of the properties of the materials used in that industry, including personal services in the District of Columbia and in the field, $20,000.

Mr. FOSTER. Mr. Chairman, I reserve a point of order on this paragraph, beginning with line 5, on page 139. As I understand from the reading of it, this is to make investigations of technical processes in the manufacture of brick, tile, terra cotta, and other clay products. Now, there are established throughout the country certain stations which make investigations of materials of different kinds, among them clay. There is now established at Columbus, Ohio, an experiment station in reference to clays and the whole subject relating thereto, and I wondered why it was necessary to permit the Bureau of Standards to go ahead with that kind of work, too. It has been especially provided by law that the Bureau of Mines shall make these investigations, and yet we carry in this bill a provision for doing that same kind of work here in the city of Washington or wherever they may desire to use it.

We have a station established in connection with the State University of Ohio, where a great amount of clays are located within the State, where they are manufacturing a great deal of pottery. Here we appropriate $20,000 for another establishment to go ahead with the same work.

Mr. STAFFORD. Will the gentleman yield?

Mr. FOSTER. Yes.

Mr. STAFFORD. This item is similar in phraseology to that carried in previous years. I recall the testimony of Dr. Stratton given last year or the year before in justification of this work that the bureau is doing. For myself, I was unaware that any other Government activity was pursuing work of a similar character. Will the gentleman inform the committee, for its information and for the subcommittee, as to the special work being performed by the branch at the University of Ohio under the jurisdiction of the Bureau of Mines?

Mr. FOSTER. I do not remember, but two or three years ago there was a bill passed providing for the establishment of mine rescue stations and mine experiment stations and providing for the establishment of these stations for investigating the clays. Under that authority the Secretary of the Interior has established mining experiment stations throughout the West and also established one at Columbus, Ohio, because the State university was glad to cooperate with the Government, furnish the buildings, and so on.

Mr. MADDEN. I am glad that the gentleman has given the reason for the establishment of that experiment station at Columbus, for I was wondering why it was put there.

Mr. FOSTER. For the reason that I have stated, and because it is adjacent to the fields in Ohio where they have a great deal of clay for the manufacture of pottery.

Mr. STAFFORD. What special work is performed in that laboratory?

Mr. FOSTER. Every kind of work that can be connected with the manufacture of articles from clay.

Mr. STAFFORD. Are they making research work as to the available clays for pottery purposes, trying to discover new clays in this country that can be utilized in the manufacture of pottery which have heretofore not been utilized?

Mr. FOSTER. That is exactly what they are doing, and making experiments as to checking, which has been a great problem in this country in regard to clay and porcelain ware. They have been doing that kind of work not only in the experiment stations so established, but they were doing it before. Now this bill goes on and gives the same class of work to another Federal bureau, requires it to do the same work that is being done in Ohio. I do not think the Bureau of Standards is authorized to do this kind of work, and I do not think it ought to be done. I do not think we ought to have two bureaus overlapping and doing the same kind of work.

Mr. BYRNS of Tennessee. Mr. Chairman, there is this that may be said: The Director of the Bureau of Standards states that he is working in close cooperation with the Director of the Bureau of Mines in this particular work. The Bureau of Mines, as the gentleman has stated, is engaged in the location of clay products for the purpose of determining their suitability for manufacture. That is something in which the Bureau of Standards is not concerned. The Bureau of Standards investigates the technical processes of manufacture and tests their value for various purposes.

Mr. FOSTER. Yes; that is the statement they make.

Mr. BYRNS of Tennessee. This fund is also used for a different purpose. It is used in connection with the investigation and tests made by the Bureau of Standards in the making of optical glass for lenses, which is a matter of the greatest importance.

Mr. FOSTER. That may be. The Bureau of Standards is not concerned with the manufacture. The Bureau of Standards is concerned with the standardization of these materials and of the finished products. They are not concerned in the manufacture and ought not to be concerned with that in this particular instance, when we already have a station which is doing that kind of work.

Mr. BYRNS of Tennessee. The Bureau of Standards is concerned, if the gentleman will permit, in testing the kind of clays that will suit various porcelain industries.

Mr. FOSTER. It is not their business to do that, and they are encroaching on the Bureau of Mines. I have the highest regard for the Bureau of Standards. I think they are doing a wonderful work, but I insist that we ought not to be doing work here in two bureaus and taking away from one bureau that which specially belongs to that bureau and which has been given to it by law.

Mr. STAFFORD. Will the gentleman yield?

Mr. FOSTER. Yes.

Mr. STAFFORD. Mr. Chairman, I think the work being performed by the Bureau of Standards is work they are specially fitted for and is akin to work in other fields. I do not wish to question the authority of the Bureau of Mines under the law that was cited by the gentleman to perform some other work, but I do say that the work that is being performed by the Bureau of Standards is similar to that being performed in many activities in the industrial line. I am not certain whether the Bureau of Standards is not performing work that is being performed by a branch of the University of Ohio at Columbus. This year Dr. Stratton presented to us a refractory consisting of a crucible that had been manufactured from special clays, that, as I recall, had not been manufactured before, and was able to withstand the intense heat that is necessary in the manufacture of optical glass. He brought it before the committee and showed us the crucible composed of clay that had not been before used, and which was able to stand the intense heat that was used in melting the glass. I question whether that work is being performed by the Bureau of Mines. Dr. Stratton, in his testimony, stated that if he had a larger appropriation he could use it for the purpose of finding optical glass necessary for the manufacture of lenses so very much needed at the present time for our war purposes and in navigation.

Mr. FOSTER. That may be. I am not informed about that. But I do know that here is a bureau of the Government that is doing this special work and by law the station was established for doing that special work. Now, to go ahead and let another bureau creep in by getting appropriations, and possibly increasing them from time to time, is not right. There is a close cooperation between the two bureaus; they are on the best of terms. I have not consulted them, but I believe that whatever money is appropriated for this purpose should be given to only one bureau of the Government.

Mr. STAFFORD. I quite agree with the position taken by the gentleman from Illinois [Mr. FOSTER] that there should not be duplication of effort, but I am more concerned in ascertaining whether the Bureau of Standards is not doing some work different from the work being performed by the laboratory at Columbus, Ohio, and, if it is, the Bureau of Standards should not be interfered with at the present time, because this optical glass is pressingly needed for war activities.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Yes.

Mr. GOOD. The gentleman knows that work of this kind, especially during these times, is very important. Men all over the country are sending their samples of clay for analysis and test.

Mr. FOSTER. They are sending them to the wrong place.

Mr. GOOD. It is coming here.

Mr. FOSTER. They have no business to take it. It is their business to refer it to the Bureau of Mines, where it belongs.

Mr. GOOD. I think the statement made by the gentleman will be news to most of the Members of this House—that the Bureau of Mines is doing this kind of work. Not a member of the committee reporting this bill, I think, knew of that fact. Dr. Stratton told the committee that the work done by the Bureau of Standards with regard to clay products, the work done on clay products, in their standardization, and so forth, and in preparing industries to take up the work after this war is over, to take it up even now, is worth more than the expense of the entire bureau combined. If that is the case I hope the gentleman will not oppose this provision. I do not believe in duplication of work, but if it is that important the small amount that we are appropriating here will not do very much damage, and it might do a lot of good.

Mr. SISSON. Mr. Chairman, will the gentleman yield?

Mr. FOSTER. Certainly.

Mr. SISSON. I am sure that there is not a Member of Congress who is more thoroughly in sympathy with the gentleman from Illinois in not wanting duplication of work than I, but I think the gentleman will find that the Bureau of Mines has absolutely no objection on earth to this particular class of investigation being made here. This is a peculiar commercial test that is made for gentlemen who want to send different clays to the department for the purpose of testing them; for example, for the purpose of making crucibles. At the beginning of the war we were not able to get crucibles at all, but by the testing out, through Dr. Stratton's department, of the clays of the country they have developed a crucible which is now serving the purpose of the War Department in the production of various acids and in the manufacture, for example, of glass with which to make lenses, which has already been referred to. The experiments have been absolutely satisfactory, and we are now having numbers of glass factories throughout the country adopting the formula and using the particular mixture of sands, and so forth, and making glass for lenses for the Army and the Navy. The absolute and universal use of glass in every home, from the cottage to the palace, on every man's table, means, in its commercial development, untold revenues to the people of the United States. In the development of this work the Bureau of Standards has had especially in mind the discovery of a clay that can be used commercially. The Bureau of Mines would investigate its value in the mine and in the crude state.

Mr. FOSTER. The gentleman is mistaken about that. That is a part of it, but that is not all.

Mr. SISSON. Then there is this other controversy—and into that I do not care to go—of whether the clay itself should be investigated, or the clay beds and mines. I say, without hesitation, I do not care which department does it. I am more than willing that the department that the gentleman has said ought to have it should do the work. I am only anxious that such an arrangement may be made that we may be sure to have the work done. I would just as soon one department would do it as the other. This department, however, is doing the work now and has facilities for doing it, and I would hate to see the work at this particular time stopped. I have no sort of desire that it should be done in this particular department, nor do I believe that this committee has any favored place for the work to be done. We are carrying the appropriation on account of its vast importance, especially at this time, to the entire country, for the purpose of continuing the work which has meant so much to so many departments of the Government and to the country generally.

Mr. FOSTER. I know this, that the Bureau of Standards has gone into this work, and I have no doubt they are doing some good work. I am not criticizing them for the work that they are doing.

Mr. SISSON. There is not an item in the bill connected with the Bureau of Standards in which I am as much interested—without being financially interested in any clay on earth—as I am in this wonderful development.

Mr. FOSTER. I remember my conversation a year ago with the gentleman on this item.

Mr. SISSON. In other words, I believe that by the proper development of our clay we will discover an activity in which our people can be engaged throughout the whole country, which will be very profitable, as nothing can mean so much to us as to discover a proper treatment of clay to be used in the manufacture of the wares that go on all of the tables throughout the country, from the cottage of the poor to the mansion of the rich. It is a work in which numbers of departments of the Government might engage; and if we could discover, as they have in the past in Germany and in China, that leads the world in clay products of a certain character, a clay that we could so utilize, it would mean vast millions to the people throughout the United States. This amount is so small that I feel this work ought not to be impeded because of any difference as to where it should be done, and I am sure the gentleman is in entire sympathy with the work. It is only a question of where it should be done.

Mr. FOSTER. Well, I think it ought to be done where the Government has provided it should be done, and while I am a friend of the Bureau of Standards I do not think the Bureau of Standards has any business to engage in this kind of work, but it ought to go where Congress has provided it should go, and we ought not to appropriate this money at this time.

Mr. SISSON. What I am afraid of is that if we impede the progress of the work being done there some injury might be done.

Mr. FOSTER. Mr. Chairman, in view of the statements made by the members of the Committee on Appropriations who have investigated this subject more thoroughly than I have and of the statements they have made that this especially refers to war work, I shall not make objection this year, but I want to give notice that if I live another year and this work goes on, then this shall go out of the bill if I can get it out.

Mr. MADDEN. Why does not the gentleman do it now?

Mr. FOSTER. They have made the statement that there is certain work they were doing along the line of war work.

Mr. MADDEN. Everything is war work.

Mr. CANNON. Will my friend yield to me?

Mr. FOSTER. I will be very glad to do so.

Mr. CANNON. The Bureau of Mines is of comparatively recent origin. The greatest man to hunt work is dead——

Mr. FOSTER. Dr. Holmes—a great and useful man in his line.

Mr. CANNON. Dr. Holmes; and he just went out from there over the world very much in experimentation. I recollect in the report of the Secretary of the Interior when you come to this stuff that they get out in Colorado——

Mr. MADDEN. The gentleman means camouflage?

Mr. CANNON. No; I do not mean camouflage.

Mr. FOSTER. Radium?

Mr. CANNON. Radium. Bless my soul, in the Bureau of Mines the production of radium is an item, yet I take notice that when you come to find out its value and the purity of radium it is done at the Bureau of Standards, and all radium that changes hands passes through the Bureau of Standards. I do not know that the Bureau of Standards has developed radium out in Colorado, but the Bureau of Standards existed before the Bureau of Mines thought of having an existence.

Mr. MADDEN. And it has a good man at the head of the Bureau of Standards.

Mr. CANNON. I am glad the gentleman withdraws the objection.

Mr. FOSTER. Let me say to my colleague that it is true that the Bureau of Standards should be the bureau that should standardize radium. That is their work, and very properly their work, and when the Bureau of Mines have some radium they send it to the place where they could properly do that work, the Bureau of Standards being that kind of a bureau, instead of trying to do it themselves.

Mr. CANNON. It is known all over the country that it is doing this work. Now, how many people in the United States know that the State University at Columbus, Ohio, is the proper place to apply to?

Mr. FOSTER. My colleague just a minute ago mentioned the fact that one of the former heads of the Bureau of Mines was very active in his work. Now, I hope he is not complaining because this one is not.

Mr. CANNON. He has got it scattered all over this country; it is of the most marvelous growth.

Mr. FOSTER. Well, it is doing a most marvelous work, I will say to my colleague.

Mr. CANNON. I do not know. I think if there is any poaching, it is by the Bureau of Mines.

Mr. FOSTER. No; I think not; I think my colleague is mistaken. The Bureau of Standards, I would not say a word against the work they are doing because it is wonderful work, and the man at the head of it is a wonderful man.

Mr. MADDEN. Will my colleague yield?

Mr. FOSTER. Yes.

Mr. MADDEN. I am very glad my colleague takes the position he does in respect to the value of the Bureau of Mines, because he is the father of the bill, and he does not want to desert his child.

Mr. FOSTER. But I was speaking then, when my colleague interrupted, of the Bureau of Standards. Due to the statements made by gentlemen on the Committee on Appropriations, I shall not this year make the point of order against this appropriation.

The Clerk read as follows:

To determine experimentally important physical constants of materials essential to the industries or in laboratory investigations, as authorized by law, such as the determination of the value of gravity, thermal conductivities of materials, mechanical equivalent of heat, metallurgical constants such as specific and latent heats of metals and alloys, the electrochemical equivalent of metals, the velocity of light; including data important in the efficient planning of industrial processes, and in the effective utilization of the properties of materials, including personal services in the District of Columbia and in the field, $5,000.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. This paragraph contemplates an improvement in industrial service and to that I would like to address myself for a moment or two. A bill is now pending before the House which has to do with this matter of industrial processes. It is known as the daylight-saving bill. It has passed the Senate and has been brought up here on several occasions, with the request for its consideration by unanimous consent, but that has not been agreed to. I wish the Bureau of Standards had been consulted with regard to this matter, so that the House might have had a report therefrom upon the availability of daylight saving as applied to war industries, but since the question has not come up in that form I desire to say that the matter of daylight saving is not new. The idea evidently germinated in the mind of no less statesman and philosopher than Benjamin Franklin. The American Philosophical Society has prepared a memorandum on that subject which is intensely interesting at this time, and which I hope will be considered in connection with the daylight-saving bill when it comes up for consideration. For the present I put in the RECORD this much of the proceedings of the society:

Mr. Arthur H. Lea, in moving the adoption of the above resolution, said:

"In his autobiography Benjamin Franklin wrote: 'In walking through the Strand and Fleet Street one morning at 7 o'clock I observed there was not one shop open, though it had been daylight and the sun up about three hours, the inhabitants of London chusing voluntarily to live by candlelight and sleep by sunlight, and yet often complain, a little absurdly, of the duty on candles and the high price of tallow.'"

For more than 150 years this question has attracted the notice of philosophers, at least such of them as believed in beginning work earlier in the morning in order that eye strain at night might be relieved, or that man might be fresher for the duties of the day, or that there might be more time for real business or recreation and less time for waste.

Mr. NORTON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. NORTON. Is there anything in the law now that prohibits a man from starting work at 6 o'clock in the morning or at 5 o'clock?

Mr. MOORE of Pennsylvania. Nothing whatever. The farmer does that. He does that because of climatic and agricultural conditions, and very properly so.

Mr. NORTON. Do you think legislation, then, would give him any more rights than he has now, as to going to work?

Mr. MOORE of Pennsylvania. It might be well for industrial reasons to standardize the time of the country, which is now conflicting.

I want to read further from the memorandum of this interesting old American society. Here are some startling conclusions:

The advantages of daylight saving are manifold and great. Daylight is free, artificial light costly. According to the United States census, issued in 1915, there were eighty-three and one-half million incandescent lamps of 50-watt equivalent in the United States in 1912. The growth in the five-year period since 1907 had been at the rate of 84 per cent. Allowing for only a growth of 50 per cent in the five-year period from 1912 to 1917 there are conservatively 130,000,000 such lamps in the United States to-day. To illuminate this number of lamps one hour requires 6,126 tons of coal, according to the best station practice in large units. To illuminate them for one hour per day from the end of April to the end of September requires 937,000 tons of coal. This, then, would be the economy in coal alone by the daylight-saving plan. To this should be added the cost of transporting and delivering this million tons of coal, carting away ashes, etc. It has been impossible to ascertain how many of these lamps are illuminated with hydroelectric current, but it would be conservative to offset them against the oil and gas lamps in the country, and to conclude that the net economy in coal, oil, and gas to be effected by daylight saving would be equivalent to about 1,000,000 tons of coal a year.

Considering our recent coal shortage, it seems to me this important statement ought to have the early consideration of the House. I trust there may be no further delay.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BORLAND. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, this statement of the gentleman from Pennsylvania [Mr. MOORE] is, I think, very interesting, and it shows the reason why the business organizations of this country are now almost a unit in favor of the daylight-saving bill. They have been asking this Congress to pass such a bill now for nearly a year, and a great many Members of Congress have been making strenuous efforts in that direction. I hope that we can have an early consideration of that bill, because not only are the business men in favor of it——

Mr. KING. Mr. Chairman, a point of order. The gentleman is not talking to the amendment.

The CHAIRMAN. What is the gentleman's point of order?

Mr. KING. He is not talking to the amendment.

Mr. MOORE of Pennsylvania. The gentleman is talking to the amendment, because the paragraph relates to industrial processes that might be improved.

Mr. KING. I ask for a ruling on the point of order.

Mr. BORLAND. I call the gentleman's attention to the fact that when the gentleman from Pennsylvania [Mr. MOORE] was speaking, on his own side of the House, he did not raise the point of order.

Mr. MOORE of Pennsylvania. Mr. Chairman, I respectfully submit that the gentleman is in order.

Mr. BORLAND. Mr. Chairman, of course the gentleman from Illinois [Mr. KING] has the right to object if he wishes to do so, as long as the people of his district wish to keep him on the floor.

The CHAIRMAN. The gentleman from Pennsylvania moved to strike out the last word, and the gentleman from Missouri is speaking in opposition to striking it out.

Mr. KING. I simply desire to put in the RECORD that I resent the last words stated by the gentleman from Missouri.

Mr. BORLAND. Will the gentleman not yield to me? Does he not object to the consideration of the daylight-saving bill?

Mr. KING. Yes; I do; and I will object again. It does not justify you in making personal remarks on the floor of the House.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

To provide by cooperation of the Bureau of Standards, the War Department, the Navy Department, and the Council of National Defense, for the standardization and testing of the standard gauges, screw threads, and standards required in manufacturing throughout the United States, and to calibrate and test such standard gauges, screw threads, and standards, including necessary equipment, rental in Washington, and elsewhere, erection of temporary structures, office expenses, books of reference and periodicals, personal services in the District of Columbia, and in the field, and all other necessary items not included in the foregoing, $150,000.

Mr. WALSH. Mr. Chairman, I reserve a point of order on the paragraph. I would like to ask the gentleman having this bill in charge if the committee gave any consideration to the matter of including in the bureaus or departments which cooperate with the Bureau of Standards, the Shipping Board, which is engaged in a vast building program and which, according to press reports, is going to standardize ships which are built? And I would like to ask him whether he would object to an amendment including the Shipping Board in the departments which may cooperate with the bureau in standardization and testing of gauges, tool threads, and matters required in the manufacturing trade of the United States?

Mr. BYRNS of Tennessee. This relates more particularly to the manufacture of munitions.

I will state to the gentleman that the Bureau of Standards is now in a position to render such service to the Shipping Board and do just what the gentleman would like to have it do; but I do not think it ought to be included in this paragraph which, as I have stated, provides for the standardization of gauges in the manufacture of munitions. This is purely a war matter, as the gentleman will notice, and for a war purpose. The Bureau of Standards would have nothing to do with the standardization of ships, although it might test material of which the ships are made.

Mr. WALSH. The Shipping Board are engaged in a war activity, are they not?

Mr. BYRNS of Tennessee. That is true; but as I just stated to the gentleman, there is nothing to prevent the Shipping Board from now asking the Bureau of Standards to make any test they may desire of material used by it.

Mr. WALSH. Is there anything to prevent the War Department from doing that?

Mr. BYRNS of Tennessee. No; there is nothing; but this provides a special fund to enable the Bureau of Standards to perform this particular work.

Mr. WALSH. The gentleman has answered my question, but it seems to me this is a very important work that frequently has to be undertaken in connection with the departments having jurisdiction over certain war activities, and I thought it might be well to permit the Shipping Board to have the privilege to cooperate if they desire to get the benefit.

Mr. BYRNS of Tennessee. They have that now, I will say to the gentleman, but this fund is particularly provided for the purposes I have indicated in cooperation with the War and Navy Departments.

Mr. WALSH. Well, in view of the statements of the gentleman from Tennessee, and in view of the importance of the work that the Bureau of Standards is doing, and because of the fact that there is here indicated a desire and disposition to cooperate on the part of these important branches of the Government, and also, further, because of the fact that the Council of National Defense have at last found a bureau outside the War and Navy Departments with which they seem content to be permitted to cooperate, I will withdraw the reservation of the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Contingent expenses, Department of Commerce: For contingent and miscellaneous expenses of the offices and bureaus of the department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including purchase of professional and scientific books, law books, books of reference, periodicals, blank books, pamphlets, maps, newspapers (not exceeding $2,500); stationery; furniture and repairs to same; carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges; fuel, lighting and heating; not exceeding $4,000 for the purchase of a motor-propelled passenger-carrying vehicle for official use of the Secretary of Commerce; purchase and exchange of motor trucks and bicycles; maintenance, repair, and operation of one motor-propelled passenger-carrying vehicle and of motor trucks and bicycles, to be used only for official purposes; freight and express charges; postage to foreign countries; telegraph and telephone service; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; repairs to building occupied by offices of the Secretary of Commerce; first-aid outfits for use in the buildings occupied by employees of this department; storage of documents belonging to the Bureau of Lighthouses, not to exceed $1,500; street car tickets, not exceeding $300; and all other miscellaneous items and necessary expenses not included in the foregoing, $70,000, and in addition thereto sums amounting to $50,750 shall be deducted from other appropriations made for the fiscal year 1919 and added to the appropriation "Contingent expenses, Department of Commerce," in order to facilitate the purchase through the central purchasing office as provided in the act of June 17, 1910 (Stats. L., v. 36, p. 531), of certain supplies for bureaus and offices for which contingent and miscellaneous appropriations are specifically made as follows: Bureau of Foreign and Domestic Commerce—promoting commerce $6,000, promoting commerce (South and Central America) $3,000, commercial attachés $6,000, promoting commerce in the Far East $2,000; general expenses, Lighthouse Service, $10,000; contingent expenses, Steamboat-Inspection Service, $5,000; contingent expenses, shipping service, $500; instruments for measuring vessels, $500; instruments for counting passengers, $250; enforcement of wireless communication laws, $1,000; Bureau of Standards—equipment $1,500, general expenses, $2,000; general expenses, Coast and Geodetic Survey, $4,500; miscellaneous expenses, Bureau of Fisheries, $8,500; and the said total sum of $120,750 shall be and constitute the appropriation for contingent expenses, Department of Commerce, to be expended through the central purchasing office (Division of Supplies), Department of Commerce, and shall also be available for objects and purposes of the several appropriations mentioned under the title "Contingent expenses, Department of Commerce," in this act.

Mr. WALSH. Mr. Chairman, will the gentleman in charge of the measure explain the purpose of deducting from appropriations made for 1919 the sum of $50,750 and adding it to the appropriation for contingent expenses of the Department of Commerce, and how that is going to facilitate the purchase of supplies for the bureaus?

Mr. BYRNS of Tennessee. That is simply in the interest of good administration, I will say to the gentleman. It is to prevent the heads of a number of bureaus making all these different purchases of stationery and other contingent supplies independently. The funds are transferred from the funds appropriated for these bureaus and placed here under one head, so that these supplies may be purchased by one central head.

Mr. WALSH. Is that the General Supply Committee?

Mr. BYRNS of Tennessee. They are purchased by the department, but from the schedules furnished by the General Supply Committee.

Mr. WALSH. But these are only bureaus in the Department of Commerce? This applies only to the bureaus in the Department of Commerce?

Mr. BYRNS of Tennessee. Yes.

Mr. ROBBINS. Mr. Chairman, I move to strike out the last word for the purpose of asking a question.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last word.

Mr. ROBBINS. I want to get the attention of the chairman if I can. If the chairman will turn to line 22, on page 142, he will see there an item of $5,000 for Steamboat-Inspection Service. We made an appropriation of $33,000, on page 131, for 11 inspectors. Why is it that we can not have these inspectors all under one head and placed in one department, without having them sandwiched in between different appropriations, where it is difficult to tell what they are?

Mr. BYRNS of Tennessee. I will say to the gentleman that the item to which he refers is simply transferred from the contingent fund of the service for the purpose of enabling the stationary and other contingent expenses of that particular service to be purchased through one general head of the department. It is not an extra appropriation, I will say to the gentleman, but simply a transfer of that amount from the other fund in order that these necessary supplies may be purchased through one central head. It is in the interest of good administration and economy.

Mr. ROBBINS. Is that $5,000 covered by the $33,000 appropriated on page 131?

Mr. BYRNS of Tennessee. Oh, no. This is a transfer from the item on page 132, where $130,000 is appropriated for contingent expenses.

Mr. ROBBINS. It is included in the $130,000 on page 132, line 10?

Mr. BYRNS of Tennessee. Yes.

Mr. ROBBINS. Very well. With that explanation, I have no objection.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For periodicals and newspapers for the purpose of procuring strike data and court decisions for the Bureau of Labor Statistics, $300.

Mr. LONDON. Mr. Chairman, I move to add a new paragraph at this point.

The CHAIRMAN. The gentleman from New York moves an amendment, which he sends to the desk, and which the Clerk will report.

Mr. BYRNS of Tennessee. What is it?

The Clerk read as follows:

Amendment offered by Mr. LONDON: Page 146, line 7, insert as a new paragraph the following:

"To investigate the subject of insurance against unemployment, invalidity, and old age, and the use of public works as a means of reducing unemployment."

Mr. BYRNS of Tennessee. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. A point of order is reserved.

Mr. LONDON. Mr. Chairman, the subject of unemployment——

Mr. MOORE of Pennsylvania. Mr. Chairman, before the gentleman begins, will he state whether this amendment embodies the idea he conveyed to the House in a bill some time ago?

Mr. LONDON. Well, this is a modification of it. After the social insurance resolution had been disposed of by the House I introduced another resolution, which was referred to the Committee on Labor. The Committee on Labor asked the Secretary of Labor to report on the advisability of adopting the resolution. The Secretary of Labor, in a communication to the committee, recommends its adoption in a modified form. I expect to submit the recommendation of the Secretary of Labor during the course of my argument.

Mr. MOORE of Pennsylvania. In short, it is the old-age proposition?

Mr. LONDON. No; it is a modified form of it. It brings up again the question of studying the problems of insurance against unemployment, and provides for an investigation of this subject, except that instead of asking for the appointment of a commission the Secretary of Labor is now called upon to make the investigation and submit his findings to Congress.

Mr. Chairman, I ask leave to proceed for 10 minutes.

Mr. STAFFORD. Reserving the right to object, will the gentleman conclude in 10 minutes?

Mr. LONDON. I think so.

Mr. STAFFORD. We are going to present some very important legislation here at the conclusion of the reading of this bill, and we wish to have it concluded as soon as possible.

Mr. LONDON. I know. I have been faithful in my attendance on the floor of the House, and I ask for 10 minutes.

The CHAIRMAN (Mr. SAUNDERS of Virginia). The gentleman from New York asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. KINCHELOE. I object.

The CHAIRMAN. Objection is heard. The gentleman from New York is recognized for five minutes.

Mr. PLATT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PLATT. Can a gentleman sitting in his seat object without standing up and have his objection recognized?

The CHAIRMAN. The gentleman from Kentucky [Mr. KINCHELOE] was coming down the aisle, walking in the direction of the desk, when he made his objection, and the Chair acted accordingly.

Mr. LONDON. Mr. Chairman, the Secretary of Labor recommends that an appropriation be made to enable him to investigate the subject of insurance against unemployment, invalidity and old age, and the use of public works as a means of reducing unemployment. In the resolution which I introduced I asked for an appropriation of $50,000. The Secretary of Labor says in regard to the appropriation—

> Even if the investigation is confined to insurance against unemployment, invalidity and old age, and the use of public works as a means of reducing unemployment, I think such a study can not be adequately carried out on an appropriation of only $50,000.

The Secretary emphasizes the importance of making the study now. It is evident to every sound-thinking man that there will be a dislocation of industry with the demobilization of the men and women employed now in war industries with the demobilization of the men in the camps. The time to prepare for that contingency is now. The time to make the investigation is now and not when unemployment is upon us. We can not leave the solution of the question to the old method of the soup kitchen and of charitable institutions. It is a big national problem. It lies fairly within the functions of the Secretary of Labor. It is what his department has been created for. In the organic law creating the Department of Labor we find the following:

> The purpose of the Department of Labor shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment.

I have not the time to attempt to analyze the entire subject. I attempted it on previous occasions. The last time when the resolution came up two objections were put forward. One was that in this abnormal war time we can not study the subject with any degree of success. The previous resolution provided for a commission, and the other objection was that commissions were useless, that they were calculated merely to delay things, and that Members of Congress themselves should take up these subjects for study. Now, in the resolution before the House, which I will incorporate in my remarks, the Secretary of Labor is asked to assemble all the data, all the available facts relating to the subject. That is in line with his duty. On previous occasions studies of parts of the subject were made by the Department of Labor, and as you go through the literature of the Bureau of Labor Statistics and of the Department of Labor you will find partial studies of branches of the subject. This amendment would enable the Department of Labor to assemble all the facts in relation to the subject.

I may as well take up now the question of the point of order.

I contend that the Department of Labor was created specifically for the purpose of taking up this very subject. If the Secretary of Labor is not to study unemployment, if he is not to prepare against unemployment, if he is not to provide against the contingency of unemployment, if he is to shut his eyes to the fact that with the demobilization of the Army and with the upsetting of industry after the termination of the war—there is bound to be a dislocation of industry, a maladjustment, a looking for jobs, a vain looking for jobs unless some wise measures are adopted now—then he will have failed of his function. It is the supreme duty of the Congress to supply the Department of Labor with funds to make the necessary investigation. That will probably be the most important work in which the department has ever been engaged.

Mr. Chairman, I contend that the point of order does not lie. In the few minutes I have I can not undertake again to analyze this subject in all its fullness.

I submit the resolution, House joint resolution 226, which I introduced on January 23, 1918, and a copy of the letter of the Secretary of Labor in relation thereto. The Secretary of Labor would confine himself to an investigation of the subject, so as to enable Congress to determine for itself the advisability of adopting a system of national insurance against unemployment, invalidity, and old age:

> House joint resolution (H. J. Res. 226) authorizing and directing the Secretary of Labor to make an investigation and report regarding insurance against unemployment, invalidity, and old age.
>
> *Resolved, etc.*, That the Secretary of Labor be, and he hereby is, authorized and directed to investigate and report to Congress on or before the first Monday of December, 1918, upon the following: The advisability of adopting a system of national insurance against unemployment, invalidity, and old age, and also upon the advisability of establishing a comprehensive system of public works conjointly with unemployment insurance or as a separate measure, to minimize unemployment.
>
> SEC. 2. That for the purposes of enabling the Secretary of Labor to make the necessary investigations and reports the sum of $50,000 is hereby authorized to be appropriated out of any money in the Treasury of the United States not otherwise appropriated.

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
March 5, 1918.

Hon. JAMES P. MAHER,
Chairman Committee on Labor, House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN: I am in receipt of your letter of January 29, inclosing copy of House joint resolution 226, directing the Secretary of Labor to make an investigation and report regarding insurance against unemployment, invalidity, and old age.

It is highly desirable that we learn as much as possible about the workings of the national unemployment insurance act passed in Great Britain in 1911. It is also of the highest importance that we find out much more than we now know about the extent, causes, and consequences of unemployment in this country. After the war is over unemployment is bound to increase alarmingly unless we make intelligent and adequate provision for the reabsorption into the normal peacetime industries of men in military service and in war industries. Invalidity and old-age insurance are also matters about which we need much more exact information. With the available information on these subjects collected and digested by the department for the use of Congress, it would then be in a position to determine for itself the advisability of adopting a system of national insurance against unemployment, invalidity, and old age.

I therefore suggest that the resolution be amended by striking out all after the word "investigate," on page 1, line 4, down to and including the word "unemployment," in line 11, and insert the following: "The subjects of insurance against unemployment, invalidity, and old age, and the use of public works as a means of reducing unemployment."

Even if the investigation is confined to insurance against unemployment, invalidity, and old age, and the use of public works as a means of reducing unemployment, I think such a study can not be adequately carried out on an appropriation of only $50,000. If it is the desire of the committee, I shall be pleased to make an estimate of the cost of making the study contemplated by the bill.

Respectfully, yours, W. B. WILSON, *Secretary.*

The Committee on Labor has since asked that the estimate be made.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

The CHAIRMAN. Of course, the limit of time does not apply to the discussion of a point of order.

Mr. McLAUGHLIN of Michigan. I believe the gentleman stated that the Secretary of Labor said that $50,000 would not be a large enough amount to enable him to make the investigation. Does he indicate the amount of money that will be necessary?

The CHAIRMAN. The time of the gentleman from New York has expired on the merits of the proposition.

Mr. LONDON. Will the gentleman from Michigan get my time extended?

Mr. McLAUGHLIN of Michigan. We are talking on the point of order now, Mr. Chairman.

The CHAIRMAN. Of course, the Chair will hear any gentleman on the point of order.

Mr. McLAUGHLIN of Michigan. Can the gentleman from New York answer my question?

Mr. LONDON. That is not a question directed to the point of order.

The CHAIRMAN. Does the gentleman's inquiry relate in any way to the point of order?

Mr. McLAUGHLIN of Michigan. No; it does not.

The CHAIRMAN. Very well, then. Of course, it can not be utilized to extend the gentleman's time.

Mr. McLAUGHLIN of Michigan. Is the gentleman able to answer my question?

The CHAIRMAN. The gentleman can not answer a question that does not relate to the point of order.

Mr. McLAUGHLIN of Michigan. I did not ask him to answer it. I just asked him if he could answer it.

Mr. LONDON. Mr. Chairman, as I said previously, the organic law creating the Department of Labor provides in clear and unmistakable words the functions of this department. I will read the language:

> The purpose of the Department of Labor shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment.

I contend that the study of the subject of unemployment comes within the provision of the law just cited and is directly within the object for which the department was created.

Mr. BYRNS of Tennessee. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. Does the gentleman from Tennessee wish to be heard upon it?

Mr. BYRNS of Tennessee. Nothing, except to say that it is legislation upon an appropriation bill, and that even if it was in order on an appropriation bill, this is not the proper bill to carry it; in other words, it should be carried in the sundry civil bill. It provides for insurance not only for unemployed but for old age. Clearly, without admitting for a moment the logic of the gentleman's position with reference to the unemployed, there is no authority in law for an amendment that would take care of insurance in old age.

The CHAIRMAN. The Chair does not think the amendment is in order.

Mr. LONDON. Mr. Chairman, I will offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. LONDON: Page 146, line 70, insert as a new paragraph the following:

"To investigate the subject of insurance against unemployment, the sum of $50,000."

Mr. BYRNS of Tennessee. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. How does the gentleman from New York claim that this is in order in respect to legislation on an appropriation bill?

Mr. LONDON. Mr. Chairman, is this new legislation? We are appropriating for the needs of the various departments. We give them the money necessary to carry out their functions; and one function of the Department of Labor is the study of unemployment, a function so important that it was made a part of the organic law. It is essential that we provide against the contingency, not when we are in distress, not when we are in the midst of a crisis, but before the evil of unemployment is upon us. It is one of the most vital duties of the Department of Labor. To make appropriations for chairs, clerks, and furniture, typewriters, and automobiles without making provision for the study and investigation of the most important object for which that department was created is to assassinate all the laws of logic and repudiate all the laws of reason. The most important function of the Department of Labor is to advance opportunities for profitable employment, to investigate and assemble all the facts relating to unemployment. I submit, Mr. Chairman, that the amendment is in order.

The CHAIRMAN. The Chair has not been cited to any fundamental law clearly authorizing or justifying this amendment. There is no limit to the investigations for which appropriations might be made if this amendment is in order. There are many investigations which conceivably the Department of Labor might conduct, with a view to improving the working conditions of labor and advancing the opportunities for profitable employment but it does not follow therefrom that the Committee on Appropriations is empowered to direct specific investigations to that end. The amendment as I understand it, is to investigate the subject of insurance against unemployment.

Mr. LONDON. And to increase opportunity for employment. To study unemployment is not to keep out of employment. I hope the Chairman does not think that that is what is sought by my amendment. To study the causes of unemployment is the converse of advancing the opportunities for profitable employment. The department is to foster employment by eliminating the causes of unemployment, and you can not eliminate unemployment without studying it.

The CHAIRMAN. The Chair is not satisfied that this amendment is out of order and is disposed to submit it to the committee.

Mr. SHERLEY. But if the Chair will permit, I suggest if the organic law creating the Bureau of Labor would make it within the function of that bureau to carry on such investigation, the legislative bill is not the medium to carry such a provision. The legislative bill is to provide for the salaries of the legislative, executive, and judicial departments, and has never been properly made the medium for carrying provisions looking to investigation. Such provisions are carried in connection with the appropriations in the sundry civil bill. I submit that this is not germane to anything in this bill.

The CHAIRMAN. What does the gentleman from New York say to that proposition?

Mr. LONDON. This bill, Mr. Chairman, contains a number of items that are not for salaries. It provides the necessary expenses for running the departments. My argument is that the subject of unemployment is one of the most vital things, one of the most vital functions, of the Department of Labor. Congress should not fail to provide for carrying out the objects for which that department has been created.

The CHAIRMAN. Upon reflection the Chair is disposed to think that the organic act might be fairly construed by the Bureau of Labor to empower it to investigate the subject proposed in the amendment, if a lump-sum appropriation was made. But this would be a conclusion that the bureau would draw from the general terms used in the act. This amendment appropriating the sum indicated and directing that it shall be used for the investigation mentioned is an interpretation of the organic act. An amendment construing or interpreting an act is legislation. Legislation on an appropriation bill is forbidden. The point of order is sustained.

The Clerk read as follows:

Child Labor Division: To enable the Secretary of Labor to carry into effect the provisions of the act of September 1, 1916, entitled "An act to prevent interstate commerce in the products of child labor, and for other purposes," in the District of Columbia and elsewhere, including traveling expenses, per diem in lieu of subsistence at not exceeding $4, telegraph and telephone service, express and freight charges, contingent and miscellaneous expenses, and personal services in the District of Columbia and elsewhere, $125,000: *Provided*, That no salary shall be paid hereunder at a rate exceeding $3,000 per annum.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Will the gentleman state how the maximum salaries are fixed in these bureaus or divisions in the Department of Labor? Here is a provision in the Children's Bureau that not exceeding so many persons shall be employed at a rate not exceeding $2,000, and in the Child Labor Division it is provided that no salary shall be paid at a rate exceeding $3,000 per annum. It would seem to me that in the administration of the important law regulating interstate commerce in the products of child labor the salary permitted to any person employed to carry out the provisions of the act is not very large, if limited to $3,000.

Mr. BYRNS of Tennessee. I will say to the gentleman that $3,000 is the salary now paid to the chief of this division. This, as the gentleman understands, is a division of the Children's Bureau, and the salary was fixed by those in authority for the chief of that division, the lady who has been in charge of it ever since it has been established.

Mr. WALSH. That is Miss Lathrop?

Mr. BYRNS of Tennessee. No; Miss Lathrop is the chief of the bureau, and she gets $5,000. Miss Abbott is the chief of the division.

Mr. KEATING. Mr. Chairman, if the gentleman will permit, the salary of $3,000 referred to by the gentleman from Massachusetts [Mr. WALSH] was not fixed by those who are in charge of the Labor Department or the Children's Bureau. It is a limitation placed in the appropriation bill by the Committee on Appropriations in the last Congress, in the face of the protests of those in charge of the Children's Bureau, and I think I am safe in saying that those who have charge of the work of enforcing the child-labor law think that the salary is inadequate; that Miss Abbott, in accepting the position as chief of that particular division, did so at a sacrifice. I think myself that the provision should be eliminated, and that in these days of the high cost of living it should be possible to pay more than that sum to the person who has charge of the enforcement of child-labor laws all over the United States.

Mr. BYRNS of Tennessee. Mr. Chairman, it is true that the provisions of the bill which first carried this appropriation did place a limitation of $3,000 on the salary, and $3,000 is now the sum which is paid to the chief of this division. In addition to that, there is an assistant chief at $2,700, a law officer at $2,500, an inspector in charge of State cooperation at $2,220, a supervising inspector at $2,000, 4 supervising inspectors at $2,000, a supervisor of certificate issuing at $1,800, 30 inspectors at $1,500, and 20 at $1,700, and other employees who draw smaller salaries.

Mr. WALSH. But all these employees could be wiped out over night; they are not carried in any bill specifically provided for in any legislation, and they could be eliminated by the chief of the bureau if it was thought desirable. My point is that to limit the salary that can be paid to any person under whom comes the administration of this most important legislation touching the prevention of interstate commerce in the products of child labor, to $3,000, is not conducive to getting the most efficient administration.

Mr. BYRNS of Tennessee. I will say to the gentleman that I do not know of chiefs of division in many of the departments of the Government who are getting exceeding $3,000. The gentleman must not confuse this position with the chief of the bureau, whose salary is fixed by statute and who gets a much larger sum.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. McLAUGHLIN of Michigan. Am I right in believing that under this paragraph, as far as the $125,000, the lump sum, will go, each one employed, regardless of the work performed, might be paid $3,000?

Mr. BYRNS of Tennessee. That is true.

Mr. McLAUGHLIN of Michigan. Should there not be a further limitation upon that? Should not assistants be named? It is done in every other item.

Mr. BYRNS of Tennessee. There is a very striking difference between the attitude of the gentleman from Michigan and that of the gentleman from Massachusetts. The committee is being

criticized on one hand for having a limitation and the gentleman from Michigan is insisting on a more stringent limitation.

Mr. McLAUGHLIN of Michigan. I was impressed with what the gentleman from Colorado [Mr. KEATING] said, that the chief of this division is a person of such ability and capacity as to merit a larger salary, and I should hope to see a larger salary for the head of the division; but to have the law left in such a way that anyone in the employ there might receive as much as the chief of the division I think is wrong.

Mr. BYRNS of Tennessee. Confirming what I said a moment ago with reference to these salaries, I want to call the attention of the committee to the fact that the estimates submitted asked for a salary of $3,000 for the chief of this division. There is no request from the Director of the Children's Bureau for any larger sum.

Mr. McLAUGHLIN of Michigan. But does the committee never exercise its own judgment in these matters?

Mr. BYRNS of Tennessee. Certainly it does; and the committee, I am frank to say to the gentleman, feel that the salary of $3,000 for the chief of a division within a bureau is a good salary, as compared with what is paid to chiefs of divisions in practically all of the other departments of the Government. This is not an independent bureau; it is a division within a bureau. When the chief of that bureau, Miss Lathrop, a most excellent and most intelligent lady, comes before the committee with her estimates and says that $3,000 is all that she asks for the chief of that division, the committee does not feel like increasing the salary upon its own motion.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, when the bill prepared by the committee of which I am a member comes before the House usually there is present a member of the Committee on Appropriations who is paying particular attention to it to see that appropriations are not too high, and that the lump sums are few and far between, requiring the committee to specify as nearly as possible the number of clerks and employees of one kind and another and the particular salary attached to each position.

Mr. BYRNS of Tennessee. Well, I will say to the gentleman——

Mr. McLAUGHLIN of Michigan. Here is a bill reported by a subcommittee of the Committee on Appropriations itself filled with lump-sum appropriations and leaving the widest latitude in the matter of paying salaries, and it seems to me that is not right.

Mr. BYRNS of Tennessee. I want to say to the gentleman from Michigan that we brought in a limitation the other day upon an appropriation made for the Bureau of Efficiency so as to provide that under no circumstances should they pay to the chief of the bureau exceeding $5,000 or exceeding $4,000 to any other employee, and yet after we brought that limitation in here on the floor of the House the committee was severely criticized, and a point of order was made against the limitation, and the limitation was stricken from the bill, so that any amount of salary may be paid to the Chief of the Bureau of Efficiency or to any employee. The Committee on Appropriations, I will say to the gentleman, and I appeal to the RECORD to confirm what I say, has always been extremely careful to place limitations upon lump sums; and I want to call the attention of the gentleman, my distinguished friend from Michigan, to the fact that the Agricultural appropriation bill, of which committee he is a very able and distinguished member, is filled with lump-sum appropriations, and I will not say half the salaries are paid out of lump-sum appropriations, but we all know—I am not criticizing the committee for that—that the appropriation bill brought in by the gentleman's committee contains numerous lump-sum appropriations, frequently without limitation. Now, the Committee on Appropriations proposed this as a lump sum, the head of this division having stated that it was just being organized; that she was not in a position to submit a list of the employees necessary. In other words, she said her organization had not been definitely fixed, and she asked us to give her a lump sum, and we gave her the lump sum with this limitation, so that no salaries shall be paid in excess of the amount that ought to be paid, and in fixing such amount we followed the estimate.

Mr. McLAUGHLIN of Michigan. I appreciate the gentleman's statement fully, and if the gentleman, representing the Committee on Appropriations, says that this is the best that the Committee on Appropriations can do, I will take his word for it and make no objection; but I recall, as other members of the committee, that these lump-sum appropriations in the Agricultural bill have been very severely attacked here by the members of the Committee on Appropriations, and as a result of that they have been eliminated in some instances or such restrictions thrown around them as they were able to frame.

Mr. STAFFORD. Will the gentleman yield in that particular——

Mr. WALSH. The gentleman from Massachusetts will yield.

Mr. STAFFORD. With the permission of the gentleman from Massachusetts, who stands by his rights and the privileges of recognition.

Mr. WALSH. I yield.

Mr. STAFFORD. Is not there this difference between the lump-sum appropriations carried in the Agricultural appropriation bill and the lump-sum appropriations in this instance, that those carried in the Agricultural appropriation bill are for work of long standing, whereas here is a division that has just recently been established, where the head of the division stated that she is not in a position to fix the salaries of the force for the next year, and accordingly we did not think that it was right to place them on the statutory roll when the work of the division is in the course of formation?

Mr. McLAUGHLIN of Michigan. I have said that if the committee will say that it is the best they can do, I will accept that explanation. Their apology is satisfactory to me.

Mr. STAFFORD. The fact is, the criticism that was leveled heretofore against the Agricultural bill stands notwithstanding, because there we have lump-sum appropriations for bureaus of long standing, from which salaries have been paid out for years and years, much higher than those paid in other departments.

Mr. WALSH. Mr. Chairman, I trust that the gentleman on the committee will not think that I was attempting to criticize his committee in making the query that I did. I was not criticizing his committee, but was asking for the impelling reason which led to the inclusion of the limitation in the paragraph, and I want to direct his attention to the fact that in this same department there are two divisions that pay its chief more than is paid to the Child Labor Division. The chief of the Division of Information gets $3,500, and also in the Department of Commerce there is a bureau there where the assistant chief gets $3,500 and the chief gets $6,000. That is the Bureau of Foreign and Domestic Commerce.

Mr. BYRNS of Tennessee. That is a bureau, and I was talking of a division. I was referring to salaries paid in a division. There are one or two exceptions.

Mr. WALSH. But it would seem to me that we ought to permit the chief of an important bureau like this to be able to get the best service that is available. Why, for some of the special employees in some offices we permit them to pay more than that on a per diem basis for simply temporary employment. I assure the gentleman I was not attempting in any way to criticize the action of the committee, but was endeavoring to get the reason for this limitation. If my five minutes have not yet expired, I yield back the balance of it.

Mr. BYRNS of Tennessee. I do not question the motives of the gentleman in the least. He has been very alert and active in the consideration of this bill, but always pleasant and courteous. I move that the committee now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill H. R. 10358, the legislative, executive, and judicial appropriation bill, had come to no resolution thereon.

FEDERAL CONTROL OF RAILROAD TRANSPORTATION.

Mr. SIMS. Mr. Speaker, the railroad control bill (S. 3752) was sent back to conference by a point of order in the Senate under their new rule, that fact having been messaged over here, and I wish to ask leave to withdraw the conference report that has been filed.

The SPEAKER. The gentleman from Tennessee asks leave to withdraw the conference report that has been filed. Without objection, it is so ordered.

There was no objection.

Mr. GARNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER. Does this bill automatically go back to conference with the permission to withdraw the report?

Mr. SIMS. That was the action of the Senate under their rule.

The SPEAKER. The Chair thinks it does. The conference is still in existence.

Mr. KITCHIN. Does the gentleman from Tennessee [Mr. SIMS] have to make a request for the withdrawal of it?

The SPEAKER. He has already made it, and it has been granted.

Mr. CANNON. Do not the conferees have to be reappointed?

The SPEAKER. Why?

Mr. SIMS. There is no report.

The SPEAKER. There is no report, but there is a conference.

Mr. SIMS. We want to get the papers back from the Senate.

The SPEAKER. The Chair does not think there have to be conferees appointed.

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COOPER of Wisconsin. What is the proposition before the House?

The SPEAKER. There is not anything before the House now, but the situation that was before the House was this, that the House conferees reported the conference report in here, and when the Senate got hold of it, it recommitted it to the conferees on some point of order they raised over there. Now, the conference report was in possession of the House, and the gentleman from Tennessee [Mr. SIMS] asked leave to get it back to conference——

Mr. COOPER of Wisconsin. Mr. Speaker——

The SPEAKER (continuing). And it was granted.

Mr. COOPER of Wisconsin. As I understand, the gentleman from Tennessee [Mr. SIMS] asked for a conference?

Mr. SIMS. No; I just asked to withdraw the report.

Mr. COOPER of Wisconsin. Originally the request for a conference came from the House, did it not?

The SPEAKER. The Chair does not remember.

Mr. COOPER of Wisconsin. It is important in one sense, Mr. Speaker.

Mr. SIMS. I asked unanimous consent that the House insist on its disagreement and ask for a conference.

Mr. COOPER of Wisconsin. The gentleman from Tennessee having made the request on behalf of the House for a conference, that gave the papers to the Senate conferees, and the Senate conferees have voted on the conference report, if it was voted on.

The SPEAKER. Undoubtedly.

Mr. COOPER of Wisconsin. What is the status now? What has happened?

The SPEAKER. The status is this, that the conferees reported this conference report, and after they had reported it to the House and it had been reported to the Senate, the Senate recommitted it on a point of order to the conferees and sent the papers back to the House with the notification. The only way the chairman could get his conference report back again was to ask the House to let him do it, which he has done.

Mr. COOPER of Wisconsin. Has the gentleman from Tennessee the papers?

The SPEAKER. The House has the papers.

Mr. COOPER of Wisconsin. That is what I wanted to get at. They were sent back by the Senate. They voted first over there and they should be here.

The SPEAKER. That is exactly what happened. The gentleman was trying to get the papers that were in the possession of the House.

Mr. MOORE of Pennsylvania. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MOORE of Pennsylvania. The gentleman from Tennessee will now be obliged to present a new report. Is that it?

The SPEAKER. Of course he will. If not, the bill is as dead as a man who lived before the flood.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATIONS.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Rent: For rent of buildings and parts of buildings in the District of Columbia for the use of the Department of Labor, $24,000.

Mr. DYER. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the subcommittee, the gentleman from Tennessee [Mr. BYRNS], with reference to the rent items. I notice in this bill various items in the various departments for rent. There is no limitation upon any of them as to how much the departments can pay for rent. Has it not been the practice in the past to fix the amount the Government can pay for rent of buildings?

Mr. BYRNS of Tennessee. It has; and I will say to the gentleman that in this case the Department of Labor has a term lease on the building now occupied for which they pay $24,000 a year.

Mr. DYER. Is that so with reference to other departments?

Mr. BYRNS of Tennessee. That is so with reference to all the departments where there is a lease for a term of years.

Mr. DYER. There are items for rent here for other departments besides the Department of Labor?

Mr. BYRNS of Tennessee. Yes.

Mr. DYER. And those are all for renewing leases?

Mr. BYRNS of Tennessee. Either renewing leases or carrying out leases already in effect.

Mr. DYER. And the amount to be paid is fixed?

Mr. BYRNS of Tennessee. It is fixed by agreement, of course, between the lessor and lessee.

Mr. DYER. And is no more than has been authorized heretofore by limitation?

Mr. BYRNS of Tennessee. No.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

District courts: Ninety-seven district judges, at $6,000 each, $582,000.

Mr. DYER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Missouri moves to strike out the last word.

Mr. DYER. Mr. Chairman, I would like to ask the chairman of the committee a question with reference to the item for the courts. Has the gentleman's committee considered the advisability of increasing the pay of Federal judges? Apparently they are very much underpaid now, according to the standard of salaries paid to other officials of the Government and conditions generally. Take, for instance, the item there with reference to the judges of the district courts of the United States, $6,000.

Mr. BYRNS of Tennessee. No. I will say to the gentleman that no consideration whatever was given with reference to increased pay for judges, for the simple reason that their salaries are fixed by law. That is a matter, of course, for the Committee on the Judiciary.

Mr. DYER. That is a matter that should come from the Committee on the Judiciary?

Mr. BYRNS of Tennessee. Yes.

The CHAIRMAN. The pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

Court of Appeals, District of Columbia: Chief justice, $7,500; two associate justices, at $7,000 each; clerk, $3,250, and $250 additional as custodian of the Court of Appeals Building; assistant or deputy clerk, $2,250; reporter, $1,500: *Provided*, That the reports issued by him shall not be sold for more than $5 per volume; crier, who shall also act as stenographer and typewriter in the clerk's office when not engaged in court room, $1,200; three messengers, at $720 each; three stenographers, one for the chief justice and one for each associate justice, at $1,200 each; necessary expenditures in the conduct of the clerk's office, $1,000; in all, $36,710, one-half of which shall be paid from the revenues of the District of Columbia.

Mr. CRAMTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Michigan moves to strike out the last word.

Mr. CRAMTON. I want to ask the committee a question as to the basis on which salaries of stenographers for the various judges are fixed. In this Court of Appeals, which, I take it, is a court having a great deal of business, the stenographers—one being provided for each justice—receive $1,200. In the Supreme Court of the District of Columbia, in the next paragraph, a court which we have recently been assured has more business for the justices than any other court in the country, which is so terribly overcrowded and overworked with business, the stenographers to those judges, being of a higher grade than the Court of Appeals, get only $1,100. Over a little further, in the Court of Customs Appeals, a comparatively new court, those stenographers get $1,600. Is that a mark of the comparative conservatism of the Court of Appeals and the Supreme Court?

Mr. BYRNS of Tennessee. I will say to the gentleman that the Supreme Court of the District of Columbia is an inferior court to the Court of Appeals. That is what we call down in my State a "circuit court." The stenographers for the judges of the Supreme Court of the District of Columbia are now getting $900. The committee has given them an increase in this bill of $200, making their salaries $1,100.

Mr. CRAMTON. Does the committee feel that when any good stenographer, without a day's experience in the particular work, can go into the departments down here at $1,200, the stenographers who have been with the justices of the Supreme Court for a considerable time should be put down at $1,100 if that court is as much overworked as we have been told it is?

Mr. BYRNS of Tennessee. I will say that in some instances these judges have law students for their secretaries and stenographers. I will not say that is so in all instances, but I

know that is true in some instances. They are not necessarily expert stenographers. They are in the nature of secretaries to the judges. I take it that their correspondence, as a matter of fact, is not extraordinarily heavy.

Mr. CRAMTON. Then either one of two things is true. Either they are getting help that is not as efficient as it should be, and are obliged by the low salary provided to take advantage, perhaps, of the necessities of the students; or, if these students are equal to the needs of the justices, that court is not such a busy place as some gentlemen have inferred. Perhaps they really do not need a stenographer much of the time.

Mr. BYRNS of Tennessee. I have no doubt that the judges of the courts of the District of Columbia would be glad to have a $1,200 salary fixed for their stenographers. In fact, one of the judges appeared before our committee and made that statement; but inasmuch as these stenographers are now getting $900, the committee thought that $200 added as an increase at one time was a pretty fair raise in salary. It is all that is given in the departments. A man is promoted from class 1 to class 2, and from class 2 to class 3, or $200 at a time.

Mr. CRAMTON. Does the gentleman think that the members of the Court of Customs Appeals have a larger correspondence than the members of the Circuit Court, and that one stenographer should get $1,600 while the other gets $1,100?

Mr. GOOD. Mr. Chairman, will the gentleman yield right there?

Mr. CRAMTON. Yes.

Mr. GOOD. I call the gentleman's attention to the language there. They are not stenographers. They are stenographic clerks. They are more than mere stenographers.

Mr. CRAMTON. I understand from the chairman that these stenographers to the Supreme Court of the District have not so much work as stenographers as they have as clerks.

Mr. GOOD. These are high-grade clerks.

Mr. CRAMTON. Does the gentleman think that if the Supreme Court of the District is so terribly overwhelmed with work—the hardest-worked court in the country—they ought to be obliged to put up with half-rate clerks?

Mr. GOOD. I think the gentleman will realize that between a court like the Court of Customs Appeals and the supreme court there is a distinction. In one instance the stenographer need have no knowledge aside from that of stenography and typewriting and a general education.

Mr. CRAMTON No; I differ with the gentleman. I think that in any court that is really working each justice ought to have at his disposal a stenographer who is a capable stenographer and secretary as well.

Mr. GOOD. These stenographers of the court of appeals are men of a higher character than that.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last two words.

Mr. COOPER of Wisconsin. I want to ask the gentleman from Iowa [Mr. GOOD] a question. How many cases of appeals were heard before the Court of Customs Appeals last year?

Mr. GOOD. I can not tell the gentleman.

Mr. STAFFORD. If the gentleman will permit——

Mr. GOOD. Certainly——

Mr. STAFFORD. There is a bill pending on the House Calendar, and has been for several months, reported from the Committee on the Judiciary, providing for the creation of two additional judges for the Supreme Court of the District. In that report the gentleman will find the information which he is now seeking.

Mr. COOPER of Wisconsin. This is the Court of Customs Appeals.

Mr. STAFFORD. Oh, I thought you were referring to the District court. I will say to the gentleman that the legislative subcommittee has made no inquiry, either this year or in prior years, as to the amount of work of this court. There has been no change in the estimates, either in the clerical force or the subclerical force, and accordingly we allowed the estimates that they asked.

Mr. COOPER of Wisconsin. It would seem to me that some time it might be advisable, while we are making appropriations of hundreds and hundreds and hundreds of millions of dollars, to find out precisely what we are appropriating money for and how much business the people do who get the money. I would like to know how many cases were appealed for the Court of Customs Appeals.

Mr. STAFFORD. The gentleman will notice, if he will study the item under consideration, to which he is directing the inquiry, that we appropriate only $54,840.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOPER of Wisconsin. I ask unanimous consent that the time be extended three minutes.

The CHAIRMAN. The gentleman from Wisconsin [Mr. COOPER] asks unanimous consent that the time be extended three minutes. Is there objection?

Mr. KINCHELOE. I object.

Mr. BYRNS of Tennessee. Just a moment, in order to give the gentleman from Wisconsin the information he desires.

Mr. COOPER of Wisconsin. I only asked for the time in order to give the gentleman from Tennessee an opportunity to make the statement he desires to make.

Mr. BYRNS of Tennessee. During the year 28 appeals were disposed of by the Court of Customs Appeals by consent and 106 were decided by the court after argument. The appeals disposed of by consent were for the most part disposed of in accordance with decisions by the United States Court of Customs Appeals on other similar issues which were argued as test cases.

Mr. COOPER of Wisconsin. What is the aggregate number of cases disposed of during the year?

Mr. BYRNS of Tennessee. That would make an aggregate of 134 cases.

Mr. COX. How many members of that court are there?

Mr. BYRNS of Tennessee. Five; the presiding judge and four associate judges.

The Clerk resumed and completed the reading of the bill.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The CHAIRMAN. The committee determines to rise.

Mr. BORLAND. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. BORLAND. The committee has finished the reading of the printed bill. The motion just made is that the committee rise, without any direction to report. I assume that an amendment to this section of the bill, or in the way of an additional section, is still in order.

The CHAIRMAN. It would have been, but the committee has risen.

Mr. BORLAND. Mr. Chairman, I do not think that could have been the understanding of the committee.

The CHAIRMAN. The Chair can not pass on a matter of understanding. As a matter of fact, that is what the committee did.

Mr. BORLAND. I want to protest——

The CHAIRMAN. If the gentleman had offered an amendment, it would have been presented as a preferential proposition to the motion of the gentleman from Tennessee.

Mr. BORLAND. When the committee sits again it will be in order to offer an amendment in the way of a new paragraph to the bill, will it not?

The CHAIRMAN. The gentleman will have to present that when the committee sits again. The Chair can not anticipate.

Mr. BORLAND. I do not propose to lose any rights on that point at all. Of course the committee did not so intend.

The CHAIRMAN. The committee has determined to rise.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the legislative, executive, and judicial appropriation bill, H. R. 10358, and had come to no resolution thereon.

Mr. SHERLEY. Mr. Speaker, I ask unanimous consent that it shall be in order to consider as an amendment to the legislative, executive, and judicial appropriation bill, H. R. 10358, the following amendment, which I send to the Clerk's desk.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

SEC. 6. That all civilian employees of the Governments of the United States and the District of Columbia who receive a total of compensation at the rate of $2,000 per annum or less, except as otherwise provided in this section, shall receive, during the fiscal year ending June 30, 1919, additional compensation at the rate of $120 per annum: *Provided*, That such employees as receive a total of annual compensation at a rate more than $2,000 and less than $2,120 shall receive additional compensation at such a rate per annum as may be necessary to make their salaries, plus their additional compensation, at the rate of $2,120 per annum, and no employee shall receive additional compensation under this section at a rate which is more than 30 per cent of the rate of the total annual compensation received by such employee: *Provided further*, That the increased compensation at the rates of 5 and 10 per cent for the fiscal year ending June 30, 1918, shall not be computed as salary in construing this section: *Provided further*, That where an employee in the service on June 30, 1917, has received during the fiscal year 1918, or shall receive during the fiscal year 1919 an increase of salary at a rate in excess of $200 per annum, or where an employee has entered the service since June 30, 1917, whether such employee has received an increase in salary or not, such employees shall be granted the increased compensation provided herein only when and upon certification of the head of the department or establishment

employing such persons of the reasons personal to such employees as would justify such increased compensation: *Provided further*, That the increased compensation provided in this section to employees whose pay is adjusted from time to time through wage boards or similar authority shall be taken into consideration by such wage boards or similar authority in adjusting the pay of such employees.

The provisions of this section shall not apply to the following: Employees paid from the postal revenues and sums which may be advanced from the Treasury to meet deficiencies in the postal revenues; employees of the Panama Canal on the Canal Zone; employees of the Alaskan Engineering Commission in Alaska; employees whose duties require only a portion of their time, except charwomen, who shall be included; employees whose services are utilized for brief periods at intervals; employees who receive a part of their pay from any outside sources under cooperative arrangements with the Governments of the United States or the District of Columbia; employees who serve voluntarily or receive only a nominal compensation; and employees who may be provided with special allowances because of their service in foreign countries. The provisions of this section shall not apply to employees of the railroads taken over by the United States, and nothing contained herein shall be deemed a recognition of the employees of such railroads as employees of the United States.

Section 6 of the legislative, executive, and judicial appropriation act approved May 10, 1916, as amended by the naval appropriation act approved August 29, 1916, shall not operate to prevent anyone from receiving the additional compensation provided in this section who otherwise is entitled to receive the same.

Such employees as are engaged on piecework, by the hour, or at per diem rates, if otherwise entitled to receive the additional compensation shall receive the same at the rate provided in this section when their fixed rate of pay for the regular working hours and on the basis of 313 days in the said fiscal year would amount to $2,000 or less: *Provided*, That this method of computation shall not apply to any per diem employee regularly paid a per diem for every day in the year.

So much as may be necessary to pay the additional compensation provided in this section to employees of the Government of the United States is appropriated out of any money in the Treasury not otherwise appropriated.

So much as may be necessary to pay the increased compensation provided in this section to employees of the government of the District of Columbia is appropriated, one-half out of any money in the Treasury not otherwise appropriated and one-half out of the revenues of the District of Columbia, except to employees of the Washington Aqueduct and the water department, which shall be paid entirely from the revenues of the water department.

So much as may be necessary to pay the increased compensation provided in this section to persons employed under trust funds who may be construed to be employees of the Governments of the United States or the District of Columbia is authorized to be paid, respectively, from such trust funds.

Reports shall be submitted to Congress on the first day of the next regular session showing for the first four months of the fiscal year the average number of employees in each department, bureau, office, or establishment receiving the increased compensation at the rate of $120 per annum and the average number by grades receiving the same at each other rate.

Mr. BORLAND. Mr. Speaker, reserving the right to object——

Mr. GARRETT of Tennessee. Reserving the right to object, I should like to ask the gentleman from Kentucky, if unanimous consent is given, will this be subject to amendment by paragraphs, as is the case with appropriation bills?

Mr. SHERLEY. I see no reason why it should not be subject to amendment by paragraphs as to any amendments germane to the section.

Mr. GARRETT of Tennessee. That is, it will take the usual course of appropriation bills?

Mr. SHERLEY. That would be my desire.

Mr. BORLAND. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Missouri rise?

Mr. BORLAND. Reserving the right to object, this amendment seems to apply by its limitations exclusively to the seven-hour clerks in Washington. I am not willing to vote for an increase of pay to the seven-hour clerks in Washington, and therefore I shall object.

Mr. SHERLEY. If the gentleman will permit, it does not apply exclusively to the clerks of Washington.

Mr. BORLAND. Almost.

Mr. SHERLEY. No; not almost or anywhere near almost. It applies to clerks all over the country, and to all employees of the Government other than those especially excluded by the terms of the amendment itself. I call the gentleman's attention to the fact that that includes practically all of the eight-hour employees of the Government.

Mr. BORLAND. I differ with the gentleman as to the fact.

The SPEAKER. Is there objection?

Mr. SHERLEY. I understand that the gentleman from Missouri [Mr. BORLAND] objected.

The SPEAKER. The Chair did not understand that he objected. The Chair understood that he said he was going to object. Is there objection?

Mr. BORLAND. I object.

The SPEAKER. The gentleman from Missouri objects.

Mr. POU. Mr. Speaker, I offer a privileged report and resolution from the Committee on Rules, which I send to the Clerk's desk.

The Clerk read as follows:

House resolution 274 (H. Rept. No. 377).

Resolved, That in the consideration of H. R. 10358, making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, it shall be in order, the general rules of the House to the contrary notwithstanding, to consider the following amendment.

Mr. GARRETT of Tennessee. Mr. Speaker, that which the Clerk is about to read is the language of the amendment which has just been read, and I ask unanimous consent that the further reading be dispensed with.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the further reading be dispensed with for the reason stated. Is there objection? [After a pause.] The Chair hears none.

Mr. POU. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The gentleman from North Carolina is entitled to 20 minutes and the gentleman from Kansas [Mr. CAMPBELL] to 20 minutes.

Mr. POU. Mr. Speaker, I do not care to consume any time in the discussion of this resolution. The report of the Committee on Rules simply makes the amendment in order. As explained by the gentleman from Kentucky [Mr. SHERLEY], it is open to amendment, and, as far as I am concerned, I will not take up any further time. I reserve the balance of my time.

Mr. CAMPBELL of Kansas. Mr. Speaker, this rule simply makes in order a few more paragraphs of the appropriation bill which when made in order will be subject to germane amendments. I think the rule should be agreed to as early as possible.

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Missouri [Mr. BORLAND].

Mr. BORLAND. Mr. Speaker, I am very much obliged to the chairman of the Committee on Rules, but I do think that it was only consonant with fairness to yield to me, because I am opposed to the rule. Somebody ought to be entitled to be heard on the subject.

I am opposed to bringing in a rule making in order this amendment from the Appropriations Committee. The Appropriations Committee has no legislative powers and can only bring in salary increase by virtue of unanimous consent or of a special rule. It does not seem to me that the matter is of such tremendous importance that it deserves a special rule at this session of Congress. There are great matters of urgent necessity upon which special rules have been asked, and longer ago than the rule was asked for on this proposition. For instance, the daylight-saving bill, which has been before Congress for many a month, which has received the indorsement of practically all the business organizations of the country, and the organization of labor and other agencies. We have not been able to consider that, although we asked for a special rule 10 days or 2 weeks ago.

Now here is a matter that concerns only a few Federal employees who, the evidence will show, are fully as well paid now as are private employees, and yet immediately when objection was made to unanimous consent to consider this amendment a rule was ready for the consideration of this proposition.

Mr. SHERLEY. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. SHERLEY. But the gentleman had privately informed me that he was going to object.

Mr. BORLAND. If I did not make objection there were 435 men who might have made it. What I want to call to the attention of the committee is that this particular matter of a rule could be had in a few days, because the resolution was not before the Committee on Appropriations until this morning, and since that time it has been decided to get a special rule and make it in order. It seems strange that with matters of great importance to the business of the country, to the business organizations of the country who are asking for a special rule which would take no more time in debate than this, that this rule for a salary increase should have this remarkable right of way.

I propose to vote against the special rule for the consideration of this amendment. I am opposed to the rule, but, Mr. Speaker, I do not desire to trespass upon the time of the House or the courtesy of the committee in discussing the merits now. I will take that up when we reach it.

I do want to emphasize my position, that every time there is a special interest in Washington pressing Congress for some demand on the Federal Treasury a right of way is given to that particular demand. Why, it is our business to legislate for 100,000,000 people and not for a few here in the District of Columbia. Those that are here in the District of Columbia are servants of the Nation. They are brought here for the sole

purpose of performing the business of the Nation and they should wait until the business of the American people is considered. If there is any right of way it should be given to other matters outside of Federal employees. I do earnestly hope that we will consider the matter thoroughly and vote down the rule for the consideration of this amendment.

Mr. POU. Mr. Speaker, the Committee on Rules reported this rule in order that the bill might be completed. I think I am safe in saying that, so far as the daylight-saving bill is concerned, at an early date, unless unanimous consent is given, the House will have an opportunity to vote on it.

The SPEAKER. The question is on the adoption of the rule.

Mr. KEATING. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Colorado makes the point of no quorum. Evidently there is not a quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 305, nays 9, answered "present" 1, not voting 113, as follows:

YEAS—305.

Alexander	Elston	Kitchin	Rucker
Almon	Emerson	Knutson	Russell
Anderson	Esch	La Follette	Sabath
Ashbrook	Estopinal	Langley	Sanders, La.
Aswell	Evans	Larsen	Sanders, N. Y.
Ayres	Fairfield	Lea, Cal.	Sanford
Bacharach	Farr	Lee, Ga.	Scott, Iowa
Baer	Ferris	Lehlbach	Scott, Mich.
Bankhead	Fields	Lesher	Sells
Barkley	Fisher	Lever	Shackleford
Barnhart	Flood	Little	Sherley
Bell	Focht	Lobeck	Sherwood
Beshlin	Fordney	London	Shouse
Black	Foster	Lonergan	Sims
Blackmon	Francis	Longworth	Sinnott
Bland	Frear	Lufkin	Sisson
Bowers	French	Lundeen	Slayden
Brand	Fuller, Ill.	Lunn	Slemp
Britten	Gallagher	McArthur	Sloan
Brodbeck	Gandy	McCormick	Smith, Idaho
Browne	Gard	McFadden	Smith, Mich.
Browning	Garrett, Tenn.	McKenzie	Smith, C. B.
Brumbaugh	Garrett, Tex.	McLaughlin, Mich.	Snell
Buchanan	Glass	McLemore	Snook
Burnett	Glynn	Madden	Stafford
Burroughs	Godwin, N. C.	Magee	Steagall
Butler	Good	Maher	Stedman
Byrnes, S. C.	Goodwin, Ark.	Mansfield	Steele
Byrns, Tenn.	Gordon	Mapes	Steenerson
Caldwell	Gould	Martin	Stephens, Miss.
Campbell, Kans.	Graham, Ill.	Mays	Sterling, Ill.
Campbell, Pa.	Graham, Pa.	Miller, Minn.	Sterling, Pa.
Candler, Miss.	Gray, Ala.	Miller, Wash.	Strong
Cannon	Green, Iowa	Mondell	Sullivan
Cantrill	Greene, Mass.	Montague	Sumners
Caraway	Greene, Vt.	Moon	Swift
Carter, Okla.	Gregg	Moore, Pa.	Tague
Cary	Griest	Moores, Ind.	Taylor, Ark.
Chandler, N. Y.	Hadley	Morgan	Taylor, Colo.
Church	Hamilton, Mich.	Mudd	Temple
Claypool	Hamlin	Nelson	Templeton
Collier	Hardy	Nicholls, S. C.	Thomas
Connally, Tex.	Harrison, Miss.	Nolan	Thompson
Connelly, Kans.	Harrison, Va.	Oldfield	Tillman
Cooper, W. Va.	Haskell	Oliver, Ala.	Tilson
Cooper, Wis.	Hastings	Olney	Tinkham
Cox	Haugen	Osborne	Towner
Crago	Hawley	O'Shaunessy	Vestal
Cramton	Hayes	Overmyer	Vinson
Crisp	Helvering	Overstreet	Volgt
Crosser	Hensley	Padgett	Volstead
Dale, N. Y.	Hersey	Paige	Waldow
Dale, Vt.	Hicks	Parker, N. J.	Walsh
Dallinger	Hilliard	Peters	Walton
Darrow	Holland	Platt	Wason
Davis	Houston	Pou	Watkins
Decker	Howard	Powers	Watson, Pa.
Dempsey	Huddleston	Pratt	Weaver
Denison	Hull, Iowa	Purnell	Welling
Dent	Hull, Tenn.	Raker	Welty
Denton	Humphreys	Ramsey	Wheeler
Dewalt	Igoe	Ramseyer	White, Me.
Dickinson	Ireland	Randall	Williams
Dill	Jacoway	Rankin	Wilson, Ill.
Dillon	Johnson, Wash.	Rayburn	Wilson, Tex.
Dixon	Jones, Tex.	Reed	Wingo
Dominick	Juul	Riordan	Wise
Dooling	Kahn	Robbins	Wood, Ind.
Doolittle	Kearns	Roberts	Woods, Iowa
Doremus	Keating	Robinson	Woodyard
Dowell	Kelly, Pa.	Rodenberg	Wright
Drane	Kennedy, Iowa	Rogers	Young, N. Dak.
Dupré	Kettner	Romjue	Young, Tex.
Dyer	Key, Ohio	Rose	Zihlman
Eagan	Kiess, Pa.	Rouse	
Elliott	King	Rowe	
Ellsworth	Kinkaid	Rubey	

NAYS—9.

Blanton	Helm	Quin	Shallenberger
Borland	Johnson, Ky.	Rainey	Kincheloe
Garner			

ANSWERED "PRESENT"—1.

Booher

NOT VOTING—113.

Anthony	Freeman	Littlepage	Scott, Pa.
Austin	Fuller, Mass.	McAndrews	Scully
Beakes	Gallivan	McClintic	Sears
Capstick	Garland	McCulloch	Siegel
Carew	Gillett	McKeown	Small
Carlin	Goodall	McKinley	Smith, T. F.
Carter, Mass.	Gray, N. J.	McLaughlin, Pa.	Snyder
Chandler, Okla.	Hamill	Mann	Stephens, Nebr.
Clark, Fla.	Hamilton, N. Y.	Mason	Stevenson
Clark, Pa.	Hayden	Meeker	Stiness
Classon	Heaton	Merritt	Sweet
Coady	Heflin	Morin	Switzer
Cooper, Ohio	Heintz	Mott	Talbott
Copley	Hollingsworth	Neely	Timberlake
Costello	Hood	Nichols, Mich.	Treadway
Currie, Mich.	Husted	Norton	Van Dyke
Curry, Cal.	Hutchinson	Oliver, N. Y.	Vare
Davidson	James	Park	Venable
Dies	Johnson, S. Dak.	Parker, N. Y.	Walker
Doughton	Jones, Va.	Phelan	Ward
Drukker	Kehoe	Polk	Watson, Va.
Dunn	Kelley, Mich.	Porter	Webb
Eagle	Kennedy, R. I.	Price	Whaley
Edmonds	Kraus	Ragsdale	White, Ohio
Fairchild, B. L.	Kreider	Reavis	Wilson, La.
Fairchild, G. W.	LaGuardia	Rowland	Winslow
Fess	Lazaro	Sanders, Ind.	
Flynn	Lenroot	Saunders, Va.	
Foss	Linthicum	Schall	

So the resolution was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. BEAKES with Mr. CHANDLER of Oklahoma.

Mr. STEPHENS of Nebraska with Mr. FOSS.

Mr. SCULLY with Mr. AUSTIN.

Mr. LINTHICUM with Mr. HOLLINGSWORTH.

Mr. KEHOE with Mr. MCKINLEY.

Mr. STEVENSON with Mr. ROWLAND.

Mr. MCCLINTIC with Mr. MORIN.

Mr. HAMILL with Mr. NICHOLS of Michigan.

Mr. COADY with Mr. HEATON.

Mr. TALBOTT with Mr. DUNN.

Mr. SEARS with Mr. HAMILTON of New York.

Mr. CAREW with Mr. TREADWAY.

Mr. DOUGHTON with Mr. PARKER of New York.

Mr. HOOD with Mr. PORTER.

Mr. EAGLE with Mr. ANTHONY.

Mr. GALLIVAN with Mr. CARTER of Massachusetts.

Mr. CARLIN with Mr. CURRY of California.

Mr. HAYDEN with Mr. COOPER of Ohio.

Mr. CLARK of Florida with Mr. EDMONDS.

Mr. HEFLIN with Mr. CLARK of Pennsylvania.

Mr. JONES of Virginia with Mr. BENJAMIN L. FAIRCHILD.

Mr. LAZARO with Mr. CURRIE of Michigan.

Mr. DIES with Mr. COPLEY.

Mr. LITTLEPAGE with Mr. GEORGE W. FAIRCHILD.

Mr. MCANDREWS with Mr. COSTELLO.

Mr. MCKEOWN with Mr. MCCULLOCH.

Mr. OLIVER of New York with Mr. NORTON.

Mr. NEELY with Mr. MCLAUGHLIN of Pennsylvania.

Mr. PARK with Mr. STINESS.

Mr. RAGSDALE with Mr. MEEKER.

Mr. POLK with Mr. WARD.

Mr. SAUNDERS of Virginia with Mr. MASON.

Mr. PHELAN with Mr. WINSLOW.

Mr. SCHALL with Mr. MERRITT.

Mr. PRICE with Mr. MOTT.

Mr. SMALL with Mr. FULLER of Massachusetts.

Mr. THOMAS F. SMITH with Mr. GARLAND.

Mr. VAN DYKE with Mr. GILLETT.

Mr. VENABLE with Mr. GOODALL.

Mr. WALKER with Mr. GRAY of New Jersey.

Mr. WATSON of Virginia with Mr. HUSTED.

Mr. WEBB with Mr. HUTCHINSON.

Mr. WHALEY with Mr. JAMES.

Mr. WHITE of Ohio with Mr. SWITZER.

Mr. WILSON of Louisiana with Mr. KENNEDY of Rhode Island.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will unlock the doors.

LEAVE OF ABSENCE.

By unanimous consent, Mr. NICHOLS of Michigan was granted leave of absence indefinitely, on account of illness in his family.

FEDERAL CONTROL OF RAILROAD TRANSPORTATION.

Mr. SIMS. Mr. Speaker, I present the conference report on the railroad-control bill for printing under the rule.

The SPEAKER. The Clerk will report it by title.

The Clerk read as follows:

A bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

Mr. MADDEN. Mr. Speaker, I reserve all points of order on the report.

The SPEAKER. Ordered printed under the rule, and the gentleman from Illinois reserves all points of order.

URGENT DEFICIENCY BILL.

Mr. SHERLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the urgent deficiency bill, H. R. 9867, to disagree to all the Senate amendments and to ask for a conference.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I wish to inquire of the chairman of the committee whether the bill has been printed with the amendments as they passed the Senate and the amendments numbered.

Mr. SHERLEY. I do not know whether there is a print available now but there will be a print, but I will say to the gentleman it is not expected to go to conference before to-morrow or later though it is desirable to get this bill passed very shortly.

Mr. STAFFORD. I recognize the desire and the need of having this bill enacted into law. As I recall, some very important amendments have been added to the bill in the Senate, and I think it is well that the House should know what those amendments are before they agree to send the bill to conference.

Mr. SHERLEY. If the gentleman objects——

Mr. STAFFORD. I object temporarily.

Mr. SHERLEY. I withdraw the request.

Mr. STAFFORD. And would suggest the gentleman ask unanimous consent to have the bill printed.

The SPEAKER The Clerk states that the manuscript has already gone to the Printing Office to do the very thing the gentleman wants done.

Mr. STAFFORD. I wish to have an opportunity to examine those amendments——

The SPEAKER. Is there objection?

Mr. SHERLEY. The gentleman stated he would object if the motion was pressed now, so I desire to withdraw the request.

The SPEAKER. The gentleman withdraws it.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Young, one of its clerks, announced that the Senate had passed with amendment the bill H. R. 9352, entitled "An act to amend an act entitled 'An act providing for an Assistant Secretary of War,' approved March 5, 1890, and for other purposes."

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

The committee resumed its session.

Mr. BYRNS of Tennessee. Mr. Chairman, by direction of the Committee on Appropriations I offer an amendment, to form a new section.

The CHAIRMAN. The Clerk will report the amendment.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, at what point will it be proper to offer an amendment?

The CHAIRMAN. It is subject to amendment just as the bill would be.

Mr. McLAUGHLIN of Michigan. To each paragraph?

The CHAIRMAN. To each paragraph. As each paragraph is reached it will be subject to amendment.

Mr. HAMLIN. Mr. Chairman, I desire to submit a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HAMLIN. This is being offered as an amendment. Now, will it be first read through and entirely completed, and then read again by paragraph, or will it just be read by paragraph at this time?

The CHAIRMAN. The Chair holds it to be in the status of a part of a bill, but of course if it is insisted upon it will be read as an amendment. The Chair was going to have it read as a part of the bill, and then to hold each paragraph open to amendment.

Mr. HAMLIN. Read by paragraphs and open to amendment as each paragraph is read?

The CHAIRMAN. That will be done unless formal insistence is made that it be read as an amendment.

The Clerk read as follows:

Add as a new section the following:

"SEC. 6. That all civilian employees of the Governments of the United States and the District of Columbia who receive a total of compensation at the rate of $2,000 per annum or less, except as otherwise provided in this section, shall receive, during the fiscal year ending June 30, 1919, additional compensation at the rate of $120 per annum: *Provided*, That such employees as receive a total of annual compensation at a rate more than $2,000 and less than $2,120 shall receive additional compensation at such a rate per annum as may be necessary to make their salaries, plus their additional compensation, at the rate of $2,120 per annum, and no employee shall receive additional compensation under this section at a rate which is more than 30 per cent of the rate of the total annual compensation received by such employee: *Provided further*, That the increased compensation at the rates of 5 and 10 per cent for the fiscal year ending June 30, 1918, shall not be computed as salary in construing this section: *Provided further*, That where an employee in the service on June 30, 1917, has received during the fiscal year 1918, or shall receive during the fiscal year 1919 an increase of salary at a rate in excess of $200 per annum, or where an employee has entered the service since June 30, 1917, whether such employee has received an increase in salary or not such employees shall be granted the increased compensation provided herein only when and upon certification of the head of the department or establishment employing such persons of the reasons personal to such employees as would justify such increased compensation: *Provided further*, That the increased compensation provided in this section to employees whose pay is adjusted from time to time through wage boards or similar authority shall be taken into consideration by such wage boards or similar authority in adjusting the pay of such employees."

Mr. BYRNS of Tennessee. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, in line 2, after the word "employee," insert "whether previously in the service or not."

Mr. SHERLEY. Mr. Chairman, I desire to be heard for a moment on the amendment. Before considering the amendment, which is simply an amendment in form, I think it would be well if we could get some sort of an understanding touching this entire proposal now before the Committee of the Whole House on the state of the Union. There is a certain amount of debate that naturally people will desire to make on the broad general proposition without regard to the refinements that come up in the consideration of the details of the section by paragraphs. Now, the first provision of the bill presents the basic proposition as to the amount of increase, and I want to know whether we could get some sort of agreement to limit debate on this first paragraph of the bill, say, 30 minutes to a side, which would enable us to present the basic proposition, and then we could take up the details later on.

Mr. BORLAND. Mr. Chairman, I would say to the chairman of the committee that I propose to offer at the end of this first paragraph an amendment providing that the increases shall not apply in any department which does not maintain an eight-hour day, subject to the provisions of the existing law. And on that amendment there has been within the last 10 minutes half a dozen gentlemen at least who have spoken to me and said that they wanted to discuss that from the standpoint of the eight-hour proposition. I would like, of course, to limit the debate if we can, but I would also like to have some fair allowance of time for that amendment.

Mr. SHERLEY. I suggest to the gentleman that his amendment would be just as much in order, and perhaps in better shape, at the conclusion of the entire section than to the first paragraph, and I will be very glad to have a reasonable debate touching his amendment at that time.

Mr. BORLAND. Now, what suggestion have you to make?

Mr. SHERLEY. I suggest 30 minutes on a side as to that matter, to come up at the conclusion of the section.

Mr. BORLAND. That will be satisfactory to me.

Mr. HAMLIN. Mr. Chairman, reserving the right to object, I am in sympathy with the idea that the gentleman from Ken-

tucky expresses, but I have an amendment to this paragraph that I wanted to offer, and I would like a little time.

Mr. SHERLEY. Unquestionably. Now, what I had in mind was, if it is agreeable to the committee, that we have 30 minutes debate on a side touching the entire proposition, and then at the end of the first paragraph amendments can be offered and debated five minutes pro and con, five minutes by the proponents and five minutes by some one opposed to such amendments. Then at the conclusion of the reading of the section the gentleman from Missouri [Mr. BORLAND] can offer his amendment touching eight-hour work, and on that there shall be 30 minutes debate on a side.

Mr. BORLAND. I take it that time will be controlled by myself and the chairman of the subcommittee?

Mr. SHERLEY. I do not care anything about the details of that.

Mr. COX. Will the gentleman yield? And let every Member who has an amendment to offer to the first paragraph have it read and pending?

Mr. SHERLEY. I think you will really get more confusion that way than in the other way, because after the debate is had for a little while this whole question is going to simmer down to a few acute propositions representing differences of opinion. And I believe 30 minutes on a side in the beginning would clarify the whole situation.

Mr. MONDELL. Does the gentleman expect to conclude to-night and get a vote on the proposition before we adjourn?

Mr. SHERLEY. Well, I should be glad to do so, but I question whether it is practicable.

Mr. MONDELL. There are a number of gentlemen on this side whose understanding is that there will not be a vote to-night, and they would like to be here when a vote is had.

Mr. SHERLEY. I think the whole membership of the House should be here on a matter that will involve $25,000,000 or more.

Mr. MONDELL. There are a number of gentlemen who have not been expecting a vote this evening.

Mr. SHERLEY. If we can get an agreement, I will be willing to do this, that there shall be 30 minutes on a side on general debate, without regard to amendments being offered, that to-morrow immediately on the House going into Committee of the Whole amendments shall be considered under the strict enforcement of the 5-minute rule, 5 minutes pro and con, as they may be offered and as the proposition is read, with 30 minutes on a side at the end for the consideration of the basic proposition that the gentleman from Missouri [Mr. BORLAND] offered.

Mr. MONDELL. My understanding is that at the end of the one hour of general debate the committee will rise.

Mr. HAMLIN. Do I understand that the general debate that is proposed now is without reference to any particular amendment?

Mr. SHERLEY. Yes. This is my idea: There has been no explanation made of this proposition in any detail. I take it the gentleman from Tennessee [Mr. BYRNS], and perhaps myself in addition, will endeavor to give to the House something in regard to the proposal as it is viewed by the proponents of it. Then gentlemen, like the gentleman from Colorado [Mr. KEATING] and others, who may want to amend it in some material form, will present their viewpoint. Then we can take up the five-minute consideration of the proposal.

Mr. MADDEN. And confine the five-minute debate to five minutes on each side?

Mr. SHERLEY. Yes.

Mr. HAMLIN. Who will control the time under general debate?

Mr. SHERLEY. I will be perfectly willing to have the gentleman from Tennessee control 30 minutes, and if there is anybody who is opposed to the amendment, they can control the other 30 minutes.

Mr. BORLAND. I am opposed to the amendment.

Mr. STAFFORD. It is always the rule in general debate that the time shall be equally divided by party sides.

Mr. SHERLEY. That is all right.

Mr. BORLAND. I have no objection to gentlemen on the minority side controlling the time in opposition, if not in favor of the amendment. Under the customary rule the time would be yielded to those on that side who are opposed to the amendment, and yielded to those on this side who are opposed to the amendment.

Mr. STAFFORD. The rule would be that time would be given those desiring recognition on this side, regardless of whether they are for or against the amendment.

Mr. SHERLEY. Mr. Chairman, I ask unanimous consent that there be 30 minutes on a side for general debate, to be controlled, respectively, by the gentleman from Tennessee [Mr. BYRNS] and the gentleman from Wisconsin [Mr. STAFFORD], and that thereafter the section shall be read by paragraphs for amendment, with debate limited to any germane amendment, 5 for and 5 minutes against, until the conclusion of the consideration of the section; that at the conclusion the gentleman from Missouri [Mr. BORLAND] be recognized to offer an amendment touching the eight-hour work of employees; that on that there shall be 30 minutes' debate on a side, 30 minutes to be controlled by himself and 30 minutes by the gentleman from Wisconsin [Mr. STAFFORD].

The CHAIRMAN. If the committee will be in order, the Chair will submit the gentleman's somewhat lengthy request. The gentleman from Kentucky submits the following unanimous-consent request: That there shall be 1 hour of general debate on this amendment, 30 minutes of that to be controlled by the gentleman from Tennessee [Mr. BYRNS] and 30 minutes of it to be controlled by the gentleman from Wisconsin [Mr. STAFFORD]; that after this general debate shall have been concluded, the amendment shall thereafter be read under the 5-minute rule; that at the conclusion of the consideration of the amendment under the 5-minute rule, the gentleman from Kansas City [Mr. BORLAND] shall be recognized to submit an amendment in relation to the eight-hour law, and that for the debate on that amendment there shall be 1 hour, one half hour to be controlled by the gentleman from Kansas City and the other half hour to be controlled by the gentleman from Wisconsin.

Mr. SHERLEY. If the Chair will indulge me just a moment, I think this ought to be stated, because it was in my mind and I intended to state it, that in the consideration of amendments under the five-minute rule five minutes for and five minutes against should be strictly observed.

The CHAIRMAN. The Chair stated that.

Mr. SHERLEY. I mean by that to exclude pro forma amendments to strike out one word, and two words, and three words, and have a clean-cut five minutes' debate pro and con on legitimate amendments.

The CHAIRMAN. That was not a part of the original unanimous consent requested.

Mr. NOLAN. Mr. Chairman, can we have some understanding that the gentlemen in control of this time will dispose of it equally on each side?

The CHAIRMAN. That can be arranged with the gentlemen in control of the time.

Mr. NOLAN. I would like to see an equal division of time, and if that can be arranged I shall have no objection.

Mr. STAFFORD. If the gentleman will permit, I stated in reply to a question that I would parcel out the time on this side to those in favor and those in opposition.

Mr. NOLAN. It is not a question of parceling it out. It is a question of equal division of the time on both sides of the question.

Mr. BYRNS of Tennessee. I will make a simple statement to the gentleman from California. I will endeavor to divide the time as nearly as I can. I do not know how many there are on this side who are opposed to it.

Mr. HELM rose.

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. HELM. I am opposed to the amendment, and I want to have at least five minutes. I want to know from whom I will get it.

The CHAIRMAN. The gentleman will have to take that up with the gentlemen to whom the time is submitted.

Mr. KEATING. Reserving the right to object, Mr. Chairman, I want to know something about the division of the time on the so-called Borland amendment.

The CHAIRMAN. That has been stated. It will be 30 minutes on a side.

Mr. KEATING. The gentleman from Wisconsin [Mr. STAFFORD] will have 30 minutes and the gentleman from Missouri [Mr. BORLAND] 30 minutes. Now, is it understood that the time allotted to the gentleman from Wisconsin will be given to those opposed to the Borland amendment, and that the time allotted to the gentleman from Missouri to those in favor of it, and that those who are opposed to the amendment should have the same time as those who are in favor of it?

Mr. DYER. I think that should be done.

Mr. SHERLEY. Mr. Chairman, I suggest that instead of the gentleman from Missouri [Mr. BORLAND], the gentleman from Tennessee [Mr. BYRNS] should have control of that time, and that it be divided equally for and against the proposal, just as the gentleman from Wisconsin [Mr. STAFFORD] would do.

Mr. BORLAND. The gentleman from Tennessee would not want to do that any more than the gentleman from Colorado would.

Mr. KEATING. The gentleman from Colorado has no desire to control the time, but I would like to see the time fairly divided. So far as I am personally concerned, I am perfectly willing to leave that with the chairman of the committee, trusting to a fair division of the time.

Mr. MONDELL. Reserving the right to object, Mr. Chairman, I did not clearly understand the chairman's statement and the request of the gentleman from Kentucky [Mr. SHERLEY] as to the matter of the reading of the bill.

I think the chairman stated that at the close of the hour of general debate this amendment would be read and then open to amendment in the usual way under the five-minute rule. The understanding is that the amendment will be read by paragraphs?

Mr. SHERLEY. Oh, unquestionably.

Mr. MONDELL. And amendments offered at the end of each paragraph?

The CHAIRMAN. That is the way that all appropriation bills are read. It will be read as a part of the bill and as under the five-minute rule. Of course that carries with it the idea that it shall be read by paragraphs.

Mr. MONDELL. Reserving the right to object, I understand it is the intention of the gentleman from Tennessee to move to rise at the close of the one hour of debate?

Mr. SHERLEY. It is my idea that we can not possibly get on now, and I think if we are going to have 30 minutes' debate on a side, with everybody leaving the Chamber, we shall be wasting an hour.

Mr. STAFFORD. So that there will be no misunderstanding, so far as the House is concerned, as to the half hour's time to be controlled by me under the proposal, on the Borland amendment, if the gentleman from Missouri is going to control the half hour on that amendment by yielding to those in favor of it, I would then necessarily feel obliged to dispense my half hour to those who are in opposition to it.

Mr. BORLAND. I am going to yield time to those who are opposed to it as well as to those who are in favor of it.

Mr. SHERLEY. The gentleman from Missouri says he is going to yield his time to those who are opposed to his amendment as well as those who are in favor of it.

Mr. DYER. Regular order, Mr. Chairman.

The CHAIRMAN. The regular order is demanded. The regular order is, Is there objection? The Chair will state, as an additional part of the request, that the amendments to be considered in connection with this new matter are to be real, substantial, germane amendments, and not the usual pro forma amendments, such as strike out the last word or the last two words or the last three words. Now, with that modification of the original request, is there objection?

Mr. RAINEY. Mr. Chairman, reserving the right to object, if I understand it is proposed to confine the general debate upon this proposition—which is absolutely new to the bill, which was not a part of it while we had the bill under general discussion in this House, and about which no Member of this House knows one thing except the members of the subcommittee who prepared it—to 30 minutes on a side. No Member of this House knows what charge this makes upon the Treasury.

Mr. SHERLEY. If the gentleman will permit me, if the Committee on Appropriations can not intelligently present all of that phase of it in 10 minutes, it is not worthy the confidence of this House or any other body. [Applause.]

Mr. RAINEY. Still further reserving the right to object, the proposition here is to enter upon this general debate, which involves the merits of this raid on the Treasury of the United States, at this hour when every man here is preparing to go home——

Mr. DYER. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The gentleman from Missouri demands the regular order; that is, is there objection?

Mr. RAINEY. I may object. I say at this hour——

The CHAIRMAN. Unless the gentleman from Missouri withdraws his demand for the regular order——

Mr. DYER. I insist on the regular order.

Mr. RAINEY. Then I object.

The CHAIRMAN. The gentleman from Illinois objects.

Mr. SHERLEY. I call for the regular order, Mr. Chairman.

Mr. BYRNS of Tennessee. I wish to submit a request for unanimous consent, that the Clerk be authorized to correct the totals in this bill, in order to conform to the text of the bill and the amendments adopted.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the Clerk be authorized to correct the totals in the bill, so that they will conform to the amendments which have been adopted. Is there objection?

There was no objection.

Mr. BORLAND. Mr. Chairman, I offer an amendment.

Mr. SHERLEY. There is an amendment pending.

Mr. STAFFORD. I ask unanimous consent that the pending amendment may be again read.

The CHAIRMAN. Without objection, the amendment will be again reported.

The Clerk read as follows:

Amendment by Mr. BYRNS of Tennessee: Page 2, line 2, after the word "employed," insert "(whether previously in the service or not)."

The CHAIRMAN. The question is on the amendment of the gentleman from Tennessee.

Mr. BYRNS of Tennessee. I will state that the amendment is offered simply to make plain what is intended by the text in the original amendment. The original amendment reads as follows:

Where an employee has entered the service since June 30, 1917, whether such employee has received an increase in salary or not, such employee shall be granted the increased compensation provided herein only when and upon certification of the head of the department or establishment employing such persons of the reasons personal to such employees as would justify such increased compensation.

Now, the question has been raised as to whether or not that would apply to employees who had left the service and who have been out for a period of time and then returned since June 30, 1917. The only purpose of the amendment is to make it clear that it will apply to persons previously in the service and who had separated and then came back after June 30, 1917.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. MOORE of Pennsylvania. I want to inquire as to the status of a case like this: For some years employees have gone into the Bureau of Engraving and Printing under the civil service. Many have been transferred to the Treasury Department, where they are paid under a lump-sum appropriation. Would they receive the benefits of this amendment?

Mr. BYRNS of Tennessee. They would, because they are in the service.

Mr. MOORE of Pennsylvania. They are paid under a lump sum.

Mr. BYRNS of Tennessee. This applies to lump sums as well as those on the statutory roll.

Mr. STAFFORD. Mr. Chairman, there was objection made to the unanimous-consent request covering general debate. Does not the gentleman think that it is advisable to have some agreement as to general debate?

Mr. BYRNS of Tennessee. I think so if we can get this amendment adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken, and the amendment was agreed to.

Mr. BYRNS of Tennessee. Mr. Chairman, following the suggestion of the gentleman from Wisconsin, I ask unanimous consent that there be one hour of general debate upon this amendment, 30 minutes to be controlled by myself and 30 minutes by the gentleman from Wisconsin [Mr. STAFFORD]. Then that there be an hour upon the amendment which is to be offered by the gentleman from Missouri [Mr. BORLAND], 30 minutes to be controlled by the gentleman from Missouri [Mr. BORLAND] and 30 minutes by the gentleman from Wisconsin [Mr. STAFFORD]. That the debate on amendments shall be under the five-minute rule and limited to bona fide germane amendments to the respective paragraphs.

I will say that if this agreement can be reached at this time, I will move that the committee rise and take up the discussion and consideration of the amendment to-morrow.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that there shall be one hour general debate on the amendment, one-half to be controlled by him and one-half by the gentleman from Wisconsin [Mr. STAFFORD]; that thereafter this amendment shall be considered paragraph by paragraph under the five-minute rule and that the amendments offered thereto shall be germane and not pro forma amendments; that at the expiration of the consideration of those amendments under the five-minute rule the gentleman from Missouri [Mr. BORLAND] will be recognized to offer his amendment relating to the eight-hour law, and upon that amendment there shall be one hour of debate, one half to be controlled by the gentleman from Missouri [Mr. BORLAND] and the other half by the gentleman from Wisconsin [Mr. STAFFORD]. Is there objection?

Mr. RAINEY. Mr. Chairman, I understand that this matter is to be taken up to-morrow, as the gentleman has stated, and I have no objection, provided the general debate can be divided

equally between those opposed to the proposition and those who favor it.

Mr. BYRNS of Tennessee. I will say that in so far as the limited time at my disposal is concerned I propose to divide it equally between those in favor of the amendment and those who are opposed to it.

Mr. RAINEY. If that same assurance can be given on the other side, I have no objection.

Mr. STAFFORD. I will say, and this is the second time that I have given the assurance——

Mr. RAINEY. Then the gentleman need not give it again.

Mr. STAFFORD. The time will be equally divided between those in favor and those opposed.

Mr. KEATING. Mr. Chairman, I ask that the same understanding be given regarding the Borland amendment.

Mr. BORLAND. The gentleman has the assurance on this side of the House that it will be divided equally.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10358, the legislative, executive, and judicial appropriation bill, and had come to no resolution thereon.

EXTENSION OF REMARKS IN THE RECORD.

Mr. RAKER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the bill H. R. 9053.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD on the bill H. R. 9053. Is there objection?

Mr. MOORE of Pennsylvania. What is the bill?

Mr. RAKER. It is the military highway bill.

Mr. WALSH. Reserving the right to object, I assume that it includes only the gentleman's own remarks.

Mr. RAKER. Well, I have to use some intelligent data and facts so as to make it readable and so it will be of some use to the House.

Mr. WALSH. Reserving the right to object, inasmuch as the gentleman includes no other material that would not be of use to the House, I shall not object.

Mr. MADDEN. Reserving the right to object, the gentleman says that in extending his remarks properly he must include facts that he gets outside. What is he going to use of his own?

Mr. RAKER. I am going to use such as with my own remarks and other data will make the statement readable and be of benefit to the House and the country.

Mr. MADDEN. Oh, the gentleman has had that up four or five times.

Mr. RAKER. Oh, no.

The SPEAKER. Is there objection?

Mr. MADDEN. Mr. Speaker, I object.

Mr. LEHLBACH. Mr. Speaker, Ensign Walker Weed, of the United States Navy, recently lost his life at the Cape May Aviation Naval Training Ground under circumstances showing exceptional heroism and self-sacrifice. I ask unanimous consent to extend my remarks in the RECORD by printing a brief account of the occurrence.

The SPEAKER. Is there objection?

Mr. RAKER. On what does the gentleman desire to extend his remarks?

Mr. LEHLBACH. I desire to print a brief account of the death of an ensign in the Navy, hailing from New Jersey, who was burned to death attempting to rescue a comrade.

Mr. RAKER. I would not object to that.

The SPEAKER. Is there objection?

Mr. GARRETT of Tennessee. Reserving the right to object, I ask the gentleman to withhold that until to-morrow.

Mr. LEHLBACH. Very well.

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in order to comment on an order affecting my State, recently issued by the Fuel Administration.

The SPEAKER. The gentleman from Colorado asks unanimous consent to extend his remarks in the RECORD about an order he does not like, issued by the Fuel Administrator.

Mr. KEATING. Oh, no—that he does like.

The SPEAKER. Is there objection?

There was no objection.

DAYLIGHT-SAVING BILL.

Mr. BORLAND. Mr. Speaker, I ask unanimous consent that to-morrow, following the consideration of the legislative, executive, and judicial appropriation bill, if there be any portion of the day left, it shall be in order to consider the daylight-saving bill.

The SPEAKER. Is there objection?

Mr. KING. Mr. Speaker, I object.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.) the House adjourned until to-morrow, Thursday, March 14, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of War, transmitting proposed amendment to section 164 of the Judicial Code (H. Doc. No. 970); to the Committee on the Judiciary and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of communication from the Secretary of Commerce submitting a deficiency estimate of appropriation required to reimburse Mr. R. C. Hart, special disbursing agent, Department of Commerce (H. Doc. No. 971); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting copy of communication from the United States Employees Compensation Commission submitting revised estimates of appropriation for salaries and expenses of the commission for the fiscal year 1919 (H. Doc. No. 972); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DECKER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 10365) granting the consent of Congress to the Forsyth special road district of Taney County, Mo., to construct a bridge across White River at Forsyth, Mo., reported the same without amendment, accompanied by a report (No. 375), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 8517) granting a pension to E. Dora Cutler; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 9667) granting an increase of pension to John M. Hall; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 9791) granting a pension to Thomas B. Perkins; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SABATH: A bill (H. R. 10694) to amend the naturalization laws and repeal certain sections of the Revised Statutes of the United States and other laws relating to naturalization; to the Committee on Immigration and Naturalization.

By Mr. SANDERS of Louisiana: A bill (H. R. 10695) to define, regulate, and punish using the telephone or telegraph to defraud, and for other purposes; to the Committee on the Judiciary.

By Mr. VESTAL: A bill (H. R. 10696) to provide for the payment of income taxes in installments; to the Committee on Ways and Means.

By Mr. BACHARACH: A bill (H. R. 10697) to prevent increasing of rates on interest paid upon deposits in national banks, State banks, trust companies, savings banks, and other banking institutions during the continuance of the state of war now

existing, to provide penalties for its violation, and for other purposes; to the Committee on Banking and Currency.

By Mr. BRITTEN: A bill (H. R. 10698) to incorporate the Woman's Association of Commerce of the United States of America; to the Committee on the Judiciary.

By Mr. SANDERS of Louisiana: Resolution (H. Res. 273) directing the Committee on Agriculture to inquire into the reasons why the increased demand for food products has not been met by a corresponding increased production; to the Committee on Rules.

By Mr. STEENERSON: Resolution (H. Res. 275) directing that there shall be printed 1,600 copies of the hearing before the Director of the Bureau of Markets December 27, 1917, relating to official grain standards of the United States; to the Committee on Printing.

By Mr. JOHNSON of Kentucky: Joint resolution (H. J. Res. 266) authorizing the President of the United States to commandeer and take over certain real estate in the District of Columbia; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRODBECK: A bill (H. R. 10699) granting a pension to Richard K. Heilig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10700) granting an increase of pension to Lettie Edie; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 10701) granting a pension to Agnes Weske; to the Committee on Pensions.

Also, a bill (H. R. 10702) granting an increase of pension to James M. Thurston; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 10703) granting an increase of pension to Benjamin M. Donaca; to the Committee on Invalid Pensions.

By Mr. LONGWORTH (for Mr. HEINTZ): A bill (H. R. 10704) granting a pension to Katherine D. White; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 10705) for the relief of Margaret A. Curley, sole heir of Cyrus Gault, deceased; to the Committee on War Claims.

By Mr. McKINLEY: A bill (H. R. 10706) granting an increase of pension to Martin T. Shadwick; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 10707) granting an increase of pension to Elijah J. Farlow; to the Committee on Invalid Pensions.

By Mr. ROUSE: A bill (H. R. 10708) granting an increase of pension to John W. Jenkins; to the Committee on Invalid Pensions.

By Mr. STRONG: A bill (H. R. 10709) granting an increase of pension to Capt. Nichols M. Brockway; to the Committee on Invalid Pensions.

By Mr. WALSH: A bill (H. R. 10710) granting a pension to Albert Kriek; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolution of the Merchants' Association of New York, urging that every means be used to counteract the efforts of enemy agents who are seeking to undermine the loyalty of American citizens; to the Committee on the Judiciary.

Also (by request), memorial of Agricultural Publishers' Association, with inclosures as exhibits, asking that the postal rider to the revenue bill be repealed; also, resolution of the Woman's Club, San Angelo, Tex., asking for the repeal of the same law; also, a resolution of the Chamber of Commerce of the State of New York, asking that the excess-profits tax be paid in installments; to the Committee on Ways and Means.

By Mr. DALE of New York: Petition of Central Labor Union, favoring passage of the Kelly bill (H. R. 8761); to the Committee on Labor.

Also, memorial of the Chamber of Commerce of the State of New York, favoring amendment to the revenue law relative to payment of excess-profits taxes; to the Committee on Ways and Means.

Also, petition of Schwartz & Jaffee, of New York, favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER of Illinois: Petition of 236 citizens of La Salle County, Ill., for prohibition of the manufacture and sale of beer, wine, and all intoxicating liquors during the war; to the Committee on Alcoholic Liquor Traffic.

Also, petition of the Illinois Wire & Cable Co., of Syracuse, Ill., favoring payment of war taxes in installments; to the Committee on Ways and Means.

By Mr. GARRETT of Tennessee: Petition of citizens of Kenton, Tenn., as to closing saloons and breweries; to the Committee on the Judiciary.

By Mr. HASTINGS: Memorial of Albert Pike Highway Association, Tulsa, Okla., in favor of good roads; to the Committee on the Post Office and Post Roads.

By Mr. LINTHICUM: Petitions of Strouse & Bros., the Minch & Eisenbrey Co., and C. S. Dell, all of Baltimore, Md., protesting against the passage of House bill 8565, placing a tax on privately owned automobiles; to the Committee on Ways and Means.

By Mr. MOORE of Pennsylvania: Memorial of Pennsylvania State Chamber of Commerce, urging amendment to the revenue law relative to payment of excess-profits taxes; to the Committee on Ways and Means.

By Mr. TINKHAM: Resolutions of a mass meeting held at Faneuil Hall, Boston, Mass., asking that Ireland be recognized as an independent republic; to the Committee on Foreign Affairs.

By Mr. REED: Papers to accompany House bill 10680, increasing the pension of David C. Morgan; to the Committee on Invalid Pensions.

By Mr. ROSE: Petition of Mr. H. C. McWilliams, Cambria County farm agent, Ebensburg, Pa., and others, approving the daylight-saving plan and recommending its adoption as a means of securing a longer period of daylight after working hours and encouraging a greater number of industrial workers to cultivate home-garden plots; to the Committee on Interstate and Foreign Commerce.

By Mr. VARE: Memorial of Pennsylvania State Chamber of Commerce, favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

THURSDAY, *March 14, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come before Thee expressing the deepest need of our Nation. Thou hast thrust upon us tremendous responsibilities in our day, opportunities to bless or curse, to uplift or tear down, and we dare not face these obligations unless we are right toward Thee. Give to us the inspiration of Thy truth that we may stand for the very highest in life, that the message of America may be the message of an evangel of God, and that we may write our laws and adopt our policies according to the Divine plan and will. To this end do Thou bless us this day. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hardwick	Nugent	Smoot
Baird	Henderson	Overman	Sterling
Beckham	Hollis	Penrose	Sutherland
Calder	Johnson, Cal.	Phelan	Swanson
Colt	Johnson, S. Dak.	Poindexter	Thomas
Culberson	Jones, Wash.	Pomerene	Thompson
Cummins	Kellogg	Reed	Townsend
Dillingham	Kirby	Shafroth	Trammell
Fall	Lewis	Sheppard	Vardaman
Fletcher	McCumber	Sherman	Watson
France	McKellar	Shields	Weeks
Frelinghuysen	McNary	Smith, Ariz.	Williams
Gerry	Myers	Smith, Ga.	Wolcott
Hale	Nelson	Smith, Mich.	
Harding	New	Smith, S. C.	

Mr. WOLCOTT. I wish to announce the absence of my colleague, the senior Senator from Delaware [Mr. SAULSBURY]. He is paired with the senior Senator from Rhode Island [Mr. COLT].

Mr. LEWIS. I wish to announce the absence of the Senator from Maryland [Mr. SMITH] by illness; likewise that of the Senator from Kentucky [Mr. JAMES] and the Senator from Oregon [Mr. CHAMBERLAIN] from the same cause.

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is unavoidably detained at home by business.

Mr. PHELAN. I wish to announce the absence of the Senator from Nevada [Mr. PITTMAN] in attendance upon a meeting of the Committee on Naval Affairs.

Mr. MYERS. My colleague [Mr. WALSH] is necessarily detained from the Senate on official business.

The VICE PRESIDENT. Fifty-eight Senators have answered to the roll call. There is a quorum present.

HOUSE BILL REFERRED.

H. R. 8753. An act to amend section 3, Title I, of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, was read twice by its title and referred to the Committee on the Judiciary.

ENROLLED BILLS SIGNED.

The VICE PRESIDENT announced his signature to the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H. R. 175. An act to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915 and for prior years, and for other purposes"; and

S. 3471. An act to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States.

PETITIONS AND MEMORIALS.

Mr. PHELAN presented a memorial of the Labor Council of Fresno, Cal., remonstrating against the so-called Borland minimum eight-hour amendment, which was ordered to lie on the table.

Mr. SHEPPARD presented a resolution adopted by the Chamber of Commerce of Sulphur Springs, Tex., favoring the election of a "War-'till-victory Congress" that will prosecute the war until it is successfully ended, which was referred to the Committee on Appropriations.

Mr. THOMPSON presented a petition of Lodge No. 293, International Association of Machinists, of Parsons, Kans., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of McCaslin Post, No. 117, Grand Army of the Republic, Department of Kansas, of Paola, Kans., praying for an increase of pensions to veterans of the Civil War, which was referred to the Committee on Pensions.

He also presented a petition of sundry citizens of Wellsville, Kans., praying for a repeal of the present zone system of postage rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

Mr. CURTIS presented resolutions adopted by the Albert Pike Highway Association of the States of Arkansas, Oklahoma, Kansas, and Colorado, favoring the early designation, construction, and maintenance of a system of national highways, which were referred to the Committee on Post Offices and Post Roads.

Mr. SMITH of Michigan. Mr. President, I have just received a letter from the secretary of the Michigan State Grange, Miss Jennie Buell, of Ann Arbor, transmitting to me a series of resolutions adopted by the Michigan State Grange protesting against certain proposed changes in the rural mail carrier system. I should like to have the resolutions and the communication printed in the RECORD.

There being no objection, the resolutions and communication were ordered to be printed in the RECORD, as follows:

MICHIGAN STATE GRANGE,
Ann Arbor, Mich., March 8, 1918.

Hon. WILLIAM ALDEN SMITH,
Washington, D. C.

MY DEAR SIR: By unanimous vote of Michigan State Grange at its annual session the inclosed resolution was instructed to be sent to you.

Respectfully,

JENNIE BUELL, *Secretary.*

Whereas it is reported by Washington press correspondents that Postmaster General Burleson contemplates curtailment and a final abandonment of the rural mail carrier system through getting permit from Congress to substitute State contract carriers at his option; and

Whereas, securing the adoption of the rural carrier system for the purpose of giving the country residents mail facilities and privileges equal to that already provided through the carrier system to cities, was one of the great achievements of the grange organization, and to curtail and abandon it now would be an unjust discrimination against rural people: Therefore be it

Resolved by Michigan State Grange, a body fairly representative of the desires of all residents of the State, That it is strongly and determinedly opposed to abandonment in whole or in part of the said rural mail system, and that copies of this resolution be forwarded to all Congressmen and Senators to inform them of the action of this body.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PHELAN:

A bill (S. 4100) making the laws relating to navigable waters nonapplicable to the diversion for irrigation of water from Colorado River by Imperial Irrigation District, and for the approval of development by the Secretary of War (with accompanying papers); and

A bill (S. 4101) to authorize the Secretary of the Interior to contract with Imperial Irrigation District, California, to deliver water from Colorado River into the district's canal system, and for other purposes (with accompanying papers); to the Committee on Irrigation and Reclamation of Arid Lands.

By Mr. NUGENT:

A bill (S. 4102) granting the consent of Congress to the county commissioners of Bonner County, Idaho, to construct a bridge across the Clarksford River, in Bonner County, Idaho (with accompanying papers); to the Committee on Commerce.

By Mr. SMOOT:

A bill (S. 4103) to consolidate certain forest lands within the Cache National Forest, Utah, and to add certain lands thereto; to the Committee on Public Lands.

Mr. JONES of Washington. I have a bill here that is suggested by the Musicians' Union as a substitute for a bill that was introduced by the Senator from Arkansas [Mr. ROBINSON] and referred to the Committee on Military Affairs. I wish to introduce the bill and have it, accompanied by the suggestions they make, referred to the Committee on Military Affairs.

By Mr. JONES of Washington:

A bill (S. 4104) to increase the efficiency of Army and Navy bands (with accompanying papers); to the Committee on Military Affairs.

By Mr. FRANCE:

A bill (S. 4105) granting a pension to Ella B. Lockwood; to the Committee on Pensions.

By Mr. WATSON:

A bill (S. 4106) to amend section 1009 of the act entitled "An act to provide revenue to defray war expenses, and for other purposes," approved October 3, 1917; to the Committee on Finance.

AMENDMENT TO LEGISLATIVE APPROPRIATION BILL.

Mr. GALLINGER submitted an amendment proposing to increase the salary of one medical expert, Office of Solicitor, Department of the Interior, from $2,000 to $2,500 per annum, intended to be proposed by him to the legislative, etc., appropriation bill, which was ordered to be printed, and, with the accompanying papers, referred to the Committee on Appropriations.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a concurrent resolution providing for the printing of 250,000 copies of the soldiers' and sailors' civil relief act, approved March 8, 1918, etc., in which it requested the concurrence of the Senate.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses to the amendments of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

SOLDIERS AND SAILORS' CIVIL RELIEF.

The VICE PRESIDENT laid before the Senate the following concurrent resolution (H. Con. Res. 39) of the House of Representatives, which was read and referred to the Committee on Printing:

Resolved by the House of Representatives (the Senate concurring), That there be printed 250,000 copies of the soldiers and sailors' civil relief act, approved March 8, 1918, of which 75,000 copies shall be for the use of the Senate and 175,000 copies for the use of the House of Representatives, the same to be distributed through the folding rooms.

AGRICULTURAL APPROPRIATIONS.

The VICE PRESIDENT. The morning business is closed.

Mr. SMITH of Georgia. Mr. President, in the absence of the chairman of the Committee on Agriculture and Forestry, by his request, I move that the Senate proceed to the consideration of the Agricultural appropriation bill, House bill 9054.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

The VICE PRESIDENT. The pending amendment is the amendment of the Senator from Nebraska [Mr. NORRIS] to the amendment of the Senator from Oklahoma [Mr. GORE].

Mr. SMOOT. Do I understand that the substitute amendment offered by the Senator from Oklahoma was agreed to?

The VICE PRESIDENT. No; it is pending.

Mr. SMOOT. It is pending now?

The VICE PRESIDENT. There is an amendment pending to it, proposing to add what will be read.

The SECRETARY. It is proposed to add to the amendment offered by the Senator from Oklahoma [Mr. GORE], at the end of the substitute for the paragraph from line 21 on page 92 to line 9 on page 93, the following language:

Provided, That the Secretary of Agriculture is hereby authorized, upon request of the President, to use all or any part of this appropriation for the establishment of such plant or plants at any place in the United States for the purpose of supplying food for the Army and Navy.

Mr. SMITH of Georgia. Neither the Senator from Oklahoma nor the Senator from Nebraska is here, and as these two amendments are their special amendments, I think perhaps it would be well to pass them over. They are engaged in a hearing being conducted by the Agricultural Committee. I have telephoned to them that at their request I have called up the bill and asked them to come at once from the committee hearing, which no doubt they will do.

The VICE PRESIDENT. This is the last amendment.

Mr. SMITH of Georgia. No; I have another amendment that I wish to present.

The VICE PRESIDENT. It is the last committee amendment.

Mr. SMITH of Georgia. The amendment I will offer is in the nature of a committee amendment. I ask unanimous consent to pass over the pending amendment for a few minutes. I am sure both Senators will soon be in the Chamber.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. SMITH of Georgia. Mr. President, at the foot of page 68 I offer an amendment which I will send to the desk, but which I will explain before it is read. It is local in its nature, having reference to the experiment station in Georgia.

Immediately after the adoption of the Morrill Act the fund was put under the University of the State of Georgia, and the College of Agriculture and Mechanic Arts was a part of the university. After the adoption of the Hatch Act the State of Georgia accepted its provisions and created a separate experiment station for the State of Georgia with a board of directors, a part of whom were selected from different portions of the State, and a part of whom were trustees and officers of the university of the State and were ex officio trustees of the experiment station. When the Adams Act was passed it was accepted, and the same provision applicable to the organization of the experiment station was continued.

In 1906 the legislature created the State College of Agriculture for Georgia as a branch of the university of the State, with a separate board of trustees. It provided that a portion of the trustees of the State College of Agriculture should be trustees of the experiment station and a portion of the trustees of the experiment station trustees of the agricultural college, and in that way joining the two together.

Ever since the adoption of the Hatch Act and the Adams Act the Experiment Station of the State of Georgia has been recognized as complying with the Federal statute and has received the Federal appropriation. For the first time this year the Secretary of Agriculture raised the point that it should be more completely, as I understand, under the control of the College of Agriculture and refused to draw a check for the appropriation. It has been organized for more than 20 years. It has received the appropriation for more than 20 years.

In the House a resolution was introduced recognizing the present organization of the experiment station in Georgia and directing the Secretary of Agriculture to continue to pay the appropriation to it. The Committee on Agriculture examined that resolution and reported unanimously in its favor, and it is pending in the House.

I presented it to the Committee on Agriculture and Forestry of the Senate after the Agricultural appropriation bill had been reported, and they unanimously approved it and authorized me to present it and the chairman of the committee to accept it, and I now ask for action on the amendment.

The VICE PRESIDENT. The amendment will be read.

The SECRETARY. At the foot of page 68, after the word "act," and before the semicolon, insert a colon and the following proviso:

Provided, That hereafter the Secretary of Agriculture be, and he is hereby, authorized and directed to certify to the Secretary of the Treasury for payment, and the Secretary of the Treasury is authorized and directed to pay the appropriation for the fiscal year ending June 30, 1918, and all future appropriations, to the Georgia Experiment Station, as authorized by the act of March 2, 1887 (24 Stat., p. 440), commonly referred to as the Hatch Act, and the act of March 16, 1906 (34 Stat., p. 63), known as the Adams Act, and all amendments to said acts, in accordance with the act of the General Assembly of Georgia approved December 29, 1888, establishing the Georgia Experiment Station, and the act of August 18, 1906, accepting the benefits of the Adams Act (Georgia Laws, 1906, p. 1161).

Mr. HARDWICK. Mr. President, I desire to add a word only to what my colleague [Mr. SMITH of Georgia] has said. This is entirely a local matter—local to the State of Georgia. I do not think there is the slightest dissent on the proposition embraced in my colleague's amendment, either in this or in the other House of Congress.

The truth is, Mr. President, that under the very words of the law itself there never was the slightest excuse for the contention made by the Secretary of Agriculture. As a matter of law it has no foundation, and no court of any standing would entertain it for one moment. For years this money has been paid without question by one administration after another and by one party after another, until some wiseacre in one of these departments, who thought he knew more than anybody else, held it up. I think it is about time that we stopped that sort of business, and I earnestly hope that the amendment of my colleague will be adopted without the slightest objection.

Mr. SMOOT. May I ask the Senator one question?

Mr. HARDWICK. Yes; I yield to the Senator from Utah.

Mr. SMOOT. Did the Secretary of Agriculture refuse to pay the money to the agricultural college direct?

Mr. HARDWICK. Here is what happened, if the Senator please: This was a separate institution which had been established by the Legislature of Georgia to get this particular fund. It was not, as has been generally the case—although there are a half dozen exceptions—even a branch of the agricultural college.

Mr. SMOOT. In nearly all of the other States the agricultural colleges, as the Senator knows, have experimental stations in connection with them.

Mr. HARDWICK. Yes.

Mr. SMOOT. And I wondered whether the Secretary of Agriculture had gone so far as that he would not pay Georgia any money whatever, either to the agricultural college or to the experiment station.

Mr. HARDWICK. It amounts to that. They denied this appropriation for the State entirely, because they said it was our business to have the agricultural college a part of the University of Georgia, although there are several other States in the Union where that has not been done in many years. There is no doubt about the merit of this proposition, and any Senator who will investigate it will not have the slightest question that my colleague's amendment is right.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Georgia [Mr. SMITH].

The amendment was agreed to.

The VICE PRESIDENT. Are there further amendments?

Mr. VARDAMAN. Mr. President, if I am in order, I desire to offer an amendment to the pending bill, which I send to the desk.

The VICE PRESIDENT. The amendment proposed by the Senator from Mississippi will be read.

The SECRETARY. It is proposed to insert the following:

For applying such methods of eradication or control of the sweet-potato weevil as in the judgment of the Secretary of Agriculture may be necessary, including the payment of such expenses and employment of such persons and means in the city of Washington and elsewhere, in cooperation with such authorities of the States concerned, organizations, or individuals, as he may deem necessary to accomplish such purposes, $25,000, which shall be immediately available, and in the discretion of the Secretary of Agriculture no expenditures shall be made for these purposes until a sum or sums at least equal to such expenditures shall have been appropriated, subscribed, or contributed by State, county, or local authorities or by individuals or organizations for the accomplishment of such purposes: *Provided*, That no part of the money herein appropriated shall be used to pay the cost or value of sweet potatoes, sweet-potato plants, or other property injured or destroyed.

Mr. SMITH of Georgia. Mr. President, at what point in the bill does the Senator from Mississippi suggest his amendment?

Mr. VARDAMAN. It is immaterial where the amendment is inserted. It may come in at the conclusion of the bill. It has no relation to any other item in the bill; and I suggest that.

Mr. SMITH of Georgia. I should like to ask the Senator from Mississippi to explain his proposed amendment. It was so long that it was impossible for me to grasp it while it was being read, with one or two interruptions.

Mr. VARDAMAN. Mr. President, a letter from the Secretary of Agriculture, together with a number of other letters which I have received from my State, set out the fact that this little insect is working great ravages upon the sweet-potato industry in the States of Mississippi, Texas, Florida, Alabama, Georgia, and other States where that plant is cultivated. This

crop amounts in value to something like $90,000,000 a year. It is a very essential and necessary article of food, and in certain sections of the South this weevil is doing a great deal of harm. The Secretary of Agriculture suggested that the sum of $50,000 might be appropriated, but I have reduced that to $25,000. It is rather difficult to kill this insect because of the fact that its ravages are entirely confined to the tuber, to the potato under the ground. The boll weevil stays on the surface, and the cotton-boll worm, the grasshopper, and other insects of that kind, can be poisoned by the use of——

Mr. SMOOT. Arsenic.

Mr. VARDAMAN. Yes; Paris green or some other insecticide. There are a great many poisons which are used to exterminate these pests, but this little bug stays in the ground, safely removed from poisons that are distributed on the plant. He does not fly, he does not roost on the leaves or bore into the stalk, but down in the earth he plys his vocation by boring into the tuber. The able Senator from Colorado [Mr. THOMAS] the other day, in describing some of the pests which pester the agriculturist, dropped into poetry, and if I may be permitted to follow his lead, I think the best description of the potato weevil is in the following lines:

The June bug has the golden wing,
The firefly has the flame,
The potato weevil has no wings at all,
But he gets there all the same.

[Laughter.]

And he is getting there to the great disadvantage and the annoyance of the potato growers of the entire southern country. His field of operation is being widened, and unless something is done to check his ravages he will well-nigh destroy the potato crop of America, which amounts, as stated before, to nearly $90,000,000 a year. I think an appropriation of $25,000, to be used for the purpose of exterminating this pest, would be a prudent, provident investment by the Government of the United States, and I hope the Senate may agree to the amendment.

Mr. SMOOT. Mr. President, I simply rise to enter my protest against the appropriation now asked for. I think if it goes into this bill it will reappear in similar bills and increase in amount yearly. I can not see why an appropriation should be asked for to exterminate an insect which attacks sweet potatoes any more than one should be asked for to go into the fields where the Irish potato is raised to the value of not $70,000,000 per year, but four or five times that amount, in order to exterminate the diseases which at different times affect the Irish potato, and there is also the potato bug to contend with. In this case the insect is called a weevil——

Mr. VARDAMAN. Mr. President, if the Senator will permit me, I think a considerable appropriation was made a few years ago to exterminate certain pests that prey upon the Irish potato in New England.

Mr. SMOOT. I do not remember any, Mr. President.

Mr. SMITH of South Carolina. Yes; $87,800 is appropriated. The Senator will find it on page 21, line 15, the item reading as follows:

For the investigation of diseases of cotton, potatoes, truck crops, forage crops, drug and related plants, $87,800.

Mr. SMOOT. Oh, Mr. President, potatoes are named there; but I venture the assertion now that of the $80,800 not $800 will be expended for the investigation of diseases of Irish potatoes. The amount will go to the other items enumerated. I have never heard of any money being appropriated for the purpose of conducting investigations as to diseases of Irish potatoes; and if Irish potatoes have been specified in any appropriation bill, those interested in producing that crop have never asked for any part of the appropriation. I know, however, it is not going to do any good to protest. I rose simply to say that, in my opinion, it is unwise to begin now appropriating for the extermination of the sweet-potato weevil.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Mississippi. [Putting the question.] The Chair is in doubt.

Mr. VARDAMAN. I ask for a division.

The question being put, on a division the amendment was rejected.

Mr. McCUMBER. If it be in order at the present time, on page 23, line 23, after the word "rust," I move to insert "and the destruction of vegetation from which such rust spores originate, $150,000," so as to read:

Provided also, That $150,000 shall be set aside for the investigation and control of the diseases of wheat, oats, and barley, known as black rust and stripe rust, and the destruction of vegetation from which such rust spores originate, $150,000.

That would make the entire appropriation $250,000 instead of the $100,000 now provided. It is not specified, at least definitely, that the $100,000 may be used for the destruction of the barberry bush from which the spores of the rust are germinated.

We discussed this subject several days ago, at which time I made the assertion that the rust in a single year, 1916, and in the course of a very few days, caused a damage to the wheat crop of more than $100,000,000. My colleague [Mr. GRONNA] corrected me and said that the damage caused amounted to more than $100,000,000 in the State of North Dakota alone, and probably, at the same ratio, the loss would be more than $150,000,000 in the aggregate. That is a most serious loss; there is no one ravage that is sought to be checked by this bill that will even approach it in the matter of dollars and cents.

Scientists have discovered—at least they think they have discovered—that the spores of the rust originate upon certain vegetation, and that it is necessary to destroy that vegetation. That can not be done unless we have the consent of the States and of the owners of land on which the vegetation is growing that it may be exterminated, because it would come within the police powers of the State; but I have no doubt, Mr. President, we could secure such consent and the cooperation of every State in the Union. I know we certainly could in the spring-wheat growing States, where the ravages of the rust are the greatest.

Considering the importance of the matter and the enormous loss that is caused every year by the rust, it seems to me that I am justified in asking that we increase this $100,000 appropriation to $250,000. It is not necessary to make any further argument. We have already presented to the Senate the facts as to the loss involved; we have presented to the Senate the conclusions of scientists who have studied the question and who declare that the disease can be exterminated in the manner suggested, and I understood when we were discussing this matter the other day that the amendment was satisfactory to the chairman of the committee.

Mr. WADSWORTH. Mr. President, may I ask the Senator a question?

Mr. McCUMBER. Certainly.

Mr. WADSWORTH. I am not entirely clear about the appropriation which the Senator suggests for this purpose. I am in sympathy with the object the Senator has in view; but I wonder if he has read the language under which these different sums are set aside for the several purposes specified, all of which must come from the appropriation of $291,505.

Mr. McCUMBER. The adoption of my amendment would necessitate, of course, the changing of other figures, so as to include this item, and of the total amount carried by the bill, as set forth at the end of the bill.

Mr. WADSWORTH. The paragraph appropriates $291,505, of which $40,000 is to be set aside for the study of corn improvement, and $100,000 for the study of wheat and oats diseases. The Senator from North Dakota suggests that another $150,000 of it be set aside for the eradication of the barberry bush. One hundred and fifty thousand dollars plus $100,000 makes $250,000, and the addition of $40,000 makes $290,000, leaving only $1,505 for all the other purposes of the appropriation.

Mr. McCUMBER. I will state that, if the amendment carries, it will have to be followed by a further amendment adding $150,000 to the $291,505.

Mr. WADSWORTH. The Senator's amendment does not do that.

Mr. McCUMBER. No; this amendment does not do that; but it would necessarily have to be followed by a further amendment adding to the total appropriation carried by the paragraph.

Mr. SMITH of Georgia. Mr. President, when this subject was before the Committee on Agriculture the committee increased the appropriation $50,000, and specifically required that $100,000 should be used for the purpose desired by the Senator from North Dakota. The appropriation in all is $291,505. Of that amount $165,000 is assigned for specific purposes, leaving only $126,505 assigned to purposes other than those desired by the Senator from North Dakota. I was under the impression that this provision was entirely satisfactory to the members of the committee especially interested in the growing of wheat.

Now, I wish to ask the Senator whether any estimate has been made by the department for the increased amount to which he refers? The increase not having been recommended by the committee, unless estimated for by the department, of course, the increase can not be made upon the floor of the Senate, except by unanimous consent.

Mr. McCUMBER. I do not know that there was an estimate made. The $50,000 appropriation was increased to $100,000——

Mr. SMITH of Georgia. But that was done by the committee.

Mr. McCUMBER. Yes; and I presume that an estimate had been made or that the committee acted upon some information.

Mr. SMITH of Georgia. Undoubtedly.

Mr. McCUMBER. I will simply say that from the information I have, the amount will be insufficient to accomplish the result or anything like the result we desire to accomplish; but not being a member of the Committee on Agriculture, I can not inform the Senator whether the Secretary of Agriculture or the Department of Agriculture has made an estimate on the subject. Probably my colleague [Mr. GRONNA] can inform the Senator, as he is a member of the committee.

Mr. GRONNA. Mr. President, if my colleague will allow me, I will say that while no estimate has been made for such an amount as my colleague has proposed, I am quite sure that the Secretary of Agriculture would be willing at this time to make such an estimate, realizing, as he does now, the importance of this question. I think that it would be impossible to expend any money to any better advantage than for this particular purpose.

I think I called the attention of the Senator from Georgia, in committee, to the fact that in a single year there were more than a hundred million bushels of wheat destroyed in just a few days in my own State, and it was all due to rust; and it is said by nearly all of the scientists of the country that these spores originate from the barberry bush. It is no longer a question of scientific study. It is the same with this question as with the cattle tick or with the citrus-fruit canker. All you have to do is to go and destroy it.

I trust that the amendment proposed by my colleague will not be objected to, although I will say that, so far as I know, no estimate has been made for it.

Mr. VARDAMAN. Mr. President, will the Senator permit me to repeat a question which I asked him a few days ago, when this matter was up for consideration, but I have forgotten the answer the Senator gave me? What has been done in the matter of investigating the source of this evil up to this time? I would like to ask the Senator, further, if the States contribute anything to this fund?

Mr. GRONNA. Oh, yes. The States, and especially the Western States, the spring-wheat States, are practically the only ones that have contributed to it. We have been appropriating some $10,000 a year for this purpose, and all that money, of course, has been expended here in the city of Washington, making these investigations as to the causes.

Mr. VARDAMAN. The cause has been discovered, and you want sufficient funds to carry your investigations further?

Mr. GRONNA. Absolutely.

Mr. VARDAMAN. I shall vote for it with a great deal of pleasure.

Mr. SMITH of Georgia. Mr. President, this $50,000 increase, I think, was made at the instance of the Senator from North Dakota.

Mr. GRONNA. Yes, sir.

Mr. SMITH of Georgia. Did the Senator before the committee urge the full amount of $200,000?

Mr. GRONNA. No; I did not.

Mr. SMITH of Georgia. I was under the impression that we did what the Senator thought we ought to do.

Mr. GRONNA. Yes; that is very true, and I am very glad the Senator has asked that question. I thought the $100,000 would be sufficient; but since we had this question up before the Committee on Agriculture and Forestry Prof. Bolley and the president of the Agricultural College of Crookston, Minn., were here, and they talked with me about this, and they talked with my colleague about it, and they convinced me that we ought to appropriate a million dollars.

Mr. SMITH of Georgia. And the Senator does not think that a sufficient sum can be obtained out of this total of $291,000, increasing even the $100,000 required to go to this source and meet the necessities of the situation?

Mr. GRONNA. I believe, Mr. President, that we can do a great deal of good with two or three hundred thousand dollars; we can do a great deal of good with $100,000; but the Senator knows very well how these things work out in his own State, with these diseases which you have in the South, with the boll weevil, with the cattle tick, with the citrus-fruit canker, and all these things. It is just simply a question of whether you want to eradicate and exterminate these diseases at once or whether you want to do just a little each year.

Mr. SMITH of Georgia. And it is a disease that can be exterminated?

Mr. GRONNA. Absolutely.

Mr. SMITH of Georgia. The chairman of the committee has come in now, and I shall not make the point of order.

Mr. GRONNA. I am very glad to know that.

Mr. SMITH of Georgia. So far as I am concerned, the Senate can vote on it.

Mr. GRONNA. I was quite sure the Senator from Georgia would not make the point.

Mr. SMITH of Georgia. The responsibility rests upon the chairman and not upon myself.

Mr. McCUMBER. Mr. President, let me state, in addition to what my colleague has stated, that the scientists connected with our central agricultural colleges agree that the source of this trouble has been ascertained; that it is in the barberry bush, as we have stated. Now, there are two ways of reaching that. The first is by the destruction of the bushes themselves. They are used for hedges in a great many of our States, and it would necessitate their destruction and possibly some cost would be involved. It is possible that instead of cutting down the bushes and destroying them in that way, and thereby destroying what we might call the nests of these spores, it could be done by spraying at a certain season of the year. I am not certain as to that; but whether it is done by the destruction of the bush or by spraying at certain seasons, I am certain of one thing from their information, that $100,000 is not sufficient, and that they ought to have at least $250,000 this year.

Mr. GORE. Mr. President, I simply wish to say, for my own part, that I am very heartily in favor of the amendment. I look upon it as an insurance fund. If it can not be effectively used, it will not be used at all; it will lapse and return to the Treasury. If it can be used, the compensation will be out of all proportion to the amount appropriated and expended.

I hope the amendment will be adopted.

Mr. SMITH of Georgia. Mr. President, under the statement of the chairman of the committee and the statement of the Senator from North Dakota, I shall also vote for the amendment. It is a great pleasure to me always to feel that I can help practically to do anything for the agricultural interests of any part of the country, and my interest in the Northwest is almost equal to my interest in my own immediate section. It is a problem of what can be practically done to help increase production, not only in the interest of the producer but in the interest of the entire people of the country who have the benefit of the production.

Mr. GRONNA. Mr. President, as a member of the committee, I want to say that I have always found the Senator from Georgia willing to assist the Northwest as well as other parts of the country in the production of foodstuffs as well as other things. I am exceedingly glad that not only the members of the committee but the Members of this body will allow this appropriation at this time; and, as the chairman has stated, if the full amount is not necessary, it will go back into the Treasury, and there will be no expense to the Government.

Mr. GALLINGER. Mr. President, there is one matter regarding which I should like a little information in this connection. I want to ask the Senators from the wheat sections of the country whether the barberry bush is indigenous to that part of the United States? I know that it is used in the Eastern States, in New England, for ornamental hedges, and I presume these spores can be carried a long distance if there is a high wind; but I should like to know whether or not the barberry bush grows in the wheat-producing States.

Mr. GRONNA. Mr. President, I will say that while the State which I in part represent is not a timber country, still we have a great many barberry bushes around the lakes. They are indigenous to the State of Minnesota, very much so, and more so to the State of South Dakota, but they grow quite profusely in my own State.

Mr. GALLINGER. I raised the question simply to satisfy my own mind as to the distance these spores could be carried. So it seems that the bush does grow, in a sense, contiguous to the wheat fields of the Northwest.

Mr. GRONNA. It does.

Mr. GALLINGER. Mr. President, if the scientists have gotten at the true cause for the rust in wheat which produced such havoc last year in certain of the wheat States, certainly this appropriation is fully justified, and in voting for it I am doing so upon the supposition that the scientists are not mistaken in locating the exciting cause of the trouble.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from North Dakota, which will be stated.

The SECRETARY. On page 23, line 23, after the words "black rust and stripe rust," it is proposed to insert "and the destruction of vegetation from which such rust spores originate, $150,000."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. SMITH of Michigan. Mr. President, I desire to offer an amendment.

Mr. SMITH of Georgia. Mr. President, before any further amendments other than committee amendments are introduced I wish to call attention to a committee amendment that has not been disposed of, and then we can go back to individual amendment, if that suits the Senator.

Mr. SMITH of Michigan. Certainly.

Mr. SMITH of Georgia. Mr. President, I wish to state to the chairman of the committee that in his absence, by unanimous consent, the Senate passed over the amendment on page 92, for which he offered a substitute, and the Senator from Nebraska [Mr. NORRIS] offered an amendment to the substitute of the chairman of the committee. In the absence of both of those Senators I felt that we could not well consider that part of the bill, and I asked that it be passed over until they entered the Chamber. As they are both here now, I ask that the Senate return to page 92, from lines 10 to 20, applicable to prizes.

Mr. NORRIS. Mr. President, I should like to say to the Senator from Georgia that I want to thank him first for asking that it go over. Both the chairman of the committee and myself were in attendance upon a meeting of the Agricultural Committee this morning.

Mr. SMITH of Georgia. I stated that fact, and I stated that I brought up the bill in the absence of the chairman by request, and that as he and the Senator from Nebraska were absent at that meeting I had had them telephoned, and I had no doubt they would be here in a little while.

Mr. NORRIS. I am very much obliged.

The VICE PRESIDENT. The question is on the amendment of the Senator from Nebraska to the amendment of the Senator from Oklahoma.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. SMITH of Michigan. Mr. President, I offer the amendment which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to insert at the end of the bill a new section, as follows:

SEC. —. That act. No. 41, Sixty-fifth Congress, approved August 10, 1917, be amended by adding the following at the end of section 14 of said act:

"*Provided*, That no part of the money herein appropriated, or any unexpended balance heretofore appropriated, shall be used to defray the expenses of the Food Administration or any other department of the Government in the work of grading potatoes, and no regulation shall be made therefor: *Provided further*, That it shall not be lawful to grade potatoes as to size or otherwise interfere with the marketable value thereof when such products are free from blight, dry rot, and other disease harmful to the public health."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Michigan.

The amendment was agreed to.

Mr. GORE. Mr. President, I offer an amendment, which I had printed a few days ago. I may say that I offer it at the request of the department.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 51, after line 18, it is proposed to insert the following paragraph:

Hereafter the Secretary of the Treasury may detail medical officers of the Public Health Service to the Department of Agriculture for cooperative assistance in the administration of the food and drugs act, approved June 30, 1906, and amended August 23, 1912, and the compensation and expenses of the officers so detailed may be paid from the applicable appropriations made herein for enforcement of said act.

Mr. SMOOT. Mr. President, that is legislation, beyond a question of doubt, and unless there is some good reason why it should go on this appropriation bill a point of order ought to be made against it.

Mr. GORE. Mr. President, I will ask to have read a letter from the department on the subject. I think it justifies the amendment.

The VICE PRESIDENT. In the absence of objection, the letter will be read.

The Secretary read as follows:

DEPARTMENT OF AGRICULTURE,
Washington, February 21, 1918.

Hon. THOMAS P. GORE,
United States Senate.

DEAR SENATOR GORE: Referring to the amendment to the Agriculture appropriation bill, providing that hereafter the Secretary of the Treasury may detail medical officers of the Public Health Service to the Department of Agriculture for cooperative assistance in the administration of the food and drugs act, which you introduced at the request of the department, as made orally by Mr. W. G. Campbell, of the Bureau of Chemistry, it is necessary in the efficient enforcement of the food and drugs act to have such authority as is contemplated by this amendment, in order to fill vacancies caused by a number of our men having left the department since the declaration of war. It is important to have competent medical men, whose judgment is authoritative and whose opinions carry weight in the courts when they appear as witnesses in cases brought under the act.

The department has found it practically impossible to secure the services of competent medical officers of sufficient experience and maturity for this work, at salaries which the department can afford to pay for such services, through civil-service examinations. Through the courtesy of the Public Health Service, Dr. M. W. Glover has been detailed to the Bureau of Chemistry to take charge of this work. This department hesitates to ask the Treasury Department to detail additional men for this work unless the salaries and expenses of such men can be paid from the appropriation for the enforcement of the food and drugs act. Medical officers of the Public Health Service receive additional compensation based on longevity of service, and have certain rights of retirement after being in the service a certain number of years, so that if such medical officers are actually transferred to this department they would forfeit the rights and privileges which have accrued to them on account of service already rendered in the Public Health Service.

It is desired, therefore, to secure legislation which will permit the detail of officers of the Public Health Service for this important work, allowing their compensation and expenses to be paid from the appropriation for the enforcement of the food and drugs act, and at the same time allowing them to retain their rights and status as officers of the Public Health Service. Legislation has already been enacted authorizing such details to the Bureau of Mines. The legislation referred to is found in an act making appropriations for the sundry civil expenses of the Government for the fiscal year ending June 30, 1918 (ch. 27, 41 Stat. L., pp. 105–146). The amendment which the department recommended, and which was submitted to you by Mr. Campbell, was prepared by the solicitor of the department, as follows. Insert as line 18½ on page 51:

"The Secretary of the Treasury may detail medical officers of the Public Health Service to the Department of Agriculture for cooperative assistance in the administration of the food and drugs act, approved June 30, 1906, and amended August 23, 1912, and the compensation and expenses of the officers so detailed may be paid from the applicable appropriations made herein for enforcement of said act."

This amendment, if adopted, will enable the department to have such men as may be needed detailed from the Public Health Service to the Bureau of Chemistry. This can be done without creating a permanent organization, which might be larger than would be needed later. It is contemplated that not more than one or two details will be necessary at the present time.

Respectfully, D. F. HOUSTON, *Secretary.*

The VICE PRESIDENT. The question is on the amendment of the Senator from Oklahoma [Mr. GORE].

The amendment was agreed to.

Mr. WADSWORTH. I offer the following amendment to be inserted in the bill at the appropriate place.

The VICE PRESIDENT. It will be stated.

The SECRETARY. At the appropriate place in the bill insert:

Section 6 of the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine, approved August 2, 1886," is amended so as to read as follows:

"SEC. 6. That all oleomargarine shall be packed by the manufacturer thereof in firkins, tubs, or other wooden or paper packages not before used for that purpose, each containing not less than 10 pounds, and marked, stamped, and branded as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe; and all sales made by the manufacturers of oleomargarine, and wholesale dealers in oleomargarine shall be in original stamped packages.

"Retail dealers in oleomargarine must sell only from original stamped packages, in quantities not exceeding 10 pounds, and shall pack the oleomargarine sold by them in suitable wooden or paper packages, which shall be marked and branded as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe.

"Every person who knowingly sells or offers for sale, or delivers or offers to deliver, any oleomargarine in any other form than in new wooden or paper packages as above described, or who packs in any package any oleomargarine in any manner contrary to law, or who falsely brands any packages or affixes a stamp on any package denoting a less amount of tax than that required by law, shall be fined for each offense not more than $1,000 and be imprisoned not more than two years."

Mr. WADSWORTH (interrupting the reading). The remainder of the amendment I sent to the desk is a repetition of existing law. May I say to the Senate the only amendment suggested to section 6 of the law of August 2, 1886, is the insertion of the words "or paper" after the words "wooden packages" the idea being that under the existing law oleomargarine can be sold by the manufacturer only in firkins or tubs made of wood. The object of this amendment is to permit that same oleomargarine to be contained in paper packages as well as wood.

Mr. PENROSE. May I make an inquiry of the Senator? I should like to ask whether the amendment alters the size of the package.

Mr. WADSWORTH. Not at all. It makes no change whatsoever in the regulations as to the size of the package, the manner of sale, the tax, or the coloring of the oleomargarine in any respect. It simply permits the manufacturer to use paper as well as wood as the container. The idea is this, that the wood containers are, of course, growing more and more expensive as wood is becoming more and more scarce, and there are paper boxes which are entirely proper for use in this connection. This would permit paper boxes to be used as well as wood. That is the only amendment of the law.

Mr. GORE. I do not believe the Senator from New York stated—if so, I did not understand him—that under the law the wooden packages must be destroyed when once used. Of

course, that is a matter of waste. The paper packages can be reconverted into paper and used again, and as a matter of economy and conservation I hope the amendment will be adopted.

Mr. WADSWORTH. That is another economy that can be brought about.

The VICE PRESIDENT. The question is on the amendment of the Senator from New York [Mr. WADSWORTH].

The amendment was agreed to.

Mr. GORE. Mr. President, I desire at this point, under Rule XL, to give notice of a motion to suspend the rules in order to offer an amendment to the bill providing that growers of wheat who were not satisfied last year with the price paid by the Government shall have the right to go into the Federal courts and ascertain whether or not the price paid was just compensation.

Mr. TRAMMELL. Mr. President, I offer the following amendment.

The VICE PRESIDENT. It will be read.

The SECRETARY. On page 51, strike out the word "and," at the end of line 19, and insert a comma after the word "handling," and in line 20, after "transportation," insert "and uses," so as to read:

Grading, weighing, handling, transportation, and uses of naval stores.

Mr. SMITH of Georgia. That only adds the word "uses." I do not see any objection to the amendment.

Mr. SMOOT. Are we going now into an investigation of what the naval stores are used for?

Mr. SMITH of Georgia. The different uses.

Mr. WADSWORTH. Will the Senator from Florida be willing to explain the purpose of the amendment?

Mr. SMOOT. Yes; I should like to have it explained.

Mr. TRAMMELL. The purpose of the amendment is to give a little more latitude under this appropriation in the research and investigation which is to be made by the Agricultural Department. The naval-stores industry of the country has suffered very materially on account of having the principal markets cut off, due to the inability to transport the products, and it has become necessary to investigate other uses that may be made of naval stores.

To appreciate the merits of that position, of course, we have to consider the value and necessity of this industry to the country. The industry has been almost paralyzed during the war. The avenues of sale have been cut off to a very great extent. The idea of the amendment is that the department may investigate other uses to which the product of the naval-stores industry may be devoted. That really is the object of the amendment.

Mr. SMOOT. In other words, the object is that the Government is to find a market for it.

Mr. TRAMMELL. There is no increase of the appropriation whatever.

Mr. SMOOT. I know there is no increase in the appropriation, but that is really the object of the amendment, is it not?

Mr. VARDAMAN. Is there any objection to that?

Mr. SMOOT. I ask the Senator from Florida if that is not really the object of the amendment?

Mr. TRAMMELL. Indirectly that might be the object. Of course if they find additional uses that, of course, would assist in finding an enlarged market.

Mr. SMOOT. I do not see any reason why the Senator should not admit it, because that is what it is for, of course.

Mr. TRAMMELL. That is the object. It is to enlarge the resources for the sale of the product by making inquiry into other purposes for which naval stores may be utilized.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Florida [Mr. TRAMMELL].

The amendment was agreed to.

Mr. VARDAMAN. Mr. President, I propose another amendment. It is the same amendment offered a moment ago reducing the appropriation I proposed from $25,000 to $20,000. I wish to say to the Senate again it is a matter of very vital concern to the people living in the southern part of my State, and it is also important to the people of Georgia and Florida and a portion of Texas. It is especially very necessary in the interest of the people who cultivate the sweet potato that some means may be discovered by which this destructive pest may be exterminated. I think that $20,000 invested in this will be wisely expended and bring large returns. I hope the Senate will agree to the amendment.

Mr. SMOOT. May I ask the Senator if he would not offer his amendment on page 21 to the item for the investigation of diseases of orchard and other fruits? There is an appropriation of $79,935, of which $8,000 shall be available for the investigation of diseases of the pecan. Then the Senator's amendment might follow, of which $20,000 may be expended for the investigation of this pest.

Mr. VARDAMAN. Does the Senator propose that amendment to the amendment?

Mr. SMOOT. Certainly, I suggest it. Then there would be no increase in the appropriation.

Mr. VARDAMAN. I suppose the Committees on Agriculture of the two Houses did not agree to appropriate any more than was needed for the particular item mentioned in the paragraph just read by the Senator. I know this which I propose is necessary. The Secretary of Agriculture thinks so and the people of the States where the insect is perpetrating its devastations think so. I really think that if a method could be discovered by which this insect could be destroyed it would be a very wise investment, a very provident use of money.

Mr. SMOOT. The Senator from South Carolina called attention to the fact that there was already an appropriation in the bill for the investigation of potatoes. It does not say Irish potatoes nor does it say sweet potatoes. As long as we are appropriating for potatoes I am perfectly willing to have it all go under sweet potatoes.

Mr. VARDAMAN. As far as I am personally concerned that might suit me, but it would not suit the people in other parts of the country where the appropriation is intended by the committee to be expended.

Mr. SMOOT. The appropriation of $75,935, of course, is not intended to include the investigation of potatoes.

Mr. VARDAMAN. If the Senator will pardon me, not a dollar of this appropriation is to be used unless the State or community where it is to be expended put up an equal amount. I think we can trust to the discretion of the Agricultural Department for the wise use of the money. It is a very small amount.

Mr. SMOOT. We debated the same question before, as the Senator stated.

Mr. GALLINGER. Mr. President, I have always in considering the Agricultural bill been interested in the various insects as they are from time to time doing destruction to farm products. I was out of the Chamber when this matter was discussed this morning. I should like to know, in a few words, from the Senator from Mississippi precisely what this insect is and what it is doing to sweet potatoes.

Mr. VARDAMAN. It is an insect that bores through the tuber. It can not be treated like a great many insects that fly. There is an effort being made to discover a method by which it can be destroyed. The destruction of the crop in a great many instances amounts to 80 and 90 per cent, and the Agricultural Department thinks that by preventing the shipment of sweet potatoes from one infected region to another it will probably result in the extermination of the pest.

Mr. GALLINGER. If the Senator will permit me, I will ask him if the department has not authority now to quarantine?

Mr. VARDAMAN. The department suggested that we appropriate $50,000. I reduced it to $25,000. The Senate rejected that a moment ago, and I have now asked for $20,000.

Mr. GALLINGER. I know a year or two ago the department did quarantine Aroostock County, Me., where enormous quantities of Irish potatoes are raised, for the reason that there was a dry rot or something of the kind in the potatoes that was supposed to be communicable. I wondered why the department could not do the same thing in connection with sweet potatoes.

Mr. VARDAMAN. The department will do that if it is given anything to work with, and the department could use $50,000 profitably.

Mr. GALLINGER. I just wondered where the department got the money to quarantine in the State of Maine. I am very sure we did not make a specific appropriation for it.

Mr. VARDAMAN. If I remember correctly there was an appropriation of a considerable amount of money proposed by the then Senator from Maine, Mr. Johnson.

Mr. GALLINGER. That may be so. If so, I had forgotten it.

Mr. VARDAMAN. I think an appropriation was made for that purpose.

Mr. GORE. There was.

Mr. GALLINGER. I simply asked the question because I have sometimes wondered whether we are ever going to get control of the various insects that are doing such destruction and causing us to appropriate so much money in these agricultural bills.

Mr. VARDAMAN. I wish to say to the Senator that I am just as desirous as he or any Senator in this body that the appropriations shall be confined to necessary and proper uses. I would not ask for this appropriation if I did not think it was an investment that would bring a large return to the American people.

Mr. GALLINGER. I am satisfied of that, as far as the Senator is concerned.

Mr. VARDAMAN. It is a very small amount and I should like very much to have the Senator agree to the amendment.

Mr. GALLINGER. Still, watching the growth of these appropriations, I shall be greatly disappointed if next year a much larger amount is not asked for the same purpose.

Mr. VARDAMAN. The Senator will recall the fact that these appropriations are made for the protection of the interests of a class of people who have very little to do with the Public Treasury except to contribute the sinews of war. The whole superstructure of commerce rests upon the product of their toil, and as far as I am personally concerned, I am in favor of giving them every assistance possible. I think that the United States gets more from the appropriations made and expended by the Agricultural Department than for any other department of the Government.

Mr. GALLINGER. I am quite in sympathy with that view, and yet I have watched these appropriations grow to an extent that sometimes rather alarms me. I will make a suggestion hoping that it will not lead to a debate, because it has already been discussed. I have been much interested in the appropriations for the so-called pink boll weevil. The pink boll weevil appeared a year or two ago. Last year we made an appropriation of $250,000. It has been stated in debate that in some way it crossed the Rio Grande River and is affecting a small part of Texas. The department recommended $500,000 this year, and the committee has made an appropriation of $800,000.

Mr. GORE. I will say that the department estimated for $800,000.

Mr. GALLINGER. Then in the wisdom of the House Committee on Agriculture they reduced the estimate to $500,000.

Mr. GORE. Yes, sir.

Mr. GALLINGER. And the Senate committee has put it back to $800,000, just a jump of $550,000 in a year, that is all. But then we have such vast amounts of money in our Treasury at the present time that, of course, we can spend it for any purpose we may see fit.

In saying that I do not say it in opposition to the suggestion of the Senator from Mississippi. The Senator says that he knows that this is a worthy use of money on the part of the Department of Agriculture, and I certainly shall not interpose any objection that would prevent it from going into the bill.

Mr. VARDAMAN. I thank the Senator.

Mr. GORE. I will say to the Senator from New Hampshire, he is familiar with the destruction that resulted in Maine from the potato scale.

Mr. GALLINGER. Yes.

Mr. GORE. That was a disease of the white potato, the Irish potato as I prefer to call it.

Mr. GALLINGER. That is right.

Mr. GORE. It was extremely disastrous. It affected not only the potato industry of Maine but in many parts of the country which relied upon Maine for their seed potatoes. I think we appropriated $100,000 at one session and perhaps a smaller appropriation at another.

Mr. GALLINGER. That is the very thing I had lost sight of. I had an impression that we had not made an appropriation, but that the department had money that was used for the purpose of quarantining against that disease. However, the Senator states that there was an appropriation made for that purpose, and I think it was a very wise use of money indeed.

Mr. GORE. There can be no doubt of that, but the point peculiarly gratifying to the Senator from New Hampshire is that it has disappeared from the bill. The disease has been eradicated and the appropriation vanished.

Mr. GALLINGER. It is one of the most remarkable things that has ever been brought to my attention—that an appropriation disappeared from the bill the succeeding year.

Mr. GORE. I mention it as a novelty without precedent and probably without parallel in the future.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Mississippi [Mr. VARDAMAN].

The amendment was agreed to.

Mr. KENYON. Mr. President, in the amendment, beginning at the bottom of page 13, I especially call attention to the clause at the top of page 14 containing the words "for immediate slaughter." The question was before the Senate for the elimination of those words, and there was considerable discussion at that time. I am not going over it again, but I had in my office a letter from the Department of Agriculture with reference to it. I did not have it present with me at the time. I think it ought to go in the RECORD. I believe the Senate acted without any particular information as to what those words "for immediate slaughter" in the bill mean. The words ought to go out. I ask that the Secretary may read this letter from the Chief of the Bureau of Animal Industry.

The VICE PRESIDENT. The Secretary will read.

The Secretary proceeded to read, and before concluding,

Mr. KENYON. There is not anybody paying any attention to the reading of the letter, so I will not ask to have the reading continued; it is a waste of time. Let it go in the RECORD.

The letter entire is as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF ANIMAL INDUSTRY,
Washington, D. C., February 21, 1918.

Hon. WILLIAM S. KENYON,
United States Senate.

DEAR SENATOR KENYON: I have your letter of February 18, 1918, with reference to the interstate shipment of cattle reacting to the tuberculosis test.

The Agricultural bill, as reported to the Senate from the Committee on Agriculture and Forestry, contains an amendment to the act of May 29, 1884, with the inclusion of the words "for immediate slaughter," on page 14, line 1. The amendment with the insertion of these words will only partially accomplish the aims of the department. While it is believed desirable to permit the interstate shipment for immediate slaughter of cattle which have reacted to the tuberculin test, it is considered wise also to provide for the shipment, interstate, of pure-bred animals which have reacted to such tests, so that they may be returned to their original owners to be retained by them for breeding purposes under quarantine restrictions. This can be accomplished by regulation if the words "for immediate slaughter" are eliminated. This latter proposal, in the opinion of the department, is of far greater importance to the country than the provision permitting the shipment of the animals for immediate slaughter.

If the amendment is allowed to stand as it is, then pure-bred cattle which had reacted to the tuberculin test would still be prohibited from moving interstate, except for slaughter, which would benefit the packer but not the farmer.

The interstate movement of these reacting animals will be surrounded by restrictions imposed by means of regulations which will safeguard the movement of the animals as well as protect the live-stock industry against the further spread of tuberculosis. It is proposed to permit the shipment of such cattle only to those States that will cooperate with the department in imposing quarantine restrictions upon such reacting animals at the farms of their original owners. We now have effective cooperation with various States in the shipment of hogs that have been vaccinated against cholera, and it is believed that the cooperation will prove equally effective in the case of tuberculosis of cattle.

Experience has shown that reacting cattle may be safely segregated from healthy animals on the farm and used for breeding purposes by the adoption of what is known as the Bang system. This consists of keeping the reacting cattle entirely separate and apart from healthy animals on the same premises.

The calves born of reacting cows do not inherit the disease and can therefore be safely removed from their mothers immediately after birth and placed with the healthy cattle, where they are reared upon the milk of healthy cows. In this way the healthy portion of the herd constantly increases while the reacting animals are disposed of as rapidly as may be deemed necessary.

Finally all of the reactors have been disposed of and the remaining herd is composed entirely of healthy cattle. There are several modifications of the Bang system which may be adopted under the conditions which obtain in different States, but the underlying principle of all of these is the segregation of the reactors and the removal immediately after birth of their healthy offspring.

Very truly, yours,

J. R. MOHLER, *Chief of Bureau.*

Mr. KENYON. Mr. President, I also ask to have inserted in the RECORD a letter on this question from the Department of agriculture of the State of Illinois. Leaving these words "for immediate slaughter" in this bill amounts to nothing, except to help the packers; it helps no one else; and I desire to call attention to the matter in the RECORD, so that the conference committee may have some basis on which to act in striking out those words, if they shall feel inclined to do so.

The VICE PRESIDENT. If there be no objection, the letter referred to by the Senator from Iowa will be inserted in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF ILLINOIS.
DEPARTMENT OF AGRICULTURE,
Springfield, March 5, 1918.

Hon. WILLIAM S. KENYON,
United States Senator from Iowa, Washington, D. C.

MY DEAR SENATOR: I notice an amendment to a bill—Calendar No. 243, H. R. 9054—"An act making an appropriation for the Department of Agriculture for the fiscal year ending June 30, 1919." I think it very important that this bill should be changed a little.

Page 14 of the printed bill, line 1, should be amended by striking out the words "for immediate slaughter." I think the pure-bred cattle breeders in this State, as well as other States—and we have one of the leading States in the Union in the pure-bred cattle industry—would appreciate it very highly if that amendment was made to this bill. In many cases a man will pay as high as $1,000 or $2,000 for a breeding animal. He sells it into another State and it reacts to the tuberculin test. Of course the buyer of the animal wishes the seller to make good the loss sustained by this animal reacting. Under the provision of this bill the animal could be returned only for immediate slaughter.

A cow might be worth $2,000 and react and not be a spreader of tuberculosis either. If this man was permitted to have this cow returned to his herd and keep her for producing cows under what is known as the Bang system, she would be worth as much to him as any other cow, if she were isolated from the herd. This method is practiced very largely by men who have a very valuable breeding cow that reacts.

In these days when we need food so badly it looks almost like a crime to have a valuable breeding cow sacrificed, when under the Bang system she can go on and produce calves perhaps for her natural life, the calf being taken away immediately from its mother and raised on a healthy cow. She may in that way produce many valuable animals to the breed.

I think you would render a very great service to the pure-bred live-stock industry of the country if you would see to it that that amendment is made.

Thanking you in advance for whatever or any interest you may take in this matter, I am,

Sincerely, yours,

CHAS. ADKINS,
Director of Agriculture.

Mr. GRONNA. Mr. President, when this provision was before the Senate the other day, I proposed to strike out the words "for immediate slaughter," which had been inserted by the Senate committee, but a majority of the Members of this body saw fit not to do so. I have here a letter from a very able veterinarian of my State, Dr. W. F. Crewe, and I ask that it may be printed in the RECORD without reading.

Mr. GALLINGER. Mr. President, if the letter is not long, I should like to have it read.

Mr. GRONNA. Then I ask that the letter may be read.

Mr. GALLINGER. If we have made a mistake in this matter, we ought to correct it.

Mr. GRONNA. I think that we are making a mistake, I will say to the Senator from New Hampshire.

The VICE PRESIDENT. In the absence of objection, the letter will be read.

The Secretary read the letter, as follows:

STATE OF NORTH DAKOTA,
LIVE STOCK SANITARY BOARD,
Bismarck, N. Dak., February 27, 1918.

Hon. A. J. GRONNA,
United States Senate, Washington, D. C.

DEAR SIR: I have received your letter of the 23d instant, in which you indicate that the Senate committee would not concede to the elimination of the words "for immediate slaughter," from the amendment in question, which would permit the shipment interstate of pure-bred cattle that could be held in quarantine for breeding purposes.

Your letter would indicate that apparently nothing further could be done in the matter, and it would seem that if the representatives of the Bureau of Animal Industry were unable to explain the circumstances so that they could be clearly understood by the committee it would hardly be possible for an impression to be made by communication.

However, for your information, permit me to give just one illustration of the conditions. We have had similar in this State, but the cattle have not been of as high value.

A resident of Montana purchased a number of high-class shorthorn cattle in Iowa. The animals were accompanied by a certificate of health, indicating they had been tuberculin tested and were free from disease. However, one of the animals, a bull for which the owner had paid $5,000, was tested 60 days after arrival, and gave a positive, clear-cut reaction to the test, indicating he was tuberculous. The balance of the animals were then retested and eight more of them gave a reaction indicating they were tuberculous.

Now, these animals cost the purchaser over $20,000. Needless to say, the owner did not desire to have this amount of money invested in tuberculous cattle, and apparently there was something crooked in the deal. In his effort to secure settlement, the seller offered to make settlement if the animals were returned to him, as he considered them of great value, and he could hold them segregated for breeding purposes. However, the Federal act in question prohibited the return shipment, and left the settlement up in the air, as it were.

Now, it does not appear that this man would be prosecuted for shipping these animals in the first place, although they undoubtedly were diseased at that time. However, the man that wishes to return them, and is willing to return them, described as just what they are, tuberculous cattle, to be shipped under restrictions and to go into quarantine to be held segregated, would not be permitted to do so. I think you can see the injustice of the matter. The man who resorts to underhand methods to dispose of these animals gets by and the man that goes into the deal and wants to act on the square has to stand the loss.

I wish, however, to thank you for your kind efforts in the matter.

Yours, respectfully,

W. F. CREWE.

The VICE PRESIDENT. The bill is still before the Senate, as in Committee of the Whole, and is open to further amendment.

Mr. SHEPPARD obtained the floor.

Mr. GORE. Mr. President——

Mr. SHEPPARD. Mr. President, I yield to the Senator from Oklahoma.

Mr. GORE. I send to the desk an amendment, of which I move the adoption as a new section to the bill.

The VICE PRESIDENT. The amendment proposed by the Senator from Oklahoma will be stated.

The Secretary proceeded to read the amendment.

Mr. SMOOT. Mr. President, allow me to make the suggestion to the Senator from Oklahoma, that if this amendment is to be acted upon there no doubt will be a call for a quorum. Why not have a call for a quorum now, and then have the amendment read, instead of after the quorum is called having some Senator who is not now present ask for the reading of the amendment? I think we should save time by suggesting the absence of a quorum now, and having Senators present, so that they may hear the amendment read in the first place.

Mr. GORE. I will say that while I am offering the amendment at this time and in this way I thought possibly there might be a point of order made against it. I am very frank about it. I give notice, however, that if any Senator makes a point of order on the amendment I have filed the required notice to suspend the rules, and if this amendment goes out on the point of order I have arranged with the Senator from Texas [Mr. SHEPPARD] to proceed with an amendment which he has, and I will defer for the present the calling up of my motion to suspend the rules.

Mr. SMOOT. In any event the amendment involves a very important matter, and I think we ought to have a quorum present before the reading is proceeded with, so that Senators will know what is before the Senate. There are now very few Senators in the Chamber; they are at luncheon, and I think it will save the time of the Senate to have a quorum now, and then go on with the consideration of the amendment.

Mr. GORE. I think the Senator is mistaken about that in view of what I have stated.

Mr. SMOOT. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. OVERMAN in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hale	McNary	Shields
Bankhead	Harding	Martin	Smith, S. C.
Borah	Hardwick	Myers	Smoot
Calder	Henderson	Nelson	Sterling
Colt	Johnson, S. Dak.	New	Stone
Curtis	Jones, Wash.	Norris	Sutherland
Fall	Kellogg	Nugent	Thomas
Fletcher	Kendrick	Overman	Thompson
France	Kenyon	Penrose	Trammell
Frelinghuysen	King	Poindexter	Wadsworth
Gallinger	Knox	Pomerene	Williams
Gerry	McCumber	Ransdell	Wolcott
Gore	McKellar	Shafroth	
Gronna	McLean	Sheppard	

Mr. MCNARY. I desire to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness. I ask that this announcement may stand for the day.

Mr. GRONNA. I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to serious illness in his family. I ask that this announcement may stand for the day.

Mr. ASHURST. I desire to announce that the junior Senator from Mississippi [Mr. VARDAMAN] has been called from the Chamber on official matters.

Mr. MYERS. My colleague [Mr. WALSH] is necessarily detained from the Senate by official business.

The PRESIDING OFFICER. Fifty-four Senators having answered to their names, a quorum is present. The Secretary will resume the reading of the amendment proposed by the Senator from Oklahoma [Mr. GORE].

The Secretary resumed and concluded the reading of the amendment offered by Mr. GORE, which was to insert as a new section the following:

That section 14 of the act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, be amended to read as follows:

"SEC. 14. That whenever the President shall find that an emergency exists requiring stimulation of the production of wheat and that it is essential that the producers of wheat produced within the United States shall have the benefits from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit. The President shall thereupon fix such guaranteed price for each of the official grain standards for wheat as established under the United States grain standards act, approved August 11, 1916. The President shall from time to time establish and promulgate such regulations as he shall deem wise in connection with such guaranteed prices, and in particular governing conditions of delivery and payment and differences in price for the several standard grades at the local elevator or the local railway market where such wheat is delivered from the farm where produced, adopting No. 1 northern spring or its equivalent as the basis. Thereupon the Government of the United States hereby guarantees every producer of wheat produced within the United States that, upon compliance by him with the regulations prescribed, he shall receive for any wheat produced in reliance upon this guaranty within the period, not exceeding 18 months, prescribed in the notice a price not less than the guaranteed price therefor as fixed pursuant to this section. In such regulations the President shall prescribe the terms and conditions upon which any such producer shall be entitled to the benefits of such guaranty. The guaranteed prices for the several standard grades of wheat for the crop of 1918 shall be based upon No. 2 northern spring or its equivalent at not less than $2.50 per bushel at the local elevator or the local railway market where such wheat is delivered from the farm where produced.

This guaranty shall not be dependent upon the action of the President under the first part of this section, but is hereby made absolute and shall be binding until May 1, 1919. When the President finds that the importation into the United States of any wheat produced outside of the United States materially enhances or is likely materially to enhance the liabilities of the United States under guaranties of prices therefor made pursuant to this section, and ascertains what rate of duty, added to the then existing rate of duty on wheat and to

the value of wheat at the time of importation, would be sufficient to bring the price thereof at which imported up to the price fixed therefor pursuant to the foregoing provisions of this section, he shall proclaim such facts, and thereafter there shall be levied, collected, and paid upon wheat when imported, in addition to the then existing rate of duty, the rate of duty so ascertained; but in no case shall any such rate of duty be fixed at an amount which will effect a reduction of the rate of duty upon wheat under any then existing tariff law of the United States. For the purpose of making any guaranteed price effective under this section, or whenever he deems it essential in order to protect the Government of the United States against material enhancement of its liabilities arising out of any guaranty under this section, the President is authorized also, in his discretion, to purchase any wheat for which a guaranteed price shall be fixed under this section, and to hold, transport, or store it, or to sell, dispose of, and deliver the same to any citizen of the United States or to any Government engaged in war with any country with which the Government of the United States is or may be at war, or to use the same as supplies for any department or agency of the Government of the United States. Any moneys received by the United States from or in connection with the sale or disposal of wheat under this section may, in the discretion of the President, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts.

The PRESIDING OFFICER. The question is on the adoption of the amendment. Is the Senate ready for the question?

Mr. GORE. Question!

Mr. POMERENE. Mr. President, do I understand this is the amendment offered by the chairman of the committee relating to the price of wheat?

Mr. GORE. Yes, sir; I have been authorized by the committee to offer it, and have just offered it.

Mr. POMERENE. Mr. President, I think the amendment is subject to a point of order, and I therefore raise the question that it is new legislation and can not be attached to this appropriation bill.

The PRESIDING OFFICER. Does the Senator from Oklahoma desire to say anything on the point of order before the Chair rules?

Mr. GORE. I may say that I think the amendment is subject to a point of order.

The PRESIDING OFFICER. The Chair thinks so, and sustains the point of order. The Chair thought, however, before ruling that the Senator from Oklahoma might desire to be heard.

Mr. GORE. I will say further that I have given notice in writing, under Rule XI., that I would move to suspend the rules in order that the amendment may be offered in due form. I thought that probably Senators would be willing for the discussion to go forward without resorting to that expedient.

Mr. POMERENE. Mr. President, I shall defer saying what I had intended to say upon the subject until the notice which the rules require has expired and the matter is properly presented to the Senate.

The PRESIDING OFFICER. When was the notice given?

Mr. GORE. The notice was given several days ago, but I will say that I do not feel at this time well enough to proceed with the discussion myself. So I will not call up that notice at this time.

Mr. POMERENE. Mr. President, I thought the notice was given just this morning. Did not the Senator give some written notice this morning?

Mr. GORE. No, sir; that related to another matter. The notice in regard to this motion was given several days ago.

The PRESIDING OFFICER. The Chair understands the Senator from Oklahoma does not desire to proceed with the question now.

Mr. McCUMBER. Mr. President, I was called out of the Chamber for a moment. May I ask the present status of the proposed amendment?

The PRESIDING OFFICER. The point of order has been sustained. The question now is whether the Senate will suspend the rule.

Mr. NORRIS. Mr. President, as I understood the chairman of the committee, I will say to the Senator from North Dakota, he does not desire to make the motion to suspend the rules now. He has given the notice, but, as I understand, he desires to go on with other matters in the bill before calling up that motion.

Mr. GORE. Yes, sir. I have given notice, but it was not my purpose call up the notice at this time; in fact, I have been informed that the Senator from Texas [Mr. SHEPPARD] desires to offer an amendment at this time, and I had intended to defer to him for that purpose. I will call up the notice at a later time.

Mr. HARDWICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Georgia?

Mr. GORE. Certainly.

Mr. HARDWICK. I should like to ask the Senator from Oklahoma whether, in his judgment, the consideration of this bill is likely to take the balance of the day?

Mr. GORE. Mr. President, I may say that I think in all probability it will.

Mr. SHEPPARD. Mr. President, I wish to renew my motion to strike out lines 10 to 16, inclusive, on page 91.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Texas to strike out the lines indicated by him.

Mr. GALLINGER. Mr. President, I think the language ought to be read, so that the Senate may understand what it is proposed to strike out.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 91 it is proposed to strike out the following words:

No part of any amount herein appropriated shall be used to pay salaries or for personal services in any department, bureau, or office in the District of Columbia which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act, approved March 15, 1898, require eight hours of labor each day

Mr. SHEPPARD. Mr. President, the clause which I have moved to strike out overturns a system that has worked well for something like 20 years. In 1898 Congress enacted a law establishing a minimum working-day for Government employees of seven hours, with the right on the part of heads of departments to require additional hours at any time without additional compensation. The salaries were fixed on that basis, and, as I say, the system has worked well for 20 years. It was found, after many years of experience and investigation, that a seven-hour working-day was sufficient for all ordinary Government purposes.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from New Hampshire?

Mr. SHEPPARD. I do.

Mr. GALLINGER. I will ask the Senator if he has the statute at hand?

Mr. SHEPPARD. I have.

Mr. GALLINGER. Will the Senator read the section covering this matter?

Mr. SHEPPARD. The statute reads as follows:

Hereafter it shall be the duty of the heads of the several executive departments, in the interest of the public service, to require of all clerks and other employees, of whatever grade or class, in their respective departments, not less than seven hours of labor each day, except Sundays and days declared public holidays by law or Executive order: *Provided*, That the heads of the departments may, by special order, stating the reason, further extend the hours of any clerk or employee in their departments, respectively; but in case of an extension it shall be without additional compensation.

Mr. McCUMBER. Mr. President, will the Senator state the date of that statute?

Mr. SHEPPARD. It was enacted on March 15, 1898.

Mr. McCUMBER. Just after or about the time we entered into the Spanish-American War?

Mr. SHEPPARD. I think the Senator is correct about that.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Washington?

Mr. SHEPPARD. I do.

Mr. JONES of Washington. I think it will also be interesting, in connection with the clause which the Senator has read, to read another clause of the same statute that I have never seen quoted myself, and, with the permission of the Senator, I should like to read it.

Mr. SHEPPARD. Certainly.

Mr. JONES of Washington (reading)—

Hereafter it shall be the duty of the head of each executive department to require montaly reports to be made to him as to the condition of the public business in the several bureaus or offices of his department at Washington, and in each case where such reports disclose that the public business is in arrears, the head of the department in which such arrears exist shall require, as provided herein, an extension of the hours of service to such clerks or employees as may be necessary to bring up such arrears of public business.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Idaho?

Mr. SHEPPARD. I do.

Mr. BORAH. How could the public business ever be in arrears, from the standpoint or because of short hours, when we keep adding dozens of clerks almost every time a measure passes the Senate with reference to these matters?

Mr. KING. Mr. President, why does the Senator say "dozen"? Why does he not say "hundreds"?

Mr. JONES of Washington. I have simply read the provision that Congress enacted into law.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Washington?

Mr. SHEPPARD. I do.

Mr. POINDEXTER. The Senator from Idaho no doubt has had business in the Land Office. I will ask him if he ever found any business there that was not in arrears? I do not think I ever took up the matter of acting upon final proof on a homestead that I was not advised that it would be reached in the regular order; that is to say, it would be sometimes months, sometimes years, before it would be reached. The same general condition exists in many other offices—the Pension Office, for instance.

Mr. BORAH. What I had reference to was this——

Mr. POINDEXTER. Just one more suggestion. At the present time, bringing the matter down to current affairs, the War-Risk Insurance Bureau have the duty of paying to the wives and mothers the money which is allotted to them by the soldier. I am not saying this in order to criticize this bureau. I do not know what the conditions are. It may be that the immense amount of work was such that they could not reasonably cope with it; but I am stating what the condition is, and I think that it is of enough importance, and concerns the living of enough people in this country of such a class that they are entitled to the care of the Government, as to justify calling public attention to it.

In many cases that have come to my attention, monthly allotments made by soldiers to their dependent mothers or their dependent wives and children beginning last November, and in some instances, I think, in October, covering the months of December and January and February, have none of them been paid yet to the people for whom they were intended. At least, they had not been within recent weeks and days when I was requested to call the attention of this bureau to them. The consequence has been that a great many families to whom these allotments are of absolute material importance in supporting their families and supplying them with the necessities of life have almost become objects of the community charity in the places where they live, and this condition has subjected them to more or less suffering and considerable humiliation. There is an office in which the public business is in arrears. I do not know whether there is sufficient excuse and justification for it or not, but I know that the fact exists.

Mr. BORAH. Mr. President, I did not mean to say that business might not get into arrears; but it is not due to the fact of short hours or long hours or, evidently, to want of employees. I know of many instances in the last three or four months where employees have waited here 30 days to be put to work after they went upon the pay rolls. I do not understand that the matters to which the Senator refers have been referred to by him as an evidence of the necessity of shorter hours or longer hours. The Senator does not know why business is in arrears, as I understand.

Mr. POINDEXTER. I do not know why it is in arrears. I know that it ought not to be in arrears. It ought to be up to date. These payments ought to be made promptly by the month for the purpose for which they were allotted and for which they were provided by the statutes.

Mr. BORAH. I agree with the Senator.

Mr. POINDEXTER. I am not drawing from that any conclusion at all as to how to vote upon the motion of the Senator from Texas. I am simply pointing out the fact, and if it has an application to that motion one Senator can make it as well as another.

Mr. BORAH. I should not be surprised, from the number of employees, to find that the employees' salaries are also in arrears.

Mr. MYERS and Mr. JONES of Washington addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Texas yield; and if so, to whom?

Mr. SHEPPARD. I yield to the Senator from Montana. Then I will yield to the Senator from Washington.

Mr. MYERS. Mr. President, I desire to say in behalf of the General Land Office that while the business of that office is always, owing to its nature, necessarily in arrears, if it may be so called, because not always up to the minute, yet I believe that the business of that office is now dispatched with more expedition than has been done for many years—more expeditiously, I am satisfied, than at any other time since I have been a Member of this body. Matters of final proof and decisions of contests, I believe, are now reached and disposed of very much sooner than in former years. I know there has been in the General Land Office a very great effort to expedite those things, and I know there have been good results. I believe all reasonable effort has been made to expedite the work, and that the office is within reasonable distance of keeping up with its business. I do not believe there are any instances of unreasonable or unjustifiable delay in the business of that office.

Of course, the business is in arrears to some extent, as every business, private or public, is in arrears to some extent, unless when the day ends all business which has come in that day is closed and disposed of and finally out of the way. Matters in the General Land Office can not be disposed of in that way. They can not be disposed of in a day or in the twinkling of an eye. When land contests are started there is a certain route, prescribed by law, which they have to travel, and a certain degree of attention which they necessarily have to receive, all of which takes some time. If they are not unreasonably delayed, there is no ground for complaint; and I do not believe there is any ground for complaint.

The business of the General Land Office may be said to be in arrears just as the business of Congress is in arrears. Our business is in arrears. If not, why is not every bill that is introduced here put through both branches of Congress and made a law the very day that it is introduced? That process necessarily takes some time. Bills have to be referred to committees, and there has to be consideration of them by committees. The procedure requires that most bills be referred to some department for its advice and opinion and for information, and it takes some time to put through a bill; but, if you wish to be critical, when a bill is introduced in Congress, you may say the next day it is in arrears, because it has not been enacted; and I think the business of Congress, as a rule, is much more in arrears than the business of the departments.

There are now hundreds of bills, reported out of committees and on the calendar of the Senate, which are not acted upon. They await action by this body. People frequently write to me and say, "What has become of my bill? What is being done about it?" Well, Congress is in arrears with that bill; that is all there is to it; and I believe that Congress is quite as much in arrears as is any executive department of the Government which it may criticize.

Mr. POINDEXTER. The Senator means Congress is in the rear, does he? [Laughter.]

Mr. MYERS. Yes. It is in the rear when it comes to work. That is what I mean.

Mr. WATSON. Mr. President, the Senator will not claim, however, that Congress is in arrears because we do not, either as individuals or collectively, work eight hours a day or more?

Mr. MYERS. No; I am not making any claim of that kind. I am not having reference, in my remarks, to the amendment offered by the Senator from Texas. I am having reference to some remarks that have been made on the floor by Senators as to the work of the departments.

I know something about the work of the General Land Office. I have personal knowledge of that work to some extent; and I know that it is in fair condition and is disposed of as expeditiously as might be reasonably expected.

As to the War Risk Insurance Bureau, I do not know so much about it. I assume it is somewhat in arrears, because it is a new business, just instituted, and a perfect avalanche, a mountain, of business has descended upon it, and it has a great number of unskilled employees who have been suddenly assembled and hurriedly placed at that work. It is not natural to suppose that they could dispose of everything in a day, nor within a few days; but I have no doubt that they are getting to work with reasonable expedition, and I have no doubt the work of that bureau will soon be in quite as good condition as could be expected by anyone who will take cognizance of the extraordinary demands upon it.

Mr. SHEPPARD. Mr. President, let me say here that so far as the War Risk Bureau is concerned, it is my information that it has made payments in all cases that have come to it through the regular channels from the Army. The bureau can not act on a case until the case has been officially referred to it.

Mr. JONES of Washington. Mr. President, if the Senator will permit me just a moment, I think every Senator has had the experience related by my colleague [Mr. POINDEXTER]. I know I hardly get a mail but that there is a letter in it about the failure to get a remittance from the War Risk Bureau. I will also say that I was talking with one of the employees of that bureau some time ago and he said he did not really know what he was here for; that there were a thousand employees who were up and down there, and they were not doing anything yet; but I think they are getting down to business now.

I did not expect, however, that the reading of that little clause would bring up a discussion of this kind. I simply read that section to show that there is not only ample authority of law requiring the clerks here to work eight hours or more than eight hours a day, but that there is a positive requirement of

the law making it the duty of every departmental head to see to it that they do work more hours a day if it is necessary to keep the work up.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Indiana?

Mr. SHEPPARD. I do.

Mr. WATSON. Has the Senator from Washington read a statute of that kind?

Mr. JONES of Washington. I have. I just read it.

Mr. WATSON. Would the Senator mind reading it again?

Mr. JONES of Washington. Not at all; I shall be very glad to read it again. As I said a moment ago, I have never seen this paragraph quoted, but it is a part of the very section that has been referred to by the employees who are interested:

Hereafter it shall be the duty of the head of each executive department to require monthly reports to be made to him as to the condition of the public business in the several bureaus or offices of his department at Washington; and in each case where such reports disclose that the public business is in arrears, the head of the department in which such arrears exist shall require, as provided hercin, an extension of the hours of service to such clerks or employees as may be necessary to bring up such arrears of public business.

Mr. WATSON. Mr. President, will the Senator further pardon me?

Mr. SHEPPARD. I yield.

Mr. WATSON. Has that law been enforced?

Mr. JONES of Washington. I do not know. That is the law, however.

Mr. PENROSE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Pennsylvania?

Mr. SHEPPARD. I do.

Mr. PENROSE. I concur in the views of the Senator from Washington; but on that point there is another section to which I wish to call attention. I refer to section 26 of the act of March 15, 1898.

Mr. SHEPPARD. That was the section I read a few moments ago.

Mr. PENROSE. I was out of the Chamber.

Mr. SHEPPARD. I shall be glad if the Senator will read it again.

Mr. JONES of Washington. I read from that section. That is what I was reading from.

Mr. PENROSE. This reads differently, and I did not know that the Senator had read it.

Mr. JONES of Washington. Mine is a later paragraph in the same section.

Mr. PENROSE. Does the Senator desire it read again?

Mr. SHEPPARD. Yes; the Senator from Indiana has come in since the first part of the section was read, and I should be glad to have the Senator read it again.

Mr. PENROSE. It seems to me that this effort to fix the hours of labor would render ineffective the provision of existing law, which permits the heads of departments to make the clerks work all night, if they so desire, without extra compensation.

The section to which I refer reads as follows:

Hereafter it shall be the duty of the heads of the several executive departments, in the interest of the public service, to require of all clerks and other employees, of whatever grade or class, in their respective departments, not less than seven hours of labor each day, except Sundays and days declared public holidays by law or Executive order: *Provided*, That the heads of the departments may, by special order, stating the reason, further extend the hours of any clerk or employee in their departments, respectively; but in case of an extension it shall be without additional compensation.

Now, Mr. President, if we should attempt to fix the hours of labor, it would mean that when these clerks are required to perform labor of the character of overtime they would necessarily have to receive extra compensation.

Mr. SHEPPARD. Let me say here, Mr. President, that under this authority to require clerks in the various departments to work more than seven hours a day, they are working in many of the bureaus and commissions not only 8 hours a day but 10, 12, and 14 hours a day, and that they are performing this work cheerfully and without complaint.

Mr. PENROSE. I know a great many of them, especially the higher salaried clerks, and doubtless the Senator from Texas likewise knows of such cases, for the last two or three years have been working until nearly midnight, and in one or two cases with serious injury to health.

Mr. STONE. Did they get extra pay?

Mr. PENROSE. With no extra pay.

Mr. JONES of Washington. If I did not say so a moment ago, I intended to say, and I want to say now, the paragraph which I read is the fourth paragraph of the same section from which the Senator from Pennsylvania has just been reading.

Mr. BORAH. Mr. President——

Mr. SHEPPARD. I yield to the Senator from Idaho.

Mr. BORAH. If the clerks are being worked overtime and up to midnight hours, and so forth, without pay, that ought to be remedied. The Government of the United States does not need to work its employees in that way, certainly without pay. I should like to see the evidence of that fact. There may be some very few instances, but they are very rare exceptions I will venture to say.

I do not desire to occupy the time in the time of the Senator from Texas, but I am opposed to this amendment of the Senator from Texas, and I think I shall state the reasons a little later.

Mr. STONE. I should like to ask a question of the Senator from Texas.

The PRESIDING OFFICER (Mr. WOLCOTT in the chair). Does the Senator from Texas yield to the Senator from Missouri?

Mr. SHEPPARD. I yield to the Senator from Missouri.

Mr. STONE. This provision limiting or providing for fixing the hours of departmental clerks refers wholly to employees in the Department of Agriculture.

Mr. SHEPPARD. No; it is an attempt to reach all employees in all the departments of the District of Columbia.

Mr. STONE. But the bill we have here is the Agricultural Department appropriation bill.

Mr. SHEPPARD. The appropriation bill relates only to the Agricultural Department.

Mr. STONE. Is the Senator addressing himself in his amendment to the pending bill?

Mr. SHEPPARD. I have moved to strike out the clause in the pending bill, which clause applies not only to employees in the Department of Agriculture, but to all employees in the other departments in the District of Columbia.

Mr. STONE. It is general legislation covering all the departments?

Mr. SHEPPARD. All in the District of Columbia. It does not apply to the 450,000 employees outside the District of Columbia.

Mr. STONE. But it does apply to the employees within the District of Columbia, whether employed in the Department of Agriculture or in some other department?

Mr. SHEPPARD. The Senator is correct.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from New York?

Mr. SHEPPARD. I yield.

Mr. WADSWORTH. I hesitate to question the accuracy of the Senator's statement, but is the Senator entirely correct in his answer given to the Senator from Missouri?

No part of any amount herein appropriated shall be used to pay salaries or for personal service in any department.

It is really confined entirely to the employees of the Department of Agriculture, because they are the only employees "herein appropriated for."

Mr. SHEPPARD. The point I had in mind was that it does not apply to employees of the Department of Agriculture outside the District of Columbia. I was somewhat in error in my reply to the Senator from Missouri. The clause applies to employees of the department who are in the District of Columbia.

Mr. STONE. And to no other employees?

Mr. SHEPPARD. And to no other employees.

Mr. STONE. That, of course, is very far short of what the Senator said.

Mr. PENROSE. Will the Senator permit me? The point raised by the Senator from New York [Mr. WADSWORTH] I had intended to raise myself. We are attempting to apply a certain period for a workday for one department of the Government. It seems to me that would lead to very grave complications and an unsettlement of conditions and great discontent. Regardless of the merits of this proposition it ought to be taken up in a logical way and some system worked out that will apply to all the departments.

I have taken a little interest in this matter because a great many people have been to see me about it and I have had many hundreds of letters, not only from the employees, but from business men in Washington and others, concerning this effort to change the hours of labor in the departments from those which have heretofore existed. It certainly is out of all reason to carry a provision in this bill only applying to the Agricultural Department. The answer is made that other bills will come along with similar amendments. I think it is very doubtful

whether such an amendment can be inserted in any other bill to come later on from the House to this body. I am informed, I do not know how correctly, that this paragraph got through the House in the Agricultural bill only in an accidental way; I do not mean to say surreptitiously, but in a way that was not fully realized by the Members of the House when the measure was passed, and now that they are awakened to what has been done those opposed to the proposition will be more vigilant in the future.

I intend to vote, outside of the merits of the question, to strike this paragraph out on the ground that the question of hours of labor during this war crisis ought to be taken up after due investigation and deliberation and a general law applicable to all the departments of the Government promptly considered.

Mr. SHEPPARD. Mr. President, the clause is so clearly a part of an effort or program to reach all the employees in the District of Columbia that in spirit it may well be said to apply to all the District employees, whereas, strictly speaking, it applies only to employees in the Department of Agriculture.

This clause increases the minimum working day for thousands of employees without at the same time increasing compensation. It is essentially unfair on that account. It is proposed, without any reliable data having been presented to the Senate, without any thorough investigation having been made, with no recommendation from the head of any department or from the head of any bureau or from the head of any efficiency commission.

Let me read what the Council of National Defense has to say on this question of a change in standards of labor during the present war emergency. The Council of National Defense in its annual report makes the following declaration:

> There have been established by legislation, by mutual agreement between employers and employees, or by custom certain standards constituting a day's work. These vary from 7 hours per day in some kinds of work to 12 hours per day in continuous-operation plants. The various States and municipalities have established specific standards of safety and sanitation and have provided inspection service to enforce the regulations. They have also established maximum hours of work for women and minimum age limits for children employed in gainful occupations. It is the judgment of the Council of National Defense that the Federal, State, and municipal governments should continue to enforce the standards they have established, unless and until the Council of National Defense has determined that some modifications or change of standards is essential to the national safety; that employers and employees in private industries should not attempt to take advantage of the existing abnormal conditions to change the standards which they were unable to change under normal conditions.

In view of these facts, Mr. President, I think it would be unjust to increase the minimum working day at this time without going into the question of compensation and without having made a thorough examination.

Let me repeat, it was found in 1898 and has been found during the years that have passed since then that a minimum workday of seven hours is sufficient for ordinary Government purposes.

Mr. McCUMBER. Mr. President——

Mr. SHEPPARD. I will yield in just a moment. It was recognized, however, that additional hours might be required at various times and under various emergencies, such as the present. The law provided for that contingency when it vested in the heads of the departments the right to require additional hours whenever needed, and the provision was further inserted that no additional compensation should be paid. The arrangement was entirely fair to the Government. The entire scale of present salaries was fixed on the basis of that law and that arrangement, and it ought not to be changed in this way without adequate investigation and consideration.

Now I yield to the Senator from North Dakota.

Mr. McCUMBER. I wish to ask the Senator, who has read the law, what the hours of labor in the department were before the enactment of that law in March, 1898, and what was the occasion for putting into the law a positive declaration that the employees should work not less than seven hours a day?

Mr. SHEPPARD. I can not give the Senator that information, as I have not looked into that phase of the subject.

Mr. McCUMBER. Evidently the employees were working less than seven hours at that time.

Mr. SHEPPARD. Not necessarily so. This seems to have been a settlement of the entire proposition of working hours in the District wherein it was decided that for ordinary purposes of government a minimum working day of seven hours was sufficient. Whether employees worked seven hours a day before that I do not know.

Mr. McCUMBER. There must have been some reason for the law, and I did not know but that the Senator, who had been investigating it, could give us the reason that justified the introduction of that bill and its passage through both branches of Congress.

Mr. PENROSE. I can answer the Senator, if the Senator from Texas will permit me. As I understand it the original act made the hours of the departments from 9 in the morning until 4 in the afternoon—seven hours. Subsequently an Executive order was made making the day's work expire at half-past 4 o'clock instead of 4 o'clock. The extension was made through an Executive order.

Mr. STONE. Is there an intermission for lunch of about an hour?

Mr. PENROSE. Yes; I think so. I do not know how long it is.

Mr. SHEPPARD. Thirty minutes.

Mr. STONE. The lunch hour is about noon time.

Mr. SHEPPARD. Thirty minutes are allowed for lunch, and it is not taken out of the seven hours.

Mr. PENROSE. The extension was made through an Executive order. I wish to say, while I am on my feet, that I am not defending the way the departments are being run. I am simply maintaining that it does not seem reasonable for us to pass an eight-hour law for the Agricultural Department and let the others go along on the original basis.

I believe there are too many employees in all these departments. I would hesitate to say what percentage of needless clerks or surplus clerks are in the departments, but I believe it is very large. We only have to go through some of these departments that have sprung up like mushrooms in Washington in temporary buildings to see employees fairly tumbling over each other and hardly knowing what they are called upon to do.

I know of one department—I shall not mention it now, but I intend later on to refer to it—in which from two to three thousand people are being employed where I believe from two to three hundred would conduct the business more effectively. That is a substantial assertion to make, but I do make it without fear of contradiction, and hope to be able to satisfy the Senate about the truth of what I say when I get my materials ready.

If we had greater efficiency and economy in the departments we would get at the purpose which the author of this provision had in mind much more quickly than by making a particular regulation for the Agricultural Department.

The situation does require an investigation, as the Senator from Texas has said. Some half dozen resolutions asking for an investigation have been introduced in the Senate, but the majority in the Senate invariably throttled the resolution in the committee or voted it down on the floor of the Senate. The minority are unable to get any resolution of investigation through this body or in either branch, and this condition will continue as long as both branches of Congress are under the rule of the same majority party. Perhaps, should the complexion of the next House of Representatives be different, there will be ample opportunity, and many resolutions will undoubtedly be introduced calling for a strict accounting of the vast lump sums and the thousands of employees, many of whom, in my opinion, do not know what they are doing or are going to do or will ever do very much until conditions are changed.

I will cheerfully join the Senator from Texas in getting resolutions through to investigate this condition and other conditions.

The Senator from New Hampshire [Mr. GALLINGER] has a resolution to investigate the Creel bureau and I have a resolution to investigate the same bureau asking for no information other than the names and the salaries of the employees in that bureau, and yet we are denied that information—a most extraordinary attitude for any executive or legislative body to assume. But we can not have the information as to salaries and persons, and we are appropriating these enormous lump sums, without exciting passing attention, with utter inability to get any accounting or information as to how the money is being spent.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Illinois?

Mr. PENROSE. In one moment. Surely, Mr. President, the Government is in no such crisis, with the enemy at our gates, that all business methods should be overturned and that money should be recklessly appropriated and recklessly disbursed and even the names of the persons employed and their salaries carefully concealed from the legislative branch of the Government and from the American people.

There are a number of inquiries that I would like to pursue after I get the votes in this Chamber to get the information. I should like to know, for instance, how many labor agitators are being employed at $15 a day to exploit the sale of liberty

bonds, and there are a number of other interesting questions which occur to my mind, but which I will not go into now, because I expect at a later date all these matters will be very fully gone into; but the trouble is the minority is utterly unable to secure information on these subjects.

I yield to the Senator from Illinois.

Mr. LEWIS. Mr. President, in view of the Senator's statement that there has been no information obtainable either at the instance of his own resolution or that of the Senator from New Hampshire concerning the question of the Creel bureau, may I ask the Senator has his resolution passed the body and has it developed that the bureau would not respond to the resolution? Is that what the Senator would mean to infer?

Mr. PENROSE. The bureau can not respond to resolutions which the majority party is careful to keep hidden in the precincts of the committee room.

Mr. LEWIS. Then, if I understand the Senator, the resolution has not passed.

Mr. PENROSE. The Senator knows very well it has not passed.

Mr. LEWIS. The bureaus have not declined the information? Resolutions have not passed requesting the information?

Mr. PENROSE. The party to which the Senator belongs whenever a resolution has been read has declined to give it consideration.

Mr. LEWIS. It may be that there were reasons in the committee that I know not, but I thought the Senator meant to infer that after we had passed a resolution some of those bureaus had declined to give the information. That interested me very much.

Mr. PENROSE. Mr. President, I seriously doubt the innocence of the Senator's knowledge. He is in this Chamber a good deal, and he must have recalled the debate on the Creel resolution introduced by me, and he must have recalled more than one occasion when it was reached on the calendar and objected to by some Senator belonging to the majority party.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Washington?

Mr. PENROSE. I yield.

Mr. JONES of Washington. I wish to say to the Senator from Illinois that the Senate has passed one resolution calling upon one of the departments for information that never was responded to by the department.

Mr. LEWIS. Mr. President, in response to both Senators let me say I have been constantly in the Chamber, and from time to time I have heard references on the part of some Senator to obtain the passage of some resolution. It is true I have heard objections, but founded on parliamentary reasons, and not being a member of the committee I did not investigate it; but I assure the Senator that I understood his statement, and I was afraid the country might understand it that, notwithstanding a resolution had passed calling for information requested by the Senator from New Hampshire or himself, these bureaus had declined or had refused to give that information, and that, I felt, would be contumely to the Senate and ought not to be encouraged by this body, whether it meant the majority rule or not. But it appears from the Senator's statement that the grievance of the Senator is that the matter has not been passed by the Senate committee or by the Senate.

It appears that the Senator from Washington urges that upon one occasion the resolution did pass and that, notwithstanding that passage, there was no reply. I regret he did not bring that promptly to the attention of the Senate, for I am sure the Senate would not tolerate such conduct on the part of any department in response to a resolution from the Senate, for such a defiance amounts to contempt that we ought not to encourage from any source. I regret that we have not heard more of such, if the Senator be not mistaken in his premises.

Mr. WEEKS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Massachusetts?

Mr. PENROSE. Yes.

Mr. WEEKS. Before the Senator continues the discussion, I was interested in the statement just made by the Senator from Washington. Perhaps I had overlooked the instance to which he called attention. I should like to have him tell the Senate what case it was and why action has not been taken.

Mr. PENROSE. I will cheerfully yield to the Senator from Washington for a statement.

Mr. JONES of Washington. It is a resolution passed in the last Congress. It is ancient history. I could name what it is. Why it was not answered I do not know; I have an idea. It passed the Senate, however, calling upon a certain department for the copy of an executive order issued by that department. It was never answered.

Mr. SMOOT. Will the Senator from Pennsylvania yield to me?

Mr. PENROSE. Yes.

Mr. SMOOT. I wish to say also that at the last session of Congress I introduced a resolution asking for certain information in relation to the Shipping Board and what that board had done in view of what had been brought out by the discussion on the floor as to what Mr. Denman claimed and what Gen. Goethals claimed as to the building of wooden ships. I wish to say to the Senator from Illinois that no answer ever came to the Senate in response to that resolution.

Mr. LEWIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Illinois?

Mr. PENROSE. Yes.

Mr. LEWIS. Do I understand the Senator from Utah that the resolution was passed by this body?

Mr. SMOOT. It was passed by the Senate and never answered.

Mr. LEWIS. The Senate resolution was adopted, and no response whatever was given to it?

Mr. SMOOT. No response whatever that I have ever seen.

Mr. LEWIS. Then might I ask, Has the Senator made any effort in any form to get a reply, or does he think it may have been overlooked in some way, because we had a series of investigations superseding his resolution?

Mr. SMOOT. That may have been the case.

Mr. LEWIS. I regret that any such contempt of any such resolution of this body occurred.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Tennessee?

Mr. PENROSE. Yes.

Mr. McKELLAR. I merely want to ask the Senator from Utah a question. Has any effort been made to take steps about the matter since the refusal of the executive department?

Mr. SMOOT. As a Senator of the United States I did not think it was incumbent upon me, after the Senate had passed the resolution, to follow it up and state that an answer should be made to the resolution.

Mr. McKELLAR. It just occurred to me that if it was not replied to it ought to have been replied to, and if the Senator was interested in it, it seems to me, something ought to have been done in the Senate. I would very cheerfully vote to take steps in the event any order of the Senate was disregarded.

Mr. SMOOT. I will say to the Senator that I never would have mentioned the fact at all if the question had not been raised in the Senate by an inquiry by the Senator from Illinois [Mr. LEWIS]. I do not want to have it appear that I was piqued in any way by not having the department answer the resolution. It was not a reflection upon me; if any reflection at all, it was a reflection upon the Senate of the United States.

Mr. GALLINGER. Mr. President, at this point I ask the Senator from Pennsylvania to yield to me for a minute, as the statement has been made that I introduced a resolution that had not received attention. I will state I did introduce a resolution calling for such information in connection with the so-called Creel bureau, and I think I am correct in saying when I asked for its present consideration it was objected to, and I then sent it to the Committee on Appropriations, as it was a matter that dealt with the use of public money. I perhaps have myself to a certain extent to blame for not having urged the committee to take it up, but the committee has been very busy and I have been exceedingly busy outside of that committee in the Committee on Finance and other legislative work. As I said, perhaps I have not urged the committee as I ought to have done to give it consideration. Ordinarily, when an appropriation bill is acted upon by the committee, an adjournment is immediately had, and I have not seen an opportunity to do it. At the next meeting of the committee I shall ask the committee to at least give the matter consideration.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from North Dakota?

Mr. PENROSE. Yes.

Mr. McCUMBER. May I ask the Senator a question? I agree entirely with what the Senator has said about the inefficiency of the labor now employed in our several departments, and also in the fact that I think they have a third more people than they can properly use in the departments. But I want to call the Senator's attention to the fact that when the departments called for a class of labor, and especially for stenographers, they called for probably more than there were

in the country who could properly qualify as such. We have those people, and I am speaking now only of new clerks, who are inefficient, at least now. As long as we are having stenographers who can work out about 50 words in an hour or something like that——

Mr. PENROSE. Ten lines a minute.

Mr. McCUMBER. Yes; on a typewriter, does not the Senator think that, at least as to salaries, they are getting good wages, and that if they can not perform more than one-third of the ordinary service in seven hours, at least they ought to work for the Government eight hours a day?

Mr. PENROSE. I should like to see the reform on a broader scope and have the number of inefficient employees considerably reduced, as far as I am concerned.

But, Mr. President, to go back to the Creel resolution, I only referred to it as a single case. It is a trivial expenditure compared with many other phases of the present crisis, but it interests a good many people. Correspondents from all over the United States have written to me on this subject and represented the inefficiency of the Creel bureau. It is a kind of a court chronicle to exploit the virtues of the Chief Executive and his subordinates. I think it would be very interesting to have the salaries and the names of the employees. The expenditures are out of all reason under the Creel bureau. No accounting has been made for them that I can learn. I did see some reference in a debate in the House concerning the expenditures of the Creel bureau, but it was not enlightening. I am told, and the Senator from Utah [Mr. SMOOT], I believe, has the same information, that over $5,000 a day is being spent by that bureau; that correspondents of daily newspapers who ought to be compensated by their own papers are carried on the roll of the Creel bureau. Why should an inquiry, a legitimate and reasonable inquiry, be blocked? The Senator from Illinois can not conjure up a straw man and knock him down to obscure the situation.

I said nothing about departments not responding. I will take that point up if my resolution is ever considered, but I did charge, and I charge again, that that resolution has not been permitted to be considered even on the floor of the Senate when it came up in due order on the calendar.

Mr. SMITH of Georgia. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Pennsylvania yield to the Senator from Georgia?

Mr. PENROSE. I do.

Mr. SMITH of Georgia. Has the Senator from Pennsylvania moved the consideration of the resolution?

Mr. PENROSE. Well, Mr. President, my breath was so completely taken away by the treatment accorded to the resolution——

Mr. SMITH of Georgia. I ask not argumentatively, but as a matter of information.

Mr. PENROSE. No; but I will do it now, if the Senator has no objection.

Mr. SMITH of Georgia. We can not displace the pending bill.

Mr. PENROSE. I can ask unanimous consent to have this business laid aside. It has been laid aside for a number of other purposes.

Mr. SMITH of Georgia. We shall finish this bill very soon.

Mr. PENROSE. Will the Senator, when this bill is through, vote to take up the resolution?

Mr. SMITH of Georgia. I will vote to take it up; yes.

Mr. PENROSE. My recollection is that the Senator from Georgia was the one who objected.

Mr. SMITH of Georgia. No; the Senator is mistaken.

Mr. PENROSE. I am a little nearsighted, and so I am not sure it was the Senator from Georgia.

Mr. SMITH of Georgia. I state positively that I did not.

Mr. PENROSE. I am satisfied with the Senator's statement.

Mr. SMITH of Georgia. The Senator from Pennsylvania knows it now, if he did not know it before.

Mr. PENROSE. I feel convinced the Senator from Georgia did not object.

Mr. SMITH of Georgia. I shall vote for the resolution.

Mr. PENROSE. It was some imposing personality who objected to the resolution. I do not, however, recall the name.

Mr. SMITH of Georgia. I am glad the Senator from Pennsylvania recognizes that there is an imposing personality in this place, but I did not object to the consideration of the resolution.

Mr. PENROSE. Mr. President, I do not know that I have anything further to say on this subject. I will take the Senator from Georgia at his word and count on his cordial and effective cooperation with the majority party to get early action.

Mr. SMITH of Georgia. I personally should like very much to know about this bureau and its work.

Mr. PENROSE. I share the Senator's curiosity.

Mr. WILLIAMS. Mr. President, I have received a great many letters, chiefly from employees of the United States Government and from "their uncles and their cousins and their sisters and their aunts," concerning the position which I should take with regard to the proposed legislation to compel employees of the United States Government to work eight hours a day. As it is much easier for me to answer all these letters from my place here in the Senate than it would be to answer each one of them, I have risen for that purpose.

I want to say, Mr. President, that I am in favor of making the employees of the United States Government work at least eight hours, provided that provision is accompanied by another, paying them time and a half for overtime. If the provision is presented to me for a vote simply requiring them to work eight hours, I shall vote against it. If the provision is presented to me for a vote combining both propositions, that they shall work eight hours and shall be paid time and a half for overtime, I shall vote for it.

My reason for that, briefly stated, is this: I see no reason why there should be a Prætorian guard of laboring men in the United States, having special privileges merely because they are "at Rome"—at the Capital—and because they have easy access to Senators and Representatives, and because they are constituents of Senators and Representatives, exercising a good deal of influence through their mothers and their cousins and their sisters and their aunts at home. I think that they ought to be put exactly upon the same level as other laboring men.

Workingmen's unions in this country are demanding eight hours' work, or are demanding that there shall be a law not compelling them to work over eight hours, but they couple with it payment for overtime; that is, when they have voluntarily worked when an emergency arises requiring them to work over eight hours they shall be paid time and a half for extra time. I want to put the employees of the Government of the United States exactly on the same footing as all other employees.

It is not a new matter with me, Mr. President, at all to believe that there should be an eight-hour day for everybody who works, if he works protected from interruption by the weather and in a house. Of course the farmer can not work only eight hours, because it may be that, owing to weather conditions, he can work but one hour on Monday or two hours on Tuesday or three hours on Wednesday, and he must then make up on Thursday, Friday, and Saturday for the time that has been lost; but so far as all operatives are concerned—what has been lately called, somewhat too frequently I think, the proletariat are concerned—I think that old Sir Matthew Hale was right centuries ago, before this situation arose, when he said that a day was naturally divided into three equal parts—eight hours for work, eight hours for sleep, and eight hours for nutrition, recreation, edification, and worship. I hope that the time will come when nobody will want anybody else to work over eight hours, because I think that beyond that limit work becomes inefficient, for the body is tired, the mind is tired, and all the statistics bear me out that even when men work 10 hours, or even 9, the last hour is almost useless, and when 10 hours have been changed to 8 hours it has been found that men can do about as much work and very much better work—whether as much or not—within the 8 hours as within the 10.

But I do not want any Prætorian cohort or guard here in the city of Washington setting itself up and demanding special privileges over and above what is demanded by all labor and over and above what the consensus of opinion amongst workingmen has pretty well settled as a right settlement of the controversy, to wit, eight hours of work, with time-and-a-half pay for overtime.

Mr. REED. Mr. President——

The PRESIDING OFFICER. The Senator from Missouri.

Mr. SHEPPARD. Before the Senator from Missouri proceeds, will he allow me to make a suggestion right there?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Texas?

Mr. REED. I do.

Mr. SHEPPARD. Mr. President, the Government employees are not asking for any special privilege. They would be satisfied with the standard eight-hour day, with adequate compensation and with time and a half for overtime, but that is not proposed here. I want to make that clear.

Mr. REED. Mr. President, the Prætorian guard which alarms my friend, the Senator from Mississippi [Mr. WILLIAMS], in this case is largely composed of women. I can as-

sure him that there really need be no apprehension that these young women and middle-aged women and old women will in any manner endanger the Nation. There will be no slaughter of another just Pertinax upon the steps of the Capitol; neither will there be any great pressure brought upon Congress that will compel it to act.

There is no use in trying to becloud this issue. If the Senate will keep to the real issue, I do not believe the so-called Borland amendment will pass.

For 20 years there has been upon the statute books a law which provides that Government employees shall not work less than seven hours a day, and that they shall work as much longer as their superiors demand, without a single penny extra pay. As the so-called Borland amendment stands, if it is passed, the employees will be compelled to work a minimum of eight hours a day and a maximum of as many hours as they are required to work, without any extra pay. That is something that is not demanded under the rules of any labor union; it is something that is not demanded under any statute of the United States of any other laborer in any department of the United States. It is not proposed here to establish an eight-hour day with overpay for extra time, but it is proposed to substitute a minimum eight-hour day with a maximum as high as the superior may require the employees to labor, and without a single penny of additional pay. Whoever votes to keep the Borland amendment in the bill will vote to compel these laborers to work at least eight hours and to work as much longer as their superiors shall require, even if it be far into the night, even if it includes Sundays; they must do so without a single penny of additional pay, although that is an obligation and a duty that is not imposed upon any other class of Government employees and is a regulation that would not be tolerated under the rules of union labor anywhere in the United States. So much for that. Let us start with the proposition clearly in our minds.

I incorporate in my remarks, without reading, the law as it now stands and, also without reading, the so-called Borland amendment.

The PRESIDING OFFICER. Without objection, permission to do so will be granted.

The existing law on the subject is section 7, legislative, executive, and judicial appropriation act of March 15, 1898, as follows:

> Hereafter it shall be the duty of the heads of the several executive departments, in the interests of the public service, to require of all clerks and other employees of whatever grade or class in their respective departments not less than seven hours of labor each day, except Sundays and days declared public holidays by law or Executive order: *Provided*, That the heads of the departments may, by special order, stating the reason, further extend the hours of any clerks or employees in their departments, respectively, but in the case of any extension it shall be without additional compensation.

The so-called Borland provision of the bill is as follows:

> No part of any amount herein appropriated shall be used to pay salaries or for personal services in any department, bureau, or office in the District of Columbia which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act, approved March 15, 1898, require eight hours of labor each day.

Mr. REED. The facts are that these employees are, especially since the war began, frequently called on for extra service. They have performed that service and have never asked any additional pay. They could not get the additional pay under the law, as I have already stated. The Borland amendment, if passed, will single out one class of employees and compel them to work a full eight-hour day for their present wages and leave them liable to be compelled to work overtime without a single additional penny of pay.

As I have already stated, many of these employees have worked overtime without pay, and I have no hesitancy in saying that if the duties of their position require them, they will continue to work overtime during this war without complaint and without any appeal whatsoever to Congress for extra-time pay.

The next thing I call your attention to is the pay that is received. In order to hold these positions practically all the employees must pass civil-service examinations. They must have spent many years in school, for civil-service examinations are somewhat rigorous. Some of them must be, in fact, really specialists in their respective lines. Nearly all of them have to be experienced and skilled. That class of labor ought to be reasonably well paid, and yet I undertake to say without having gone into the figures, that the employees to which this so-called Borland amendment will chiefly apply are not receiving, on the average, much over $1,200 a year.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Kansas?

Mr. REED. I yield to the Senator from Kansas.

Mr. CURTIS. A couple of years ago a computation was made in one of the largest departments, and it was demonstrated that the average salary was a little over $1,200 per annum.

Mr. REED. I am obliged to the Senator. Twelve hundred dollars may seem like a large salary at some places, but I assure you the clerk who can keep soul and body together in Washington on $1,200 a year is a pretty good economist. Mark you, these clerks are required to dress decently, and, being human beings, notwithstanding the sneering remarks which have been made here, are entitled to have a room in which to live that is at least "wind and water tight" and reasonably well heated. A clerk who obtains a room in the city of Washington to-day is very likely obliged to pay for rent alone from one-fourth to one-third of his entire wages. For a mere place in which to sleep he must pay from $25 to $35 if the room is in a decent neighborhood. The clerks must pay for their meals. Try eating at a Washington restaurant and see if you can live on less than $1.50 per day. Street-car fares, gas and light bills must be met. The clothing must be respectable. Sometimes doctor bills must be met, for our Government clerks get sick. Often these clerks support dependent mothers. They have families. Think of a Government clerk daring to have a wife and children! Many of the clerks are women. A woman who works seven hours of the day and goes home and cooks her own meals—and she comes mighty near having to do it if she lives on the salary paid in the departments—and takes care of her own room and does her own housework, as she must do if she lives on the salary provided, has worked long enough for any woman to work. Perhaps she has even then to do her own sewing or washing. That sort of a day's work ought to satisfy even the industrious author of this bill. There is a right and a wrong will to all things. You can not turn a wrong into a right by all the sneers that ever came from the curled lip of the creature who, occupying a superior position, employs it to insult those who fill the humbler places of life.

It may serve a good purpose to compare the salaries paid in the departments with wages obtained in other places. I hold in my hand a list of employees, numbering approximately 3,000, I think, at the Hog Island shipyard. The testimony taken this morning before the Commerce Committee is to the effect that these men were employed, in the first instance, at the regular price labor was commanding in Philadelphia and vicinity; that the prices were at once reviewed by the Wage Equalization Board, a Government board organized in the Department of Labor, and subsequently further reviewed, and that to the prices I am now about to read an average of 20 per cent has been added by this board representing the Government. The wage awards have been made retroactive to the early part of January.

These are the earnings. I do not read wages by the day, but weekly earnings. I give you just a few samples of them. I will take engineers; and will read the first six. These are the weekly earnings—I merely take the first six, because I am taking them as a possible average—$69, $94, $88, $46, $65, $60, $111.

Mr. SMITH of Georgia. A week?

Mr. REED. A week. I will take the brakesmen. They are receiving, as shown by this list, $48, $56, $48, $46, $47, $46, $47, $46, and on up to $72; storekeepers, $47, $47; cement finishers, $49, $51, $53; material checkers, $47, $46; divers, $93; dock builders, running along the entire list, from $60 to $70; electricians, running from $51 to $75; firemen, running from $58 to $111, although the latter figure is generally out of proportion, but running up to $82; field markers $78 to $90; garage men, $48 to $51; inspectors, $53; special laborers, $76. Then, laborers—now, get this—laborers, $48.30, $49, $48, $49, $50, $46; linemen, running from $50 to $72; marine department, $50 to $51; material distributors, $53——

Mr. PENROSE. Will the Senator permit an interruption at that point——

Mr. REED. Yes.

Mr. PENROSE. Not to criticize in any way, but to call attention to the fact that the rates of wages the Senator is giving are the same which are being paid in private industrial plants in that neighborhood, and I think the day's work is 10 hours, if I am not misinformed.

Mr. REED. No; the day's work is eight hours, but the men who are getting this wage have worked overtime, practically all of them.

Mr. PENROSE. I think they work 10 hours.

Mr. REED. I think they do; and they get extra time over the eight hours.

Mr. PENROSE. That is counted in that computation, I presume.

Mr. REED. It is counted; I have already stated that. According to this list, miscellaneous mechanics receive all the way from $48 to $101.

Mr. GALLINGER. A week?

Mr. REED. A week.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Hampshire?

Mr. REED. Certainly.

Mr. GALLINGER. I am giving very careful consideration to the motion made by the Senator from Texas, hoping that I will be enabled to vote right; but in listening to the Senator reading those figures I have wondered, if common laborers are being paid $50 a week, what chance will there be to get laborers on the farms next year to raise food for our Army?

Mr. REED. That, of course, is quite another question. I am simply now trying to give the comparison, and I am trying to impress, if I can, the fact that these men are privileged to work extra time, and they get extra pay when they work extra time, as well as mighty good pay when they are not working extra time, but simply regular hours, are making, some of them, in a week's time as much as Government clerks make in a month's time.

I shall not read more. I will summarize by saying that the gentleman who appeared before the Commerce Committee testified this morning that the 3,000 men covered by the list were making over $200 a month; that most of them were making over $3,000 a year, and some of them far beyond that.

Mr. CALDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New York?

Mr. REED. Certainly.

Mr. CALDER. The pay that the Senator has quoted includes overtime, too, as I understand?

Mr. REED. I have stated that repeatedly. I am discussing the question that it is proposed to make these clerks work eight hours, and, then, under the law work as much overtime as is demanded of them, and to do it without any extra pay; and in that connection I am comparing their wage rate with the rate that even the common laborer is now receiving. The proposition to make them work eight hours a day has no virtue in it, except it be upon the principle that they ought to do more work for the same amount of money.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Idaho?

Mr. REED. I do.

Mr. BORAH. There is a proposition pending somewhere in the Congress to raise the wages of Government employees.

Mr. REED. Very well.

Mr. SMITH of Georgia. It is pending in the other House to-day.

Mr. REED. I shall come to that in a moment.

Mr. BORAH. Stated in a single sentence, I think these clerks ought to be paid a reasonable wage; and then I think they ought to work a reasonable time during the day.

Mr. REED. I will come to that in a moment. The Senator has come in since I made my opening statement, and I want to say to him, because he is one of the fairest men in the Senate, that the present law requires these employees to work a minimum of seven hours and as much longer as may be required without pay. The Borland amendment leaves them in that shape, except that it extends their time to eight hours, so that the proposition now is to make these employees, who on the average get approximately $100 a month, work eight hours, without extra pay for overtime, although a great number of common laborers working in the Hog Island shipyards, where wages are regulated by a Government board that has been appointed for that purpose, are making over $200 a month.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. REED. I do.

Mr. NORRIS. I confess I have been considerably surprised at the terms of the law as read by the Senator from Missouri and also by the Senator from Texas. I did not know that the head of a department had the power under the law to require his employees to work without extra pay any length of time that he saw fit. I can see that is a serious difficulty with the present law; but I want to suggest to the Senator that there are a great many employees who work seven hours and quit on the dot, while there are many others who work eight hours and then go back at night and work 10 and 12 hours, so that there is no uniform rule. Some are doing their whole duty; some are doing more than we ought to require of them; and perhaps some are doing less than they ought to be required to do. Does not the Senator believe that we ought to specify the number of hours which should constitute a day's work and require that of all of them, and then obligate the Government, whenever the employees are required to work longer, to pay a higher rate of salary? In other words, treat them the same as men and women are treated in all other branches of labor.

Mr. REED. I doubt the proposition, but am not prepared at the moment to say more.

Mr. NORRIS. Under present conditions they are not all treated alike.

Mr. REED. Well, they may all be treated alike; they are all on the same——

Mr. NORRIS. It does not work out in that way in practice.

Mr. REED. They are all on the same legal basis.

Mr. NORRIS. It does not work out that way in practice.

Mr. REED. They are all on the same legal basis, and, answering the Senator's question at this time, although it rather breaks in on the thread of my remarks, this is what I have to say:

In the Bureau of Engraving and Printing they may to-night have to work overtime, some of them. To-morrow night in the Agricultural Department some of the clerks may have to work overtime. And so, without taking the time to go into the details of the illustration, I suppose it may be safely said there is not a single department in the city of Washington where the clerks are not required during this war period to work overtime. In the long run you find burdens are equalized. To introduce now the element of paying time and a half for overtime will, in my opinion, increase the burdens of the Government. As I said, it will not do us any good in the long run. If a change would benefit, it seems to me that somebody connected with some one of the departments would have discovered it long before this. Some of the heads of departments would have seen the necessity and would have recommended the change. Yet I am not aware of a single head of a department who has asked for the enactment of this statute.

Mr. SMITH of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Georgia?

Mr. REED. I do.

Mr. SMITH of Georgia. What would the Senator think of the suggestion that the Borland amendment be itself amended, so that it would provide that if at any time these clerks were required to work overtime the amount of the overtime worked should be carefully recorded and a less number of hours given to make up for it on some other day, or that an increase of their annual leave be given, at the option of the clerk, to make up for the overtime worked, the regular day being eight hours, and whenever overtime was required that the clerk should be given credit for it?

Mr. REED. Mr. President, the answer I have to make is this: The man best capable of answering a question of that kind is the man who has been at the head of the department, the man who has had the experience. Here is a law that has been on the statute books for 20 years. Nobody ever found any trouble with it except a gentleman from my State and my district, my Congressman, the Hon. W. P. BORLAND. He is the man who made this discovery. The heads of the departments did not find it out; and some of the heads of these departments, I am afraid, are almost slave drivers themselves. I intend to touch on that a little bit later.

But before I leave the Hog Island situation, not only are these wages paid there—and the testimony is, and the finding of a Government board is, that they are the wages paid in Philadelphia and vicinity—not only are these high wages paid, but these men are furnished their meals on the ground at the actual cost of production when food is produced in great quantities. A meal is given to them for 30 cents that you could not get at the Willard Hotel for—I was going to say $30; that might be a little high, but perhaps not very much too high if you allow for the tips. I do not mean by that to say that it is any too good a meal for an able-bodied workingman. I am only comparing prices there with those at the Willard as they were when I was last there. It has been some time since I have had the courage to visit that palace of pleasure. I understand, however, it is still the favorite habitat of Congressmen who practice economy by cutting down the wages of women clerks. [Laughter.]

Mr. PHELAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from California?

Mr. REED. I do.

Mr. PHELAN. I desire to ask the Senator from Missouri whether he has statistics affecting the wages of bookkeepers and clerks? If so, they might make a more correct parallel with the classes of labor we are discussing.

Mr. REED. No; I have not. I never could see any reason, though, why a bookkeeper or a clerk should get less wages than a mechanic or a common laborer, although I am free to say that in some places I think since union labor has been thoroughly organized it does get better wages than bookkeepers or clerks. That is because it has demanded and commanded fairer compensation.

Mr. PHELAN. I understand that the Senator is contending that it is more advantageous, then, for the Government to maintain the present status of its employees than to adopt the Borland amendment. The Senator is arguing, of course, from the point of view of the interests of the Government, that the Government has an advantage in requiring but seven hours' work without allowing extra compensation for overtime.

Mr. REED. No; the Senator does not quite get my position. I am arguing, as a matter of fairness to these employees, that they should not be required, as a matter of law, to work this additional hour. I am arguing that the Government suffers no disadvantage because it can call for extra work without extra pay. I am also calling attention to the fact that the wages these clerks receive are very much lower than the wages received in other avocations and callings since the war began; and I instanced the Hog Island testimony because the wages there are fixed by a Government board of supposed experts who studied the whole situation; that is all.

In addition to the cheapness of meals, many of the men at Hog Island are roomed on the ground at 10 cents a night, furnished a clean bed in sanitary quarters for 10 cents a night, and families that reside outside of the grounds are housed in quarters that have been arranged for at moderate rents. Among other places that have been utilized are the Girard estate properties, which are leased at a percentage which, I think, pays but a very small return upon the capital invested.

Mr. President, at a time when values are changing as they are at this time, when the cost of living is becoming so enormously high, when it is becoming so high in the city of Washington that we are about to pass a law—at least, it appears that we are about to pass a law—regardless of the Constitution and Magna Charta and the common law, and everything else, that will regulate the charges for rents, and so forth—at a time like that it is proposed to take the poorest paid employees of the Government, and yet about the highest class employees of the Government, and extend their hours of labor. I say that that is unfair; it is contrary to common equity and justice.

Now I come to the other question.

Some of those who advocate this law say that "We are going to make these people work eight hours a day, but we are going to make it up to them by raising their wages." Now, I wish that those who propose to advocate that theory might give me the benefit of their attention.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER (Mr. POMERENE in the chair). Does the Senator from Missouri yield to the Senator from Washington?

Mr. REED. I do.

Mr. JONES of Washington. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Beckham	Hale	McNary	Smith, Ga.
Borah	Harding	Martin	Smoot
Calder	Henderson	Myers	Sterling
Colt	Hollis	New	Sutherland
Culberson	Jones, Wash.	Norris	Swanson
Cummins	Kellogg	Nugent	Thomas
Curtis	Kendrick	Overman	Townsend
Dillingham	Kenyon	Penrose	Trammell
Fall	King	Phelan	Wadsworth
France	Kirby	Pomerene	Warren
Frelinghuysen	Knox	Reed	Watson
Gallinger	Lewis	Shafroth	Williams
Gerry	McCumber	Sheppard	Wolcott
Gore	McKellar	Smith, Ariz.	

Mr. GERRY. I have been requested to announce that the Senator from Tennessee [Mr. SHIELDS] and the Senator from Arkansas [Mr. ROBINSON] are detained on official business.

Mr. SUTHERLAND. I desire to announce the unavoidable absence of my colleague [Mr. GOFF] by reason of illness.

Mr. TRAMMELL. I wish to announce the unavoidable absence of the Senator from South Dakota [Mr. JOHNSON] on official business.

Mr. SHEPPARD. I desire to announce the absence on official business of the Senator from Florida [Mr. FLETCHER], the Senator from Louisiana [Mr. RANSDELL], the Senator from Minnesota [Mr. NELSON], and the Senator from California [Mr. JOHNSON].

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present.

Mr. REED. Mr. President, the argument is made that these people ought to work an extra hour, but that they ought to have more pay; and the statement is made that a bill has been already introduced in the House to increase their pay. Let us see where that leaves us. What is the complaint about the shortness of the hours per day? What virtue is there in that complaint?

It is not claimed that any of these departments are behind with their work and that they could bring their work up to date by working an additional hour. Indeed, that can not be claimed, because the boss in the department has the right to tell the clerks to come and work 8 hours or 9 hours or 10 hours or 11 hours, and not a single penny additional has to be paid. The head of any department can issue an order to-morrow morning, if they are behind with their work, for every clerk to report an hour earlier and to stay an hour later, or even more hours, either way, if he sees fit. So that the demand for an extra hour can not be justified upon the ground that "it is because the work is behind, and hence it is necessary to catch up the work."

What, then, is the sole ground upon which it can rest?

Mr. SMITH of Georgia. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Georgia?

Mr. REED. I do.

Mr. SMITH of Georgia. Is it not true that the departments are just bringing people by the hundreds here and packing even their corridors with extra people, upon the ground that the regular force can not do the work?

Mr. REED. I will answer that question in a moment. I prefer to answer it by itself. Let me continue the argument I was making.

Mr. SMITH of Georgia. I beg the Senator's pardon. I did not intend to divert him.

Mr. REED. That is all right.

The argument in favor of the eight-hour day is not advanced now by its author, and is not advanced now by anybody, upon the ground and for the reason that the department is behind in its work, and hence it is necessary to have this additional labor, or the department will remain behind in its work. The argument that was made in favor of this amendment in the first instance, and the only sound argument that can be made in favor of it now, is that these people are only working seven hours and that they are being paid enough so that they ought to work eight hours, and that it is therefore unjust to let them off at the end of seven hours. Now, gentlemen are telling us in the other House, and Senators are telling us here, that they propose to vote additional pay to these clerks on account of the eight hours.

How much will the Government save, if it has a hundred clerks who work an aggregate of 700 hours in a day, and who receive $700 for it—I am using that sum merely to make easy figures—if it compels them now to work 800 hours, and pays them $800 for it? Will the Government make anything? The author of this amendment may be able to go out to the farmers and tell the farmers, "I made these lazy clerks down at Washington work eight hours a day," but he will fail to tell them that he made the Government pay an additional amount for that additional hour.

Mr. SMOOT. Mr. President, will the Senator yield to me?

Mr. REED. I yield, gladly.

Mr. SMOOT. I will say to the Senator from Missouri that as far as I am personally concerned—and I think it is the case with many other Senators to whom I have talked—no matter whether the Borland amendment is agreed to or not, the clerks in the departments will receive an increased compensation. They did last year, and they will this year; and I want now to express my opinion that it will be a larger increase this year than it was last year.

Mr. REED. Very well. That increase is going to be made, then, regardless of the question of the hours.

Mr. SMOOT. In my opinion, it will be.

Mr. REED. It is not being made for the purpose of compensating for the additional time. It therefore affords no basis whatever for the claim that has been advanced that these people should be required to work eight hours in the interest of economy; does not jump true with the assertion that they are underpaid, and hence are entitled to a raise of wages.

Mr. SMOOT. I hope the Senator will understand that I did not make the statement that I made by way of an argument.

Mr. REED. Oh, no.

Mr. SMOOT. I simply made the statement as to what I believed would take place, and I am quite sure it will.

Mr. REED. I now come to answer the question of the Senator from Georgia [Mr. SMITH], which was whether the departments were not now behind with their work, and are therefore bringing in large numbers of people from the outside, so that the corridors were packed, and so forth.

The Senator from Georgia always asks practical questions. He is one of the fairest minded men in this body; and if he is committed to the other side of this case I can only express my regret. My answer to the question is this:

If the departments have needed extra help, and have brought in that extra help, and the people now employed are not being paid too much, then we might as well hire some extra help and let them all work seven hours, if the expense to the Government is thereby not increased, as to have those who are here work eight hours, and increase their wages, and bring in a less amount of help from the outside. You gain nothing by that. If it takes 800 hours of labor for one man to complete a task, it will take 100 laborers one day, working eight hours, to finish the job, or it will take approximately 114 laborers one day, working seven hours, to do the work. The Government might as well hire the 14 extra men as to pay the 100 men for the extra hour. If you make them work eight hours a day in order to do one-eighth more work and pay them one-eighth more wages, you come out at exactly the same point financially as you would if you allowed them to work seven hours a day at the same wages and hired one-eighth more employees. There is nothing in that argument.

The fact of the matter is that the author of this amendment, finding that a good deal of a hornet's nest had been stirred up, is reported in the newspapers to have made the statements that he was willing to raise the wages of the clerks, but he wanted them to work more hours. Now, if you raise the wages so that the raise of wages is equal to the additional length of time these people work, the Government comes out exactly where it was in the first instance so far as finances are concerned.

Mr. SMITH of Georgia. Mr. President, will the Senator let me ask him another question?

Mr. REED. Yes.

Mr. SMITH of Georgia. Has not a condition developed in Washington whereby the expense of living is so great that we are compelled to pay more to a certain class of our clerks to enable them merely to live here, and is not that necessary whether we increase the hours of work or not?

Mr. REED. Well, if that is to be done because of the general advance——

Mr. SMITH of Georgia. I do not mean to express an opinion about it. I merely present that thought to the Senator to get the benefit of his opinion.

Mr. REED. If that is to be done because of an advance in the cost of living—because, in other words, of a depreciation in the value of money—and because of the extortion and the profiteering by those who rent rooms and buildings in this city, then let us do that as a separate proposition upon its merits. Let us not confuse that question with this question of hours of labor. The truth is, and I state it again, that the author of this bill, having introduced it with the idea of extorting more work from these people so that he could make campaign material of it in his district, then undertook to square himself with union labor by writing a letter to union labor saying he was willing to raise the wages. At least he was so reported in the Washington papers. I never saw the statement denied.

Mr. SMITH of Georgia. I wish the Senator to understand that I am disposed to agree with him on that subject. The question of raising their pay or not raising it is not involved in this question, and we ought to dispose of the question of an eight-hour day on its merits.

Mr. REED. Absolutely. I am glad that the Senator from Georgia made his last statement. It is the statement of a great, big, fair man. I hope before this debate is over these overworked and underpaid people will have the benefit of his great support, and he is just a big enough man to take that side if he is convinced. I know he is pretty hard to convince, because he does his own thinking; but he is a man who listens to others, and that is one of the qualities of greatness.

Of course, the question of a raise of wages generally in the city of Washington ought to be settled by itself. It ought to be made to apply where it should apply, and not otherwise, and of course the question of hours of labor ought to be settled by itself upon its merits, and it should be mixed with nothing else.

Now, it is said we are bringing in extra employees. We are bringing in many extra employees, but I do not at all agree to the proposition that we are bringing in a great number of supernumeraries and useless employees. But if we were, that has nothing to do with this case. If supernumeraries and useless employees are being imported into Washington by the hundreds or by the thousands that is not the fault of the old clerk who has been here, and for the most part it is not the fault of the old head of a department who has all along been here. If the fault exists it will be found in some of these new-made bureaus, these newly organized concerns, where the civil service has been disregarded, where wages have been fixed by some man who organized the bureau to suit himself, and where the wages are frequently out of all proportion to the wages paid in the Agricultural Department and other regular departments. We are straining at gnats and swallowing camels. We are saving at the spigot and paying no attention to the bunghole. You are proposing to say to these old-time clerks, who have devoted their lives to the service of the Government in the Agricultural and the other regular departments of the Government, "You have got to work longer at your present wages, work overtime while the war is on," because in some new bureau they have too many clerks. Not a single reformer is throwing financial fits because the much higher salaries are being paid in the newly organized bureaus than are paid to the old-time clerks in the Agricultural Department. I do not say they are getting too high pay in the new bureaus, but they are receiving much higher pay than those in the regular departments.

Now, what do we gain by making the old clerk, who has been here for years and who knows his business, work an extra hour because some other bureau organized since the war began has some incompetent or inexperienced clerk? That does not answer the question that we must answer here to-day. It does not meet the issue.

What is the real question that ought to be argued here to-day? The real question and the only question, in my opinion, that ought to be settled here to-day is this: Are these people rendering a reasonable day's work for the pay they are receiving? The question whether we need them an hour longer or five hours longer is not before us, because if called upon they must work that hour or that five hours without any additional pay.

Mr. President, answering the question, I observe, first, that a very large percentage of these clerks are women, and because they are women we are able to get them at a less wage than we could men, speaking generally. And because the great majority of them are women having to make their living, I think they are entitled to a little shorter hours than men who work in the open and have the benefit of God's sunshine and His breezes. These people work inside, and most of them work at a mental labor which requires them to be taxed to a very high degree. I am not talking of slackers; I am not talking of loafers. If there are slackers and loafers, then find the head of the department who permits the slacking and loafing and let us take his head off. That is the answer. You never can get an honest day's work, you never can get good results, if the head of the department, if the boss himself, is not there to attend to business. I do not care if you were to demonstrate that two-thirds of the clerks were slackers, I would answer that has nothing to do with this case, but has to do with the boss, with the head of the department, and the head of the department who permits it ought to be put out of office. But I do not think it is permitted to any great extent among the older departments, very little indeed.

Let us consider the question of seven hours a day now. There is a mighty big difference between mental labor and physical labor. I have worked at physical labor and I have tried to work at mental labor. I say that you can take the man who works at physical labor under modern conditions and it is not nearly as destructive to his body, not nearly as wearing to his nervous system as is mental labor. If you do not believe that let me call your attention to the fact that there is hardly a single one of the great banks of the country where the clerks work over seven hours a day. Why is that? Because of the strain on the brain of a man who has to deal with a set of books, where a mistake may involve many large sums of money. No man is up to his best if you work him too long. How many students put in over six hours' actual work a day? How many men are capable of working over six hours a day at hard mental labor?

I do not mean, now, where a man sits in his office and talks a little with A, and consults with B, and reads a book touching upon some subject for half an hour, and writes a letter. I am talking about the man who has to do a particular task and to do it over and over again, and to do it with absolute accuracy. How many girls can sit in an office and pound a typewriter

steadily for seven hours a day and not break down under the the strain? I mean where they are required to work; I do not mean where they sit around.

I want to tell those of the Senators who are here to-day that I hope before they vote for additional hours of labor they will go down to one department that I happened to visit. True, it is not covered by this bill; but surely, if we put in this provision and make the clerks in the Agricultural Department work eight hours, we must pass similar laws regulating all other departments.

Mr. SMITH of Georgia. We must put them in all or none.

Mr. REED. I visited the Auditor for the Post Office Department. Let me describe the place. The auditor may be here to-morrow denying the statement I am going to make, but all the witnesses this side of the pearly gates will never remove from my mind the impression I received. I saw scores and scores and scores of young women and middle-aged women and some old women and a few men—nearly all women, though—sitting down at a new-fangled machine, and each of them had before her eyes where she could see it a card with a post-office number upon it, with the figures showing the amount of some postal transaction. It may have been a money order for 10 cents or it may have been one for $10. She was required to touch exactly the right keys, to punch exactly the right number in a card, and then to punch exactly the right amount in dollars or cents, and if she missed a single figure, if she touched the wrong key once, she was docked, and when she had a certain number of dockage marks against her her pay was liable to be reduced or she was liable to discharge. So hour after hour they sat there, and there they still sit, like automatons, like human machines, their eyes glued upon the paper before them, their fingers working almost, it seems, by magic, touching with great rapidity these keys, then quickly seizing another card and replacing the one just completed. Employees in that department tell me that scarcely a week passes that does not record the fact that some poor girl or woman is stricken with nervous prostration. A body has been broken on the wheel of labor—discarded as worn-out human machinery—mere wastage, no longer to be counted. But the God above, looking down in kindness, sees the frail limbs writhe in pain; His tender ears hear the cries of despair that come from the wretched lips of women who must toil or starve and who have fallen under the cross of labor.

Seven hours and a half a day at that kind of work is about as bad as it was to serve in the galleys of old Rome. But, of course, they ought to be made to stay another hour if it will get a few votes for somebody who desires to go out and tell the farmers in his district that "he made the lazy clerks down in Washington work an extra hour." I do not mean to say that that is the motive at all that inspires many of those, in fact the majority of those, who have been for this measure; but I beseech the Members of the Senate before they vote for a bill of this kind to take into consideration the fact that there are places where the men and women do not work hard enough and where, perhaps, a remedy ought to be established; there are other places where they work like slaves, so that the heart of any human being will bleed as he stands and looks at them bending to their tasks.

There are departments here in this city where chemists are shut up for many hours with the noxious and poisonous vapors that they must breathe in order to compound those products that are necessary to carry on the war. But there is to be no exception to the new rule. They must stay eight hours, no matter how it racks their nerves, no matter how it poisons their lungs, no matter if their efficiency is thereby reduced; there is to be no exception.

Senators, let me tell you something. I have found that when a condition has existed for 20 years or more and it has been generally applied—now note the condition—and where a large number of men have had the enforcement of it and all have been free to act and not one of them has suggested a change, generally it is not wise for an outsider to rush in and force a change. It is generally well to let well enough alone. This rule will cover a multitude of varied activities. It will apply to law clerks.

Mr. SMITH of Georgia. Are eight hours too long for them?

Mr. REED. Absolutely. Eight hours are too long for any man to really grub and work at books. I do not mean to say you can not sit around and mull things over; I am talking about work; and that is what these people are supposed to give us. I say there is not a man living who can sit down and put in eight hours a day absolutely at his desk on legal propositions and stand up under it. I do not refer to talking to your clients and that sort of thing. I have done that for 14 hours a day many a time.

Mr. SMITH of Georgia. Do not the law clerks confer together a part of the time? Do they not confer with their superiors?

Mr. REED. Possibly.

Mr. SMITH of Georgia. Do they not spend about as much time talking over what they are working upon in the departments as a clerk in a law office?

Mr. REED. I do not think so; but I say that the right kind of a law clerk, with the business he has to perform, will work it out if it takes him 14 hours a day; but the next day if he was in Senator SMITH'S office or in mine and worked for only three hours we would say nothing about it. We are talking about people working by rule, working so much each day, measured out to them, and they must do it.

If we pass this law, we should logically make it apply to the clerks in our offices. Yet if I had a clerk in my office whom I had to work under the eight-hour rule I would not have him there five minutes. I require and expect him to help me out with my work, and if he wants a day off or if he wants to put in two hours a day when work is slack I say nothing, but if he has to put in 10 hours the next day and makes complaint he can not work for me. I expect my clerks to take an interest and get out the work, and I expect to treat them like men and give them some liberties. That is the spirit of the present law.

As it stands now the law allows the head of a department to say to his people, "You must be here seven hours a day anyhow; if I want you longer you must come." It is proposed now that they must come for eight hours and also come the extra hours without pay. Senators, it is a cheap performance.

Oh, of course they say war is on and everybody ought to work now. What difference does that make? If because of this war we get behind in these departments, the head of the department will say to these clerks, "I want you here an hour earlier in the morning, and you must work an hour or two hours later." They have said it in some of the departments, and, having caught up with their work, they then released their clerks.

I have taken much more time than I expected. I did not have time to prepare what I wanted to say on this matter, and it always takes a good deal longer to make a speech when you are not prepared than when you are. That accounts for the great length of many of mine. But I come back to this proposition: Wages of clerks are very low on the average; I mean low for the city of Washington, because the expense of living is very high here. Mostly women will be affected, women who have to live in rooms, many of them who have to get their own meals and attend to their own house work. If they do that and work seven hours a day it is long enough and it is hard enough. Hard taskmasters do not get good results. I do not want to see it made so that women who work in these departments can not make a decent living, and I do not want to see it made so hard that they will break down under the strain of long hours. Seven hours a day working over books or pounding a typewriter or working on a comptometer, or doing any of the other difficult tasks that have to be performed by first-class clerks, are as many as any poor girl or woman ought to be compelled to labor. We do not need to require them to work out their very heart's blood even if we are in a war. We will not get any more labor in the long run out of them, because a person who is weary and worn and tired and half sick can not perform a full day's work.

Let this matter stay where it has been. Let the head of a department be authorized to require more than seven hours of labor whenever he needs it. Let him release his help at the end of seven hours when he can do so without impairing the public service. Who is raising complaint about present conditions? What head of a department has complained? Who has been wronged or injured by this thing? Where did this agitation begin? Has the President seen anything wrong and called our attention to it? No. Has the Secretary of Agriculture told us that he needs his employees more hours? No. He is there on the job. He knows about as much what he needs in his offices as the Representative in Congress from the fifth district of Missouri. He is quite as intelligent, he is quite as patriotic, he is quite as honest, he is quite as far removed from the cheap demagogue. There is not a word of protest from the Secretary of Agriculture. Has Mr. Secretary Lane asked us to regulate the hours of the clerks in his department? It occurs to me, as I stand here, that my distinguished friend, the Senator from Georgia [Mr. SMITH] was Secretary of the Interior when this law was upon the statute books.

Mr. SMITH of Georgia. Will the Senator allow me to interrupt him?

Mr. REED. Certainly.

Mr. SMITH of Georgia. There were so many clerks in the department at that time that seven hours a day were ample

to do all the work. Not only is that true, but in many branches of the Interior Department I found the work a year and a half behind when I took charge. In a year and a half it was all current. It never occurred to me that we should increase the number of hours, unless we gave up some of the clerks.

Mr. KNOX. Mr. President——

Mr. REED. I yield to the Senator.

Mr. KNOX. Will the Senator from Missouri permit me to state my experience at the head of two departments for a considerable period of time—the Department of State for four years and the Department of Justice for three and a half years? Although both those departments were undermanned, both being relatively small departments and never having had the pull in Congress that the larger departments have, I never could get quite the number of clerks I wanted, yet my experience has been that although called upon sometimes day after day for weeks for extra service there never was the slightest complaint; that they had become accustomed to it; that it was a part of their duties to come when the necessity required, and they made no complaint. I think the most practicable rule we can have is the rule that now obtains.

Mr. REED. Mr. President, I am delighted to hear that statement from the Senator from Pennsylvania, who speaks out of the abundance of a long and a very extensive experience and illustrious career. I am also delighted to have the testimony of the distinguished Senator from Georgia, because it completely bears out what I have been saying. He tells us that there was a superabundance of clerks in the Interior Department when he went in, that the work was away behindhand, but that in a short time after he took charge the work was up to date. It depends always on who is at the head of a department. With the Senator from Georgia [Mr. SMITH] at the helm, without abusing anybody, he would get the work up; and with the Senator from Pennsylvania at the head of a department, without abusing anybody or calling on Congress to pass any harsh laws, he would have such a spirit among his employees that they would keep the work up.

I pass on down the line now. Has Mr. Secretary Lane asked for this, I repeat? No; and yet Secretary Franklin K. Lane is generally reputed to be a practical, hard-headed man who expects a day's work for a day's pay. Without at all having the reputation of being a hard taskmaster he is regarded as a most efficient and careful man. Has the Secretary of War asked for it? No. If there is any place in all the departments where the pressure of work has come hard and insistent, it has been in the War Department; but the Secretary of War has not asked for any such rule, and I apprehend that if the Secretary of War wanted his clerks to work all night there would not be a single laggard among them.

Mr. SMITH of Georgia. Mr. President, the Secretary of War did ask for more than $4,000,000 of additional money to pay his extra force during the present year.

Mr. REED. Exactly; but while he is asking for that he did not ask that his clerks should be compelled by law to work a longer time than that already fixed. There was a necessity for extra clerks, and I have no doubt clerks in the departments have been working far into the night and doing it without any extra pay. I might call the roll of the entire Cabinet, but all would answer that they have not asked this law.

Is it not singular, now, that it remains for a Representative from the fifth district of Missouri to discover what neither President Wilson nor a single Cabinet officer had discovered—that there was something wrong in these departments? Is it not strange that this amendment, which has been turned down time and again in the House of Representatives, was finally got through as a war measure? I am sorry it is here. It will do no good to anybody. Let these heads of the departments run their own departments; let them be responsible. They can make their clerks work all night if they need them, and I would fire a clerk in five minutes who would not work all night if I needed him at a time like this, provided he was able to work all night. I would not expect him to do that, however, very many nights.

Mr. THOMPSON. Mr. President, will the Senator yield to me?

Mr. REED. Yes.

Mr. THOMPSON. Does not the Senator know that the clerks who are now in the War Department work every night?

Mr. REED. I think they do. I have already stated that. I am coming back again to this proposition, because I want to get it impressed on the Senate if I can.

A very great proportion of these clerks are women—women who have to earn their own living. I say now that my heart bleeds every time I see a lot of women going down the street in the morning on their way to some shop or store or office where they work for a living. I wish to God no woman in this world ever had to do any work except in the home of a father or a mother or in the home of some good man who was her husband.

Mr. SMITH of Georgia. And that there was a sufficient number of men of enough account to take care of all of them.

Mr. REED. Yes; I wish so; but that is not the way life is running now. As soon as girls are out of school they have to take up their tasks—a very large percentage of them—and, no matter how strong the dear women may think they are, they are not fitted by the Almighty for the hard contests of the world. There is not a woman who ever lived, who was an honor to her sex, who did not need the shelter of a home. It may be she could get along without home or protector, but it was by taxing her soul and her body and her energies and her life. They are down here in these—I will not say sweatshops—but in these Government offices, and seven hours a day is long enough for them to work, unless in case of a rare emergency.

I do not class them at all with the big, husky, muscular fellows who work in the gun factory, who are in the open air, whose blood circulates with all the force and energy of splendid health, who can eat a peck of pork and beans at dinner and digest it; who are living the lives men ought to live—I do not put in the same class with these stalwart men the poor, pale girl, who sits, with her brain tense and her fingers nimbly running over the keys of a machine, whose mind is working, whose fingers are working, who must remain seated in one position, away from the sunlight, away from the air, away from exercise. There is a difference. This Senate will do itself no greater credit than by recognizing that difference.

Let the heads of the departments alone; let them run their own departments; let the clerks in the departments work seven hours; and, if they need them eight hours, let them call them in, but do not pay them anything more for it; but when the extra time is no longer necessary, let the clerks have the hour in the sunshine; let them walk out where the trees are green and where there is an occasional flower to look at; but do not pen them up for the sake of penning them up. It is not necessary.

There is a principle which runs through the employment of clerks who do mental labor in departments and offices that does not apply at all to a gun factory. Let me tell you what that is. It may be that it will have the effect on some benighted soul who is about to vote for this provision of the bill. If I am running a gun factory, I can lay out a certain amount of steel; I can start a certain number of lathes moving; I can plan the task so that every minute of the day will work along and everybody every minute of the day will be busy. I can do that day after day and week after week, and if I find out I am going to be short of material for a week or for a day, I can lay off so many men. That is a principle that runs through that kind of work. But I will give you an illustration upon the other side.

In order to illustrate the principle I will take an extreme case, a United States marshal's office. You have to have men there to serve summonses when the emergency arises. A great deal of the time they are sitting around, doing nothing; but you must have the surplus there to take care of the emergency when the emergency comes. So it is in your offices. The work does not come as it does in a gun factory, every single hour of the day a certain amount coming in, but there will be hours when there will be some slack work, and often there will be hours when there is an extra demand upon you so that when you come to apply an absolute eight-hour day to the clerk, and say he has got to stay there whether the work is there or not, you have imposed an unnecessary hardship on him. What you ought to do is to say that he shall be there 8 hours or 10 hours or 12 hours if the work is there, but when the work is not there, then he is to be allowed to relax. That is the proper principle upon which to do office work. It is the principle that runs through office employments; it is the principle that runs through almost every office in the world, except where they have the thing organized into a sort of sweatshop.

I beg pardon for having taken so much time of the Senate.

Mr. GORE. Mr. President, I gave notice this morning of an amendment which I intended to offer to the Agricultural appropriation bill. I find on examining it that I desire to perfect it; and I ask unanimous consent to do that.

The VICE PRESIDENT. The Senator has a right to perfect it to-day.

Mr. SMITH of Georgia. Mr. President, like the Senator from Missouri [Mr. REED], I have not prepared a speech, but, not like him, I shall occupy only a few minutes.

I indorse a great deal that he has said—his splendid tribute to women and his expression of intense sympathy for them when they are called upon to endure hard labor. I most deeply regret that there is not a strong man to care for every woman,

and when I see a woman compelled to engage in hard labor I always stop to think, Is not some man to blame for it?

Mr. President, we all have constituents in these departments. I have many. I am proud to call them my personal friends, and for them I have the most cordial affection. I believe, however, in the eight-hour rule for a day's work, except where the work is of such variety and so changeable that a longer number of hours is entirely practicable and not too severe a strain upon the person doing the work. I believe in the eight-hour limitation, because I think it is best for the human race. I think the limit of eight hours for a continuous day's work is saving to the person and saving to the Nation. More than 40 years ago, long before eight hours had been recognized as a limit for a day's work, I began a fight in my State against excessive hours of labor.

I do not like the present statute; I do not like the provision that clerks in the departments may be worked just as many hours as desired by their superiors. I do not believe in the eight-hour day and time-and-one-half pay for extra hours. I do not believe in extra hours; and if extra hours are required on one day I believe in having those hours made up to the workmen by lessened hours on some other day just as soon thereafter as possible. I believe in the eight-hour day, because I think that is the average length of time that a man ought to work in the interest of his health, in the interest of his mental and moral development, and in the interest of other responsibilities he may carry. To work him 12 hours and pay him double time for the four extra hours does not save his life or save his health or develop his mind and character; it is an excessive, unwise, improper wearing of the man or the woman who is required to work that length of time. When, perchance, extra hours must be given upon a particular day, instead of double pay or time-and-a-half pay, I think the true rule should be that just as speedily as possible an equivalent number of hours should be taken off of a subsequent eight-hour day so that the average time of employment shall be eight hours daily.

Mr. President, the Borland amendment came to the Agricultural Committee, and, with one dissenting vote, we approved it. I am in favor of amending the Borland amendment by providing that if at any time clerks are required to work over eight hours the time shall be kept and shall be given to them in a day with full pay without work.

Under the present system employees have 30 days' leave with full pay and an additional 30 days' sick leave with full pay when they are sick. If they work over eight hours a day, the extra time should be added to their 30 days' leave or, better still, the day without work should be allowed as soon as eight hours of extra work have been performed. How does the system work at present? Some of the clerks in a department may be called upon to work 10 hours, while others are working 7, and those who work 10 hours get no credit for the 3 extra hours. How much better it would be to require them all to work eight hours, and if, perchance, any are called upon to work over eight hours, then give them credit for it in reduced hours on some day or days later on?

Mr. REED. Mr. President——

Mr. SMITH of Georgia. I yield to the Senator.

Mr. REED. Of course, that proposition may be a very meritorious one, but the Senator will agree with me that that is not the proposition we are now discussing.

Mr. SMITH of Georgia. I have an amendment to the so-called Borland amendment, which I intend to ask the Senate to accept, and it is therefore the proposition which I am considering. It has been the view that I have entertained with reference to the subject by reason of which I felt justified in voting for the Borland amendment.

Mr. REED. That is a very different proposition; many people will agree to that.

Mr. SMITH of Georgia. I understand, of course, that it is a different proposition.

Mr. KENYON. Mr. President, will the Senator read the amendment he intends to offer, so that we may listen to his discussion in the light of the proposed amendment?

Mr. SMITH of Georgia. After the so-called Borland amendment I propose to add:

> And when work is required in excess of eight hours the extra time shall be kept and leave shall be allowed to the employee required to do the extra work to an extent equal to the extra service.

Mr. SMOOT. I suggest to the Senator to put in the words "annual leave," so that it will come in the same year.

Mr. SMITH of Georgia. Very well. The leave ought to be at the option of the clerk. If a clerk worked over eight hours for a week, I think it would be wise to give extra time or leave to the clerk immediately thereafter, if the clerk so desires, but certainly within the year, and I will change the language so that the clerk shall have it at least in the year. I believe the wisest course would be for a clerk who has worked eight hours' extra time to be given an extra day for rest immediately thereafter, or as soon as the clerk desires it.

Mr. KENYON. Mr. President, I am glad the Senator has introduced that amendment. I shall favor it if the motion of the Senator from Texas is defeated. I had intended, if the motion was defeated, to submit an amendment providing that the requirement as to eight hours' labor shall remain in force during the existence of this war. I think possibly the amendment of the Senator from Georgia may obviate the necessity of that. I had intended to vote against the motion of the Senator from Texas, and I wanted to state in the RECORD at some time that I would offer that amendment, making this provision applicable during the present war. That, however, may not be necessary in view of the Senator's proposed amendment.

Mr. SMITH of Georgia. Now, let us see what the condition is in Washington at the present time. All the departments are greatly overworked; into the departments are being brought large numbers of additional clerks; the halls are filled with desks and with women at work; and in some places you will see women working into the night. I believe it would be vastly better for all of them to work a regular eight-hour day, and if in any division women are asked to work two hours extra I think as soon as they have earned a day's leave by eight hours' extra work they ought to be given a day's leave for rest. I do not know but that it would be better in framing this amendment to provide that as soon as the extra work has amounted to eight hours, at the option of the person required to do the extra work, the privilege should be given of a day's leave.

My view of this eight-hour rule has always been that it was in conservation of human life and human health and the saving of human life and human health, particularly where the work was steady, unvaried work. I do not apply the eight-hour rule to varied work, such as the work of a Senator. We may begin at 8 o'clock in the morning and work until 11 o'clock at night, and yet the variety and change of our work is such that it is entirely different from the work of a person who sits at a desk and hammers at one steady proposition for eight hours. Where the work is steady and continuous, without the rest of variety, there should be an unyielding limit of eight hours, without added hours of work; and if it is necessary to work extra time, those hours of extra work should be made up by days of less than eight hours' work.

The Senator from Missouri said that the heads of departments have not called for the proposed change in the law. That is true. I think the whole subject has been brought to public attention with more force within the past 12 months than ever before. For the first time we have found the departments here entirely unable to do their work on account of the pressure coming upon them. For one department to ask Congress in a deficiency appropriation bill for over $4,000,000 to pay extra clerks is something unprecedented in the history of the Government. The truth is that I have thought in that department they have so many clerks that they can not work; they seem to be falling over each other, with messengers sitting around the doors in each other's way. There are enough idle watchmen and messengers in some departments in Washington sitting about the doors as you walk through to make you tired.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER (Mr. POMERENE in the chair). Does the Senator from Georgia yield to the Senator from New Hampshire?

Mr. SMITH of Georgia. I do.

Mr. GALLINGER. I quite agree with the Senator in the observation he has just made. I sat in a certain bureau not long ago and watched some women who had been brought, I presume, from the interior, perhaps from the far West, or possibly from New England, at salaries of $1,000 or $1,100 a year, when I would not have given anyone of them $5 a week to do work for me. But they are there. They are in the way of each other, and I think that the reform ought to be made at that point. The fact is that there have been brought here a mass of young people without any equipment to do the work that is required of them. I read in a newspaper the other day that a certain gentleman, not the head of a department, said, if he was correctly quoted, he would like to get 1,200 stenographers, but he did not know where he could find more than 12. Twelve hundred stenographers! It is absurd; there is no such demand to warrant any such statement as that.

Mr. SMITH of Georgia. Mr. President, will the Senator stop a moment?

Mr. GALLINGER. Yes.

Mr. SMITH of Georgia. If that gentleman was in the public service, I think we should obtain some competent man to take his place.

Mr. GALLINGER. I think so, too. I am following the Senator's speech very carefully, because I am seeking information on this complicated subject, and we all want to do the right thing by these employees. The clerks have substantial advantages over clerks employed in private business. A young man or a young woman clerk in my section of the country gets a vacation of about two weeks in the year. The young men and young women in the Government departments get a regular month's vacation; and then they get an additional month if they are sick. I presume that they are all honest about being sick, but plenty of them get that additional month. Some of them, to my knowledge, go to Europe during those two months and take other trips abroad.

Mr. KING. Mr. President, will the Senator yield?

Mr. GALLINGER. The Senator from Georgia has the floor; but, if he has no objection, I will yield.

Mr. KING. I want to suggest to the Senator that I have had a great many complaints from the business and professional men of this city because the departments are taking away all of their employees. Senators complain about paying the employees of the departments too small wages, and yet those wages are nearly double what is paid here in private employment; where the hours of labor are very much longer than in the Government service; where the conditions are not nearly so favorable; and where the work is infinitely harder than that in the Government service.

Mr. GALLINGER. I beg pardon of the Senator from Georgia for taking so much time. My sympathies are along the same line that the sympathies of the Senator from Georgia run, and yet there are two sides to the question. Two or three years ago in the city of Washington I sat at a table not far removed from an interesting young woman who complained to me with a good deal of regularity of the inadequacy of her salary; and yet, to my knowledge, she went to the grand opera four nights in that particular week. I did not go at all, because I thought I could not afford it, but she went. One Senator has complained that these young women do not have recreation. I think they get a good deal of recreation, because a great many of them go every night to the moving-picture shows. That, of course, does not touch the question at issue at all, except in a collateral way.

Mr. KING. Mr. President, if the Senator from Georgia will yield to me for one further observation, I want to suggest to the Senator from New Hampshire that within the past six months I have had applications from at least 50 or 75 individuals who were formerly in the Government service, but who went back into private life and failed or found the work there too arduous. They have come back now, and have earnestly sought positions at the hands of the Government, indicating conclusively—and they so state—that they would very much prefer to work for the Government than to work for private individuals or to work for themselves.

Mr. SMITH of Georgia. Mr. President, my sympathy goes out to every one who has a hard struggle to meet expenses and to all who struggle for a livelihood, and yet we ought to think of all the people of the United States, and remember that the balance of the people of the United States pay the salaries of those in office, and we ought always to seek to equalize the compensation we give to those in office, with a regard to what the same work brings to those not in office. However much we may desire larger pay to all, whether in or out of Government service, we must remember that compensation for labor can not be pressed beyond the value of the laborer's production.

There has recently been an examination made by the Railroad Wage Commission of the Interstate Commerce Commission, and a statement has been furnished me of the report of one of the important railroad systems operating through Washington, D. C., showing salaries paid to its clerical employees during the month of December, 1917, and the analysis that I intend to furnish the Senate is based upon a summary submitted by the company covering five representative divisions of the company's system.

The divisions reported on were selected by the railroad under the following instructions from the commission:

These divisions must be so selected as to avoid valid criticism as to their not being truly representative of the entire system.

The Senator from Missouri [Mr. REED] gave us figures of compensation paid to the employees at Hog Island. From what I have heard of Hog Island it is about the last place I would select as an example for consideration in the line of any other endeavor in the United States, unless it were to express the hope that it would not be followed as an example. I would cite it only to guard against what seems to have gone on there. But when you come to the employees of a railroad company, and take 10 divisions, and take the clerical force of a railroad company, you get into the same class as our average clerical work here.

The figures are really surprising. They indicate compensation which I think was too low.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Utah?

Mr. SMITH of Georgia. I do.

Mr. KING. Does not the experience of individuals who have come in contact with employees in the railroad service and those who have come in contact with those who are working for the Government conclusively demonstrate that the service rendered by employees in private activities is very much greater per hour, per day, per month, or per year than that rendered to the Government by the employees of the Government?

Mr. SMITH of Georgia. My observation of the work in railroad offices has rather impressed me with the thought that it was being done with more force, with more vigor, and more dispatch——

Mr. KING. And more efficiency?

Mr. SMITH of Georgia. And with more efficiency than I have usually seen it conducted in the departments in Washington.

Now, here is the result. These figures were prepared by the railroad companies in connection with a demand for an increase of freight rates, so there was every inducement to furnish the figures indicative of their expenses in a way that was as favorable as possible to the railroad company, and it was to the interest of the railroad company to select the divisions representing its highest average of salaries.

They were showing how heavy their expenses were and how their expenses had increased:

Two hundred and ninety-nine clerks out of 1,043 were paid between $75 and $100 per month.

Six hundred and sixteen received between $30 and $75 per month.

A total of 915 clerks received $100 and less per month out of a great total of 1,043.

Mr. President, I have the statement in detail, and I ask leave to print it in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement referred to is as follows:

Pay of railway employees.

CLERKS, $900 AND UPWARD (EXCLUDING TELEGRAPHER CLERKS).

Rate per month.	Days per week.	Total number employees.	Eight-hour day.			Nine to twelve hour day.		
			Number employees.	Number actually working overtime.	Number due to receive pro rata pay for overtime.	Number employees.	Number actually working overtime.	Number due to receive pro rata pay for overtime.
$75 to $80	6	53	17	5		36	3	6
	7	53	15	5		38	1	
$80 to $90	6	53	6			47	3	4
	7	69	24	5		45	2	
$90 to $100	6	43	7	2		36		
	7	28	11	1		17	4	
$100 to $110	6	16	3	2		13	1	
	7	21	4			17	1	
$110 to $120	6	15	2			13		
	7	14	2			12	4	
$120 to $130	6	1				1		
	7	9	5	1		4		
$130 to $140	6	3				3		
	7	5	3	1		2		
$140 to $150	6							
	7	2				2		
$150 to $160	6							
	7							
$160 to $170	6							
	7	1				1		
$170 to $180	6							
	7	1				1		
Total		387	99	22		288	19	10

CLERKS, BELOW $900 (EXCLUDING TELEGRAPHER CLERKS).

Less than $30	6							
	7	3				3		
$30 to $40	6	3				3		
	7	6				6		
$40 to $50	6	28				28	3	
	7	18	1			17	1	
$50 to $60	6	54	4			50	8	
	7	83	10			73	2	
$60 to $70	6	169	17	4		152	25	
	7	149	13	1		136	2	
$70 to $75	6	64	11	2		53	8	8
	7	39	8			31		
Total		616	64	7		552	49	8

Pay of railway employees—Continued.

MESSENGERS AND ATTENDANTS, $720 AND BELOW.

Rate per month.	Days per week.	Total number employees.	Eight-hour day.			Nine to twelve hour day.		
			Number employees.	Number actually working overtime.	Number due to receive pro rata pay for overtime.	Number employees.	Number actually working overtime.	Number due to receive pro rata pay for overtime.
Less than $30	6	1				1		
	7	18	1			17		
$30 to $40	6	1	1			5		
	7	6	1	1				
$40 to $50	6	2				2		
	7	6				6		
$50 to $60	6							
	7	5				5		
Total		39	3	1		36		

Mr. SMOOT. Mr. President, does that refer to the employees of the railroad or to the employees of the departments?

Mr. SMITH of Georgia. It is a statement of the pay of the employees of the railroad. I have presented this statement in detail of the employees of the railroad to which I have just referred.

Mr. KING. Mr. President, will the Senator permit an indirect question?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Utah?

Mr. SMITH of Georgia. I do.

Mr. KING. Is there anything to indicate the sex of the employees? And if there is not, does not the Senator think that the majority of them are males?

Mr. SMITH of Georgia. I have nothing to indicate the sex, but I should certainly say that the average of males is much larger in the railroad service than it is in the departments here.

I print this statement in order that our employees in Washington may see that they are not unkindly treated; that relatively their compensation is not unjustly decreased; and that as compared to their fellow citizens who are at work at home, even though they are men, they are paid more for the amount of work that they do than is paid in private employment.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from New Hampshire?

Mr. SMITH of Georgia. I do.

Mr. GALLINGER. Does not the Senator likewise, in that connection, feel justified in making the suggestion that in all human probability at this session of Congress some added compensation will be given to the employees of the departments?

Mr. SMITH of Georgia. I think undoubtedly it will be done. During the address of the Senator from Missouri [Mr. REED] that subject was up, and the Senator from Utah [Mr. SMOOT] and I expressed the opinion that it would be done; and I furthermore expressed the opinion that I was in favor of some increased compensation without regard to the change of hours, whether we leave them seven hours or provide for eight hours. If we stand on the law as it is now, we have determined the hours. The expenses in Washington at present are heavy, and if we bring people here we ought to give them a chance to live by what we pay them, even though they do receive more than is paid for similar work in other parts of the country.

Mr. GALLINGER. Mr. President, probably the Senator has had this matter called to his attention, and I do not know how far it will go toward relieving the situation; but the Government is now employing women to take houses in the city of Washington, the Government becoming responsible for the rent for a certain length of time, and fixing a maximum price that the women running these houses shall exact of the girl clerks who have come here; and, as I understand, the maximum is $10 a week.

Mr. SMITH of Georgia. For board and room?

Mr. GALLINGER. For board and room.

Mr. SMITH of Georgia. That will quite substantially improve the situation, and I am very glad to know it is being done.

Mr. GALLINGER. I state that because I know a very excellent woman from my own State who has taken a house upon those terms. The Government likewise advances money for the furnishing of the house, to be paid back in installments.

Mr. SMITH of Georgia. This whole condition in Washington is abnormal. Our whole course in connection with governmental matters is abnormal. As a general proposition, I believe in employing those that the Government needs to serve the Government and letting them attend to their private affairs just like any one else, with just as little paternalism and interference with individual responsibility as possible. But we have a condition in Washington now that is so entirely unprecedented that I think it excuses unprecedented attention to the situation.

I shall not detain the Senate longer, and I wish again to say that in presenting this table showing compensation I commend it to the attention of those employed in the Government service in Washington. I think it will make them feel a spirit of greater contentment with what they are receiving. I think if they have forgotten what the compensation is to the public generally at home, it will remind them of it, and they will realize that they at least are not being unkindly treated.

EXECUTIVE SESSION.

Mr. KING. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 45 minutes p. m.) the Senate adjourned until to-morrow, Friday, March 15, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate March 14, 1918.

AID IN COAST AND GEODETIC SURVEY.

Herman Odesky, of New York, to be aid in the United States Coast and Geodetic Survey, Department of Commerce, vice F. C. Nyland, resigned. (By promotion from deck officer.)

SURVEYOR GENERAL.

Charles E. Davidson, of Alaska, to be surveyor general of Alaska, his term of office having expired. (Reappointment.)

UNITED STATES CIRCUIT JUDGE.

Martin T. Manton, of New York (now serving as United States district judge, southern district of New York), to be United States circuit judge, second circuit, vice Alfred C. Coxe, resigned.

JUDGE OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA.

Milton Strasburger, of the District of Columbia, to be judge of the municipal court, District of Columbia. A reappointment, his term expiring April 6, 1918.

UNITED STATES ATTORNEYS.

Richard H. Mann, of Petersburg, Va., to be United States attorney eastern district of Virginia. A reappointment, his term expiring April 24, 1918.

Richard Evelyn Byrd, of Roanoke, Va., to be United States attorney western district of Virginia. A reappointment, his term expiring April 6, 1918.

UNITED STATES MARSHALS.

John J. Bradley, of Chicago, Ill., to be United States marshal northern district of Illinois. A reappointment, his term expiring April 28, 1918.

John G. Saunders, of Richmond, Va., to be United States marshal eastern district of Virginia. A reappointment, his term expiring April 16, 1918.

T. G. Burch, of Martinsville, Va., to be United States marshal western district of Virginia. A reappointment, his term expiring April 6, 1918.

REGISTERS OF LAND OFFICES.

Oliver C. Harper, of California, to be register of the land office at Independence, Cal., his term of office having expired. Reappointment.

Joseph Winczewski, of Minnesota, to be register of the land office at Duluth, Minn., his present term expiring April 26, 1918. Reappointment.

COLLECTOR OF CUSTOMS.

George H. Rowley, of Greenville, Pa., to be collector of customs for customs collection district No. 12, with headquarters at Pittsburgh, Pa., to fill an existing vacancy.

TEMPORARY PROMOTIONS IN THE ARMY.

INFANTRY ARM.

To be colonels with rank from December 21, 1917.

Lieut. Col. Fred L. Munson.
Lieut. Col. Thomas M. Anderson, jr.

To be first lieutenant with rank from October 26, 1917.

Second Lieut. Bernard M. Barcalow.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

INFANTRY ARM.

Second Lieut. Frederick M. Vinson to be first lieutenant with rank from August 7, 1917.

To be first lieutenants with rank from October 30, 1917.

Second Lieut. George W. Griner, jr.
Second Lieut. Hugh T. Mayberry.

To be first lieutenants with rank from November 5, 1917.

Second Lieut. Charles D. Pearce, jr.
Second Lieut. Edward D. McDougal, jr.
Second Lieut. Philip W. Lowry.
Second Lieut. Charles P. Winsor.
Second Lieut. John Doble.
Second Lieut. Moses McK. Darst.
Second Lieut. Robert R. Smith.
Second Lieut. Evan C. Dresser.
Second Lieut. James G. Carr.
Second Lieut. Daniel E. Farr.
Second Lieut. Chester McN. Woolworth.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 14, 1918.

JUDGES OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA.

Edward B. Kimball to be judge of the municipal court, District of Columbia.

Michael M. Doyle to be judge of the municipal court, District of Columbia.

UNITED STATES MARSHALS.

Charles T. Walton to be United States marshal, southern district of California.

John Q. Newell to be United States marshal, western district of Oklahoma.

James S. Magee to be United States marshal, middle district of Pennsylvania.

Clarence E. Smith to be United States marshal, northern district of West Virginia.

UNITED STATES DISTRICT ATTORNEY.

Bert E. Haney to be United States attorney for the district of Oregon.

APPOINTMENT IN THE NATIONAL ARMY.

CORPS OF ENGINEERS.

Col. Charles Keller to be brigadier general.

TRANSFER TO THE ACTIVE LIST OF THE ARMY.

INFANTRY ARM.

To be captain with rank from October 3, 1915.

First Lieut. Sydney Smith, retired.

PROMOTIONS IN THE ARMY.

COAST ARTILLERY CORPS.

William K. Moore to be captain.

INFANTRY.

Edwin J. Nowlen to be captain.
Sam P. Herren to be captain.

POSTMASTERS.

PENNSYLVANIA.

Loyal G. Hoffman, Boswell.
Henry W. Rinehart, Millerstown.

MICHIGAN.

Floyd Sanford, Addison.
Frank G. Hamilton, Mesick.
William D. Colegrove, Remus.

HOUSE OF REPRESENTATIVES.

THURSDAY, *March 14, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou Eternal One, from whom proceedeth all that is pure and holy, Thou art the Father of life and light, truth, justice, mercy, and love. Help us, we beseech Thee, without the fear or favor of men, to seek by every means to develop these qualities in our own being, that we may press toward the goal of that perfected manhood, as we know it in Jesus Christ, and to Thee we shall ascribe all praise, in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MEMBERS ELECT FROM THE STATE OF NEW YORK.

Mr. RIORDAN. Mr. Speaker——

The SPEAKER. The gentleman from New York.

Mr. RIORDAN. Mr. Speaker, the four Members who were elected at the recent special election in New York are present. Their certificates of election have not arrived on account of the soldier vote. Under the laws of our State the votes cast by the soldiers can not be canvassed until six weeks after the election. There is no question about the election of any one of these Members. The plurality in every case is a substantial one, the lowest being more than 2,100, running up to nearly 6,000. I ask unanimous consent that they be sworn in at this time.

The SPEAKER. Is there objection?

Mr. MONDELL. Mr. Speaker, reserving the right to object, I think there is no disposition on the part of the House to prevent these gentleman from being sworn in at this time. If the gentleman from New York will make a statement it will make it clear—I understand such a statement can be made—that the soldier vote can not under any circumstances affect the election of these Members; if the gentleman will kindly give their majorities and the best estimate possible of the soldier vote.

Mr. RIORDAN. The total soldier vote cast in the four districts is 353, which would make an average of less than 90 votes in a congressional district. The majorities by which the four Members were elected, as shown by the returns, are: Mr. DELANEY, from the seventh district, succeeding Mr. Fitzgerald, plurality 3,166; Mr. CLEARY, succeeding Mr. Griffin, plurality 4,744; Mr. DONOVAN, succeeding Mr. Hulbert, plurality 2,102; Mr. GRIFFIN, succeeding Mr. Bruckner, plurality 5,937.

Mr. MONDELL. These pluralities seem to be larger than we wish they were, and it seems to indicate there can be no doubt of the election of these gentlemen, and I hope there will be no objection to their being sworn in.

The SPEAKER. Is there objection?

Mr. MEEKER. Mr. Speaker, reserving the right to object, do I understand that this Congress is asked to seat these gentlemen before the count is all in?

Mr. RIORDAN. Yes, sir; for the reason——

Mr. MEEKER. I object.

Mr. RIORDAN. Will the gentleman withhold that for a moment?

Mr. MEEKER. Yes.

Mr. RIORDAN. The count is all in and so is the soldier vote; but under the State law providing for the vote of the soldiers in France and other places—that did not affect this particular election; there are only 353 of those votes—they can not be canvassed by our local canvassers until six weeks after election.

Mr. MEEKER. For the time being I object.

Mr. MONDELL. I trust the gentleman will not object.

Mr. MEEKER. I object for the present.

Mr. MONDELL. There seems to be no doubt——

The SPEAKER. The gentleman from Missouri objects.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 3833. An act to authorize Cole and Osage Counties, Mo., to construct a bridge across the Osage River; and

S. 41. An act to authorize the sale of certain lands at or near Yellowstone, Mont., for hotel purposes.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to the appropriate committee, as indicated below:

S. 3833. An act to authorize Cole and Osage Counties, Mo., to construct a bridge across the Osage River, to the Committee on Interstate and Foreign Commerce.

S. 41. An act to authorize the sale of certain lands at or near Yellowstone, Mont., for hotel purposes, to the Committee on Public Lands.

ENROLLED BILL PRESENTED TO THE PRESIDENT.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill:

H. R. 175. An act to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915 and for prior years, and for other purposes."

REREFERENCE OF A BILL.

Mr. RAKER. Mr. Speaker, by direction of the Committee on Woman Suffrage I ask unanimous consent to have the bill H. R. 4665, a bill granting right of suffrage to women of Hawaii, retransferred from the Committee on the Territories to the Committee on Woman Suffrage.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 4665) granting to the Legislature of the Territory of Hawaii additional powers relative to elections and qualifications of electors.

The SPEAKER. Is there objection?

Mr. JOHNSON of Washington. Mr. Speaker, I shall have to object for the present.

The SPEAKER. The gentleman from Washington objects.

Mr. RAKER. Mr. Speaker, under direction of the Committee on Woman Suffrage I move you as follows: That the bill H. R. 4665, a bill granting to the Legislature of the Territory of Hawaii additional powers relative to elections and qualifications of electors, referred to the Committee on Territories, be rereferred to the Committee on Woman Suffrage.

Mr. WALSH. Mr. Speaker, I move that that motion be laid upon the table.

The SPEAKER. The gentleman from Massachusetts moves to lay the motion upon the table.

Mr. SHERLEY. Mr. Speaker, I desire to make a preferential motion to either motion.

The SPEAKER. What is the preferential motion?

Mr. SIMS. I want to make one.

Mr. SHERLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the legislative, executive, and judicial appropriation bill.

Mr. SAUNDERS of Virginia. Mr. Speaker, why is that a preferential motion?

The SPEAKER. It is not.

Mr. SIMS. I wish to call up the conference report on the railroad-control bill.

The SPEAKER. The Chair will get around to all of them.

Mr. SHERLEY. Mr. Speaker, the motion of the gentleman from California [Mr. RAKER] is not preferential over a motion from a committee having the powers that the general appropriating committees have for the consideration of their bills.

Mr. SAUNDERS of Virginia. If this situation presents a question of preferential consideration then the preference should be given to the motion of the gentleman from California to correct an erroneous reference of a public bill. Rule XXII, subsection 3, provides specifically for this motion, and prescribes that it may be made on any day after the reading of the Journal, by unanimous consent, or on motion of a committee claiming jurisdiction. The gentleman from California makes his motion on the authority of his committee claiming jurisdiction. The rule contemplates immediate action, since it excludes debate. Moreover the motion can be made at only one moment of time, that is, the moment immediately succeeding the reading of the Journal. These circumscriptions about the motion indicate that the time given is sacred to this motion, and that a Member in a position to make the motion under the rule, and appearing at the prescribed time, should be protected in his right and have his motion submitted. There is no provision in the rules or in the precedents of which I am aware which gives a Member rising to make a motion to go into the Committee of the Whole to consider a general appropriation bill the right to displace a Member proceeding under the rule to correct an erroneous reference and have his motion submitted in preference to the prior motion intended to correct the reference complained of. The House can decline to make the correction, and then go into the Committee of the Whole if it so desires. But this is a matter in the discretion of the House. The Member who has secured recognition to make the motion to correct an erroneous reference is entitled to have his motion submitted as a matter of right. He is not subject to displacement by the motion to go into Committee of the Whole.

The SPEAKER. The question is on the motion of the gentleman from Massachusetts [Mr. WALSH], to table the motion of the gentleman from California [Mr. RAKER].

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. WALSH. Division, Mr. Speaker.

The House divided; and there were—ayes 21, noes 69.

Mr. WALSH. Mr. Speaker, I make the point of order there is no quorum present

The SPEAKER. The gentleman from Massachusetts makes the point that there is no quorum present. Evidently there is not. The Doorkeeper will close the doors and the Sergeant at Arms will notify the absentees. Those in favor of the motion to table will, as their names are called, vote "yea," and those opposed will vote "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 64, nays 268, answered "present" 4, not voting 92, as follows:

YEAS—64.

Almon	Dewalt	Howard	Romjue
Bell	Dominick	Hull, Tenn.	Rouse
Black	Doremus	Humphreys	Rucker
Blackmon	Dupré	Kincheloe	Sanders, La.
Borland	Flood	Larsen	Sisson
Brand	Focht	Lee, Ga.	Slayden
Burnett	Garner	Lesher	Small
Byrnes, S. C.	Garrett, Tenn.	Lever	Steagall
Candler, Miss.	Glass	Lufkin	Stephens, Miss.
Cannon	Gray, Ala.	Mansfield	Vinson
Carlin	Hamlin	Morin	Voigt
Coady	Hardy	Nicholls, S. C.	Walsh
Collier	Harrison, Miss.	Overstreet	Whaley
Connally, Tex.	Heflin	Parker, N. J.	Wilson, Tex.
Cooper, W. Va.	Helm	Price	Wise
Dent	Holland	Quin	Woodyard

NAYS—268.

Alexander	Fess	Linthicum	Rodenberg
Anderson	Fields	Littlepage	Rogers
Ashbrook	Fisher	Lobeck	Rose
Aswell	Fordney	London	Rowe
Ayres	Foster	Lonergan	Rowland
Bacharach	Francis	Longworth	Rubey
Baer	Frear	Lundeen	Russell
Bankhead	Freeman	Lunn	Sabath
Barkley	French	McAndrews	Sanders, Ind.
Barnhart	Fuller, Ill.	McArthur	Saunders, Va.
Beakes	Gallagher	McClintic	Scott, Iowa
Beshlin	Gandy	McCormick	Scott, Mich.
Blanton	Gard	McCulloch	Sells
Bowers	Garrett, Tex.	McFadden	Shackleford
Brodbeck	Glynn	McKenzie	Shallenberger
Browne	Godwin, N. C.	McKinley	Sherwood
Burroughs	Good	McLaughlin, Mich.	Shouse
Butler	Goodwin, Ark.	McLaughlin, Pa.	Sims
Byrns, Tenn.	Gordon	McLemore	Sinnott
Caldwell	Graham, Ill.	Madden	Slemp
Campbell, Kans.	Green, Iowa.	Magee	Sloan
Cantrill	Greene, Mass.	Maher	Smith, Idaho
Caraway	Greene, Vt	Mapes	Snell
Carter, Okla.	Gregg	Martin	Snook
Cary	Griest	Mason	Stedman
Church	Hadley	Mays	Steele
Classon	Hamilton, Mich.	Meeker	Steenerson
Claypool	Harrison, Va.	Miller, Minn.	Sterling, Ill.
Connelly, Kans.	Haskell	Miller, Wash.	Stiness
Cooper, Ohio	Hastings	Mondell	Strong
Cooper, Wis.	Haugen	Montague	Sullivan
Copley	Hawley	Moon	Sumners
Cox	Hayden	Moore, Pa.	Sweet
Crago	Hayes	Moores, Ind.	Swift
Cramton	Heaton	Morgan	Tague
Crisp	Helvering	Mott	Taylor, Ark.
Crosser	Hensley	Neely	Taylor, Colo.
Dale, N. Y.	Hersey	Nelson	Temple
Dale, Vt.	Hicks	Nolan	Thomas
Dallinger	Hilliard	Norton	Thompson
Darrow	Houston	Oldfield	Tillman
Davidson	Huddleston	Oliver, Ala.	Timberlake
Davis	Hull, Iowa	Oliver, N. Y.	Towner
Decker	Igoe	Olney	Van Dyke
Dempsey	Ireland	Osborne	Venable
Denison	Jacoway	O'Shaunessy	Vestal
Denton	Johnson, Ky.	Overmyer	Volstead
Dickinson	Johnson, Wash.	Padgett	Waldow
Dill	Jones, Tex.	Paige	Walton
Dillon	Jones, Va.	Park	Wason
Dixon	Juul	Peters	Watkins
Dooling	Kahn	Phelan	Watson, Pa.
Doolittle	Kearns	Pou	Weaver
Doughton	Keating	Pratt	Welling
Dowell	Kelly, Pa.	Purnell	Welty
Drane	Kennedy, Iowa	Rainey	Wheeler
Dyer	Kennedy, R. I.	Raker	White, Me.
Edmonds	Kettner	Ramsey	Williams
Elliott	Kiess, Pa.	Ramseyer	Wilson, Ill.
Ellsworth	King	Randall	Wingo
Elston	Kinkaid	Rankin	Winslow
Emerson	Kitchin	Rayburn	Wood, Ind.
Esch	Knutson	Reavis	Woods, Iowa
Evans	La Follette	Reed	Wright
Fairfield	Langley	Riordan	Young, N. Dak.
Farr	Lazaro	Roberts	Young, Tex.
Ferris	Lehlbach	Robinson	Zihlman

ANSWERED "PRESENT"—4.

Booher	Browning	Key, Ohio	Sherley

NOT VOTING—92.

Anthony	Drukker	Hamilton, N. Y.	Merritt
Austin	Dunn	Heintz	Mudd
Bland	Eagan	Hollingsworth	Nichols, Mich.
Britten	Eagle	Hood	Parker, N. Y.
Brumbaugh	Estopinal	Husted	Platt
Buchanan	Fairchild, B. L.	Hutchinson	Polk
Campbell, Pa.	Fairchild, G. W.	James	Porter
Capstick	Flynn	Johnson, S. Dak.	Powers
Carew	Foss	Kehoe	Ragsdale
Carter, Mass.	Fuller, Mass.	Kelley, Mich.	Robbins
Chandler, N. Y.	Gallivan	Kraus	Sanders, N. Y.
Chandler, Okla.	Garland	Kreider	Sanford
Clark, Fla.	Gillett	LaGuardia	Schall
Clark, Pa.	Goodall	Lea, Cal.	Scott, Pa.
Costello	Gould	Lenroot	Scully
Currie, Mich.	Graham, Pa.	Little	Sears
Curry, Cal.	Gray, N. J.	McKeown	Siegel
Dies	Hamill	Mann	Smith, Mich.

Smith, C. B.	Sterling, Pa.	Tilson	Ward
Smith, T. F.	Stevenson	Tinkham	Watson, Va.
Snyder	Switzer	Treadway	Webb
Stafford	Talbott	Vare	White, Ohio
Stephens, Nebr.	Templeton	Walker	Wilson, La.

So the motion to table was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. GRAY of New Jersey (for) with Mr. STEPHENS of Nebraska (against).

Until further notice:

Mr. THOMAS F. SMITH with Mr. HUTCHINSON.
Mr. HOOD with Mr. NICHOLS of Michigan.
Mr. TALBOTT with Mr. BROWNING.
Mr. BOOHER with Mr. TREADWAY.
Mr. SCULLY with Mr. AUSTIN.
Mr. WILSON of Louisiana with Mr. GEORGE W. FAIRCHILD.
Mr. SEARS with Mr. HAMILTON of New York.
Mr. MCKEOWN with Mr. BENJAMIN L. FAIRCHILD.
Mr. BRUMBAUGH with Mr. ANTHONY.
Mr. FLYNN with Mr. BLAND.
Mr. CLARK of Florida with Mr. BRITTEN.
Mr. CAREW with Mr. FULLER of Massachusetts.
Mr. BUCHANAN with Mr. CARTER of Massachusetts.
Mr. CAMPBELL of Pennsylvania with Mr. GARLAND.
Mr. HAMILL with Mr. JAMES.
Mr. ESTOPINAL with Mr. GILLETT.
Mr. DIES with Mr. DUNN.
Mr. LEA of California with Mr. CHANDLER of Oklahoma.
Mr. GALLIVAN with Mr. HUSTED.
Mr. EAGAN with Mr. GOODALL.
Mr. POLK with Mr. CHANDLER of New York.
Mr. KEHOE with Mr. GRAHAM of Pennsylvania.
Mr. RAGSDALE with Mr. FOSS.
Mr. EAGLE with Mr. GOULD.
Mr. SCHALL with Mr. COSTELLO.
Mr. CHARLES B. SMITH with Mr. SIEGEL.
Mr. STERLING of Pennsylvania with Mr. SWITZER.
Mr. STEVENSON with Mr. WARD.
Mr. WALKER with Mr. MUDD.
Mr. WATSON of Virginia with Mr. ROBBINS.
Mr. WEBB with Mr. SANDERS of New York.
Mr. WHITE of Ohio with Mr. SANFORD.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present, and the Doorkeeper will open the doors. The question is on the motion of the gentleman from California [Mr. RAKER] to rerefer.

The motion was agreed to.

Mr. SIMS and Mr. RAKER rose.

Mr. RAKER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RAKER. Is not an application for a rereference in order?

The SPEAKER. Yes. The gentleman has just had it.

Mr. RAKER. I have another one.

The SPEAKER. Well, the gentleman will not get it up.

FEDERAL CONTROL OF RAILROAD TRANSPORTATION.

Mr. SIMS. Mr. Speaker, I call up the conference report on the railroad bill (S. 3752).

The SPEAKER. The gentleman from Tennessee calls up the conference report on the railroad bill. The Clerk will read the conference report.

Mr. SIMS. Mr. Speaker, I ask unanimous consent that the statement may be read instead of the report.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the statement be read in lieu of the report. Is there objection?

Mr. STAFFORD. Reserving the right to object, Mr. Speaker, may I inquire of the gentleman from Tennessee whether it is his purpose to explain in a general way the changes that have been effected in conference in the bill as it passed the House after the statement or conference report has been read?

Mr. SIMS. Yes.

Mr. STAFFORD. I have no objection, then.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on March 13, 1918, approved and signed bill of the following title:

H. R. 7998. An act granting the consent of Congress to the village of East Dundee and the village of West Dundee to construct a bridge across the Fox River.

FEDERAL CONTROL OF RAILROAD TRANSPORTATION.

The SPEAKER. Is there objection to the reading of the statement in lieu of the report?

There was no objection.

The SPEAKER. The Clerk will read the statement.

The statement was read.

CONFERENCE REPORT NO. 376.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the matter proposed by the House, insert the following:

"That the President, having in time of war taken over the possession, use, control, and operation (called herein Federal control) of certain railroads and systems of transportation (called herein carriers), is hereby authorized to agree with and to guarantee to any such carrier making operating returns to the Interstate Commerce Commission, that during the period of such Federal control it shall receive as just compensation an annual sum, payable from time to time in reasonable installments, for each year and pro rata for any fractional year of such Federal control, not exceeding a sum equivalent as nearly as may be to its average annual railway operating income for the three years ended June 30, 1917. That any railway operating income accruing during the period of Federal control in excess of such just compensation shall remain the property of the United States. In the computation of such income, debits and credits arising from the accounts called in the monthly reports to the Interstate Commerce Commission equipment rents and joint facility rents shall be included, but debits and credits arising from the operation of such street electric passenger railways, including railways commonly called interurbans, as are at the time of the agreement not under Federal control, shall be excluded. If any lines were acquired by, leased to, or consolidated with such railroad or system between July 1, 1914, and December 31, 1917, both inclusive, and separate operating returns to the Interstate Commerce Commission were not made for such lines after such acquisition, lease, or consolidation, there shall (before the average is computed) be added to the total railway operating income of such railroad or system for the three years ended June 30, 1917, the total railway operating income of the lines so acquired, leased, or consolidated, for the period beginning July 1, 1914, and ending on the date of such acquisition, lease, or consolidation, or on December 31, 1917, whichever is the earlier. The average annual railway operating income shall be ascertained by the Interstate Commerce Commission and certified by it to the President. Its certificate shall, for the purpose of such agreement, be taken as conclusive of the amount of such average annual railway operating income.

"Every such agreement shall provide that any Federal taxes under the act of October 3, 1917, or acts in addition thereto or in amendment thereof, commonly called war taxes, assessed for the period of Federal control beginning January 1, 1918, or any part of such period, shall be paid by the carrier out of its own funds, or shall be charged against or deducted from the just compensation; that other taxes assessed under Federal or any other governmental authority for the period of Federal control or any part thereof, either on the property used under such Federal control or on the right to operate as a carrier, or on the revenues or any part thereof derived from operation (not including, however, assessments for public improvements or taxes assessed on property under construction, and chargeable under the classification of the Interstate Commerce Commission to investment in road and equipment), shall be paid out of revenues derived from railway operations while under Federal control; that all taxes assessed under Federal or any other governmental authority for the period prior to January 1, 1918, whenever levied or payable, shall be paid by the carrier out of its own funds, or shall be charged against or deducted from the just compensation.

"Every such agreement shall also contain adequate and appropriate provisions for the maintenance, repair, renewals, and depreciation of the property, for the creation of any reserves or reserve funds found necessary in connection therewith, and for such accounting and adjustments of charges and payments, both during and at the end of Federal control, as may be requisite in order that the property of each carrier may be returned to it in substantially as good repair and in substantially as complete equipment as it was in at the beginning of Federal control, and also that the United States may, by deductions from the just compensations or by other proper means and charges, be reimbursed for the cost of any additions, repairs, renewals, and

betterments to such property not justly chargeable to the United States; in making such accounting and adjustments, due consideration shall be given to the amounts expended or reserved by each carrier for maintenance, repairs, renewals, and depreciation during the three years ended June 30, 1917, to the condition of the property at the beginning and at the end of Federal control and to any other pertinent facts and circumstances.

"The President is further authorized in such agreement to make all other reasonable provisions, not inconsistent with the provisions of this act or of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, that he may deem necessary or proper for such Federal control or for the determination of the mutual rights and obligations of the parties to the agreement arising from or out of such Federal control.

"If the President shall find that the condition of any carrier was during all or a substantial portion of the period of three years ended June 30, 1917, because of nonoperation, receivership, or where recent expenditures for additions or improvements or equipment were not fully reflected in the operating railway income of said three years or a substantial portion thereof, or because of any undeveloped or abnormal conditions, so exceptional as to make the basis of earnings hereinabove provided for plainly inequitable as a fair measure of just compensation, then the President may make with the carrier such agreement for such amount as just compensation as under the circumstances of the particular case he shall find just.

"That every railroad not owned, controlled, or operated by another carrier company, and which has heretofore competed for traffic with a railroad or railroads of which the President has taken the possession, use, and control, or which connects with such railroads and is engaged as a common carrier in general transportation, shall be held and considered as within 'Federal control,' as herein defined, and necessary for the prosecution of the war, and shall be entitled to the benefit of all the provisions of this act: *Provided, however*, That nothing in this paragraph shall be construed as including any street or interurban electric railway which has as its principal source of operating revenue urban, suburban, or interurban passenger traffic, or sale of power, heat, and light, or both.

"The agreement shall also provide that the carrier shall accept all the terms and conditions of this act and any regulation or order made by or through the President under authority of this act or of that portion of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, which authorizes the President in time of war to take possession, assume control, and utilize systems of transportation.

"SEC. 2. That if no such agreement is made, or pending the execution of an agreement, the President may nevertheless pay to any carrier while under Federal control an annual amount, payable in reasonable installments, not exceeding 90 per cent of the estimated annual amount of just compensation, remitting such carrier, in case where no agreement is made, to its legal rights for any balance claimed to the remedies provided in section 3 hereof. Any amount thereafter found due such carrier above the amount paid shall bear interest at the rate of 6 per cent per annum. The acceptance of any benefits under this section shall constitute an acceptance by the carrier of all the provisions of this act and shall obligate the carrier to pay to the United States, with interest at the rate of 6 per cent per annum from a date or dates fixed in proceedings under section 3, the amount by which the sums received under this section exceed the sum found due in such proceedings.

"SEC. 3. That all claims for just compensation not adjusted (as provided in section 1) shall, on the application of the President or of any carrier, be submitted to boards, each consisting of three referees to be appointed by the Interstate Commerce Commission, members of which and the official force thereof being eligible for service on such boards without additional compensation. Such boards of referees are hereby authorized to summon witnesses, require the production of records, books, correspondence, documents, memoranda, and other papers, view properties, administer oaths, and may hold hearings in Washington and elsewhere, as their duties and the convenience of the parties may require. In case of disobedience to a subpœna the board may invoke the aid of any district court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpœna issued to any person, corporation, partnership, or association, issue an order requiring appearance before the board, or the production of documentary evidence if so ordered, or the giving of evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. Such cases may be heard separately or together or by classes, by such boards as the Interstate Commerce Commission in the first instance or any board of referees to which any such cases shall be referred may determine. Said boards shall give full hearings to such carriers and to the United States; shall consider all the facts and circumstances, and shall report as soon as practicable in each case to the President the just compensation, calculated on an annual basis and otherwise in such form as to be convenient and available for the making of such agreement as is authorized in section 1. The President is authorized to enter into an agreement with such carrier for just compensation upon a basis not in excess of that reported by such board, and may include therein provisions similar to those authorized under section 1. Failing such agreement, either the United States or such carrier may file a petition in the Court of Claims for the purpose of determining the amount of such just compensation, and in the proceedings in said court the report of said referees shall be prima facie evidence of the amount of just compensation and of the facts therein stated. Proceedings in the Court of Claims under this section shall be given precedence and expedited in every practicable way.

"SEC. 4. That the just compensation that may be determined as hereinbefore provided by agreement or that may be adjudicated by the Court of Claims shall be increased by an amount reckoned at a reasonable rate per centum to be fixed by the President upon the cost of any additions and betterments, less retirements, and upon the cost of road extensions to the property of such carrier made by such carrier with the approval of or by order of the President while such property is under Federal control.

"SEC. 5. That no carrier while under Federal control shall, without the prior approval of the President, declare or pay any dividend in excess of its regular rate of dividends during the three years ended June 30, 1917: *Provided, however*, That such carriers as have paid no regular dividends or no dividends during said period may, with the prior approval of the President, pay dividends at such rate as the President may determine.

"SEC. 6. That the sum of $500,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, which, together with any funds available from any operating income of said carriers, may be used by the President as a revolving fund for the purpose of paying the expenses of the Federal control, and so far as necessary the amount of just compensation, and to provide terminals, motive power, cars, and other necessary equipment, such terminals, motive power, cars, and equipment to be used and accounted for as the President may direct and to be disposed of as Congress may hereafter by law provide.

"The President may also make or order any carrier to make any additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other equipment necessary or desirable for war purposes or in the public interest on or in connection with the property of any carrier. He may from said revolving fund advance to such carrier all or any part of the expense of such additions, betterments, or road extensions, and to provide terminals, motive power, cars, and other necessary equipment so ordered and constructed by such carrier or by the President, such advances to be charged against such carrier and to bear interest at such rate and be payable on such terms as may be determined by the President, to the end that the United States may be fully reimbursed for any sums so advanced.

"Any loss claimed by any carrier by reason of any such additions, betterments, or road extensions so ordered and constructed may be determined by agreement between the President and such carrier; failing such agreement the amount of such loss shall be ascertained as provided in section 3 hereof.

"From said revolving fund the President may expend such an amount as he may deem necessary or desirable for the utilization and operation of canals, or for the purchase, construction, or utilization and operation of boats, barges, tugs, and other transportation facilities on the inland, canal, and coastwise waterways, and may in the operation and use of such facilities create or employ such agencies and enter into such contracts and agreements as he shall deem in the public interest.

"SEC. 7. That for the purpose of providing funds requisite for maturing obligations or for other legal and proper expenditures, or for reorganizing railroads in receivership, carriers may, during the period of Federal control, issue such bonds,

notes, equipment trust certificates, stock, and other forms of securities, secured or unsecured by mortgage, as the President may first approve as consistent with the public interest. The President may, out of the revolving fund created by this act, purchase for the United States all or any part of such securities at prices not exceeding par, and may sell such securities whenever in his judgment it is desirable at prices not less than the cost thereof. Any securities so purchased shall be held by the Secretary of the Treasury, who shall, under the direction of the President, represent the United States in all matters in connection therewith in the same manner as a private holder thereof. The President shall each year, as soon as practicable after January 1, cause a detailed report to be submitted to the Congress of all receipts and expenditures made under this section and section 6 during the preceding calendar year.

"SEC. 8. That the President may execute any of the powers herein and heretofore granted him with relation to Federal control through such agencies as he may determine, and may fix the reasonable compensation for the performance of services in connection therewith, and may avail himself of the advice, assistance, and cooperation of the Interstate Commerce Commission and of the members and employees thereof, and may also call upon any department, commission, or board of the Government for such services as he may deem expedient. But no such official or employee of the United States shall receive any additional compensation for such services except as now permitted by law.

"SEC. 9. That the provisions of the act entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes,' approved August 29, 1916, shall remain in force and effect except as expressly modified and restricted by this act; and the President, in addition to the powers conferred by this act, shall have and is hereby given such other and further powers necessary or appropriate to give effect to the powers herein and heretofore conferred. The provisions of this act shall also apply to any carriers to which Federal control may be hereafter extended.

"SEC. 10. That carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control or with any order of the President. Actions at law or suits in equity may be brought by and against such carriers and judgments rendered as now provided by law; and in any action at law or suit in equity against the carrier, no defense shall be made thereto upon the ground that the carrier is an instrumentality or agency of the Federal Government. Nor shall any such carrier be entitled to have transferred to a Federal court any action heretofore or hereafter instituted by or against it, which action was not so transferable prior to the Federal control of such carrier; and any action which has heretofore been so transferred because of such Federal control or of any act of Congress or official order or proclamation relating thereto shall upon motion of either party be retransferred to the court in which it was originally instituted. But no process, mesne or final, shall be levied against any property under such Federal control.

"That during the period of Federal control, whenever in his opinion the public interest requires, the President may initiate rates, fares, charges, classifications, regulations, and practices by filing the same with the Interstate Commerce Commission, which said rates, fares, charges, classifications, regulations, and practices shall not be suspended by the commission pending final determination.

"Said rates, fares, charges, classifications, regulations, and practices shall be reasonable and just and shall take effect at such time and upon such notice as he may direct, but the Interstate Commerce Commission shall, upon complaint, enter upon a hearing concerning the justness and reasonableness of so much of any order of the President as establishes or changes any rate, fare, charge, classification, regulation, or practice of any carrier under Federal control, and may consider all the facts and circumstances existing at the time of the making of the same. In determining any question concerning any such rates, fares, charges, classifications, regulations, or practices or changes therein, the Interstate Commerce Commission shall give due consideration to the fact that the transportation systems are being operated under a unified and coordinated national control and not in competition.

"After full hearing the commission may make such findings and orders as are authorized by the act to regulate commerce as amended, and said findings and orders shall be enforced as provided in said act: *Provided, however*, That when the President shall find and certify to the Interstate Commerce Commission that in order to defray the expenses of Federal control and operation fairly chargeable to railway operating expenses, and also to pay railway tax accruals other than war taxes, net rents for joint facilities and equipment, and compensation to the carriers, operating as a unit, it is necessary to increase the railway operating revenues, the Interstate Commerce Commission in determining the justness and reasonableness of any rate, fare, charge, classification, regulation, or practice shall take into consideration said finding and certificate by the President, together with such recommendations as he may make.

"SEC. 11. That every person or corporation, whether carrier or shipper, or any receiver, trustee, lessee, agent, or person acting for or employed by a carrier or shipper, or other person, who shall knowingly violate or fail to observe any of the provisions of this act, or shall knowingly interfere with or impede the possession, use, operation, or control of any railroad property, railroad, or transportation system hitherto or hereafter taken over by the President, or shall knowingly violate any of the provisions of any order or regulation made in pursuance of this act, shall be guilty of a misdemeanor, and shall, upon conviction, be punished by a fine of not more than $5,000, or, if a person, by imprisonment for not more than two years, or both. Each independent transaction constituting a violation of, or a failure to observe, any of the provisions of this act, or any order entered in pursuance hereof, shall constitute a separate offense. For the taking or conversion to his own use or the embezzlement of money or property derived from or used in connection with the possession, use, or operation of said railroads or transportation systems, the criminal statutes of the United States, as well as the criminal statutes of the various States where applicable, shall apply to all officers, agents, and employees engaged in said railroad and transportation service, while the same is under Federal control, to the same extent as to persons employed in the regular service of the United States. Prosecutions for violations of this act or of any order entered hereunder shall be in the district courts of the United States, under the direction of the Attorney General, in accordance with the procedure for the collection and imposing of fines and penalties now existing in said courts.

"SEC. 12. That moneys and other property derived from the operation of the carriers during Federal control are hereby declared to be the property of the United States. Unless otherwise directed by the President, such moneys shall not be covered into the Treasury, but such moneys and property shall remain in the custody of the same officers, and the accounting thereof shall be in the same manner and form as before Federal control. Disbursements therefrom shall, without further appropriation, be made in the same manner as before Federal control and for such purposes as under the Interstate Commerce Commission classification of accounts in force on December 27, 1917, are chargeable to operating expenses or to railway tax accruals and for such other purposes in connection with Federal control as the President may direct, except that taxes under Titles 1 and 2 of the act entitled 'An act to provide revenue to defray war expenses, and for other purposes,' approved October 3, 1917, or any act in addition thereto or in amendment thereof, shall be paid by the carrier out of its own funds. If Federal control begins or ends during the tax year for which any taxes so chargeable to railway tax accruals are assessed, the taxes for such year shall be apportioned to the date of the beginning or ending of such Federal control, and disbursements shall be made only for that portion of such taxes as is due for the part of such tax year which falls within the period of Federal control.

"At such periods as the President may direct, the books shall be closed and the balance of revenues over disbursements shall be covered into the Treasury of the United States to the credit of the revolving fund created by this act. If such revenues are insufficient to meet such disbursements, the deficit shall be paid out of such revolving fund in such manner as the President may direct.

"SEC. 13. That all pending cases in the courts of the United States affecting railroads or other transportation systems brought under the act to regulate commerce, approved February 4, 1887, as amended and supplemented, including the commodities clause, so called, or under the act to protect trade and commerce against unlawful restraints and monopolies, approved July 2, 1890, and amendments thereto, shall proceed to final determination as soon as may be, as if the United States had not assumed control of transportation systems; but in any such case the court having jurisdiction may, upon the application of the United States, stay execution of final judgment or decree until such time as it shall deem proper.

"SEC. 14. That the Federal control of railroads and transportation systems herein and heretofore provided for shall con-

tinue for and during the period of the war and for a reasonable time thereafter, which shall not exceed one year and nine months next following the date of the proclamation by the President of the exchange of ratifications of the treaty of peace: *Provided, however*, That the President may, prior to July 1, 1918, relinquish control of all or any part of any railroad or system of transportation, further Federal control of which the President shall deem not needful or desirable; and the President may at any time during the period of Federal control agree with the owners thereof to relinquish all or any part of any railroad or system of transportation. The President may relinquish all railroads and systems of transportation under Federal control at any time he shall deem such action needful or desirable. No right to compensation shall accrue to such owners from and after the date of relinquishment for the property so relinquished.

"SEC. 15. That nothing in this act shall be construed to amend, repeal, impair, or affect the existing laws or powers of the States in relation to taxation or the lawful police regulations of the several States, except wherein such laws, powers, or regulations may affect the transportation of troops, war materials, Government supplies, or the issue of stocks and bonds.

"SEC. 16. That this act is expressly declared to be emergency legislation enacted to meet conditions growing out of war; and nothing herein is to be construed as expressing or prejudicing the future policy of the Federal Government concerning the ownership, control, or regulation of carriers or the method or basis of the capitalization thereof."

And the House agree to the same.

T. W. SIMS,
FRANK E. DOREMUS,
JOHN J. ESCH,
Managers on the part of the House.

E. D. SMITH,
ATLEE POMERENE,
JOE T. ROBINSON,
CHAS. E. TOWNSEND,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the conference report:

The conferees adopted the amendment of the House as the basis of their conference.

The Senate receded from its disagreement to section 1 of the House amendment with an amendment striking out so much of the House amendment as provided an increase of the annual sum payable as compensation to the carriers upon the cost of any additions or betterments, less retirements, or road extensions made during the six months ended December 31, 1917, and with further slight amendments in the wording of the House amendment.

The Senate receded from its disagreement to section 2 of the House amendment with an amendment providing that the compensation that might be agreed upon as provided in said section should cover the time consumed in arriving at an agreement.

The Senate receded from its disagreement to section 3 of the House amendment in full with an amendment added to the end of the section providing that proceedings in the Court of Claims under the section should be given precedence and expedited in every practicable way.

The Senate receded from its disagreement to section 4 of the House amendment, and agreed to the same.

The Senate receded from its disagreement to section 5 of the House amendment, and agreed to the same.

The Senate receded from its disagreement to section 6 of the House amendment, and agreed to the same with an amendment striking out the third paragraph of said section and substituting therefor practically the same provision differently worded, as appears in the conference report.

The Senate receded from its disagreement to section 7 of the House amendment, and agreed to the same.

The Senate receded from its disagreement to section 8 of the House amendment with an amendment striking out all of the second paragraph.

Section 9 of the House amendment, which made provisions regarding the operation of short-line railroads that were not taken over, was stricken from the bill because of the adoption by the House of the Senate provision requiring all lines referred to in said section of the House amendment to be taken over.

The Senate receded from its disagreement to section 10 of the House amendment. Said section 10 in the House amendment, by reason of striking out section 9, is numbered in the conference agreement as section 9.

The Senate receded from its disagreement to section 11 of the House amendment down to and including the words "but no process, mesne or final, shall be levied against any property under such Federal control," with an amendment to the first portion of said paragraph wherein it provides that "carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control," as follows: After the word "control" insert the words "or with any order of the President." Also an amendment striking out all the remainder of said first paragraph after the words "such Federal control," as above set out. Also with a further amendment striking out the remainder of the section of the House amendment and substituting in lieu of same the provisions of the conference report, the effect of which is to give paramount and final power to the Interstate Commerce Commission to determine finally as to the reasonableness and justness of any rates, fares, charges, classifications, regulations, and practices that may be initiated by the President during the period of Federal control, with authority to make such findings and orders as the commission may think right and proper with regard thereto.

The Senate receded from its disagreement to section 12 of the House amendment, and agreed to the same in substance and effect.

The Senate receded from its disagreement to section 13 of the House amendment with an amendment striking out all of the second paragraph, and agreed to the same.

The Senate receded from its disagreement to section 14 of the House amendment, and agreed to the same.

The Senate receded from its disagreement to section 15 of the House amendment with an amendment providing that the period of Federal control shall not continue longer than one year and nine months, next following the date of the proclamation by the President of the exchange of ratifications of the treaty of peace, which was agreed to by the House.

The conferees agreed to strike out section 16 of the House amendment and substituted therefor a new section as set out in section 15 of the conference report. The substitute section provides that this act shall not be construed to amend, repeal, impair, or affect existing laws or powers of the States in relation to the lawful police regulations of the States, except wherein such laws, powers, or regulations may affect the transportation of troops, war materials, Government supplies, or the issue of stocks and bonds.

The Senate receded from its disagreement to section 17 of the House amendment, and agreed to the same.

T. W. SIMS,
FRANK E. DOREMUS,
JOHN J. ESCH,
Managers on the part of the House.

Mr. SIMS. Mr. Speaker, I wish to state to the gentlemen of the House that the only change that was made by the conferees in their last report was to strike out all limitation of the taxing powers of the States, put in in the form of a proviso by the conferees, so that that portion of the bill referring to the taxing laws and powers of the States and subdivisions thereof is exactly as it was when it passed the House.

Mr. ALEXANDER. What section of the bill is it?

Mr. HAMLIN. It is section 16.

Mr. SIMS. It is section 15 of the conference report. We substituted nothing in lieu of it. In other words, on the question of State taxation the conference report is exactly like the bill as it passed the House. There is no other change. A point of order was made in the Senate with reference to that provision and it went out.

Now, the conference report which I ask to have adopted is in all other respects word for word exactly like the former conference report and statement which were filed and put in the RECORD a number of days ago.

Mr. STAFFORD and Mr. MONTAGUE rose.

The SPEAKER. Does the gentleman from Tennessee yield, and if so, to whom?

Mr. SIMS. I yield to the gentleman from Virginia [Mr. MONTAGUE] first, a member of the committee.

Mr. MONTAGUE. I understand the chairman of the committee, the gentleman from Tennessee, to say that the language is the identical language of the bill passed by the House?

Mr. SIMS. There might be a change of a word here and there.

Mr. MONTAGUE. I think the gentleman is correct in that statement. I now ask the gentleman the further question: Is it not the identical language of the bill as passed by the Senate? Did not the House and Senate concur in the exact language?

Mr. SIMS. In the respective bills, yes.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. STAFFORD. While the House generally understands that there is not much change in this second conference report from that which was first submitted, nevertheless I think the House is interested in having an explanation given as to wherein the conference report as agreed to differs in substantial particulars from the bill as it passed the House. The statement as read to the House is not illuminating in that particular.

Mr. SIMS. If it is read in connection with the bill. Now, I would like to know of the gentleman what particular section he has in mind?

Mr. STAFFORD. I am particularly interested in a matter that will be discussed by the gentleman from Iowa [Mr. TOWNER]. I will yield to him to make that inquiry.

Mr. TOWNER. In section 10, as it is now numbered, I notice that the conferees have reinserted the language which allows the President merely by order to set aside all of the laws and regulations made with reference to the liabilities of carriers. I would like to ask the gentleman why the House conferees agreed to that?

Mr. SIMS. The gentleman refers to the order of the President?

Mr. TOWNER. Yes.

Mr. SIMS. That provision was in the Senate bill.

Mr. TOWNER. That was in the Senate bill, you say.

Mr. SIMS. Yes. That is my recollection.

Mr. TOWNER. The gentleman will remember that while in the House by a very large majority that language was stricken out. I think there were practically no opposition votes against it.

Mr. SIMS. To be exactly accurate, that language was in the Senate bill.

Mr. TOWNER. Yes.

Mr. SIMS. And the conferees of the House, I will say, stood out for the House provision, and the Senate conferees stood like a stone wall against it. The section the gentleman refers to has reference to the criminal penalties, does it not?

Mr. TOWNER. It refers to all the laws regarding carriers.

Mr. SIMS. But it comes in connection with the criminal provisions of the bill, does it not?

Mr. TOWNER. It allows the President, by a simple order, to set aside all of the laws on the statute books for the protection of the people against the carriers, whether those laws be civil or criminal.

Mr. SIMS. I think the gentleman is mistaken in that.

Mr. TOWNER. Why so?

Mr. SIMS. The law provides what the President can do, and this provision is simply that the same penalties may apply to a violation of the order of the President, made in pursuance of the act, that would apply against a violation of the provisions of the act itself, because a great deal of this act must be executed by orders of the President. It can not be done in any other way.

Mr. TOWNER. Here is the language that will be the law:

That carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control—

But then comes this further provision—

or with any order of the President.

That is, any law now in existence regarding Federal control of railroads, civil or criminal, may be set aside by order of the President.

Mr. SIMS. Mr. Speaker, if the order of the President violated the provisions of this act or was not authorized by it, it would be void, because he would have no authority to make it; and, of course, any order made by him must be made in accordance with and in pursuance of the authority given him by the act of August, 1916, or by this act, and any order made outside of the authority conferred by those acts would be absolutely void.

Mr. TOWNER. I am very sorry that the gentleman has yielded to such sophistry as must have been presented by the Senate conferees, and by which the gentleman must have been deluded.

Mr. SIMS. This matter was fully discussed in the Senate.

Mr. TOWNER. I know it was discussed there, and it was discussed here; and if there is any meaning in the English language, it means that the President may by order set aside any provisions at all relating to common carriers. It says that we may repeal the laws regarding common carriers by act of Congress. It says that if we do repeal them by this act they are set aside, and it says that they may be set aside by order of the President. It occurs to me that with such a practically unanimous determination of the House that that provision ought to be eliminated, it is a serious disregard of the wishes of the House for the conferees to have allowed that language to be retained in the bill.

Mr. SIMS. I want to say that the House conferees were absolutely powerless to get an agreement on that particular provision, as the Senate conferees regard it as very vital.

Mr. MONDELL. Will the gentleman yield?

Mr. NORTON. Will the gentleman yield?

Mr. SIMS. I yield to the gentleman from Wyoming.

Mr. MONDELL. I think the language used to which the gentleman from Iowa refers is rather unfortunate. It is regrettable that there were not added to that paragraph words to indicate that the orders of the President referred to were orders under this act and under the jurisdiction granted him. But I can not agree with the gentleman from Iowa [Mr. TOWNER], and I hope no one anywhere will take that view, that this language authorizes the issuance of orders by the President outside of the authority which we have granted him in the law under which he took over the railroads and under this act.

Mr. SIMS. I understand it just as the gentleman does.

Mr. MONDELL. The language here used is frequently used in the same way with reference to the issuance of orders and regulations. It can not in any instance mean to convey authority beyond the authority specifically granted in the legislation itself, and any order issued must be an order under the authority granted and in conformity with the authority granted.

Mr. TOWNER. Will the gentleman yield?

Mr. MONDELL. The gentleman from Tennessee has the floor.

Mr. SIMS. I yield for a question. I do not yield the floor.

Mr. TOWNER. I want to call the gentleman's attention to this fact, which makes his observation not pertinent; the provision is—

That carriers while under Federal control shall be subject to all laws and liabilities as common carriers—

That is, they shall be subject to the general laws as affecting the general laws of the country, as affecting provisions that are either civil or criminal in their nature—

whether arising under State or Federal laws or at common law—

That is all right. Now we come to the exception—

except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control or with any order of the President.

That is, if any of the laws regarding common carriers regulating them in the interest of the people, punishing crime, are inconsistent with any order issued by the President, those laws go down.

Mr. MONDELL. The gentleman from Iowa is a good lawyer, and I have great respect for his opinions, but I hope no one will take the view he has just expressed. It seems to me it would be a most extraordinary interpretation of any statute to assume that Congress, by mere reference to an order, intended to grant additional authority. The reference is to an order issued under the authority and within the authority granted to the President.

Mr. STAFFORD. There is no such language in the bill.

Mr. TOWNER. I think the gentleman misinterprets it.

Mr. MONDELL. It would not be possible that anyone would interpret language of this sort as indicating that Congress, using a few words at the close of a sentence, intended to wipe out all the statutes.

Mr. TOWNER. That is what the House thought. They did not think it was reasonable that it should be so, and therefore they struck out that provision. If we want to repeal a law, let us do it as laws ought to be repealed, by a repealing statute. If we do not want a law to remain in operation, let us say so by repealing it and taking it off the statute books; but we should not say that laws may be repealed by a mere order of the President.

Mr. MONDELL. I can not conceive that anyone would ever interpret the language used as granting any such authority. I do admit the language used is not as clear and definite as it

should be, but it can not be properly held as an additional grant of power.

Mr. McLAUGHLIN of Michigan. When this matter was before the House, the House as a whole, without division of sentiment, was practically unanimous in approving the interpretation now placed upon it by the gentleman from Iowa [Mr. TOWNER]. In my judgment, he is entirely right. If the gentleman will permit me, I can not agree with him in his interpretation. This says "all laws and liabilities of common carriers, whether arising under State or Federal laws or at common law."

Any one of these may be set aside by order of the President and the common carrier is subject to certain liabilities. It owes certain duties in the matter of carrying freight, in the matter of carrying passengers, answering liabilities for injuries and damages sustained to freight and passengers. The President might set aside any or all of these laws simply by an order if this was to stand.

Mr. MONDELL. If Congress had had any such intent as that, it would have simply provided that the roads shall be operated as the President might order. In that view of the matter we have used a lot of language to no purpose.

Mr. McLAUGHLIN of Michigan. Congress did have the idea that it would be interpreted as the gentleman from Iowa says, and therefore the House struck it out, and it ought to remain out.

Mr. MONDELL. I agree with the gentleman that the language as used is not altogether satisfactory.

Mr. McLAUGHLIN of Michigan. Very unfortunate.

Mr. MONDELL. But somewhat similar language has been frequently used in reference to orders and regulations, and I do not know of a case where it has been assumed that language of that sort was intended to grant authority or power beyond that conferred by the statute itself. It contemplates an order within the authorization of the President's statute.

Mr. McLAUGHLIN of Michigan. I am not able to say that Congress has not at some time——

Mr. MONDELL. I regret that anyone anywhere should suggest a different interpretation.

Mr. McLAUGHLIN of Michigan. I am not able to say that Congress has not foolishly placed in the hands of the President or the head of a department, sometimes, authority beyond that which Congress intended or ought to have placed. But when we know it, when our eyes are opened, when attention is drawn to it, we ought not to do it. In my opinion this is very serious.

Mr. MONDELL. Will the gentleman allow me to make this observation? Unfortunately, it is too late to cure that language and we ought not to misinterpret it. Congress did not intend by one short sentence to repeal all laws.

Mr. NORTON. Will the gentleman from Tennessee yield?

Mr. SIMS. I will.

Mr. NORTON. I am much interested in this question, and I would like to know the interpretation the gentleman from Tennessee places on the power granted to the President by section 10. Is it the opinion of the gentleman from Tennessee that an order by the President under this provision would set aside, or could set aside, any State or Federal law affecting railroads?

Mr. SIMS. Mr. Speaker, the law will apply to any order that the President issues in pursuance of this act or the act of 1916, but it would have to be made in pursuance of the authority vested in the President by that act or this bill after it becomes a law. This provision does not mean any more than if you followed it by the words "in pursuance of this act," which is wholly unnecessary. The uneasiness of the gentleman from Iowa, I think, is rather exaggerated. None of us would be in favor of saying to the President, "You may violate the Constitution of the United States and all State and Federal laws by making such orders as you please."

Mr. NORTON. The gentleman has given this question a great deal of study, probably is more familiar with the provisions of this conference report than anyone in the House. Let me ask the gentleman this question: Does he have in mind any Federal law or any particular State law pertaining to railroads the provision of which could not in effect be set aside by order of the President given under authority of section 10 of this act?

Mr. SIMS. The act itself provides——

Mr. NORTON. I wish the gentleman would do me the courtesy of answering my question directly. Does the gentleman have in mind any particular provision of a Federal law or any particular provision of any State law affecting railroads that could not be set aside by an order of the President under section 10 of this act? If the gentleman has any such State or Federal law in mind, will he state what it is?

Mr. SIMS. I have all such laws in mind, and it is plainly provided that the carriers under Federal control shall be subject to all laws, whether Federal or State.

Mr. NORTON. Will the gentleman answer my question as to what Federal law or what State law could not be set aside?

Mr. SIMS. I am trying to answer the gentleman the best I can. I may not do it, but I am trying to do it. This reads:

except in so far as may be inconsistent with the provisions of this act or any other act applicable to such Federal control or with any order of the President.

That means inconsistent with the provisions of this act or any order of the President made in pursuance of such acts or this act. Now, I can not conceive that the President would ever for one moment suppose that he could make an order to overturn a law of a State that was not inconsistent, unless it was a law that would cripple and make it impossible to operate a railroad under Federal control.

Mr. NORTON. To get back to my question, does the gentleman have in mind a single Federal law which could not in effect be set aside by an order of the President?

Mr. SIMS. No; I do not; and if I pointed out one the gentleman from North Dakota would probably disagree with me.

Mr. NORTON. Has the gentleman in mind any State law?

Mr. SIMS. No; I do not; because the language would be general and applies in a general way.

Mr. NORTON. I thought perhaps that the gentleman might have in mind some law that could not be set aside. I am inclined to agree with the gentleman from Iowa in his interpretation of this provision. I wanted, however, to have the expression of the gentleman from Tennessee as to what his interpretation was.

Mr. SIMS. Now, Mr. Speaker, without yielding the floor, I want to yield two minutes to the gentleman from Michigan [Mr. DOREMUS] on this point.

Mr. DOREMUS. Mr. Speaker, I want to call attention to the fact that section 11 and section 10 of this bill ought to be construed together. Section 10 provides that the President, in addition to the powers conferred by this act and the act of August 29, 1916, is hereby given such other and further powers necessary or appropriate to give effect to the powers herein and heretofore conferred.

Mr. NORTON. What section is that?

Mr. DOREMUS. Section 10 of the House bill.

Mr. NORTON. But that is not in the conference report.

Mr. DOREMUS. Yes; it is.

Mr. WINGO. Section 9 of the conference report.

Mr. DOREMUS. The House freely conferred upon the President all of the power that is given in section 10. Section 11, concerning which this controversy has arisen—section 10 of the conference report—provides that carriers while under Federal control shall be subject to all laws and liabilities as common carriers, whether arising under State or Federal laws or at common law, except so far as may be inconsistent with the provisions of this act or with any order of the President. The point I make is this: The House in the preceding section freely conferred upon the President all powers necessary to give effect to this act, and the two sections are in entire harmony with each other.

Mr. NORTON. Let me ask the gentleman the same question that I asked the gentleman from Tennessee. Does the gentleman have in mind any particular provision of Federal law that could not be set aside?

Mr. DOREMUS. None whatever.

Mr. NORTON. Then the gentleman concurs with the interpretation given by the gentleman from Iowa?

Mr. DOREMUS. I also call the attention of the gentleman to the fact that he must construe this section in connection with all of the other provisions of the act.

Mr. NORTON. Certainly.

Mr. DOREMUS. Nobody would contend in any court that we are conferring upon the President powers not authorized in the act itself.

Mr. NORTON. No; no one would maintain differently from that.

Mr. DYER. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. SIMS. Yes.

Mr. DYER. I want to ask the chairman of the committee if he has pointed out so far—I probably may have missed it, as I have not been in the Chamber all of the time—the difference between the Senate and the House bills and this report in so far as it refers to the short-line railroads?

Mr. SIMS. I have pointed it out in the statement, but I have not orally. I can state to the gentleman what it is. The

Senate agreed to our provision exactly, and ours was put in by a motion to concur, made by the gentleman from Wisconsin [Mr. ESCH], and therefore the two provisions are exactly alike; but the House retained section 9, which I explained very fully in the general debate and also under the five-minute rule, and section 9 was made for the purpose of protecting, as far as possible, the short-line roads that might not be taken over. It remained in the House bill, but some gentleman thought there was no use in retaining it, from the fact that we had taken over by the action of this House all roads to which the section applied. We took them all over, regardless of the judgment of the President as to whether they were needed or not. The Senate conferees contended that section 9 was utterly useless and simply incumbered the bill, and they would not agree to anything except to strike it out. A number of the Members of the House thought so, and a motion was proposed to strike it out while we were considering the bill. Section 9 was stricken out, but it only provided for the operation of the short lines not taken over.

Mr. DYER. That is not in the conference report?

Mr. SIMS. No; section 9 of the House bill was stricken out bodily because the Senate conferees held that it was not necessary after the House and the Senate had taken over the short lines by a provision in both bills.

Mr. DYER. Therefore the short lines are all taken over?

Mr. SIMS. Every one of them.

Mr. MOORE of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. MOORE of Pennsylvania. Without going into details as to the transposition of language and paragraphs, I would like to know whether the bill as now reported preserves the right of the President to initiate rates?

Mr. SIMS. Absolutely, and with the further provision that they can not be suspended until finally determined by the Interstate Commerce Commission.

Mr. OSBORNE. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. OSBORNE. I call the attention of the gentleman from Tennessee to the explanation in the statement of the managers of section 15, page 11. That explanation is as follows:

> The substitute section also provides that this act shall not be construed to amend, repeal, impair, or affect existing laws or powers of the States in relation to the lawful police regulations of the States—

And so forth, leaving out the word "taxation," which appears in the section. Was that intended?

Mr. SIMS. The act plainly exempts the States from any kind of control with reference to taxation. The other language that the gentleman refers to simply has reference to the police powers of the States.

Mr. OSBORNE. I wanted to know whether the States were left their powers of taxation.

Mr. SIMS. Yes; exactly as it was in the House. There is no attempt to modify it because the Senate rejected the report on the point of order that it had something in it that was not in either bill.

Mr. WINGO. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. WINGO. In section 11 of the bill as it passed the House there was a provision which permitted the Government to pay out of the compensation that is to accrue to the carriers any final judgments that may have been outstanding at the same time the Federal Government took control, but I find in the conference report that the conferees have rejected that provision, and I should like to know what were the reasons for leaving that provision out.

Mr. SIMS. I will state to the gentleman from Arkansas that the House conferees had no objection to the amendment he refers to.

Mr. WINGO. What objection did the Senate have?

Mr. SIMS. None whatever to what followed in the next page and on down to and including the paragraph referring to operating accounts and businesses of the carriers. But it was insisted on the part of the conferees of the Senate that this language was not necessary to secure the rights of any person who might be interested in a judgment——

Mr. WINGO. Judgment creditor.

Mr. SIMS. Judgment creditor or whether he was a judgment creditor or not. The rest of that part of the bill had reference to what is called overlapping accounts, which last provision of the bill was put in by an amendment of the gentleman from New Jersey on account of the amendment to which the gentleman refers to having been adopted. Now, as to the gentleman's amendment and all after referring to and including liabilities of the railroads that arose before the Government had taken them over, they contended that if they undertook to force the Director General to take this into consideration as to all these liabilities, overlapping accounts, judgments that might be obtained for anything whatever prior to the taking over, that it would involve a great deal of trouble in keeping accounts of the Government during the railroad control and that it was not necessary to secure the payment of the debts, because if the railroads had money coming to them in the way of just compensation, that creditors can still proceed to enforce collection out of what may be coming to the railroads, and consequently such creditors did not run the risk of losing their debts on this account; that in so far as the railroad with which there was a contract as to compensation, that contract might provide for anything of that sort; that the railroads had over $800,000,000 cash when taken over, out of which the railroads no doubt could and would pay their debts. This question of overlapping accounts might be of tremendous volume and cause a great deal of expense and trouble in the way of detail in trying to protect the Government against the payment of something that ought not to be paid or which the railroad companies litigate. That was, in substance, what was stated as why it was not necessary to secure these debts, and therefore they would not agree to that part of the House bill.

Mr. SIMS. Mr. Speaker, without losing the floor, I yield five minutes to the gentleman from New York [Mr. DEMPSEY].

Mr. DEMPSEY. Mr. Speaker, there are two questions under discussion here. The first is this, whether or not the President can make an order which does away with common law, does away with statute law—Federal law and the State law. Now, I can readily understand why the gentleman from Iowa is agitated about this question. It is for this reason: The State, of course, is not liable to the citizen except as that liability is created by statute; and so, if we can confine ourselves to the first sentence of that section, it might well create distrust; it might well arouse our suspicions. But we are not confined to the first sentence. The first sentence is followed by a second one, and the question that is under discussion here is whether or not a man who has a claim against a railroad, a just claim, a claim which he as a poor man finds it necessary to enforce, a claim which he ought to enforce, and which to protect his solvency he must enforce, can do so. And I say that under this statute there is no doubt about the fact that he can do it.

We had this same discussion when the bill was in committee, and I took the same position then that I do here; but I was willing to waive it, because I wanted to be sure as to the language itself. What is the language? Why, a man can bring any suit to enforce his demand, whatever that demand may be.

Now, take the two sentences together. If you can bring any suit to enforce any claim, no matter what your claim may be, then surely the President can not make some order which will take away that right. A primary rule of construction is this, that you shall not give life and effect and validity to simply a part of an act. You shall give that to all of the act. You shall construe the act as a whole, giving it all vitality and life and effect; and when you do that you take into consideration both the sentences, and you give the President the right to make an order, but at the same time you give the citizen a right to bring any suit that he has at law or in equity.

Mr. BURNETT. Mr. Speaker, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. BURNETT. How can the citizen execute his judgment?

Mr. DEMPSEY. I am coming to that. I pass now from that question to the second question. Is the citizen protected, if he has a judgment, in collecting it? That is the question raised by the gentleman. Now, it is not my understanding that at any time the citizen is ever given a right to levy an execution against a sovereign State, and that is what the gentleman asks.

Why, take the State of New York, for example. We have just spent $150,000,000 on the construction of a canal. We have spent a very large amount of money in condemning land. Now, when land is condemned and a man obtains his award, does he issue an execution against the State of New York? Of course not. It would be a monstrosity. The State, as a privilege, permits him to come in and establish his right, and then it takes its way of paying your claim. That is always so. It should be so. It is simply orderly procedure.

You say, "We are not permitted to levy an execution." The gentleman from Wisconsin [Mr. COOPER] well asks, "Would you, in time of war, in the stress of war, when railroads are under the control of the Government because it needs them to wage the war, tie up the rolling stock and stop the operations of the carriers in order to collect a judgment?" Of course not. No one dreams of such a process. But you have your judgment. You simply can not levy an execution, but that does not prevent your collecting your judgment. No. The gentleman from Arkansas

[Mr. WINGO] knows that as a legal proposition you could not levy upon the railroad funds in the Government's hands. Why? What is the familiar rule of attachment about money?

Mr. WINGO. Mr. Speaker, will the gentleman yield right there?

The SPEAKER. The time of the gentleman from New York has expired.

Mr. DEMPSEY. Mr. Speaker, I ask for two minutes more.

The SPEAKER. The gentleman from Tennessee [Mr. SIMS] has the time.

Mr. SIMS. I regret it exceedingly, but I can not yield further without surrendering the floor. I yield three minutes to the gentleman from New Jersey [Mr. PARKER].

The SPEAKER. The gentleman from New Jersey is recognized for three minutes.

Mr. PARKER of New Jersey. Mr. Speaker, I want to save all the time I can to the gentleman who has been so kind to me, and I will try to conclude in three minutes.

The judgment question was all mixed up in the amendments passed by the House, and the gentleman from Arkansas [Mr. WINGO], I think, does not understand his own amendment in one respect. He orders all judgments paid out of the moneys that go to the railroads. Some of the judgments are mere operating judgments, whether they are recovered before or after the railroads went into Federal control. A judgment, we will say, got by a man who was hurt by an accident, must be paid out of operating expenses, and the United States will pay it out of operating expenses, and when the United States gives up the roads, the railroads themselves will pay any such judgment obtained for an accident while the roads were under Federal control, and it will not be paid by the United States. It must be so paid in the ordinary course of overlapping and deferred accounts for operating expenses.

Now, with reference to the question of an order of the President, the phrase is intended obviously to provide only for such orders as he may make under this act, because by this law he has full control and is not subject to the laws against pooling, and is able to make special orders to send special goods forward. The act gives him power to make various special orders. When we come afterwards in the act to say that he shall be subject to all of the laws of the United States, except when inconsistent with the purposes of this act or with any order of the President, it means such order as he is allowed to give. That is section 10. I want to get the words. They are: "Inconsistent with the provisions of this act or any other act applicable to such Federal control or any order of the President." This would cover an order under this act to prefer railroad munitions.

I shall support the conference report. That is all I care to say.

Mr. SIMS. Mr. Speaker, how much time have I left?

The SPEAKER. The gentleman has 11 minutes.

Mr. SIMS. I yield five minutes to the gentleman from Wisconsin [Mr. ESCH], a member of the committee.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. SIMS. I yield five minutes to the gentleman from Wisconsin [Mr. ESCH], a member of the committee, without yielding the floor.

The SPEAKER. The gentleman from Michigan [Mr. McLAUGHLIN] makes the point of order that there is no quorum present.

Mr. McLAUGHLIN of Michigan. I will withdraw that, Mr. Speaker.

The SPEAKER. The gentleman from Michigan withdraws it. The gentleman from Wisconsin [Mr. ESCH] is recognized for five minutes.

Mr. ESCH. Mr. Speaker, just a few words with reference to the conference report and to point out how it differs from the Senate and House bills.

The first radical change made by the conferees was that we struck out the term "standard return" and substituted in lieu thereof the words "just compensation." These words are now used throughout the bill. In the Senate bill there was no provision allowing an increase of compensation to the carriers for investments made on additions, improvements, and road extensions for the last six months of the year 1917. We had such a provision in the House bill. It was stricken out in conference. The reason why it was stricken out was that the proclamation of the President confined the just compensation to the three-year period ending June 30, 1917, and for the further reason that there was a feeling on the part of the conferees that the compensation provided in the bill for the three years ending June 30, 1917, was generous and ample.

Another change was recommended by the conferees in regard to the rate-fixing power. In the House provision we gave the initiation of rates to the President, with right of suspension. We gave to the orders and findings of the commission merely prima facie evidence that they were correct. In other words, the House bill did not give finality to the orders or findings of the commission. The Senate bill gave such finality. The conference report gives finality to the orders and findings of the commission, but charges the commission with the duty of taking into consideration the necessity of the carriers for increased revenues in order to meet the costs of Federal control. The commission is further to take into consideration, in determining the rates, the fact that the railroads of the United States are now under a unified and coordinated Federal control. The contention of this side of the House for the finality of orders and findings of the commission is sustained in the conference report.

With reference to the provision that was referred to here as to "any order of the President," I think that has been explained. We must interpret those words in the light of the section in which the words appear; and if so interpreted they will not give to the President this broad and unlimited power to repeal or suspend any statute of the United States or any statute of a State.

With reference to section 15, relating to the taxing power, we have practically gotten back to the House provision. There was a clause inserted in conference, which went out on a point of order, fixing the ratio of taxation of railroad property to other property in the States. That was held to have been beyond the power of the conferees, and under the Senate rules it went out. The House conferees assented to its going out. It is not contained in the House bill or in the conference report.

I believe that the conference report should be sustained. There is every need of prompt action, for until this measure is finally passed it will be impossible for the Secretary of the Treasury to perfect his plans in reference to the sale of liberty bonds.

Mr. KITCHIN. Mr. Speaker, I should like to ask the gentleman from Tennessee a question. I see the conferees struck out section 9, which is, in my opinion, the real protection to the short-line railroads, or the railroads not taken over under the original bill or taken over under the amended bill and relinquished. Did the House conferees insist on keeping that section?

Mr. SIMS. I insisted on that section remaining in the bill for the reason that I gave a few minutes ago, that if any of the short-line railroads that we will take over if this bill passes should be relinquished, then this section would be of benefit to them; but the conferees insisted that under the bill, by both the Senate and House provisions having taken over all of the railroads, there are none to which this section would apply unless it was entirely reconstructed. So they would not agree to it, and it went out in that way. The Senate conferees contended, and Members of the House not on the conference committee contended, that by the House agreeing to the Senate amendment we took over all the railroads, and that now they are all under Government control, and therefore there is no use in making provision for a railroad that we do not know will ever be relinquished. That is the substance of the contention made.

Mr. KITCHIN. The thought in my mind was this, that under the provisions of the bill, on or before July 1, 1918, the control of any railroad or all of the railroads may be relinquished by the President. If so, the short lines, with section 9 stricken out, will have no protection. Now, if the President or the Director General, or both of them, were really opposed to the taking over of the short-line railroads as being unnecessary for the prosecution of the war, and it has been stated that they were, suppose they are still of that opinion and before July 1, 1918, they should relinquish them——

Mr. SIMS. Mr. Speaker, how much time have I left?

The SPEAKER. The time is up.

Mr. SIMS. I move the previous question on the conference report.

Mr. KITCHIN. Let me have just one minute. I ask unanimous consent for one minute.

SEVERAL MEMBERS. Five.

The SPEAKER. The gentleman from North Carolina asks unanimous consent for one minute. Is there objection?

Mr. SIMS. I do not understand this will affect my motion for the previous question?

The SPEAKER. The gentleman does not have to make any motion. The Chair will make it.

Mr. KITCHIN. As I started to ask, if the President and the Director General and their advisers were opposed to the taking

over of the short lines as being unnecessary for the prosecution of the war, and they are still of that opinion, and will remain of that opinion, and under the provisions of the bill will on or before July 1, 1918, relinquish control of all of them, then what protection in this bill as reported by the conferees have the short-line railroads? None at all, have they?

Mr. SIMS. The gentleman from North Carolina [Mr. KITCHIN], more forcibly than I could do it, has made the argument that I made to the conferees, and I suggest that it is not probable that there will be any relinquishment of these after Congress has put them in the hands of the President, without his request or suggestion.

Mr. KITCHIN. I just do not want the short-line railroads to get a gold brick by this provision in the conference report.

Mr. SIMS. After Congress has, by express legislative action, placed these short-line roads in the power and possession of the President, that he will not relinquish control without by proper regulation provide the same character and kind of protection and relief as was provided in section 9 of the House bill.

The SPEAKER. The question is on agreeing to the conference report.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. WINGO. I ask for a division.

The House divided; and there were—ayes 107, noes 8.

Mr. KIESS of Pennsylvania. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman makes the point of no quorum present. Evidently there is not. The Sergeant at Arms will notify absentees. The Doorkeeper will open the doors. Those in favor of agreeing to the conference report will answer yea, those opposed will answer nay. The Clerk will call the roll.

The question was taken; and there were—yeas 306, nays 26, answered "present" 3, not voting 93, as follows:

YEAS—306.

Alexander	Doremus	Hicks	Miller, Wash.
Almon	Doughton	Hilliard	Mondell
Ashbrook	Drane	Holland	Montague
Aswell	Dupré	Houston	Moon
Ayres	Dyer	Howard	Moore, Pa.
Bacharach	Edmonds	Hull, Iowa	Moores, Ind.
Baer	Elliott	Hull, Tenn.	Morgan
Barkley	Ellsworth	Humphreys	Morin
Beakes	Elston	Hutchinson	Mott
Bell	Emerson	Igoe	Neely
Beshlin	Esch	Ireland	Nelson
Black	Evans	Jacoway	Nicholls, S. C.
Blanton	Fairfield	Johnson, Ky.	Nolan
Borland	Farr	Jones, Tex.	Norton
Brand	Ferris	Jones, Va.	Oldfield
Browne	Fess	Juul	Oliver, N. Y.
Browning	Fields	Keating	Olney
Brumbaugh	Fisher	Kelly, Pa.	Osborne
Buchanan	Flood	Kennedy, Iowa	O'Shaunessy
Butler	Focht	Kennedy, R. I.	Overmyer
Byrnes, S. C.	Fordney	Kettner	Overstreet
Byrns, Tenn.	Foster	Key, Ohio	Padgett
Caldwell	Francis	Kiess, Pa.	Paige
Campbell, Kans.	Frear	Kincheloe	Park
Candler, Miss.	Freeman	King	Parker, N. J.
Cannon	French	Kinkaid	Phelan
Cantrill	Fuller, Ill.	Kitchin	Platt
Caraway	Fuller, Mass.	La Follette	Polk
Carlin	Gallagher	Langley	Pou
Carter, Okla.	Gandy	Larsen	Powers
Cary	Gard	Lazaro	Pratt
Classon	Garner	Lea, Cal.	Purnell
Claypool	Garrett, Tex.	Lee, Ga.	Quin
Condy	Glass	Lehlbach	Rainey
Collier	Glynn	Lesher	Raker
Connally, Tex.	Godwin, N. C.	Lever	Ramsey
Connelly, Kans.	Goodall	Little	Rankin
Cooper, Ohio	Goodwin, Ark.	Littlepage	Rayburn
Cooper, W. Va.	Gould	Lobeck	Riordan
Cooper, Wis.	Graham, Ill.	Lonergan	Robbins
Cox	Graham, Pa.	Longworth	Roberts
Cramton	Gray, Ala.	Lufkin	Robinson
Crisp	Greene, Mass.	Lundeen	Rodenberg
Crosser	Greene, Vt.	Lunn	Rogers
Dale, N. Y.	Gregg	McAndrews	Romjue
Dale, Vt.	Griest	McArthur	Rouse
Dallinger	Hadley	McClintic	Rowe
Darrow	Hamilton, Mich.	McCormick	Rubey
Davidson	Hamlin	McCulloch	Rucker
Decker	Hardy	McFadden	Russell
Dempsey	Harrison, Miss.	McKenzie	Sabath
Denison	Harrison, Va.	McKinley	Sanders, Ind.
Dent	Haskell	McLaughlin, Pa.	Sanders, La.
Denton	Hastings	Madden	Sanders, N. Y.
Dewalt	Hawley	Magee	Sanford
Dickinson	Hayden	Maher	Saunders, Va.
Dill	Hayes	Mansfield	Scott, Iowa
Dillon	Heaton	Mapes	Scott, Mich.
Dixon	Heflin	Martin	Sells
Dominick	Helvering	Mays	Shackleford
Dooling	Hensley	Meeker	Shallenberger
Doolittle	Hersey	Miller, Minn.	Sherley
Sherwood	Stedman	Van Dyke	Welty
Shouse	Sterling, Ill.	Vare	Whaley
Sims	Stiness	Venable	Wheeler
Sinnott	Strong	Vestal	White, Me.
Sisson	Sullivan	Vinson	Wilson, Ill.
Slayden	Sumners	Voigt	Wilson, Tex.
Slemp	Swift	Volstead	Winslow
Sloan	Tague	Waldow	Wise
Small	Taylor, Ark.	Walsh	Woodyard
Smith, Idaho	Taylor, Colo.	Walton	Wright
Smith, Mich.	Temple	Wason	Young, N. Dak.
Snell	Thompson	Watkins	Young, Tex.
Snook	Tillman	Watson, Pa.	Zihlman
Stafford	Timberlake	Weaver	
Steagall	Tinkham	Welling	

NAYS—26.

Bankhead	Helm	Mason	Towner
Burnett	Huddleston	Ramseyer	Williams
Church	Johnson, Wash.	Reavis	Wingo
Dowell	Kearns	Reed	Wood, Ind.
Good	Knutson	Steenerson	Woods, Iowa
Green, Iowa	McLaughlin, Mich.	Sweet	
Haugen	McLemore	Thomas	

ANSWERED "PRESENT"—3.

Booher	Gordon	Rose

NOT VOTING—93.

Anderson	Dies	Kehoe	Sears
Anthony	Drukker	Kelley, Mich.	Siegel
Austin	Dunn	Kraus	Smith, C. B.
Barnhart	Eagan	Kreider	Smith, T. F.
Blackmon	Eagle	LaGuardia	Snyder
Bland	Estopinal	Lenroot	Steele
Bowers	Fairchild, B. L.	Linthicum	Stephens, Miss.
Britten	Fairchild, G. W.	London	Stephens, Nebr.
Brodbeck	Flynn	McKeown	Sterling, Pa.
Burroughs	Foss	Mann	Stevenson
Campbell, Pa.	Gallivan	Merritt	Switzer
Capstick	Garland	Mudd	Talbott
Carew	Garrett, Tenn.	Nichols, Mich.	Templeton
Carter, Mass.	Gillett	Oliver, Ala.	Tilson
Chandler, N. Y.	Gray, N. J.	Parker, N. Y.	Treadway
Chandler, Okla.	Hamill	Peters	Walker
Clark, Fla.	Hamilton, N. Y.	Porter	Ward
Clark, Pa.	Heintz	Price	Watson, Va.
Copley	Hollingsworth	Ragsdale	Webb
Costello	Hood	Randall	White, Ohio
Crago	Husted	Rowland	Wilson, La.
Currie, Mich.	James	Schall	
Curry, Cal.	Johnson, S. Dak.	Scott, Pa.	
Davis	Kahn	Scully	

So the conference report was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. THOMAS F. SMITH with Mr. ANTHONY.

Mr. CAREW with Mr. CARTER of Massachusetts.

Mr. EAGAN with Mr. CHANDLER of Oklahoma.

Mr. KEHOE with Mr. CHANDLER of New York.

Mr. EAGLE with Mr. FULLER of Illinois.

Mr. WATSON of Virginia with Mr. KAHN.

Mr. WEBB with Mr. BURROUGHS.

Mr. WHITE of Ohio with Mr. CRAGO.

Mr. BARNHART with Mr. MERRITT.

Mr. BLACKMON with Mr. DAVIS.

Mr. OLIVER of Alabama with Mr. PARKER of New York.

Mr. GARRETT of Tennessee with Mr. BOWERS.

Mr. LINTHICUM with Mr. LUNDEEN.

Mr. STEPHENS of Nebraska with Mr. GRAY of New Jersey.

Mr. BRODBECK with Mr. PETERS.

Mr. RANDALL with Mr. PORTER.

Mr. PRICE with Mr. ROWLAND.

Mr. SHACKLEFORD with Mr. TEMPLETON.

Mr. STEELE with Mr. TILSON.

Mr. STEPHENS of Mississippi with Mr. CURRY of California.

Mr. BROWNING. Mr. Speaker, I voted "aye." I have a pair with the gentleman from Maryland, Mr. TALBOTT, who, if he had been here, would have voted the same as I have. I will let my vote stand.

The result of the vote was then announced as above recorded.

A quorum being present, the doors were reopened.

SWEARING IN OF MEMBERS.

Mr. RIORDAN. Mr. Speaker, I renew my request for the swearing in as Members of the House the four Members elected at the recent special election in New York.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The following Members elect appeared at the bar of the House and the Speaker administered to them the oath of office prescribed by law:

WILLIAM E. CLEARY, eighth district of New York; JOHN J. DELANEY, seventh district of New York; JEROME F. DONOVAN, twenty-first district of New York; and ANTHONY J. GRIFFIN, twenty-second district of New York.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The SPEAKER. The gentleman from Tennessee moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, the legislative, executive, and judicial appropriation bill.

The motion was agreed to.

Accordingly the committee resolved itself into Committee of the Whole House on the state of the Union, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The question before the committee is the amendment offered by the gentleman from Tennessee just prior to the adjournment, upon which it was agreed that there should be one hour's debate, one half of the time to be controlled by the gentleman from Tennessee [Mr. BYRNS] and the other half by the gentleman from Wisconsin [Mr. STAFFORD].

Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Kentucky [Mr. SHERLEY].

Mr. SHERLEY. Mr. Chairman and gentlemen of the committee, before stating as briefly as I can the purpose of the amendment, it is proper that this should be said to the Committee of the Whole. The provision that is here offered is a provision coming from the Committee on Appropriations, but it is the result of a consideration and a study by Members other than those belonging to that committee.

It was apparent early in the history of the session, from bills introduced and from agitation in the newspapers and otherwise, that there would be legislation this year, as there had been legislation last year, looking to increase in compensation of Federal employees. It was desired to avoid some of the confusion and some of the delay and trouble that grew out of the situation last year by having the House vote various proposals, not always the same, on different appropriation bills, as they came before the Congress. And it was suggested informally that the various appropriation committees get together and consider this subject. As the result of informal conference had between the chairmen and the ranking minority members of the various appropriation committees, as well as the Committee on Appropriations, this proposition is presented to the House at this time.

Now, the proposition itself is in the form of a flat increase for all the different employees, other than postal employees, rather than by naming percentages for the various classifications, as was done last year. The provision last year provided for 5 and 10 per cent increases. The percentage this year is to be ascertained by taking the salary of the person and the amount that is given, $120 in each instance.

So that, starting with salaries of $480, you have a percentage increase of 25 per cent, and that runs on down from that amount to $2,000, where the percentage increase would be 6 per cent. In other words, for a man drawing $540 the percentage increase is 22 per cent, for $600 it is 20 per cent, for $640 it is 18 per cent, for $720 it is 17 per cent, for $840 it is 14 per cent, for $900 it is 13 per cent, for $1,000 it is 12 per cent, for $1,200 it is 10 per cent, for $1,400 it is 9 per cent, for $1,600 it is 8 per cent, for $1,800 it is 7 per cent, and for $2,000 it is 6 per cent. That makes a percentage that runs on a scale that is constantly decreasing as the salary goes up, and without the saw-tooth arrangement you would get by classifying by percentages people within certain groups, and is not only a more scientific method but it is a method that makes the accounting and the work of the pay officers of the Government very much simpler. There was another reason for it which seemed to the Members dealing with the matter somewhat basic, and that was the idea that the added cost of living, which has been one of the basic reasons for this increase, applied to all people without regard to their salaries; that there are certain expenses in life that are constant to the poor man and the rich man. They must all have a certain amount of food, a certain amount of clothing, a certain amount of protection in the way of housing. The need of the poor man is as great, and in many instances greater than the rich man, because he has less leeway than in the case of employees of larger salaries.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SHERLEY. Mr. Chairman, I will ask the gentleman to grant me three minutes more.

Mr. BYRNS of Tennessee. I yield three minutes more to the gentleman.

Mr. SHERLEY. One hundred and twenty dollars was taken as representing a fair increase, all things considered. There are two cases that are different from those presented by the employees generally. They are cases of men or women who have received large increases of salary recently and those who have come into the Government recently, and I may say in passing that notwithstanding the repeated assertion in the press to the effect that salaries are on the same basis as they were back in 1857 or some other remote period, the facts show that there have been increases of salary ranging from 25 per cent to 100 per cent of the personnel in the various departments within the last year or so, and the very great expansion of the Government has resulted in giving to the employees of the Government very much more rapid advance and promotion than has ever been known before. We have provided that in cases where people have had a promotion within either the present fiscal year or shall have in the next fiscal year of over $200 they shall be allowed this $120 additional only when there is a certification made by the head of the establishment or the department in which they work of the reasons that justify such an increase, the idea being that we could not arbitrarily exclude such people because there might be some instances in which they ought to receive additional sums, and yet there ought to be something shown affirmatively to avoid the presumption that people who had received over $200 increase did not need this addition.

As to the new employees the same proposition applies, because, presumably, they came with a knowledge of conditions as they exist, with the cost of living, and so forth, and it is a well-known fact that in regard to many of the places that have been created in lump-sum appropriations the initial employment has been at rates very much higher than formerly existed and which did take into contemplation the increased cost of living. We have, in addition to that, exempted from the operation of this law the same classes that were exempted under the operation of the law passed heretofore. We excluded the Panama Canal and the Alaskan Railway employees, because the salaries and compensation of such employees have been arranged with regard to the peculiar conditions surrounding those people—the cost of living in those respective places—and they did not present, therefore, the situation that is presented by employees here and in the country at large. We excluded those who give only a part of their time to the Government for a perfectly obvious reason, with the exception of the charwomen, whom we permitted to have the full benefit of the increase. We also excluded those who get compensation from other sources than the Government.

The CHAIRMAN. The time of the gentleman from Kentucky has again expired.

Mr. BYRNS of Tennessee. I yield two minutes more to the gentleman.

Mr. HELM. What does the total increase amount to?

Mr. SHERLEY. Assuming that everybody that is eligible for the increase under the terms of the law would get it, the increase would amount to approximately $26,600,000, and would affect about 240,300 people. Different proposals have been made. The proposal contained in the Keating bill would have made an expenditure to this Government of considerably more than twice that sum. Proposals that have been made for greater increases than the $120 would have carried additional sums. If gentlemen will keep in mind, in rough figures, 240,000 people as affected, they can easily determine by a very simple mathematical calculation what any increase or decrease in this sum would amount to. It is perfectly easy for anybody on the floor here to cite any number of cases where this will not work a complete equity. No one lacking infinite wisdom could work out a proposal that would give absolute equity, but this is submitted in the belief that it is generous treatment of the employees. The fact was developed in the hearing, and it will come out in the course of the debate, that as to all low-paid employees of the Government, except the very low-paid ones, speaking by and large, they receive a greater sum than people engaged in similar employment do from private sources. That is particularly true of salaries of stenographers and clerks and people around $1,000, and $1,100, and $1,200, and $1,300; but when you get up to the higher-paid employees, then the Government pays very much less than outside people do.

In other words, there are men in the Government service working for $3,000, $4,000, and $5,000 who in private employment would receive much greater sums; but, with the exception of a few cases, speaking of most of the employees embraced in this classification, they are now receiving sums in excess of what are being paid by private institutions for similar work. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STAFFORD. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. NOLAN] in opposition to the proposal.

Mr. NOLAN. Mr. Chairman, the gentleman from Kentucky [Mr. SHERLEY] said that the basic reason for this increase in salary to the Federal employees was founded upon increases in price of commodities and increases in the cost of living. I am reading from a table published by the Committee on Appropriations, on page 176 of the hearings, and I want to call attention to the way in which this committee figured the increase in living costs in making the allowance of $120 a year and then contend they are basing it on the increased cost of commodities. We find on page 176 relative retail prices of the principal articles of food in the United States. Average prices for 1913, 100. These prices are from the United States Bureau of Labor Statistics. I am going to take the basis of 100, and I am going to show you how inconsistent the statement of the gentleman from Kentucky is that they are basing these increases upon the increased prices, and especially from 1913. In 1913 sirloin steak, at the basis of 100, has increased in December, 1917, to 126, an increase of 26 per cent. Round steak has increased in price from 100 to 134, an increase of 34 per cent; rib roast has increased in price from 100 to 128, an increase of 28 per cent; bacon has increased in price from 100 to 181, an increase of 81 per cent; ham has increased in price from 100 to 161, an increase of 61 per cent; lard has increased in price from 100 to 211, an increase of 111 per cent; hens have increased in price from 100 to 143, an increase of 43 per cent; eggs have increased in price from 100 to 184, an increase of 84 per cent; butter has increased in price from 100 to 142, an increase of 42 per cent; flour has increased in price from 100 to 205, an increase of 105 per cent; corn meal has increased in price from 100 to 235, an increase of 135 per cent; potatoes have increased in price from 100 to 178, an increase of 78 per cent; sugar, from 100 to 172, an increase of 72 per cent; all articles combined, according to this report, an average of 157, or 57 per cent, and the greatest increase is upon the commodities that the lower-paid employees must necessarily have to exist, not alone live.

I want to show you that they are allowing some of these low-paid employees, not the people who are receiving the higher salaries, but I want to show you what they are allowing the employees who receive less than $1,200 per year to meet the increase in the price of commodities during the last year. They are increasing the salary of the $480 a year employee from 10 to 25 per cent, or from $4 per month to $10 per month; they are increasing the salary of the $540 employee from 10 to 22 per cent, or from $4.50 to $10 per month; they are increasing the salary of the $600 employee from 10 to 20 per cent, or from $5 to $10 per month; they are increasing the salary of the $660 a year employee from 10 to 18 per cent, or from $5.50 to $10 per month; they are increasing the salary of the $720 employee from 10 to 17 per cent, or from $6 to $10 per month; they are increasing the salary of the $840 a year employee from 10 to 14 per cent, or from $7 to $10 per month; they are increasing the salary of the men and women who get $75 a month 3 per cent in the last year; a raise of $2.50 per month. They are increasing the salary of those who get $1,000 a year 2 per cent in the last year, or $1.66 per month. The employee who receives an annual salary of $1,100 per year will get an increase of $10 per year or 83⅓ cents per month. I leave it to you, to your own good judgment, to your own experience here in the District of Columbia and elsewhere if that is a square deal to the men and women in the Government employ receiving $1,000 or less.

Mr. DYER. What would the gentleman suggest?

Mr. NOLAN. I understand the gentleman from Colorado [Mr. KEATING] is going to offer an amendment to make it $180 a year, but I do not think that is fair for the men and women in the Government service getting $1,000 a year or less. I think they should have a fixed basis of not less than $3 a day. [Applause.] I do not think that is a living wage under present conditions. I think we ought to be fair, and I think it is not fair to put men receiving $1,000 and less on the same basis as a $2,000 a year man. They have got to pay the same prices in the District of Columbia and elsewhere that the $2,000 man has got to pay. It is not square; there is not an industrial institution in this country or corporation or any business institution that could get away with that and have their help satisfied. I do not think you are going to benefit by it. It is not fair and square to those men getting $1,000 a year and less to say the cost of living has increased from 10 to 12 per cent since a year ago. If that is the way the Government of the United States is going to treat its employees you can not expect to have cooperation, you can not expect to have a patriotic feeling among them, you can not have them to respect their employer, and if you can not have respect from them what in God Almighty's world can you expect to have from them? Gentlemen of the committee, you have not undertaken this problem right; you have held executive meetings when examining witnesses who favored the bill presented by the gentleman from Colorado [Mr. KEATING].

The CHAIRMAN. The time of the gentleman has expired.

Mr. NOLAN. Just one minute.

Mr. STAFFORD. I yield the gentleman one minute additional.

Mr. NOLAN. You have not given the same sort of hearings before your Committee on Appropriations that every other committee of the House gives questions of this kind. You brought the employees and their representatives in and brought them in before your subcommittee one at a time. You did not have the hearings printed or did not have them ready for distribution until last night—at least, some of us could not get them—and you did not bring up this proposition until late yesterday afternoon, when the understanding was it was going through last night. Why, why did you do this? Why did not you give this proposition, a proposition in reference to the payment of salaries and wages for the employees—why did not you give them the same free and open opportunity for the presentation of their case which you give to everybody else?

Mr. BYRNS of Tennessee. I will say to the gentleman, if he will yield——

Mr. NOLAN. I yield.

Mr. BYRNS of Tennessee. I will say that we gave them all the time they wanted. We asked them if they wanted additional time, and they said no.

Mr. NOLAN. Did you not take them into the committee room one by one? And why was not this testimony published?

Mr. BYRNS of Tennessee. We asked the heads of these different federations if they wanted more time, and they said no, and they thanked us.

Mr. NOLAN. You did not give the newspapers an opportunity to find out what they said. You did not give these people the benefit of public hearings, so that their case might be presented to the public.

Mr. BYRNS of Tennessee. I think the newspapers published very full statements.

Mr. NOLAN. I do not think so. And we were not able to get hold of this testimony until this morning.

I hope the amendment that will be offered by the gentleman from Colorado [Mr. KEATING], raising the amount from $120 per year to $180 per year, will prevail. [Applause.] I insert a little poem by a Government clerk that I think fairly expresses the feeling of the average low-salaried Government employee:

THE GOVERNMENT CLERK.

How dear to my heart are the scenes of the office,
When mountains of labor I mournfully view;
The papers and files and reports that are endless,
And all the punk stuff that I have to wade through,
The folks back home think I'm rolling in velvet;
How little they know of conditions that are;
In the job of the clerk there is nothing to covet,
However rose-colored when viewed from afar.
The old stuffy office, the small crowded office,
The place where you bid your ambitions good-by.

I long for the fields and the woods and the streamlets,
And pensively heave a deep, cavernous sigh
As I think of the farmer boys counting their greenicts,
While I mournfully watch the promotions go by.
I long for the lawn with big trees growing on it,
A garden with flowers and eatables green:
Instead I've a hole in the wall near the sidewalk,
With a sad little yard that's ashamed to be seen.
The old gloomy office, the life-tenure office,
It can not compare with a job back at home.

Oh! these flat-chested houses, each just like the other,
All along the same street just as far as you see;
You have to stay sober to find your own cover,
And identify yours by the fit of the key.
I joyfully welcome the coming of pay day,
When the ghost walks around with the scads and the bones;
But the butcher, the baker, the loan shark, and faker
Got the very last sou—not a cent is my own.
The old civil service, the ossified service,
With pay roll secure, but so hopelessly small.

I would like an auto, at least a tin flivver,
To ride around town with companions so dear;
But alas for the lot of the Government worker,
Only those having "pull" can afford such things here.
So I bend to my work with such grace as is in me,
And hope that a better day will quickly dawn,
When the long-promised pension roll really gets working,
And my name in big letters is written thereon.
The old stuffy office, the prison-cell office,
And graveyard of hope for the Government clerk.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Kentucky [Mr. HELM].

Mr. HELM. Mr. Chairman, there is another viewpoint to this proposition. The soldier in France is offering his life; he has subscribed for liberty bonds; he is buying war stamps. The little children on the streets and in the homes are buying and peddling war stamps, the passage of this amendment means that the proceeds of their efforts are to be devoted not to the prosecution of the war but to the increase of salaries of these Government clerks around Washington, who are enjoying the best advantages of any employees in the United States. [Applause.] They have the best of conveniences, the most sanitary and comfortable offices to work in, with electric lights, hot and cold water, electric fans in the summer and well heated in the winter. I maintain that the civil employee of this Government should occupy the status of a volunteer, not to get the utmost dollar out of the Government, but to do his might for it while his Nation is in peril, and it ill becomes the Government clerks, whether in Washington or elsewhere, who work only seven hours a day for 300 days of the year, and are receiving as much as $2,000 a year, to come in and ask that the proceeds of these little war-stamp sales and these liberty bonds be contributed to their further comfort, pleasure, and pastime.

I am against this wholesale lump-sum, indiscriminate increase in clerical salaries. Over yonder, over there, is the boy standing on the firing line fighting for the very life of this Republic, for home and fireside. You are proposing to send him back to raise the crops. You take from him a portion of his earnings to support a dependent mother; you take from him a portion of his salary to buy Liberty bonds; you send him back into the furrow to raise the crops to furnish the food for these employees who are now coming here and asking for $28,000,000 increase out of the war funds that ought to be sacred and dedicated to the prosecution of this war. [Applause.]

This is but an entering wedge. It is to be followed by like bills increasing other employees' salaries. In the name of God, will the American Congress always be cowards and not stand for the people who are paying these taxes? Think of them. There is an army of income-tax collectors going about over this country. The farmers and merchants are all denying themselves the necessities and comforts of life to prosecute this war, and here comes a raid on the Treasury to make money out of it to give to these people who ought to be willing to deny and stint themselves in order to aid in a more successful prosecution of this war; and I say to you that it ill becomes the Congress of the United States, in the first place, to invite, protect, and guarantee organized labor against punishment, as it did, by giving it the right to strike when the ships are moving with the boys on board, but requiring emergency repairs, and some set of men say, "No; we will not drive a rivet," and then have the Congress go ahead and say, "We will protect and guarantee you against punishment." Call back the boys from France.

You are sending 1,500,000 boys over there. Stand here and protect them. They are the ones to be protected and safeguarded at all hazards. Speak it to the world and let it be known that the American Congress is looking solely and exclusively to the welfare and success of the boys on the firing line and not to the joy-riding comforts of these clerks, who ought to be contributing to instead of attempting to gouge the Government. [Applause.]

Mr. STAFFORD. Mr. Chairman, I yield three minutes to the gentleman from Michigan [Mr. MCLAUGHLIN].

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I favor some increases to the employees of the Government, and I think the recommendation of the committee of an increase of $120 a year to all those below $2,000 is little enough. I am surprised, however, at the recommendation of the committee in this respect, that the increase of $120 is to be applied to salaries as they were last year, before the percentage increases were made, by virtue of a resolution, I think, increasing salaries below $1,200 by 10 per cent and those below $1,800 by 5 per cent. If this amendment goes through as offered by the committee the addition of $120 will be made to the old salary and not to the salaries of clerks as they are now paid.

And I wish to offer an amendment, Mr. Chairman, and have it pending, to be considered at the proper time, striking out the proviso beginning on line 15. If my amendment should be adopted it would provide for the addition of $120 to the salaries that the clerks are now receiving.

The CHAIRMAN. Does the gentleman wish to have the amendment read in his time?

Mr. McLAUGHLIN of Michigan. Or at some future time. I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. McLAUGHLIN of Michigan. Then, if I may be permitted, I will have the amendment read now.

The CHAIRMAN. The Clerk will read the amendment.

The Clerk read as follows:

Amendment offered by Mr. MCLAUGHLIN of Michigan: Page 1, line 15, strike out the proviso beginning on line 15 and ending on line 19.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, it will be unnecessary for the Chairman to admonish the galleries not to applaud during my speech.

The men who pay these taxes and who meet the burdens you propose to impose upon them are, none of them, in the galleries to-day. [Applause.] They are back on the farms, 6,500,000 of them, working not 7 hours a day, but working 12 hours a day [applause], and working more than that. They were receiving in 1909 an average compensation for themselves and their families of $600 per year. It is more than that now, but not to exceed $700 per year. And you propose to increase the compensation of Government clerks, who work seven hours a day and who receive $2,000 compensation. Their average compensation is $1,200 per annum. Very few of these clerks receive as little as the farmers of the country, assisted by their families, are able to earn.

We are taking from the farms of this land and from the factories of this land a million young men between the ages of 21 and 30—the age when they ought to be earning most and laying it up for the evening of life. We are taking them away from employment that was paying them more than $30 a month; thousands of them from employment that was paying them $100 a month, and you are compelling them to work all day long and all night long in muddy trenches in France for $30 a month, and to take all the risks incident to war. When they come back from France and commence to carry the burdens that you have laid upon them in their absence you will begin to hear from some of them. [Applause.]

There has been in France a readjustment of salaries paid to employees on the civil list, a recent readjustment, on account of the increase in the cost of living. Those civil-list employees in France who formerly received less than $694 a year are receiving $104 more. Those who were receiving less than $960 a year are receiving in France $69 more. But none of them can receive more than $965 per year. Those who receive less than $965 and who have two children under 16 years of age dependent on them are allowed $19 a year in addition to that amount for each child, and for each additional child they are allowed $38 a month. It is a scientific revision of salaries to meet the increase in the cost of living in France.

But our Government employees in this country to-day, without the increase proposed here, are receiving twice as much as they are receiving in France, and the cost of living ought to be as high in France as it is here, because we are supplying the people of France from our farms and our factories with the necessities of life. You propose to increase here the salaries of the highest-paid clerical employees in all the world. We are confronted with the certainty of a fixed annual budget after the war is over of $5,000,000,000. The pay roll of our Army and Navy is now $1,000,000,000 a year and is constantly increasing. The war is costing us in direct and indirect cost $40,000,000 a day; more than it is costing any other nation. This proposed increase is as unscientific as it is unpatriotic. No other nation has done quite so bad as we propose now to do in the matter of increases in salaries, except Russia under bolsheviki rule. In insurance companies in this country they start stenographers at $50 a month. At the present time you are starting them off here in Washington at $100 a month, and the same is true with reference to clerical employees of other grades, and you propose to increase their compensation still more. Under authority granted by Congress the President of the United States has just appointed a wage commission to examine into the question of wages paid by railroads.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BYRNS of Tennessee. I yield to the gentleman two more minutes.

The CHAIRMAN. The gentleman is recognized for two minutes more.

Mr. RAINEY. And they have made some computations to start with. They applied to the railroads to furnish figures as to the amounts paid to clerical employees in five railroad centers. These employees perform about the same character of work as is performed by Government employees. The figures have been furnished for 1,042 employees, and a total of 915 out of that 1,042 receive less than $100 a month, and out of that number some 300 or 400 receive from $50 to $60 a month.

Only 4 employees of the entire 1,042 receive over $150 per month; 930 receive $100 and less per month—most of them work seven days in the week. The eight-hour day applies to less than half of them. One hundred and forty-six of them work 12 hours a day, seven days in the week, and receive between $50 and $60 per month. They are allowed no holidays. Government clerks are allowed 30 days' sick leave, 30 days' vacation, every holiday off, none of them work on Sundays, they only work 7½ hours a day; on Saturday they are allowed a half holiday and their pay goes on all the time whether they work or not. I submit that Government clerks are not badly treated.

These figures are significant as to railroad employees, for the reason that they are now Government employees whose salaries you can increase, and they will be here demanding increased compensation in the future; and when you set the mark by increasing the compensation of Government employees, as you propose to do, it will cost to bring the railroad employees of this country up to the standard of the wage set now for Government employees, according to these figures, $1,000,000,000 every year. You must treat all Government employees alike; this is the argument these railroad employees will advance. How are you going to meet it?

Now, where are you going to stop with this sort of proceeding? I realize that a man who speaks against any proposition that takes money out of the Treasury of the United States and divides it among any considerable number of people who vote is speaking against a proposition that is peculiarly popular here. Heretofore the people of this country did not realize that they were paying the expenses of the National Government. They did not think so, at least, until recently. There are direct taxes now and they will soon know what they pay.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. RAINEY. May I have two minutes more?

Mr. BYRNS of Tennessee. I am sorry I have not got it.

Mr. STAFFORD. I will yield to the gentleman one minute.

Mr. BYRNS of Tennessee. Give the gentleman two minutes.

Mr. STAFFORD. I give the gentleman two minutes.

Mr. RAINEY. I thank the gentleman.

The CHAIRMAN. The gentleman from Illinois is recognized for two minutes more.

Mr. RAINEY. Not long ago a fight was made on this floor by a Member of Congress representing a certain organization of Government employees. The movement on the Treasury led by him won, and I am calling attention to it to show how grateful these Government employees will be to you who vote for this proposition—they, and their uncles, and their fathers, and the rest of them back in your district. When these taxes pile up mountain high others may begin to understand what you are doing. This Member of Congress went back to his district and the efforts of the Government employees he had aided at the expense of the taxpayers of this country were unavailing and did not reelect him. But they were grateful—these Government employees. They had a banquet over in New York, and they took up a collection all over the United States, and they brought it there on a silver platter, and tendered it to this ex-Member of Congress. In a spectacular way they piled upon this silver platter 35,000 silver dollars, and tendered him for his services in leading the movement against the Treasury the silver platter and the 35,000 silver dollars. In this way they demonstrated how they proposed to reward their friends. The newspapers reported that he declined to accept it. I do not know what became of the fund. I know it was not paid back to those people who contributed it. But this shows the feeling of gratitude these men have for the Members of this body who lead these raids on the Treasury.

And this is not the only raid to be made during this session. This will involve an outlay on the part of the Government of $28,000,000. It satisfies nobody; it is not enough, they say. They are all protesting against it to their Representatives. Government employees are now organizing in unions and are connecting up with the American Federation of Labor; they announce that they have back of them the American Federation of Labor, and together they march grandly on the Treasury of the United States, millions strong.

Now, there is not any reason for Government employees to be federated in unions, except to raid the Treasury. I believe in collective bargaining, but not when it is directed against the Treasury of the United States. May I remind you, gentlemen, that this is not your money you are so generously giving away. The Government is collecting some of it in taxes; it is borrowing most of it. You are not following any scientific or patriotic plan. You are following the precedents set by the Bolsheviki of unfortunate Russia. You are yielding to the socialism so rapidly developing in the country to-day. This raid on the Treasury involves $28,000,000. It is to be immediately followed by the Post Office reorganization bill, which means an additional salary increase of $50,000,000 per year. And that is to be followed by the minimum-wage bill, which means a still further salary increase of $60,000,000, and there will be other salary increases to come next year. We are sowing seed from which we may, as a Nation, reap a whirlwind of disaster, and the harvest may come in the not distant future.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. NOLAN. Mr. Chairman, I ask leave to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from California asks leave to extend his remarks. Is there objection?

There was no objection.

Mr. HELM. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. STAFFORD. Mr. Chairman, I yield two minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman, if this legislation affected any other people than those of the city of Washington, I doubt if there would be any criticism of so just and meritorious a proposition. We all know from experience in Washington the difficulty there is to support yourself and family upon $100 or $150 per month. Members of Congress know that themselves. Yet employees of the Government here in this great city, hundreds and thousands of them to be affected by this legislation, are drawing less than $100 a month, and we all know that it is impossible for them to live or exist decently upon that amount of money. So, Mr. Chairman, we ought to be willing to help and aid the right thing as recommended by this committee. The Government employees in Washington are men and women who are working faithfully and assiduously for the interests of this Government. Those who are within the draft age are going to France when they are called, just the same as those from every other community. Those who remain here have the privilege, because of their age, to do so. Yet they are working for the Government, pouring over the figures concerning this war, working to bring supplies to the troops, and things that are necessary to make this war a success, and they are working long enough and faithfully enough to receive consideration from the American Congress. Mr. Chairman, we ought to be able to do for them that which is a mere pittance of justice and right, and give to them this increase in their pay. [Applause.]

Mr. STAFFORD. I yield one minute to the gentleman from Massachusetts [Mr. LUFKIN].

Mr. LUFKIN. Mr. Chairman, I shall vote for this amendment because I believe that it is the best compromise which we can get at the present time. While $120 a year will not allow the Government clerks to buy many liberty bonds to help win the war, the amendment is at all events a step in the right direction, and I hope that eventually it may lead to a permanent reclassification of the present inadequate salaries of Government employees, not only here in Washington but throughout the country.

I was hopeful that the committee might be able to bring in an amendment providing for more generous increases for the very lowest paid Government employees—the watchmen, janitors, and firemen in public buildings, for example—to say nothing of the lighthouse keepers and the employees of the Bureau of Fisheries located on stations in various parts of the country. How these men are able to live on their salaries, ranging from $500 to $720 a year, and bring up families, with the present high prices, is a mystery. I am not so familiar with the men connected with the Government buildings, beyond knowing that their pay is very low, but I am familiar with the struggles of the lighthouse keepers and the employees of fish hatcheries, as some of those men live in my neighborhood.

Take the latter case, for example: The laborers, firemen, and general helpers at these fish-hatchery stations receive the princely salary of $600 a year, or $50 a month. Think of it, gentlemen, $50 a month, with no allowances with which to provide food and clothing and house rent for a wife and children, to say nothing of the few luxuries which every family, no matter how humble, must have under present-day conditions. It is true that at some of the stations sleeping quarters are provided for these men. But that is all. The stations are usually isolated and the men must pay for their mess while on duty as well as providing for their families back in town, and all on $50 a month.

The fish culturist, who is in charge of the men, is more fortunate. He must be more or less of a scientific man. He must start in at the $600 grade, learn the ins and outs of producing

millions of lobsters and cod fish from the minute spawn, spend months or even years on the car service of the bureau, and in the meantime improve his leisure by learning the science of fish culture from dry, technical books. But at last his goal is reached. If he successfully passes a rather difficult scientific examination he is rewarded by an appointment at some isolated station—at what salary, my friends? Does the Government pay this semiscientific man $2,000 a year, or $1,800, or even $1,500? Not much. After perhaps one or two or three years in the service he is appointed at the minimum as well as the maximum salary for this sort of work, which is $75 a month, or $900 a year, $200 less than the 17-year old girl just out of high school, who perhaps can not command more than $6 a week in an industrial institution at home, is offered to come to Washington and enter the departments. Is there any doubt of the injustice of that sort of thing, my friends, or is there any doubt that the ancient standard of salaries in our departments needs reclassification?

Then take the case of the lighthouse keepers of this great country of ours, the men who are intrusted with the tremendous responsibility of sending out the beacon light to guide the mariner on his stormy way. The average pay of the lighthouse keepers in the United States to-day is exactly $555 per year. The maximum pay which he can receive under the law is $600, but Uncle Sam has been economizing a little on that. Yes; but I hear someone say that the lighthouse keeper gets some allowances. Let us see what these amount to. In addition to his pay envelope of $10.67 each Saturday night—shipbuilders and other mechanics are earning almost as much in one day—he has his house. He must have this, as in many cases he is practically on duty all of the 24 hours in the day.

He has his house, it is true, and the land around it. Think of all the benefits and pleasure which the light keeper at the mouth of Boston Harbor must receive from gazing on his land, with his home pitched high in the air almost at the mouth of the Atlantic Ocean, its only support one slender spindle of steel coming up out of the ledges far below the surface of the water. Of course this is an extreme case, and many of the keepers have sufficient land to plant a garden, if they have enough left to buy seed from their weekly stipend of $10.67. Or perchance, in the olden days, they could keep a few hens, but not on $10.67 a week with the present price of grain, soaring as it does from month to month.

But that is not all. The Government gives these men a ration allowance, an allowance, my friends, of exactly 30 cents a day. Think of how that man's family must revel on all that money. At present prices that allowance will buy the family two loaves of bread perhaps, but not a dish of strawberries at the restaurant downstairs.

To sum it all up, then, these lighthouse keepers, with all the responsibility their position entails, are receiving for their 12 months of hard and nerve-racking labor $555 in salary, $109.50 for food, a house of some kind, and perhaps enough land to attempt a little farming on a small scale. Do you wonder that these men have worried? Do you wonder that they have waited expectantly for this amendment? Do you wonder that one of them has compared his position to that of an aged clergyman in a poor and struggling parish in my district, who was asked what his compensation was for administering the gospel to his people. "Oh, I am very well taken care of," he replied, "I receive $3 a Sunday for my sermons, and then I am given the free rent of the parsonage and half of the blueberries which I pick in the summer."

In striking contrast is the pay of the members of the Coast Guard, in many instances adjoining neighbors to the lighthouse keepers and doing similar work. As against $555 for the keeper, the captain of a coast-guard station receives $1,000 a year, the No. 1 surfman $840, and an ordinary surfman just entering the service $780. In addition, with the coast-guard men, there is a provision for longevity pay sometimes amounting to as much as 40 per cent. Take the case of allowances again: The coast-guard man is given 40 cents a day for rations, as against 30 cents for his less fortunate neighbor, and a clothing allowance of $50 the first year and $20 each succeeding year, as against nothing for the lighthouse man. And to cap the climax, gentlemen, when the coast-guard man becomes too old for further service the Government generously retires him on a pension, while there is no avenue left for the aged lighthouse keeper except the public almshouse.

Mr. Chairman, I have no criticism to make of the Coast Guard. There is no more courageous class in the country, no body of men doing a more noble work, and I glory in the fact that Congress a few years ago realized this and placed them on a footing where they belonged. But I want to see this justice extended. I want to see the lighthouse keepers put on the same footing. I want to see them paid a living wage during their activity, and I want to see provision made for their retirement to some other life than that of a public charge when they become too old to longer serve their country.

Mr. BYRNS of Tennessee. I yield five minutes to the gentleman from Missouri [Mr. HAMLIN].

Mr. HAMLIN. Mr. Chairman and gentlemen, I shall vote for the proposition brought in by the committee, but I should like to see it amended in some particulars in order to improve it. I am somewhat surprised that my good friend from Illinois, Mr. RAINEY, and also my friend from Kentucky, Mr. HELM, should seek to prejudice the minds of this House against this proposition by trying to compare the salaries received by the civil employees of the Government with the sacrifices being made by our brave and gallant boys at the front. That is impossible. We can not compare any position in civil life with that of the boys who are offering to make the supreme sacrifice for the flag and freedom of their country. [Applause.]

So the only purpose these gentlemen could have had in referring to that matter, and seeking to make that comparison, was to prejudice the minds of this committee against the proposition now before us. Let me remind these two gentlemen that I have a recollection, and I do not have to go back but a very few days, when we were considering a provision in this bill which sought to increase by $500 the salary of a man now receiving $4,000 a year, and of two more who are receiving $4,000 a year each, increasing their salaries $1,000 a year, neither the gentleman from Illinois [Mr. RAINEY] nor the gentleman from Kentucky [Mr. HELM] were here to raise their voices against that increase. [Applause.]

Mr. RAINEY. Will the gentleman advise me when that was?

Mr. HAMLIN. It was only three or four days ago.

Mr. RAINEY. I will say that raids on the Treasury are so numerous that a man can not leave the Hall without missing one.

Mr. HAMLIN. The gentleman seeking to pose as the watchdog of the Treasury ought to stay here, and not be absent when the big increases are proposed, and only show up when there is a proposition being considered to give a small pittance to some clerk in a department who is not receiving enough to keep soul and body together. [Applause.]

Mr. RAINEY again rose.

The CHAIRMAN. Does the gentleman yield?

Mr. HAMLIN. I can not yield further. I have only five minutes. I should like to yield if I could.

The CHAIRMAN. The gentleman declines to yield.

Mr. HAMLIN. The gentleman from Kentucky [Mr. SHERLEY] laid down this proposition, to which I heartily subscribe, that the basic reason for this increase is the fact that there is a stated expense incumbent upon everybody, regardless of his situation in life, regardless of the compensation received by him, that must be met by everyone alike. That is exactly the position I took the other day. It is the position I take now, and I will say that a clerk receiving $480, or $600, or $720, or $840 a year does not receive enough to meet these stated vital living expenses in these abnormal times.

My criticism of this amendment is the fact that I do not believe in these war times, when the resources of the Government are being strained to the very limit, we ought to increase the salaries of men receiving $2,000 or more a year one single penny. Perhaps a man receiving $2,000 a year earns more than that, but he is receiving enough money to meet the vital necessities of life, and we do not need to increase his salary at this time. But I do say that a $120 flat increase to a man receiving only $480 is not enough. An increase of $120 to the $720 clerk is not enough. An increase of $120 to the $840 clerk is not enough. If nobody else does, I shall offer an amendment increasing the salary of all clerks now receiving $1,000 and less $200 a year, instead of $120, and those receiving from $1,000 to $1,500 $150 a year, and those receiving over $1,500 and not more than $1,800 a year $75, but I would not go above the $1,800 limit. I believe that ought to be done, because there are two things that this Government can not afford to do at this time. The Government can not afford to ask anybody to work for it for a wage less than will enable him to meet the actual stated vital expenses of living. And then we ought not now to increase the salaries of those who are receiving enough to meet their expenses and enjoy the comforts of life.

That my position on this question may not be misunderstood I will say that under existing conditions I would not favor increasing any salary except those which are so low that it will not enable the recipient to meet reasonable living expenses. When I say reasonable, of course I mean a comfortable living. On the other hand, I think this is not the time to increase salaries simply because we feel that the present salary is not com-

mensurate with the qualifications of the person performing the service or not in keeping with the dignity of the position held.

The only criticism of this bill in regard to salaries that I have had is that the committee recommended large increases to certain individuals now drawing $4,000 and $4,500 a year, respectively. To my mind that proposition in these times of stress is not justified, and the most remarkable thing about it all is that of all the gentlemen who are protesting so vigorously against the comparatively insignificant increase of $120 a year to clerks drawing $2,000 a year and less, not one of them raised his voice to oppose a proposition to increase the salary of the Chief of the Efficiency Bureau from $4,500 to $5,000 per annum and the salary of the President of the Civil Service Commission from $4,500 to $5,000, and the other two Civil Service Commissioners from $4,000 to $5,000 each per annum. Here was a proposition where the increase for one employee proposed in the bill was as much as the entire salary now received by each of over 100,000 clerks working for the Government. I felt that that was not fair, and that is why I opposed those proposed increases.

My position not only on the question of salaries, but in every other line of activity during this war, is that great sacrifices must be made, but that things should be adjusted in such a way that these sacrifices will be distributed as equally as may be among all people and classes. No favoritism should be shown.

While I am going to vote for this amendment as reported by the committee, in case it can not be amended, yet I feel that the clerk receiving $2,000 a year does not need the increase as badly as the one receiving $720 or $840, or, in fact, any of these low salaries. For that reason I hope to see the bill amended so as to give the principal increase to those who need it most.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, in order to show the spirit, temper, and teeth of the organizations who are demanding this increase I want to read to you colleagues two excerpts from a petition which has been sent from one city in my district:

* * * * * * *

Whereas a member of the Cabinet of the President of these United States has stated in his annual report that the organization of employees in his particular branch of the Federal Government is a menace to the public service; that such employees, though justly compensated (as he claims), are making many selfish demands, are endeavoring to unjustly influence Congress, and will inevitably go out on a strike, and that they will make impossible a provision for the economic conduct of the service—

And so forth—

Therefore be it

Resolved by the El Paso Central Labor Union of El Paso, Tex., and vicinity, That we, the representatives of over 3,000 workingmen of El Paso and vicinity, denounce and brand the statements of the said member of the Cabinet of our President as untrue, misleading, and farfetched in the main, and that we sincerely regret that he is a citizen of these United States and of the fair State of Texas and is a member of the Cabinet of the President of these United States, and do hope and trust that his resignation will be requested, if he shall not have the honor and manhood to present the same.

* * * * * * *

Simply because the able Postmaster General of the United States, Hon. Albert S. Burleson, under a sense of duty felt compelled to make certain recommendations to insure the best and most efficient service to the Government, organized labor is *trying to cudgel* him out of office. I was reared to young manhood on a farm and worked my own way through the university of my native State, and knowing by actual experience the many hardships which beset the man who toils for his daily bread, my heart has always beat in close sympathy with the labor problems of the land; but when organized labor becomes bigger than the Government and in a war crisis is selfishly making demand after demand at the expense of millions and millions of the unorganized toilers of our country, I must raise my voice against it, even though it may cause strong political antagonism against me in the future.

This is the spirit and temper of the organizations that are demanding this increase at this time. That is why, for one good reason, I am going to vote against this amendment. I want to say to my colleagues that I do not believe that there is a class of workmen anywhere in existence who are better cared for than the clerks in the employ of the United States Government, save and except postal employees and certain postmasters. Why, they get 30 days' vacation in summer on full pay; they get every single holiday that is enjoyed by the banks or individuals; they get each and every one of the 52 Sundays—something that the Members of Congress do not get. [Laughter.] They are entitled to as many as 30 days' sick leave on doctor's certificate on full pay. They enjoy the privilege of 12 half holidays in the summer and others on all special occasions in Washington.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask for two minutes more.

Mr. BYRNS of Tennessee. I will yield the balance of my time to the gentleman. How much time have I left, Mr. Chairman?

The CHAIRMAN. The gentleman has five minutes.

Mr. BYRNS of Tennessee. I will yield two minutes to the gentleman from Texas.

Mr. BLANTON. I will state to you gentlemen that these clerks are housed in the most comfortable quarters imaginable; they are surrounded by every kind of luxury found in department buildings; you will find many of them wearing the best tailor-made clothes in Washington, and many of them drive their own automobiles every day on the streets of this city. [Laughter.] You will find many of them in the most popular theaters in the city.

Mr. JOHNSON of Washington. And they do all this on $480 a year?

Mr. BLANTON. That $480 a year is a myth. The new employees that have been coming here day after day from my district have been entered on the department pay roll at $75 a month, with increases, when some of them do not know how to run a typewriter and are absolutely inexperienced, and could not draw $40 a month in their home towns. [Applause.]

I know of assistant bank cashiers in my district, filling important and honorable positions of trust in national banks requiring high business qualifications, who do not now get over $100 per month. I know of a young lady who was drawing a salary of $60 in a bank in New Orleans, who accepted a position as interpreter of French in the Ordnance Department, beginning at a salary of $1,100, and one day this week she remarked to a friend that all she did that day was to translate three short letters, and that often she had nothing to do at all. I was told by the principal of Wood's Commercial College that girls are constantly being taken out of his school who hardly know the keyboard of a typewriter and started in at $1,000 and $1,100 salaries by the Government. I know of an employee in The Adjutant General's Office drawing $1,400 a year who is the secretary of a labor organization, and who spends part of his time during office hours in soliciting clerks to join the union, arguing to them convincingly how much influence over Congress such unions can exert in their behalf.

There is hardly a department in Washington where if the employees all worked faithfully and diligently eight hours a day it would not be possible to dispense with at least one-third of the employees. I have been told by conscientious clerks from my district working here that if Members of Congress could only see how much time is wasted each day, how much time is used by cigarette smokers in rolling, lighting, and smoking from 10 to 20 cigarettes each day, how much time is wasted by social conversations each day between many young men and young women, see just exactly how many soldiering, time-wasting, clock watchers there are in the various departments of Government service in Washington among the 240,000 employees whose salaries this amendment seeks to raise, and which $28,000,000 increase the now already overburdened taxpayers will have to pay, that instead of granting this increase to each and every one of them alike, we would take steps to weed out these incompetents, decrease the salaries of the slackers, and raise the salaries only of the diligent employees who are giving good service and deserve it.

I have a 15-year-old son who is an employee of this House, receiving $2.50 per day, and no man in Washington better earns his pay, for from the day this session met in December he has not missed an hour, but sits at that desk there from the time Congress meets every day until it adjourns, including the Sunday sessions we have had, yet I do not think that he is entitled to the increase which this amendment would give him, and I am going to vote against it.

I am in favor of granting a substantial increase in salary to certain second, third, and fourth class postmasters, post-office clerks, railway mail clerks, and rural carriers, who are now making less than any family can live upon, and I think that we should not further delay the passage of the bill providing for their relief, but this amendment offers them no relief whatever.

But during this war crisis, when we are taking young men between the ages of 21 and 31 from their families, their wives and children, and their private businesses, and forcing them to fight in the trenches, knee-deep in mud, for $30 per month, it does occur to me that these 240,000 employees we let stay safely at home, who are to be benefited by this bill, and most of whom get salaries ranging from $1,100 to $2,000, ought to be willing to make some sacrifice, dispense with some of their accustomed luxuries and extravagances, and neither demand these

increases nor protest against working eight hours a day, especially while safely living in the Capital, and many filling positions vacated by soldier boys now in the trenches of France. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield the balance of my time to the gentleman from Missouri [Mr. RUCKER].

The CHAIRMAN. The gentleman from Tennessee has exhausted his time. [Laughter.]

Mr. RUCKER. Mr. Chairman, a parliamentary inquiry. Was this a trick purposely played on me by the gentleman from Tennessee? [Laughter.]

The CHAIRMAN. The time is kept by the timekeeper at the desk.

Mr. STAFFORD. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman from Wisconsin has 17 minutes.

Mr. STAFFORD. I yield seven minutes to the gentleman from Iowa [Mr. GOOD].

Mr. GOOD. Mr. Chairman and gentlemen of the House, we are passing through abnormal times. We must make unusual provision for the support of Government employees. Any gentleman who closes his eyes to the fact that all commodities of life have risen and who tries to solve this question without the increased cost of living will fail to find a correct solution. We must in some way do what the industrial, commercial, and financial interests of the country have done in the way of increasing the pay of Federal employees. We ought to do it in a large way and with fine spirit. All admit that the Government should be a model employer. On the other hand, the person who would set no limit to the increase he would grant to the Federal employees would do a great injustice to the Treasury of the United States. He would do a great injustice to the millions of patriotic men and women who are called upon to buy liberty bonds in order to place money in the Treasury with which to pay this increased compensation.

It has been said on the one hand that we have gone too far, and on the other hand that we have not gone far enough. Some would grant no increase in pay of Federal clerks, while others would make the sky the limit. These positions were presented to the subcommittee. We conducted the hearings and the committee tried to strike a golden mean somewhere between the two extremes. I believe if you will read the hearings conducted by the subcommittee you will find that we have, on the whole, dealt very liberally with the Federal employees. There are inequities in the provision. Some will get too much and some too little under its provisions. The Federal employees have, I think, labored under some misapprehension of the facts due to the statements made by a part of the Washington press. I do not see how some of the publishers of the Washington newspapers, who pay practically the lowest wages in Washington, much less than the Government pays for similar work, can look the reporter in the face when they hand him his little stipend of about $25 a week for doing high-class newspaper service. [Applause.] Let the newspaper publisher read the hearings and increase the pay of his stenographers, reporters, and bookkeepers somewhere near the standard price of the Government, and then they will have a right to criticize Congress for not appropriating more money for Government clerks. [Applause.]

The committee made some real investigation of this subject. This amendment is offered only after full study and investigation. We caused to be sent to 132 cities in the United States inquiries requesting data from manufacturers and employers of labor, and I have here a graphic showing the result of that investigation. Manufacturers and employers of labor all over the country were asked what wage they paid for a certain class of work. Take the first class, female bookkeepers, No. 1, preparing schedules, and so forth. We found that the wage scale of the private employer has gone up in that class from $460 in 1914 to $660 in 1918. The pay of the Federal Government for the same class of work in 1914 was $1,020 as compared with $460 in private employment, and that Federal wage has increased from $1,020 in 1914 to $1,170 in 1918, and so on all the way through. On the whole, for clerical work the investigation shows that the Government pays a wage from $200 to $300 a year more than is paid by the private employer for the same grade of work. Take promotions. Last year there was one department of the Government that promoted 130 per cent of its employees, and these promotions averaged $200 each.

Mr. RUCKER. Mr. Chairman, will the gentleman yield?

Mr. GOOD. No.

Mr. RUCKER. I just wanted to find out if that was in the Pension Office.

Mr. CARTER of Oklahoma. The gentleman has his per cent wrong, has he not?

Mr. GOOD. No; that is correct. That is to say, every employee in that department was promoted once, and 30 per cent were promoted twice. Take the War Department, for instance. Over 90 per cent of the employees in the War Department last year were promoted and most of these promotions amounted to $200 and some of them amounted to $600. One gentleman, a private employer, came here, brought by the organization furthering the Keating bill, and spoke of the magnanimous treatment his concern was affording its employees. He had instituted a very humane plan to increase the pay of his employees. His plan was commendable. Yet he admitted that stenographers coming into his employment who had two years experience were taken in at from $8 to $10 a week, and that his own private secretary, who was a relative and who had been in the employ for 10 years—and there was none better, that she could conduct the business—received, before he instituted this new and humane plan, $20 a week, and after the increase she got only $105 a month. Yet I undertake to say for that class of employment the Government of the United States is paying from $1,600 to $1,800 a year, and in many cases more.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GOOD. I will ask the gentleman to yield me two minutes more.

Mr. STAFFORD. Mr. Chairman, I yield the gentleman two minutes more.

Mr. GOOD. It seems to me that we ought to be fair to the employees, but at the same time we must be just to the hundred million people who are called upon to buy liberty bonds, to pay the salaries that you are voting to-day. I do not subscribe to the statement that we must increase the wages correspondingly to the increase in the cost of living. There is not a person in all this land who should be permitted to escape from the sacrifice to maintain the flag of the United States in our present war [applause], and I would not write into the statutes of my country a provision that all of the hundred millions of people should make the sacrifice in this regard except the clerk who is working for the Government of the United States, and I do not believe a single clerk is asking that. All of us are compelled to retrench because of the high cost of living. The Government clerk must make some sacrifice also.

Mr. STAFFORD. Mr. Chairman, I yield two minutes to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Chairman, in the two minutes allotted me I desire to call the attention of the House to the inconsistency of the gentleman from Texas [Mr. BLANTON], who is decrying the very small raise provided by this amendment to the employees of this Government. Mr. BLANTON is being fairly well paid for his services at $7,500 a year. In addition to that he is receiving, as I am informed, more than $700 mileage per session; also $2,000 a year for a son, who is a clerk in his office.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. I can not yield now.

Mr. BLANTON. The gentleman would not want to make a misstatement.

Mr. WOOD of Indiana. What is your clerk's name?

Mr. BLANTON. My son is a clerk, but my son gets very little of that money. Mrs. R. L. Arceneaux is one of my clerks in my office at $1,200 a year, and from time to time I have had various other employees.

Mr. WOOD of Indiana. He also has a son on the page's bench at $83 a month—nearly the sum that he says the cashiers of the banks receive down in his State. So I think the gentlemen who live in glass houses should not throw stones. The amount that is provided for by this amendment as an increase helps some. It does not help as much as the committee would desire to have it, but in these times when sacrifices are being made by all, the clerks are willing to make some sacrifice themselves, but we must be just to these people who are quite as necessary here doing their bit in these offices as those on the firing line—and I am not here to detract one iota of honor from the great duty they are performing; but without the help of these clerks, without the help of these servants of the Nation, our men in arms could not go very far nor last very long. This $120 will not be a great amount for any person under present prices, but it will help some in enabling them to live in accord with the American standard of living, and not in accord with the debased standard of Europe.

Mr. STAFFORD. Mr. Chairman, last year in the legislative bill we provided an increase of 10 per cent for all appropriated

for by the bill and who entered the service before June 30, 1917, who received less than $1,200 and 5 per cent for those who received $1,200 up to $1,800. For two months and more, while the subcommittee has been considering the legislative appropriation bill, we have had before us continuously the question of what plan the committee should follow in recommending increases to the Government clerks during the next fiscal year. After long deliberation we found that the percentage plan was inequitable in its operation, and so the committee decided on a level amount to be paid to all Government employees receiving salaries of $2,000 and under. That is not equitable to some, I am sure, and if we could have apportioned it so as to provide a larger amount for some—for instance, those having families dependent upon them, or dependents—we might have done so, but we found that was not workable.

Then some of the committee believe those who were appointed from lump-sum appropriations and who have been recently brought into the Government service, and there are thousands of those, whose salaries are based upon existing pay in commercial employment, that they should be excluded; but after deliberation, we decided that they also should be included.

Much emphasis on the part of those who would increase this amount has been laid as to those who receive $480 and $500 or $600. I want to say to the members of this committee that if you study this bill you will find that those who receive $480, $500, or under $600 are mostly boys who perform the work of messengers, and that the lowest paid salary of men employed in the departments, unskilled-labor positions, is $660. Your subcommittee, in framing the bill, in every instance raised the salary of unskilled laborers where it was shown they were receiving to $660, the statutory rate. Watchmen receive $720, messengers, $840, and artisans with higher pay. I have in my hand a schedule showing that in industrial and commercial employment the salary of watchmen is $200 less than what we are paying in the Government service. And mark you, my fellow Members, that while it is easy to get up here on the floor and declaim in favor of these low-salaried people in the Government employ, we all know that somehow or other we live on different scales; and while we do wish to do equity to all, nevertheless this is not the place to rearrange the salaries of Government employees or to equalize any existing disparities.

The one question before the committee is whether we should adopt a level increase to apply to all classes up to a certain amount that will do equity in a large way. There are many—in my opinion the vast majority—employed in stenographic positions, who are being paid from $900 to $1,200, who have no one dependent upon them, aggregating 15,000, who have come here from all over the country, in some instances receiving threefold what they were receiving in private employment at home, and in many instances twofold, and in all instances 25 per cent more than what they were receiving at home. Study this schedule further and you will find almost without exception that the Government is paying more for similar services than private employers are paying, paying more with less hours of employment, not only less hours of employment but with less work performed, for we all know that in Government employment, like under Government operation of anything, the Government does not get as large a return out of the employment as would a private employer. This committee does not wish to do aught that is wrong to this great army of employees. We have in presenting this resolution to you, speaking in a large way, doubled the allowance that was voted last year. Surely no one will contend that the cost of living in the next fiscal year, to which this applies, will be 100 per cent more than the cost of living during the present fiscal year. Thirteen million dollars is the amount that has been estimated as being paid in increased allowances under the existing system. It is estimated that under this proposal it will be from $25,000,000 to $28,000,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer an amendment to perfect the paragraph.

The CHAIRMAN. There will have to be a paragraph read.

Mr. BYRNS of Tennessee. I beg the Chair's pardon. I thought a paragraph had been read. I offered an amendment, which was adopted, to the first paragraph.

The CHAIRMAN. The Chair finds that yesterday the first paragraph was read and then agreement was made as to general debate. The Clerk will report the amendment offered by the gentleman from Tennessee.

The Clerk read as follows:

Page 2, line 7, after the words "certification of," insert the words "the person in the legislative branch or."

Mr. BYRNS of Tennessee. Mr. Chairman, this amendment is simply offered to perfect the paragraph. Under this paragraph those who came into the service after June 30, 1917, and those who were in the service prior to that time and who, either during the fiscal year of 1918 or 1919 have received promotion in excess of $200 are not entitled to this sum of $120, unless certified by the head of the department or establishment in which they are serving. Now, this paragraph also applies to the legislative branch, the Congressional Library, the Government Printing Office, which is a part of the legislative branch, and this is simply to perfect it so as to make provision for a proper certifying head in this branch of Government service.

Mr. COOPER of Wisconsin. Will the gentleman yield to answer a question?

Mr. BYRNS of Tennessee. I do.

Mr. COOPER of Wisconsin. The gentleman has just spoken of some Government employees having received recently an increase in wages or salary of $200 a year.

Mr. BYRNS of Tennessee. I did not make that statement, but there are quite a number of employees, a great many of them, as pointed out by the gentleman from Iowa [Mr. GOOD].

Mr. COOPER of Wisconsin. I understand the proposition of the gentleman from Tennessee is that none of those who have received that $200 of increase shall receive the increase contemplated in the pending amendment without a certification from their superior officer. Is that it?

Mr. BYRNS of Tennessee. That is the language of the paragraph.

Mr. COOPER of Wisconsin. Now, I want to ask a question——

Mr. STAFFORD. If the gentleman will yield in that particular for one minute, if the gentleman will permit, the gentleman's inquiry is whether those who have received a promotion of $200 would not be excluded by reason of this provision. We purposely in the committee provided that they should have received more than $200 in order to exclude them so that those receiving $200 will still be the recipients of the $120 without certification.

Mr. BYRNS of Tennessee. Oh, yes. According to the plain wording of the paragraph it is only those who receive in excess of $200 by way of promotion for whom certification is required.

Mr. COOPER of Wisconsin. If that is true, will the gentleman from Tennessee please tell who of the employees it is that will require certification?

Mr. BYRNS of Tennessee. There are two classes. In the first place, those employees of the Government who were in the service prior to June 30, 1917, and who have, either during the fiscal year 1918 or the fiscal year 1919, received an increase in salary in excess of $200. Now, that is one class. The other class is the employee who has come into the service since June 30, 1917.

Mr. COOPER of Wisconsin. Now, I wish to ask this question: Does the gentleman from Tennessee know, of those employees who receive an increase of $200, what their respective salaries amount to, including that increase of $200—the lowest pay?

Mr. BYRNS of Tennessee. The total amount is a matter purely of calculation. Such increases apply largely to the clerical grades.

Mr. COOPER of Wisconsin. But that is very important indeed if we are going to the justness of this amendment. A man might be getting $200 increase on a $480 salary, and in these times, with the high cost of living, he would only receive $680, not a living wage in the city of Washington.

Mr. BYRNS of Tennessee. But the gentleman will notice in such case the question of whether he participates in this fund is left entirely with the administrative head of the department.

Mr. COOPER of Wisconsin. It ought not to be. A man who receives no more than $680 in the city of Washington ought to receive the increase of $120 above that $680, including a prior increase of $200. So it is exceedingly important before that amendment is passed that we should know what the wages are of those people who did receive the increase of $200. With the $200 increase they might not then be receiving a living wage.

Mr. STAFFORD. I wish to say in reply to the query of my colleague that the purpose of the certification is not to extend to the lower-priced employees of the Government. In rare instances would they have received the $200 increase or more. But it is to apply to that large army of clerks who are being paid out of lump-sum appropriations, who have been brought into the service only recently, where the department heads have been privileged to pay them any salary whatever.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. BYRNS] has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. BYRNS of Tennessee. I understand, Mr. Chairman, that according to the agreement the debate was to be confined to germane and material amendments. The gentleman can speak in opposition to the amendment.

Mr. COOPER of Wisconsin. I rise in opposition to—whatever it is. [Laughter.]

I want to say in reply to my colleague from Wisconsin [Mr. STAFFORD] that in voting for or against this amendment it is not a question of what was intended by the amendment, but of what the amendment will permit; what it authorizes to be done. If there is a good, kind man at the head of a bureau, he will not fail to do justice, at least to the best of his ability, to those who are under his charge, but if there be a man—and there are some of them—who is not kind, and is in charge of a bureau, those under him are at his mercy. He will play favorites every time. [Applause.] I absolutely know that to be true in the administration of some of the bureaus right in this city, and so does every other Member of the House who has had much experience in those departments. So that the law which we enact ought by its terms to provide explicitly and with justice what salaries shall be paid to the employees of this Government; and it ought not to be left to the discretion of a bureau chief to say whether he will or will not certify to A, who ought to get the additional $120, and deny it to B, when B may be the better, more efficient clerk.

Mr. GOOD. The gentleman asked for information, and I think I can give it to him from this statement:

The law fixes the salaries of the charwomen at $240 a year; of laborers at $660 a year; assistant telephone switchboard operators, $600; telephone switchboard operators, $720; firemen, $720; watchmen, $720; assistant messengers, $720; messengers, $840; copyists, $900; clerks of class 1, $1,200; class 2, $1,400; clerks of class 3, $1,600; and clerks of class 4, $1,800.

Mr. COOPER of Wisconsin. What the gentleman has just read is very interesting and highly instructive, but that is not germane to the question raised now here before the committee. There is in this amendment a provision that bureau chiefs or somebody else in authority in these departments shall have the discretion arbitrarily to certify that, in his judgment, certain employees are entitled to receive $120, and that certain other employees are not. We ought to fix the terms under which these increases are to be paid, and not leave it to the discretion of bureau chiefs, who sometimes are very far from being fair. Many of these chiefs are excellent men and do justice to those under them, but I say what is a fact, as every gentleman on the floor knows, that there have been bureau chiefs who deliberately outraged the rights of their subordinates. We should in the law itself say who shall receive these certificates, if certificates are to be required, and under what terms they are to be issued. I am in favor of fixing absolutely by law what employees shall receive increases in salary from the United States Treasury and what the increases shall be.

Mr. GOOD. Will the gentleman explain how he is going to do that when we have appropriated already $10,000,000 to one bureau to spend in a lump sum in its discretion?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired. The question is on agreeing to the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

Mr. COX. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

Mr. COX. I ask unanimous consent, first, Mr. Chairman, to revise and extend my remarks.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, a parliamenary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McLAUGHLIN of Michigan. I sent an amendment to the desk—an amendment to the first section. Has not my amendment priority?

The CHAIRMAN. An amendment has to be offered and read from the desk. The gentleman stated when he submitted his amendment that it was read for the purpose of information. The gentleman will have to get recognition to offer his amendment.

Mr. McLAUGHLIN of Michigan. That is what I understood I had done. I will ask for recognition after the gentleman from Indiana.

The CHAIRMAN. The gentleman will get recognition, but the Chair will not promise him recognition at any particular time.

Mr. COX. Mr. Chairman, I ask that my amendment be reported.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Indiana.

The Clerk read as follows:

Amendment offered by Mr. COX: Amend by inserting the following after the word "Columbia," in line 2, page 1: "who are married, having families dependent upon them for support or unmarried employees having a dependent parent, or parents, or dependent brothers and sisters to support," and insert the following, after the words "per annum," in line 7, page 1: "All other employees shall receive an additional compensation of $5 per month."

Mr. COX. Mr. Chairman and gentlemen of the committee, the plain purport of my amendment is simply this: It allows the $10 per month to every man who is married or the head of a family, or every clerk or employee of the Government who has a dependent father, or mother, or brother, or sister dependent upon him for support. My amendment grants him $10 per month. To the single employee it allows only $5 per month.

I have not had time to read all the hearings of all the clerks who appeared before our committee, but the vast majority of them I heard myself. I do not recall a single employee before our committee that ever said that he was underpaid for the work he was doing. Every one of them laid claim to an increased salary because of the increased cost of living. If anybody is entitled to an increase of compensation, it certainly is the man at the head of a family or the woman, perchance, it may be, at the head of a family, or the man who has an old, decrepit father or mother or sister depending upon him or her for support.

This amendment, Mr. Chairman, will take care of the downright needy cases in the Government. There is no question about that. It will save millions of dollars to the Government. I know that men will rise here and argue that this is socialism. This is the French system exactly. We are operating on that same system in our income tax. A married man is entitled to an exemption of $2,000 on his income and $200 for each child. A single person is entitled to an exemption of $1,000, so that the principle has been well established in this country.

Now, it has been said here time and time again that the Government ought to be a model employer. I do not know just what the advocates of that academic phrase mean when they use it. If they mean that the Government ought to pay as high a wage as private employers pay I want to call attention to some very significant figures, and I ask at this point to insert them in my remarks. I hold in my hand a true copy of a sworn report of a trunk-line railroad entering the city of Washington, prepared for the use of the wage board of the Interstate Commerce Commission, in which they asked for five typical cases of all the trunk-line railroads that enter the District of Columbia.

Out of 387 clerks, gentleman, 106 of them receive salaries of from $75 to $80 per month; 112 receive salaries of from $80 to $90; 71 receive salaries of from $90 to $100; 37 receive salaries of from $100 to $110; 29 receive salaries of from $110 to $120; 10 receive salaries of from $120 to $130; 8 receive salaries of from $130 to $140; 2 receive salaries of from $140 to $150; 1 receives a salary from $160 to $170; and 1 from $170 to $180.

Of those who receive a salary below $900 per annum, out of a total 616 clerks, 3 receive a salary of less than $30 a month, 9 receive a salary of from $30 to $40 a month, 46 receive a salary of from $40 to $50 a month, 137 receive a salary of $50 to $60 per month, 318 receive a salary of from $60 to $70 per month, and 103 receive a salary of from $70 to $75 per month.

Of those who receive a salary of less than $720 a year, 9 receive a monthly salary of less than $30, 7 receive a salary of from $30 to $40, 8 a salary of from $40 to $50, and 5 receive a salary of from $50 to $60 per month.

This whole proposition is summarized in this little paragraph in this same statement of the railroads:

Two hundred and ninety-nine clerks receive $75 to $100 per month.
Six hundred and sixteen clerks receive $30 to $75 per month.
A total of 915 clerks received $100 and less per month out of a grand total of 1,042 employees covered by the report.

I have written to some of the leading insurance companies in the United States. I am not prepared to put their letters in the RECORD, because, although they have given me the information frankly, they have asked me not to make their letters public. These companies start their employees at an average of $40 a month, and it takes them from 7 to 10 years before they reach $75 a month.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COX. I append to my remarks the following statistical table and memorandum:

Pay of railway employees.

CLERKS, $900 AND UPWARD (EXCLUDING TELEGRAPHER CLERKS).

Rate per month.	Days per week.	Total number employees.	Eight-hour day.			Nine to twelve hour day.		
			Number employees.	Number actually working overtime.	Number due to receive pro rata pay for overtime.	Number employees.	Number actually working overtime.	Number due to receive pro rata pay for overtime.
$75 to $80	6	53	17	5	.....	36	3	6
	7	53	15	5	.....	38	1	.....
$80 to $90	6	53	6	.....	.....	47	3	4
	7	69	24	5	.....	45	2	.....
$90 to $100	6	43	7	2	.....	36	.....	.....
	7	28	11	1	.....	17	4	.....
$100 to $110	6	16	3	2	.....	13	1	.....
	7	21	4	.....	.....	17	1	.....
$110 to $120	6	15	2	.....	.....	13	.....	.....
	7	14	2	.....	.....	12	4	.....
$120 to $130	6	1	.....	.....	.....	1	.....	.....
	7	9	5	1	.....	4	.....	.....
$130 to $140	6	3	.....	.....	.....	3	.....	.....
	7	5	3	1	.....	2	.....	.....
$140 to $150	6	.....	.....	.....	.....	.....	.....	.....
	7	2	.....	.....	.....	2	.....	.....
$150 to $160	6	.....	.....	.....	.....	.....	.....	.....
	7	.....	.....	.....	.....	.....	.....	.....
$160 to $170	6	.....	.....	.....	.....	.....	.....	.....
	7	1	.....	.....	.....	1	.....	.....
$170 to $180	6	.....	.....	.....	.....	.....	.....	.....
	7	1	.....	.....	.....	1	.....	.....
Total	.....	387	99	22	.....	238	19	10

CLERKS, BELOW $900 (EXCLUDING TELEGRAPHER CLERKS).

Less than $30	6	.....	.....	.....	.....	.....	.....	.....
	7	3	.....	.....	.....	3	.....	.....
$30 to $40	6	3	.....	.....	.....	3	.....	.....
	7	6	.....	.....	.....	6	.....	.....
$40 to $50	6	28	.....	.....	.....	28	3	.....
	7	18	1	.....	.....	17	1	.....
$50 to $60	6	54	4	.....	.....	50	8	.....
	7	83	10	.....	.....	73	2	.....
$60 to $70	6	169	17	4	.....	152	25	.....
	7	140	13	1	.....	136	2	.....
$70 to $75	6	64	11	2	.....	53	8	8
	7	39	8	.....	.....	31	.....	.....
Total	.....	616	64	7	.....	552	49	8

MESSENGERS AND ATTENDANTS, $720 AND BELOW.

Less than $30	6	1	.....	.....	.....	1	.....	.....
	7	18	1	.....	.....	17	.....	.....
$30 to $40	6	1	1	.....	.....	5	.....	.....
	7	6	1	1	.....	.....	.....	.....
$40 to $50	6	2	.....	.....	.....	2	.....	.....
	7	6	.....	.....	.....	6	.....	.....
$50 to $60	6	.....	.....	.....	.....	.....	.....	.....
	7	5	.....	.....	.....	5	.....	.....
Total	.....	39	3	1	.....	36	.....	.....

MEMORANDUM.

The attached table represents an analysis of data submitted to the railroad wage commission of the Interstate Commerce Commission by one of the important railroad systems operating through Washington, D. C., showing salaries paid to its clerical employees during the month of December, 1917. The analysis herewith is based on a summary submitted by the company covering five representative divisions of the company's system. The divisions reported on were selected by the railroad company under the following instructions from the commission:

"These divisions must be so selected as to avoid valid criticism as to their not being truly representative."

It may be assumed that the divisions selected are fairly representative of the salaries paid, for the reason that the data transmitted to the wage commission are to be considered in connection with demands for increases in wages during the war, and it would be to the interest of the railroad company to select divisions representing the better conditions of employment as to hours and salaries.

The following comparisons are significant:

Two hundred and ninety-nine clerks receive $75 to $100 per month.

Six hundred and sixteen clerks receive $30 to $75 per month.

A total of 915 clerks received $100 and less per month out of a grand total of 1,042 employees covered by the report.

I also append to my remarks the following, supplied to me by the Library of Congress:

LIBRARY OF CONGRESS,
Washington, March 1, 1918.

Hon. W. E. COX,
294 House Office Building, Washington, D. C.

DEAR SIR: In response to the request contained in your letter of the 27th ult., I am inclosing herewith a memorandum on allowances to married Government employees in France, which has been prepared in the Legislative Reference Division under my direction. We are unable to find any similar provisions for Great Britain and Germany.

Very truly, yours,

J. DAVID THOMPSON,
Law Librarian.

ALLOWANCES TO MARRIED GOVERNMENT EMPLOYEES IN FRANCE.

By the act of August 4, 1917, Government employees have been granted temporary salary increases on account of the high cost of living, effective from July 1, 1917. The decree of August 18, 1917, determines the nature of these allowances and their mode of payment, as follows:

Under the terms of this decree all Government employees—clerks, laborers, and workmen—who hold permanent positions remunerated according to a regular scale of wages and salaries are entitled to an annual increase of 540 francs when the salary is 3,000 francs or less and of 360 francs when the salary is between 3,000 and 5,000 francs. Employees under 16 years of age or those temporarily employed for the duration of the war are not entitled to this salary increase.

Employees receiving this temporary increase are also entitled to a special allowance on account of dependent children under 16 years of age or unable to work on account of disabilities. This allowance amounts annually to 100 francs for each of the first two children and to 200 francs for each additional child. Employees whose annual salary exceeds 5,000 francs may be granted a reduced allowance so as to receive as much as an employee at a salary of 5,000 francs with the same family charges.

The following are considered as being dependents for the purposes of this law:

1. The children for whom an employer must provide according to the civil code.

2. Brothers, sisters, nephews, and nieces for whom he provides because they are orphans.

3. The children of the husband or wife of the employee by a former marriage.

These allowances on account of dependents are payable monthy.

Source: Journal Official de la République Française, 1917, pages 6153 and 6574.

Mr. BYRNS of Tennessee. Mr. Chairman, the amendment which has been offered is not claimed to be an ideal solution of the proposition confronting Congress. It would require infinite wisdom to be able to frame an amendment which would do absolute justice in all cases. Necessarily there must be some inequities. I do believe that the committee has presented to the House the very best proposition that can be presented, guarding the Treasury of the United States and at the same time doing some measure of justice to the employees of the Government. It is true, as stated, that the sum allowed may not be sufficient to meet the full amount of the increased cost of living; but, as has been stated, every person is being called upon to make some sacrifices, and in a situation like this it is incumbent upon every person to practice economy. The committee have presented this amendment, feeling that, in responding to the insistent demand in Congress for legislation of this kind, it has treated all employees as fairly and equitably as was possible. The proposition submitted by the gentleman from Indiana [Mr. Cox] appeals to the sense of justice of everyone, because we all know that a man who has some one dependent upon him is subjected to greater hardship on account of the increased cost of living than one who has no dependents, and personally I would be very glad to see it worked out if it were possible; but I believe it to be wholly impracticable and impossible to work out a proposition of that kind. Why, it would cost in administration nearly as much money as we are appropriating for the increase of clerks. We might have a situation where there was a clerk in one department with a sister or brother in another department, both making claims on account of the same dependents. Again, the question would be put up to the head of the department as to the facts in a particular case. If a person claimed that back in his home State he had a dependent mother, an invalid father, or a dependent sister or brother, it would require investigation of, perhaps, field agents in order to determine the exact facts. The committee felt that, under all the circumstances, it was impracticable and impossible to put into effect the proposition submitted by the gentleman from Indiana [Mr. Cox.]

Mr. COX. Will the gentleman yield?

Mr. BYRNS of Tennessee. In a moment. I have said that inequities will necessarily result in the administration of this as they do in the administration of other matters; but I do believe that the committee have safeguarded this amendment as best they can.

Mr. COX. If the French Government is able to work it out—and it is—does not the gentleman feel that our Government ought to be able to do the same thing?

Mr. BYRNS of Tennessee. I do not know just what method the French Government follows, but I do not believe that it would be feasible or possible to put the amendment of the gentleman from Indiana into effect, because, as I have stated, it would require investigation and considerable administrative work. It might, as a matter of fact, require the establishment

of an independent bureau of this Government in order to verify the facts.

Mr. HARDY. Would not the amendment of the gentleman from Indiana, if attempted to be put into operation, possibly have the effect of inducing the Government to dismiss those clerks who had dependents and to retain those at lesser pay for the same service who had no dependents?

Mr. BYRNS of Tennessee. The suggestion made by the gentleman from Texas is a good one. That would be the result in private employment, and it might be the result in public employment.

Mr. COX. Where is the law that authorizes the Government to discharge any employee except for inefficiency? There is a civil-service regulation which prevents that.

Mr. BYRNS of Tennessee. It can be done under some circumstances.

Mr. COX. It can not be done unless an employee is inefficient.

Mr. BYRNS of Tennessee. I call for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. Cox].

The question was taken; and on a division (demanded by Mr. Cox) there were—ayes 4, noes 65.

Accordingly the amendment was rejected.

Mr. COX. Mr. Chairman, I offer the following amendment: In line 3 strike out the figures "$2,000" and insert "$1,600."

The CHAIRMAN. The gentleman from Indiana offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. Cox: Page 1, line 3, strike out "$2,000" and insert in lieu thereof "$1,600."

Mr. COX. Mr. Chairman and gentlemen of the committee, in my opinion—which may not be worth much, as it was not a moment ago—no one can justify himself in voting to increase salaries in excess of $1,600 a year. The argument has been made here this evening and will be made many times that these employees are not paid enough. I want to call the attention of this committee to the solemn fact that last October we passed what was called the war-risk bill. We took from hundreds of thousands of married women in this country their meal tickets, their husbands, and put those men in the Army. There are thousands of them in the cantonments and other thousands of them in France. Congress gave to these women $25 a month and $5 for each child, and that is all they can get. If a Government employee in this city or elsewhere can not live on $1,000 a year, in the name of God how are those wives and those children at home going to live? [Applause.] Gen. Sherwood said to me this morning that the average pension of the 285,000 old soldiers in this country was only $20 a month. But supposing it is $25 a month. Thousands upon thousands of these old soldiers have their wives yet. Thousands upon thousands of them are living upon their pensions. If these old men and old women, whose earning capacity is entirely gone, are required to live upon a little pension of $20 or $25 a month, do you not believe that the clerks here in the city of Washington can get along on $1,000 per year?

I am not one of those men who believe that all the brain power is concentrated in any one committee. Far from it. I am not one of those men who believe that all the brain power of this House is concentrated in the skull of any one man. Here is what we ought to do: We ought to take this top-heavy timber off of this bill and increase no man's salary above $1,600, but add it to the low-paid fellows before we get done with it. But I know what is coming. The gentleman from Missouri hit me very forcibly the other day. I have heard the argument, and I know what it will be.

Mr. RUCKER. Will the gentleman yield?

Mr. COX. No; I can not yield. I know the argument that is coming. "Stand by the committee." I never have been one of those men that stood by the committee unless I thought it was right. [Applause.] In this instance, in my opinion, the committee is wrong. You can not defend this proposition when you go back home. You can not look men in the face and tell them that you voted to increase the salaries of the clerks in the city of Washington going up as high as $2,000. Tell your laboring men that, tell the farmers that, and see how popular that is going to be. And then when the old soldier asks you how he is going to get along on $25 a month, answer that. When the wives of the boys now in the cantonments ask how you expect them to get along on $25 a month, explain that to them, will you not?

I am not a prophet, but, judging the future by the past, what is known as the Borland amendment will not get anywhere in the Committee of the Whole. When you go back to the district tell them that you voted to increase the compensation of the clerks and by your vote you imposed a tax of $29,000,000 on the taxpayers of the Nation, but look them square in the face and tell them that you refused to make them work eight hours a day. Tell them that, will you not? Ah, do not be driven to the wall like you were the other evening on the amendment of the gentleman from New York [Mr. LUNN]. Do not get stage-struck here because you have got a few city letter carriers and perchance a few members of organized labor in your district. Do not run to cover on this proposition like you did the other evening when you adopted the amendment of Mr. CANNON and then immediately agreed to the amendment of the gentleman from New York [Mr. LUNN], an amendment that took the very vitals out of the Cannon amendment, took its life away, and strangled it when you deliberately turned round and voted that amendment in. [Applause.]

Mr. RUCKER rose.

The CHAIRMAN. The gentleman from Missouri is recognized in opposition to the amendment.

Mr. RUCKER. Mr. Chairman, I have been much interested in the speech of the gentleman from Indiana [Mr. Cox]. I am glad to hear him announce that he has broken the shackles that bound him and no longer follows the lead of the great Committee on Appropriations, but within 36 hours from this time I appealed to the gentleman from Indiana [Mr. Cox] in behalf of the old soldier to whom he made reference a few minutes ago, and my recollection is that he refused to listen to my appeal and followed the commands of the committee.

Mr. COX. If the gentleman will get a pension bill in here to increase——

Mr. RUCKER. I can not yield to the gentleman for that. When I asked him to vote to supply sufficient employees to conduct the work of the Pension Office——

Mr. COX. I want the old soldiers to get it and not the clerks.

Mr. RUCKER. Mr. Chairman, can not I be protected? [Laughter.] I repeat when I asked the gentleman to help me secure legislation that would supply sufficient employees for the Pension Office, my recollection is that the gentleman followed the committee on that occasion. The committee was not fortified then as it is now. My Lord, they come in here to-day with blue prints to prove they are right. They did not have any blue prints to justify their unjust assault upon the Pension Office. [Laughter.]

Mr. Chairman, I am going to vote for this bill on its final passage provided it is amended so as to require every clerk in the departments of Government in the District of Columbia to work eight hours each day, but I will not vote for it unless it is so amended. [Applause.]

Mr. COX. I will vote for the amendment if the Borland amendment is put on, and I will not vote for it unless it is.

Mr. RUCKER. I am glad that the gentleman agrees with me, blue print or no blue print. [Laughter.] Mr. Chairman, I have accomplished my purpose and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. Cox) there were—ayes 31, noes 84.

So the amendment was rejected.

Mr. KEATING. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 1, line 7, after the word "of," strike out "$120" and insert "$180."

Mr. KEATING. Mr. Chairman, the amendment I have just offered would make a flat increase of $15 a month instead of $10 a month—the committee report being for $10 and my substitute being for $15. The effect would be, in percentages, that under the committee's amendment those who draw $600 would get 20 per cent; under my amendment they would get 30 per cent. If the committee amendment goes through, those who get $1,200 would get a 10 per cent increase, and if my amendment wins they would get 15 per cent increase.

The amendment I have offered is practically the standard adopted by the Committee on Post Offices and Post Roads in dealing with the postal employees. I take it for granted that the Members of the House are desirous of treating all civil-service employees alike; that they want to grant those who are outside of the Postal Service the same percentages of increase that they will grant those in the Postal Service. If you adopt the committee amendment it will be necessary for you, when the Madden bill comes before the House, to either reduce the percentages allowed to the postal employees or vote to grant postal employees more than you do other civil-service em-

ployees. I am very earnestly in favor of the Madden bill, and I hope we will not go below the standards set in that measure.

Mr. BLACK. Will the gentleman yield?

Mr. KEATING. No; I can not yield. I have not the time. Now, I believe that my amendment is a reasonable one. It is offered for the purpose of taking care of a portion of the increased cost of living. No one has been bold enough to suggest that the Government should meet the entire increase in the cost of living.

The committee presided over by the gentleman from Tennessee [Mr. BYRNS] conducted elaborate hearings. One of the most interesting witnesses was a Mr. Whitfield, proprietor of the Old Dutch Market here in Washington, a merchant of very wide experience, and he submitted figures which have not been questioned and can not be questioned.

He took 61 staple articles and gave us figures to show that the prices of those 61 staple articles had increased from December, 1915, to December, 1917, 98 per cent. Then he divided his figures so as to show what he said was the increase in pork products, which he said were the most important single item entering into the ordinary family budget. The price of pork products had increased from December 1, 1915, to December, 1917, 115 per cent, and this man sells these articles over his counters in this town. He then took the vegetable list and showed that the cost of vegetables had increased 200 per cent in two years. Then he took the beef division and showed that the increase in beef had been 62.6 per cent.

So I might go on, if the time allowed, citing figures of that kind, and I might support them by reading reports from your Government bureaus which absolutely sustain the figures submitted by Mr. Whitfield.

Gentlemen say these Government employees are so much better paid than others. My friends, I have here another Government publication, issued by the Bureau of Labor Statistics, showing the percentages of increase of compensation in all lines of endeavor. There is a report here from the Labor Bureau of New York State showing that, taking all classes of wages of all industries, the increase from 1914–15 to 1917 was 39 per cent. This is in private employment.

It gives a great, long list here of various crafts, various business enterprises, showing increases in salaries running all the way from 6 per cent to 105 per cent. I hope the amendment will be agreed to.

Mr. SHERLEY. Mr. Chairman, the amendment offered by the gentleman from Colorado, if adopted, would add fifteen millions at least to the increases to be paid to the clerks. The gentleman assumes that the way to determine this matter is to determine how much certain products have increased in price and then to make that percentage of increase in the salaries. I submit to the House that that is not a logical position. It starts on an assumption that is not true, namely, that salaries in the Government service represent only enough to barely buy food and keep people alive. I submit to the House that the testimony shows that the salaries being paid, speaking by and large, are higher than those paid in private life for the same character of work.

There is a double obligation upon all of us here, an obligation not only to do justice to the employees of the Government, but an obligation to do justice to the people who support the Government. The Government has no wealth of its own. What it gets and what it pays is paid by virtue of taxes levied on all the people. The committee, however, has brought in here a provision that does not necessarily represent the last word on the subject, but it represents a consensus of judgment after weeks of study by not only the Committee on Appropriations but by the other committees that have appropriating power. We submit to the House that the amendment offered by the gentleman from Colorado is extreme. It is just as extreme, in my judgment, as is the position taken by some gentlemen that no increase ought to be allowed. This is not an easy problem to solve, but somewhere between the extremes of those men who would not grant any increase and those that would grant anything that may be asked by any group of men who come with a request lies the equity of the situation. The proposal we have brought in means an addition of $26,000,000 to $28,000,000 to be paid out of the Treasury of the United States. The proposal that the gentleman offers means an increase of that amount by from $13,000,000 to $14,000,000 or more. I submit to this House that there has been nothing adduced in the hearings, nothing in the statement of gentlemen here made, to warrant the voting of this amount of money at this time.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. SHERLEY. Yes.

Mr. JOHNSON of Washington. I would like to ask if it is clear that this proposed $120 or, as the amendment of the gentleman from Colorado has it, $180, dates back to the time prior to the granting of any percentage advance in salaries?

Mr. SHERLEY. The provision is that the $120 shall be the increase upon the basic salary of employees, excluding the 5 and 10 per cent increase of this year.

Mr. JOHNSON of Washington. Where does a man get off who gets exactly $1,200 a year now?

Mr. SHERLEY. Last year he did not get 10 per cent and this year he does get 10 per cent. Last year he got 5 per cent.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Colorado.

The question was taken; and on a division (demanded by Mr. KEATING) there were—ayes 49, noes 77.

Mr. KEATING. Mr. Chairman, I demand tellers.

Tellers were ordered, and Mr. BYRNS of Tennessee and Mr. KEATING were appointed to act as tellers.

The committee again divided; and the tellers (Mr. BYRNS of Tennessee and Mr. KEATING) reported that there were—ayes 56, noes 94.

So the amendment was rejected.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 3, strike out the word "receive" and insert the following: "during the present fiscal year are receiving," and strike out the proviso beginning in line 15, page 1, and ending in line 19, page 1.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, the amendment as presented by the committee provides an increase of $120 per annum to those who are receiving $2,000 or less, but under the proviso between lines 15 and 19 the $120 will be added to last year's salary. About a year ago a resolution was passed, as I remember it, providing a 5 and 10 per cent increase—10 per cent increase of all salaries up to $1,200 and 5 per cent increase between $1,200 and $1,800. Those increases are now being received by the clerks who are entitled to them. The pending proposition offered by the committee will not add the $120 to the amount the clerks are now receiving, but will add $120 to the salaries of last year. For instance, if a man received $1,100 last year and 10 per cent were added by the resolution adopted a year ago, he would receive an increase of $110; that is, he would now be receiving salary at the rate of $1,210 per year. When we start with last year's salaries as a basis, as the committee proposes, we would start with $1,100, and the clerk would receive an increase of $120, or an increase of only $10 over what he is now receiving. I think the Committee of the Whole ought to understand that fully, and they ought to approve my amendment to have the increase apply to and be added to the salaries now being paid. And I insist that the increase is reasonable only on the basis which I suggest.

Mr. COX. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I will.

Mr. COX. If the gentleman's amendment obtains, as I understand it, it will eliminate the last year's 5 and 10 per cent increase.

Mr. McLAUGHLIN of Michigan. If my amendment is adopted it will strike out the proviso. That proviso is to the effect that this $120 increase shall be made to the salaries of last year, before the 5 and 10 per cent increases were made.

Mr. COX. Then, if the gentleman's amendment carries the basis fixed for the salary of next year would be the salary they are receiving plus the increase of 5 and 10 per cent. Does the gentleman know how much that would cost?

Mr. McLAUGHLIN of Michigan. If my amendment is adopted $120 will be added to what the clerks are receiving now.

Mr. COX. And the salaries are based on the 5 and 10 per cent increase——

Mr. GOOD. If the gentleman will yield now, the gentleman is entirely mistaken about that. That $120 will only be added to the basic salary, but we provide here that in no case shall a person receive an amount of more than 30 per cent of his salary, but in determining what his salary is as a basic salary then we say this 5 and 10 per cent shall be eliminated. That only affects messenger boys and charwomen and a few persons of that kind. It does not affect the great majority of the clerks.

Mr. McLAUGHLIN of Michigan. I decline to yield further.

The CHAIRMAN. The gentleman declines to yield.

Mr. McLAUGHLIN of Michigan. I think anyone reading this committee amendment as it is presented to the House, those who wish to see a reasonable, proper increase given to clerks, will put the construction on it that I put on it. The proviso provides that the salary to which the $120 shall be added shall be the

old salary—that is, the salary of last year, before the increase by the addition of the 5 and 10 per cent was given. If the committee amendment is adopted, including the proviso which I would strike out, there will be no increase whatever to many salaries, or the increase will be a very insignificant amount. If we are going to give an increase let us give a reasonable one and strike out the proviso and let the increase be applied to the entire compensation that the clerk is now receiving, including the 5 and 10 per cent increases of last year.

I understand that, according to the committee draft, this $120 is to be added to last year's salary, before the 5 or 10 per cent was made. If I am wrong—and I am often wrong—I would ask to have the House follow the line I suggest, so that this bill shall read that the $120 shall be added to what the clerks are receiving now.

Mr. MONDELL. Mr. Chairman, I desire to oppose the amendment.

Mr. Chairman, the gentleman from Michigan [Mr. McLAUGHLIN] entirely misunderstands the effect of his amendment. The amendment would not have the effect he suggests at all. The proviso to which he refers simply has reference to the salary that shall be considered in determining whether or not the increase amounts to more than 30 per cent. The provision immediately preceding is to the effect that no increase shall be more than 30 per cent of the total compensation; then this proviso to the effect that the basic salary shall be considered and not the basic salary with the addition of the 5 or 10 per cent increases.

The present 5 and 10 per cent increases are for the current year only. They can not be projected over into another year by simply striking out language in this bill. The effect of the gentleman's amendment would simply be to leave no basis of computation explanatory of the 30 per cent limitation immediately preceding it.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. MONDELL. But, so far as leaving or placing in force and effect the present current increases of 5 and 10 per cent, it would have no effect whatever.

I yield to the gentleman.

Mr. McLAUGHLIN of Michigan. The gentleman will notice that the first part of my amendment says, "If the total compensation received during the present fiscal year shall be increased by $120."

Mr. MONDELL. I did not so understand the gentleman's amendment. I understood his amendment was only to strike out.

Mr. McLAUGHLIN of Michigan. That "the amount that the employees is receiving during the present fiscal year."

Mr. MONDELL. In which event the gentleman's amendment—which, I understood, was an amendment to strike out—as to proposed increases would not be equitable, for it would not reach the higher salaries in any event, or would not be in harmony with the provisions of the bill in any way. I did not think the amendment would in any event increase the compensation.

Mr. McLAUGHLIN of Michigan. There are two parts to my amendment. On line 3, I add words to this effect, that to the total amount of salary or compensation received during the year 1918, $120 shall be added. The proviso would have the $120 added to the salary of last year, paying no attention to the 5 and 10 per cent increase.

Mr. MONDELL. I can not yield further.

The proviso which the gentleman strikes out has no reference whatever to additional compensation, and therefore striking it out would have no effect in increasing the compensation to the clerks. And any language that he may have added in connection with his motion to strike out would not increase the compensation, but, if I now understand it correctly, only confuses the question as to what clerks are to receive the full additional compensation we are proposing.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. McLAUGHLIN].

The question was taken, and the amendment was rejected.

Mr. THOMAS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. THOMAS: At the end of line 15, page 2, insert the following:

"All department stores and all persons selling merchandise in the District of Columbia shall pay each of their employees a wage of not less than $3 per day, and all newspapers published in said District shall pay each of their compositors, pressmen, and reporters a wage of not less than $4 per day, and shall pay all other employees a wage of not less than $3 per day.

Mr. BYRNS of Tennessee. Mr. Chairman, I reserve a point of order on that.

Mr. CALDWELL. Mr. Chairman, I make the point of order.

Mr. THOMAS. I did not suppose that a gentleman——

Mr. CALDWELL. I make the point of order.

Mr. THOMAS (continuing). Who is willing to give the railroads $500,000,000 would want to deprive these few girls of a raise in wages.

The CHAIRMAN. The gentleman from New York [Mr. CALDWELL] makes the point of order against the amendment.

Mr. THOMAS. I know it is out of order, but I thought——

The CHAIRMAN. The point of order is sustained.

Mr. HAMLIN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

Mr. THOMAS. Mr. Chairman, I ask leave to extend my remarks.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend and revise his remarks. Is there objection? [After a pause.] The Chair hears none. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. HAMLIN offers the following amendment: In line 3, page 1, strike out the figures "$2,000" and insert "$1,500." In line 7, same page, after the word "the," insert the word "following." In the same line strike out the word "of," the dollar sign, and the figures "120," and in the same line after the word "annum" insert the following: "Those receiving $840 or less, $200; those receiving more than $840 and not exceeding $1,000, $150; those receiving more than $1,000 and not exceeding $1,500, $100." Then strike out all of the first proviso.

Mr. HAMLIN. Mr. Chairman, this amendment will not meet the objection that the so-called Keating amendment met at the hands of the gentleman from Kentucky, to wit, that it will add several million dollars to the cost of the pay of clerks in the employ of the Government. If this amendment is adopted, it will not increase the amount carried by the committee's proposed amendment, but will actually reduce the total amount somewhat. Less than one-half of all clerks affected by the proposition of the committee are now getting $1,000 and less.

My amendment is based on the following theory: I take off from the high-salaried clerks part of the award of the committee and add it to those lower down the scale of salaries. To be more specific, under my amendment the people in the employ of the Government receiving $480 would get an increase of $200, which would bring their salaries up to $680; those receiving $720 would get $920; those receiving $840 would get $1,040; then those receiving $1,000 would receive an increase of $150, and would get $1,150; those receiving $1,200 would receive $100 increase, and would get $1,300; those receiving $1,400 would get $1,500; and those receiving $1,500 would get $1,600.

Mr. EVANS. Mr. Chairman, will the gentleman yield?

Mr. HAMLIN. I will.

Mr. EVANS. What would a man receive under your amendment who now gets $900?

Mr. HAMLIN. A man now receiving $900 would get an increase of $200, and would therefore get $1,100.

Mr. EVANS. What would a man receive who gets $1,000?

Mr. HAMLIN. He would receive an increase of $150, and would get $1,150.

I do not pretend, Mr. Chairman, that this is scientifically worked out. I think that is a physical impossibility. But the purpose is—and I think this approaches it—to take care of those who need taking care of the most.

I have in mind, for instance, an old man, an old Irishman, employed in this Capitol, the most faithful old man I ever knew in my life, a man who has been serving this Government for 35 years, whose hands are drawn with rheumatism, yet he goes about his work each day and smiles cheerfully. I asked him the other day how many years he had been employed here, and he said, "Thirty-five years." He said, "I have raised and educated the boys and girls. I do not complain, and I am not complaining now; but, by George, with the present high cost of living it sets me guessing to meet my bills at the end of a month. That old fellow is receiving $87 per month when you count the 10 per cent increase, which is eliminated, of course, if the first proviso in the committee's proposition, and which I seek to strike out, is left in the bill.

I had a talk the other day with a lady who is very highly educated, so much so that there are few men in this House, I suspect, her equal in that regard, and who is employed in one of the departments in what is known as the foreign service—not in the State Department, however—and she speaks, reads, and writes three different languages fluently. I will not attempt to describe her apparel. She said that on $1,100 she was endeavoring to support two children and an invalid husband. We know that we have other employees of this Government who are

receiving salaries so small that they can not provide themselves with the comforts of life.

I am unalterably opposed to increasing at this time the salaries of people who get $1,800 and above that amount; but I am just as much in favor, in the interest of justice and fairness, of doing something for the people who are working for a wage that they can not live on decently, to say nothing about comfort [applause], and it is for those people that I am pleading this evening.

I know that the action of the Committee on Appropriations seems liberal when we consider that their proposition carries an additional appropriation of $28,000,000 for these proposed increases. I am not attempting to increase that amount, but I am seeking to leave it off the $1,600, $1,800, and $2,000 clerks, who can live without the increase, and put it on the salaries of those down the line, who at present can scarcely keep soul and body together. My proposition will not carry as much money as the proposition of the committee.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. HAMLIN. Yes.

Mr. SLOAN. Does that reduce the salary of any clerk under what it is this year?

Mr. HAMLIN. No; not when you strike out the first proviso.

Mr. SLOAN. And it means an increase of 5 per cent this year?

Mr. HAMLIN. It strikes out the proviso that the gentleman from Michigan [Mr. MCLAUGHLIN] was talking about awhile ago.

Mr. STAFFORD. Will the gentleman permit me?

Mr. HAMLIN. Yes.

Mr. STAFFORD. That proviso in the existing law merely increases the compensation for the present fiscal year.

Mr. HAMLIN. I know it.

Mr. STAFFORD. When the present fiscal year is ended, there is no authorization whatever for continuing that percentage increase. Strike that out, and these men above $1,500, up to $1,800, whom the gentleman's amendment would exclude, who are to-day getting the 5 per cent increase, would not receive as much salary as they are receiving at the present time.

Mr. HAMLIN. As I construe that first proviso, it virtually cancels the pretended increase to those who have been receiving the 5 and 10 per cent after you get up to a certain limit. Now, I say this does not add to the sum total of the increase, but it does fix it so as to give the increase to those who need it most, and that is all I am asking for, and I hope my amendment will be adopted.

Mr. GOOD. Mr. Chairman——

The CHAIRMAN. Does the gentleman desire to oppose the amendment?

Mr. GOOD. Yes.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GOOD. In the annual report of the Postmaster General is found this language:

> It has been the earnest effort of the department to fix the standard rates of pay for the different classes of work at from 15 per cent to 30 per cent above the average rates paid for similar service by the leading commercial institutions of the country. The same rule has been followed throughout the Postal Service in fixing salaries that are not fixed by law. Whenever an employee or a group of employees is found to be receiving salaries below the standard the department will make an effort to secure appropriate increases.

Our investigation developed one fact, that the standard of pay in the Post Office Department was practically the standard of pay throughout the Government service. That is, the Government is paying from 15 per cent to 30 per cent more than private institutions are paying for the same grade of work.

Mr. COOPER of Ohio. Will the gentleman yield there?

Mr. GOOD. No; I can not yield. Now, the gentleman would cut off from the operation of this increase every person who receives $1,500 a year or more. In one department of the Government where there are several hundred clerks an investigation was had, and it was found that 15 per cent of the clerks who received $1,200 a year and less were single, while in that same department, of the clerks receiving $1,500 a year or more, 85 per cent were married. The gentleman would take from the head of the family, the man whom we want to help support his family—he would take from that great bulk of Government employees, the men who are married, the increase which they so much need to take care of their families. He would take away any increase to help them support those families, by depriving them of this increased compensation.

Mr. HAMLIN. Will the gentleman yield there?

Mr. GOOD. Yes.

Mr. HAMLIN. The gentleman does not claim that there is nobody married and working for the Government unless he is drawing $1,500 a year or more?

Mr. GOOD. The gentleman was talking instead of listening when I made my statement or he would not ask that foolish question. Now, what are the facts? We ought to know what we are doing when we legislate here. In the bill before the House where are the positions paying less than $660? They are the messengers, the charwomen, and no one else. The gentleman would give to the charwomen and the junior messengers, the only persons appropriated for in this act receiving salaries of less than $600, an increase. Every time some one says he wants to help the low-paid Government clerks he is unable to put his finger on the low-paid clerks. They are not found in this bill, except the junior messengers and messenger boys and charwomen.

Mr. HAMLIN. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. HAMLIN. The Commissioner of Patents told me only recently—I am betraying no confidence—that he was permitted to pay young lady stenographers only $720 a year, and that he could not get them at that price; that the Civil Service Commission had just a few days before certified to him 23 names, and he had wired every one of them, and only 1 of them would come to Washington.

Mr. GOOD. We authorized a lump sum for the Commissioner of Patents, and gave him every dollar he wanted to make copies of certain patents, which copies are sold.

Mr. HAMLIN. But you did not give him what he wanted to pay these clerks, not a penny.

Mr. GOOD. The testimony before the committee was that private institutions in Washington pay stenographers $60 a month, and that the same stenographers when in Government service get from $1,000 to $1,100 a year. Now, those are the facts.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

Mr. MADDEN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

> Page 1, line 1, after the word "that," insert the word "hereafter"; and after the word "received," on the 5th line, page 1, strike out all down to and including the word "annum," on line 7, and insert the following: "$120 per annum in addition to the basic salary for the fiscal year 1919."

Mr. BYRNS of Tennessee. Mr. Chairman, I make a point of order on the amendment.

Mr. MADDEN. I maintain, Mr. Chairman, that it is not subject to a point of order. If the gentleman from Tennessee wants to state the ground of his point of order, I will yield to him.

Mr. BYRNS of Tennessee. My point of order is based on the ground that the amendment provides for employees of the Government during the fiscal year 1919. The amendment offered by the gentleman from Illinois undertakes to make it permanent law. In addition, I do not think the proposed amendment is germane.

Mr. MADDEN. Mr. Chairman, I would like to be heard on that.

The CHAIRMAN. The gentleman will proceed.

Mr. MADDEN. Mr. Chairman, the amendment that is pending to the legislative bill proposes to change the law and authorize an increased compensation, and it legislates broadly on many other subjects. It is not a question of appropriation at all; it is a question of legislation in which we are seeking to change the basic law, broadening the power of the Appropriations Committee. The committee had no power to present this amendment until the House passed a special rule broadening the powers of the committee. The rule itself provides, and the understanding was and is that any germane amendment would be in order on the committee amendment to the pending bill. I submit, Mr. Chairman, that inasmuch as this amendment is to fix the salary of these employees of the Government, that whether it seeks to fix the salary for the current year or for a series of years makes no difference; that if one is in order the other is in order. I do not seek a change in the policy except to make it permanent; I do not seek to change the language of the amendment further than to say that instead of making this increased compensation for a single year, it shall be made for all time. That is the difference, and I submit that that is in order under the rules. I submit that my amendment is germane to the pending amendment and that it ought not under any circumstances to be ruled out on the point of order made by the gentleman from Tennessee.

Mr. FOSTER. Mr. Chairman, it seems to me that the rule, while it provides for the consideration of this amendment, only provides that it shall be considered under the general rules of the House. But this amendment that the gentleman from Illinois seeks to put on this bill proposes to widen the scope of the amendment and instead of appropriating this increase for one year the gentleman proposes to make it permanent law, which to my mind is not in accordance with the rules of the House.

Mr. MADDEN. Will the gentleman yield?

Mr. FOSTER. Yes.

Mr. MADDEN. This provision of the amendment presented by the committee does not appropriate at all; it is a basic law authorizing the appropriation to be made at the rate of $120 per annum in addition to the compensation now being paid.

Mr. FOSTER. My colleague will remember that this is only for the next fiscal year; that whatever appropriations are made are to pay the clerks for this next fiscal year and only makes it one year. It does not attempt to make permanent law. Now, if this amendment should be offered next year it would be ruled out of order.

Mr. MADDEN. If my amendment is adopted it would not be necessary to offer an amendment next year, for it would be the law of the land.

Mr. FOSTER. That is what I say, which is contrary to the rules of the House.

Mr. MADDEN. In the absence of the rule the Appropriations Committee would not be authorized to come before the House with any such amendment as is now pending. They have no power to offer legislation in the absence of the rule. I maintain that it is within the power of the House to offer any germane amendment and to make it permanent law, or make it for five years or two years, or any number of years.

Mr. FOSTER. The gentleman must remember that he is changing this amendment entirely, because this amendment provides for a certain period, and now the gentleman attempts by his amendment to make this apply until it shall be repealed, so that he is endeavoring to put that kind of an amendment on it that in my mind is against the rules of the House, and should be ruled out of order. He not only makes it for this year, but he makes it permanent.

Mr. MADDEN. That is what I want to do.

Mr. FOSTER. But an amendment to do that is not in order.

Mr. MADDEN. Why not?

Mr. FOSTER. It is against the rules of the House to enlarge the scope of this amendment in that way.

Mr. MADDEN. But we are not working under the rules of the House. We are working under a special rule.

Mr. FOSTER. Oh, we are working under the general rules of the House. The gentleman has not read the rule.

Mr. MADDEN. Neither has the gentleman, and he is a member of the Committee on Rules.

Mr. CALDWELL. Mr. Chairman, I desire to call the attention of the Chair to the fact that on page 3736 of the RECORD there is to be found a copy of the rule. The rule says that it shall be in order, the general rules of the House to the contrary notwithstanding, to consider the following amendment, and then recites the amendment. The Chair, on page 3741 of the RECORD, when the amendment was offered as a new section by the gentleman from Tennessee [Mr. BYRNS], ruled that the amendment would be subject to an amendment just the same as if it were a bill. The whole question for the Chair to decide, in my opinion, humble though it be, is a question as to whether this would be germane to the subject. The subject is whether or not we shall give these employees an increase of pay, and I think, under the circumstances, that it is germane. It is thoroughly within the scheme that has been proposed, and I see no reason in the world why the Chair should not sustain his former ruling and comply with the rule that the House has adopted and overrule the point of order.

The CHAIRMAN. The Chair will endeavor to sustain his former rulings, and at the same time conform to the rules of the House. This matter stands as follows: The committee might have reported the amendment now under consideration, as a part of the legislative bill. In that event this matter would have been subject to a point of order, and once made, the point of order would have been sustained, and the offending matter stricken from the bill. But suppose this point of order had not been made. Then the paragraph would have remained in the bill, subject to amendment under the rules. One of these rules is that when offending matter is allowed to remain in a bill, it is then in order to perfect that matter, by appropriate, germane amendments. But that rule does not mean, and should never be held to mean that the presence of illegal matter in a paragraph of an appropriation bill, thereby makes in order any amendment to the paragraph, however much that amendment may increase the original illegality or however far it falls short of being a perfecting amendment. On the contrary, the rule is well established, and the Chair referred to the precedents a few days ago, that while it is in order to amend a paragraph and perfect the otherwise illegal matter by germane amendments, these amendments must not add new and additional illegalities.

Mr. MADDEN. Will the gentleman indulge me for a moment?

The CHAIRMAN. Certainly.

Mr. MADDEN. Would the Chair then hold that it would be improper to move to strike out the item that I am seeking to amend?

The CHAIRMAN. Not at all. Such a motion would be perfectly in order. The Chair was on the point of illustrating the situation, by reference to the amendment offered by the gentleman from Illinois. What does this amendment propose to do? Not to perfect the matter contained in the committee amendment, but to add a new element of illegality. It would be in order for the gentleman to move to strike out the paragraph. It would also be in order for him to move to increase the amounts proposed to be paid to the clerks. The precise respect in which this amendment would be out of order, if the rule had not made it in order, is that for the duration of this appropriation bill it proposes to increase the compensation of certain indicated clerks, beyond the limits fixed by law. It would be entirely in order to deal with that particular illegality, by an amendment to increase, or diminish the amounts proposed to be paid, or by a motion to strike out the paragraph or by some other germane amendment, but that is not what the amendment of the gentleman from Illinois undertakes to do. It proposes to make this increase permanent law, thereby adding a new and large element of illegality to the paragraph. This addition of a new element of illegality in the way of legislation, can not be fairly construed as a germane, perfecting amendment of the paragraph. The precedents appropriate to this ruling have been heretofore cited in another decision.

For the reasons given the Chair is clearly of the opinion that the amendment is out of order. The point of order is sustained.

Mr. GARD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 2, line 9, strike out the word "reasons" and insert in lieu thereof the words "ability and qualifications."

Mr. GARD. Mr. Chairman, I am led to offer this amendment to perfect this section, because I am told by members of the committee that there are approximately 41,000 new employees since June 30, 1917, and a very considerable number of them, I suspect, are in the District of Columbia. I want to read an item which I desire the Members here to pay attention to, as appearing in the public press of Washington, which expresses very frankly what seems to be the local attitude. I read from an article from the Washington Post of Thursday, January 3, 1918, as follows:

Many measures of vital importance to the civic and economic welfare of the District are pending before Congress which to-day resumes its deliberations after the holiday recess. Of prime interest, because they promise in the near future to put more money into the pockets of thousands of Washingtonians, are the measures for the increase of the salaries of Government clerks.

I read that in connection with the amendment which I offered because I think this standard should be held, lest these appropriations be awarded without merit. It is very frank of this publication to say that this measure is of prime importance, because it puts more money into the pockets of thousands of Washingtonians; but it is of much more importance that the money remain, if possible, in the possession of those to whom it lawfully should be given. Therefore the amendment I offer relates to the striking out of the word "reasons" and to the substitution therefor of the words "ability and qualifications." The legislation as it now reads provides that any head of a department, by certifying the reasons, may give this increase to a man or woman who came into the service after June 30, 1917. The word "reasons" is there. It is one that may be adapted to almost any sort of meaning. I submit there should be a standard of ability and qualification. It is eminently proper, in many instances, that these men and women who come here should obtain an increase, but if the increase be given it should be given only because of ability and qualification. That should be the test of the employment; it is the test of private employment and it should be the test of public employment, and I submit in all good reason to the membership of this committee that the word "reasons" should be stricken out and that the words I have suggested, "ability and qualifications," as controlling the certification of allowance of the additional amount, should be substituted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was agreed to.

Mr. BLACK. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.
The Clerk read as follows:

Page 1, line 3, after the word "of," in line 3, strike out the figures "$2,000" and insert the figures "$1,800"; and in line 7, after the word "annum," strike out the rest of the line and all of lines 8, 9, 10, 11, and all of line 12, down to and including the word "annum" in said line 12.

Mr. BLACK. Mr. Chairman, the effect of the amendment which I have offered and which has just been read from the Clerk's desk, if adopted, will be to make the bill provide a salary increase only to those employees who receive $1,800 or less per year. The bill as it now stands, if I interpret it correctly, provides for salary increases of $120 per annum to all employees who receive $2,000 or less and for the employees who receive between $2,000 and $2,100 it is provided that they shall also receive enough salary to bring their compensation to $2,120 per annum. Now, what my amendment does is to simply substitute the figures $1,800 for the figures $2,000 on line 3, and then strike out the proviso of the bill that says, "that such employees as receive a total annual compensation at a rate more than $2,000 and less than $2,120 shall receive an additional compensation at such rate per annum as may be necessary to make their salaries, plus their additional compensation, at the rate of $2,120 per annum."

Mr. SHERLEY. If the gentleman will permit, I just want to explain to the gentleman the reason for that. Unless you have some such provision even in your case you would have a man at $1,800 getting $120, making $1,920, or more money than the man who is ahead of him at $1,900.

Mr. BLACK. I understand perfectly well the reason for the proviso to which I have referred, and if my amendment is adopted, substituting $1,800 for $2,000, then, no doubt, additional language should be inserted so as to cover the case just mentioned by the gentleman from Kentucky [Mr. SHERLEY], and in the event my amendment is adopted I will offer a proviso reading as follows:

Provided, That such employees as receive a total annual compensation at a rate more than $1,800 and less than $1,920 shall receive additional compensation at such a rate per annum as may be necessary to make their salaries, plus their additional compensation, at the rate of $1,920 per annum.

Now, I want to give this additional reason for my amendment. After the consideration of the war finance bill, which we will take up after this bill is finished, I understand a rule will be brought into the House from the Committee on Rules providing for the consideration of the salary increase bill for the postal employees which the Committee on the Post Office and Post Roads have recently favorably reported, and which is now on the calendar.

Now, in that bill we will find the salary increases which it provides are limited to those who are receiving $1,800 or less per annum, and therefore I think that the same provision ought to be written into this bill.

A while ago the gentleman from Colorado [Mr. KEATING], in his argument in support of his amendment to raise the proposed increase from $120 to $180 per annum, referred to the fact that the Post Office bill, which we are soon to take up, contains reclassification provisions by which all of the postal clerks in first and second class offices, all of the letter carriers in first and second class post offices, and all of the railway mail clerks will be reclassified and the pay of each grade advanced $200 over what it now is under existing law. It is true that the bill does contain that provision, but speaking for myself, as one member of the committee, I expect to fight it on the floor of the House. I hope that the House will have the good judgment and sense of justice to the public revenues to strike it from the bill. Now is no time to be undertaking to reclassify Government employees and to be enacting permanent law on the subject. In my opinion, to do so at this particular time, when we are appealing to the people everywhere to be economical, is indefensible, and I will not believe that Congress will pass this so-called reclassification measure.

Let me call the attention of the gentleman from Colorado [Mr. KEATING] to the additional charge on the Treasury which will be added if the postal salary-increase bill is enacted into law with the reclassification provision retained. The first year the additional cost of the measure would be $25,686,195, the second year the additional cost would be $36,912,795, the third year it would be $48,338,795, and would reach the peak of additional cost the fourth year, when it would settle upon the revenue of the Postal Department an additional cost of about $54,000,000. And I take it for granted that the House is not going to vote for a proposition of that kind; and if it does vote for it, it will vote for it in the face of a showing of the facts that will be made on the floor of this House at that time.

I take it that the House will want to give the postal employees increases in salaries which will correspond substantially to the increases which we are giving in this bill. That would, it seems to me, be in harmony with the principles of justice and fair play, both to the Government and to the postal employees, and the foundations of justice are that the common weal be served. I hope that my amendment inserting $1,800 instead of $2,000 will be adopted and that the limitation will be adhered to when we come to vote upon the postal salary-increase bill.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken, and the amendment was rejected.

Mr. RAINEY. Mr. Chairman, I move to strike out the paragraph.

Mr. Chairman, this paragraph proceeds upon the theory that we are increasing the compensation of Government employees in order to enable them to meet the increased cost of living here in the District of Columbia and throughout the country. If this assumption is true, then there ought to be with each passing year fewer and fewer applicants for these Government positions. I think the Government ought to be a model employer. I think it ought to pay as much, and a little more, than is paid for similar services in private life. Back in 1884, when we commenced to make a record of these examinations and when these salaries prevailed which they say were sufficient then, because the cost of living was not as high then as it is now, according to the reports of the Civil Service Commission 3,542 people took these examinations. Now, as the years have passed, it is said the expense of living has increased and these salaries have not increased in proportion thereto; and, if that is true, fewer people ought to take these examinations.

Now, bearing in mind that in 1884 3,542 people took these examinations, I want to call attention to the fact that for the fiscal year ending June 30, 1916, 154,722 people took the examinations. Always, for each succeeding year, there were as many as four applicants for every Government job. And yet you are going to make these positions still more attractive at the expense of private business in this country. The figures are not available for 1917 and 1918, but it is safe to say that more than 250,000 people per year are now applicants for these Government positions and actually take the examinations.

Now, I want to call attention to a recent article in a Washington morning paper. Here in Washington we have no great national paper discussing, from a national and a dignified standpoint, questions of this character. Here we have only local papers, every one of them always favoring any kind of a charge on the Treasury of the United States, provided the money they get out of the Treasury or a considerable part of it, is to be expended here in Washington. But here is an article appearing in a morning newspaper, discussing the very subjects we are discussing now, and which seems to have escaped the censor.

After reviewing the inconveniences placed upon the banks by the enlistment of their young clerks in the Army, and by their forced service under the draft law, they call attention to the fact that the banks have been educating girls to take their places, and the article, which is a column in length, proceeds to say:

True, they knew nothing about banking, but bank officials were hopeful that they could be trained and would gradually become useful.

This proved true, and the girls rapidly became skilled in check sorting, adding-machine work, typewriting, telephone operating, filing, and even in the lighter work in the tellers' cages.

But just so soon as their training progressed to the point where they were of real value to the banks Uncle Sam came along and offered them double the salaries they were getting and much shorter working hours.

The result has been that scores of young women, many from out of town, have accepted bank positions merely to use them as a stepping stone into the more lucrative and distinctly "softer" Government jobs.

The bankers endeavored to check this by raising salaries, but this proved of little avail, since the Government pays more than double for the same amount of work than the banks can possibly pay.

This presents the matter from the correct standpoint in this country. We are paying these clerks now twice as much as banks can pay, twice as much as railroads can pay, twice as much as public-service companies can pay, but we propose to still further increase the burdens of the taxpayers of the country by paying them still larger salaries. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. The question is on agreeing to the motion of the gentleman from Illinois, to strike out the paragraph.

The question was taken, and the motion was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The provisions of this section shall not apply to the following: Employees paid from the postal revenues and sums which may be advanced from the Treasury to meet deficiencies in the postal revenues; employees of the Panama Canal on the Canal Zone; employees of the Alaskan Engineering Commission in Alaska; employees whose duties require only a portion of their time, except charwomen, who shall be included; employees whose services are utilized for brief periods at intervals; employees who receive a part of their pay from any outside sources under cooperative arrangements with the Governments of the United States or the District of Columbia; employees who serve voluntarily or receive only a nominal compensation; and employees who may be provided with special allowances because of their service in foreign countries. The provisions of this section shall not apply to employees of the railroads taken over by the United States, and nothing contained herein shall be deemed a recognition of the employees of such railroads as employees of the United States.

Mr. SANFORD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SANFORD: Page 2, line 19, after the word "revenues" insert the words "employees of the Senate and House of Representatives."

Mr. ROSE. Mr. Chairman, will the Chair kindly have the amendment read again? We could not hear it.

The CHAIRMAN. Without objection, the amendment will again be read.

The amendment was again read.

Mr. BYRNS of Tennessee. Mr. Chairman, I do not care to take up the time of the committee, except to say this: If the gentleman's amendment is adopted, it will cut out from any participation in this increase a great many persons who draw very small salaries. It is a well-known fact that the salaries are not large, particularly as applied to the House employees. Some of them are very small. The special policemen who are employed, the laborers, and many of the janitors receive very small salaries.

Mr. SANFORD. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. SANFORD. Will the gentleman tell the House on whose recommendation the 100 policemen are appointed?

Mr. BYRNS of Tennessee. I do not know.

Mr. SANFORD. If the gentleman will look into it, he will find we have got about 30 policemen out of the 100.

Mr. BYRNS of Tennessee. I will say to the gentleman that none of them were appointed on my recommendation.

Mr. SANFORD. The chief tells us that he can use about 30 out of the hundred.

Mr. BYRNS of Tennessee. As the gentleman knows, these special policemen here draw very small salaries. There is no regular policeman whose salary is more than $100 a month. The largest salary paid to a messenger is $100 a month. Now, all of these employees have been receiving the 5 and 10 per cent increase during the current year. The proposition is up to you gentlemen as to whether or not you are going to take away from them that increase and at the same time deny them that provided in this amendment and put them back upon the salary they drew years ago and before the present increase in cost of living.

The gentleman refers to the fact that the secretaries to Members of Congress are not participating in this increase. Gentlemen know my own position, how anxious I was and how earnestly I endeavored to have the Members' clerks placed on the roll. That was not done by the House. But, notwithstanding that fact, it is true that only a year ago the Members' clerks were given a $500 increase, or at least that sum was added to the amount allowed each Member for clerical help. I assume that the Members' clerks have been taken care of in that increase made by act of Congress. I do not think it is fair, since we are undertaking to increase the pay of the regular Government employees, to deny the employees of the House and Senate, drawing small salaries, the right to participate in it. It seems to me an unfair and unjust discrimination.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. SANFORD) there were—ayes 53, noes 61.

Mr. SANFORD. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. BYRNS of Tennessee and Mr. SANFORD.

The committee again divided; and the tellers reported that there were—ayes 64, noes 71.

So the amendment was rejected.

Mr. JOHNSON of Washington. Mr. Chairman, I offer the following amendment

The Clerk read as follows:

Page 2, line 24, after the word "intervals," insert "except temporary employees of the Government Printing Office."

Mr. JOHNSON of Washington. Mr. Chairman, I would like to ask the chairman of the committee if this amendment, or something similar, is not necessary to take care of the employees of the Government Printing Office, a large part of whom must be temporary employees? I understand that the temporary employees receive 5 per cent, but by this amendment of the committee those are excepted and it would leave the regular employees receiving certain wages and the temporary employees at less wages. The gentleman understands that there is a large work going on in the Government Printing Office, and it is necessary to have available at all times men known as substitutes or temporary employees.

Mr. BYRNS of Tennessee. There is no purpose of the committee to exclude employees who are employed for any considerable length of time. The gentleman will note that this reads "for brief periods of time."

Mr. JOHNSON of Washington. These men are employed for brief periods. A man may work three days in the Government Printing Office and then go to work for three weeks or more in some office down town.

Mr. BYRNS of Tennessee. In the case the gentleman cites, I do not see why they should give him an increase of pay.

Mr. JOHNSON of Washington. He is a printer and the wages are regulated in all these things. The Government may not need one to-night, but when they do need an extra number of substitutes they would have to go in and work at a less price than the regular employees. In other words, this is a skilled class, and if the wages, say, of linotype operators is 60 cents, and under this will be 62 or 65, 65 cents would be the scale, and the substitutes coming in would only get 60 cents. I put it up to the chairman.

Mr. BYRNS of Tennessee. The gentleman will understand that the purpose is to provide not merely for the increased cost of living, not for temporary employees——

Mr. JOHNSON of Washington. The gentleman will understand that these substitute printers earn their entire living in the business. What I want to get at is, Suppose they get two nights a week from the Government Printing Office and the rest down town in the employ of another printing office.

Mr. BYRNS of Tennessee. In the case referred to by the gentleman they earn their living in other employment, and this temporary employment for a night here and a night there is simply what might be called a "pickup." It does not enter into their regular employment.

Mr. JOHNSON of Washington. I can not agree with the gentleman. Here is a printer that gets perhaps 20 nights' work as an emergency employee, but the Government Printing Office wants to keep him in town, and perhaps after a month he gets 30 days more. I am satisfied that this amendment is needed in there as a matter of necessity to prevent confusion.

Mr. BYRNS of Tennessee. Does the gentleman think that this increase which is $10 a month should apply, for instance, to a printer or any other person who works one day or one night for the Government?

Mr. JOHNSON of Washington. No. I doubt if it is paid at the rate of $10 a month. I think it will be by the hour. These printers are paid by the hour, probably. The superintendent of the Government Printing Office, with the consent of the auditor, would arrange a rate per hour for the men, whether employed 20 days or 30 days or 2 days. It will be fixed under this law at so much per hour to these regular employees. I am sure that this condition I speak of will arise.

Mr. BYRNS of Tennessee. This amendment, of course, does not seek to take care of the class of employees to which the gentleman refers.

Mr. JOHNSON of Washington. Absolutely not.

Mr. BYRNS of Tennessee. I mean those who work for a brief period of time. This is intended only for those who work for the Government and who make their living by working for the Government. When it comes to a person, for instance, who watches for forest fires or who may be called in for a week——

Mr. JOHNSON of Washington. But I contend that a substitute printer who lies around here and works 20 days per month, filling in at the Government Printing Office, he is to all intents and purposes a regular printer, although he is not employed by the year.

Mr. BYRNS of Tennessee. If he works for any extended time for the Government, my own idea is that the comptroller would hold he is entitled to the increase, and I think he ought to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Washington.

The question was taken; and on a division (demanded by Mr. JOHNSON of Washington) there were—ayes 18, noes 41.

So the amendment was rejected

The Clerk read as follows:

Such employees as are engaged on piecework, by the hour, or at per diem rates, if otherwise entitled to receive the additional compensation shall receive the same at the rate provided in this section when their fixed rate of pay for the regular working hours and on the basis of 313 days in the said fiscal year would amount to $2,000 or less: *Provided*, That this method of computation shall not apply to any per diem employees regularly paid a per diem for every day in the year.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 3, line 19, strike out the word "provided" and insert "to which they are entitled."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. COX. What effect will that have?

Mr. BYRNS of Tennessee. This is simply to perfect the paragraph in the matter of form. In other words, it might be held they are entitled to the $120, even though under the preceding paragraph they are not.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LONDON. Mr. Chairman, I would like to ask the gentleman whether the words "who otherwise is entitled to receive the same," in lines 14 and 15, should not be transposed so that they should follow the word "anyone," in line 13.

Mr. BYRNS of Tennessee. I think it is just a question of judgment as to form.

The Clerk concluded the reading of the committee amendment.

Mr. ROBBINS. Mr. Chairman, I move to strike out the last word to ask the chairman of the committee what trust funds are referred to here.

Mr. BYRNS of Tennessee. That relates to Indian trust funds and certain miscellaneous trust funds.

Mr. BORLAND. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 4, insert at the end of the amendment as a new paragraph the following:

"No increase herein shall apply to salaries or personal services in any department, bureau, office, or independent establishment of the United States which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act approved March 15, 1898, require eight hours of labor each day."

Mr. BYRNS of Tennessee. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BYRNS of Tennessee. I understand that by agreement there is an hour of general debate upon this amendment?

The CHAIRMAN. That was the unanimous-consent agreement.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 10358, the legislative, executive, and judicial appropriation bill, had come to no resolution thereon.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

A bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes; to the Committee on Interstate Commerce.

ADJOURNMENT.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 1 minute p. m.) the House adjourned until to-morrow, Friday, March 15, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of War, transmitting tentative draft of an item of legislation for consideration in connection with the sundry civil appropriation bill (H. Doc. No. 973); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Navy, transmitting tentative draft of a bill providing for the better administration of justice in the Navy (H. Doc. No. 974); to the Committee on Naval Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. HILLIARD, from the Committee on the District of Columbia, to which was referred the bill (H. R. 10337) authorizing the acquirement and extension of the telephone system in the District of Columbia, reported the same without amendment, accompanied by a report (No. 379), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. DENT, from the Committee on Military Affairs, to which was referred the bill (S. 3994) to amend an act entitled "An act to authorize condemnation proceedings of lands for military purposes," approved July 2, 1917, and for other purposes, reported the same without amendment, accompanied by a report (No. 380), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 10644) granting an increase of pension to Jacob H. Lynch, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. COADY: A bill (H. R. 10711) to regulate the payment of interest on judgments for claimants of the Court of Claims, which have been affirmed by the Supreme Court of the United States; to the Committee on the Judiciary.

By Mr. O'SHAUNESSY: A bill (H. R. 10712) to permit citizens of the United States, absent from the States wherein they reside, on actual military service of the United States to vote for President, Vice President, and other officers; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. McCORMICK: A bill (H. R. 10713) to transfer the Bureau of War-Risk Insurance from the Department of the Treasury to the Department of War; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 10714) to transfer the Coast Guard from the Department of the Treasury to the Department of the Navy; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 10715) to transfer the Office of the Supervising Architect from the Department of the Treasury to the Department of the Interior; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10716) to transfer the Public Health Service from the Department of the Treasury to the Department of the Interior; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Washington: A bill (H. R. 10717) to amend Public No. 90, Sixty-fifth Congress, to amend section 301 of the act establishing a Bureau of War-Risk Insurance; to the Committee on Interstate and Foreign Commerce.

By Mr. CARY: A bill (H. R. 10718) to fix the status and rank of officers honorably discharged from the Army who have been or shall be detailed on active duty by direction of the President of the United States; to the Committee on Military Affairs.

By Mr. McCORMICK: A bill (H. R. 10719) to create the office of banks and banking and to give it such jurisdiction over the Comptroller of the Currency, the Director of the Mint, the Federal Reserve Board, the Federal Farm Loan Board, and the Bureau of Engraving and Printing as is now exercised by the Secretary of the Treasury; to the Committee on Banking and Currency.

Also, a bill (H. R. 10720) to transfer the Secret Service from the Department of the Treasury to the Department of Justice; to the Committee on Ways and Means.

By Mr. DILLON: A bill (H. R. 10721) to limit exemptions from military service; to the Committee on Military Affairs.

By Mr. McCORMICK: A bill (H. R. 10722) to provide for an independent audit of the departmental accounts, and for other purposes; to the Committee on Ways and Means.

Also, a bill (H. R. 10723) to provide for the coordination, revision, and unification of the annual departmental estimates, and for other purposes; to the Committee on Ways and Means.

By Mr. DYER: A bill (H. R. 10724) to reorganize the Dental Corps of the Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. LITTLE: A bill (H. R. 10725) to provide a preliminary survey of the Marais des Cygnes River in Kansas with a view to the control of its floods; to the Committee on Flood Control.

By Mr. McCORMICK: Resolution (H. Res. 276) to create a committee on departmental accounts; to the Committee on Rules.

Also, a resolution (H. Res. 277) to create a budget committee; to the Committee on Rules.

By Mr. DENT: Resolution (H. Res. 278) providing for the immediate consideration of S. 3994; to the Committee on Rules.

By Mr. BROWNING: Resolution (H. Res. 279) directing the Committee on Agriculture to ascertain and report with what authority and for what purpose Bulletin No. 3, dated February 28, 1918, described in the preamble hereof, was issued by the United States Food Administration; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACHARACH: A bill (H. R. 10726) granting a pension to Salathiel Woodruff; to the Committee on Pensions.

By Mr. BOOHER: A bill (H. R. 10727) granting an increase of pension to Daniel Culver; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 10728) authorizing the President to reinstate Francis Patrick Regan as a second lieutenant in the United States Army; to the Committee on Military Affairs.

By Mr. COADY: A bill (H. R. 10729) granting an increase of pension to George W. Monmonier; to the Committee on Invalid Pensions.

By Mr. DECKER: A bill (H. R. 10730) granting a pension to John E. Tingley; to the Committee on Pensions.

Also, a bill (H. R. 10731) granting an increase of pension to Daniel E. Alexander; to the Committee on Pensions.

By Mr DILL: A bill (H. R. 10732) granting an increase of pension to William T. Doxey; to the Committee on Pensions.

By Mr. FARR: A bill (H. R. 10733) granting a pension to Georgia A. Colony; to the Committee on Pensions.

By Mr. FERRIS: A bill (H. R. 10734) granting a pension to Pleasy J. Graham; to the Committee on Pensions.

By Mr. FREAR: A bill (H. R. 10735) granting a pension to Joseph Jiles; to the Committee on Pensions.

By Mr. GODWIN of North Carolina: A bill (H. R. 10736) granting an increase of pension to Joseph Letzkus; to the Committee on Invalid Pensions.

By Mr. HULL of Iowa: A bill (H. R. 10737) granting an increase of pension to John H. Davidson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10738) granting an increase of pension to Samuel J. Henderson; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 10739) granting an increase of pension to Milton Giles; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 10740) granting pension to Sylvania Farmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10741) granting a pension to George W. Brown; to the Committee on Pensions.

By Mr. LAZARO: A bill (H. R. 10742) granting an increase of pension to Paul Sullivan; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 10743) granting an increase of pension to John B. Lynch; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BRODBECK: Papers relating to House bill 10700, granting an increase of pension to Mary E. Edie; also evidence in support of House bill 10699, granting a pension to Richard K. Heilig; to the Committee on Invalid Pensions.

By Mr. CAREW: Resolution of the Yavapai County (Ariz.) Chamber of Commerce, protesting against the passage of the Foster bill; to the Committee on Mines and Mining.

By Mr. DALE of New York: Petition of O'Callaghan & Fedden and also Deering, Milliken & Co., both of New York City, favoring the passage of the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the American Institute of Weights and Measures, against the passage of House bill 2878; to the Committee on Coinage, Weights, and Measures.

Also, resolution of the Kings County Pharmaceutical Society, urging the passage of House bill 5531, creating a pharmaceutical corps in our Army; to the Committee on Military Affairs.

By Mr. DOOLING: Resolution of the Women's Medical Society of New York State, indorsing the Owen bill (S. 3743) and the Dyer bill (H. R. 9563); to the Committee on Military Affairs.

By Mr. FOCHT: Evidence in support of House bill 5502, for the relief of David I. Black; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: Petition of the Santa Fe (N. Mex.) Woman's Club, asking repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. HAYES: Petitions of citizens of the eighth congressional district of California, favoring passage of the Keating bill; to the Committee on Appropriations.

By Mr. HILLIARD: Petition of Albert S. Ely, H. S. French, Lillian Kartz, Mrs. F. A. Van Vranken, Raymond E. Starcher, S. H. Molberg, Grace Carter, Miss L. Edwards, Mrs. J. Cowline, Mrs. J. R. Jones, and 54 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Nellie Mitchell Reek, Dr. J. B. Macarey, W. S. Fry, C. A. Atchison, Mrs. D. B. Eppley, L. F. Cowan, Calista R. Williams, J. M. Handley, Mattie McConnell, and 64 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Grace M. Mustard, Mrs. George Wilder, James H. Curry, U. L. Barr, and 32 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of S. D. Cates, Ethel McEntaffer, J. D. Allen, Homer Root, C. W. Whitaker, William Fletcher, and 70 others, all of Denver, Colo., praying for prohibition during the period of the war; to the Committee on the Judiciary.

Also, petition of J. W. Cobbey, L. J. Hole, Richard Trevthick, and 36 others, all of Denver, Colo., praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Mrs. Susan M. Angwin, Narcissa L. Fitzsimmons, Luella S. Stocks, Jessie M. Tredway, and 37 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of the De Laval Separator Co. and Square Deal Tractor Co., praying for the repeal of that portion of the war-revenue act providing for increased postage rates on periodicals; to the Committee on Ways and Means.

By Mr. KENNEDY of Rhode Island: Petition of Girls' Friendly Society of Rhode Island, urging enactment of legislation to provide for the proper housing of girls in the Government service; to the Committee on the District of Columbia.

By Mr. LINTHICUM: Petition of Provisional Division of Maryland United Spanish War Veterans, favoring passage of the Key bill (H. R. 1736) for pensions for widows and minor children of Spanish War veterans; to the Committee on Pensions.

Also, petition of McCormick & Co., of Baltimore, Md., favoring amending the war-revenue bill relative to payment of excess-profits taxes; to the Committee on Ways and Means.

Also, petitions of R. C. Hoffman and others, of Baltimore, Md., against passage of House bill 8565, relative to tax on automobile owners; to the Committee on Ways and Means.

Also, petition of Malcolm V. Tyson, of Baltimore, Md., favoring bill creating a pharmaceutical corps in the Army; to the Committee on Military Affairs.

Also, petition of Cape May section, fourth naval district, commandant's office, favoring bill to promote the efficiency of the Navy, etc.; to the Committee on Naval Affairs.

Also, petitions of Isaac Strouse, jr., and other employees of Strouse & Bros., of Baltimore, Md., against bill to increase second-class postage; to the Committee on Ways and Means.

By Mr. MOORE of Pennsylvania: Resolution of various Philadelphia business associations, favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. RAINEY: Petition of Mrs. T. O. Hardesty and others, of Jacksonville Ill., favoring prohibition during the war; to the Committee on the Judiciary.

By Mr. ROGERS: Resolutions of the North Middlesex (Mass.) Agricultural Society, urging minimum price on food products and making other recommendations; to the Committee on Agriculture.

By Mr. SABATH: Resolution of the Swedish Typographical Union No. 247, indorsing the Sherwood old-age-pension bill; to the Committee on Pensions.

By Mr. STEELE: Resolution of the Lithuanian National Council, regarding the freedom of Lithuania; to the Committee on Foreign Affairs.

By Mr. TAYLOR of Colorado: Petition of citizens of Canon City, Colo., urging enactment of war prohibition legislation for the conservation of food, etc.; to the Committee on the Judiciary.

SENATE.

FRIDAY, *March 15, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thou hast put into our hearts a vision of a fair and beautiful civilization and Thou hast given to us the ultimate principles of such a civilization in the doctrines of the Man of Galilee, in the Golden Rule, in the Ten Commandments, in the great conception of the duty and responsibility of the strong to the weak. Thou dost send us forth with the doctrine and with the might of Thy law. We pray Thee to carry us on to conquest and victory and to the accomplishment of Thy will. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. MYERS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

Mr. JONES of Washington. Mr. President I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	Overman	Sutherland
Baird	Hitchcock	Owen	Swanson
Beckham	Johnson, Cal.	Phelan	Thomas
Borah	Johnson, S. Dak.	Pittman	Thompson
Calder	Jones, Wash.	Poindexter	Tillman
Colt	Kellogg	Pomerene	Townsend
Culberson	King	Reed	Trammell
Curtis	McCumber	Shafroth	Underwood
Dillingham	McKellar	Sheppard	Vardaman
Fletcher	McLean	Sherman	Wadsworth
France	McNary	Shields	Walsh
Frelinghuysen	Martin	Smith, Ariz.	Warren
Gallinger	Myers	Smith, Ga	Watson
Gerry	New	Smith, Mich.	Weeks
Hale	Norris	Smoot.	Williams
Harding	Nugent	Sterling	Wolcott

Mr. GERRY. I have been requested to announce that the senior Senator from Oregon [Mr. CHAMBERLAIN] and the senior Senator from Maryland [Mr. SMITH] are detained by illness.

Mr. SUTHERLAND. Mr. President, I wish to announce that my colleague, the senior Senator from West Virginia [Mr. GOFF], is absent owing to illness.

Mr. BECKHAM. My colleague [Mr. JAMES] is absent on account of illness. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Sixty-four Senators have answered to the roll call. There is a quorum present.

ESTIMATE OF APPROPRIATION (S. DOC. NO. 202).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation in the sum of $68,100 required for additional clerical force in the office of the Auditor for the War Department for the fiscal year 1919, which, with the accompanying papers, was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the Speaker of the House had signed the enrolled bill (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes, and it was thereupon signed by the Vice President.

NATIONAL PROHIBITION.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the governor of Maryland, transmitting a certified copy of joint resolution No. 1 of the General Assembly of Maryland, ratifying the proposed prohibition amendment to the Constitution, which will be read and placed on the files.

The communication is as follows:

EXECUTIVE DEPARTMENT,
Annapolis, Md., March 12, 1918.

Hon. THOMAS R. MARSHALL,
United States Senate, Washington, D. C.

DEAR SIR: As directed by joint resolution No. 1 of the General Assembly of Maryland of 1918 I transmit herewith certified copy of the same.

Very truly, yours,

EMERSON C. HARRINGTON,
Governor of Maryland.

—

THE STATE OF MARYLAND,
EXECUTIVE DEPARTMENT.

I, Emerson C. Harrington, governor of the State of Maryland and having control of the great seal thereof, do hereby certify that the following is a full, true, and correct copy of joint resolution No. 1 of the General Assembly of Maryland, passed at its January session, 1918.

In testimony whereof I have hereunto set my hand and have caused to be hereto affixed the great seal of the State of Maryland at Annapolis, Md., this 12th day of March, in the year 1918.

EMERSON C. HARRINGTON.

By the governor:
[SEAL.]

THOS. W. SIMMONS,
Secretary of State.

—

Joint resolution No. 1.

Joint resolution of the House of Delegates and Senate of Maryland ratifying an amendment to the Constitution of the United States of America proposed by Congress to the legislatures of the several States.

Whereas both Houses of the Sixty-fifth Congress of the United States of America, by a constitutional majority of two-thirds thereof, made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States.

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"ARTICLE —.

"SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"SEC. 2. The Congress and the several States shall have the concurrent power to enforce this article by appropriate legislation.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Therefore be it

Resolved by the General Assembly of the State of Maryland:

SECTION 1. That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislature of the State of Maryland.

SEC. 2. That certified copies of this preamble and joint resolution be forwarded by the governor of this State to the Secretary of State at Washington, to the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

HERBERT R. WOODEN,
Speaker of the House of Delegates.
PETER J. CAMPBELL,
President of the Senate.

Approved March 12, 1918.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT presented a joint resolution passed by the Legislature of the State of Wisconsin, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

Joint resolution 1 A.

Joint resolution relating to the privilege of sending mail without the payment of postage.

Whereas every person who is in the service of his country in the military or naval forces of the United States should be aided in retaining that close touch with the folks at home which means so much to them all; and

Whereas we are eager to give every assistance possible to those who are doing brave work at the front for us all; and

Whereas the cost of postage on mail matter is frequently of serious moment to those whose chief source of income has been taken away when a husband or son or brother has gone into the Army or Navy: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of the State of Wisconsin does respectfully petition the Congress of the United States to enact such legislation as may make it possible for mail matter from any person in the military or naval forces of the United States to be transmitted without the payment of postage thereon, under such reasonable restrictions as may be deemed necessary for protection.

Resolved, That a copy of this resolution be sent to the President of the Senate, to the Speaker of the House of Representatives, and to each of the Members from this State in the Senate and House of Representatives of the Congress of the United States.

LAWRENCE C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
EDWARD F. DITTMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.

The VICE PRESIDENT presented a joint resolution passed by the Legislature of the State of Wisconsin, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Joint resolution No. 10 A.

Joint resolution relating to excess profits and war revenues.

Whereas industrial conditions in Wisconsin and throughout the United States have been fundamentally disturbed by the great world war; and

Whereas increased revenues must be raised with which to meet expenditures occasioned by the war: Now, therefore, be it

Resolved by the assembly (the senate concurring), That we denounce as unpatriotic any effort to make undue profits out of the necessities of the people or the Government, and we heartily commend those business

men who have undertaken Government contracts on a cost basis, asking only those reasonable returns to which they are entitled in times of peace; and be it further

Resolved, That we call upon Congress to impose during the war such an increase in taxes on incomes, inheritances, and excess profits as shall reduce incomes to the amount just necessary to secure the requisite cooperation of the various factors in production—land, labor, capital, and talent; and be it further

Resolved, That a copy of this resolution be transmitted by the secretary of state to the presiding officers and to each of the Senators and Representatives of this State in the Congress of the United States.

LAWRENCE C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
EDWARD F. DITTMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.

The VICE PRESIDENT presented a joint resolution passed by the Legislature of the State of Wisconsin, which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Joint resolution No. 9 A.

Joint resolution memorializing the Congress of the United States and Hon. Herbert Hoover to investigate into the situation confronting dairy farmers and to take the necessary steps to remedy such situation.

Whereas the conditions confronting the dairy farmers of this State who are producing milk for sale as commercial milk in cities of this and adjoining States and to condensaries is of a grave and serious nature, due especially to the unusually high cost of feed, labor, and other elements that enter into the cost of producing milk and to the prices that have been fixed for such milk by official commissions created therefor, which prices the farmers themselves and others eminently qualified to testify declare are below the actual cost of production; and

Whereas both the producer and consumer must suffer if these conditions are not remedied; for under the operation of nature's law the producer can not continue as such at a loss, and, if he can not produce, it follows that the supply for consumption must decrease: Therefore be it

Resolved by the assembly (the senate concurring), That the Congress of the United States and Hon. Herbert Hoover, National Food Administrator, be, and they are hereby, respectfully memorialized to fully investigate into the situation hereinbefore referred to and to take steps as soon as may be possible to protect Wisconsin's greatest industry, namely, the dairy industry, by adjusting, so far as may be possible, the costs of feeds, the principal element entering into the cost of producing milk, and the prices that have been fixed as above stated, with a view to benefiting both consumer and producer of milk and to protecting Wisconsin's most important industry; be it further

Resolved, That the chief clerk of the assembly be, and he is hereby, directed to forthwith forward a suitably engrossed copy of these resolutions to the President of the United States Senate, the Speaker of the House of Representatives, and to Hon. Herbert Hoover, at Washington, D. C.

LAWRENCE C. WHITTET.,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
EDWARD F. DITTMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.

Mr. BORAH. I present a petition of the Children of America Loyalty League, signed by several thousand children, asking that the Star-Spangled Banner be made the national hymn by law. I suppose the petition should be referred to the Committee on the Library, and I move its reference to that committee.

The motion was agreed to.

Mr. HARDING. I send to the desk a number of petitions very extensively signed by citizens of Ohio asking for more drastic legislation in dealing with pro-German activities in this country. I move that the petitions be referred to the Committee on the Judiciary.

The motion was agreed to.

Mr. SHEPPARD presented a petition of the congregation of the Methodist Episcopal Church of Congress Heights, D. C., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. PHELAN presented a petition of the Los Angeles County Medical Association, of California, praying for an advanced rank for officers of the Medical Corps, which was referred to the Committee on Military Affairs.

Mr. McNARY (for Mr. CHAMBERLAIN) presented a petition of the Congregation of the Methodist Episcopal Church of Prineville, Oreg., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. HALE. I present a petition signed by a committee of citizens of Warren, Me., praying for the prohibition of the manufacture and sale of beer for the period of the war, which I ask may be printed in the RECORD.

There being no objection, the petition was ordered to lie on the table and to be printed in the RECORD, as follows:

WARREN, ME., *March 3, 1918.*

To the Hon. FREDERICK HALE.
United States Senate, Washington, D. C.:

We, the attendants at the services of the Warren Baptist Church, Warren, Me., Lord's Day, March 3, 1918, believing that only by the most careful conservation of food, fuel and man power can America and her allies win the present war, and aware of the fact that all of these are being worse than wasted, to an alarming degree, through the manufacture and sale of beer, we therefore urge upon you, honorable sir, as Senator from our district, to use your utmost influence and at the earliest possible date to secure national prohibition of the manufacture and sale of beer for the duration of the war and for the period of reconstruction after the war is over.

JOHN E. EMRINGHAM,
L. C. PACKARD,
H. W. PENDLETON,
Committee.

Mr. HALE presented a petition of sundry citizens of Lewiston, Me., praying for self-determination and independence of Lithuania, which was referred to the Committee on Foreign Relations.

TOWN OF SEWARD, ALASKA.

Mr. PITTMAN, from the Committee on Territories, to which was referred the bill (S. 4021) to authorize the incorporated town of Seward, Alaska, to issue bonds in any sum not exceeding $25,000 for the purpose of constructing dikes, flumes, and other works to confine the waters of Lowell Creek for the protection of said town, reported it without amendment and submitted a report (No. 313) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BORAH:

A bill (S. 4107) to amend an act entitled "An act to pension the survivors of certain Indian wars from January 1, 1859, to January, 1891, inclusive, and for other purposes," passed and approved March 4, 1917; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 4108) to provide for the entry under bond of exhibits of arts, sciences, and industries; to the Committee on Industrial Expositions.

A bill (S. 4109) to carry out the findings of the Court of Claims in the case of the Commercial Pacific Cable Co.; to the Committee on Claims.

By Mr. McNARY (for Mr. CHAMBERLAIN):

A bill (S. 4110) for the relief of John W. Baggott; to the Committee on Military Affairs.

By Mr. HARDING:

A bill (S. 4111) granting an increase of pension to Henry Strouse;

A bill (S. 4112) granting an increase of pension to George W. Griffith;

A bill (S. 4113) granting a pension to Clarinda F. Pratt;

A bill (S. 4114) granting a pension to Mary M. Withrow; and

A bill (S. 4115) granting an increase of pension to James J. Winans; to the Committee on Pensions.

By Mr. THOMPSON:

A bill (S. 4116) for the relief of Ann E. Griffith (with accompanying papers); to the Committee on Military Affairs.

By Mr. HALE:

A bill (S. 4117) granting an increase of pension to James S. Moore (with accompanying papers);

A bill (S. 4118) granting a pension to Florence M. Luro (with accompanying papers);

A bill (S. 4119) granting an increase of pension to Elias B. Moore (with accompanying papers); and

A bill (S. 4120) granting an increase of pension to Warren Jones (with accompanying papers); to the Committee on Pensions.

GRAND CANYON NATIONAL PARK, ARIZ.

Mr. ASHURST submitted an amendment intended to be proposed by him to the bill (S. 390) to establish the Grand Canyon National Park in the State of Arizona; which was referred to the Committee on Public Lands and ordered to be printed.

PENSIONS AND INCREASE OF PENSIONS.

The VICE PRESIDENT. The morning business is closed and the calendar under Rule VIII is in order.

Mr. SMOOT. I do not see a member of the Committee on Agriculture and Forestry in the Chamber.

Mr. SHEPPARD. I am a member of the committee.

Mr. SMOOT. I ask the Senator if he desires to take up the Agricultural appropriation bill at this time?

Mr. SHEPPARD. I am not aware of the wishes of the chairman of the committee. If the Senator from Utah has something that he wants to bring up now, I shall not object.

Mr. SMOOT. I have no particular measure to call up unless it would be Senate bill 3783, but I will say that that is a general pension bill and I know it can not be passed between now and 2 o'clock. Therefore, I shall not move to take up the bill at this time.

Mr. SHEPPARD. Then, I ask that the Agricultural appropriation bill be taken up and proceeded with.

Mr. GALLINGER. Just one word. I will ask the Senator from Utah if there is not an omnibus pension bill on the calendar?

Mr. SMOOT. No; I will say to the Senator the Committee on Pensions has not taken up the House bill, but there are two Senate omnibus pension bills on the calendar.

Mr. GALLINGER. I think we might take them up. I make that suggestion, to fill in a little gap, if agreeable to the Senator from Texas.

Mr. SHEPPARD. I withdraw the request.

Mr. SMOOT. I ask unanimous consent that the Senate consider Senate bill 3799.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3799) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors.

It proposes to place on the pension roll at the rates named the following persons:

Melvina Coquillard, widow of James Coquillard, late captain Company E, Seventh Regiment Michigan Volunteer Infantry, $25, the same to be paid her without deduction or rebate on account of former alleged overpayments or erroneous payments of pension.

Henry Wenzel, late of Company K, One hundred and forty-eighth Regiment Pennsylvania Volunteer Infantry, $30 in lieu of that he is now receiving.

Samuel S. Wilson, late of Company C, Twelfth Regiment Pennsylvania Volunteer Cavalry, $30 in lieu of that he is now receiving.

George Leadbeater, late of Company E, Two hundred and fourteenth Regiment Pennsylvania Volunteer Infantry, $30 in lieu of that he is now receiving.

Samuel H. Brooks, late of Company I, First Regiment Maryland Volunteer Cavalry, $30 in lieu of that he is now receiving.

George W. Bass, late of Company E, Fiftieth Regiment Missouri Volunteer Infantry, $27 in lieu of that he is now receiving.

Charles E. Wilcox, late of Company A, Thirty-third Regiment Illinois Volunteer Infantry, and captain Company B, Ninety-second Regiment United States Colored Volunteer Infantry, $50 in lieu of that he is now receiving.

Adam Eckert, late of Company H, Third Regiment Minnesota Volunteer Infantry, $30 in lieu of that he is now receiving.

Albert Boon, late of Company A, Seventh Regiment Illinois Volunteer Cavalry, $36 in lieu of that he is now receiving.

Albert S. Greene, late of Company A, Seventeenth Regiment Vermont Volunteer Infantry, $40 in lieu of that he is now receiving.

John Burns, late of U. S. S. *Potomac* and *Horace Beals*, United States Navy, $30 in lieu of that he is now receiving.

Robert Liddell, late of Company B, Eighth Regiment Connecticut Volunteer Infantry, $36 in lieu of that he is now receiving.

Amos Dickinson, late of Company K, Eleventh Regiment Connecticut Volunteer Infantry, $36 in lieu of that he is now receiving.

Henry A. Dayton, late of Company E, Nineteenth Regiment Connecticut Volunteer Infantry, $40 in lieu of that he is now receiving.

Theodore C. Bates, late of Company F, Second Battalion, Fourteenth Regiment United States Infantry, $24 in lieu of that he is now receiving.

John W. Marks, late of Company B, Ninth Regiment West Virginia Volunteer Infantry, $30 in lieu of that he is now receiving.

Alexander Reed, late of Company A, Seventeenth Regiment West Virginia Volunteer Infantry, $40 in lieu of that he is now receiving.

William L. Swiger, late of Company H, Sixth Regiment West Virginia Volunteer Infantry, $30 in lieu of that he is now receiving.

Thomas J. Denny, late of Company M, Second Regiment United States Cavalry, $36 in lieu of that he is now receiving.

George W. Grigg, late of Company D, Fifty-ninth Regiment Illinois Volunteer Infantry, $36 in lieu of that he is now receiving.

William L. V. Kite, late of Company D, Fifth Regiment West Virginia Volunteer Infantry, $36 in lieu of that he is now receiving.

Daniel B. Mills, late of Company E, Ninety-eighth Regiment Illinois Volunteer Infantry, $40 in lieu of that he is now receiving.

William O'Callaghan, late of U. S. S. *Fahkee*, United States Navy, $30 in lieu of that he is now receiving.

John Wones, late of Company I, One hundred and fifty-second Regiment Illinois Volunteer Infantry, $36 in lieu of that he is now receiving.

Frederick S. Webber, late of U. S. S. *Ohio*, *Bat*, and *Hornet*, United States Navy, $30 in lieu of that he is now receiving.

Jerome McWethy, late of Company G, Second Regiment Michigan Volunteer Cavalary, $40 in lieu of that he is now receiving.

Mary L. King, widow of Josias R. King, late lieutenant colonel Second Regiment United States Volunteer Infantry, $30 in lieu of that she is now receiving.

James Campbell, late of Company K, Fortieth Regiment Wisconsin Volunteer Infantry, $24 in lieu of that he is now receiving.

Edward Patrick, late of Company D, One hundred and fifty-second Regiment Illinois Volunteer Infantry, $27 in lieu of that he is now receiving.

William H. Wyckoff, late of Company I, Ninety-second Regiment Ohio Volunteer Infantry, $36 in lieu of that he is now receiving.

Hugh S. Ryan, late of Company F, Fifth Regiment Illinois Volunteer Cavalry, $30 in lieu of that he is now receiving.

Harvey Johnson, late of Company I, One hundred and thirty-sixth Regiment Indiana Volunteer Infantry, $24 in lieu of that he is now receiving.

Myron Gillmore, late of Company B, Ninety-sixth Regiment Illinois Volunteer Infantry, $50 in lieu of that he is now receiving.

Marion A. Babcock, late of Company A, Thirty-sixth Regiment Wisconsin Volunteer Infantry, $30 in lieu of that he is now receiving.

Benjamin F. Brock, late of Company G, One hundred and seventieth Regiment Ohio National Guard Infantry, $24 in lieu of that he is now receiving.

Loreta Blevins, widow of Dillion Blevins, late of Company F, Thirteenth Regiment Tennessee Volunteer Cavalry, $37 in lieu of that she is now receiving; and that in the event of the death of Robert T. C. Blevins, helpless and dependent child of Dillion Blevins, the additional pension herein granted shall cease and determine; and that in the event of the death of Loreta Blevins the name of Robert T. C. Blevins shall be placed on the pension roll at $12 from and after the date of the death of Loreta Blevins.

Hannah McAdams, widow of Patrick McAdams, late sergeant major, Second Regiment Wisconsin Volunteer Infantry, $12.

Ferdinand Fetter, late of Company I, Eleventh Regiment Illinois Volunteer Infantry, $36 in lieu of that he is now receiving.

John W. Hoyt, late of U. S. S. *Silver Lake* and *Red Rover*, United States Navy, $36 in lieu of that he is now receiving.

John B. Donaldson, late of Third Independent Battery Iowa Volunteer Light Artillery, $30 in lieu of that he is now receiving.

John E. Clark, late of Company C, First Regiment Alabama and Tennessee Independent Vidette Cavalry, $30 in lieu of that he is now receiving.

William H. Patterson, late first lieutenant Company I, Thirty-eighth Regiment Iowa Volunter Infantry, $40 in lieu of that he is now receiving.

Clifford A. Lewis, late of Company E, Fourth Regiment Ohio Volunteer Infantry, $30 in lieu of that he is now receiving.

Georgianna Thomas, widow of Jacob Thomas, alias Jacob Doutha, late of Company F, Eighth Regiment United States Colored Volunteer Cavalry, $25 in lieu of that she is now receiving.

Thomas J. Gafford, late of Company K, Seventeenth Regiment Ohio Volunteer Infantry, $40 in lieu of that he is now receiving.

Sarah J. Briles, former widow of Noah W. Briles, late of Company I, First Regiment Iowa Volunteer Cavalry, $25.

John A. Wise, late of Company B, Forty-fourth Regiment Iowa Volunteer Infantry, $40 in lieu of that he is now receiving.

Rosa Flake, widow of Levi Flake, late of Company A, Tenth Regiment Minnesota Volunteer Infantry, $25.

John M. Holmes, late of Company F, First Regiment Wisconsin Volunteer Heavy Artillery, $30 in lieu of that he is now receiving.

John E. Rogers, late of Company D, Tenth Regiment, and Company G, Thirty-second Regiment, Wisconsin Volunteer Infantry, $50 in lieu of that he is now receiving.

William S. Reed, late of Company C, Twelfth Regiment Wisconsin Volunteer Infantry, $36 in lieu of that he is now receiving.

Augustus A. Clawson, late of Company A, Third Regiment Ohio Volunteer Cavalry, $30 in lieu of that he is now receiving.

Wesley B. Reed, late of Company A, Thirty-ninth Regiment Missouri Volunteer Infantry, $50 in lieu of that he is now receiving.

Homer E. Benton, late of Company B, Thirty-eighth Regiment Indiana Volunteer Infantry, $30 in lieu of that he is now receiving.

Milton Laird, late of Company I, Fifth Regiment Pennsylvania Reserves Volunteer Infantry, $40 in lieu of that he is now receiving.

Nathan H. Ellis, late of Company D, Twenty-third Regiment Wisconsin Volunteer Infantry, $36 in lieu of that he is now receiving.

Walter E. Ellis, helpless and dependent son of Walter B. Ellis, late of Company H, Ninth Regiment New Hampshire Volunteer Infantry, $12.

George Engleman, late of Company E, Forty-fifth Regiment Missouri Volunteer Infantry, $24 in lieu of that he is now receiving.

Thomas V. Malone, late of Company I, Thirty-ninth Regiment Missouri Volunteer Infantry, $27 in lieu of that he is now receiving.

George W. Flagg, late of Company F, Second Regiment Vermont Volunteer Infantry, $50 in lieu of that he is now receiving.

Albert H. Wood, late of Company D, Twenty-fourth Regiment Wisconsin Volunteer Infantry, $36 in lieu of that he is now receiving.

Thomas McCarty, late of Company L, Seventeenth Regiment Illinois Volunteer Cavalry, $36 in lieu of that he is now receiving.

Henry J. Edge, alias Jason Edge, late of U. S. S. *Benton*, United States Navy, $30 in lieu of that he is now receiving.

Andrew West, late of Company K, Eleventh Regiment, and Company D, Tenth Regiment, West Virginia Volunteer Infantry, $30 in lieu of that he is now receiving.

William A. Bodine, late of Company I, Thirty-seventh Regiment Indiana Volunteer Infantry, $40 in lieu of that he is now receiving.

George D. Abraham, late of Company I, Sixty-fifth Regiment Indiana Volunteer Infantry, $36 in lieu of that he is now receiving.

Uriah G. Williams, late of Company A, One hundred and ninety-fifth Regiment Ohio Volunteer Infantry, $27 in lieu of that he is now receiving.

John C. Emery, late acting assistant surgeon, United States Army, and assistant surgeon, Thirteenth Regiment New Hampshire Volunteer Infantry, $21 in lieu of that he is now receiving.

William H. Tripp, late of Company H, Fourth Regiment Maine Volunteer Infantry, and second lieutenant Company H, Nineteenth Regiment Maine Volunteer Infantry, $50 in lieu of that he is now receiving.

Alonzo Pendland, late unassigned, Thirty-third Regiment Indiana Volunteer Infantry, $21 in lieu of that he is now receiving.

Thomas M. Johnson, late of Company A, Twelfth Regiment, Rhode Island Volunteer Infantry, $36 in lieu of that he is now receiving.

James S. Gray, late of Company B, Two hundred and sixth Regiment Pennsylvania Volunteer Infantry, $30 in lieu of that he is now receiving.

Isaac Wharton, late of Company H, Third Regiment West Virginia Volunteer Cavalry, $40 in lieu of that he is now receiving.

Increase E. Watson, late of Company K, Twenty-fourth Regiment Maine Volunteer Infantry, $30 in lieu of that he is now receiving.

Mark Whitney, late musician, band, Thirteenth Regiment Wisconsin Volunteer Infantry, $40 in lieu of that he is now receiving.

John W. Stokes, late of Company F, One hundred and thirty-fourth Regiment Ohio National Guard Infantry, $30 in lieu of that he is now receiving.

Melville N. Freeman, late of Company D, Third Regiment Maine Volunteer Infantry, and Company D, Ninth Regiment Veteran Reserve Corps, $40 in lieu of that he is now receiving.

George C. Bonney, late of Company K, Twelfth Regiment Wisconsin Volunteer Infantry, $36 in lieu of that he is now receiving.

Algen S. Leach, late of Company B, Tenth Regiment Kentucky Volunteer Cavalry, and Company G, Fifty-third Regiment Kentucky Volunteer Infantry, $30 in lieu of that he is now receiving.

William W. Findley, late of Company D, Fifteenth Regiment Kansas Volunteer Cavalry, $40 in lieu of that he is now receiving.

John Curles, late of Company G, Ninth Regiment Ohio Volunteer Cavalry, $30 in lieu of that he is now receiving.

George Wells, late of Company E, Sixty-first Regiment Massachusetts Volunteer Infantry, $30 in lieu of that he is now receiving.

Derrick Huck, late of Company A, Second Regiment Massachusetts Volunteer Heavy Artillery, $36 in lieu of that he is now receiving.

Seth Bailey, late of Company K, One hundred and forty-eighth Regiment Ohio Volunteer Infantry, $30 in lieu of that he is now receiving.

Abbie L. Lockwood, widow of Horace H. Lockwood, late of Company D, Second Regiment Kentucky Volunteer Infantry, and First Independent Company Ohio Volunteer Cavalry, $20.

Irvin M. Hill, late of Company D, Seventh Regiment Minnesota Volunteer Infantry, $40 in lieu of that he is now receiving.

John W. McMillen, late of Company B, McLaughlin's squadron, Ohio Volunteer Cavalry, and Company C, Fifth Regiment Ohio Volunteer Cavalry, $30 in lieu of that he is now receiving.

Bradford G. Ostrander, late of Company C, Fifth Regiment New York Volunteer Heavy Artillery, $36 in lieu of that he is now receiving.

William A. Reeves, late of Company A, Ninth Regiment Iowa Volunteer Cavalry, $50 in lieu of that he is now receiving.

Fred Eneker, late of Company C, Forty-seventh Regiment Wisconsin Volunteer Infantry, $24 in lieu of that he is now receiving.

William Booth, late second lieutenant Company C, Second Regiment Wisconsin Volunteer Infantry, $50 in lieu of that he is now receiving.

George Campbell, late of Company D, First Battalion, Seventeenth Regiment United States Infantry, $30 in lieu of that he is now receiving.

William W. Daniels, late of Company C, Sixth Regiment Michigan Volunteer Cavalry, $36 in lieu of that he is now receiving.

William Behre, late musician, band, general service, United States Army, $36 in lieu of that he is now receiving.

Charles F. Runyan, late of Company I, Thirty-ninth Regiment Iowa Volunteer Infantry, $30 in lieu of that he is now receiving.

John H. Denny, late of Company G, Twenty-first Regiment Missouri Volunteer Infantry, $30 in lieu of that he is now receiving.

Benjamin F. Sage, late of Company D, Twentieth Regiment Connecticut Volunteer Infantry, $40 in lieu of that he is now receiving.

Watkin H. Jones, late of Company E, Eleventh Regiment Minnesota Volunteer Infantry, $30 in lieu of that he is now receiving.

James Cummins, late of Company E, Eighty-fifth Regiment Indiana Volunteer Infantry, $50 in lieu of that he is now receiving.

George G. Laughead, late of U. S. S. *Ouachita*, United States Navy, $30 in lieu of that he is now receiving.

Scott Thompson, late of U. S. S. *General Lyon* and *Great Western*, United States Navy, $36 in lieu of that he is now receiving.

Samuel C. Howe, late of Company A, Ninth Regiment Maine Volunteer Infantry, $36 in lieu of that he is now receiving.

David I. Hain, late of Company C, Forty-sixth Regiment Iowa Volunteer Infantry, $24 in lieu of that he is now receiving.

Joseph T. Lewis, late of Company G, Eleventh Regiment Indiana Volunteer Infantry, $50 in lieu of that he is now receiving.

Lafayette Fasnaugh, late of Company E, Fifty-eighth Regiment Ohio Volunteer Infantry, $18.

John V. Reed, late of Company H, One hundred and fifty-fifth Regiment Pennsylvania Volunteer Infantry, $30 in lieu of that he is now receiving.

James M. Shuey, late of Company H, Forty-fourth Regiment Iowa Volunteer Infantry, $30 in lieu of that he is now receiving.

Harry M. Sherman, late of Company G, Twelfth Regiment United States Infantry, $50 in lieu of that he is now receiving.

Henry Thomas, late of Company E, Thirty-sixth Regiment Ohio Volunteer Infantry, $40 in lieu of that he is now receiving.

William J. Seals, late of Company D, Second Regiment East Tennessee Volunteer Infantry, and Company E, Fourteenth Regiment Kentucky Volunteer Cavalry, $40 in lieu of that he is now receiving.

Alexander D. Smalley, late of Battery F, First Regiment Maine Volunteer Light Artillery, $30 in lieu of that he is now receiving.

Emery O. Pendleton, late of Company I, Fifteenth Regiment Maine Volunteer Infantry, $30 in lieu of that he is now receiving.

Esburn Nutt, late of Company B, Thirtieth Regiment Maine Volunteer Infantry, $30 in lieu of that he is now receiving.

Freeman D. Myrick, late of Company C, Thirteenth Regiment, and Company K, Thirtieth Regiment, Maine Volunteer Infantry, $30 in lieu of that he is now receiving.

Moses F. Hurd, late of Company H, Eleventh Regiment Maine Volunteer Infantry, $40 in lieu of that he is now receiving.

William L. Hayden, late of Company E, First Regiment Ohio Volunteer Cavalry, $30 in lieu of that he is now receiving.

Samuel McClure, late of Company B, Twelfth Regiment Kentucky Volunteer Infantry, $40 in lieu of that he is now receiving.

Henry McClure, late of Company G, Thirteenth Regiment Kentucky Volunteer Cavalry, $36 in lieu of that he is now receiving.

Michael O. Sullivan, late of Company H, Sixteenth Regiment Kentucky Volunteer Infantry, $50 in lieu of that he is now receiving.

Patrick Walton, late of Company A, Sixteenth Regiment, and Company D, Thirteenth Regiment, Kentucky Volunteer Infantry, $36 in lieu of that he is now receiving.

Francis Mathews, late of U. S. S. *Michigan*, *John Adams*, and *Santee*, United States Navy, $30 in lieu of that he is now receiving.

Amariah K. Wheeler, late of Company E, Coast Guards, Maine Volunteer Infantry, $27 in lieu of that he is now receiving.

Thomas J. Hargrave, late of Company G, Twenty-third Regiment Ohio Volunteer Infantry, $40 in lieu of that he is now receiving.

George O. Pearl, late of Company H, Eighteenth Regiment New Hampshire Volunteer Infantry, $40 in lieu of that he is now receiving.

Ina L. Murdock, helpless and dependent child of George W. Murdock, late of Company G, Fifteenth Regiment Ohio Volunteer Infantry, $12.

Daniel W. Shawhan, late of Company D, Thirteenth Regiment Iowa Volunteer Infantry, $36 in lieu of that he is now receiving.

Henry T. Snyder, late of Company D, Fourth Regiment Iowa Volunteer Infantry, $50 in lieu of that he is now receiving.

George H. Fogg, late of Company C, Twelfth Regiment Maine Volunteer Infantry, $50 in lieu of that he is now receiving.

Henry Lee Anderson, late major and brevet lieutenant colonel One hundred and ninety-fourth Regiment Ohio Volunteer Infantry, $50 in lieu of that he is now receiving.

John Openchain, late of Company K, Forty-eighth Regiment Indiana Volunteer Infantry, $50 in lieu of that he is now receiving.

Seward Newtson, late of Company C, Fifty-third Regiment Illinois Volunteer Infantry, $50 in lieu of that he is now receiving.

Isaiah P. Watts, late of Company H, Eighty-fourth Regiment Indiana Volunteer Infantry, $40 in lieu of that he is now receiving.

Edward Sams, late of Company K, Fifteenth Regiment Iowa Volunteer Infantry, $30 in lieu of that he is now receiving.

Thomas G. Davison, late of Company G, First Regiment Minnesota Volunteer Cavalry, $30 in lieu of that he is now receiving.

Nancy Hackleman, dependent mother of Isaac Hackleman, late of Company L, Second Regiment Indiana Volunteer Cavalry, $20 in lieu of that she is now receiving.

John L. Rushton, late of Company H, Ninth Regiment Maine Volunteer Infantry, $50 in lieu of that he is now receiving.

Charles W. Wormell, late of the Seventh Battery, First Battalion Maine Volunteer Light Artillery, $24 in lieu of that he is now receiving.

Sylvanus Smith, late of Company F, Eleventh Regiment Maine Volunteer Infantry, $40 in lieu of that he is now receiving.

George W. Hall, late first lieutenant, Company D, Twelfth Regiment New Hampshire Volunteer Infantry, $50 in lieu of that he is now receiving.

George W. Gilbert, late of Company D, Twenty-first Regiment Pennsylvania Volunteer Cavalry, $36 in lieu of that he is now receiving.

McHenry Smith, late of Company H, Eightieth Regiment Illinois Volunteer Infantry, $36 in lieu of that he is now receiving.

John Acton, late of Company C, Seventh Battalion, District of Columbia Militia Infantry, $21.

Adrian J. Hayward, late of Company C, One hundred and forty-ninth Regiment New York Volunteer Infantry, $36 in lieu of that he is now receiving.

Emma A. Hoskins, widow of Thomas D. Hoskins, late of Company A, Thirty-second Regiment Iowa Volunteer Infantry, and former widow of Marvin Norris, late of Company F, One hundred and fifty-first Regiment Pennsylvania Volunteer Infantry, $20.

George W. Thompson, late of Company G, Eighteenth Regiment New York Volunteer Infantry, $40 in lieu of that he is now receiving.

Milton N. Campbell, late of Company L, Ninth Regiment Ohio Volunteer Cavalry, $36 in lieu of that he is now receiving.

Isaac N. Stotts, late of Company I, One hundred and ninety-fifth Regiment Ohio Volunteer Infantry, $36 in lieu of that he is now receiving.

William H. Woodward, late of Company D, Fifty-sixth Regiment Illinois Volunteer Infantry, $50 in lieu of that he is now receiving.

Richard B. Daniels, late of Company K, Eleventh Regiment Connecticut Volunteer Infantry, $36 in lieu of that he is now receiving.

Thomas Day, late of Company D, First Regiment Maine Volunteer Cavalry, $40 in lieu of that he is now receiving.

Jared Wheeler, late of Company A, Eighth Regiment Connecticut Volunteer Infantry, $50 in lieu of that he is now receiving.

George B. Gilbert, late of Company C, Twenty-second Regiment Maine Volunteer Infantry, $30 in lieu of that he is now receiving.

John H. Annas, late of Company F, Sixth Regiment Maine Volunteer Infantry, $36 in lieu of that he is now receiving.

Delos Neer, late of Company K, One hundred and thirty-third Regiment New York Volunteer Infantry, $30 in lieu of that he is now receiving.

George Murray, late of Company F, Twelfth Regiment Pennsylvania Reserves Volunteer Infantry, $36 in lieu of that he is now receiving.

Daniel H. Pettengill, late of Company C, Seventh Regiment New Hampshire Volunteer Infantry, $50 in lieu of that he is now receiving.

Josiah C. Tandy, late of Company H, Fourth Regiment New Hampshire Volunteer Infantry, $40 in lieu of that he is now receiving.

Addison S. Martin, late of Company B, Second Regiment New Hampshire Volunteer Infantry, $50 in lieu of that he is now receiving.

James Churchill, late of Company I, Twelfth Regiment Wisconsin Volunteer Infantry, $30 in lieu of that he is now receiving.

Thomas Percival, late of Company K, First Regiment California Volunteer Cavalry, $30 in lieu of that he is now receiving.

Joseph Martin, late of Company K, First Regiment New Hampshire Volunteer Cavalry, $40 in lieu of that he is now receiving.

Angus C. Burns, late of Company F, First Regiment United States Volunteer Sharpshooters, $36 in lieu of that he is now receiving.

Cornelius McGoff, late of Company D, Third Regiment Vermont Volunteer Infantry, $36 in lieu of that he is now receiving.

Nathaniel Wilt, late of Company B, Third Regiment Potomac Home Brigade, Maryland Volunteer Infantry, $50 in lieu of that he is now receiving.

Joseph Smith, late of the U. S. S. *Vanderbilt*, United States Navy, $30 in lieu of that he is now receiving.

Theodore M. Burge, late of Company E, Sixth Regiment United States Cavalry, $50 in lieu of that he is now receiving.

Carrie M. Smart, helpless and dependent daughter of William M. Smart, late of Company K, Fifty-first Regiment Wisconsin Volunteer Infantry, $12.

Hiram B. Newlon, late of Company E, Seventeenth Regiment Kansas Volunteer Infantry, $24 in lieu of that he is now receiving.

John F. Brainard, late of Company E, Fifth Regiment Iowa Volunteer Cavalry, $50 in lieu of that he is now receiving.

Isaac D. Rowden, late of Company K, Twelfth Regiment Missouri Volunteer Cavalry, $40 in lieu of that he is now receiving.

Edwin E. Baker, late of Company B, Seventh Regiment Michigan Volunteer Infantry, $50 in lieu of that he is now receiving.

Enos S. Whitcomb, late of Company K, Twenty-ninth Regiment Michigan Volunteer Infantry, $24 in lieu of that he is now receiving.

Chester R. Smith, late of Company K, One hundred and sixteenth Regiment Illinois Volunteer Infantry, $40 in lieu of that he is now receiving.

Horatio P. Smith, late of Company B, Seventh Regiment Iowa Volunteer Infantry, $50 in lieu of that he is now receiving.

Franklin Venable, late of Company A, One hundred and forty-fifth Regiment Illinois Volunteer Infantry, $24 in lieu of that he is now receiving.

William H. Capshaw, late of Company K, Fourth Regiment Tennessee Volunteer Mounted Infantry, $27 in lieu of that he is now receiving.

James H. Fontaine, late of Company B, Third Regiment, and Company K, Sixth Regiment, Missouri State Militia Cavalry, $40 in lieu of that he is now receiving.

Thomas Fulkerson, late of Company F, Eighty-first Regiment Indiana Volunteer Infantry, $50 in lieu of that he is now receiving.

Michael H. Skinner, late of Company D, Second Regiment Pennsylvania Volunteer Artillery, $36 in lieu of that he is now receiving.

William J. Smith, late of Company I, Fifth Regiment Illinois Volunteer Cavalry, and Company E, Eighty-fifth Regiment,

and Company H, Thirty-third Regiment, Indiana Volunteer Infantry, $36 in lieu of that he is now receiving.

John H. Bird, late of Company A, First Regiment Arkansas Volunteer Cavalry, $50 in lieu of that he is now receiving.

William White, late of Company G, Second Regiment Arkansas Volunteer Cavalry, $30 in lieu of that he is now receiving.

Joseph P. Case, late of Company E, One hundred and fifty-sixth Regiment Indiana Volunteer Infantry, $27 in lieu of that he is now receiving.

Washington Richardson, late of Company K, One hundred and ninth Regiment, and Company F, Eleventh Regiment, Illinois Volunteer Infantry, $50 in lieu of that he is now receiving.

James Stuart, late of Capt. Ahl's Independent Battery, Delaware Volunteer Heavy Artillery, $50 in lieu of that he is now receiving.

Edwin S. Metcalf, late of Company B, Seventh Regiment Minnesota Volunteer Infantry, $40 in lieu of that he is now receiving.

Daniel Vanscoy, late of Company E, Third Regiment West Virginia Volunteer Cavalry, $40 in lieu of that he is now receiving.

Luther L. Rewalt, late assistant surgeon, Twenty-first Regiment Pennsylvania Volunteer Cavalry, $30 in lieu of that he is now receiving.

Margaret Dicks, former widow of Andrew Snyder, late of Company D, Eleventh Regiment Wisconsin Volunteer Infantry, and widow of James Dicks, late of Company F, Forty-first Regiment Wisconsin Volunteer Infantry, $25.

Benjamin F. Morse, late of Company E, Eighth Regiment Vermont Volunteer Infantry, $50 in lieu of that he is now receiving.

James M. Widener, alias James W. Foster, late of Company I, First Regiment Illinois Volunteer Light Artillery, $36 in lieu of that he is now receiving.

William H. Isenberg, late of Company I, One hundred and eleventh Regiment Illinois Volunteer Infantry, $40 in lieu of that he is now receiving.

Thomas K. Hastings, late first lieutenant Company H, One hundred and fifth Regiment Pennsylvania Volunteer Infantry, $40 in lieu of that he is now receiving.

William W. Thurston, late of Company I, Sixtieth Regiment Illinois Volunteer Infantry, $40 in lieu of that he is now receiving.

William W. Gordon, late of Company H, Nineteenth Regiment Wisconsin Volunteer Infantry, $40 in lieu of that he is now receiving.

John Dewire, late of Company B, First Battalion, Nebraska Veteran Volunteer Cavalry, and Company G, First Regiment Nebraska Volunteer Cavalry, $30 in lieu of that he is now receiving.

James M. Millirons, late of Company D, Eighteenth Regiment Missouri Volunteer Infantry, $50 in lieu of that he is now receiving.

George L. Danforth, late of Company C, Eighth Regiment Vermont Volunteer Infantry, $40 in lieu of that he is now receiving.

Chester S. Pease, late of Company H, Ninth Regiment Maine Volunteer Infantry, $36 in lieu of that he is now receiving.

John D. Swift, late of Company B, Sixth Regiment Kentucky Volunteer Infantry, $40 in lieu of that he is now receiving.

Theodore Routh, late of Company E, One hundred and forty-fourth Regiment Indiana Volunteer Infantry, $30 in lieu of that he is now receiving.

Elisha D. Turner, late of Company D, Twenty-fifth Regiment Indiana Volunteer Infantry, $40 in lieu of that he is now receiving.

Arnold Bauer, late of Company B, Fifty-eighth Regiment Indiana Volunteer Infantry, $30 in lieu of that he is now receiving.

Sylvester Oatman, late of Company D, One hundred and twenty-sixth Regiment New York Volunteer Infantry, $40 in lieu of that he is now receiving.

Imogen P. Ingersoll, widow of Charles T. Ingersoll, late acting assistant surgeon, United States Volunteer Infantry, $25 in lieu of that she is now receiving.

Wilford Herrick, late unassigned, Third Regiment Wisconsin Volunteer Cavalry, $30 in lieu of that he is now receiving.

Henry Newell, late of U. S. S. *Ohio*, *Ossipee*, and *Princeton*, United States Navy, $40 in lieu of that he is now receiving.

George Crawford, late of U. S. S. *Princeton* and *Cornubia*, United States Navy, $30 in lieu of that he is now receiving.

Lulu M. Joseph, widow of Mark Joseph, late of Company K, Seventh Regiment Indiana Volunteer Infantry, and second lieutenant Company L, First Regiment Indiana Volunteer Heavy Artillery, $37 in lieu of that she is now receiving. And that in the event of the death of Edith G. Joseph, helpless and dependent child of Mark Joseph, the additional pension herein granted shall cease and determine. And that in the event of the death of Lula M. Joseph the name of Edith G. Joseph shall be placed on the pension roll at $12, from and after the date of death of Lulu M. Joseph.

Charles D. Hanscom, late of Company I, Second Regiment Massachusetts Volunteer Infantry, $50 in lieu of that he is now receiving.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SMOOT. I ask for the present consideration of Senate bill 3798.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3798) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors.

It proposes to place on the pension roll at the rates named the following persons:

Abel H. Hall, late of Company F, First Regiment Montana Volunteer Infantry, War with Spain, $17.

Frankie Esselstyn, widow of Elton H. Esselstyn, late of Company L, Thirty-fourth Regiment Michigan Volunteer Infantry, War with Spain, $25, and $2 per month additional on account of each of the minor children of the said Elton H. Esselstyn until they reach the age of 16 years.

Samuel Breitigan, late of U. S. S. *Pennsylvania*, United States Navy, Regular Establishment, $12.

Edward Sweeney, late of Company E, Fifteenth Regiment United States Infantry, Regular Establishment, $12.

Arthur Rose, late of Company L, First Regiment Washington Volunteer Infantry, War with Spain, $12.

Lucie Kellogg, widow of William R. Kellogg, late of Troop A, First Regiment Ohio Volunteer Cavalry, War with Spain, $25.

William P. Robinson, late of Company I, First Regiment West Virginia Volunteer Infantry, War with Spain, $12.

William D. Harrington, late of Company K, Fifteenth Regiment United States Infantry, War with Spain, $12.

Fannie H. Maffitt, widow of John W. Maffitt, late of Company A, First Regiment Arkansas Volunteer Infantry, War with Spain, $25.

Minnie H. Wolf, widow of Herman P. Wolf, late of Company H, First Regiment North Dakota Volunteer Infantry, War with Spain, $25, and $2 per month additional on account of each of the minor children of said Herman P. Wolf until they reach the age of 16 years.

Willis S. Harris, alias Charles E. Sanders, late of Battery C, Fourth Regiment United States Artillery, Regular Establishment, $12.

John M. Dikes, late of Troop H, First Regiment United States Cavalry, and Company A, Thirtieth Regiment United States Infantry, Regular Establishment, $30 in lieu of that he is now receiving.

James W. McKay, late first lieutenant Battery A, First Regiment Rhode Island Volunteer Light Artillery, War with Spain, $30.

Adam S. Bridgefarmer, late of Capt. Hiram Wilber's Company B, First Regiment Oregon Mounted Volunteers, Oregon and Washington Territory Indian war, $30 in lieu of that he is now receiving.

Charles H. Ferriss, late of Company H, Twenty-second Regiment United States Infantry, Regular Establishment, $12.

Van Ogle, late first lieutenant, Company B, Washington Territory Volunteers, Oregon and Washington Territory Indian war, $30 in lieu of that he is now receiving.

Reuben Waller, late of Company H, Tenth Regiment United States Cavalry, Regular Establishment, $30 in lieu of that he is now receiving.

Thomas M. Woods, late of Company C, Third Regiment Tennessee Volunteer Infantry, War with Spain, $24 in lieu of that he is now receiving.

George M. Spencer, late of Company F, First Regiment United States Infantry, Regular Establishment, $17 in lieu of that he is now receiving.

Katharine E. Bocoskey, widow of Michael Bocoskey, late of Company E, Nineteenth Regiment United States Infantry, War with Spain, $25 and $2 per month additional on account of each of the minor children of said Michael Bocoskey until they reach the age of 16 years.

Thomas S. Millikin, late of Company L, Forty-fourth Regiment United States Volunteer Infantry, War with Spain, $17 in lieu of that he is now receiving.

William C. Campbell, late of Company C, Twenty-second Regiment United States Infantry, Regular Establishment, $12.

William J. La Rock, late of Company C, First Regiment Vermont Volunteer Infantry, and Company A, Forty-third Regiment United States Volunteer Infantry, War with Spain, $12.

Allen Russell, late of Capt. Standage's Cavalry company, Nauvoo Legion, Utah Volunteers, Utah Indian War, $30 in lieu of that he is now receiving.

Oscar M. Dreibelbiss, late of Company M, Second Regiment Ohio Volunteer Infantry, War with Spain, $12.

Edmund G. Thompson, late of Company D, Thirteenth Regiment Pennsylvania Volunteer Infantry, War with Spain, $12 in lieu of that he is now receiving.

Joseph W. Gay, late of Capt. O. Humason's company B, First Regiment Oregon Mounted Volunteers, Oregon and Washington Territory Indian war, $30 in lieu of that he is now receiving.

Emmett W. Fitzsimmons, late of Company B, Twenty-second Regiment New York Volunteer Infantry, War with Spain, $17.

Charles E. Matthews, late of Company A, Twenty-eighth Regiment United States Volunteer Infantry, War with Spain, $12.

Martha R. Sutton, widow of Thomas J. Sutton, late of Capt. John F. Miller's company, Oregon Volunteers, Oregon and Washington Territory Indian War, $20 in lieu of that she is now receiving.

Hildur M. Phillips, widow of George W. Phillips, late chief gunner, with rank of ensign, United States Navy, Regular Establishment, $25 in lieu of that she is now receiving, and $2 per month additional on account of each of the minor children of said George W. Phillips until they reach the age of 16 years.

Joseph M. Love, late of Company I, First Regiment Kentucky Volunteer Infantry, War with Spain, $16 in lieu of that he is now receiving.

Leander Thomas, late of Company G, Fourth Regiment Kentucky Volunteer Infantry, War with Spain, $12.

Isaac F. Allen, late of Companies C and L, Third Regiment United States Infantry, Regular Establishment, $10.

James M. Fitch, late of Troop F, First Regiment Illinois Volunteer Cavalry, War with Spain, $17.

John Ferris, late of United States ship *Ashuelot*, United States Navy, Regular Establishment, $24 in lieu of that he is now receiving.

Esther Shields, former widow of Walter Rogers, late of General Mounted Service, United States Army, Regular Establishment, $20.

Elizabeth K. Cottman, widow of Vincendon L. Cottman, late rear admiral, United States Navy, Regular Establishment, $50.

Francis J. Kearney, late of Troop B, Third Regiment United States Cavalry, Regular Establishment, $30 in lieu of that he is now receiving.

Simeon Ely, late first lieutenant Capt. Goodall's company Oregon Volunteers, Oregon and Washington Territory Indian war, $30 in lieu of that he is now receiving.

John A. D. Tharp, late of the U. S. S. *Pennsylvania*, United States Navy, Regular Establishment, $30.

Wesley H. Dick, late of Company B, Thirty-fifth Regiment Michigan Volunteer Infantry, War with Spain, $17 in lieu of that he is now receiving.

Julia Burger, widow of Peter Burger, late of Company F, Fifth Regiment United States Infantry, Florida Seminole Indian wars, $20 in lieu of that she is now receiving.

Leander Johnston, late of Company I, First Regiment United States Infantry, War with Spain, $24 in lieu of that he is now receiving.

Laura C. Slack, widow of William B. Slack, late second lieutenant, United States Marine Corps, United States Navy, Regular Establishment, $25 in lieu of that she is now receiving.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF SPUR TRACK IN DISTRICT OF COLUMBIA.

Mr. SMITH of Georgia. Mr. President——

Mr. SHEPPARD. I will state to the Senator from Georgia that I made the request a few moments ago that the Agricultural appropriation bill be taken up, and I now renew my request.

Mr. POMERENE. Before that is done I want to ask the Senate to take up a bill reported by the chairman of the District of Columbia Committee with respect to the hospital switch. I do not believe there is any serious objection to it, and I ask unanimous consent that the bill be taken up.

The VICE PRESIDENT. The bill will be read by title.

The SECRETARY. A bill (S. 3476) to authorize the extension of a spur track or siding from the existing lines of railroad in the District of Columbia across First Street NE., between L and M Streets, to the buildings occupied by the field medical supply depot of the Army.

Mr. GALLINGER. When the Senator from Ohio asked a few days ago for the consideration of this bill, I suggested that I had communications from parties connected with Sibley Hospital and some people outside, even outside the District of Columbia, asserting that it would work great injury to the hospital, to the patients in the hospital, and so forth, and for that reason I was not prepared to have the bill considered. I have waited since then, and I have heard nothing from either the hospital or others interested in the hospital, and for that reason I shall not object to the consideration of the bill at present.

Mr. POMERENE. I may say that I was asked to bring this matter up yesterday, but in the absence of the chairman of the committee, who has been indisposed, I did not do so. I, too, I may say, have received protests similar to those suggested by the Senator from New Hampshire, and at first I confess I was very greatly prejudiced against the bill. I have since gone out there and visited the place, as I know a number of other Senators who are on the District Committee also went out, and I am quite sure that it is not in the least going to interfere with the hospital. If it would, I would not ask that this bill be passed. I know these protests were presented by the very best people and in the utmost good faith, but I think they are simply mistaken in what they think will be the effect of it.

There is a double street car track which passes right in front of the hospital. It has on both sides of it large warehouses, another warehouse in front of it and between the location of the switch and the hospital, and there is also a large apartment house there. I am satisfied that this extension will not in the least disturb the patients in the hospital.

Mr. GALLINGER. Mr. President, my thought is that, inasmuch as this was adopted in the Senate—and, of course, the attention of the authorities and others interested in this temporary use must have been called to it—if the opposition continued in any violent form they would have communicated with us on the subject.

Mr. POMERENE. I think so.

Mr. GALLINGER. And I have not heard from any of them. Am I correct, I will ask the Senator from Ohio, in the thought that this is a temporary matter?

Mr. POMERENE. Yes. There has been an amendment prepared which will be presented to the Senate, which leaves the spur during the period of the war, and for a certain length of time thereafter. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3476) to authorize the extension of a spur track or siding from the existing lines of railroad in the District of Columbia across First Street NE., between L and M Streets, to the buildings occupied by the field medical supply depot of the Army.

Mr. SMOOT. Mr. President, when the Senator from Maryland [Mr. SMITH] asked for the consideration of this bill the other evening, I made the statement that I had received hundreds of letters protesting against the building of this track. They all came from people who are interested in the Sibley Hospital. Since then I have asked the Director of the Bureau of Standards if they had made a direct examination into this subject, and I am in receipt of a communication from Dr. Stratton, the Director of the Bureau of Standards. In that letter he states:

> In reply to your verbal inquiry of to-day as to the effect of your supply buildings upon the sounds and other disturbances made by the operation of rolling stock on the proposed sidetrack, I would state that in view of the fact that the proposed track would be surrounded on the south, north, and east by buildings, they would shield to a great extent adjacent buildings from sound on the proposed track. I am of the opinion that the noise from the main track with which the spur is connected would be greater than that caused by the operation of equipment on the spur itself.
>
> I am asking one of our experts, Dr. P. H. Edwards, to investigate the situation.

I have a copy of that report of Dr. Edwards, which reads as follows:

> After looking carefully over the ground where it is proposed to build a spur track to the field medical supply depot and the arrangements of surrounding buildings, I am convinced that there would be very little, if any, disturbance at the Sibley Hospital from the operation of cars on this spur. It seems quite evident that the western buildings of the depot would practically cut off the noise almost entirely, especially when two stories more are added to these buildings. In my opinion, the noise reaching the hospital would be insignificant compared with that coming from the street car line which runs directly past the hospital. It would probably also be less likely to cause disturbance at the hospital than that arising from the spur tracks going to several coal yards which are almost as near, and which have practically an uninterrupted passage for sound to the hospital.

This is signed by Preston H. Edwards, chief of acoustic section, Bureau of Standards. That being the case, Mr. President, I shall not object to the present consideration of the bill, because I know that great advantage will accrue from the construction of the track.

Mr. JONES of Washington. Mr. President, will the Senator from Ohio permit an inquiry?

Mr. POMERENE. I yield.

Mr. JONES of Washington. I merely want to refer to some of the statements in the letters from which the Senator from Utah [Mr. SMOOT] has just read.

The first statement, that the noises from this track would be largely cut off on the north, south, and east, is not correct. I have gone down there personally and looked the situation over. The street car tracks over which these cars will pass run along what would be called an alley between two concrete buildings that have been constructed for the use of the Government, but those buildings do not come up above the engines that would carry the cars in there. As a matter of fact, so far as the noise of the whistles and similar noises are concerned, there would not be any obstruction north and south. There is a building to the west.

Then there is another suggestion made in one of the letters which the Senator from Utah has read—that if the building on the west is raised two stories the noise would be cut off. If that is done, why, of course, it would cut off those noises; but there is not any assurance that that will be done. There is some proposal to have it done, but there is no assurance that it will be done.

The conclusions in the letter with reference to the injury to the hospital, and so on, as general conclusions, I do not agree with; but I will say, Mr. President, while I have the floor, with the permission of the Senator from Ohio, that I have been very strongly opposed to this spur track going in there. I have opposed it every time the matter has been heretofore presented. It did not get anywhere in the committee until the war situation came up. Some of us insisted upon certain amendments to the bill, if we were to consent to its passage at all. A substitute has been prepared. I do not know that the substitute has been yet read to the Senate. Under that substitute this track will not be used for traffic generally, but will only be used for the handling of supplies of the medical department. It is also made very definite and very certain that it is purely temporary. The committee, I think, was unanimous that this should be made purely a temporary track and that it should be made certain that it will be removed when the emergency passes.

The committee have also provided that it must be done within six months from the termination of the war. Then, as a further protection to the hospital, we have insisted that the bill be so amended that this track can not be used except between the hours of 6 o'clock in the morning and 9 o'clock at night, unless some extreme emergency requires further use.

Mr. President, with those changes, I have not felt justified in opposing the bill. I am satisfied that there will be a minimum of inconvenience to the hospital. I would not myself measure the suffering that might come to inmates of that institution by money or by any expense to which the Government might be put, but it seems to me that with these limitations and restrictions and with the conditions as they are there, especially with the limitation as to the use of the track between the hours of 6 o'clock in the morning and 9 o'clock at night, there will not be any appreciable interference with the use of the hospital or any inconvenience brought to the patients. For those reasons I have not felt disposed to oppose the passage of the bill as reported by the committee.

Mr. DILLINGHAM. Mr. President——

Mr. POMERENE. If the Senator from Vermont will permit me a moment, I may say that I would be just as much opposed to making this a permanent switch as is the Senator from Washington [Mr. JONES], but I think under the present conditions, we shall not be seriously inconveniencing the hospital or its inmates, and, all things considered, I really think that this bill in its modified form ought to pass.

Mr. DILLINGHAM. Mr. President——

Mr. POMERENE. I yield to the Senator from Vermont.

Mr. DILLINGHAM. Mr. President, I should like to state that I have been a member of the Committee on the District of Columbia for a good many years. In 1903 the legislation was adopted under which the present Union Station was constructed, and the Southern Railroad was brought into it through a tunnel under Capitol Hill, by which all grade crossings in the city were eliminated and by which all the railroads coming in from the North have been kept east of First Street NE. It was then understood, I think, by everybody interested in the improvement of the city of Washington, that such should be the policy of the Government hereafter; that railroads should not be permitted to cross First Street and so invade the territory lying west of it. I have in my mind now three different occasions when the owners of property in the block involved under this bill and owners of other blocks lying immediately west of First Street NE. have sought legislation that would enable them to extend spur tracks from the Baltimore & Ohio Railroad to connect with proposed warehouses on these lots, but in every instance that legislation has been reported adversely, and until this time it never has been done.

At this time a large concrete storehouse has been erected. It is occupied by the Government, and the easterly end of that building is almost flush with First Street. Immediately across that street is a vacant lot, upon which spurs from the Baltimore & Ohio are located, and from which the Government is asking permission to build a spur over First Street which will immediately enter this concrete building, which, as the Senator from Washington [Mr. JONES] has described, has heavy walls but no roof.

It is claimed, and it appeared before the committee, that it would save the Government $300 a day in expense if it could have trains run into this building, and not only that, but would enable them to ship goods expeditiously for exportation to our armies in France. For this reason the committee consider that it is a real necessity that such spur be constructed.

The committee thoroughly considered the other questions which have been referred to by the Senator from Washington, and a majority reached the conclusion that by having the trains operated only during daylight the noises would not seriously disturb the patients in Sibley Hospital, yet they did not want to break the precedent which has been established concerning the construction of tracks across First Street into that district, and they only reported this bill upon the understanding that it should not be accepted as a precedent for that kind of legislation. If Senators will examine the report by the committee which accompanies this bill they will see that the committee expressly call attention to the policy I have been discussing, and they end their report by saying:

> The only reason the committee have for recommending the accompanying bill is that a war emergency exists which warrants it, that the structure is of temporary character, and its operation so guarded that it will not seriously disturb the patients in Sibley Hospital, and that the structure is to be removed and the street restored wihin six months after the termination of the war.

And further than that, in order that there may be no mistake about it, they lay the specific duty upon the Surgeon General of the United States Army to construct this track, and they also lay the duty upon him to remove the same and restore the street to its present condition immediately after the termination of the war.

In order that this understanding may go down in history, I will ask to have the report printed with my remarks in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The report referred to is as follows:

> Mr. SMITH of Maryland, from the Committee on the District of Columbia, submitted the following report:
>
> The Committee on the District of Columbia, to whom was referred the bill (S. 3476) to authorize the extension of a spur track or siding from the existing lines of railroad in the District of Columbia across First Street NE., between L and M Streets, to the buildings occupied by the field medical supply depot of the Army, having considered the same, report thereon with a recommendation that it pass, with the following amendment:
>
> Strike out all after the enacting clause and insert the following:
>
> "That authority is hereby granted the Surgeon General of the United States Army to construct, maintain, and operate a temporary single-track overhead siding across First Street NE., between L and M Streets, to the building or buildings in square 673, occupied by the field medical supply depot of the Army:
>
> "*Provided*, That the siding herein authorized shall not extend westwardly beyond a point 569 feet and 9 inches east of the present site of Sibley Hospital or any of its buildings; and shall be limited to the use of the Medical Department of the United States Army; and within six months following the declaration of peace the Surgeon General shall cause said track to be entirely removed from the limits of said street and shall cause the aforesaid street to be restored to its condition prior to the construction of the siding without cost to the District of Columbia.
>
> "The Surgeon General of the Army shall provide for the construction, maintenance, and removal of this siding as herein authorized and prescribed, and the costs thereof shall be defrayed from the appropriations for the Medical and Hospital Department of the United States Army:
>
> "*Provided further*, That said track shall be used only between the hours of 6 o'clock a. m. and 9 o'clock p. m. except in cases of extreme emergency."
>
> The necessity for this legislation lies in the fact that the Government is occupying a large storehouse, between L and M Streets, and which abuts on First Street, as a depot for medical supplies. And in order to expeditiously ship such supplies to our Army in France the construction of the railroad spur mentioned in the bill seems to be a real necessity. Its construction will not only expedite such shipments, but it is estimated will reduce the cost of transportation from the storehouse to the shipping station about $300 per day.

It will be noticed that the bill is so framed that the railroad spur provided for is to be built and entirely controlled by the Surgeon General of the Army and is to be removed and First Street restored to its former condition within six months after the close of the present war.

In this connection the committee desires to place itself upon record as being unanimously opposed to the extension of railroad tracks across First Street for any permanent purpose. They recognize and approve the policy adopted by the Government in 1903 when all of the railroads of the city were compelled to find a terminal in the Union Station and when it was determined that First Street NE. should thereafter become the western boundary of railway constructions.

Since that time several attempts have been made by owners of land west of First Street to procure permission to construct spur lines across such street to the Baltimore & Ohio Railroad, but in every instance such demands have been refused, and the committee are of the opinion that all such demands should be refused in the future.

The policy not to permit the construction of railroad spurs across First Street was well known in 1903 and has been maintained ever since. Upon the strength of this the city has had a growth eastward toward First Street which would not otherwise have occurred, and among the buildings constructed have been the Sibley Memorial Hospital, the Lucy Webb Hayes Training School, and the Montgomery Apartment House, all upon North Capitol Street, only a short distance away. The directors of these institutions, and other owners of property in the vicinity, vigorously and justly oppose the invasion of the territory between North Capitol Street and First Street by the railroads, and the committee are of the opinion that the Government is in spirit pledged to them to prevent the same.

The only reason the committee have for recommending the accompanying bill is that a war emergency exists which warrants it; that the structure is of temporary character and its operation so guarded that it will not seriously disturb the patients in Sibley Hospital; and that the structure is to be removed and the street restored within six months after the termination of the war.

Mr. SMITH of Michigan. Will the Senator from Ohio permit me to make an inquiry?

Mr. POMERENE. I yield.

Mr. SMITH of Michigan. One remark of the Senator from Vermont recalls to my mind an ancient question which, it seems to me, is worthy of more than passing notice. The Senator from Vermont [Mr. DILLINGHAM] referred to the fact that he was here when the Union Station program was made. I also happened to have been here at the same time. A good many years have gone by; even the Senator from Vermont has grown gray since then, to say nothing of myself, and I should like to inquire either of the Senator from Ohio or the Senator from Vermont why it is that the old and dilapidated buildings at the north and west of the Senate Office Building should be permitted to remain in their present unsightly state?

Mr. GALLINGER. I can answer that question.

Mr. SMITH of Michigan. I should like to hear the Senator.

Mr. POMERENE. So far as I am concerned, I am quite willing that the Senator from Michigan shall be a committee of one to remove them.

Mr. SMITH of Michigan. If the Senator from Ohio will give me authority—such paramount authority as seems to be so easily bestowed in this time of national distress—I think I might work off some of my surplus zeal and energy to good advantage, perhaps better than here, on some of those old and unsightly buildings. I think it is an outrage that those buildings should be permitted to be a blot upon the landscape around the Senate Office Building.

Mr. GALLINGER. I think I can give the Senator from Michigan an answer which I believe will be accurate and will not lead to a discussion.

Mr. SMITH of Michigan. Does the Senator mean that I am to be foreclosed by what he is to say?

Mr. GALLINGER. Not at all. I had much to do with the legislation which ended in the construction of the Union Station——

Mr. SMITH of Michigan. I think the Senator was the father of that program.

Mr. GALLINGER. And with the elimination of grade crossings in the District of Columbia, which were an abomination, and the removal of which was a great triumph in connection with that legislation.

As I understand the matter, when the Government purchased the land between the Senate Office Building and the Union Station and some land opposite the Senate Office Building, a commission was appointed to appraise it. In fact, most of it was owned by private parties, but a portion of it was owned by the Baltimore & Ohio Railroad Co. That commission made a report, putting what I thought was a fair value upon that property, but some overzealous individual carried the matter to the President of the United States, and by some method, with which I am not exactly familiar, the commission was discharged and a new commission was created to again estimate the value of the property. That commission reported a considerably less amount in value than the first commission had done. The private-property holders—that property being held in the air so that they could not rent it and could not sell it under the circumstances—had to take the allowance made by the second commission; but the Baltimore & Ohio Railroad Co., which could afford to go into litigation, resisted it, saying that the amount allowed by the first commission was a fair amount and ought to have been granted without controversy. The matter is still in litigation, as I understand. I do not know why it should remain in litigation so long; the lawyers will know better about that than I do.

I noticed yesterday when coming down the avenue from the Union Station that one old building was being dismantled; and I had hoped that that was the beginning of the end of which the Senator from Michigan complains, because it is in the nature of an outrage that those old buildings should remain.

Mr. SMITH of Michigan. I saw the building in a dilapidated state, and I noticed the work of its removal ceased; and the probabilities are that in a much less attractive form than it was before it may be permitted to stand there. Now, as I understand, those buildings have already been acquired by the Government and are not concerned in the Baltimore & Ohio contention.

Mr. GALLINGER. If they are not, of course they ought to be immediately removed. There is no question about that.

Mr. SMITH of Michigan. There are many unsightly buildings around the city of Washington, but it is inexcusable for the Government to leave such unsightly buildings right here in the very shadow of the Capitol.

Mr. GALLINGER. That is true.

Mr. SHERMAN. Will the Senator yield?

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Illinois?

Mr. POMERENE. I yield to the Senator.

Mr. SHERMAN. The Senator from Michigan is seeking information which many of us desire. I think I can give it. That is the visible evidence of Government ownership. It is proceeding as expeditiously as those experts generally do. I understand this new commission—I think I am correct in this—are getting $20 a day as long as this enterprise known as the Plaza here is on foot. I predict it is going to last many years as an offense against the esthetic taste of Senators who look out of a window that way and an offense against landscape gardening. I predict it will be there many years.

Mr. SMITH of Michigan. At that rate of compensation, I have not any doubt about it.

The VICE PRESIDENT. The amendment of the Committee on the District of Columbia will be stated.

The SECRETARY. The committee proposes to strike out all after the enacting clause and to insert:

That authority is hereby granted the Surgeon General of the United States Army to construct, maintain, and operate a temporary single-track overhead siding across First Street NE. between L and M Streets, to the building or buildings in square 673 occupied by the Field Medical Supply Depot of the Army: *Provided*, That the siding herein authorized shall not extend westwardly beyond a point 560 feet and 9 inches east of the present site of Sibley Hospital or any of its buildings; and shall be limited to the use of the Medical Department of the United States Army; and within six months following the declaration of peace the Surgeon General shall cause said track to be entirely removed from the limits of said street and shall cause the aforesaid street to be restored to its condition prior to the construction of the siding without cost to the District of Columbia.

The Surgeon General of the Army shall provide for the construction, maintenance, and removal of this siding as herein authorized and prescribed, and the costs thereof shall be defrayed from the appropriations for the Medical and Hospital Department of the United States Army: *Provided further*, That said track shall be used only between the hours of 6 o'clock antemeridian and 9 o'clock postmeridian except in cases of extreme emergency.

Mr. GALLINGER. I have not noticed that any suggestion has been made along the line that I am going to interrogate the Senator from Ohio. Very likely I ought not to ask the question, but I have wondered whether anyone has taken into consideration the advisability of constructing an electric road covering this short distance.

Mr. POMERENE. I can not answer the Senator; I do not know.

Mr. GALLINGER. It seems to me that that would obviate a great deal of noise, but I have not noticed that anybody has made the suggestion. It just occurred to me that it might have been a better method than to put in a steam railroad.

Mr. POMERENE. I may say I was not able to be present at all the hearings on this subject, and the suggestion was not made in my presence, at least.

Mr. GRONNA. I wish to say, Mr. President, that I received a great many protests against this legislation. I do not know whether the officers of Sibley Hospital have acquiesced in the legislation or not. May I ask the Senator from Ohio whether there is any objection to the legislation by the officers of Sibley Hospital?

Mr. POMERENE. There was at first by some of the officers. Perhaps the Senator from Vermont [Mr. DILLINGHAM] could

answer more fully as to the extent of those objections. A good many of them have been withdrawn, I understand. I do not mean to say by that that some of the authorities may not still continue their objections, but they were largely based upon the theory that it was going to be a very serious inconvenience to this hospital. If Senators were to visit that site, as I and a number of my colleagues on the committee have done, I am sure they would be firmly of the opinion that, to say the least of it, it would not be very much inconvenience. I am confident that there will not be as much noise from the moving of those cars as there is every few minutes from the passing of street cars in front of the hospital and between the hospital and the end of the spur.

Mr. KING. If the Senator will yield, being a member of the committee I have made some investigation. I want to say to the Senator there are a great many very large trucks being employed now in hauling from the station to this depot the large supplies which the Government daily is bringing into the city. Those trucks, running constantly almost day and night, cause considerable noise. In my opinion, after having examined the subject very carefully, there will be less noise from the operation of the trains than there is now from the operation of the large number of trucks employed by the Government.

Mr. GRONNA. I understand it is suggested by the War Department that this track shall be built, and that it will be a saving to the Government of a great deal of money.

Mr. POMERENE. Three hundred dollars a day.

Mr. GRONNA. It will be only temporary; it will be only during the war. Of course, on the statement of both Senators that it will not seriously disturb this institution, I shall not object to the passage of the bill.

Mr. GALLINGER. While I do not think it would have any binding force and be merely a suggestion, I have observed that the men who run railroad trains like to make as much noise as possible and to blow the whistle on every possible occasion. They seem to seek an opportunity to blow the whistle.

Mr. SMITH of Michigan. And automobiles.

Mr. GALLINGER. As the Senator from Michigan suggests, the men who run automobiles are quite in the habit of letting the general public know that they are in evidence. I will ask the Senator from Ohio if he would have any objection to add at the end of the amendment, on page 3, the words "and the trains shall be operated with the least possible noise"?

Mr. POMERENE. I have no objection.

Mr. GALLINGER. That is a mere suggestion. It is all it amounts to.

Mr. POMERENE. I accept the suggestion of the Senator from New Hampshire.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. Add at the end of the amendment of the committee the following words: "and the trains shall be operated with the least possible noise."

Mr. POINDEXTER. Mr. President, I objected to the consideration of this bill on Saturday in order that the Sibley Hospital staff and every other person who is interested in the matter might have full opportunity to be heard. Some days have intervened, and I suppose everybody who is really interested in it has made such representations as he saw fit; and the Committee on the District of Columbia having investigated the matter, I do not care to assume the responsibility of undertaking to prevent the passage of the bill.

But I should like to make one observation in regard to it. There is a much more important question involved, I think, in the bill than the particular railroad switch that it authorizes or the interests of Sibley Hospital, because it involves all hospitals in all portions of the city—at least, in the section where the switch is to be located. It is just a question as to where you are going to lay the railroad track in that part of the town. There was a more or less well-defined understanding, according to the opinion of the senior Senator from Vermont [Mr. DILLINGHAM], who, being for so many years on the District Committee, is familiar with these matters, that that line should be First Street NE.

Mr. DILLINGHAM. Northwest.

Mr. POINDEXTER. Northeast. I think I am correct in saying northeast. The Army Medical Corps knew that when they located this warehouse on the west side of that street. Somebody else may come along and locate a warehouse a block still farther west, and come in here and say that it costs the Government $400 a day, and it may cost the Government $400 or $500 a day if some one chooses to exercise the same sort of judgment in the location of this warehouse in locating warehouses in the future in the prohibitive area west of that street, where it is not supposed the railroad track is going to go. There is plenty of area east of this street where a warehouse could be located, and that it is a violation of that general understanding and the insidious encroachment, little by little, bit by bit, upon the section of the city that was intended to be protected from noise and activities of railway transportation that constitutes the vice of this bill in my judgment.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF NATIONAL-BANK ACT.

Mr. OWEN. Mr. President, I send to the desk Senate bill 4099 with a favorable report from the Committee on Banking and Currency, amending section 5200 of the national-bank act in such a way as to add these words:

And provided further, That any note or notes purchased or discounted by any such association to not exceeding one-half of the capital and surplus of such association, secured by the face value of such note or notes in bonds of the United States issued since April 24, 1917, or certificate of indebtedness of the United States, shall not be considered as money borrowed within the meaning of this section.

The effect of this is to permit national banks to lend on notes secured by liberty bonds or Treasury certificates issued during the war up to 50 per cent of their capital. The bill has the approval of the committee unanimously.

Mr. KNOX. May I inquire if it is 50 per cent of the capital or 50 per cent of the capital and surplus?

Mr. OWEN. Fifty per cent of the capital and surplus.

The VICE PRESIDENT. The bill will be read.

The bill (S. 4099) to amend and reenact section 5200, Revised Statutes of the United States, was read as follows:

Be it enacted, etc., That section 5200, Revised Statutes of the United States, be amended and reenacted so as to read as follows:

"SEC. 5200. The total liabilities to any association, of any person, or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such association actually paid in and unimpaired and one-tenth part of its unimpaired surplus fund: *Provided, however*, That the total of such liabilities shall in no event exceed 30 per cent of the capital stock of the association. But the discount of bills of exchange drawn in good faith against actually existing values and the discount of commercial or business paper actually owned by the person negotiating the same shall not be considered as money borrowed: *And provided further*, That any note or notes purchased or discounted by any such association to not exceeding one-half of the capital and surplus of such association, secured by the face value of such note or notes in bonds of the United States issued since April 24, 1917, or certificate of indebtedness of the United States, shall not be considered as money borrowed within the meaning of this section."

Mr. SMITH of Michigan. If I understood the Senator, this is an amendment to the national bank act?

Mr. OWEN. Yes, sir.

Mr. SMITH of Michigan. Not the Federal reserve bank act?

Mr. OWEN. No, sir.

Mr. SMITH of Michigan. Therefore it can only deal with national banks?

Mr. OWEN. Yes.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL APPROPRIATIONS.

Mr. GALLINGER. Is the Agricultural appropriation bill before the Senate?

The VICE PRESIDENT. It is not.

Mr. SHEPPARD. I renew my request that the Agricultural appropriation bill be laid before the Senate and proceeded with. The chairman of the committee is now here.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

Mr. GALLINGER. Mr. President, the so-called Borland amendment is under consideration, as I understand it, at the present time. I want to occupy the attention of the Senate a few minutes in submitting some observations concerning that provision.

Mr. President, so far as the public service is concerned, there is an equality of opportunity but not an equality of efficiency, and because of that fact it is a very difficult matter to legislate on the salary of employees of the Government. One clerk has 100 per cent efficiency, another clerk has 50 per cent or less of efficiency, and yet in any legislation that has been adopted or can be adopted we wipe out that difference in efficiency and give the inefficient clerk of necessity the same salary that the efficient clerk gets. It is unfortunate that it is so. I know clerks who in my judgment are underpaid and greatly underpaid. Some of the higher grades, men and women who are getting larger salaries than the mass of the clerks, are greatly underpaid because of their great efficiency as experts or statisticians, being men and women who have made a special study of the subjects that they handle. I know clerks who are vastly overpaid. On the other hand, the mass of clerks who have been brought into the District of Columbia recently are in my judgment paid twice what they are worth. Some of them will become efficient, some of them may reach the point of 90 or 100 per cent efficiency after a while, but some of them never can in the very nature of things earn the salary that is given them at the present moment. But, as I have already said, that is the chief difficulty in legislating on this subject. In an effort to do equal and exact justice to all, it is impossible of accomplishment, so we have got to do the best we can under existing conditions.

I will not stop to discuss the question whether the clerical force in the departments in Washington are paid more or less than is paid in outside establishments and in outside activities. My opinion is that they are paid a little more liberally, but that perhaps might be controverted, and at best it is immaterial.

In the last session of Congress we increased the salaries of the clerks, in some instances 5 per cent and in others 10 per cent. I favored that, and I understand that a proposition is now before the other House—which will doubtless reach the Senate in due time—and which, if enacted, as it probably will be, will still further increase the salaries of clerks who are getting somewhere from $1,000 to $2,000 per annum. I think that ought to be done. The condition surrounding not only the clerks but people in general, so far as the cost of living is concerned, is so abnormal that we ought not to stick in the bark when it comes to taking a little of the money of the taxpayers to see that the employees of the Government are at least provided with the necessaries of life to an extent that will make them comfortable.

But, Mr. President, so far as the Borland amendment is concerned, I confess, after having given it pretty careful study, that it does not appeal to me as a wise way to legislate on this subject; certainly not unless it shall be amended. It provides simply that, so far as the appropriations made in this particular bill are concerned, no part of the money shall be used unless the clerks work eight hours per day. The statute that was read here yesterday, enacted in 1898, in a period of war, provides that they shall work seven hours a day and shall be subject to call on the part of the department heads, when an emergency requires it, to work longer hours, and presumably that system has been pursued from that time to the present.

I do not think that a very large proportion of the clerks have been asked to work unusual hours, but that a few of them are required to work longer than seven hours a day at the present time goes without saying. It is proper that they should do so; and I hope that they are doing so cheerfully, as some of the clerks tell me they are doing.

It seems to me, if we are going to change the hours during which clerks shall work in the various departments and activities of the Government, that we ought to amend the law of 1898; and if it is desirable to make the standard seven-and-a-half hours or eight hours instead of seven hours, we ought to act courageously and settle the matter in that way; but I agree with the senior Senator from Georgia [Mr. SMITH] that, if we are going to do that, we ought to provide that the clerks shall be allowed for overtime work. The suggestion the Senator from Georgia made yesterday that, if the clerks are required to work over eight hours, there ought to be an accurate account kept of it, and they should be either paid for overtime work or credited with the number of extra hours work and be excused from work a sufficient number of days later on to cover the excess of time they had labored. I think that a better plan than is the overtime-payment plan.

Mr. SMITH of Georgia. Mr. President, will the Senator yield to me for a moment?

Mr. GALLINGER. Certainly.

Mr. SMITH of Georgia. I should like, while the Senator is on the floor, to read the amendment I intend to offer, so that I may have the benefit of the Senator's views on it.

Mr. GALLINGER. I should like to have the Senator read it, because it rather appealed to me when I heard him suggest it.

Mr. SMITH of Georgia. The amendment I intend to propose reads as follows:

Provided, That hereafter record shall be kept of all hours of daily work in excess of eight hours by each employee, and employees who have worked extra hours shall be allowed an equal number of hours without work, with full pay, and the holiday shall be given as soon as practicable after the work has been performed.

Mr. GALLINGER. Mr. President, if we are to have an eight-hour day, instead of a seven-hour day, that will be, I think, a wise solution, and one that will do justice to the clerks who are called upon to work over eight hours in emergencies or when the work is in arrears. I shall vote for that amendment if offered; but I am not prepared to commit myself to vote against the motion made by the Senator from Texas, because I am not at all sure that we ought to interfere with this matter at the present time, unless we take up the act of 1898 and amend it, if we think it needs amending. I do not like to have that statute standing on the books, and at the same time have the so-called Borland amendment, simply controlling the appropriations for one department of the Government, injected into an appropriation bill in conflict with the law as it stands at the present time.

We want, Mr. President, to do equal and exact justice in this matter—and I feel sure that every Member of this body feels about it precisely as I do—and we do not want to go about it in a blundering sort of way. I think the Borland amendment as it now stands is a blundering piece of legislation. It has little in it that is scientific or that is calculated to go to the root of the difficulty and correct any evils that may exist at the present time.

As a rule, I have no doubt the clerks in the departments are faithful and honest and are discharging their duties conscientiously. It is true that as to a great many of them seven hours a day is all that they ought to work. We are face to face with an unfortunate situation so far as our departmental employees are concerned. We have no law that retires them after they become inefficient, and they are kept in the service long after efficiency comes to an end. I went into a room in a certain department of the Government not long ago and it looked to me very much like an old ladies' home; there were women there who ought not to be required to sit at desks even one-half of eight hours a day, and I can not conceive that they are of very much service to the Government. Men over 80 years of age are being employed in clerical work in some of the departments of the Government, and, while there may be cases where they can still continue to do good service, the fact is that most of them are not capable of performing the service that is expected of them.

Now, Mr. President, I think I have stated my position, which in a sense is somewhat contradictory, perhaps, but my desire to do the right thing is so intense that I do not want to make any mistake in the attitude I shall take or in the vote I shall cast. For that reason I shall vote for the amendment submitted by the Senator from Georgia to amend the bill so that if the Borland amendment shall receive the support of a majority of the Senate it will be greatly improved by that amendment of the Senator from Georgia; but whether the amendment shall be agreed to or not, I shall hold in reserve my vote on the motion made by the Senator from Texas.

Mr. THOMAS obtained the floor.

Mr. SMITH of Georgia. Will the Senator yield to me, that I may offer the amendment?

Mr. THOMAS. I yield.

Mr. SMITH of Georgia. I offer the amendment that I send to the desk, to follow the Borland amendment.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 91, line 16, after the word "day," it is proposed to insert the following:

Provided, That hereafter record shall be kept of all hours of daily work in excess of eight hours by each employee, and employees who have worked extra hours shall be allowed an equal number of hours without work, with full pay, and the holiday shall be given as soon as practicable after the extra work has been performed.

Mr. SHEPPARD. I assume that that amendment is being read now for information.

Mr. SMITH of Georgia. It is formally offered now.

Mr. SHEPPARD. The motion pending is a motion to strike out the clause in the bill known as the Borland amendment.

Mr. GALLINGER. It is in order first to perfect the text of the bill.

Mr. SMITH of Georgia. I understand the suggestion of the Senator from Texas, but we have a right to perfect the text of the bill before the motion to strike out is put, and the proviso that I propose to add is to perfect it.

Mr. SHEPPARD. I shall also offer the following amendment:

Provided, That work required in excess of eight hours shall be paid for at the rate of one and one-half times the regular compensation of the employee, computed on an hourly basis.

If we are going to have the eight-hour day, let us have the standard eight-hour regulation.

Mr. VARDAMAN. Mr. President, may I ask the Senator from Texas a question?

Mr. THOMAS. Mr. President, I think I have the floor.

Mr. VARDAMAN. I beg pardon of the Senator from Colorado.

Mr. THOMAS. I yield.

Mr. VARDAMAN. Has any increase in the salaries been allowed these employees?

Mr. SHEPPARD. There has not been.

Mr. THOMAS. Mr. President, the remarks submitted by the Senator from New Hampshire [Mr. GALLINGER] disclose the evils of legislation effected by riders to general appropriation bills. There is a statute upon the law books of the United States, enacted about 20 years ago, which has been read to the Senate and which will be affected by this rider, yet the rider ignores it entirely, inasmuch as it does not purport to repeal that statute. If the amendment shall be adopted, however, it will in effect deprive the beneficiaries of the statutory provision. I do not approve of such legislation, and yet it is an established method of congressional procedure. I shall nevertheless vote against the motion of the Senator from Texas [Mr. SHEPPARD].

Mr. President, I sometimes think that the Democratic Party should change one of its slogans by reversing it, and declare itself for special privileges to all and equal rights to none. Since my entrance into this body, and especially since the 4th of March, 1913, we have probably enacted more class legislation than can be found in the acts of preceding Congresses. It is not necessary to enumerate them. Suffice it to say, I have tried to be consistent by voting against all of them. The act to be affected by this amendment, however, was not one placed upon the statute books by a Democratic Congress. Consistency would require that we remove it if we sincerely oppose class legislation, not because of the class which it affects, but because it is class legislation.

Moreover, Mr. President, I have been for nearly half a century an advocate of the eight-hour law. It has been accepted by the common verdict of nearly all civilized countries as a proper standard for a day's work, and exceptions to it by lowering the scale necessarily become examples that will be fruitful of similar legislation. Take, for instance, the present conditions. I know of no reason why one class of employees should be privileged to work but seven hours while all other classes are required to work at least eight hours. Of course I am aware that the law carries with it the power to the heads of departments or of bureaus to require longer hours of labor; but, Mr. President, we always follow the lines of least resistance, and it is much easier to make no exception to the general operation of the law than to make one or many exceptions. Necessarily they breed discontent between those who are required to work longer hours and those who are permitted to enjoy the benefits of the statute. Moreover, I am surprised that it has not long ago prompted other branches of the service to insist upon the same privilege. That it will now come, I make no doubt.

Mr. President, why should not every employee of the Government work eight hours? I know it has been argued here, and it will be argued again, that eight hours is too long for certain people—women, for example—and that the constant employment of one's energies for an unbroken period of seven hours is apt to result in nervous breakdown. If that is true, then the statute should be changed, not by increasing the hours of labor but by diminishing them. And I am surprised if the statement be true that employees of other countries working for more than eight hours have survived so serious an affliction.

Mr. President, I can not assent to the proposition that eight hours' work—intelligent work—carried on under and amid surroundings such as exist in the city of Washington can hurt anybody. On the contrary, it should be a stimulus to every normal individual. The only real happiness in this world is enjoyed by the man or woman who is in love with his or her work, who takes pride in its proper performance and joy in the production resulting from it.

One of the great evils of the day is the constant effort, organized and unorganized, to escape from labor and to live without resort to it. This Nation was never so vigorous and never so prosperous as when there was work for all and men and women worked for love of it, for the incentive which inspired it, and for the fruits which it produced.

Of course, after our great factories were established and the lines became more and more closely drawn and greed, selfishness, and avarice manifested themselves in the reduction of wages, in carelessness or indifference to sanitary surroundings, and to the risks consequent upon these pursuits, organizations of workingmen became absolutely essential. They naturally sprang from the conditions requiring collective action and collective bargaining. But, Mr. President, I think that the employees of the United States, taken by and large, in normal times are among the best-paid people in the world. I know, Mr. President, that fixed salaries in times of expansion of currency always result in hardship to their recipients; and such may be the case now, when men and women working for the Government at ordinary salaries contrast them with the wages of ordinary unorganized laborers, the demand for which at this time is unparalleled. But there is this difference—and it is to my mind a fundamental one—that in the case of the average laborer the present conditions are abnormal, while in the case of the vast civil service of the United States conditions, while out of adjustment now, are permanent in their character and should be legislated for accordingly.

If I understand this amendment, it is merely designed to equalize hours of labor; and I do not understand why so much feeling, so much resentment, should be manifested against what seems to be a fair proposition and one which should have been considered many years ago. I see no signs upon the streets or in the departments, the bureaus, or the commissions of those nervous breakdowns, those unfortunate physical consequences which are said to result from a close application of this law.

I happened to be in the War Department yesterday when the hour for ceasing work arrived. I never saw a more buoyant set of men and women of all ages, and I wondered, if these were a fair sample of the physical condition of our employees, how it could be possible that more than seven hours of labor would result in reducing these people to a condition of complete or semi-invalidism, thus interfering with their well-being in life. I have no fear, Mr. President, of any such consequences. They are imaginary.

We have permitted the employees of the Government to organize. They are a compact organization, or series of organizations, affiliated with the American Federation of Labor. Now, Mr. President, I think that is unfortunate. I do not believe that those who serve their Government, who receive their salaries from it, whose positions are therefore public or semi-public, should be included in the list of wage earners affiliating with the American Federation of Labor. Embarrassments, and very serious ones, may result from such industrial conditions.

For example, Mr. President, suppose we should be so unfortunate as to encounter the miseries of a widespread strike called, if you please, by the main federation. That would present to the organized Government employee the alternative of doing his duty by his Government or by his organization—an alternative to which no right-minded man or woman should be subjected. There is another reason, Mr. President, which is that the organization having succeeded the individual, the needs which they think they require and believe they require are not asked for but are demanded.

I was sorry, Mr. President, while this bill was pending in the House to receive an advertisement entitled "The Borland Amendment," which makes reflections upon a most useful Member of Congress, which, to say the least of it, is subject to adverse criticism. If the independence of the Representatives of the Nation finding expression in what they conceive to be the line of their duty is to be subject to such exhibitions of resentment and criticisms as are embodied in this and similar statements, if a man in the performance of his duty as he sees it is to be subjected to such attacks, then surely the result must be a serious interference with the performance of that duty; for no man, I care not how courageous he may be in legislation of this kind, which we must admit is political in one of its phases, can act with the same freedom, with the same devotion, and with the same energy he can exercise under other circumstances; and if there were no other reason for my voting for the Borland amendment than this campaign systematically waged against him, that would determine my course. That is to say, if I had any doubt as to my duty in the premises I would solve the doubt in the direction of the amendment.

Mr. KING. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Colorado yield to the Senator from Utah?

Mr. THOMAS. I yield to the Senator.

Mr. KING. Mr. President, the Senator from Colorado is dealing now with a very important phase of this bill, one

which I think should be considered by every Senator who desires to do his duty and is not afraid to do his duty against the organization of employees of the Government. I think all the Senators ought to hear what the Senator from Colorado says; and if he will pardon me——

Mr. THOMAS. I hope the Senator will not do that.

Mr. KING (continuing). I was about to suggest, and desired to suggest, the absence of a quorum.

Mr. THOMAS. Oh, Mr. President, no benefit can come from the suggestion. Senators will come in and answer to their names and leave.

Mr. SMITH of Georgia. They are eating their lunch.

Mr. THOMAS. Well, whether they are eating their lunch or not, they will come and answer and leave; and so far as I am concerned, I do not want to inflict my remarks upon any unwilling auditor.

Mr. KING. Mr. President, I know several Senators, anyway, who would be very glad to hear this phase of the subject discussed by the able Senator from Colorado; and I hope he will pardon me while I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hardwick	Nelson	Smoot
Baird	Henderson	New	Stone
Beckham	Hollis	Norris	Sutherland
Borah	Johnson, Cal.	Nugent	Thomas
Calder	Jones, Wash.	Overman	Tillman
Cummins	Kellogg	Penrose	Townsend
Curtis	Kenyon	Phelan	Underwood
Dillingham	King	Pittman	Vardaman
Fletcher	Kirby	Ransdell	Wadsworth
France	Knox	Reed	Walsh
Frelinghuysen	Lewis	Shafroth	Warren
Gallinger	McCumber	Sheppard	Watson
Gronna	McKellar	Shields	Weeks
Hale	McLean	Smith, Ariz.	Wolcott
Harding	McNary	Smith, Ga.	

Mr. SHEPPARD. I have been requested to announce that the Senator from Kansas [Mr. THOMPSON] and the Senator from Arkansas [Mr. ROBINSON] are detained on official business.

Mr. LEWIS. At this juncture permit me to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from Kentucky [Mr. JAMES] occasioned by personal illness.

The PRESIDING OFFICER. Fifty-nine Senators have answered to their names. There is a quorum present.

Mr. THOMAS. Mr. President, the quorum has been called. I think it has resulted in the physical presence of two more Senators than were in the Chamber when the Senator from Utah made his suggestion, so the result is as I anticipated.

Mr. President, these employees' organizations, like all others, have their legislative delegates, walking and otherwise. They have their legislative committees, just as the other organizations of the country do. That is perhaps permissible if the organizations are to be; but it is something of a travesty upon our civil service that there should be committees on legislation paying attention to bills before Congress and drawing salaries from the Government or, if not drawing salaries during that time, compensated by other employees from their salaries while engaged in influencing legislation. Prior to the time of these organizations such things were unheard of. Now, the pressure brought or sought to be brought to bear for or against legislation is precisely the pressure of other similar committees and delegates, and it includes, among other things, its political feature. These men vote, a great many of the women vote, and very soon all of them will vote.

I do not know of a greater coward on earth than a Member of Congress who wants to succeed himself, unless it is the ordinary American business man; and of course pressure, semipolitical in its character, exerted by organizations can only be resisted at the risk of possible or probable defeat. I want to protest here and now against the extension of that practice to the men and women in the employ of the Government, drawing their pay from the United States Treasury. I want to be perfectly fair in my criticism, Mr. President. I do not mean to make a statement which can be interpreted to mean that these particular organizations differ in their methods, are more unfair, more unjust, or more exacting, than the others. Quite the contrary; but the others are outside organizations, not protected by a Civil Service Commission, which gives a tenure of life in practically all cases, and upon which, of course, absolute reliance can be placed so long as the employee does his or her duty. They must organize to protect themselves, a condition wholly absent from the public employees.

This amendment, Mr. President, as it passed the House, does not effect the wages or salaries of employees. As amended by the Senator from Georgia, it does, and I think reference was made to the pendency in the House now of a bill which is designed to provide for a horizontal raise of from $120 to $180 per year as the House shall finally determine after discussion.

Mr. President, if that bill becomes law—and I have no doubt that it will—its only effect upon the employees will be to use them as a conduit to transfer that amount of money from the Treasury of the United States to their landlords and their boarding-house keepers and merchants, because as the salaries are raised the price of the necessities of life will be raised also. That is why every merchant and every landlord and every newspaper in town is for it.

It will not solve the problem, because we may legislate as we may with regard to salaries; the purveyors will "beat us to it," as the saying is, in so adjusting their prices as to absorb the increase; and next year these people will be in the same predicament as they are now, with the difference that something like fifty or sixty million dollars of money will have been transferred through their agency from the Treasury to the people of the District.

If I lived here, perhaps I might for that reason join in the hue and cry to increase wages. I recognize as fully as anyone can that at present it is very difficult for the salaried employee to make both ends meet. I should like to see Congress tackle the problem at the other end, and I think perhaps we will do it. The Johnson bill is a good start in that direction, although we may not agree with all of its provisions. Some may consider it too drastic, and others not drastic enough; but that, Mr. President, is the only way in which we can legislate for the benefit of those who need relief at this time, because of the conditions I have discussed.

The argument, perhaps, will not appeal to this Congress; it did not appeal to any of the Congresses of which I have been a Member, because the easiest thing in the world to do in Congress is to pass an appropriation bill. It makes no difference what the purpose of the bill may be; it would seem that its passage is certain if it takes money out of the Treasury; and in this time of national peril the tendency to appropriate money from the Treasury of the United States is increasing, instead of decreasing, in every direction.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Hampshire?

Mr. THOMAS. I yield.

Mr. GALLINGER. The Senator will agree with me in the added suggestion that it becomes easier the larger the appropriation bill is.

Mr. THOMAS. Mr. President, I used to think so; but I have observed lately that when specific appropriations have been attacked they have been defended upon the ground that they are so small as to be wholly inconsequential. Why should we object, for instance, to a miserable little appropriation of $250,000 for something, or of two millions, or of five millions? Why take up the time of the Senate and of the House in the discussion of the small appropriations which will not sensibly affect the aggregate? Mr. President, the Treasury of the United States is bleeding from every pore, and, instead of stanching it, I sometimes think that every other man and woman in the country are out with their knives looking for some unsevered, hidden artery to cut in twain.

We passed two pension bills this morning, taking only 15 or 20 minutes of time, increasing the amount of pensions. We did not concern ourselves enough about it to run down the list and see whether they were all meritorious cases and whether some might be undesirable. When the Senator from Florida, Mr. Bryan, was here he and I used to attempt, vainly attempt, to modify the pension bills in some respect. We got nowhere, and we never will. I have given it up, for, Mr. President, that practice will continue just as long as the price of living rises, because the idea of a pension now is not a contribution for service so much as a good living due from the Government to the pensionary.

Take the situation, Mr. President, of the country generally with regard to our expenditures. The word profiteer has become as common on American lips as the word camouflage to a Frenchman. We have so far called the attention of the country to a number of shocking instances of huge profits, extortionate profits—I almost said treasonable profits—that some people calling themselves patriots are drawing from the Treasury of the United States in the performance of contracts for the production of many goods and articles absolutely essential to the salvation of the Republic; yet the work goes on, with no indication of diminution or of cessation.

On the other hand, Mr. President, we find similar deplorable conditions disfiguring the industrial situation all over the United

States. Labor is discontented, and the higher the wage it gets the more discontented it becomes. The newspapers announced two or three days ago that 185 men, forming the calkers' union, receiving more wages than they ever dreamed of two years ago, had struck for higher pay, and as a consequence had paralyzed the entire shipping program in the Northwest. I do not know whether it has been settled or not. Shortly before then the carpenters' union struck and suspended work in the great shipyards of the Atlantic seacoast. The president of the union, when appealed to, said that he could not control his men. When a union reaches such an extremity as that its chosen and elected officers can not control it, then it would seem to a man of ordinary common sense that in such a crisis some authority should do so.

The Senator from North Dakota [Mr. McCUMBER] the other day in one of the ablest addresses that ever fell from the lips of a Senator in this body demonstrated the awful condition of the labor market and its sinister effect upon our shipping program. He spoke to about as many Senators as do me the honor of their presence. About the only immediate effect of his speech was to provoke a remonstrance from this side of the Chamber. Yet, Mr. President, he told the Nation the truth, a truth so ghastly in its possible consequences that I sometimes shudder to think of it.

Here is a telegram from Boston, March 12:

From April 6 to October 6, 1917, there were strikes at 2,521 establishments, the existence of which was definitely verified by the board. Each establishment was asked to report on causes, but complete information was received from only 1,156.

These plants showed 283,402 men idle and 6,285,519 days of production lost. Opinions were asked also of labor commissioners and mediators, etc.

More than six and a quarter million working days lost forever and the country in the midst of the greatest war ever known, or that ever will be known in history, whose outcome is wholly dependent upon the active development of our program, long ago outlined.

Let me refer to one or two other manifestations of a prevailing desire for money which rises superior to love of country. A distinguished general was ordered to France the other day and is on the water now. Whether he lands or not depends largely upon the accident of fortune. Within two days of his sailing his wife's landlord demanded $250 a month rent from her in place of $100 that she had been paying. I know another gallant officer whose wife has suffered from similar conditions.

The program lags, Mr. President, while we make appropriations, while some people work only seven hours a day, while others work fitfully or do not work at all, no matter what their wages, and others profiteer upon a larger scale.

Mr. President, I sometimes wonder if there is in America the true spirit of patriotism. I sometimes wonder whether this Nation must not be confronted with a mighty disaster before its various parts shall be knit together to create the spirit which manifested itself in the people and the armies of the North and the South during the Rebellion. I sometimes wonder whether the charge of our enemies that we have become so devoted to money making that our national virtues have been submerged may not be true.

Mr. President, we have a large Army in France. We shall have a larger one as soon as we can get it there. It all depends on ships whether we get them there or whether we can care for them after we have transported them there. Some of us realize the serious side of this mighty problem, and fear that the Imperial Government of Germany may make good the threats it announced when the submarine warfare was declared. I wonder, Mr. President, what may be the thoughts, the reflections, and reproaches of those may be who are charged—the rich and the poor—with the awful responsibility of supplying our means of transportation if after landing a huge army we shall be unable to supply it the provision and equipment essential, not to victory alone but to their very existence.

We all have boys in this war, our own boys and the boys of our friends. We have sent and are sending them across the sea. They are giving, as Mr. Lincoln said, to the cause of liberty the highest test of devotion. Their hopes, their ambitions, are lofty. They believe in democracy; they are willing to die for it, but with their faces to the enemy.

But, Mr. President, if because of our attention to trivial things, if because of the delays due to demands for the increase of wages rises above the immediate and terrible needs of the hour, the time shall come when these soldiers of freedom bearing the American flag, confronted on one side by the most brutal and most powerful and inexorable foe that ever existed and on the other by starvation through lack of supplies, with no guns, with no food, with nothing but the alternative of sacrifice or surrender, what shall become of the great Republic, the last hope of freedom? What will posterity say of this generation, so miserably failing in such a crisis?

I do not like to paint a picture like this, Mr. President. Sometimes it keeps me awake at nights. I must contemplate it, Mr. President, for it is not wholly improbable. I would to God that some genius could rise upon whose lips both cherubim and seraphim have breathed the fires of eloquence to sound a trumpet call to this Nation, arouse it from its dormant state and awaken it to a vivid sense of its imperious duty.

Mr. President, this has but little to do with the amendment I am considering, but it is quite appropriate in view of the fact that it, too, calls for appropriations, more appropriations, and more money; as we now propose to amend it, and it is appropriate to call attention to the fact that it is the practice everywhere, that we do not seem fully alive to its probable consequences in this time of universal warfare.

Mr. President, this generation of Americans do not understand the meaning of sacrifice. Would they might recall what their fathers and mothers endured 50 years ago in this country, those of us who lived in the South during the last two years of that awful conflict. Would they might reflect more deeply upon what has occurred in the desolated regions of France and Italy. Then they would have some slight appreciation of sacrifice.

Automobiles whirling through the streets of this and other cities with their drivers and their footmen, occupied by fashion and pleasure. Women are doing all in their power to help the cause, and that is comforting. Many have devoted themselves unreservedly to the cause of the soldier. I do not know of a hotel in this city that has not its lackeys at the door, its bands of music, and its appointments of luxury just as in times of peace. The lights upon Broadway and other great centers of amusement in the various metropolises of the Nation are just as bright and their habitues as active and free from care as though no world tragedy were in progress beyond the sea.

Over us all, Mr. President, stalks the specter of possible defeat. May it never come; if it does it will be due to our indifference to our duty and our failure to meet a world crisis fraught with terrible consequences to humanity and to civilization.

Mr. SMOOT. It is unfortunate, Mr. President, that a speech such as has just been delivered by the Senator from Colorado [Mr. THOMAS] could not be heard by all the people of the United States. If it were possible for such a thing, no man could count the advantage to our country. I sometimes feel, as the Senator said he feels, that it is almost a waste of time to stand on the floor of the Senate and call attention to the wicked extravagances in the appropriations of sums of money that are so vast that the mind of man can not comprehend them.

I am in favor of doing everything in reason for the clerks of the Government. A year ago I offered the amendment to the first appropriation bill that carried the increases to those clerks. I recognized at the time the amendment was offered that there were injustices in it and did not do justice to all cases. I have been interested in the past in studying the conditions under which the clerks in the different departments of our Government labor, and I admit there are many, many cases where wrongs should be righted. There are clerks who are underpaid; there are more of them who are overpaid; and a more just action could not be consummated by Congress nor one that would be of greater advantage to the Government and to the employees of the Government than to have the question of salary investigated by a joint committee of Congress—one having an interest in seeing that the evils now in force in all the departments of our Government are rectified.

Mr. President, I know the law fixes a certain salary for a certain class of clerks. We have class 1, class 2, class 3, and class 4. We have the laborers, we have the watchmen, we have the charwomen, and others. The salary of all these different classes of employees is fixed by law, and no Senator who has ever taken an interest in this question and visited the departments long enough to make a casual examination but what knows that there are clerks in class 1 who are underpaid, and there are clerks in class 1 who are overpaid, and there ought to be some system put in force by Congress to see that a man or a woman receives all that his or her labor is worth, no more and no less.

I recognize, Mr. President, that under the present war conditions such evils have been multiplied manyfold, and necessarily so, on account of the influx into this city of tens of thousands of additional clerks taken from all parts of the United States, many not required to pass the civil-service examinations, others passing them, but totally unfit to do the work.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Utah yield to the Senator from New Hampshire?

Mr. SMOOT. I yield to the Senator.

Mr. GALLINGER. I assume that the Senator knows no way that a differentiation could be made between the efficiency of one clerk and another as long as they are classified.

Mr. SMOOT. That can not be done under present practices, Mr. President, and that is why I am calling the matter to the attention of the Senate. I think there ought to be, and I want to say to the Senator there will be a change before many years.

Mr. GALLINGER. I hope so.

Mr. SMOOT. It can not go on the way it is at present.

Mr. GALLINGER. There is another matter that I meant to touch upon in the few words I uttered upon this subject, and that was that the larger amount paid to some clerks of less efficiency than others comes to some extent from favoritism in the department on the part of the man at the head of a division or the chief clerk, where favorites are promoted and others are demoted because of the great variety of so-called reasons.

Mr. SMOOT. The Senator is absolutely correct, and no Senator who has served in this body for a year has not discovered that to be the case.

Mr. KING. Will my colleague yield to me for just a moment?

Mr. SMOOT. Yes.

Mr. KING. While speaking about the inequality existing and the evils which prevail now in the departments, I want to call attention to one evil that I have found, namely, that in promotions there is a disposition to disregard what I understand ought to be the rule and promote with reference to efficiency, but the promotions are based almost exclusively in some departments upon seniority of service.

Mr. SMOOT. I know there are some departments that adhere to that strictly. In fact, I have had heads of departments come to me and say that under the practice of the department in the past he was compelled to promote Mr. So-and-so, and if promoted he knew he can not do the work. This practice ought to be stopped and some time or other it will be stopped.

Mr. President, we passed this week an urgent deficiency bill adding millions to the amount that the House provided. I can not remember just the amount of the increase, but millions of dollars; and there is no need to mention the matter if less than $100,000,000, for $100,000,000 to-day is considered a very small amount. But, Senators, do you know that if that bill had remained in the Senate unacted upon another 24 hours we would have been asked to increase it $500,000,000 more, and would have been told the amount was vitally necessary and must be provided at once.

Mr. GALLINGER. Mr. President, the Senator is right in saying we escaped being asked to add $500,000,000 to that bill by passing it the day we did. That was a fact.

Mr. SMOOT. No doubt of it.

Mr. SMITH of Georgia. What was the other $500,000,000 for?

Mr. SMOOT. The most of the estimates came from the War Department, I will say to the Senator.

The amount asked for will be included in the next urgent deficiency bill, which will follow in a very little while.

Beginning the 6th of April a drive for the third liberty loan will be commenced and the people will be asked to subscribe to it. Not only will they be expected to subscribe to the liberty loan amounting to billions of dollars, but the American people before June 30 of this year will be called upon to pay $4,500,000,000 of taxes into the Treasury.

Mr. President, I have absolute confidence in the loyalty of all classes of the American people, and I do not believe that the coming liberty loan is going to fail, but I do know that the question of its absolute necessity must be presented to the people of the United States in such a way that they will feel its necessity to such an extent that they will be willing to sacrifice some of the usual necessities of life and all the luxuries. I think it is going to be a real task to place the coming bond issue, much harder than it was for the first or the second issues, and perhaps the next one will be still harder. This being the case, we ought to be able to go to the people with clean hands, as far as the accounting for the money appropriated by Congress is concerned. We ought to be able to say to the people of the United States that every dollar collected through taxation, every dollar that you have advanced to the Government in return for Government bonds, has been spent wisely, judiciously, and without graft.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Dakota?

Mr. SMOOT. I yield.

Mr. McCUMBER. The Senator would have great difficulty, would he not, in convincing the American people that what they have already raised has been spent judiciously and carefully? All we may hope for is that we may convince them that that which we will raise in the future will be so expended.

Mr. SMOOT. Mr. President, I am fearful from the rumblings that I hear from all parts of the United States that it is leaking out, and the American people are beginning to believe that the money they have subscribed in the past for our bonds and the taxes that they are paying has not been spent to the best advantage. I want now to say that if we do not begin to scrutinize all the appropriations made and require evidence that the amounts that are asked for by all the departments of the Government are absolutely necessary for the economic maintenance of the Government we are going to get into trouble.

I am in favor of the Borland provision, with the modification that I expect will be offered to it. I am in favor of an eight-hour day. When the clerks came to me and asked me if I would not oppose the Borland amendment—the clerks for whom I worked for an increase wage last year, the clerks for whom I am willing to work this year—I told them I could not do so. I also stated I would gladly vote for an increase in their salaries even greater than they were allowed last year. I do not believe it is fair to the clerks as a whole to place them in the position before the American people of being unwilling to work eight hours for the Government of the United States, particularly so, Mr. President, during the crisis we are passing through.

How can we explain such an attitude to the farmer, who is asked to work not eight hours but, as everybody knows, 10, 12, and 14 hours a day? He is pleaded with to work longer and faster in order to raise sufficient food to feed the American people, to feed our allies, and even feed the clerks employed by our Government. I believe that if we could take a vote of the clerks themselves a great majority of them would say that they were perfectly willing to work eight hours a day during the continuance of the war. The Borland amendment says that the day shall not be less than eight hours, and that is the only change from the present law, which is seven hours.

Mr. President, I want to call attention to the fact that the clerks have 30 days leave of absence every year, with full pay. They are entitled to 30 days sick leave, with full pay; and, as far as I am concerned, I want the clerks of the Government to be paid as well as any other laborers in all the world doing the same class of work.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from South Dakota?

Mr. SMOOT. I do.

Mr. STERLING. Do I understand the Senator to say that they have 30 days sick leave as well as 30 days annual leave?

Mr. SMOOT. They are entitled to 30 days sick leave in case they are sick.

Mr. STERLING. With pay?

Mr. SMOOT. With pay; and if, for any reason, they are sick longer than 30 days, then an extension of 30 days can be granted them; but that is without pay.

Mr. McCUMBER. Mr. President, will the Senator state, on the average, what percentage of the 30 days in our departments is taken up each year by sick leave, if the Senator knows?

Mr. SMOOT. Mr. President, I want to say that in some of the departments the clerks take a greater percentage than in others. I have not the figures here with me, but I have them in my office, and I think it runs all the way from an average of 5 days in some of the departments up to over 20 days in others.

Mr. McCUMBER. Mr. President——

Mr. SMOOT. I yield to the Senator from North Dakota.

Mr. McCUMBER. It would be safe to say that taking the departments as a whole there is one month and two-thirds, or 20 days, in which this pay is granted although no service is given to the Government.

Mr. SMOOT. Less than 20 days, I will say.

President, it has been said that the clerks are now working over seven hours a day, without pay.

Mr. HARDING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Ohio?

Mr. HARDING. Will the Senator allow me to ask him a question?

Mr. SMOOT. I will.

Mr. HARDING. Does the Senator include in the time unemployed the half holidays in summer?

Mr. SMOOT. No; I forgot to call attention to that.

Mr. HARDING. Will the Senator say how many half holidays are allowed the Government employees with pay?

Mr. SMOOT. That only happens in the summer time—in the real hot days of summer—when they get a half holiday every Saturday.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Missouri?

Mr. SMOOT. I do.

Mr. REED. Is it not the Senator's opinion that if this bill is passed as it came from the House, no pay can be received by any clerk who has a half holiday on Saturday?

Mr. SMOOT. Why, no, Mr. President; because this amendment—the so-called Borland amendment—does not change the law from what it is to-day, with the exception of making it eight hours instead of seven.

Mr. REED. No; I beg the Senator's pardon. If the Senator will read the language of this amendment, I think he will change his opinion; and I will ask him to read it now, if he has it before him.

Mr. SMOOT. Yes; I have it. I will say to the Senator that that is the position taken not only by the author of the amendment but by other speakers in the House of Representatives. I will read it, however, now.

Mr. REED. The opinion of the author of the amendment would not have any effect on my judgment.

Mr. SMOOT. Well, that may be.

The amendment, Mr. President, reads as follows:

No part of any amount herein appropriated shall be used to pay salaries or for personal services in any department, bureau, or office in the District of Columbia which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act, approved March 15, 1898, require eight hours of labor each day.

Now, Mr. President, I want to read, in that connection, section 7 of the legislative appropriation bill referred to.

SEC. 7. That section 5 of the act making appropriations for legislative, executive, and judicial expenses, approved March 3, 1893, is hereby amended to read as follows:

"Hereafter it shall be the duty of the heads of the several executive departments, in the interest of the public service, to require of all clerks and other employees, of whatever grade or class, in their respective departments, not less than seven hours of labor each day, except Sundays and days declared public holidays by law or Executive order."

Mr. President, the amendment does not change that situation at all, and an Executive order could be issued, if this amendment is passed, giving half holidays on Saturdays during the summer months and pay for them just as they have been paid for in the past.

Mr. REED. Mr. President, is the Senator in favor of that?

Mr. SMOOT. Of the half holidays?

Mr. REED. Yes.

Mr. SMOOT. Why, certainly, Mr. President.

Mr. REED. Then I should like to know the logic of standing and in one breath declaring that the employees ought to be made to work eight hours a day and in the next breath saying that they ought to be let off on Saturday afternoon by Executive order.

Mr. SMOOT. Why, I can see the soundest of logic in the position that I take. Everyone during the heated summer term in Washington is almost compelled to take some sort of rest. The half holidays are generally granted at a time when Congress is not in session, when there is very little to be done in the departments, and it is left entirely with the Executive to issue the order. If the Executive says that every employee of this Government shall only work a half day on Saturdays during the summer, he has that power and that right, and he has exercised it in the past, and I think exercised it wisely. I want to say to the Senator from Missouri that it is not a question of dollars and cents that influences me in my action.

Mr. REED. What is it, then?

Mr. SMOOT. It is a question of having the employees of the Government, when the requirements caused by this war are so great, to work eight hours a day.

Mr. REED. Mr. President, does not the Senator know that the head of any department can call upon the employees to-day to work 8 hours or 9 hours or 10 hours or 12 hours a day without a penny of extra pay, and that, if the work is behind, the heads of departments will do it, and that they have done it, and that the clerks have uncomplainingly performed the labor?

Mr. SMOOT. Mr. President, what the Senator says is right; but the Senator knows that the head of every department has accepted our suggestion in the law that the workday will be seven hours, and that the heads of departments are not going to change it until Congress acts.

Mr. REED. But, Mr. President, they have done it. They are doing it.

Mr. SMOOT. I will come to that, Mr. President, if the Senator will allow me.

Mr. REED. Very well.

Mr. SMOOT. Many persons have made the statement just made by the Senator from Missouri that the heads of the departments are requiring the employees of the Government to work eight hours and even more without extra pay. Senators, I ask you to go down to any of the departments of this Government and, when the clock reaches 4.30, stand at the door that the employees come out of and see if 99 per cent of all who are inside do not leave the building. I am not denying the fact that there are a few special clerks that are working 10 hours and 12 hours, and I think, in some cases, perhaps 14 hours a day; but it is generally the clerks to the chief of the bureau or the head of the division or of the department who work extra hours.

Mr. GALLINGER. Mr. President, if the Senator will permit me, I have observed that very thing, and the evil of that is that the man who has proved his efficiency is the man who has to do the extra work. The inefficient are never kept.

Mr. SMOOT. Necessarily so.

I have a good deal of sympathy with the heads of the departments under the conditions existing today. You can visit some of these departments, crowded with employees, the hallways crowded, and just spend a little time, and see if the work is being done as it would be done if it were a private concern. I have spoken to officials of departments about it, and they tell me it is the best help that they can get. They recognize that there is inefficiency. Why, Mr. President, I have seen typists with copy before them writing about like this: "H." (a pause), "R." (a pause). And so it is.

Mr. GALLINGER. These typists are expected to copy, and the way some of them copy is exactly as the Senator from Utah describes; but they do not follow an "h" with an "r." They really are more intelligent than that.

Mr. SMOOT. I think there is a good deal in the charge made by the Senator from Georgia [Mr. SMITH] that there are so many employees in some of the bureaus standing around that at times they are actually in the way of each other. That comes about in this way: In the case of some of the commissions that we have created, just as soon as the man is selected as the head of the commission his thought has been to make it the greatest commission created by Congress; and the same thing applies to a number of our bureaus. If there is one commission that has 1,500 employees, the head of the next one created looks upon the 1,500 employees as not the limit that he intends to reach, but he is to exceed it and have more employees under his charge.

Mr. President, I do not know that it is worth while to take the time of the Senate further to discuss this question. I think the Senators have made up their minds pretty well now as to what they are going to do.

I do not believe that in voting for the motion which has been made by the Senator from Texas [Mr. SHEPPARD] we shall be doing any favor to the clerks of the Government. I do not believe that if the clerks themselves had the question to decide they would ask Congress to vote for his amendment. I believe they are just as loyal as are other working people in the United States; I believe that they are willing to make sacrifices, if necessary, the same as are other laboring people in the United States, and I do not believe if their Government asks them during this war to work eight hours that generally they are going to complain, though some may do so. I believe that the great bulk of them will be only too glad to work eight hours for the Government while we are passing through this crisis.

The PRESIDING OFFICER. The question recurs upon the amendment offered by the Senator from Georgia [Mr. SMITH].

Mr. NELSON. What is the amendment, Mr. President?

The PRESIDING OFFICER. The Secretary will state the amendment.

Mr. SMITH of Georgia. Mr. President, I will state the amendment in a moment. The Borland amendment establishes an eight-hour day, and the amendment to the Borland amendment, which I have offered, provides that any hours that the employees work beyond eight hours on any day shall be made of record and that they shall be allowed the hours covered by the extra work as a deduction from eight-hour days as soon as practicable, so that their actual work shall be only eight hours a day continuously, the extra work to be credited to them as holidays later on.

Mr. SHEPPARD. Mr. President, I desire to call attention to the action which has heretofore been taken by Congress in reference to persons who are engaged in work covered by contracts with the United States. On March 4, 1917, Congress enacted the following:

That in case of national emergency the President is authorized to suspend provisions of law prohibiting more than eight hours' labor in any one day of persons engaged upon work covered by contracts with the United States: *Provided further*, That the wages of persons em-

ployed upon such contracts shall be computed on a basic day rate of eight hours' work, with overtime rates to be paid for at not less than time and one-half for all hours worked in excess of eight hours.

The President has put that authority into operation on more than one occasion. On the 22d of March, 1917, the following Executive order was issued:

Law of March 4, 1917.

In order to enable the Navy Department to meet the requirements of law to secure the more expeditious construction of ships and procurement of munitions authorized, and by virtue of the authority vested in me by the provisions of the act of Congress approved March 4, 1917, entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1918, and for other purposes," whereby it is provided "That in case of national emergency the President is authorized to suspend provisions of law prohibiting more than eight hours' labor in any one day of persons engaged upon work covered by contracts with the United States: *Provided further*, That the wages of persons employed upon such contracts shall be computed on a basic day rate of eight hours' work, with overtime rates to be paid for at not less than time and one-half for all hours work in excess of eight hours," I do hereby authorize the suspension of the provisions of law prohibiting more than eight hours of labor in any one day of persons engaged in such work under contract with the Navy Department in all navy yards and private establishments where such suspension of the provisions of the law will result in hastening preparation to meet present emergency conditions.

A similar order was issued in reference to contracts for buildings under construction or to be constructed at arsenals, and for fortification work. The President also issued the same order as to laborers working under contract with the Department of Agriculture and on a number of other occasions.

Why should we be less considerate of persons who are employed by the Department of Agriculture than Congress has already been as to laborers who were working under contract with the Government? Why should not department employees also, who work more than eight hours, have time and one-half for overtime? Now, the Senator from Georgia [Mr. SMITH] wants to give them the poor boon of an hour's vacation for each hour's extra work. They may not be in position to take a vacation; they may be compelled from dire necessity to work every day in order to earn their daily bread. If we are going to work them more than eight hours, let us put in a provision for time and a half for overtime and adopt the standard eight-hour principle.

If the amendment offered by the Senator from Georgia shall be voted down, I propose to offer an amendment that for all work over eight hours employees shall be paid time and a half for such overtime, in order that we may treat them with at least the same consideration that has been accorded to laborers who are working under contract with the Government and with the departments of the Government.

Mr. McCUMBER. Mr. President, the Senator from Texas [Mr. SHEPPARD] has a great, large farming population in his State, the same as we have in the State of North Dakota. Every dollar in my State that goes into liberty bonds or that goes into taxes has first to be lured out of the ground bosom of old Mother Earth; none of it comes from anywhere else. The men who lure that out of the earth with ardent hearts and strong arms labor more than eight hours a day. Now, would the Senator support a proposition that for every hour expended upon those farms more than eight hours, the Government in fixing the price of wheat and other products should add a higher price because the hours are longer upon the farm?

Mr. SHEPPARD. Certainly. The Senator from North Dakota made a speech some months ago in the Senate based upon that exact proposition, saying that the price of farm products ought to be based on farm-labor hours in the same way that wages in the cities are based on labor hours in the factory.

Mr. McCUMBER. Yes; I took the position that like classes of labor should draw the same compensation practically all over the United States. I also asserted that that was not the case, and I could see no possibility in the near future of it being made the case.

Let me call the attention of the Senator to the fact that in 1912 the Secretary of Agriculture made a statement as to what constituted the net earnings of each farm in the United States. Those net earnings, as I now remember, were $312 per farm. The average number of persons upon every farm, including the husband, the wife, and the children who performed manual labor equivalent to adult labor, approximate five persons. Dividing that $312 per year among them it amounts to 20 cents net per day each. Therefore, you have got the real actual earnings of the agricultural people in the United States as being 20 cents per day net. Now, you ask those people, who work from 10 to 16 hours a day for 20 cents a day, to go down into their pockets and to pay $3 and $4 a day for clerks, and then to give them an additional sum if they work more than 8 hours a day. Mr. President, I can not see any justice in that, and I for one would never vote for such a proposition.

Mr. SHEPPARD. Did the Senator vote for the law which was passed March 4, 1917, and which I quoted a short while ago?

Mr. McCUMBER. I want to increase their pay to what is reasonable, and then I want them for that pay to perform an honest day's service. If eight hours a day is an honest day's service I want them to perform it.

Mr. KENYON. Mr. President, may I ask the Senator from North Dakota a question?

Mr. McCUMBER. Certainly.

Mr. KENYON. I should like to ask the Senator if there is any law in North Dakota limiting the hours which farmers and the farmers' boys and daughters shall work?

Mr. McCUMBER. There is not a single law limiting those hours; there is no such law in the United States, and neither is there any law, let me say to the Senator, that children under 14 or 15 years of age may not work on the farm; but every child that is able to hunt an egg does his part upon the farm. The 12-year-old boy will perform as much labor upon the farm as your 25-year-old boy will in your departments here; and the 12-year-old girl will perform just as much labor upon the farm as will her mother.

Mr. KENYON. And about the time that the clerks are coming down to work the farmer and his family have already performed about four hours' service, have they not?

Mr. McCUMBER. They have. Out in Iowa and North Dakota the sun is pretty high at half past 4 o'clock in the afternoon and the farmer is out in his field, but the bricklayer and the carpenter drop the trowel and the hammer the moment the first stroke of the bell announces that it is half past 4 o'clock. The farmer, however, then has still a quarter of a day's or a half day's work left on his hands to perform.

Mr. SMITH of Georgia. Mr. President, the difficulty about the amendment of the Senator from Texas is in part that our employees here in Washington are paid salaries by the month; their pay runs by the month and by the year. We make appropriations of so much money for such a place. Now, that entire system would be broken up if there were to be one and a half time extra pay when a clerk works a couple of hours extra. If we are going to give the clerks a credit for extra work beyond the eight hours, the only way to do it is in extra freedom from work; that is to say, they being required to work 10 hours to-day, at the earliest day practicable the day shall be reduced to 6 hours, and the 8-hour average be given as the standard of work. I do not think the 8-hour rule was intended as one of compensation or to increase wages. It has been agreed upon by those who have studied the question as a measure in conservation of human life and human health, and discouragement should be had against more than the 8 hours' labor on any day. The best we can do, if the work extends beyond 8 hours on a particular day, is to give an equivalent in additional rest on a later day, to make up in strength and in health, conserving both for the overstrain of the overworked day.

Mr. TOWNSEND. Mr. President, I am impressed with the thought that this is a very unfortunate time to discuss seriously the proposition of shortening the hours of labor which should be required of the people who are working on a salary from the Government. There are hundreds of thousands of these employees, and their number is increasing hourly. The shorter their hours of labor, the more people that can be employed, and the greater the cost to the Government, with no greater amount of work performed. The question of a shorter day, which might be in order in time of peace, might not be in order at this time. I do not think that anyone will claim that the Government clerks as a class in the city of Washington are working overtime or doing too much labor for the Government in its war emergency. It is possible that they may not be receiving enough pay for what they are doing, and if such is the case and the Government can afford it, their pay should be increased. There is a proposition, which is likely to become a law, which will grant them more pay; but what the Government needs at this time is service; and every patriotic employee of the Government, from President down to the humblest clerk, ought to be willing not to watch the clock, but to determine to do as much as he can possibly do for his Government in this crucial hour. That is a duty which every citizen owes to his country. The soldier at the front is not limited by law to service for seven hours a day, and his pay is $30 a month. The heads of departments are governed by the task to be performed, and not by the clock.

No one pretends, however, that the House provision will impose an unreasonable amount of labor upon the Government clerk. Eight hours a day in time of war does not seem too long for those people to work who are flocking here from every quarter of the United States. No one has a right to expect, and the

Government has no right to pay, a dollar except a full equivalent is rendered. And this applies with equal force to the furnisher of supplies and the furnisher of labor. I know of employees who are in the service of the Government who are working longer hours than their health would permit if continued for a long period, and they are not complaining. This amendment will not affect them.

Eight hours a day has been the desideratum of the laboring people of this country for some time; but now it is claimed that that is too long, and that seven hours only should be required. That is now all that is required, as a rule, of the Government clerks in Washington, as has been already stated. If anyone will go into almost anyone of the departments when the hour of half-past 4 strikes, he will discover that everything is dropped and a rush is made for the cloakroom and from thence to the street. I admit that this is not the fault of the clerk. Indeed, I do not know that the clerks are objecting to a workday of 8 hours. I do not believe that the Borland amendment is a reflection upon Government employees. If it is a reflection upon anyone, it is upon the heads of departments, who have not taken advantage of existing law. Of course, so long as more clerks are employed than can be used, there will be no incentive to obtain proper service from the individual clerk. Incompetent numbers supplant efficiency.

Mr. SHEPPARD. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSON of California in the chair). Does the Senator from Michigan yield to the Senator from Texas?

Mr. TOWNSEND. I yield.

Mr. SHEPPARD. It is not claimed here that eight hours is too much, but the present law provides for a minimum working day of seven hours, with the right in the head of a department to call for any additional number of hours that may be required. It is practically an unlimited hour day.

Mr. TOWNSEND. That is true in theory, but the fact is that on the average seven hours is a working day here. There would be no opposition to the provision under discussion if the fact were not true that it is intended to establish an eight-hour day and to provide by law that men and women will be expected to work eight hours a day for their Government in time of war, for which they are receiving and will continue to receive eight hours' pay.

Mr. REED. Mr. President, does the Senator propose to raise the wages if the time of labor is extended? He has just stated that the clerks are receiving eight hours' pay. They are receiving salaries under a law which for 20 years has been upon the statute books and has only required seven hours a day, unless the head of a department orders a longer day; or, rather, the law is that they shall work a minimum of seven hours, and they have, as a general proposition, worked seven hours. That has been the rule for 20 years. Now, the Senator states that the clerks are receiving eight hours' pay and they ought to do eight hours' work. Does the Senator propose to pay them one-eighth more wages if they are required to work one-eighth more time?

Mr. TOWNSEND. Not because the clerks are required to work one-eighth more time. The Senator made that point on yesterday. Eight hours is the standard day. It is true clerks have been working seven hours, but they can not complain if they are made to work eight hours.

Mr. REED. Or 12 hours?

Mr. TOWNSEND. Or 12 hours; but no one would think of working them 12 hours, except in an extreme emergency, which the clerks themselves would recognize as necessary. They can not complain if they are required to work eight hours; and it is proposed to increase their wages whether the present seven-hour day is retained or eight hours a day are required.

Mr. REED. That has nothing whatever to do with the question I put to the Senator. Would the Senator say that the standard day for these clerks is eight hours, when they have for 20 years been working seven hours?

Mr. TOWNSEND. As to some of the clerks that is true, but others of the clerks have worked eight hours, and some of them have worked more than eight hours during the 20 years.

Mr. REED. But the standard is a seven-hour day?

Mr. TOWNSEND. Yes, in practice; but it is too short; there is no question in my mind that it is too short. If the clerks of this Government were compelled to work eight hours a day, there could be accomplished the same amount of work that is now being done in the city of Washington with at least 5,000 fewer clerks. The people are paying the bills; the Government is put to it for money; it is raking the whole country to raise the cash necessary to carry on this war; and every citizen of the country ought to be interested in doing his "bit," especially when he is compensated for it.

I repeat what I said to the Senator from Missouri, that the question of increasing wages is not based upon the question as to whether or not we shall increase the number of hours to eight, because the increase will be made anyway, and it ought to be done, in my judgment; but what I want is to have the work done. That is what the country needs to-day—the accomplishment of work to carry on war preparations; and instead of some of our people trying to devise ways and means for avoiding responsibility, they ought to devote themselves to the work that is in hand, and which they are hired to perform; and now that this question has arisen Congress must insist that a fair day's pay must command a fair day's work. Personally I do not believe that the conscientious, reliable clerks are opposing this House provision. I have had but one request to vote against it. The man or woman, of whatever rank or station, who is fit to serve this Government is not asking for an opportunity to shirk his duty. For the other kind I have no sympathy, and the sooner some effective weeding-out process is employed the better it will be for the Government.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Georgia [Mr. SMITH].

Mr. STERLING. I offer an amendment to the amendment of the Senator from Georgia.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. It is proposed to strike out the word "holiday," and insert in lieu thereof the words "credit for overtime," so as to read—

and employees who have worked extra hours shall be allowed an equal number of hours without work, with full pay, and the credit for overtime shall be given as soon as practicable after the extra work has been performed.

Mr. SMITH of Georgia. I accept the amendment to my amendment.

Mr. KING. I should like to inquire of the Senator from South Dakota who has offered the amendment to the amendment if the word "overtime" means additional pay?

Mr. STERLING. No; it means the time over eight hours, eight hours being fixed as the standard.

Mr. KING. The Senator does not contemplate, then, paying additional compensation?

Mr. STERLING. No; not at all.

Mr. SMITH of Georgia. It really does not change the meaning at all, but expresses it, I think, in a little better language.

Mr. STERLING. The word "holiday," as written in the amendment of the Senator from Georgia, I hardly thought expressed the idea; it is not a holiday strictly speaking, but it is really overtime for which the clerk is entitled to credit.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Georgia as modified.

Mr. SMITH of Arizona. I should like to have the amendment read, as I have not been able to be present during all of the discussion.

The PRESIDING OFFICER. The Secretary will state the amendment as modified.

The SECRETARY. On page 91, at the end of line 16, after the word "day," it is proposed to insert the following proviso.

Provided, That hereafter record shall be kept of all hours of daily labor in excess of eight hours by each employee, and employees who have worked extra hours shall be allowed an equal number of hours without work, with full pay, and the credit for overtime shall be given as soon as practicable after the extra work has been performed.

Mr. KING. I should like to inquire of the Senator from Georgia whether the word "employee" would cover all in the service of the Government in the various departments, including chiefs of bureaus?

Mr. SMITH of Georgia. Well, the chief of a bureau really has no regular hours of work; he controls his own time. It covers all that class who report by the hour and work by the hour. I think it covers them practically all.

Mr. JONES of Washington. I should like to ask the Senator from Georgia whether his amendment is intended to apply to any of the employees of the Government outside of those covered by the Agricultural appropriation bill?

Mr. SMITH of Georgia. It applies only to those covered by the Borland amendment to this bill.

Mr. JONES of Washington. The Borland amendment only covers those in the Agricultural Department.

Mr. SMITH of Georgia. That is as far as we can go at this time. I think the principle, though, if we adopt it, should be extended at once over other employees of the Government in Washington.

Mr. JONES of Washington. So that the Senator's amendment is not intended to apply to anything except what the Borland amendment applies to?

Mr. SMITH of Georgia. That is all.

Mr. McCUMBER. Mr. President, I do not think any Senator will doubt for a moment, if we put this amendment in the first general appropriation bill—and I understand this is the first

of the general appropriation bills—that it will be followed in the same terms in every other appropriation bill, so that it will finally cover all the departments.

Mr. GORE. Mr. President, I wish to say in this connection that I am supporting the Borland amendment on the assumption that it will be applied to all other departments of the Government. I should not be willing to see the Agricultural Department isolated and treated differently from any and all other departments. I think the rule ought to be made universal; but, since the question has been raised, I think that we ought to adopt the Borland amendment. I think the reaction on the psychology of labor throughout this country would be most unfortunate, if not disastrous, if we should limit to seven the working hours for people who have, I may say, liberal compensation, excellent working conditions, and an indefinite tenure, with no uncertainty as to payment. We should not legislate to allow them to labor only 7 hours a day when people on the farms are required to work from 10 to 16 hours a day and the boys in the trenches as long as 30 hours a day, if I may use the word "day" in that connection. I think it would be most unfortunate for us to say to people of that class that those who are most favored, a selected class, shall be given more favorable conditions than the average laboring man throughout this country must submit to.

Mr. JONES of Washington. Mr. President, we have discussed almost every governmental proposition in the consideration of the Borland amendment. In a great many of the suggestions that have been made I can heartily concur.

I heard just the closing part of the address made by the Senator from Colorado [Mr. THOMAS]. It impressed me very greatly. It was in line with what I have been thinking for some little time. I hope it will be read by all the people of the country.

I can not help but feel that the people of the country do not realize what confronts them—that the people of the country do not realize the necessity for sacrifice in this country—and I can not help but believe that those in authority who know the real situation are making a great mistake in not letting the people of this country know what it is.

I am not going into details now. I have about reached the conclusion, however, that in the very near future, if nobody else does, I shall state some things that have come to my attention. If the people of this country knew the lack of ships that are absolutely essential for the successful prosecution of this war that exists to-day and is likely to exist for many months in the future, they would be appalled; and yet I do not believe they will realize it until they are told the facts by those who know what the conditions are.

I am one of those who believe that the people of this country, when they do know what they must do, will do it. I am one of those who believe that this country will not be discouraged by the magnitude of the task that may confront it. I am one of those who believe that the people of this country will not give up because of the tremendous sacrifice that the actual conditions may impose upon them. I believe that a knowledge of the facts, a knowledge of what is necessary, a knowledge of the power that they must exert, a knowledge of the sacrifice that they must make in men and money, will nerve the people to make the sacrifice, and that they are not doing what must be done simply because they do not realize the needs of this country in this tremendous contest in which it is engaged.

I know that there seems to be a policy, and seems to have been, not only with reference to our own country but with reference to those who are fighting as we are fighting, to conceal from the people the real situation. I may be mistaken. I do not want to do anything that will discourage our people; I do not want to do anything or say anything that will lend comfort and aid to the enemy; but it seems to me that that policy should not be longer continued. I have not any doubt but that the enemy know the situation better than our own people know it. They know where our armies are better than the people of this country know it. They know the number of those armies better than the people of this country know it. They know the lack of ships better than the people of this country know it. They know of the destruction of the world's shipping better than our people know it, and they know how long it is going to take for our shipbuilding program to catch up with the destruction of the world's shipping better than our own people know it.

We need not deceive ourselves into thinking that they do not know these things; but I believe that we are deceiving ourselves in it, and I believe that we are weakening our armies and lessening our strength by failing to know these things and let the people know them.

Mr. President, I want the employees of this Government to do a good day's work for the Government, just as other people are expected to do a good day's work for their employers; and as I have listened to this debate it has seemed to me that we have really lost sight of the question involved in the provision known as the Borland amendment. We have allowed ourselves to be influenced by the situation that everybody seems to admit with reference to the multitude of employees here and the fact that they probably are not doing a good day's work, and we have allowed that to control our ideas with reference to this particular amendment.

I admit that it looks like there are too many employees here. It is true that when you go about many of the buildings where the departments and bureaus are housed you can hardly get through for the employees that are there, and I admit that they appear to be doing very little work; but, Mr. President, this is not the fault of the employees. They are here, but they are here at the invitation of the Government, and they are here to work, and if work is not furnished them or is not made available for them it is not their fault. Much of the apparent criticism that has been made here, if it is a just criticism against anybody, is a criticism against the heads of the departments and against the administrative officials who are in control, and not against the clerks. If the Secretary of one of the departments has brought too many employees here, that is not any reason why we should reflect upon the employees. If he has brought more men into his different bureaus than can work there efficiently, the employees should not be condemned for that.

Mr. President, one of the main reasons why I object to the Borland amendment is that, presented as it is and coming as it does, it is a reflection, and in my judgment an unjust reflection, upon the employees of the Government. It seems to be assumed that these Government employees are working undertime. There is not any showing to that effect. There was not any showing to any committee. As I understand, the committee of the Senate gave no hearing, although a hearing was asked. I understand that the committee denied the request of the representatives of these employees to have an opportunity to be heard. I am not criticizing the committee, but it seems to me that the committee should have welcomed the opportunity to interrogate these employees and their representatives and find out from them the very basis of their objection to the Borland amendment.

Mr. KING. Mr. President, will the Senator yield?

Mr. JONES of Washington. I will.

Mr. KING. I am listening with a great deal of interest to what the Senator says; but I do not quite see the logic of his position when he avers that the adoption of the amendment requiring the employees of the Government working in the Agricultural Department to perform at least eight hours a day service is a reflection upon them or their integrity.

Mr. JONES of Washington. Why, it assumes that they are refusing to do it, and they are not refusing to do it.

Mr. KING. Is it not merely a recognition of a state of facts which exists, namely, that for a large number of years, notwithstanding the fact that the work of most of the departments has been in arrears, the heads of the departments have not called upon the employees to work in excess of seven hours a day, and that this custom has crystallized into a habit which can only be broken by legislative enactment?

Mr. JONES of Washington. Mr. President, there is not any showing that that is the case. There is not any testimony to that effect. There is not any showing that the employees of the Government object to an eight-hour law. I have not had any objection presented. The main proposition here is that they object to a provision that does not treat everybody alike, treat everybody fairly, and treat all of the employees alike, whether they are in Washington City or outside of Washington City.

Mr. KING. Mr. President, has not the Senator been importuned by various employees of the Government, and has he not seen literature which has been disseminated to a great extent in the city, protesting against any change in the law which would require them to work more than seven hours a day?

Mr. JONES of Washington. I have not.

Mr. KING. The Senator's experience is different from mine, then.

Mr. JONES of Washington. I expect I have received what the Senator has in mind. That does not protest against a general eight-hour law at all. It is complaining of the Borland amendment, because it is not fair, because it discriminates. They say, "We do not object to a universal eight-hour law, with a provision for overtime."

Mr. KING. Oh, yes.

Mr. JONES of Washington. In fact, they do not say that they object to an eight-hour law at all; and this is not an eight-hour law. The Borland amendment is not an eight-hour law—not a bit of it. The Senator from Georgia [Mr. SMITH] argues for an eight-hour law. I am in favor of an eight-hour law. This

does not fix an eight-hour law. This simply takes the law as we have it, and for the employees in the Agricultural Department, and no others, and for this one year, and no longer, says that they must work not less than eight hours. An eight-hour law, as it is generally understood, at any rate, is a law that says, "You shall not work longer than eight hours."

Mr. SMITH of Georgia. Mr. President, if the amendment I have offered is adopted, will not that entirely limit their average work to eight hours a day? Has the Senator noticed that amendment?

Mr. JONES of Washington. Yes; and that amendment struck me as very peculiar.

I do not know of any eight-hour law anywhere, whether applying to governmental or State work or whether applying to private work, that has a provision like that in it. As I heard it read, it simply provides that if the employees are required to work over eight hours you are to keep an account of the overtime and when they have a credit of eight hours they can lay off for a day with pay.

Mr. SMITH of Georgia. Not necessarily that. They average the eight hours. If they work 10 hours to-day and the work to-morrow does not especially require a longer time, they are allowed two hours at once, and work six hours to-morrow; and as soon as possible they get credit for the two hours of extra work by two hours of reduced work, so as to average the actual tax upon the man or the woman at eight hours.

Mr. JONES of Washington. Mr. President, it seems to me that the machinery necessary to keep the books that would be required to keep account of all that sort of thing would necessitate the employment of a lot more clerks down here.

Mr. SMITH of Georgia. Would it be greater than would be required to keep the record so as to make the extra pay?

Mr. JONES of Washington. Well, Mr. President, the employees do not ask for extra pay.

Mr. SMITH of Georgia. I am not inquiring what the employees ask. I am seeking to find out what I think is best.

Mr. JONES of Washington. Mr. President, that is not the basis upon which this legislation is being framed, and that has not been the basis upon which this argument has been presented here. It has been presented upon the theory that the employees want this and that; and the impression, at any rate, that has been given to my mind is unjust to the employees. The argument has been based upon the theory that the employees are objecting to working eight hours a day, when the fact is that there is not any objection found anywhere to their working eight hours a day.

Mr. KING. Mr. President, will the Senator yield?

Mr. JONES of Washington. I ask the Senator to pardon me for just a moment.

Mr. KING. Certainly.

Mr. JONES of Washington. I want to read from one of these statements to which the Senator from Utah has referred.

Mr. KING. Mr. President, the Senator must not state that I am referring to one of the statements that he holds in his hand and which he is reading, because what I refer to may be entirely different from the statement which the Senator is about to read to the Senate.

Mr. JONES of Washington. If it is, I hope the Senator will correct me, because I assume that we have all received about the same things. I do not think these employees have brought to me anything different from what they have brought to the Senator from Utah.

Here is what they say:

> Federal employees are desirous of rendering their full measure of patriotic service in the present war emergency. They have no objection to working, in accordance with existing law, any number of hours considered necessary by the President and the heads of the executive departments without any compensation for overtime.

Mr. President, that is the attitude of these Government employees. What they do object to is being singled out by legislation as slackers and nonpatriotic when the facts are just to the contrary.

Mr. KING. Mr. President, will the Senator yield for just a moment?

Mr. JONES of Washington. Certainly.

Mr. KING. Will the Senator pardon me for suggesting that the House of Representatives to-day has passed——

Mr. JONES of Washington. Oh, Mr. President, I make the point of order that, under the rules of this body, the Senator is not permitted to refer to what has taken place in the other House.

Mr. KING. I did not know but that the Senator——

Mr. JONES of Washington. That would not influence me at all.

Mr. KING. I know that it would not influence the Senator; but I also know that the Senator would not say that one class of employees has been singled out and discriminated against, when the Senator, as a just man, knows that another branch of the Government has enacted a provision requiring the employees provided for in the legislative, executive, and judicial appropriation bill to work eight hours a day.

Mr. JONES of Washington. Mr. President, we are not considering that proposition. That proposition, wherever it is and whatever it is is not here.

Mr. SMITH of Arizona. Mr. President, if the Senator will pardon me a moment, if we pass the Borland amendment we pass it as it applies to the Agricultural appropriation bill, and it goes into effect in the Agricultural Department. Now, if the knowledge comes to us from the other branch of Congress that they are applying the same rule as proposed here in the Borland amendment, and that a similar provision will be placed in other bills just as it is in this bill, then, if we fail to agree to the Borland amendment here, will not the Senator be in a position to say that inasmuclf as we did not enact it in this bill we must not enact it in the next House bill that comes over? Then there would be the same distinction that the Senator is arguing now. He refers to the fact that this is separate, and applies only to one set of employees. The same argument can be made if the Borland amendment is not adopted here, but is put on the legislative appropriation bill.

Mr. JONES of Washington. Mr. President, that is not an argument that ought to have weight here. The Senate is considering one proposition, and one alone.

Mr. SMITH of Georgia. Mr. President, will the Senator yield?

Mr. JONES of Washington. I yield.

Mr. SMITH of Georgia. I understand that the House has just applied the same rule to the legislative, executive, and judicial appropriation bill.

Mr. JONES of Washington. Mr. President, I thought we had a rule in this body that made it out of order to refer to what has taken place in another body.

Mr. SMITH of Georgia. I do not think it does—not in that way.

Mr. JONES of Washington. But Senators have overlooked it.

Mr. SMITH of Georgia. I think that is information that it is entirely proper to give.

Mr. JONES of Washington. The Senator from Utah [Mr. KING] just made the same suggestion.

Mr. SMITH of Georgia. I was called out for a second, and I regret that I repeated it.

The VICE PRESIDENT. The Chair has ruled on that question.

Mr. JONES of Washington. I am not making that point. I am just suggesting it, that is all.

Mr. President, this simply illustrates the imperfections of this way of trying to legislate. If the hours of labor of these employees ought to be changed they ought to be changed in a logical, straightforward, legislative kind of a way. We have a general statute controlling their hours of labor, and how the compensation of our employees shall be computed, and all that sort of thing. If it is desired to change that law, let us change it in a legislative way. Let us not do in a roundabout way what we seem to be unable to do directly.

The Borland amendment does not pretend to be legislation. It is simply a limitation upon how the money appropriated in this bill shall be spent. Well, Mr. President, if we want to do what most of the Senators have argued, let us do it, and do it squarely. I will not make a point of order against a legislative provision to this bill that will govern, in a proper sort of way, all of the employees of the Government. If it is deemed best to have such legislation, I would welcome it; and, Mr. President, I venture to say that the Government employees will not object to legislation that is deemed wise by Congress if it is put in such a way as to affect everybody alike. But as I see it, one of the main objections to having this legislation come up in this sort of way at this time is that it is an unjustifiable reflection upon the employees of the Government. It comes here without any suggestion from a departmental head that any of his employees are refusing to perform the duties that are required of them. No suggestion has been made by anybody that the employees are refusing to comply with the needs of the service. There is no suggestion from anybody that they are refusing to work overtime. Then why should we reflect upon them?

I think they have a right to resent it. I would feel exactly the same way myself, and I think I would have a right to feel that way. When I knew that I was doing my duty, when I

knew that I was working overtime and was glad to do it, and that I was ready at the request of my chief to work as many hours as he might require, I would resent having it suggested that it was necessary, by means of legislation, to compel me to work overtime. I think they have a right to resent it.

Right here I want to put into the RECORD what has already been put in—the existing law—so that the RECORD may show what it is. I thought I had my papers in the book at that point.

Mr. KING. Mr. President, before the Senator reads that, will he permit me to ask him a question?

Mr. JONES of Washington. Yes. The Senator probably will have time. I have not found where it is.

Mr. KING. I will wait until the Senator finds the reference that he desires to put into the RECORD.

Mr. JONES of Washington. Mr. President, I had my papers at that point in the book a while ago, but they seem to have gotten misplaced. I have here the provisions that were read yesterday, but there are one or two other provisions in that law that I wanted to read. I will yield to the Senator from Utah.

Mr. KING. I wanted to ask the Senator if he knew why it was that in the face of that specific and unambiguous statute, requiring the chiefs of the various departments to require the employees under them to work eight hours a day when the departments were in arrears, they do not exercise that authority? The statute seems to be mandatory, and it is a matter known to all of us who have had anything to do with the departments that the departments for years have been in arrears. If the chiefs refuse to enforce the statute or, because of the pressure of the employees under them, or the pressure of labor organizations, or pressure from any other source, they refuse to carry out the provisions of that statute, could there be any impropriety for Congress now to legislate upon that matter? Indeed, is it not the duty of Congress to deal with the subject if Congress believes that there ought to be a change in the hours of employment by those who are in Government service?

Mr. JONES of Washington. Mr. President, I do not know that the heads of the departments have not insisted upon their employees working overtime. Apparently Congress has not made any investigation, and Congress has not tried to find out, but if the heads of the departments have not been doing it, that can not be charged up to the clerks. There is not any showing anywhere that the departmental heads have failed or refused to comply with the law because of pressure either on the part of the clerks or upon the part of outside organizations. If they have they have shown themselves to be unfit for the jobs that they hold. But that ought not to be charged even by intimation unless some showing is made that that has occurred, and that pressure has been brought upon the heads of departments to prevent them from requiring the clerks to work all the time that is necessary.

I am going to reread the provision of the law, so that it may appear here:

> Hereafter it shall be the duty of the heads of the several executive departments, in the interest of the public service, to require of all clerks and other employees, of whatever grade or class, in their respective departments, not less than seven hours of labor each day, except Sundays and days declared public holidays by law or Executive order.

Now, that limits the minimum day to seven hours and makes it the duty of the departmental heads to require them to work seven hours. The further provision in the law that I take it was to meet or at any rate would meet the emergency that confronts us now and that may have confronted us for some time, and that meets very largely the argument of those who urge the necessity of this legislation at this time, is as follows:

> Hereafter it shall be the duty of the head of each executive department to require monthly reports to be made to him as to the condition of the public business in the several bureaus or offices of his department at Washington, and in each case where such reports disclose that the public business is in arrears, the head of the department in which such arrears exist shall require, as provided herein, an extension of the hours of service to such clerks or employees as may be necessary to bring up such arrears of public business.

Mr. President, I think that is a section of the law that can not by any stress of construction be held to leave it really discretionary with the head of the department. I do not think by any rule of construction the word "shall" can be construed to "may," so that it imposes upon the heads of the departments the duty of requiring monthly reports to show how the business is. Then, if they find business is in arrears they are required to compel the clerks to work overtime, and there is no limit. The clerks are willing to do it. Their representatives say they are willing to work as many hours as the heads of the departments may require them to work and as they may deem necessary for the public service, and there has been no suggestion from any source that they are refusing to do it.

Mr. KING. Will the Senator from Washington yield?

Mr. JONES of Washington. Yes.

Mr. KING. I was wondering if the heads of the departments had not placed a construction upon the section to which the Senator has just invited our attention which restricted its meaning very much more than the interpretation placed upon it by the distinguished Senator. If he will pardon me, I will just invite his attention to the words I have in mind, namely:

> *Provided*, That the heads of the departments may, by special order, stating the reason, further extend the hours of any clerk or employee in their departments, respectively.

Has not that language been so construed by the heads of the departments as to require that a special reason should be given to each individual employee or clerk whenever that employee was required to work in excess of 7 hours per day; that they have not felt they could make a general order sweeping in character and covering all the employees under them but relied upon the application of some individual and felt that the order must extend only to the individual?

Mr. JONES of Washington. I will ask the Senator from Utah if he knows that the department has done that?

Mr. KING. All I know is from my observation and from current rumor and the statement made that the heads of the departments have not required them to work in excess of seven hours.

Mr. JONES of Washington. But has the Senator had any statement as to why they have not done it?

Mr. KING. Oh, no.

Mr. JONES of Washington. I have not either.

Mr. KING. But in view of the fact that the Senator was construing this act in the way that his language implied, I was wondering if he had investigated to determine whether the department had placed a narrower construction upon the section than that placed upon it by the Senator from Washington?

Mr. JONES of Washington. No; I have not made any investigation of that kind. It has not seemed necessary to me to do it. I do not believe that any Senator will construe that paragraph any differently from what I have construed it, and from the way it reads, and if any department head has construed it differently we ought to get after that department head and not after the clerks. The clerks are not responsible for any such construction as that.

Mr. CUMMINS. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Iowa?

Mr. JONES of Washington. I yield.

Mr. CUMMINS. I think the Senator from Washington said a few moments ago that he favors a general eight-hour day for the departments in Washington. Am I correct in that?

Mr. JONES of Washington. I am in favor of an eight-hour day generally.

Mr. CUMMINS. Does the Senator mean a minimum eight-hour day of a maximum eight-hour day?

Mr. JONES of Washington. I am in favor of an eight-hour day, and when I say that my idea of an eight-hour day is that they will work eight hours and no more except under some extraordinary emergency or demand.

Mr. CUMMINS. The point that is made by the Senator from Washington is one that has bothered me more than any other in considering this subject, namely, that we are legislating here for the employees of a single department. There is an element of injustice about that which must appeal to everyone. I take it the difficulty the Senator from Washington finds in making a general provision of law in this respect is the rule that forbids amendments to appropriation bills unless they are germane.

Mr. JONES of Washington. Yes; that will be the difficulty in legislating on an appropriation bill.

Mr. CUMMINS. I think I can point out to the Senator how that difficulty can be avoided. I am with him in this respect: I believe in an eight-hour day. I would rather see a maximum eight-hour day than a minimum eight-hour day, but I think all the employees in the departments in Washington ought to work eight hours. If an amendment were offered now to this provision to the effect that it should not take effect until the President certified that a similar provision had been enacted in regard to all the departments in Washington, we could reach the result that seems to be very desirable, notwithstanding the rule that an amendment specifically extending this provision to all departments might be vulnerable to objection.

I desire to suggest that to the Senator from Washington, because I think it is a thing we ought to do. I think we ought to amend the so-called Borland amendment by providing that it shall not take effect until the President shall certify that a

similar provision is effective with regard to all the departments in Washington. It is within our power to pass a law which shall become effective upon the happening of a certain event in the future, and in this instance the event would be similar legislation with regard to all departments.

Mr. JONES of Washington. That would make it very much more acceptable, of course.

Mr. BORAH. May I make a suggestion?

Mr. JONES of Washington. I yield to the Senator.

Mr. BORAH. I understand the House has already passed the legislative, executive, and judicial appropriation bill, and in it has incorporated a provision providing for an eight-hour day. It seems to me that in all probability all the appropriation bills will have been passed by the House and sent to this body before we get through with this debate.

Mr. KING. Will the Senator permit me to suggest that the legislative appropriation bill which has just passed the House covers practically all the employees of the Government outside the Agricultural Department?

Mr. BORAH. I understand it is a general provision.

Mr. JONES of Washington. Mr. President, the Senator from Idaho has just called attention to the same fact the Senator from Utah called attention to a while ago and that the Senator from Georgia called attention to a little later, and that probably another Senator will call attention to later on. I thought I might find the rule that prohibits our reference to what has taken place in another body. I am not familiar with the rules, and I am not able to find it. I understand, however, that we have such a rule, and I have the authority of my friend from Utah [Mr. SMOOT] to that effect.

Mr. McCUMBER. I heard the Senator also state that there is some rule against a reference to what was done in the House. I assert there is no such rule whatever.

Mr. JONES of Washington. There is a controversy between the Senator from North Dakota and the Senator from Utah on that point.

The VICE PRESIDENT. The Chair is with the Senator from North Dakota.

Mr. McCUMBER. If the Senator will show it to me, I will be convinced.

Mr. JONES of Washington. I said I understood there was such a rule. I confess my lack of familiarity with the rules.

Mr. BORAH. I think the suggestion is found alone in Jefferson's Manual——

Mr. GALLINGER. That is where it is.

Mr. BORAH. Which has long since been superseded, as well as all the other teachings of Thomas Jefferson.

Mr. JONES of Washington. We lay the blame on Thomas Jefferson, while we relieve our own rules from that censure. I will not question the right of any Senator when he comes in later on to call my attention to what it is said has occurred in another body to-day.

Mr. President, if we pass this legislation as it is proposed it will only last for a year, and we will have this same thing to thrash over again. So why not take it up in the right kind of a way? If we want to legislate, let us legislate.

Why does not some one propose a legislative provision that will be law not only for this year but for next year, and why leave to the heads of the departments the discretion that we have left in the other law that some Senators do not seem to think the departments are going to exercise? Why tempt them further to violate their oath of office and neglect their duty and then come in here and try to lay all the blame upon the clerks?

Mr. REED. Do I understand that on the legislative appropriation bill the House has adopted an amendment similar to the provision in the bill now pending?

Mr. JONES of Washington. I think so.

Mr. REED. I think it ought to be understood that the parliamentary situation there is such that a separate vote must be had upon that amendment.

Mr. JONES of Washington. As there is no restriction, apparently, against stating what has taken place in the other House there certainly is not any restriction against prophesying what will take place in the House when a separate vote is had on this amendment. From the vote upon a division there, which I saw, I am inclined to think that the Borland amendment would carry on the legislative appropriation bill by a larger majority than it had before.

Mr. GALLINGER. Mr. President——

Mr. JONES of Washington. I yield to the Senator from New Hampshire.

Mr. GALLINGER. I think the reason why the heads of the departments do not require the reports that are mentioned in the statute the Senator has read, and thus require extra hours from the clerks, arises from the fact that it is the fashion now whenever the head of a department or bureau thinks he wants more clerks they simply advertise in the newspapers and they come here in droves. Hence they do not need to require clerks to perform more labor; they have so many of them now that they really do not know what to do with them.

Mr. JONES of Washington. It looks like that is the course of procedure.

Mr. GALLINGER. That is the procedure. They advertise for them now.

Mr. JONES of Washington. But that does not justify legislating in this way in reference to the clerks.

Now, just a word or two about the suggestion made by the Senator from Utah with reference to the 30 days' leave. It seems to be advanced as an argument here in favor of this legislation that they have 30 days' leave with pay and 30 days' sick leave. Here is the law with reference to that in this same section:

Provided, further, That the head of any department may grant 30 days' annual leave with pay in any one year to each clerk or employee.

That does not say that they shall do it; and the department has not construed it as meaning that they shall give the employees 30 days' leave. The Senator from Utah says they have. Here is what the Agricultural Department, the department we are now specifically considering, has done according to a statement that is given to me, of course by the representatives of the employees, but they give the quotation and I have not any doubt that they quote it correctly. They say "the following regulation of the Department of Agriculture has been made." Now I quote:

Leave of absence not a right but a favor: Leave of absence may be granted to employees of the Department of Agriculture in accordance with these regulations when such leave can be taken without detriment to the service. Leave of absence is a privilege and not a legal right.

Leave revocable: Leave of absence may be revoked at any time and the employee ordered to return to duty before its expiration should the exigencies of the service require it.

The whole matter rests in the discretion of the department. If the departments have not wisely exercised the discretion we have given to them then the departmental heads are to blame and not the clerks.

Now, what are the facts with reference to these leaves? I have a statement here which was prepared on behalf of these employees, but they say it has been prepared by the authority of the department in which they give the amount of annual leave. They say:

The records of the Department of Agriculture show that the employees of that department in one year gave to the Government 20,181 days of service which it was their privilege to take as annual leave. This is an average of 5.2 days per person per year. That is to say, the 3,881 employees in Washington who were privileged to take 30 days' annual leave used on an average only 24.8 days each.

I venture to say if the exigencies of the service require it and the departmental heads require it of these employees they will cheerfully work practically all the days that the department under the law may grant them leave.

Then, under the sick leave:

The amount of sick leave used by these employees is also worth noting, in view of the representations of Mr. BORLAND that the sick leave privilege is abused. The maximum allowance for sick leave is 15 days, which, only in the discretion of the Secretary, may be extended to 30 days. But the 3,881 employees of the Department of Agriculture in Washington used on an average only 5.5 days each.

I think that is a splendid record when it shows that these employees only used in a year five and one-half days sick leave.

Mr. President, there are very few employees from the State of Washington down here. I am not interested in this matter on account of them. I have a letter here, however, from one of them, a part of which I am going to read. The writer states that he does not belong to the union; he states that he does not care particularly about the union; but he does object to the reflection that is cast upon his patriotism and upon his willingness to serve his country by legislation proposed in this way. He says:

I personally know of any number of employees in the Department of Agriculture who work over that number of hours half of the time, but I can only swear as to what I do myself.

I have never been asked to work overtime, but when I have certain monthly work to do I have been working overtime each day for periods of about 12 days each month. During the week and a half before Christmas I averaged about 13 hours per day, and that includes Sundays, too. My work, as you know, is operating a multigraph—setting type, etc.—the hardest office work possible for the eyes. I would be willing to keep that up but for the order I received from an eye specialist to the contrary.

He does not object to doing this extra work if necessary. He has been doing it. He has been doing it half the month, and is doing it even without request from the departmental head,

but he is doing it simply because the work of the office required it and demanded it.

I want to say, Mr. President, in my judgment, that is largely the spirit of the great mass of Government employees.

Mr. President, I am not opposing this Borland amendment because I want the employees of the Government to work less. I want them to do their work just as every other Senator wants them to do their work. I sympathize with very many of the suggestions with reference to the wearing character of some of the work made by the Senator from Missouri [Mr. REED] yesterday, but I believe they could very well under the circumstances work eight hours a day. Yet as I said, and as the Senator from Missouri said yesterday, there are certain classes of work that if a person works eight hours day after day and day after day will make him a physical wreck much sooner than it would to work 10, 12, or 14 hours out of doors.

Mr. President, I have worked on a farm. We hear a great deal here with reference to the farmer. The farmer has to bear lots of burdens, and he is made the excuse for a whole lot of argument and all that sort of thing. The farmer does not seek that. He does not ask us to base our action upon legislation here entirely upon his condition. We want to treat him justly and fairly, and he does not ask us to treat others unjustly or unfairly because we may treat him unjustly and unfairly.

Mr. SHEPPARD. May I make a suggestion there?

Mr. JONES of Washington. Yes.

Mr. SHEPPARD. Under the law as it now stands the head of any department may require an employee to work as long as a farmer works.

Mr. JONES of Washington. I was just going to give a little personal experience as far as I am concerned. I have worked on a farm. I have worked from 4 o'clock in the morning until 9 o'clock at night, and I have run a typewriter from 8 o'clock in the morning until 5 o'clock in the afternoon. I want to say I will take the work on the farm from 4 o'clock in the morning until 9 o'clock at night for a week or a month or a summer in preference to running a typewriter from 8 or 9 o'clock in the morning until 5 o'clock in the afternoon, six days out of the week, and I will come through the summer in a great deal better condition by working on a farm than in the other work.

Mr. President, when I say that I do not say that the farmer ought to have to work from 4 o'clock until 9 o'clock at night. I wish he did not; but one thing is certain, that a farmer can not make very much out of his farm unless he does it. Now, that is true. Of course farm labor is much different now from what it was a few years ago. You do not go on farms now and find farm laborers working from 4 o'clock in the morning until 9 o'clock at night. You hire a man to work on a farm and he works 10 hours a day, and that is all.

Mr. REED. When the Senator was working from 4 o'clock in the morning until 9 o'clock at night, of course, that did not apply on rainy days and it did not apply——

Mr. JONES of Washington. Yes; when it was raining I had to get in the barn and shell corn and do things of that sort.

Mr. REED. It did not apply all through the winter.

Mr. JONES of Washington. I went to school in the winter.

Mr. REED. There is a time when farm work lets up in its hours. I know that because I have done a little of it myself. The Senator is talking about the farmer. To-day the farm laborer gets, as I understand it, approximately $60 a month, his board, his room, and his washing, and then gets a horse to go to town on Sunday. Is there any $100 a month clerk in Washington who gets $60 a month net out of his salary?

Mr. JONES of Washington. I am not contending that the clerks here are not paid well compared with laborers on a farm; but I am contending much in line with what the Senator from Missouri said yesterday that when you consider the character of work a great many of these people do I would a great deal rather do the work on a farm than do what they do and be held to it the hours that under the law they should be held to it.

But the main objection I have to legislating in this way is the injustice of it, the discriminatory character of it, and the reflection, in my judgment the unjust reflection, coming as it does, upon the employees of the Government. In my judgment, they are just as faithful employees as can be found anywhere, and if there is any censure to be imposed upon anybody it should be imposed upon the heads of departments who have not done what the law gives them the right to do and makes it their duty to do. When you say that the farmer has to work 10, 16, and 18 hours and that others have to work that time, you can point to the law and say that the department heads may require these people to work all the time that is necessary to do the Government's work, but if we want to legislate, and ought to legislate, in reference to this matter let us do it in a regular way. Let us make it permanent legislation, not year for year and year for year and piecemeal and piecemeal. Let the committee investigate the matter and ascertain what the defects are and the reason for them and frame the law in a way that will not only be just to the Government but just to these employees.

Mr. SHERMAN. Mr. President, the heads of the departments concerned have authority to require more hours of work from the employees in the classification named if they wish. I think it is an effort to pass up to Congress the burden of requiring the actual work to be performed instead of the heads of departments doing it. It is not the first time that a disagreeable task has been passed to Congress by the executive departments, but I decline, for myself, to become a party to the transaction.

I am not going to discuss the question whether these clerks are working overtime now or undertime. That is not my problem. The white man's burden in the Senate here is not to relieve the heads of departments from their difficulties. They have power; let them exercise that power. If they do not want to exercise it they ought not to ask Congress to compel them to do it, and that is in effect what this provision would do.

There is a provision, however, in addition to that. On one occasion the Council of National Defense announced the principle on which we were to be guided while we were in the war. The Council of National Defense is the vocal expression of the Government on this question. I have heard considerable criticism every time there has been a strike at some place of a number of employees, some of whom probably are not informed as to their patriotic duties, as well as others, that they were breaking this general principle that was laid down, and I think they were. It is just as reprehensible for the employer to break this announced principle as it is for the Government or for Congress to announce a new rule.

The Council of National Defense has deemed this subject of such consequence that it created a committee on labor, substantially directed and controlled by representatives of the largest national unions, which, after due deliberation, issued, through its executive committee, a statement apparently intended to declare certain fundamental policies of industrial relationship which should apply during the period of the war. Perhaps the most important sentence of this statement was the declaration that "neither employers nor employees shall endeavor to take advantage of the country's necessities to change existing standards." Differences of interpretation and opinion led to a further amplification and explanation and accompanying declarations, which were indorsed by the Council of National Defense.

These were to the effect that standards of safety and service established by State or Federal law should remain in effect.

It is proposed now by this amendment, which is known as the Borland amendment, to change the hours of service of a certain class of employees who are embraced in the terms of the amendment. That is a violation of this general principle laid down by the Council of National Defense. It applies, it is true, more particularly to private industrial relations, but there is no difference in the good faith that would be required between the private industrial relations existing between the employees in the departments and the Government. If it is a good rule for a shipyard or for a steel mill having industrial employees, it is equally a good rule, and it should apply, to employees in the departments of the Government. Good faith would require that we adhere to it. We have laid it down.

We have heard many just criticisms here and elsewhere upon industrial employees who struck and refused to abide by this wholesome principle. It is said they ought not to tender the war as an excuse to change existing standards of service. I think that is true. If criticism is to be meted out to these striking employees, how will Congress escape the same criticism when we establish another rule here to govern these employees from that of existing law? We can not meet it. We can not announce this principle when a strike is employed in an industrial establishment if we ourselves violate the principle. We shall be estopped to urge that as an equitable rule to be followed during the continuance of the war.

The VICE PRESIDENT. The question is on the amendment of the Senator from Georgia [Mr. SMITH], as modified, to the text of the bill.

Mr. SMOOT. Mr. President, let the amendment be stated.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 91, line 16, after the word "day," it is proposed to insert the following proviso:

Provided, That hereafter record shall be kept of all hours of daily work in excess of eight hours by each employee; and employees who have worked extra hours shall be allowed an equal number of hours without work with full pay, and the credit for overtime shall be given as soon as practicable after the extra work has been performed.

Mr. REED. Mr. President, I want to state this case with reference to the eight-hour question. The eight-hour contest was a fight to reduce the hours of labor, with extra pay for overtime. The Borland amendment is an effort to increase the

hours of labor without pay of any kind for overtime. It is absolutely the antithesis of the eight-hour day contest. The eight-hour day contest was started inside labor ranks to shorten its hours and get pay for overtime. This is a fight from the outside to extend the hours of labor without anything whatsoever for the extended time or for any time in excess of eight hours. It is a mockery to compare such a proposal with what is usually called the eight-hour movement.

A great many economists here and at the other end of the Capitol are pretending that they are supporting this bill in the interest of the Treasury. They have singled out the old clerks in the old departments, most of whom have been here many years, to make them the object of legislative economy. They have undertaken to prove that there is a lack of economy by calling to our attention a vast influx of clerks into Washington who, they say, "toil not, neither do they spin." If there be any such clerks you will not find them in the old departments. You will find them in the new-fangled bureaus. I object to cutting down the pay of the old clerk who has been in Washington doing the business of the Government because there may be too many new clerks employed in the new bureaus that this Congress has recently set up and has recklessly and wantonly refused to regulate.

Mr. President, we are strange creatures in this world, and especially in this Senate. We have spent two or three days here declaiming about the necessity of compelling these clerks to work eight hours and about their wages being too high for a seven-hour day. Statesmen have worked themselves into a frenzy; they have gone charging up and down the aisles talking about clerks who work only seven hours and who get $100 a month; and yet only a few days ago we voted some salaries of $12,000 a year, and expressly provided that those who were drawing the salaries should not be even required to give all of their time to the Government!

Moreover, we have set up bureaus here without any regulation whatever as to wages or hours of labor. Salaries are being paid and money is being appropriated absolutely without regard to the question of economy.

Mr. President, while we are complaining about the salaries of the $100-a-month clerks, and while we are complaining because they are not compelled to work as a minimum more than seven hours a day, there are gentleman traveling up and down the country, with huge expense accounts at their command, who are drawing four and five and six thousand dollars a year, and the Senate has never even paused to inquire into the facts. The other day when the Food Administration came here asking for $1,750,000 of additional money, and it was disclosed that it proposed to increase its expenses 200 per cent between now and the month of June, there was not a whimper from any of the economists in the Senate. Every one of them sat mum, and you could not get an inquiry into what was to be done with the money, although that Food Administration had cost the Government in less than 10 months of time over $8,250,000, and was asking an increase, which I have included in the $10,000,000 estimate, of $1,750,000, upon the express claim that it proposed to increase its expenses 200 per cent. According to that estimate, we may expect to pay 20 or 30 million dollars during the next 12 months. We go about complaining here and declaiming there because some woman who may be supporting an invalid husband or an invalid child or an old father or an old mother, only being required to work seven hours a day; we insist that for her $100 a month she shall work eight hours as a minimum, with no pay for overtime; but we say nothing about the enormous salaries men receive who have been appointed by the Food Administration or Fuel Administration without regulation by law and without confirmation by the Senate. Here are a few gentlemen who hold offices unknown to the law. We do not even know what their titles indicate. All we know is that they hold their authority of office by grace of Mr. Hoover, who selects the men, prescribes their duties, assigns their titles, arranges their expenses, and mayhap pays their rents. The latter I can not affirm with certainty.

In the Food Administration grain-corporation's force appears the following holders of what may be justly denominated Hoover plums:

William Beatty, comptroller	$6,000
G. Roy Hall, traffic expert	6,000
F. S. Staley, general auditor	6,000
John D. Shanahan, grain expert	5,000
Walter I. Bean, chief accountant	4,000
Claude N. Hitchcock, office manager	4,000
A. W. Frick, correspondent	4,000
C. H. McLaughlin, chief clerk, export department	3,900

That is at Washington. Then, at Baltimore, Md.—

Herbert Sheridan, assistant to second vice president	$5,000

What is an assistant to a second vice president?

Mr. KING. Will the Senator from Missouri yield to me?

Mr. REED. I will.

Mr. KING. I was going to ask what organization has a vice president, a first vice president, and a second vice president.

Mr. REED. They appear to be in some way attached to the grain corporation of the Food Administration. Further than that I do not know; the Senator from Utah does not knew; the Senate does not know; and the Senate does not care. These salaries are being paid out by the sacred Food Administration. Inquiry is insolent. [Laughter.] I continue reading—

John J. Frederick, assistant office manager [over at Baltimore]	$2,400

Then at Philadelphia, Pa.—I wonder if any part of this patronage fell to the Senator from Pennsylvania—we find—

J. C. Morris	$3,300
Filson Graff	2,700
L. M. Eichman	2,500
Fred S. Griffin	2,400

Mr. VARDAMAN. Has that anything to do with Hog Island? [Laughter.]

Mr. REED. No; the methods may be similiar, but the locations are different. [Laughter.]

The statement which I am reading only embraces a small part of the Food Administration's pay roll. I read:

Buffalo, N. Y.:	
Edgar B. Black, assistant to second vice president	$3,600

That is the second assistant this vice president has got. His first assistant gets $5,000 a year and the second assistant gets $3,600 a year. It seems to me that is class legislation. I think that Buffalo, N. Y., has a right to complain that it is being discriminated against in favor of Baltimore, Md. Then at Buffalo, N. Y., we also find—

James A. Stevenson, cashier	$3,000
Portland, Oreg.:	
Otto Kettenbach, assistant to second vice president	5,100
S. A. Turner, cashier	3,600
A. M. Scott, assistant cashier	2,700

Mr. VARDAMAN. From what is the Senator reading?

Mr. REED. I am reading a list taken from the official report of Mr. Hoover?

Mr. KIRBY. Who fixes the salaries?

Mr. REED. Mr. Hoover fixes them, or I suppose he fixes them, for he is fixing everything else; he is fixing the price of the farmer's wheat, and in so doing is willfully violating the law of the land; he is fixing the price of the farmer's pork, and in so doing is willfully violating the law of the land; he is fixing the size of the farmer's potatoes, and in so doing is violating the law of the land; he is fixing America to lose this war by cutting down the production of the farmers, and in so doing is violating the law of common sense; he is, in his capacity as an American officer, fixing the prices of American farm products, which he then buys in his capacity as purchasing agent for foreign countries, and in so doing violated the precept "No man can serve two masters." Likewise he violates the laws which forbid an agent to act for parties having antagonistic interests. Secretary McAdoo recently charged Hoover with being the sole purchasing agent of the allies. The statement remains undenied.

A protest is growing among the farmers. They are coming here from across the continent to protest before the Committee on Agriculture. They are telling us serious facts, that must be heeded at an early day or next winter we will have bread tickets and meat tickets where we might have plenty. As bad as was the Garfield closing order, the activities of the Food Administration are even worse, for the Garfield closing order was limited to 14 days, while the Food Administration is imposing restrictive measures that are going to cut down farm production throughout the year.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. REED. Yes.

Mr. KING. In view of the fact that the Senator has just mentioned the activities of Mr. Hoover and his department, I am interested in knowing whether or not the investigation before the committee supports the statement which is now being put out in the newspapers that the Hoover administration has increased the production of meat and of pork; that some 6,000,000 or more of cattle have been reared because of the activities of this department, and I do not remember the number of millions more of hogs, as the result of the work of this administration. According to the testimony, is there anything in support of those statements?

Mr. REED. The Senator can not ask that question with a straight face. A Senator coming from the great West knows that that statement is utterly silly. The beef cattle of this country increased how many head?

Mr. KING. Six million and some odd thousand.

Mr. REED. Six million head since August 10, when Mr. Hoover took office! It takes three years to grow a steer, and Bob Ingersoll once irreverently said that there was one thing God Almighty could not do, and that was to make a four-year-old steer in five minutes. [Laughter.] I am not ready to believe Mr. Hoover could produce 6,000,000 in six months, although I am reminded he has referred to himself as the "miracle man."

Mr. SHERMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Illinois?

Mr. REED. I do.

Mr. SHERMAN. I suggest that the authorities got it mixed up with a healthy shote. [Laughter.]

Mr. REED. Why, Mr. President, I also saw the statement made that the hogs had all grown bigger; that they were bigger now than they were ever before in the world. [Laughter.] This is the fact about the hog business: They are not any bigger than they ever were before in the world, but the hogs that are just now being marketed are pitiably small. Brood sows are being hauled to market to butcher because the farmer can not afford to feed $1.80 corn into $15 a hundred hogs; but there was a short time back a few days when the hog run to the market was very heavy—not unprecedented, but heavy—the average being about 230 pounds. The reason for that was—not Hoover, but the railroad embargo—transportation could not be readily obtained for hogs, and hogs had to be held on the farm for some two or three weeks longer than usual and they had to be fed corn, and so increased somewhat in weight.

What is there about Mr. Hoover's beneficent influence that will make a hog grow? [Laughter.] It is a good deal like that story we heard about the fuelless days releasing 480 ships and sending them across the ocean. As a matter of fact, that number was arrived at by claiming credit for every ship that sailed from every port of America, except from three southern ports, when, as everybody knows, nearly all the ships would have sailed if the order for the fuelless days had never been issued. The truth is that there was a net reduction in the number of ships in the ports of the whole of the United States of just 56. Somebody said that figures will not lie, but it must be conceded they become beautifully confused.

I am digressing; but mark what I am telling you. Though you may say I am "harping on my daughter," unless there is a reversal of the policy which fixes the price of coal at the mines so that the mines can not run at top speed, unless there is a reversal of the kind of policy that is about to close the mines of Colorado, according to the statement of the Senator from Colorado——

Mr. THOMAS. That has closed them.

Mr. REED. "That has closed them," the Senator tells me; there will be suffering in our homes; there will be a shutting down of our great industries next winter; there will be more fuelless days and more brainless days. Unless there is a reversal of the policy that interferes with production and penalizes the farmer, and, to use a slang expression, "makes the farmer the goat," there will be a crop deficiency next summer that will next winter bring the most serious consequences.

If we expect to win this war, we must win it by production. The energy of these boards and these individuals apparently has been directed to restrict production by endeavoring to restrict the prices of the men who produce. It is a mistaken policy; it is a foolish policy; it is a policy that, if not abandoned, will lose us this war. Whatever else we do, we ought to produce an abundance of foodstuffs and we ought to produce an abundance of coal. These two great products are essential to the winning of this war.

If I may further claim the attention of the economists of Congress who want to cut down the salary of the pale-faced woman who is working over a set of books in one of the departments or who is working on an adding machine or a comptometer, I beg to call attention to some more of these salaries of the food and fuel departments:

New Orleans, La.:	
H. L. Dannoy, assistant to the second vice president	$4,800
Minneapolis, Minn.:	
C. L. Bostwick, general officer manager	5,000
F. G. Holbrook, head of the wheat distribution	3,600
E. H. Conkey, chief inspector	3,000
Duluth, Minn.:	
E. A. Forsyth	5,000

I do not know what he does, but he is stationed at Duluth, the town that Proctor Knott discovered and at the same time immortalized. [Laughter.]

J. E. McGregor	$5,000
Kansas City, Mo.:	
H. J. Smith	5,000
E. F. Beyer	5,000

I do not know what he does, but I think he must be another assistant to the second vice president. [Laughter.] There are seven names of persons in the list who, I have discovered, are assistants to the second vice president.

Now let us go to the pay roll at the national headquarters:

Ben S. Allen	$4,800

Who is Ben S. Allen? Probably a very nice gentleman. He was a representative of the Associated Press, at London, England; became the private secretary of Mr. Hoover; accompanied Mr. Hoover to the United States; and is now drawing $4,800 a year. I do not know what his duties are—whether he is still representing the Associated Press, or whether he is assistant to the second vice president, or whether he is just Mr. Hoover's private secretary; but his salary is $4,800.

Alice C. Boughton	$2,400

Here is a lady drawing twice the salary that the clerks in the departments draw. Which one of the economists in the Senate rose up to protest against that? [Laughter.] Why, when I asked that there go out of the deficiency appropriation bill the other day $1,750,000 to be used in addition to the seven and a half million dollars that has already been squandered, you did not vote then for economy, that was not economy day. That was Hoover day. Now, there is nothing to oppose this rare bit of economy but a few poor clerks, and there are plenty of gallant gentlemen willing to charge the breastworks that are defended by the helpless. [Laughter.]

I continue reading:

Marion E. Bradbury	$3,000

I wonder if she is doing any more difficult labor than some of the women who have grown gray-haired working in the departments. There is not a protest, though, on account of her salary.

W. H. Buck	$2,700

I do not know what Buck does, except that he is at the national headquarters.

Dallas S. Burch	$2,592

Just why they add that $2 I do not know; perhaps it is for overtime. I do not know; but there it is in the report.

Alexander Cairns	$5,184

It does not tell what Alexander does. I only know that he has got his arm in the Government Treasury down to the $5,000 notch, and then $184 farther in.

Julian S. Carr	$2,880
Stephen Chase	3,000
E. F. Cullen	5,004
Leonard Dawson	2,760
E. Dana Durand—	

A man that parts his name in that way ought to get a very liberal salary. I blush to say that E. Dana gets only $3,000. [Laughter.]

Mr. GORE. From the Government.

Mr. REED. From the Government. I accept the amendment.

B. F. Durr	$2,808
Thomas Ellis	3,600
J. W. DuB. Gould	4,200
Frank F. Jenks	4,800

Observe Frank F. draws just exactly four times as much as one of these $1,200 clerks. Of course, he has only one-fourth the necessary expenses in proportion to his salary, but there is not a protest. The economists of the Senate, who bravely reach out to take a few shekels from a lot of poor girls and old ladies, and men with families who can scarcely live on their meager salaries in the departments, hesitated and fell back appalled when asked to stop the raids of Hoover on the Treasury.

Brave boys, brave boys, brave boys all;
And yet, and yet, I can not forget,
That many are brave not at all—

If I may doggerelize an old bit of verse.

Why, these men, as has been suggested to me, are drawing more pay than many officers of the Army who have served 20 years and are now on the firing line; but, then, this is Hoover's. [Laughter.] These are the people that work for the "miracle man." [Laughter.] Perhaps one of them made himself solid by sending out from Hoover's headquarters the circular I once exhibited to the Senate, advising the people that a letter addressed to "The Miracle Man" would be promptly delivered to Mr. Hoover.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Utah?

Mr. REED. Certainly.

Mr. KING. I want to suggest to the Senator that the example of the department to which he is just referring seems to have

impregnated some of the other departments. For instance, I observed a short time ago in the newspaper an advertisement put out by the Civil Service Commission in which they stated that they must have immediately 250 accountants for one small branch of the War Department, which already had a large number, and that the compensation was to be from $3,000 a year to $6,000 a year. I do not know where they got the authority to pay such salaries, or the authority to advertise for such a large number of employees.

Mr. REED. It is in the air, except when you come to the question of a few pale-faced, and sometimes aged, clerks. Them we are proposing to trim, and do it properly, to adopt the slang expression of the day. But at other places it is a matter of reckless expansion.

"Woe unto the scribes and Pharisees, hypocrites."

Notice I am maintaining a strictly parliamentary position. I speak in the impersonal sense. I employ the article "the" instead of the pronoun. [Laughter.] There is something else in near context, that about straining at gnats and swallowing camels. So you strain at a $1,200 clerk's salary and swallow a $5,000-a-year salary, drawn by a gentleman with undisclosed and mysterious duties, which are rendered at some indefinite place for an undetermined period. I read on:

Frank F. Jenks	$4,800
William E. Kellicott	3,600
Russell M. MacLennan	3,000
William A. McKenzie	3,000
Maj. James Miles	2,700
Irwin S. Osborn	4,800
John S. Pardee	3,600
Raymond Pearl	6,600

Pearls come a little higher than the other——

Mr. KING. Jewels.

Mr. REED. Jewels—I thank the Senator—that we find in the Hoover casket. [Laughter.]

B. Harold Powell	$4,200
Charles E. Raymond	3,000
Edward F. Trefz	5,400
Bestor R. Walters	3,000
Clinton R. Whitney	3,120

Now we come to a pay roll for the field service. I do not know what is done in this field.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Tennessee?

Mr. REED. Yes; certainly.

Mr. McKELLAR. Is it proposed in this bill to make these employees of the Government work also eight hours per day?

Mr. REED. Oh, no; these be immune. [Laughter.]

These in the Hoover department are as sacred as cats were in Egypt [laughter], and whosoever ventures to shy a brick in their direction has at once turned upon him as bitter vials of wrath as the priests of Rameses poured upon the impious who disturbed the felines of ancient Thebes.

I read the pay roll in the field service:

Iowa:	
Julianne Doane	$4,800

Now, I do not know what Julianne does, and I do not know what his or her sex may be, but she or he is drawing a very liberal salary, is drawing as much as four of these old clerks that are working down here trying to support themselves and pay Washington rents and Washington grocery bills; but, of course, there will be no effort to interfere with Julianne. Is not he or she employed in the sacred place? I resume reading:

Nebraska:	
E. V. Parrish	$3,999.96

Marked down from $4,000. [Laughter.]

New York:	
Augustin McNally	$3,189.28
North Carolina:	
John Paul Lucas	3,000.00
Pennsylvania:	
James A. Finley	3,000.00
Rhode Island—	

Here is a female field agent now. There is no doubt about the sex here—

Mrs. Ida S. Harrington	$3,000
Texas:	
J. R. Babcock	3,000
H. Wirt Steele	5,004

Will the Senator from Texas tell me why he had that extra $4 added on to his man, or does the Senator from Texas know the gentleman?

Vermont:	
James P. Taylor	$3,600
West Virginia:	
William Hill	3,000

Now I come to the pay roll in the Fuel Administration. I do not know where these gentlemen work, but somewhere. At least they draw this salary here in Washington—

James B. Edmunds	$3,600
Cyrus D. Foss, jr	3,900
Herbert G. Hopkins	3,600
Richard W. Kirtley	3,600
E. R. Sartwell	3,900

Here is the field pay roll, now, for the Fuel Administration:

New York:	
Ellery B. Gordon	$5,004
Utah:	
Ledyard M. Bailey	3,000

I should like to inquire of the Senator from Utah if he knew he had a constituent drawing $3,000?

Mr. KING. I certainly did not. Having heard his name, I will say, however, that he is a very worthy man, a good Republican, a good man.

Mr. REED. A good Republican and a good man. What was his business? Which particular college did he attend? [Laughter.]

Mr. KING. I have to plead ignorance on that point.

Mr. REED (reading)—

Car Service Bureau:	
John S. Spellman	$4,200

Now, you may think I have taken a lot of your time in reading this; but here is a list of the employees in a book [exhibiting], principally made up of employees and expense items. I have read you a few out of thousands—out of thousands.

Mr. KING. Mr. President, will the Senator yield?

Mr. REED. I do.

Mr. KING. Does the Senator mean to state that the Food Department in the city of Washington is employing thousands of persons?

Mr. REED. The Food and Fuel Departments together, in the city of Washington and elsewhere, I think I am safe in saying, are employing thousands. Some months ago the Food Administrator stated that he had, I think it was, eleven or twelve hundred clerks here in Washington alone. Why, Mr. President, they rented the entire Gordon Hotel for headquarters, and I put in the RECORD the other day—and it will be found in one of my speeches—a list of the places where they pay rent in the city of Washington. I have not counted them, but I think there are some 15 or 20. As my colleague suggests, they now have a very large new building. I do not know how many hundreds of thousands of dollars it cost. It is a temporary building. They cut down a lot of beautiful trees in the Mall and put up a temporary shack. Of course it will have to be soon removed.

Not a word is said about these things; but, oh, how we will convince our constituents that we are looking after their interests if we can just go back and say, "Look at what we did to the clerks. See how we have guarded your interests. We have made them work an extra hour every day." [Laughter.] How about these others?

Mr. President, the thing is sickening to me. If we want to economize, let us begin right. Let us begin by placing some restrictions upon the wild extravagance of men who spend money as though it were leaves upon the trees, and as though, to borrow the expression of another, we owned the forests of the world.

Let me state the eight-hour-a-day question once more. I repeat, the eight-hour-a-day fight was a contest to reduce the hours to eight, with extra pay for overtime. The Borland amendment is a fight to increase the hours of labor to eight, with no pay for overtime. They are as different as heat and cold, as light and darkness, as kindliness and brutality.

Mr. President, let us permit the heads of the departments to run the departments. Under the present law they must require seven hours; they can require eight hours', or nine hours', or ten hours' work; and the clerks are responding to every demand that is made. Let well enough alone. Not the head of a department has asked for this law—not one.

The PRESIDING OFFICER (Mr. McKELLAR in the chair). The question is on the amendment offered by the Senator from Georgia [Mr. SMITH]. [Putting the question.] By the sound, the noes seem to have it. The noes have it, and the amendment is lost.

Mr. GORE. I call for a division.

Mr. KING. Mr. President, the Senator from Georgia is not here. I suppose it would not be in order to suggest the absence of a quorum. I should be glad to do so if it is not too late. I ask for a division.

The PRESIDING OFFICER. A division is asked for. Those in favor of the amendment will rise and stand until they are

counted. [A pause.] Those opposed will rise. [A pause.] The amendment is lost.

Mr. GORE. I call for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are asked for.

Mr. THOMPSON. Mr. President, a point of order. It seems to me the Chair has decided the question.

The PRESIDING OFFICER. The point of order is sustained. The Chair has decided it twice.

Mr. GORE. Mr. President, I made an effort to call for the yeas and nays before the Chair made the announcement.

The PRESIDING OFFICER. The Chair did not understand that the Senator from Oklahoma sought to do so, and if there is a mistake about it the roll will be called. That is the only fair way in which the Chair can decide the matter.

Mr. ASHURST. I ask that the amendment may be stated.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 91, at the end of line 16, after the word "day," it is proposed to insert the following proviso:

Provided, That hereafter records shall be kept of all hours of daily work in excess of eight hours by each employee, and employees who have worked extra hours shall be allowed an equal number of hours without work with full pay, and the credit for overtime shall be given as soon as practicable after the extra work has been performed.

Mr. JONES of Washington. Mr. President, was the demand for a roll call seconded?

Mr. REED. There has been no chance yet. It has not been put to the Senate.

The PRESIDING OFFICER. The Senator from Oklahoma asks for a yea-and-nay vote. Is there a second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. Not knowing how he would vote on this question, I withhold my vote.

Mr. SMITH of Georgia (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. LODGE]. I transfer that pair to the senior Senator from Louisiana [Mr. RANSDELL] and vote "yea."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. He tells me that if present he would vote as I am about to vote. I therefore feel free to vote, and vote "yea."

Mr. WOLCOTT (when his name was called). Has the senior Senator from Indiana [Mr. WATSON] voted?

The PRESIDING OFFICER. He has not.

Mr. WOLCOTT. I have a general pair with that Senator. I transfer it to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

The roll call was concluded.

Mr. TILLMAN. I transfer my pair with the senior Senator from West Virginia [Mr. GOFF] to the junior Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

Mr. WEEKS. I transfer my general pair with the senior Senator from Kentucky [Mr. JAMES] to the junior Senator from New Jersey [Mr. BAIRD] and vote "yea."

Mr. DILLINGHAM. I transfer my pair with the senior Senator from Maryland [Mr. SMITH] to my colleague [Mr. PAGE], who is absent, and vote "yea."

Mr. CURTIS. I have been requested to announce the unavoidable absence of the junior Senator from Minnesota [Mr. KELLOGG]. He is paired with the senior Senator from North Carolina [Mr. SIMMONS].

Mr. HARDING. I transfer my general pair with the junior Senator from Alabama [Mr. UNDERWOOD] to the senior Senator from North Dakota [Mr. MCCUMBER] and vote "yea."

Mr. CALDER. I have a general pair with the junior Senator from Rhode Island [Mr. GERRY]. In view of his absence, I withhold my vote.

Mr. STERLING (after having voted in the affirmative). I wish to inquire if the junior Senator from South Carolina [Mr. SMITH] has voted?

The PRESIDING OFFICER. He has not.

Mr. STERLING. I have a general pair with that Senator. In his absence, I withdraw my vote.

Mr. MYERS. Has the junior Senator from Connecticut [Mr. MCLEAN] voted?

The PRESIDING OFFICER. He has not.

Mr. MYERS. I have a general pair with the junior Senator from Connecticut. I transfer that pair to the junior Senator from Florida [Mr. TRAMMELL] and vote "yea."

Mr. KNOX (after having voted in the negative). I inadvertently voted without announcing my general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN]. I transfer that pair to my colleague [Mr. PENROSE] and will let my vote stand.

Mr. WILLIAMS. I have a general pair with the senior Senator from Pennsylvania, but because of the transfer announced by the junior Senator from Pennsylvania [Mr. KNOX] I am at liberty to vote. I therefore vote "yea."

Mr. FRELINGHUYSEN. I transfer my general pair with the junior Senator from Montana [Mr. WALSH] to the junior Senator from Michigan [Mr. TOWNSEND] and vote "nay."

Mr. JOHNSON of South Dakota. I have a general pair with the Senator from Maine [Mr. FERNALD]. I transfer that pair to the Senator from Oklahoma [Mr. OWEN] and vote "nay."

Mr. CURTIS. I wish to announce that the Senator from Connecticut [Mr. BRANDEGEE] is paired with the Senator from Alabama [Mr. BANKHEAD].

The result was announced—yeas 26, nays 31, as follows:

YEAS—26.

Beckham	Harding	Nelson	Tillman
Borah	Hardwick	Pomerene	Vardaman
Cummins	Kendrick	Reed	Wadsworth
Dillingham	Kenyon	Smith, Ariz.	Weeks
Gallinger	King	Smith, Ga.	Williams
Gore	Kirby	Smoot	
Gronna	Myers	Thomas	

NAYS—31.

Ashurst	Johnson, Cal.	New	Shields
Curtis	Johnson, S. Dak.	Phelan	Smith, Mich.
Fall	Jones, N. Mex.	Pittman	Stone
France	Jones, Wash.	Poindexter	Sutherland
Frelinghuysen	Knox	Robinson	Swanson
Hale	McKellar	Shafroth	Thompson
Henderson	McNary	Sheppard	Wolcott
Hollis	Martin	Sherman	

NOT VOTING—38.

Baird	Gerry	Norris	Smith, S. C.
Bankhead	Goff	Nugent	Sterling
Brandegee	Hitchcock	Overman	Townsend
Broussard	James	Owen	Trammell
Calder	Kellogg	Page	Underwood
Chamberlain	La Follette	Penrose	Walsh
Colt	Lewis	Ransdell	Warren
Culberson	Lodge	Saulsbury	Watson
Fernald	McCumber	Simmons	
Fletcher	McLean	Smith, Md.	

So the amendment of Mr. SMITH of Georgia was rejected.

Mr. JONES of Washington. I wish to offer an amendment. In line 12, after the words "District of Columbia," I move to insert the words "or elsewhere," so that it will apply to all the employees of the departments whether in Washington City or anywhere else.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Washington [Mr. JONES].

The amendment was agreed to.

Mr. KENYON. In line 11, page 91, after the word "used," and before the word "to," I move to insert the words "during the existing war."

I know that the war probably may not be over before this money is expended, and yet it may be. This will sustain the principle which I contended for earlier in the discussion of having the provision stand during the existing war.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 91, line 11, after the word "used," the first word in the line, insert the words "during the existing war"; so that if amended it will read:

No part of any amount herein appropriated shall be used during the existing war to pay salaries or for personal services in any department, bureau—

And so forth.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Iowa [Mr. KENYON].

The amendment was agreed to.

The PRESIDING OFFICER. The question recurs on the motion of the Senator from Texas [Mr. SHEPPARD] to strike out lines 10 to 16, inclusive, on page 91.

Mr. SMOOT. Let us have the yeas and nays.

The yeas and nays were ordered.

Mr. GORE. I move that the Senate adjourn.

The motion was not agreed to.

The PRESIDING OFFICER. The Secretary will call the roll on agreeing to the motion of the Senator from Texas [Mr. SHEPPARD] to strike out the paragraph.

The Secretary proceeded to call the roll.

Mr. FRELINGHUYSEN (when his name was called). I transfer my general pair with the junior Senator from Montana [Mr. WALSH] to the junior Senator from Michigan [Mr. TOWNSEND] and vote "nay."

Mr. HARDING (when his name was called). I transfer my pair with the junior Senator from Alabama [Mr. UNDERWOOD]

to the senior Senator from North Dakota [Mr. MCCUMBER], and I vote "nay."

Mr. JOHNSON of South Dakota (when his name was called). I transfer my pair with the Senator from Maine [Mr. FERNALD] to the Senator from Illinois [Mr. LEWIS] and vote "nay."

Mr. MYERS (when his name was called). I announce the same transfer of my pair that I announced on the last vote, and I vote "nay."

Mr. OVERMAN (when his name was called). In the absence of the senior Senator from Wyoming [Mr. WARREN], with whom I have a general pair, I withhold my vote.

Mr. STERLING (when his name was called). Making the same announcement of my pair as on the former vote, I withhold my vote. If at liberty to vote I would vote "nay."

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER], but as he would vote, if present, as I intend to vote I feel at liberty to vote. I vote "nay."

Mr. TILLMAN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

Mr. SMITH of Michigan (when Mr. TOWNSEND's name was called). My colleague [Mr. TOWNSEND] is temporarily absent from the Chamber on official business.

Mr. WEEKS (when his name was called). Making the same transfer of my pair that I did on the last vote, I vote "nay."

Mr. WILLIAMS (when his name was called). I have a standing pair with the senior Senator from Pennsylvania [Mr. PENROSE]. I transfer that pair to the senior Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

The roll call was concluded.

Mr. DILLINGHAM (after having voted in the affirmative). I have already voted, but I neglected to announce the transfer of my pair with the senior Senator from Maryland [Mr. SMITH] to my colleague [Mr. PAGE].

Mr. SMITH of Georgia (after having voted in the negative). I also have voted, and I neglected to announce the transfer of my pair with the senior Senator from Massachusetts [Mr. LODGE] to the senior Senator from Louisiana [Mr. RANSDELL].

Mr. CURTIS. I desire to ask if the junior Senator from Georgia [Mr. HARDWICK] has voted?

The PRESIDING OFFICER. He has not.

Mr. CURTIS. I have a pair with that Senator, and I withhold my vote.

Mr. CALDER (after having voted in the affirmative). I have a general pair with the junior Senator from Rhode Island [Mr. GERRY]. I find he is not present, and therefore withdraw my vote.

Mr. GORE. I desire to announce the necessary absence of the junior Senator from Georgia [Mr. HARDWICK].

Mr. OVERMAN. My colleague [Mr. SIMMONS] is absent on important business.

Mr. KNOX. I am paired with the senior Senator from Oregon [Mr. CHAMBERLAIN]. Not knowing how he would vote, I withhold my vote. If at liberty to vote, I would vote "yea."

Mr. MYERS (after having voted in the negative). Since voting, the Senator from Florida [Mr. TRAMMELL], to whom I transferred my pair, has entered the Chamber and voted, and I withdraw my vote. I am not able to get a transfer.

Mr. KNOX. I am informed that the senior Senator from Oregon [Mr. CHAMBERLAIN], if present, would vote "yea." So I feel at liberty to vote. I vote "yea."

Mr. MYERS. I transfer my pair with the Senator from Connecticut [Mr. MCLEAN] to the Senator from Oklahoma [Mr. OWEN] and vote "nay."

Mr. GRONNA. I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to illness in his family.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Connecticut [Mr. BRANDEGEE] with the Senator from Alabama [Mr. BANKHEAD];

The Senator from Minnesota [Mr. KELLOGG] with the Senator from North Carolina [Mr. SIMMONS]; and

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY].

The result was announced—yeas 28, nays 29, as follows:

YEAS—28.

Ashurst	Jones, N. Mex.	Phelan	Smith, Mich.
Dillingham	Jones, Wash.	Pittman	Stone
France	Kendrick	Reed	Sutherland
Hale	Knox	Robinson	Swanson
Henderson	McKellar	Sheppard	Thompson
Hollis	McNary	Sherman	Trammell
Johnson, Cal.	Martin	Shields	Wolcott

NAYS—29.

Beckham	Harding	Nugent	Tillman
Borah	Johnson, S. Dak.	Poindexter	Wadsworth
Cummins	Kenyon	Pomerene	Watson
Fall	King	Shafroth	Weeks
Frelinghuysen	Kirby	Smith, Ariz.	Williams
Gallinger	Myers	Smith, Ga.	
Gore	Nelson	Smoot	
Gronna	New	Thomas	

NOT VOTING—38.

Baird	Fletcher	McCumber	Smith, Md.
Bankhead	Gerry	McLean	Smith, S. C.
Brandegee	Goff	Norris	Sterling
Broussard	Hardwick	Overman	Townsend
Calder	Hitchcock	Owen	Underwood
Chamberlain	James	Page	Vardaman
Colt	Kellogg	Penrose	Walsh
Culberson	La Follette	Ransdell	Warren
Curtis	Lewis	Saulsbury	
Fernald	Lodge	Simmons	

So Mr. SHEPPARD's motion was rejected.

Mr. WILLIAMS. I wish to move to amend the bill by inserting, after the word "day," in line 16, page 91, a comma and the words "with pay at time and a half time for extra hours." The object of the amendment is simply to put these people upon a common footing with all the laboring men and upon a common footing with what the laboring men have demanded, to wit, an eight-hour day, with time and a half pay for overtime. I might spend three hours talking about it and it would not enlighten the Senate a particle. I just announce what my purpose is.

The PRESIDING OFFICER. The amendment proposed by the Senator from Mississippi will be stated.

The SECRETARY. On page 91, line 16, after the word "day," insert a comma and the words "with pay at time and a half time for extra hours."

Mr. GORE. Mr. President, I make a point of order against the amendment. I think it is general legislation. You will observe, Mr. President, that the provision in the bill was drawn according to the House rule so as to avoid a point of order. I think the proposition offered by the Senator from Mississippi is legislation and is subject to a point of order. I therefore make a point of order against the amendment on the ground that it is legislation.

Mr. WILLIAMS. Mr. President, this whole proposition in the bill is new legislation, requiring only eight hours a day of work. My amendment is a limitation of the eight hours, prescribing that if they work over eight hours they shall be paid time and a half for overtime. Unless the entire provision is subject to a point of order my amendment is not subject to a point of order.

Mr. GORE. The Senator, I think, is mistaken. If he will observe the language of the House provision, he will see that it was drawn in order to avoid a point of order in the House. It is a limitation or a direction upon the expenditure of the money appropriated in the bill and is not new legislation in any sense.

Mr. WILLIAMS. Mr. President, I do not care about the technicalities of the draftsman who drew the bill. The actual fact is that these people can be summoned if the head of the bureau chooses to do it. The only trouble is that the head of the bureau never does choose to require them to work 8 hours, or to work 9 hours, or to work 10 hours, or to work 16 hours; but that is the present law. This provision, from line 10 down to line 16, inclusive, provides that they shall not be summoned to work over eight hours. I have put in an amendment to that which is that they shall be paid time and a half for overtime if they are worked over eight hours.

Mr. President, there can be no honest and sincere objection on parliamentary grounds to the amendment which I have offered to the amendment, if the original amendment itself is in order and the original phraseology of the provision in the bill, no matter who intended something else, is susceptible to an interpretation different from the present practice of the departments. That being the case, my proposition is to provide that while the clerks are being required to work eight hours they shall be paid time and a half for overtime. It is clearly in order if the original provision of the House bill is in order.

Outside of that, Mr. President, what do you want to do with these people? I heard a Senator here the other day talking about them as if they were working in a sweatshop. Now, you and I know better than that. There is no sweatshop about these departments. You can go down to the War Department right now—the most overworked department of the Government—and find three men out of ten in nearly every room rolling cigarettes and two or three more reading newspapers. I have nothing against them; I have many friends in the departments who are working all the time, and working their best; but this absurd, fool talk about sweatshops—Government sweat-

shops—in the city of Washington is a disgrace to the American people and a disgrace to the Senate of the United States ever to have been uttered upon this floor. You know and I know that these employees of the Government are not being overworked.

Now, all I want to do is to put them upon the footing that labor throughout the country seeks. What is labor seeking? An eight-hour-day law with time and a half for overtime, and my amendment will simply give them that—nothing more and nothing less. It does not burden them with extra burdens in comparison with other labor; it does not make a Prætorian home guard in "Rome" of them, as does the present system; and it will do exact justice by all.

Mr. WADSWORTH. Mr. President, if the Senator from Mississippi desires to put these employees on the same basis as the labor of the country, generally speaking, would he not have to repeal that provision of the law which gives them 30 days' leave at full pay?

Mr. WILLIAMS. Oh, Mr. President, I am glad the Senator from New York mentioned that, for I temporarily forgot it. Even if this amendment is adopted, they will still not be on a level with the balance of the labor of the country. Mr. President, you know and I know and the Senator from New York knows that these employees have, in the first place, 30 days leave each year, regardless—30 days vacation, 30 days recess. I am not opposed to that. I wish that every laboring man in the United States had it. Labor would be very much more efficient if every man who is hard at work had 30 days at some time to go home or to go somewhere else and fish or hunt or rest or do something else; but the ordinary laborer has not got it, and this Prætorian cohort has it.

That is not all. They have 30 days sick leave; and you know you can go around here in the departments and not bankrupt yourself by offering a ten-dollar prize for every employee who does not take his full sick leave. Even I would not be bankrupted if I made that proposition, and the Senator from New York would have his private fortune hardly touched.

There are 60 days that these people have off, and they take the sick leave whether they are sick or not. A man will come around to your office to beg you for a transfer or promotion or something, and you will say to him, "Can you not come back to-morrow?" He will say, "No; I took this off my sick leave," he being as well a man as ever you saw since you were born. So my proposition does not even put them down to the level of ordinary labor. We can leave that to operate upon later.

One of the things that we ought to do is to provide that a man shall not have sick leave unless he is sick. He ought to have the 30 days, and every other laborer in the United States ought to have it. I hope to God to live to see the time when every man who works with his hands or his head inside of four walls shall work only eight hours a day and shall have at least 30 days of vacation during which to rest up and come back to work again. That, however, is not embodied in my amendment and has nothing to do with it. What I am providing for is that these men, while they are working eight hours, shall have time and a half pay for work in excess of eight hours. That is my amendment; it is only fair, and I hope it will be adopted.

The VICE PRESIDENT. As the point of order is to be discussed, let us get to the point of order. The point of order is made against the amendment. The situation is that this bill contains an appropriation for certain clerks and certain employees at so much a year—not by the hour or by the day, but so much a year. The general law is that the heads of departments may require them to work the number of hours they please. It has been the custom to avoid the general law in the past—and it has been sustained by both the House of Representatives and the Senate as not being general legislation—by inserting a clause to the effect that the money shall not be used save under certain conditions. So the rule of the House and the rule of the Senate in reference to general legislation was avoided in this bill by saying that this money should only be paid when the head of the department required the clerk to work eight hours a day on a yearly salary. Now, the Senator from Mississippi [Mr. WILLIAMS] wants to add to that that the clerks shall be paid a wage and a half for time that is over eight hours. That can not be done unless you change the law by which you pay these clerks, because they get so much a year, and no more.

Mr. WILLIAMS. Can the original provision in the bill be passed without changing the original law?

The VICE PRESIDENT. You can provide salaries for everybody under the sun, but if you do not make an appropriation to pay them they can not get them.

Mr. WILLIAMS. Why, Mr. President, the bill makes the limitation upon the payment of the salaries.

The VICE PRESIDENT. True; but the head of the department——

Mr. WILLIAMS. I merely modify the limitation to another degree.

The VICE PRESIDENT. The head of a department under the law now has the right to require men to work 7, 8, 9, 10, or 11 hours a day. This bill as it now stands says that this money shall be paid to men who are required to work eight hours, and to none other. The point of order is sustained.

Mr. WILLIAMS. Mr. President, I do not like to bore the Chair——

The VICE PRESIDENT. The Senator could not do that.

Mr. WILLIAMS. But, according to the Chair's statement, the head of a department now has a right to call on a clerk to work 8 hours or 10 hours or 16 hours, or whatever number of hours he chooses. The provision in this bill is that—

No part of any amount herein appropriated shall be used to pay salaries or for personal services in any department, bureau, or office in the District of Columbia which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act approved March 15, 1898, require eight hours of labor each day.

The present law does not require eight hours of labor each day. The Chair must recognize the fact that that provision now in the bill is a change of existing law, because the present law, while it permits the chief of a bureau to make an employee work 16 hours, does not require him to work eight hours. This proposed new law in fact does require him to work eight hours; and to the provision requiring him and compelling him to work eight hours, which is new legislation, I have offered a further modification of the new legislation, to wit, a provision that when he is required to work eight hours he shall be paid time and a half for the overtime. I repeat that at present he can not be required to work eight hours without a special order of the head of the bureau; the law does not require him to work eight hours. If the law right now did require him to work eight hours, this provision would be utterly worthless and purposeless and foolish. To this new provision that he shall be required to work eight hours, I propose an amendment that when he does work over eight hours he shall have time and a half pay for the excess work.

The VICE PRESIDENT. He is not required under this bill to work eight hours.

Mr. WILLIAMS. Under this provision of the bill he is required to work eight hours, because it says, if the Chair will excuse me——

The VICE PRESIDENT. No; he is not.

Mr. WILLIAMS. It says:

No part of any amount herein appropriated shall be used to pay salaries or for personal services in any department, bureau or office in the District of Columbia which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act, approved March 15, 1898, require eight hours of labor each day.

The Chair must recognize, as a matter of common sense, as a matter of purpose, and as a matter of intent, that that provision is intended to make these employees work eight hours, or else not receive any pay.

The VICE PRESIDENT. There is no doubt about what the law is or what the precedents of the Senate are, or what the rulings are, and there have been a dozen of them strictly in accordance with the ruling of the Chair.

Mr. SHEPPARD. I wish to give notice that I shall, when the bill is reported to the Senate, renew my motion to strike out the so-called Borland amendment.

Mr. GORE. Mr. President, I should like to be permitted to say that it seems to me that the soundness of the Chair's decision can not be drawn in question. I do not mean to discuss its soundness, but apart from the fact that this is new legislation, and obviously so, there are two other grounds on which the point of order could have been founded. One is that to meet the proposed change in the law it would require an increased appropriation, which has not been estimated for, and which has not been reported by any standing committee of the Senate. This is entirely apart from the merits of the proposition to pay wages on behalf of overtime. There is a great deal of merit in that contention as affecting the trades and industries, where the tenure is uncertain and there is no vacation provided by law. There may be some foundation for proposing it in connection with the departments, but the amendment was clearly out of order in this instance.

Mr. President, I move that the Senate adjourn.

Mr. WILLIAMS. Mr. President, I wish to take an appeal from the decision of the Chair, and I give notice of that appeal now.

The VICE PRESIDENT. The question is on the motion of the Senator from Oklahoma that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Saturday, March 16, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *March 15, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We come to Thee, O God, our Heavenly Father, praying for that grace, which makes for an exemplary life, a clean home, and a pure Government, since righteousness exalteth a nation, while sin is a reproach to any people. Hear our petition, O Father, and answer our prayer, in the name of Him who is the world's great Exemplar. Amen.

The Journal of the proceedings of yesterday was read and approved.

The SPEAKER. Without objection, the Journal as read will stand approved.

RATIFICATION OF PROHIBITION AMENDMENT.

The SPEAKER laid before the House a communication from the governor of Maryland, transmitting joint resolution No. 1, of the House of Delegates and the Senate of Maryland, ratifying an amendment to the Constitution of the United States of America, proposed by Congress to the legislatures of the several States, which was read and ordered filed in the archives of the House.

URGENT DEFICIENCY APPROPRIATIONS.

Mr. SHERLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 9867, the urgent deficiency bill, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to take from the Speaker's table the bill H. R. 9867, with the Senate amendments, disagree to the Senate amendments, and ask for a conference. Is there objection?

Mr. MONDELL. Mr. Speaker, reserving the right to object, and I shall not object if we can have the proper understanding. I wish to call attention to the fact that there are some very important Senate amendments on this bill. If the business of the House was not as pressing as it is, I think it would be very well to have this bill go to the committee and have it considered by the committee, but it is tremendously important that the bill be disposed of and enacted into law at the earliest possible moment.

There are many appropriations—many items of urgent necessity—carried in the bill, and it is very important that they should be disposed of. As one Member of the House, I am willing to leave it to the good judgment of the conferees of the House to pass on these very important amendments, providing we may be assured that if any question should arise with regard to the Senate amendments that seem doubtful to the House conferees and on which they can not agree the House may have an opportunity to pass upon the matter before the conference report is finally presented.

Mr. SHERLEY. I will say in reply to the gentleman simply this, that touching any amendments of importance there would be no such attempt to forestall the judgment of the House. Unless there was complete accord between all the conferees as to any important amendment, the bill would come back to the House with full information to the House of the situation.

Mr. MONDELL. With that assurance, Mr. Speaker, I have no objection to the bill going to conference.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The SPEAKER announced the following conferees: Mr. SHERLEY, Mr. EAGAN, and Mr. CANNON.

DAYLIGHT SAVING.

Mr. SIMS. Mr. Speaker, the Committee on Rules, I am informed, has reported a resolution making the daylight-saving bill (S. 1854) in order when the rule is adopted. Now, thinking possibly there may be sufficient time left to-day after the disposition of the present bill to consider that measure, I ask unanimous consent that at the conclusion of the bill now before the House, the appropriation bill, it shall be in order to take up and consider the daylight-saving bill, but not so as to go over to-morrow and interfere with to-morrow's business.

The SPEAKER. The gentleman from Tennessee [Mr. SIMS] asks unanimous consent that immediately after the conclusion of the discussion and the disposition of this legislative bill he be permitted to take up the daylight-saving bill for the rest of this day. Now, did the Chair get that right?

Mr. SIMS. That is correct.

The SPEAKER. Is there objection?

Mr. WINGO. Mr. Speaker, reserving the right to object, does not that practically give the daylight-saving bill a privileged status on this day?

The SPEAKER. It does not. It is privileged for the rest of the day, but not privileged——

Mr. WINGO. That is what I say. It is privileged for this day after the present bill is disposed of.

The SPEAKER. The Chair put the question as the gentleman stated it.

Mr. WINGO. I suggest to the gentleman that he wait until we get to the bridge before we cross it.

Mr. SIMS. It will take no more time to pass the bill than to consider and adopt a rule, and I think this would be a time-saving as well as a daylight-saving request.

Mr. WINGO. It does not appeal to my sense of seriousness to agree even to a rule on that bill. Therefore I object.

MARY M. SAVOY.

Mr. PARK. Mr. Speaker, I offer the following resolution from the Committee on Accounts.

The SPEAKER. The gentleman from Georgia offers a privileged resolution from the Committee on Accounts, which the Clerk will report.

The Clerk read as follows:

House resolution 250 (H. Rept. No. 383).

Resolved, That the Clerk be, and he is hereby, authorized to pay, out of the contingent fund of the House, to Mary M. Savoy, widow of James Savoy, late an employee on the roll of the House, a sum equal to six months' compensation as a cloakroom man, and an additional amount, not exceeding $250, to defray the funeral expenses of said James Savoy.

Mr. PARK. Mr. Speaker, I will state that this employee was on the roll for a number of years, and this is the customary and usual resolution.

The SPEAKER. Without objection, the resolution is agreed to.

Mr. WALSH. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. WALSH. I want to ask the gentleman reporting the resolution a question. Which cloakroom was that gentleman in?

Mr. PARK. The resolution was introduced by Mr. CANNON. I think he was employed on the other side. He was in the barber shop.

Mr. CANNON. Is this for the widow of James Savoy?

Mr. PARK. Yes.

Mr. CANNON. I will say to the gentleman that when I came to Congress, in 1873, James Savoy was a barber and employed over here, and he has been on the roll from that time to this. His situation was in the barber shop on the west side.

I want to say, briefly, he was a colored man, and possibly because he had longer service than I have had I entertain pleasant recollections about him, as I think most of the membership does. He was courteous, square, and honest, and he performed his duties well and has crossed over. I think this is the ordinary resolution.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

MRS. ANNIE BAILEY.

Mr. PARK. Mr. Speaker, I have one other small resolution to submit of the same character.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

House resolution 259 (H. Rept. No. 387).

Resolved, That the Clerk of the House be, and he is hereby, authorized to pay to Annie Bailey, widow of Pinkey Bailey, late an employee on the rolls of the House of Representatives, a sum equivalent to six months' salary, at the rate he was drawing at the time of his death, and an additional sum, not exceeding $250, to defray funeral expenses.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

POSTAL FACILITIES FOR AMERICAN FORCES IN FRANCE.

Mr. MADDEN. Mr. Speaker, I ask for the present consideration of the privileged resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of a resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 280.

Resolved, That the Postmaster General be, and he is hereby, requested, if not incompatible with the public interests, to inform the House to what extent there is intelligent and efficient cooperation between the military forces in France and the postal agencies established therein for a prompt delivery of mail matter to the Expeditionary Forces.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ENSIGN WALKER WEED.

Mr. LEHLBACH. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. The gentleman from New Jersey asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. LEHLBACH. Mr. Speaker, on day before yesterday I asked unanimous consent to extend my remarks in the RECORD. I did that for the purpose of printing an account of the circumstances in which Ensign Walker Weed, of the American Navy, from the town of Glen Ridge, N. J., met his death. I did this because I deemed the circumstances under which he met his death were entitled to public recognition. He was burned in an endeavor to save the life of a comrade who was enmeshed in a flaming aeroplane.

I was asked at that time to withhold my request. Since then I understand this matter has been a subject of consideration by various Members of the House. There have been many acts of conspicuous bravery already performed, and there will doubtless be thousands of others during the continuance of this war. It will be manifestly impossible to print a record of all of them. To print a record of some would occasion discrimination, which would inevitably entail, in some cases, injustice. Therefore it has been intimated that it would be the policy of the House not to print a record of any such occurrences at all, in order to avoid discrimination and injustice. With the understanding that that is to be the policy of the House, I shall not renew my request. [Applause.]

QUESTION OF PERSONAL PRIVILEGE.

Mr. JOHNSON of Kentucky rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. JOHNSON of Kentucky. I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. JOHNSON of Kentucky. On the day before yesterday, Mr. Speaker, I made some remarks on the floor of the House relative to the Washington Market Co. in connection with profiteering from the United States Government. In the Washington Star of yesterday afternoon the president of the Washington Market Co. is quoted in such way as questions my veracity. Concerning that I wish to make some remarks.

I stated day before yesterday that the Government was paying $8,000 a year rental for a portion of the space owned by the United States Government down on Pennsylvania Avenue, and that the United States Government was receiving from that company only $7,500 a year for all of it. The president of that company is quoted in the article to which I just referred, as follows:

> The Washington Market Co. has not rented any of this property to the Government since about the middle of 1915, when the District of Columbia Militia vacated the premises.

The statement which I made, which was to the effect that the Government was now paying $8,000 a year for only a part of that space, was based upon a statement made to me by Mr. Myer, chief clerk of the Treasury Building. I called up Mr. Myer this morning for the purpose of having him verify the statement which I had made. Over the telephone he told me less than an hour ago that he had gone more fully into the subject and had found that the Treasury Department of the Government is now renting 16,000 square feet of space in the Washington Market Co., and that it is paying not $8,000 a year, as I said, but $14,000 a year. He said, however, that the contract of lease was not directly with the Washington Market Co., but that it is with the Mammoth Amusement Co. I asked him who the Mammoth Amusement Co. is, and he said it was A. F. Fox & Co., real estate agents.

The president of the Washington Market Co. is quoted as saying that they have not rented any of that particular property to the United States Government since about the middle of 1915. Bear in mind, please, that the United States Government is getting only $7,500 a year rent for the land alone, which is valued by the assessor at $1,200,000. I took up that question with the auditor of the District of Columbia, and this morning he writes me as follows:

WASHINGTON, *March 15, 1918.*

Hon. BEN JOHNSON,
House of Representatives, Washington, D. C.

DEAR MR. JOHNSON: I have to advise that lease was entered into by the militia authorities, with the Washington Market Co., July 1, 1914, for the rental of armory in the Center Market, at the rate of $8,000 per annum. These premises were vacated in 1915, for the reason that the Market Co. wanted to raise the rent to $12,000 per annum.

Very respectfully,

S. ROCHE,
Acting Auditor District of Columbia.

Then the president of the Washington Market Co., if he is quoted correctly, goes into the tax question as to these premises. However, the United States Government has nothing to do with the tax question. The taxes are not paid to the United States Government but are paid to the District of Columbia, and for every dollar that the District of Columbia collects in taxes from the Washington Market Co. under the half-and-half plan the United States Government duplicates it by adding another dollar.

The president of the Washington Market Co., after speaking of the taxes, is quoted thus:

> This makes the total of rental, taxes, etc., on Center Market in excess of $44,000.

The assessor for the District of Columbia writes me this morning, and in his letter he says that their total taxes are $19,565.42. But, according to his letter, where the real estate alone is valued at $1,200,662, the tax on that would be only $12,006. Then the assessor further says that the Washington Market Co. pay taxes on their fixtures of $163.88, the full value of the fixtures being $10,925, and he says they also pay 4 per cent on $12,383.09, or a tax of $495.32 on account of gross receipts on a conduit laid under public space. In other words, several years ago Congress granted to the Washington Market Co. the right to lay a conduit under the street for the purpose of furnishing cold air for a cold-storage place across the street, and they pay 4 per cent tax for that privilege, but with that the United States Government has nothing to do.

The assessor in his letter says that the market company pays a total real estate tax of $22,353.86, but of this amount $3,447.63 is upon a square in South Washington, far removed from the property on Pennsylvania Avenue.

So that in order to undertake to make their charge appear more reasonable they include the tax paid upon property far removed from the Washington Market Co. I can not but repeat that the Government has nothing whatever to do with the tax that is collected. If the market company owned the property outright, still they would have to pay taxes. The charter granted by Congress requires the company to pay the taxes, and the company took that as a part of the charter.

In the article where the president of this company is quoted as saying that upon the "land alone" upon which the Washington Market stands they pay a tax of $33,000, that is disputed by the letter of the auditor, which shows that it is only $12,000.

But I am not so much interested in the tax as I am in the fact that in this indirect way he has undertaken to put me in the attitude of having made a false statement when I stated that the Treasury Department was paying $8,000 a year for a part of the space for which the market company pays the Government only $7,500 a year. It turns out to be worse than I was first informed by Mr. Myers. So it seems quite clear now that the United States gets $7,500 a year for all of the property and, in turn, is paying $14,000 a year for part of it.

Mr. MONDELL. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I yield to the gentleman.

Mr. MONDELL. The Government does not own any of the improvements on the land it rents to the market company?

Mr. JOHNSON of Kentucky. The Government owns nothing except the land, and that land is valued, as I said, at $1,200,000, and is getting only $7,500 a year rental for it.

Mr. MONDELL. What is the value of the improvements?

Mr. JOHNSON of Kentucky. About $900,000; but the Government is getting an upstairs floor space which was used for a while by the District Militia at $8,000 a year. The rental was raised to $12,000 a year, and they would not pay it and moved out. Then, I am informed, it was used as a dance hall, I do not know at what price, but it turns up now, rented to the United States Government by the Mammoth Amusement Co., for $14,000 a year.

Mr. MONDELL. Is it the gentleman's view that the Government is not receiving a sufficient amount of ground rent?

Mr. JOHNSON of Kentucky. I am not only of that opinion, but I am absolutely certain that it is not.

Mr. MONDELL. Who is responsible for the fixing of the ground rent?

Mr. JOHNSON of Kentucky. A former Congress, and I will give the gentleman an insight into it.

Mr. MONDELL. Has the Congress authority to change that ground rent?

Mr. JOHNSON of Kentucky. Let me answer the gentleman's question by telling him in a few moments the history of it. Forty-eight years ago Congress leased the land to the market company for 99 years at $25,000 a year. During the first year of that lease, by a piece of legislative legerdemain, the rent was reduced to $7,500 a year. If the lessors of that property were willing to pay $25,000 a year 48 years ago, everybody knows that $7,500 a year for it now is too cheap.

Mr. LONGWORTH. How much longer has this lease to run?

Mr. JOHNSON of Kentucky. It has 52 years yet to run.

Mr. LONGWORTH. The gentleman means the original lease was for 99 years?

Mr. JOHNSON of Kentucky. The original lease was for 99 years and has 52 years yet to run.

Mr. LONGWORTH. The total rent is only $7,500 a year?

Mr. JOHNSON of Kentucky. Yes.

Mr. LONGWORTH. And that is owned by this market company?

Mr. JOHNSON of Kentucky. The property is owned by the United States, but the lease is owned by the market company.

Mr. LONGWORTH. And there is no way for the Government to get more than $7,500?

Mr. JOHNSON of Kentucky. Yes; there is. The lease provides that Congress can take back this property any time it chooses to do so by paying for the value of the buildings; and that is exactly what Congress ought to do. It ought to pay for the value of these buildings and take back the property. [Applause.]

Mr. MONDELL. The gentleman is chairman of the Committee on the District of Columbia, which has jurisdiction over these matters. Has the gentleman introduced a bill for the purpose of taking over that property, or to increase the rent?

Mr. JOHNSON of Kentucky. I introduced a bill two or three years ago to take back the property, but I could never get it before the House. I am going to reintroduce the bill. [Applause.]

Mr. LONGWORTH. What did the gentleman say was the value of these buildings?

Mr. JOHNSON of Kentucky. The assessor reports the value of the buildings at about $900,000.

Mr. MONDELL. Does the gentleman from Kentucky think the rent the Government is now paying for space in the Center Market Building is excessive?

Mr. JOHNSON of Kentucky. Certainly I do.

Mr. MONDELL. Who is responsible for the arrangement whereby the Government is paying this excessive rent?

Mr. JOHNSON of Kentucky. I think the market company and its profiteering tenants are responsible for it, because Mr. Myers tells me that he searched the town to find other places where clerks might be put to work, but could not find any except that, and had to take it at that price.

Mr. MONDELL. Then any rent the Government may pay is to be excused on the ground that the Government needs the space? Is that the idea?

Mr. JOHNSON of Kentucky. No; I am not excusing it at all; but I do mean to say that if I had been the authority which was called upon to rent it, I would first have asked Congress to commandeer it for the use of the Government rather than pay that amount. [Applause.]

Mr. COX. Will the gentleman yield for a question?

Mr. JOHNSON of Kentucky. Yes.

Mr. COX. How much would be the total floor space which the Government would get if it took possession of it?

Mr. JOHNSON of Kentucky. I have not those figures at hand.

Mr. COX. I am just wondering whether or not, if the Government commandeered it and took charge of it, it would not get rid of buying the old Arlington Hotel site at a cost of $4,250,000, and if that would not furnish enough floor space? Does the gentleman know about what proportion of the floor space in the market the Government pays this rent for?

Mr. JOHNSON of Kentucky. I do not. The lease was made on May 20, 1870, to the Washington Market Co., and the lease provided that all of that square bounded on the north by Louisiana Avenue and Pennsylvania Avenue, and on the south by the next street behind it. In other words, it takes in a whole square, if I am correctly informed; and not only the whole square but half way out into the street in the rear of the market.

In other words, every time a country fellow comes there with a wagon and backs up and attempts to sell anything from the wagon he has to pay the Washington Market Co. for the privilege.

Mr. HARDY. Does the building cover nearly the whole of the lot?

Mr. JOHNSON of Kentucky. I do not know.

Mr. DENISON. Does the gentleman know how much rent this amusement company pays the Washington Market Co. for that same space?

Mr. JOHNSON of Kentucky. I have no idea at all, as I never heard of the amusement company until about an hour before I came on the floor of the House to-day. I do not know what they are paying. The gentleman from Ohio [Mr. ASHBROOK] has just suggested that instead of its being named the "Mammoth Amusement Co." it ought to be named the "Mammoth Graft Co."

Mr. LONGWORTH. And do I understand the original lease was for forty thousand dollars and odd?

Mr. JOHNSON of Kentucky. The original lease was for $25,000 a year.

Mr. LONGWORTH. And was reduced to $7,500 a year?

Mr. JOHNSON of Kentucky. Less than a year after the charter was granted there was an item in an appropriation bill which was practically meaningless, and Boss Shephard at that time and some other local authorities of the old city of Washington took the question into the courts, and the courts held that the local legislative body and not the Congress had the right to reduce the rent, and they did reduce it, when they themselves were among the largest stockholders of the Washington Market Co.

Mr. RUCKER. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. RUCKER. In view of the wonderful business sagacity of the Mammoth Amusement Co. and its great successes, does not the gentleman think it ought to be merged with the Bureau of Efficiency?

Mr. JOHNSON of Kentucky. I have no opinion as to that.

Mr. STAFFORD. He is dying hard. [Laughter.]

Mr. JOHNSON of Kentucky. I would like now to read a letter, if the House will indulge me, which I just received from the widow of an ex-Congressman. The letter is dated March 14, 1918, and is written from 1022 Vermont Avenue, this city. It is as follows:

1022 VERMONT AVENUE, CITY, *March 14, 1918.*

Hon. BEN JOHNSON:

During this great graft of real estate profiteering I have, through force of an unscrupulous landlord, fallen victim, as many others at this present time. I am the widow of the late Jeremiah H. Murphy, of Iowa, who represented that State some few years ago in Congress, and I, through financial reverses, took this house of Col. M. M. Parker, who lives next door to me, as a livelihood in the rooming business. I have been here two years, and all the guests in the house are Government clerks. When the call for clerks to do the Government work was issued, Col. Parker raised my rent from $75 per month to $100 per month; in a couple months later he raised it to $125 per month, and, not satisfied with that, he later demanded $150 per month, till I got tired of such outrageous treatment. I refused to pay the $150. He sold this house about 10 days ago to a real estate firm, the business man of the firm, a Leonard Nicholson, 1617 H Street NW., who now demands $208.50 per month. Is this not outrageous? And, to make matters worse, he has notified me to leave within 30 days, and I have an ill lady here who can not be moved, and these Government clerks—women mostly—have not a place to go. Under these conditions, surely the law can force me out, unless you, through the noble work you are doing, can befriend me in such a dilemma.

I understand the man who has rented this house—a man by the name of Peck; he runs a rooming house at the corner of Vermont Avenue and K Street—intends putting six people in one room—young girls—and men in other rooms, six and seven, charging $37.50 per month each person; he expects to make money under these insanitary, not saying anything of the moral effect of packing people in such quarters. What is there for me to do, and whom must I appeal to to advise me on this matter? I am,

Very respectfully, MARY W. MURPHY.

I wish to say, further, that I have in my hand a lease which the wife of a man who is now in France with the Aviation Corps executed with a real estate firm of this city only a few days ago. This morning she went to that real estate firm and was told that they would not accept the lease from her, she having already signed it, because they had sold the property and that the rent had been increased from $32.50 a month, unfurnished, to $150 a month, furnished.

Mr. RUCKER. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. RUCKER. Does not the gentleman believe that a great many of these so-called sales are fictitious?

Mr. JOHNSON of Kentucky. I am satisfied they are.

Mr. RUCKER. In an effort to oppress some helpless tenants; and does not the gentleman believe that as long as the whole world is at war it would be well to introduce a bill to suspend criminal punishments in this town to the extent of giving exemption and immunity to any man who will slaughter one of these profiteers? [Laughter.]

Mr. JOHNSON of Kentucky. I would not go that far, but I do not believe tar and feathers would be out of the way.

Mr. LOBECK. But we have no rails to ride them on nowadays.

Mr. KEARNS. Mr. Speaker, I notice by the newspapers that the gentleman has introduced a bill to commandeer on the part of the Government a certain house in this town that has been occupied for some time by Gen. Black.

Mr. JOHNSON of Kentucky. Yes; I introduced such a resolution.

Mr. KEARNS. But his wife refuses to longer live in the property, and I understand the gentleman has abandoned the idea of prosecuting the bill?

Mr. JOHNSON of Kentucky. Gen. Chamberlain called me up and told me that Mrs. Black would not continue to occupy

the house under any circumstances, and that she would not live in it if they were to give it to her.

Mr. KEARNS. The gentleman has given a great deal of thought to matters of this character, and why would it not be well to introduce a bill which would include the families of all soldiers, officers and privates, who are living in rented property in the United States, providing that the rent of that property during the progress of this war shall not be raised?

Mr. JOHNSON of Kentucky. This matter has many angles to it. I have taken up the consideration of one of them and have been quite busy, as the gentleman knows.

The newspaper interview with Mr. Whitford to which I referred is as follows:

[From the Evening Star, March 14, 1918.]

PRESIDENT OF MARKET COMPANY DENIES CHARGE—SAYS COMPANY DIDN'T PAY $7,500 RENT AND THEN CHARGE UNITED STATES $8,000 FOR FLOOR SPACE.

Edward O. Whitford, president of the Washington Market Co., took issue to-day with the statement of Representative JOHNSON of Kentucky yesterday that his company pays $7,500 a year rental for property owned by the Government, but demands of the United States $8,000 for the rent of certain floor space.

"The Washington Market Co. has not rented any of this property to the Government since about the middle of 1915, when the District of Columbia Militia vacated the premises," said Mr. Whitford. "The company is paying an annual rental of $7,500 ground rent to the District of Columbia, about $15,000 assessment, and other taxes of more than $12,000 assessed by the District of Columbia, making the total amount now received annually from the market company for the use and occupancy of the land alone on which the Center Market stands of more than $33,000. The additional taxes to the above are added taxes paid on the market buildings and improvements, owned by the company, of more than $11,000. This makes a total amount of rental, taxes, etc., on Center Market in excess of $44,000."

Mr. Whitford called attention that during the 17 years the District Militia occupied 50 rooms and 3 halls, of 54,009 square feet of floor space, the annual rental was but $8,000, while the market company furnished heat, light, and did repairing at an estimated cost of about $4,000 annually.

DIPLOMATIC AND CONSULAR APPROPRIATIONS.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Diplomatic and Consular appropriation bill, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. The gentleman from Virginia asks unanimous consent to take from the Speaker's table the Diplomatic and Consular appropriation bill, disagree to the Senate amendments, and ask for a conference. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919.

The SPEAKER announced the following conferees: Mr. FLOOD, Mr. LINTHICUM, and Mr. COOPER of Wisconsin.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATIONS.

Mr. BYRNS of Tennessee. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10358, with Mr. SAUNDERS of Virginia in the Chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes.

The CHAIRMAN. There is one hour of general debate on the Borland amendment, one half to be controlled by the gentleman from Missouri [Mr. BORLAND] and the other half by the gentleman from Wisconsin [Mr. STAFFORD].

Mr. BORLAND. Mr. Chairman, I ask unanimous consent to withdraw the amendment as offered last night and offer the substitute in modified form as it is at the Clerk's desk.

The CHAIRMAN. Is there objection?

Mr. KEATING. Let us hear the modified form read.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Add at the end of section 6 the following:

"No increase herein shall apply to salaries or compensation for personal services in any of the executive departments or independent establishments of the Government or of the District of Columbia, or any bureau or office therein, which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act, approved March 15, 1898, require eight hours of labor each day."

The CHAIRMAN. Is there objection to the addition of that to the original amendment? [After a pause.] The Chair hears none. The question under consideration is the original amendment with this addition.

Mr. BORLAND. Mr. Chairman, I yield four minutes to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Chairman, of course I can not fully discuss this matter in the time allotted to me, inasmuch as it involves so much more than at first appears on the mere statement of the resolution.

But, in a word, the statement has been made that this will cost the Government $28,000,000. In my judgment, taking those people outside of the city of Washington, by careful computation it will be found it will amount to more than $30,000,000. In addition to that, the bill which has been reported from the Committee on the Post Office and Post Roads, applying to postal employees, all of whom, outside of the District, will work eight hours, will make an addition of about $30,000,000, making, in all, $60,000,000 increase in salary to the employees of the Federal Government under these two amendments.

Now, I would not under any consideration support this amendment for increased salaries at this time unless the employees are required to perform eight hours' service in the District of Columbia. [Applause.] All over the United States, men have been clamoring to get an eight-hour day. They have been granted by the Federal Government, on all Government work, eight hours as a day's labor. Now, in time of war, when you gentlemen must go back to your constituents and ask them to contribute of their means, to economize in their living, you can not in fairness, it seems to me, ask this unless you are willing to say that the clerks in the District of Columbia shall work eight hours a day. I certainly would not ask the people of the United States to contribute of their means unless the Congress and the Government officials shall demand that this money is spent, not for private snaps, but to win the war, and we should be willing to say that these much-sought-for clerks' places must put in eight hours of work a day.

But it goes further than that. There is more involved in this proposition, more than the mere question of dollars and cents. When the people back home shall begin to lag in their interest in winning this war which is overshadowing the whole world, when princes and kings are changed in a day, when the maps of the world may be changed almost in an hour, the most serious moment in the history of the world, in my judgment, in centuries is now before the people, we Members of Congress should be true to those we represent and demand an honest day's work for a day's pay.

We are far removed from the scene of carnage and the scene of action, but if you will carefully study the situation that is presented now to thoughtful minds, we ought to let the people throughout the United States know that right here at the heart of the Government, where all their money is being spent, that it is wisely and justly spent, and especially when the administration is contemplating asking all of the Congressmen to go out and sell liberty bonds, that there is in every heart of those people getting this money that patriotic zeal that prompts every man, from the President down, that is getting this money, taken from the taxpayers, a desire to do his utmost to help to win the war by saving every dollar that he can and making it go as far as possible. [Applause.]

You let the people at home begin to lag in their interest, you let that part of this Government that holds no office, the private citizen, begin to be doubtful, and we have lost the war. Government clerks can not win the war; the men who are offering their lives on the field of battle can not win the war; it will be won by people back home. Our officials and Government clerks should not assume the mental attitude that they will do just as little as possible and will watch the clock and not give more than seven hours of reluctant work to the Government a day. The mental attitude of the Government clerks should be that they will work eight hours a day or nine hours a day, if necessary, and save every dollar they can.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HERSEY. Mr. Chairman, while I am in favor of the present bill as it came from the committee, I am strongly opposed to the adoption of the Borland amendment, so called, which seeks to punish the working girl in Washington for the purpose of making political capital for the benefit of certain politicians.

Twenty years ago Congress enacted the following legislation in the matter of clerical help in the several departments of the Government at Washington:

Hereafter it shall be the duty of the heads of the several executive departments, in the interest of the public service, to require of all clerks and other employees of whatever grade or class in their respective departments not less than seven hours of labor each day, except Sundays and the days declared public holidays by law or Executive

order: *Provided*, That the heads of the departments may, by special order, stating the reason, further extend the hours of any clerks or employees in their departments, respectively, but in the case of any extension it shall be without additional compensation.

Since the enactment of this law the clerks in the several departments have performed their duties in a very efficient and satisfactory manner. No complaints have been made. There have been no strikes among the employees; they have on every occasion rendered extra service without extra pay or additional compensation, and there has been no faultfinding either from the clerks or the heads of the departments.

The present great war emergency has not only called upon the past force of clerks for patriotic and faithful duty but it has expanded and enlarged all the departments, bureaus, and commissions to an alarming extent and has called to the service of the Government a great army of additional clerks and employees, while those who speak for the administration state that before July 1st of this year there will be an additional 20,000 more clerks called to Washington for the war work of the administration.

Greed and avarice have always taken advantage of the necessities and misfortunes of the race. Here in Washington the price of food and rent and every necessity of life has greatly to give them the ordinary and proper necessities of life, and yet the author of this amendment, the gentleman from Missouri [Mr. BORLAND], shouts himself hoarse by crying economy and that we should save and thus win the war by grinding the poorly paid clerk and requiring of them longer hours and no additional compensation, and in cases where they are not required by their chiefs to remain at their post after the day's work is done fully the eight hours then they shall be punished by receiving no compensation whatever.

It may be well at the present time to consider the actual condition of the Government employees in Washington. Up to the time of the declaration of war a great many men had been employed in the Government service doing clerical work, but the war has called to the service in the field the young men of the departments, while many other male employees have found more lucrative employment elsewhere, and of necessity the clerical help is now being performed almost exclusively by women from all over the Nation who have passed the civil-service examinations.

This is not true, however, as to the heads of the departments, commissions, and bureaus of this city. War has made a radical change in that particular. The clerk has not been promoted except in rare instances and only where he had a political pull, but there has been appointed at the heads of these great bureaus, departments, and commissions a vast army of well-known politicians, largely from the Southland, who know scarcely anything about the duties of their offices and who are now drawing salaries ranging from $2,000 to $12,000.

This army of officeholders has taken possession of all the public buildings, desirable business apartments, and well-lighted rooms in this city, and they have swarmed and overflowed into the annexes and extra buildings erected recently by the Government. No one but those who are in the secret conclave and at the council table understand the duties and responsibilities of these new chiefs, commissioners, and managers. The departments have all been enlarged to make a vast and colossal war machine. There has been no abolishment of any old department, bureau, or commission, but new war organizations composed of so-called war cabinets, food and fuel commissioners, Navy shipping boards, aircraft boards, Army departments without end, new bureaus of Government, extra commissions without number have a multitude of subdivisions almost endless. At the head of these many departments, bureaus, and commissions are found these fat fellows drawing big salaries, calling themselves heads of departments, chiefs of bureaus, and managers of commissions. They are distinguished from the clerks under them by having upon their person the uniform of the Army or the Navy. They have never earned any rank or commission on the battle field or on the sea in peace or war. They are, however, wearing the Army and Navy bars and insignia and rank according to the size of their salaries, no doubt. They must be called by those under them generals, majors, captains, and chiefs. Some of them wear spurs, which no doubt were won by valiant service in suppressing the negro vote of the South. They have not been required to pass any civil-service examination, and no examination whatever of a mental nature except proof of loyal and patriotic services rendered for their party in the past and their ability, power, and influence to deliver votes to that party in the future.

We all understand the cry of economy on the part of the gentleman from Missouri [Mr BORLAND], and we also understand the violent denunciation of the clerks by the gentleman from Mississippi [Mr. SISSON], who says that we should think of the people at home who will be dissatisfied with us if we do not work these clerks fully eight hours, and the gentleman from Alabama [Mr. BURNETT] worked himself up into a frenzy while he shouted:

The gentleman from Maine [Mr. HERSEY], who opposes this amendment, does not say anything in the interest of the farmers in his county that work from sun to sun, while their poor wives' work is never done. He says nothing about the lumberjacks working for the lumber industries of the country. These very industries are now complaining because Congress is threatening even to make an eight-hour law for their employees, and yet not a word in behalf of these employees is heard.

Yes; it is good politics, no doubt, on the part of those southern Representatives to declaim against the working girls in Washington because she has no vote, but they are as silent as the grave when it comes to appropriate the millions to pay the big salaries of those roller-desk patriots who are serving the Government for the pay in its time of need.

I want further to say to these gentlemen that the constituents of the gentleman from Maine, the farmers and the lumberjacks, are not finding fault with the small pittance you give the working girl in Washington. Many of them have daughters in the employment of the Government here, and they want to know always that their girl from home has the necessities of life from an honest employment and that she has reasonable hours of labor; and while I believe the working girl will find more congenial employment at home, with better pay, I want it understood that they are here at the urgent request of the Government and because the Government has sounded the call far and wide that it was necessary to have the extra clerical help to carry on the work of the war. They are doing honest work with more patriotism than the gentleman from Missouri is now doing in trying to ridicule and oppress them. They are entitled to as much consideration from this Congress as are those who fatten their greed from the Nation's misfortune.

The people at home are very anxious as to how the billions we have raised shall be spent; they are troubled about these "Hog Island contracts," made by the chiefs of these new bureaus and commissions, but they do not worry about the extravagance of the working girl in Washington, for they know she is not liable to become either a slacker or a grafter.

When the working girl in Washington has performed her seven hours of work in a hot, stifling superheated room, shut away from the sunlight and God's fresh air, and with tired hand and aching head longs for the rest of home it will not win this war or satisfy the unrest of labor to say to her she must remain another hour at her post with nothing to do but to watch a weary hour go by that has been lost to her forever.

At the present time, when any emergency comes, when extra work demands her attention, she cheerfully works not only 8 but 10 and 12 hours—far into the night, including Sundays, without any extra pay or additional compensation. This she is willing to do, but she will not be satisfied to have forced upon her an extra hour of useless waiting to satisfy the political ambition of the gentleman from Missouri, who, when this amendment passes, can return to his people in the South and say, "I helped win the war by compelling the working girl in Washington to remain at her department an extra hour after her work was completed without any extra pay or additional compensation."

When this war is ended and our country shall have time to adjust itself to normal conditions, when the people shall know for the first time how their billions have been spent, when investigations of these great bureaus of war shall have been completed, and we shall know the facts, it will then be discovered that it was not the working girl in Washington that was the slacker and the grafter but those who, forgetful of their country and with greed and avarice before their eyes, used the war and its opportunities to fatten their fortunes and fix themselves into permanent and life positions in the bureaus of the Government.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. HERSEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Maine asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BORLAND. Mr. Chairman, I yield 10 minutes against the proposition to my colleague from Colorado [Mr. KEATING].

The CHAIRMAN. The gentleman from Colorado is recognized for 10 minutes.

Mr. KEATING. Mr. Chairman, I wish gentlemen who are in favor of the so-called Borland amendment would not deem it necessary to abuse the men and women who have come to the Nation's Capital at the urgent request of their Government to

perform an important public service. Government clerks are human beings, like the rest of us. They are just about as patriotic as most of us, and I think that in this time of crisis the ordinary Government clerk is probably sacrificing as much as the ordinary Member of Congress. The Government clerk is entitled to a square deal in this House. He is representative of every section of this country, and you can not indict the patriotism of the Government clerk unless you are prepared to indict the patriotism of the people of the entire country.

To my mind the problem presented here to-day is a very simple one. The gentleman from Missouri [Mr. BORLAND] has introduced an amendment fixing a minimum eight-hour day. Now, what is the attitude of the Government clerks toward the proposition? The clerks ask that the Government shall execute the contract which the Government has entered into with every Government employee. I hold here in my hand the Manual of Examinations issued by the Civil Service Commission, and I want to call your attention to one paragraph which has appeared in every manual issued for years:

> The law requires of all clerks and other employees of whatever grade or class in the executive departments at Washington not less than seven hours labor each day, except Sunday and days declared public holidays by law or Executive order. These hours, now fixed at from 9 a. m. to 4.30 p. m., counting half an hour for lunch at midday, may be extended by the head of an office if, in his judgment, the public business demands such action. Overtime is without extra compensation.

Then it goes on to give the other details. Now, the Government clerk simply says, "I want the Government to carry out this agreement entered into with me by the Government voluntarily. I am willing to work overtime whenever the head of a bureau or a department may say that the public interest requires such overtime, and I will not ask for any extra compensation. But when the executive officer says that it is not necessary to work more than seven hours, then I think the Government should carry out its agreement with me."

I submit, my friends, that that is a good proposition from the Government's point of view. If you fix an eight-hour day you must of necessity be fair enough with the Government clerk to grant him overtime for such extra hours as he may work.

You will note that the gentleman from Missouri does not couple any such proposition with his amendment. If the gentleman from Missouri came into this House with a proposition asking for an eight-hour day, with compensation for overtime; in other words, placing the Government clerk on exactly the same footing as other Government employees, he would stand in much better position, and, personally, I would be willing to give the proposition very sympathetic consideration. But as a matter of economy the proposition submitted by the clerks means the saving of large sums to the Government.

The other day the gentleman from Missouri succeeded in tacking on this amendment to the Agricultural appropriation bill. Did he follow it up with a motion to reduce the appropriation for clerk hire? Not by one penny. And if this amendment that he now offers is adopted, the appropriation for clerk hire will not be reduced one dollar.

So, my friends, the claim that the adoption of the Borland amendment will be followed by a tremendous saving is without foundation in fact, as is evidenced by the gentleman's failure to move a reduction in the Agricultural appropriation bill.

The gentleman from Missouri is a Democrat. The Democratic Party is in control of this Government. When he tells this House and the country that the departments at Washington are filled with slackers, who at a time of crisis would refuse to do a day's work for the Government, should he not realize that he is presenting an indictment against the President of the United States and every executive officer? Because all that is necessary in order to compel the clerks to work as many hours as the business of the Government demands is that the President or the head of any department or bureau should attach his signature to an order directing the extension of hours.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Colorado yield to the gentleman from Missouri?

Mr. KEATING. I can not.

The CHAIRMAN. The gentleman declines to yield.

Mr. BORLAND. The gentleman is mistaken.

Mr. KEATING. The gentleman is not mistaken.

The CHAIRMAN. The gentleman should not interrupt the gentleman.

Mr. KEATING. The gentleman from Missouri is out of order, of course. But on that point——

Mr. BORLAND. Mr. Chairman——

The CHAIRMAN. The gentleman from Colorado declines to yield.

Mr. KEATING. The gentleman will endeavor, undoubtedly, to tell you that I am mistaken. I am not mistaken. The gentleman from Missouri should know, because he seems to have devoted a good deal of attention to the subject, what the Civil Service Commission states in its manual, that the hours of labor may be extended whenever the public interests demand.

You have not heard any civil-service employee say that he is unwilling to obey such orders. The position of the civil-service employees in this contest is what I stated before. It is this: "We have entered into a contract with the Government, binding in morals if not in law, by which we were to have a seven-hour day except when the public interest demanded longer hours, and the question of the necessity for longer hours was to be determined by the executive officers of the Government from the President down. We are perfectly willing to carry out that proposition without extra compensation."

Mr. MEEKER. Will the gentleman yield for a question?

Mr. KEATING. Certainly.

Mr. MEEKER. I think we are all aware that many of these men and women are working overtime. Can the gentleman give us any information as to about the percentage of overtime that is being worked?

Mr. KEATING. I can not give exact figures on that point. A great number of Government clerks are working overtime. But so far as action on this proposition is concerned, they are agreed as to the general policy and are perfectly willing to work overtime when the public interest demands it, not demanding a penny for this extra work, but simply saying that when the executive officers of this Government say that seven hours work is sufficient on a certain day or a certain week or a certain month that they shall have a seven-hour day.

Why, no business man under similar conditions would think for a moment of placing himself in the position of breaking faith with people who had come here at his request. These clerks did not troop to Washington seeking these positions, despite what the gentleman from Missouri may tell you. All over this land advertisements have been placed in the newspapers. Stenographers have been told that they owed a duty to their country to come here to work for the Government, and I know of my own knowledge men who have sacrificed positions paying more than they are getting in the Government service, and who have come here and are now working for the Government for less than they got at home, because they felt that they should have some part in this great contest for democracy.

Mr. LOBECK. Will the gentleman yield?

Mr. KEATING. No; I can not yield just now. One of these gentlemen entered my office the other day and told me that the first day he was in Washington he worked until 9 o'clock at night. The next day they kept him on duty until 11 o'clock at night. He was not paid a penny for overtime and made no demand for overtime. But the third day they caught up with their work, and the men were let off at the end of seven hours.

Now, my friends, that is the proposition that is before you. It is not a question of dealing with a lot of slackers. It is a plain business proposition, and I hope the House will vote down the Borland amendment. [Applause.]

Mr. STAFFORD. I yield four minutes to the gentleman from Massachusetts [Mr. WALSH].

Mr. WALSH. Mr. Chairman, I think the time may soon come when the Government clerks and employees of the United States in governmental departments may call upon some one to save them from their friends. [Applause.] The gentleman from Colorado [Mr. KEATING] bespeaks admiration for the patriotism of the Government clerks and says that they are as patriotic as the Members of Congress. He says that in the face of the statement made by their other champion, the gentleman from California [Mr. NOLAN], in debating the amendment yesterday whereby we increased the pay of clerks, and advocating a larger increase than was recommended by the committee, when he said, "If that is the way the Government of the United States is going to treat its employees, you can not expect to have cooperation, you can not expect to have a patriotic feeling among them." I did not know that the employees of the United States Government placed their patriotism upon a basis of dollars and cents. [Applause.] These gentlemen apparently unwittingly are the spokesmen of that small but treacherous element throughout the country who believe there is a union superior to the Union of the States, and that that is labor, represented by I. W. W.ism and its imitators, because they have not hesitated here in this great crisis to seemingly advocate measures, even when it would appear that they would unquestionably obstruct the country in the proper and successful prosecution of the war. And I say to my friend, the gentleman from Maine [Mr. HERSEY], who is solicitous for some people who have come here from his district, that we have a higher

interest here in this emergency than that of the few employees who may have come from our districts. [Applause.] That is the interest of the whole country in order that we may win the war. The very law that the gentleman from Colorado [Mr. KEATING] quoted recognizes the fact that in case of emergency these people can be required to work longer than seven hours. Yesterday we debated an amendment which, if enacted into law, will apply to all the Government employees throughout the country alike, giving them an increase of $120 in their wage or salary up to and including the $2,000 grade, and I say we should not to-day follow that up by making the clerks here in Washington—the poor, tottering, crippled employees who have to drag themselves up the stairways in the various departments by taking hold of the balusters, as they were so pathetically depicted here the other day—we should not say to them to-day, "We will make of you a privileged class. While the Government employees in other parts of this country must work eight hours a day, you will only have to work seven hours a day."

And if the heads of these departments do not require more than seven hours a day, I submit it is our right to say to them, as representing the people of the United States, that we, the Congress, believe the time has come in this emergency to require more than seven hours a day and to change the law and make it eight hours a day and make it uniform throughout the country in governmental departments.

What a pleasing message to send to the boys who are now giving up their lives on foreign soil, that we here, with many grave measures of importance pending and waiting for action, are spending our time discussing whether the Government clerks in Washington should be required to work only seven hours a day after we have increased their pay, whilst we require Government employees in other fields of service outside of the District of Columbia to work not less than eight hours a day. I would rather send a message across to these boys to the effect that the American Congress will require its clerks to work eight hours a day, if necessary, more efficiently to crush our enemy. Why, the Executive has issued an order, I understand, in connection with the erection of the Treasury Annex Building, abrogating the eight-hour provision of the law in order that three shifts may be used, so that that building may be erected speedily, and I contend that we of the legislative branch of the Government are entitled to say to the heads of these departments, "You should speed up in the departments, and in order to do so you must require at least eight hours' work." [Applause.]

Mr. BORLAND. I yield four minutes to the gentleman from Indiana [Mr. Cox].

Mr. COX. Mr. Chairman and gentlemen of the committee, section 6 of the legislative, executive, and judicial appropriation bill as agreed to yesterday afternoon will add an additional appropriation of $29,000,000 as increased pay to the clerks working in the various departments of the Government. Many of these lower-paid clerks no doubt should have an increase in their salaries, but in my judgment it is utterly indefensible to increase the salary of any clerk who is now drawing $1,600 a year or more. The amendment offered by the gentleman from Missouri [Mr. BORLAND] proposes that all Government clerks before they shall participate in this increase in salary shall be required to work eight hours per day. His amendment is just, fair, and reasonable to the clerks and to the taxpayers of the country who will be called upon to pay this additional $29,000,000, and it should receive the unanimous support of every Member of the House. No Member should cast a dissenting vote against it in these trying and troublesome times that try men's souls. We are engaged in this great war, and every man and woman physically able to work should be willing to do their bit to bring it to a quick and successful conclusion.

It certainly is not an unreasonable request to require the clerks to work eight hours per day. In this connection it might be well to recite a little ancient history. The Sixty-second Congress passed a law fixing eight hours as a day's work for all women in the District of Columbia working in stores, banks, hotels, restaurants, laundries, and so forth. These women actually put in eight hours per day, and I am reliably informed that the average salary of the saleswomen working eight hours per day in the department stores does not exceed $12.50 per week. If eight hours is a reasonable day's work for women in the District engaged in their line of work, it certainly is not unreasonable to require the clerks to work eight hours per day.

In September, 1916, Congress by law fixed an eight-hour day for upward of 400,000 railroad employees in the United States, and I ask you gentlemen to compare the line of work done by the railroad employees with the line of work done by the Government clerks.

Every time an engineer steps into the cab of his engine and pulls the throttle starting his engine and train onward there is but one-eighth of an inch of iron, the thickness of the flange on the drivers of his engine, between him and eternity. Think of the brakeman on top of a train in that big western country of ours, having from 60 to 75 cars and hauling 2,000 tons to the load, on top of his train, day and night, with the thermometer 20° below zero, on 110 in the shade, with the wind and storm, rain, hail, and snow beating down upon him, so as to make it almost unbearable for a brute, much less a human being. Think of the thousands of switchmen in the various cities coupling and uncoupling cars all night long making up trains to haul food and clothing to the clerks in the city of Washington, while those clerks are in theaters, pool rooms, billiard halls, or ten-pin alleys, or in bed sound asleep, and compare, if you will, the hazardous work done by those employees working eight hours per day, engaged in the most perilous undertakings, with the clerk safely hidden away in rooms built of marble or granite.

Again, think of the 50,000,000 people living in the country on the farms, working from daylight until dark in order to raise food and clothing to feed and clothe these Government clerks. The limitation of the farmer is fixed by the sun. Aye, not even that. Thousands of them have provided themselves with lights hanging on their plows, reapers, mowers, and binders, driving them until midnight. You hear of no strikes, shutdowns, or lockouts or demand for eight-hour day among the farmers of the Nation, and if the clerks in the city of Washington the coming year are to get three square meals per day thousands upon thousands of farmers' wives the coming season will be walking between two plow handles or riding on mowers, binders, reapers, and so forth, in order to raise food and clothing to feed and clothe the clerks, thousands of whom are unwilling to work eight hours per day.

Again, the farmer more or less has to gamble against the laws of nature itself. He must gamble with the season, rain, hail, frost, drought, chinch bugs, Hessian fly, and boll weevil, but with his two strong arms, and his determination to win by eating his breakfast by the lamp, and his supper likewise, he will overcome all these pests and raise an abundance of crops of the sun shines and the rain falls at the proper time.

The clerks in the various departments have 30 days' leave of absence each year, with full pay; 30 days' leave of absence with sick pay in the event they are sick. They have all the national holidays off with pay and in addition have every Saturday afternoon off between the 15th of June and the 15th of September each year. How many days off with full pay do the women working in the department stores and banks, laundries, hotels, restaurants, and so forth, here in the city have? None. How many days off with full pay do the 400,000 railway employees have each year? Not one. How many days off with full pay do the farmers have each year? Not one. In this connection I may say that the Agricultural Department two years ago, after careful investigation, reported that the average income of each farmer and all his family working with him was only $600 per year, and out of this his living expenses had to come. There is no patriotism in any clerk working for the Government anywhere who is unwilling to work eight hours per day.

I hold in my hand the Washington Post of this day. The headlines are: "Americans killed and wounded on the French front."

This report says 4 soldiers were killed outright, 2 died of wounds, 14 severely wounded, and 40 slightly wounded. No 8 hours per day is going in the trenches of France while our soldiers are going over the top. It may be 24 hours; yes, it may be 48 hours; and every one of our brave boys killed or wounded lost his life or received his wounds in defense of every clerk's job—yes, in defense of the Nation. The death list is small, I know, compared to what it will be six months from now. Yes, it is negligible as compared to what it will be a year from now. Then I am afraid it will mount well into the thousands. [Applause.]

"But," says one clerk, "if I have to work eight hours per day, when will I do my shopping?" Says another husky young man, "If I have to work eight hours per day I will have to get up too early in the morning." I am unwilling to vote this $29,000,000 increase, or any part of it, to pay the clerks unless the Borland amendment carries compelling every one of them to work eight hours per day. [Applause.]

I will never tell my people that I voted this burden upon them and then refused to vote to compel the clerks to work the insignificant limit of eight hours per day. Patriotism, common decency, and love of country should compel every clerk in all the departments to willingly work eight hours per day without being compelled to do it by law. [Applause.]

Mr. STAFFORD. Mr. Chairman, I yield three minutes to the gentleman from Ohio [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman and gentlemen of the House, as is usually true in a case of every species of hysteria that affects humanity, like the Borland amendment, it proceeds upon a false basis. The author of this amendment takes it for granted that the men and women employed in the various departments of this city are working but seven hours a day and are being paid or overpaid for a seven-hour workday. That premise is false in this, that the clerks in this city are not limited to a seven-hour day and are not paid on such a basis. They have certain tasks to perform, and there is not a department in all the city of Washington where the employment is confined to seven hours. The heads of the departments in the city will tell you upon inquiry that many of the men and women not only work 7 hours each day, but often 8 or 10 hours a day, and without any increase in compensation. They are not paid for overtime, while the employers of labor in private activity are required to pay their help at the rate of time and a half for overtime.

Mr. HARDY. Will the gentleman yield?

Mr. KEARNS. I will.

Mr. HARDY. Is it justice between employees if one department should require nine hours and another department only seven hours of labor?

Mr. KEARNS. It would not be justice if that were true. There is not a department in the whole city of Washington wherein the employees of that department do not put in many hours in the week overtime. If you are working for a private individual, it is true he requires you to work eight hours, but if you work nine he pays you for the overtime, and for the extra hour you get one and one-half more money than for any one of the first eight.

There has been some talk this morning that these men and women who have come to Washington since the declaration of war ought not to come for dollars and cents, that their patriotism is put on a money basis. There has been some talk, too, since the declaration of war, that men employed in private employment have gone on strikes and asked for more money, and that their patriotism has been impugned for that reason. I say to you that since the declaration of war the men who are employing labor are making more money out of that labor of their employees than they have ever made before. Do you impugn the patriotism of these men who are working in such employment when they ask a part of the increase of wealth that their own hands have made? Men on the floor of the House will impugn the patriotism of these men, who only want a certain part of the products of their labor. [Applause.] Their toil has contributed to the increased profits, and justice demands that these toilers receive a part of this profit.

The compensation of Government clerks was fixed back in 1898, when the cost of living was not half what it is to-day. With the exception of one slight increase, it is the same to-day. Labor in private employment has doubled its wage in that time, and has not yet reached its just reward.

I am against this Borland amendment until you increase the salary of these employees to a point that will compensate them for their time and services. [Applause.]

Mr. STAFFORD. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. SANFORD].

Mr. SANFORD. Mr. Chairman, yesterday the House by a very small margin voted to include among those employees who would receive the raise of pay the "patronage" employees of the House. I desire now to call to your attention a specific instance of what this means, because little by little, with the help of others, I hope some day to arouse the House to consciousness of the moral issue involved in certain practices that are too general in the House of Representatives to-day.

I shall give a specific instance, and I say that it is not an exceptional instance but is rather illustrative of the system, and I give it that you may think about it. On December 14 the House of Representatives was considering a resolution to appoint clerks for the expenditure committees. Mr. MADDEN, of Illinois, offered the following amendment, which was adopted:

Resolved, That no compensation shall be paid under this authority except where a clerk other than the clerk of the Member who happens to be the chairman of the committee is named.

In spite of the action of the House of Representatives in passing that resolution, I call your attention now to the instance of one chairman who, by his seniority attained that dignity in the House, who promptly appointed his own son, who then was and still is his congressional secretary, receiving presumably $2,000 per year, clerk of the committee of which he was the chairman at $6 a day. Yesterday you raised his pay and the gentleman who is the father of that boy voted to raise his son's pay on the theory that he was not getting a living wage at $6 per day, although on the roll of the House he is presumably getting $2,000 more. To me these things present moral questions. It is possible that even in this war if the Republicans had controlled this House some such practice might prevail, but, may I say, I hope not. Yesterday, just in time to save and increase the caucus power of the majority of this House, four men, newly elected Democratic Members, came from my State and held up their right hands and swore to be good Congressmen. Almost immediately they cast their first vote for a proposition like this. It was, indeed, a great day for Tammany, and I dare say the four men who came here, though they had never seen their party in caucus in the House, will long remember the opportunity which they had, because they arrived just in the nick of time to be of service to that caucus and to strengthen its grip upon the public purse. [Applause.]

I have many other illustrations that I should like to give, but my time will not permit. You all have them in mind. There is not a man in this House, there is not an employee of this House, who can not cite to you illustrations. In the old piping days of peace, when the revenue of the Government came from an invisible source, these things were not justified; but when your country is fighting for her life, and your boys are at the front offering their lives, when every home in the Nation is giving of its money and its blood to save the very life of the Republic, what do you think of the moral standard of a man or of a set of men who will put such action on the record? [Applause.]

I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. STAFFORD. Mr. Chairman, I yield three minutes to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Chairman, in my opinion the law as it now stands is more economical than it would be if the Borland amendment were adopted, especially during this time. The law as it now stands requires the heads of these departments, if necessity requires, to order these employees to work more than 7 hours a day, more than 8 hours a day, more than 9 or more than 10 hours a day. If this amendment be adopted, it will result in a loss at this particular time rather than in a saving, in my opinion, for the reason that there is not a single one of these departments but what of necessity is being compelled to call upon its employees to work more than 8 hours a day, and I shall cite a concrete example. Take the disbursing office of the War-Risk Bureau of the Treasury Department. When they were getting out their pay for the soldiers at the last pay day they requested, and an order was entered, that those working in the disbursing office of that department should keep at work until the work was accomplished, and in order to do that thing they worked two full nights. Compute what that force of more than 800 employees would have been entitled to had we a strict 8-hour-a-day law and the Government were paying them for overtime. No one will contend—and it will be one of the things that will follow as a matter of course—that if a strict 8-hour-a-day law be enacted there will not be a bill introduced for the purpose of providing pay for overtime. So that I say as an economic measure it is far better during this war, when this Government is being taxed to its uttermost in every one of these departments, and when the heads of these departments, if they are true to the trust assigned them, will require of every man working under him that he do his duty and do it well, whether it takes 7 or 8 or 9 or 10 hours—as an economic measure, I say, it is far better to leave the matter as it stands. There is nothing that can be said in favor of the Borland amendment from that point of view. I believe that during this war and until its close the men who are employed in these departments, rather than being referred to as timeservers working for a specific number of hours a day, should be made to realize the fact that their patriotism is being appealed to and relied upon, and that if it takes all of the 24 hours in the day in order to accomplish their tasks these men will freely give of their time to back up the boys on the firing line in France, who will be called upon many times, I fear, to give more than twice 7 hours a day in their performance of duty.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. BORLAND. Mr. Chairman, I yield one minute to the gentleman from Texas [Mr. HARDY].

Mr. HARDY. Mr. Chairman, I wish to say that I am not an extremist. I am always in favor of justice and generosity to labor, but I believe that the laboring people themselves, the clerks here, do not object to this amendment. It is a matter of simple economy. One hundred employees in a department at

eight hours a day will do 800 hours of work. If you give them a seven-hour day, it will require 114 employees to do the work. That produces, or tends to produce, a congestion of employees. I believe eight hours is sufficient for the accomplishment of efficient work. That is the time that has been agreed upon by the labor unions all over the country. I believe in an eight-hour day for labor and for clerks, and I can not for the life of me see how anyone can object to this amendment. In fact, I believe that the clerks, but for the influence of the newspapers here in Washington agitating against it, would sign a round robin asking this Congress to fix eight hours as a legitimate day's work. Labor now is scarce all over the country, and a great many persons are coming here to get employment. I do not believe they ought to be brought here with the idea that, while eight hours is a day's work elsewhere, seven hours only is a day's work here. I believe the best clerks and employees of the Government here are willing to work eight hours regularly, and even more if the Government in stress needs it. So believing, I shall vote for the Borland amendment.

Mr. STAFFORD. Mr. Chairman, I yield three minutes to the gentleman from California [Mr. NOLAN].

Mr. NOLAN. Mr. Chairman and gentlemen of the committee, I am sorry that the distinguished gentleman from Massachusetts [Mr. WALSH] is not here. I do not intend to waste much time on him, because his indictment of me is characteristic of his mental attitude on all progressive questions affecting the interests of labor, either organized or unorganized.

I do not see how the Congress of the United States can do any different in this instance than the President of the United States himself. Just shortly after we entered into the war in 1917 the great State of New York, through its legislature, then in session, put through a measure practically abolishing all labor standards in the State of New York for the period of the war. The President of the United States came out in a positive declaration against the abolition of any labor standard, either by the Government of the United States or the States themselves, and the private employers. The governor of the State of New York saw fit immediately to veto the measure that had passed both houses.

Now, the question that the Congress of the United States is to consider here to-day is a question of contractural relations. Labor organizations and individuals from time to time have been severely criticized for the violation of agreements. Now, the gentleman from Colorado [Mr. KEATING] this morning read to you the Manual of the Civil Service Commission, which has guaranteed to every man or woman that came from your State or my State for the last 20 years that seven hours per day would be the day's work in the District of Columbia, unless determined otherwise by the heads of the departments, and the power is placed in the hands of the heads of the executive departments and independent bureaus to require them to work increased hours without additional compensation, and this is being done now and has always been the practice to require the clerks and other employees to work overtime without overtime compensation; in the mechanical establishments here in the District, where the eight-hour day prevails, overtime pay is allowed for all time worked in excess of eight hours.

Now, the gentleman from Missouri [Mr. BORLAND] offers his amendment here to-day, which provides for no additional compensation. You have brought these people here for 20 years or more with the distinct understanding in regard to the hours of labor. You are called upon to consider a proposition that increases their hours at least one per day without any increased compensation, and then you expect them to rest content. I wonder how many private institutions in this country, or corporations, could get the active cooperation of their employees if they were to arbitrarily raise the hours of labor—I do not care whether it is from 7 to 8, 8 to 9, or 9 to 10—without giving those employees some compensation for the additional time exacted.

I trust the amendment will be defeated.

Mr. SMITH of Idaho. Is it not true that with the present hours of labor and the present salary over 50 per cent of the persons certified for appointment decline to accept positions in Washington?

Mr. NOLAN. I have no knowledge on the subject, but I presume the statement of the gentleman is true.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. NOLAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BORLAND. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, when I became a Member of this body there were no eight-hour laws on the statute books. For years I made a fight to the best of my ability, assisting the leaders in that movement for an eight-hour day, until the laws which are now on the statute books were enacted. I believe in an eight-hour day for men who labor with their hands. Here is a proposition which until recently, I am compelled to admit, I did not sufficiently consider. When the proposition was first suggested by the gentleman from Missouri [Mr. BORLAND] I thought I ought to take a position in favor of the eight-hour day for Government employees. On one occasion, at least, I think I voted for the gentleman's proposition. But I would rather be right at any time than be consistent, and I propose now, for the reasons that I will attempt to give in the brief time I have, to explain why I expect to vote against the Borland amendment.

In the first place, the question of changing the standard of labor, so far as it pertains to the number of hours per day of Government employees, has not been considered by any efficiency board. There is no recommendation of the Borland amendment from any efficiency board. No head of any department has ever recommended this legislation. The only department of this Government which has ever carefully considered this question is the Council of National Defense, and the Council of National Defense, after reciting the various standards set for work the country over, have recommended that there be no change in those standards during the period of this war. No other organization of this Government has given to this question any consideration except the Council of National Defense, and they have declared against it during the period of this war and have declared against the amendment of the gentleman from Missouri [Mr. BORLAND].

As it stands now these hours of labor can be increased by Executive order. Some years ago they were increased half an hour by Executive order. As the law stands now these clerks can be required to work more than seven hours a day by the heads of their departments, and they are required to work more than seven hours a day when more than seven hours of work appears to be necessary. I find them in all of the departments of this Government working more than seven hours a day. I remember when we had under consideration the last revision of the tariff we had detailed to the Ways and Means Committee 15 or 20 of these clerks, who were experts upon this particular question, who were expert accountants, and I saw them go to work in the room of the Ways and Means Committee at 9 o'clock in the morning, and I saw them work all day long and until 12 o'clock at night, and I saw them work all day on Sundays for two weeks of time. This is what Government clerks can do, this is what they are anxious to do, if they are requested to do it and the necessity for it appears. You can not compel a man who works with his hands——

Mr. RUCKER. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. RUCKER. I understood you to say that they are perfectly willing to work eight hours a day if they are requested. I am in favor of Congress requesting them to do it.

Mr. RAINEY. You are in favor of compelling them to do it?

Mr. RUCKER. Yes.

Mr. RAINEY. You can not compel the clerk who works with his brain at his desk to work half an hour longer if he does not want to, to save your life. You can not compel a horse to drink if he does not want to drink. You can compel the clerks to loaf half an hour at their desks, those who want to loaf and stay there an extra half hour. That is what you are doing. Those who are efficient and who are anxious to be of service will work more than eight hours when it is necessary, and they do work more than eight hours. Those who are lazy and inefficient will remain longer at their desks if you require them to do so, but they will not work unless they feel like it. I believe in organization of labor if they want to organize. I believe in collective bargaining.

At the present time Government employees are organizing the country over and are becoming affiliated with the American Federation of Labor. I regard this as a most dangerous proposition. The Government can not afford to deal with organizations of citizens. There is only one way in which Government employees who are organized can enforce their demands for larger compensation, and that is by threatening Members of Congress in their districts. Sometimes they can frighten some of them, and by doing what they can to elect Members of Congress who will be in favor of their demands on the Treasury, no matter how exorbitant they may be. The number of Government employees is constantly increasing. Organizations of

workingmen enforce their demands by strikes. Of course, a strike among clerical employees of the Government is inconceivable and could not under any circumstances be tolerated.

I am opposed in any way, directly or indirectly, to recognizing organizations of Government employees. All organizations of workingmen agree in their demands for an eight-hour day, and extra pay for overtime, and these demands are being recognized. As soon as you establish an eight-hour day for Government clerks, to that extent you recognize the basic proposition upon which organizations of workingmen operate, to wit, an eight-hour day; and when you do that it will follow as a matter of course that if you require them to work overtime they will demand the usual overtime pay, to wit, one and one-half times as much as their compensation fixed on a basis of an eight-hour day.

Bank clerks are not required to work over seven hours unless it should be necessary in emergencies for them to work longer than seven hours, and then they are expected to do it, and I have seen them, and so have all of you, working late into the night. Government clerks can be required under the present arrangement to work as long as is necessary, and for that reason their minimum workday has been fixed as it is, and at the present time there are thousands of them here in the city of Washington working 10 and even 12 hours per day without complaining, obeying the orders of their chiefs. I see no reason for changing this system of doing things, especially in war time. The Council of National Defense has declared against any change such as this resolution contemplates.

The proponents of this proposition insist that it will accomplish a saving of something like $7,000,000 per year for the Government. I contend that the change contemplated by this amendment will result in no saving at all to the Government; but, conceding that it does, the proposed increase in the pay of clerks means an additional expenditure of $28,000,000 per year, and this bill is to be followed by others. It will be difficult for Members of Congress who vote for both these propositions to reconcile their votes. It is hardly a good business policy to expend $28,000,000 a year and the hundred million or more which will be embraced in subsequent bills, all of which I expect to oppose, for the purpose of saving $7,000,000 per year. If the Borland amendment prevails and becomes the law, we will at once be confronted with demands for overtime pay, and if the Borland amendment becomes a part of the committee amendment which increases these salaries the parliamentary situation will be that it will be impossible to get a separate vote in the House on either proposition and it will be impossible to defeat either proposition. The increase-in-compensation amendment will go through and the other bills which have in view a like purpose will probably also go through and the result of it all will be an additional charge of $100,000,000 on the Treasury per year, which charge will in all probability be a fixed charge, and will be continued through the war and perhaps after the war, and we will be confronted immediately with demands for the usual overtime pay, which will result in still further increasing this expenditure by a sum which can not even be estimated at the present time, but which will later amount to many millions of dollars every year.

I expect to vote against this amendment and against the proposition to increase the pay of clerks in the present abnormal period. In my judgment neither of these matters ought to be written into the law.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BORLAND. I want to ask if those clerks who were detailed to the Ways and Means Committee were not paid extra out of the contingent fund of the House? I will give you half a minute in which to answer that.

Mr. RAINEY. I do not understand the record shows that, and I do not think it does. One or two of them may have received some extra compensation out of a fund placed at the service of the committee for unusual and very long hours, but I know the clerks regularly attached to the committee received no extra compensation, and they worked far into the night at that time, and at the present time they frequently work 10 and 12 hours a day, and even longer than that, and receive for this service no extra compensation.

Mr. STAFFORD. Mr. Chairman, I yield one minute to the gentleman from Ohio [Mr. COOPER].

The CHAIRMAN. The gentleman from Ohio is recognized for one minute.

Mr. COOPER of Ohio. Mr. Chairman and gentlemen of the committee, it was not my intention to say anything on the Borland amendment, and I would not have spoken at this time if I had not listened to the speech of the gentleman from Massachusetts [Mr. WALSH]. It seemed to me, as I listened to that speech, that it was an indictment of the patriotism of the American workingman.

It is true that there are some slackers among the ranks of the working classes of our country, and we all feel ashamed of them, but not any more so than among any other classes of people in our country; and it ill becomes the gentleman from Massachusetts, and especially one who does not work any harder than he does, to stand up here on this floor and indict the patriotism of the American workingman. [Applause.]

Let the gentleman from Massachusetts go with me into the district in which I live; let him go into the banks there on a Saturday night and see the men in that great industrial iron and steel district marching up to the cashier's window and paying for liberty bonds and savings stamps. I resent the statement he has made. I claim there are just as good and patriotic people among the working classes in this country as there is among any other classes of our people to-day. [Applause.]

I am sure the gentleman from Massachusetts did not intend to say what he did. I believe he will agree with me when I say that as a whole the American workingmen have responded nobly during this great crisis and will continue to give their best and all for the great cause which we are contending for to-day. [Applause.]

Mr. STAFFORD. Mr. Chairman, I yield three minutes to the gentleman from Illinois [Mr. STERLING].

The CHAIRMAN. The gentleman from Illinois is recognized for three minutes.

Mr. STERLING of Illinois. Mr. Chairman, I am for the Borland amendment. I want to say that, in my opinion, the gentleman from Missouri is entitled to great credit and to the gratitude of the whole country for the fight he has been making for the past two years for the principle involved in this amendment. I have not heard one reason nor suggestion in this debate which appeals to me as a fair or justifiable reason why clerks in the departments in Washington should work only seven hours a day when the rest of the men and women in the United States are working eight hours a day and more. [Applause.]

It is not a question of compensation. If they are not getting sufficient pay for an eight-hour day, then an increase of pay should be the problem before us. Let us not seek to shorten the day to fit the pay. These people in Government service here should be required to do a fair day's work, or I might better say they should be permitted to do a fair day's work and should be paid accordingly. Congress has recognized the eight-hour principle time and time again. It is generally recognized as a standard day in private employment throughout the country in nearly all industries. Why a seven-hour day for the clerks in Washington? Their work is no more arduous than that of the millions who toil in the shops and fields and stores and factories and offices everywhere, and these millions have never asked for a shorter day than eight hours.

I insist that eight hours is not too much for any man or woman in reasonable health to work each day. It is not an excessive workday. Men and women are stronger and healthier and better morally, better off financially, better in every way from having worked a reasonable number of hours. There is a point, of course, to which men should not be required nor permitted to go. No one should work to exhaustion, but who will say that eight hours even approaches exhaustion in such labor as these clerks are required to do?

One gentleman said that many had come here from long distances and sacrificed positions with better pay than they are getting here, and that they did it from a sense of patriotism, from a sense of duty to their country in this hour of its trial. That may be true. That is a splendid spirit. I will undertake to say not one man or woman in the departments in Washington to-day who came here with that sentiment in their hearts is complaining of an eight-hour day. [Applause.] Those who came here with that fine spirit of loyalty are willing to work 10 hours a day, or 12 hours a day if necessary under the circumstances, and will not complain about it. [Applause.] It has been urged that some of the clerks work more than eight hours now on busy days. I think that is true. I think I know of a few instances where occasionally clerks have to work 10 hours a day or more. That is one of the wrongs that the Borland amendment will cure. Sometimes Government work can not wait until the next day and clerks in charge of that urgent work have to work overtime. The reason of it is due largely to the fact that a large part of them quit at seven hours. If all of them were required to work the standard day of eight hours all could finish in that time, and rare indeed would be the instances when anyone would be required to work longer than that. Let us be fair to all and permit those to work eight

hours who want to work eight hours and make those work eight hours who do not want to.

Mr. BORLAND. Mr. Chairman, I yield one minute to the gentleman from Indiana [Mr. BARNHART].

The CHAIRMAN. The gentleman from Indiana is recognized for one minute.

Mr. BARNHART. Mr. Chairman, the justice of this amendment is most clearly indicated in the fact that employees in Washington in the Government Printing Office, in the Bureau of Engraving and Printing, and in the navy yard, where they work with their hands and toil as laborers toil, and are subject to the injuries which are liable to come upon them by reason of working with machinery, and who necessarily wear out more clothing than those who work as clerks, do work eight hours a day. In the midst of this environment in Washington they are able to get along very well, I hear, working eight hours a day, and I have never understood why men and women working in a sheltered office can not give eight hours to a day's work as well as these laboring people. That is especially true at this time, when the demands of the Government and the demands of the industry everywhere are so urgent and emergent. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. BORLAND. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has four minutes.

Mr. STAFFORD. How much time have I remaining, Mr. Chairman?

The CHAIRMAN. The gentleman has six minutes remaining.

Mr. STAFFORD. Mr. Chairman, I yield two minutes to the gentleman from Wisconsin [Mr. COOPER].

The CHAIRMAN. The gentleman from Wisconsin is recognized for two minutes.

Mr. COOPER of Wisconsin. Mr. Chairman, I asked for this time in order to answer the gentleman from Indiana [Mr. BARNHART], who said he could not understand why women could not work in these offices as long as men could work.

Mr. BARNHART. I beg to say to the gentleman that I did not say anything of the kind. [Applause.]

Mr. COOPER of Wisconsin. Then I misunderstood him. I ask the attention of the gentleman to the testimony of an eye-witness, who says:

"I visited the Auditor for the Post Office Department. Let me describe the place. * * * All the witnesses this side of the pearly gates will never remove from my mind the impression I received. I saw scores and scores and scores of young women and middle-aged women and some old women and a few men—nearly all women, though—sitting down at a new-fangled machine, and each of them had before her eyes where she could see it a card with a post-office number upon it, with the figures showing the amount of some postal transaction. It may have been a money order for 10 cents or it may have been one for $10. She was required to touch exactly the right keys, to punch exactly the right number in a card, and then to punch exactly the right amount in dollars or cents, and if she missed a single figure, if she touched the wrong key once, she was docked, and when she had a certain number of dockage marks against her, her pay was liable to be reduced or she was liable to discharge. So hour after hour they sat there, and there they still sit, like automatons, like human machines, their eyes glued upon the paper before them, their fingers working almost, it seems, by magic, touching with great rapidity these keys, then quickly seizing another card and replacing the one just completed. Employees in that department tell me that scarcely a week passes that does not record the fact that some poor girl or woman is stricken with nervous prostration. A body has been broken on the wheel of labor—discarded as worn-out human machinery—mere wastage, no longer to be counted. * * *

"Seven hours and a half a day at that kind of work is about as bad as it was to serve in the galleys of old Rome."

I trust that testimony will satisfy gentlemen that there is a difference between women and girls working at that kind of work and men working in the free, open air.

Mr. BORLAND. I yield one minute to the gentleman from Kentucky [Mr. HELM].

Mr. HELM. Gentlemen, did you ever see a rock thrown into a pond? Do you know where the waves stop? Never until they reach the banks. Now, Washington is the center of a great pond. Throw this seven-hour-day rock into this Washington pond, and every railroad man, every miner, every shipbuilder, every man employed in the public utilities within the confines of the United States will want the same identical favor shown him. This is the one overshadowing, all-important vice of this proposition. It is this: If the Washington clerks get a seven-hour day the rest of the workingmen and women of the country will want a seven-hour day. And bear in mind that this is the paradise of all the job hunters in the United States. The job hunters who do not get here believe that they have been kept temporarily out of heaven. Do you want to give these Government employees a preferential status? If you do, the rock thrown into this pond will stop at San Francisco and the utmost confines of Maine and of Florida and of Texas. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. I believe I have four minutes remaining. I yield that time to the gentleman from Minnesota [Mr. MILLER].

Mr. MILLER of Minnesota. Mr. Chairman, I do not imagine for a moment that it is possible to say anything particularly new at this time, or to give any reason that may be particularly influencing upon the minds of gentlemen present. Ever since this proposition was agitated I have looked upon it as one of serious importance. As we vote upon this we are going to decide whether we are in earnest and whether we are honest on certain convictions we have hitherto pronounced.

From the time I first began work in a legislative body, which was in the legislature of my own State, and during the years that I have been in this House I have on every occasion voted for the eight-hour day. I am going to vote for it now. [Applause.] If I do not, then hitherto I have been acting wrongly and I have not been as generous to the workingmen as I ought to have been, or I have not been honest with myself and with them. Now, I take this position: I have believed in the eight-hour working-day. I believe in it now; and if the eight-hour working-day is sound in principle for working men and working women throughout the United States, it certainly is sound for the Government employees in the city of Washington. [Applause.] Somehow it seems that when a person comes here and gets a job with this Government in Washington he feels favored among men and women and expects to be coddled, to be aided and assisted in a dozen and one ways that the average workingman throughout the country does not expect. I can not for one moment adhere to the sound policy of the eight-hour day, as I view it, and refuse my vote to this eight-hour proposition for the clerks here in the District of Columbia. There are some individuals throughout the country who have felt that they were acting in favor of labor by opposing this. Since this was first started I have listened for some friend of labor to give a reason why we should not require the clerks in the city of Washington to work eight hours instead of seven, and I have never yet found one lift up his voice to give a reason; and I say with all the earnestness I can express that if the labor organizations of the United States are sincere in asking for an eight-hour workday for themselves—and I believe they are—they can not oppose if Congress requires the clerks in Washington to work eight hours also. [Applause.]

These clerks ought to be willing to do that very thing. Some of them—I personally know of many—have been working, gladly working, ever since this war began, not 8 hours, but 10, even 12 hours. I am proud of them. But for the slackers in Government offices who constantly want more pay and shorter hours I have a very different feeling.

During this period now at hand, when we are asking every citizen to sacrifice and to work, requiring many to make the supreme sacrifice, how can we justify any course other than to require eight full hours of these employees. There is a world of work to be done. Every citizen should exert himself to the utmost in the country's service, and no one can say he or she had done a decent day's work for his country if he has worked less than eight hours.

Mr. KEARNS. Will the gentleman yield?

Mr. MILLER of Minnesota. I will.

Mr. KEARNS. The salaries of these clerks were fixed back about 1898, and with one slight increase they have never had any addition to their pay since that time. Since that time the wages in private activities have been doubled.

Mr. MILLER of Minnesota. This is not a contest over wages at all. This has nothing to do with compensation. This has to do with work. I believe in men and women working in the vocations to which they devote themselves. I do not believe in slackers in a shop or in an office any more than I believe in slackers in the Army. [Applause.]

Mr. WOOD of Indiana. Will the gentleman yield?

The CHAIRMAN. The gentleman's time has expired.

Mr. BORLAND. Mr. Chairman, it is scarcely necessary to go over in detail the arguments in favor of requiring the Government clerks in Washington to work eight hours a day instead of seven.

I desire first to correct a misstatement that has been repeated with dogged persistence during this debate. It is not true that

the heads of the departments can now extend the time to eight hours by a stroke of the pen. The law provides for a seven-hour day and safeguards carefully any extension of that time. The wording of the law is:

Provided, That the heads of the departments may, by special order, stating the reason, further extend the hours of any clerk or employee in their department.

The emergency requiring extra work must exist in a particular office or bureau and must affect certain clerks or employees before any such order can be made. No general order could be made extending the hours of all clerks equally for the purpose of promoting efficiency or reducing public expenditures. That can only be done by legislation by Congress, and hence the necessity for this law.

In the second place, I desire to point out that in all the mechanical departments of the Government, which have been *on a union*-labor scale for many years, eight hours work a day is the rule. This prevails in the arsenals, the navy yards, the Government Printing Office, and the Bureau of Engraving and Printing. During the hearings on this salary-increase resolution Mr. Frank Morrison, secretary of the American Federation of Labor, was on the stand, and he was asked this question:

Mr. STAFFORD. I would like to get your view as to what is considered the standard for employees in industrial establishments?

Mr. MORRISON. Eight hours is the standard. There is no question about that.

The seven-hour day for clerks in Washington is hostile to the interests of the toiling masses of the country, because it increases unnecessarily the burdens of government. Every effort which brains could devise and money could command has been used to arouse the organized labor men in my district against me, personally and politically, because I have dared to stand up for the rights of the taxpayers of the Nation against the greedy profiteers of Washington. Every form of misrepresentation has been employed, but I have taken care that the laboring men in my district should know the truth. They are just as intelligent and as patriotic as any other set of citizens when they know the truth. The efforts of the Treasury looters have failed, as shown by the following letter:

OPERATIVE PLASTERERS' AND CEMENT FINISHERS,
INTERNATIONAL ASSOCIATION OF UNITED STATES AND CANADA,
LOCAL UNION NO. 17.
Kansas City, Mo., March 8, 1918.

Hon. WILLIAM P. BORLAND.

DEAR SIR: We, the plasterers and members of Local No. 17, of Kansas City, Mo., want to thank you for your promptness in taking up with the War Department the plasterers' end of the work on the hospital units.

Also, we heartily indorse the eight-hour day law for all clerks in Washington (and elsewhere).

Respectfully, yours,
FRANK STUTSMAN,
Corresponding Secretary.

Gentlemen, these employees of the Government here in Washington were brought here for one purpose only, to do the work of the Nation. This Capital City is not a national poor farm nor an old-folks' home. It is the busy workship of a Nation—a Nation at war; a Nation which is defending the very life of democracy; a Nation which is toiling early and late—which is paying taxes and buying bonds, which has given its sons to the cause, and stops at no privation or sacrifice to win this war. Must we forget this great Nation of self-sacrificing patriots, must we forget our Army in the field, must we forget the cause for which we fight and listen only to the clamor of self-interest with which we are surrounded here in Washington? God forbid! No man in this House can defend himself before his people for voting for a seven-hour day for the Government clerks. "Choose ye this day which ye will serve."

Mr. BURNETT. Mr. Chairman, I appear in behalf of the Borland amendment, as a better friend of the clerks than the gentlemen who have taken the other side. There is no question about it. And I am a better friend to the clerks than Members of Congress who go round and harangue the clerks associations and their meetings trying to make them believe that Congress is doing wrong by them. [Applause.] I am in favor of the amendment of the gentleman from Missouri [Mr. BORLAND] because it is in the interest of the good, honest, working clerks. The gentleman from Wisconsin [Mr. COOPER] shed tears over the overworked clerks who sometimes drop in their places, but not a crocodile tear has been shed here for the overworked farmer's wife whom you and I have seen drop down in exhaustion in her efforts to make a living for her family. [Applause.]

Mr. Chairman, I say deliberately that I am for this because the present system works an imposition on the good clerks. I am not casting any reflections on the heads of departments or of bureaus when I say this. The heads of bureaus and departments want efficiency. They want people who will do good work and bring results, and when they call upon their clerks to work over hours they do not call on slackers who are constantly watching the clock and complaining about long hours of labor, but they impress into service the good, honest clerk who is willing to perform eight hours of service, and more if it is necessary, for the good of the country. [Applause.]

I am in my office at work till half past 10 to 11 o'clock every night. I deserve no credit for that, but as I walk down the halls of the House Office Building at 11 o'clock at night I hear the click of the typewriter, showing that your clerks are doing their honest work. They know no seven or eight hour law, and are not asking for any.

The gentleman from Maine [Mr. HERSEY], who opposes this amendment, does not say anything in the interest of the farmers in his country that work from sun to sun, while their poor wives' work is never done. He says nothing about the lumber jacks working for the lumber industries of the country. These very industries are now complaining because Congress is threatening even to make an eight-hour law for their employees, and yet not a word in behalf of these employees is heard.

I am an organization man. I joined the Ku-Klux Klan and nearly everything else that would let me in, ever since I was a boy. I have been off and in the Methodist Church, always believing and practicing the doctrine of falling from grace. [Laughter.] I believe in the clerks' organization, and I am ready always to help the really good clerks. Many of them have come to me and stated, "Mr. BURNETT, we think we ought to have better wages, but we are not asking for a seven-hour law, and we are not opposed to an eight-hour law." The only one from my State that has come to me with a protest against the eight-hour proposition is a man that has been here for 20 years. He is a white man at that, and is still only getting $1,000 a year, and perhaps does not earn more. He is not from my district. That is the kind of clerks that are making the complaints. The man or woman that is willing to do his patriotic duty and help win this war is not the one that is besieging Congress against the Borland amendment. I have shown my friendship for the clerks and my interest in them, unlike some gentlemen who vote against the increase of their salaries, but by voting for every increase, especially in these days of the increased cost of living. All of them that work are worthy of their hire. But, gentlemen, I am not in favor of men or women boasting of their patriotism and refusing in the days of the war to perform eight hours service, when the railroad men and others in the industries of the country are performing eight hours arduous labor every day. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. O'SHAUNESSY. Mr. Chairman, I ask to have the amendment which I send to the desk read.

The CHAIRMAN. There should first be a preliminary vote taken on the amendment offered to the committee amendment. The Borland amendment is offered as an amendment to the bill.

Mr. BORLAND. No; Mr. Chairman, the "Borland amendment" is offered as an amendment to the committee amendment. No amendment to the Borland amendment is in order.

The CHAIRMAN. If that is the situation, it is true.

Mr. O'SHAUNESSY. Then, Mr. Chairman, I ask unanimous consent to have my amendment read for information.

The CHAIRMAN. The gentleman from Rhode Island asks unanimous consent to have his amendment read for information.

Mr. BORLAND. I object.

Mr. O'SHAUNESSY. Is the gentleman afraid of free speech? Does the gentleman object to my stating what it is?

The CHAIRMAN. That is not in order. The Chair must put the unanimous-consent request. The gentleman from Rhode Island asks unanimous consent that the amendment sent to the desk may be read for the information of the committee.

Mr. BORLAND. Mr. Chairman, I have been obliged to refuse so many requests for time that I am constrained to object.

Mr. HAMLIN rose.

Mr. CANNON. Mr. Chairman, an amendment to an amendment exhausts the number as far as amendments are concerned, but a substitute is in order.

Mr. O'SHAUNESSY. Then, Mr. Chairman, I offer mine as a substitute.

The CHAIRMAN. For what purpose does the gentleman from Missouri [Mr. HAMLIN] rise?

Mr. HAMLIN. I rose to make the same suggestion that the gentleman from Illinois [Mr. CANNON] made, that a substitute would be in order.

Mr. O'SHAUNESSY. Mr. Chairman, may my amendment be entertained as a substitute?

The CHAIRMAN. If it is in order as a substitute.

Mr. O'SHAUNESSY. We will have the pleasure of hearing it read.

The CHAIRMAN. The Clerk will read the amendment offered by the gentleman from Rhode Island.

The Clerk read as follows:

After the word "day," in the Borland amendment, add: "*Provided, however,* That all time over eight hours by those rendering personal services in said departments shall be paid for on the basis of time and one-half."

Mr. BORLAND. Mr. Chairman, that is not a substitute, it is a subterfuge. [Laughter.]

Mr. LUNN. Mr. Chairman, I offer an amendment in the nature of a substitute.

Mr. RUCKER. Mr. Chairman, I have an amendment for the same purpose.

The CHAIRMAN. The gentleman from New York desires to offer a substitute for the amendment.

The Clerk read as follows:

No increase herein shall apply to salaries or compensations for personal services in any of the executive departments or independent establishments of the United States or of the District of Columbia, or any bureau or office therein, which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial act approved March 15, 1898, require eight hours of labor each day, allowing for all time over eight hours a compensation at the rate of time and one-half for overtime.

Mr. BYRNS of Tennessee. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BYRNS of Tennessee. Is that a substitute offered for the committee amendment or for the amendment of the gentleman from Missouri?

The CHAIRMAN. The Chair did not understand.

Mr. LUNN. It is offered as a substitute for the Borland amendment, which is an amendment to the committee amendment.

Mr. BORLAND. Mr. Chairman, I make a point of order on that.

The CHAIRMAN. What is the gentleman's point of order?

Mr. BORLAND. The gentleman's substitute clearly appears to be the Borland amendment with a few words added at the end. That is not a substitute. It is a method of making an amendment in the third degree. The substitute, of course, must, in like manner, take the place of the whole proposition before the House. What the gentleman's amendment really does is to add three or four words at the end of the Borland amendment in the form of amendment and then offering it in the form of a substitute.

Mr. BYRNS of Tennessee. There is another thing, Mr. Chairman; it is open to the further objection because the amendment offered by the gentleman from Missouri was purely a limitation. The substitute offered by the gentleman from New York [Mr. LUNN] is more than a limitation in that it proposes legislation and in itself would increase the expenses of the Government.

Mr. STAFFORD. Mr. Chairman, I wish to make this further suggestion, that the Borland amendment is limited to one subject, namely, the extension of the hours of employment of those who are receiving the increased compensation provided in the so-called committee provision. The amendment in the way of a substitute offered by the gentleman from New York [Mr. LUNN] relates to a different subject matter. It relates to compensation and increased pay. The Borland amendment is exclusively limited to hours of employment and not to the rate of pay. Therefore it comes within the general rule that it is not germane to a proposition limited to one subject to amend it by a different subject matter. The Borland amendment merely provides for an increase in the hours of labor and this amendment provides for an increase in the compensation. For that reason I maintain it is not germane.

The CHAIRMAN. The Chair is ready to rule. The first objection urged to the matter proposed as a substitute, is that it is not a substitute. But why is it not a substitute? A substitute is an alternative proposition. If something is added to a pending amendment, thereby creating a new proposition, and the total thus created, is offered in lieu of the pending amendment, then a legitimate alternative proposition is certainly submitted for the one under consideration. That is what is proposed to be done by the matter submitted. This matter is another and different proposition to the one pending, and strictly and technically is a substitute. The first objection is therefore overruled.

The next objection is that the substitute proposes new legislation. This point seems to the Chair to be well taken. The substitute does propose legislation, and the point of order, on that ground, is sustained.

Mr. RUCKER. Mr. Chairman, I offer the following substitute, which I send to the desk and ask to have read.

The Clerk read as follows:

No increase herein shall apply to salaries or compensations for personal services in any of the executive departments or independent establishments of the United States or of the District of Columbia, or any bureau or office therein, which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act, approved March 15, 1898, require eight hours of labor each day: *Provided,* That during the continuance of the war all or any portion of the clerical forces required in said departments may be selected and employed without regard to the provisions of civil-service law.

Mr. STAFFORD. Mr. Chairman, on that I make the point of order.

Mr. RUCKER. Mr. Chairman, will not the gentleman reserve it for a moment?

Mr. STAFFORD. For how long?

Mr. RUCKER. For five minutes.

Mr. STAFFORD. In view of the fact that the gentleman kept us here so long the other day, until after the dinner hour, and out of generosity to him, I shall not make the point of order but will reserve it.

The CHAIRMAN. The gentleman reserves the point of order for what length of time?

Mr. STAFFORD. For five minutes.

Mr. RUCKER. Mr. Chairman, I want to say that some gentlemen in the House are improving all of the time. [Laughter.] The substitute offered by me ought not to be cast out on a point of order. It is in the interests of the clerks in Washington who, we are told, work so hard. When this Congress wrote into the law some years ago a provision that in the departments in Washington no clerks should work less than seven hours a day, that provision was immediately construed to mean that no clerk should work more than seven hours a day. Seven hours became the limit. Then we have a provision in civil-service law which is humane, and which provides that civil-service clerks in the Government employ shall have 30 days' sick leave, with pay, each year. That provision in the civil-service law which provides for annual sick leave for 30 days, with pay, has resulted and is resulting almost disastrously. It is actually destroying the health of the people, because they construe that to mean that each man and each woman must be sick two and a half days every month, and they get sick regularly and stay sick the full two and a half days.

Mr. BORLAND rose.

Mr. RUCKER. If my friend is very much disturbed and he has some suggestion to offer or question to ask, I yield to him.

Mr. BORLAND. I was going to suggest to the gentleman that we have an immediate vote, because a point of order is going to be made against the gentleman's amendment.

Mr. RUCKER. I know it is. The gentleman has not given me any information at all. I want to say that I am not going to vote for the Borland amendment because it is offered by my colleague, and neither would I vote against it because elsewhere some great and distinguished citizen of the United States decried against it yesterday. I am going to cast a vote which reflects my judgment, and if the Borland amendment is adopted, then I am going to cast a vote which will help to cause rejoicing if not applause in the gallery, namely, for the amendment increasing clerical salaries. If the Borland amendment be defeated, then I hope every man will regard it his conscientious duty to his constituents to vote down the proposed increase in salary carried in the committee amendment, because these clerks ought not to have an increase of pay unless they are required to perform a reasonable amount of service.

Mr. STAFFORD. Mr. Chairman, I make the point of order against the Rucker amendment.

The CHAIRMAN. The gentleman from Wisconsin makes the point of order. This amendment, of course, is infected with the same vice as the Lunn amendment was. It takes the Borland amendment and couples with it legislation, and is then offered as an alternative proposition. For the reasons already stated, the Chair is thoroughly of the opinion that this so-called substitute is not in order, and the point of order is sustained.

Mr. LONDON. Mr. Chairman, I offer a substitute amendment. After the words "*Provided, however,*" in the Borland amendment, insert the words "and during the continuance of the present war."

The CHAIRMAN. The gentleman offers as a substitute what is really an amendment to the amendment, in itself an amendment to another amendment. The proposed amendment of the gentleman from New York [Mr. LONDON] is an amendment in the third degree and is out of order.

Mr. LONDON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONDON. May I offer the Borland amendment with those words added at the end of it? Will that then be a substitute?

The CHAIRMAN. The gentleman can offer a substitute.

Mr. LONDON. I do, then, offer the following substitute:

After the Borland amendment add the words "and during the continuance of this war."

Mr. MADDEN. Mr. Chairman, I make the point of order that that is an amendment in the third degree. I maintain it is not a substitute, but is an amendment in the third degree.

The CHAIRMAN. The Chair has already ruled on that—that if you take an amendment and add to it, and thereby make a new proposition, and offer it as an alternative proposition, it is a substitute.

Mr. MADDEN. I make the further point that this legislation is being enacted for a single year, and if the war should last for five years this substitute would cover that, and it would be out of order on that ground.

Mr. HEFLIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HEFLIN. Would not that amendment be out of order on the ground that it goes beyond a year's time?

The CHAIRMAN. The Chair is just considering the point in connection with the amendment. The Chair is ready to rule. The life of this appropriation bill is fixed. The matter proposed by the gentleman from New York [Mr. LONDON] may carry it beyond the life of the appropriation bill.

Mr. LONDON. Mr. Chairman, I offer, then, the following as a substitute:

Add, at the end of the Borland amendment, the words:
"*Provided,* The war continues until June 30, 1919.

Mr. BYRNS of Tennessee. I make a point of order against that.

The CHAIRMAN. Now, the gentleman desires to offer another substitute?

Mr. LONDON. I offer to add the following words at the end of the Borland amendment.

The CHAIRMAN. The gentleman must offer it as a substitute.

Mr. LONDON. I offer it as a substitute. Will the Chair permit me one moment? I have so many parliamentary advisers misleading me that I am all confused. [Laughter.] I am offering the following as a substitute to the Borland amendment:

Add at the end of the Borland amendment the following words:
"*And provided,* The present war is ended prior to June 30, 1919."

Mr. MADDEN. Mr. Chairman, I make the point of order that has nothing to do with the subject matter before the committee. It does not make any sense.

Mr. LONDON. I have not the Borland amendment before me, and I do not know how much sense there is in the amendment. I am on an original base. I am trying to make something that is nonsensical sensible, and I have a great deal of difficulty, I admit.

The CHAIRMAN. The Clerk will report the substitute.

The Clerk read as follows:

Add at the end of section 6 the following:
"No increase herein shall apply to salaries or compensations for personal services in any of the executive departments or independent establishments of the United States or of the District of Columbia, or any bureau or office therein, which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act approved March 15, 1898, require eight hours of labor each day: *Provided,* The present war is ended prior to June 30, 1919."

Mr. BYRNS of Tennessee. Mr. Chairman, I make the point of order against that.

The CHAIRMAN. I think the gentleman has finally gotten his substitute in order. The Chair will submit it anyhow. The question is on agreeing to the substitute.

Mr. LONDON. Mr. Chairman, may I speak on that under the rule?

Mr. BYRNS of Tennessee. It is not germane.

Mr. LONDON. Under the agreement I have a right to speak for five minutes.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. BORLAND. Mr. Chairman, the debate was closed on this amendment by unanimous consent.

The CHAIRMAN. Not on the amendment to the amendment. There was an hour for general debate on the other amendment, and an hour's debate on the amendment of the gentleman from Missouri [Mr. BORLAND]. That did not say that when that was concluded, if a matter came up subject to amendment and an amendment was offered, there would be no debate on the amendment.

Mr. BORLAND. It was provided that the other proposition involved in the eight-hour proposition should be submitted within the hour, and the reason for that was that we had disposed of all the amendments to the committee amendment prior to taking up the Borland amendment, and it was the complete sense of that agreement that one hour should conclude the debate upon the eight-hour proposition.

The CHAIRMAN. The Chair will say this, if the gentleman from Missouri will give him his attention: If the unanimous-consent agreement provided that the vote could be taken at the expiration of the hour on the Borland amendment and all amendments thereto in the nature of a substitute, then, of course, this debate is out of order. Is there any such limitation? I do not think it is in the consent agreement.

Mr. BYRNS of Tennessee. I do not know whether the Chair has ruled on the point of order or not, but I submit, if the Chair will examine this amendment he will hold it is not in order. I will make the point of order it is not germane and that, at the same time, it has not any sense.

The CHAIRMAN. As to whether it makes sense or not is not a parliamentary question. [Laughter.]

Mr. BYRNS of Tennessee. If the Chair will pardon me, this amendment is simply the Borland amendment, with these words added:

Provided, That the present war is ended prior to June 30, 1919.

The CHAIRMAN. That is the expiration of this bill, is it not?

Mr. BYRNS of Tennessee. That is the expiration of the bill.

The CHAIRMAN. Very well.

Mr. BYRNS of Tennessee. The point is, however, Mr. Chairman, that here is a proposition made under the Borland amendment, which will put the eight hours a day in operation immediately after July 1. And here is a proposition submitted by the gentleman from New York [Mr. LONDON] that it shall not go into operation provided the present war is ended prior to June 30, 1919, after the bill has expired.

The CHAIRMAN. The gentleman is right.

Mr. LUNN. Mr. Chairman, I offer a substitute.

The CHAIRMAN. The gentleman from New York offers a substitute, which the Clerk will report.

The Clerk read as follows:

Substitute amendment offered by Mr. LUNN: "No part of any amount herein appropriated shall be used to pay salaries or for personal services in any executive department, bureau, or office of the United States which does not, subject to the provisions and exceptions of section 7 of the legislative, executive, and judicial appropriation act, approved March 15, 1898, require eight hours of labor each day: *Provided,* That the foregoing limitation shall not apply to employees in any bureau or establishment where such employees are not paid time and one-half for overtime."

Mr. BORLAND. Mr. Chairman, I make a point of order on that. It provides for the method of payment of the employees of the United States. It is really legislation and not germane to the amendment. It is not a limitation on the appropriation.

Mr. LUNN. Mr. Chairman, the Borland amendment is a limitation on the application of wage and salary increases. It provides that the increases shall not be received in any department or bureau of the Government where the employees work less than eight hours.

The substitute which I have offered is an additional limitation, the further limitation being that not only shall these increases fail to apply in those departments where employees do not work for eight hours, but these increases shall not apply in any department where there is not a provision for time and a half for all overtime above eight hours. I am arguing for the legitimacy of the substitute at this time. I feel that the point of order against it is not well taken. [Cries of "Rule!"]

The CHAIRMAN. The Chair would like to have this matter discussed.

Mr. KEATING rose.

Mr. MOORES of Indiana. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Indiana rise?

Mr. MOORES of Indiana. I rise to make the point of order that the substitute in the form it is is suicidal and defeats itself.

The CHAIRMAN. The gentleman from Colorado [Mr. KEATING] was proceeding to discuss the point of order. The Chair will hear the gentleman from Indiana as soon as the gentleman from Colorado is through.

Mr. KEATING. Mr. Chairman, I do not think there is the slightest question that this amendment is in order at this time as a substitute. The Borland amendment undertakes to limit the payment of these increases of salary to employees of bureaus where the eight-hour day is enforced. The Lunn substitute provides that the limitation in the Borland amendment shall not apply in any bureau where employees are not paid for overtime. That is all there is to the substitute.

Mr. STEVENSON. Mr. Chairman, will the gentleman submit to a question?

Mr. KEATING. Certainly.

Mr. STEVENSON. Is there any provision now anywhere for paying them for overtime?

Mr. KEATING. Certainly.

Mr. STEVENSON. Then is not that an addition to existing law when you undertake to provide for paying them overtime?

Mr. KEATING. Not at all.

Mr. Chairman, the Lunn substitute does not change existing law. The Borland amendment provides that the increases in salary shall not be paid to employees in any bureau unless the eight-hour day is enforced. The substitute provides that the Borland amendment shall not affect the employees in any bureau where workers are not paid for overtime.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. KEATING. Yes.

Mr. REAVIS. As I understand the substitute, it makes this change: The Borland amendment requires eight hours in all departments. The substitute requires eight hours only in those departments that provide for overtime?

Mr. KEATING. Yes. I accept the gentleman's suggestion, because it states in a few words exactly what the gentleman from New York [Mr. LUNN] is endeavoring to do, namely, to provide that the limitations of the Borland amendment shall not apply to any bureau where those who work more than eight hours are not compensated for overtime. [Cries of "Rule"!]

Mr. BORLAND. Mr. Chairman, either this amendment changes existing law and seeks to do by indirection what it can not do by direction, or else it has no effect under the existing law of the United States. It says that this amendment for eight hours shall not apply, except to departments that pay time and a half for overtime.

Now, let us see what operation it would have under that kind of a provision. In the hearings on this amendment Mr. Morrison, secretary of the American Federation of Labor, was asked how many departments of the Government were on an eight-hour basis, and he answered: "All people who work in the navy yard, all the people in the Government Printing Office, most of the people in the Bureau of Engraving and Printing are on the eight-hour day."

Those are the people who are to-day on the eight-hour basis. Those are the people who are to-day paid time and a half for overtime. This amendment would apply then only to Government navy yards, arsenals, the Bureau of Engraving and Printing, and the Government Printing Office. In other words, this amendment would not apply to any department that is not now maintaining an eight-hour day, so that either the gentleman's amendment is meaningless and can not apply to a single department that is now maintaining an eight-hour day, or else he is seeking to do by indirection what can not be done directly. The chairman is urged to take judicial notice of the fact that the existing statutes of the United States require an eight-hour day in these mechanical departments.

The purpose of the amendment I have offered and its whole spirit clearly is to require an eight-hour day in the departments that are not now maintaining it, and yet the gentleman's amendment would entirely change the whole purpose of the amendment by requiring it not in the departments that are maintaining a seven-hour day but in all the departments that are maintaining an eight-hour day. If that is not a radical change in the amendment it would be difficult to conceive of one. The gentleman is bringing in an amendment here that I say is either absolutely meaningless under the existing statute law or if it has any meaning and force it goes into legislation and applies to departments that do not now pay on the basis of eight hours.

Mr. NOLAN. Mr. Chairman, may I suggest that the Borland amendment is itself an amendment to a section of the legislative, executive, and judicial appropriation bill—legislation made in order by a rule adopted by the House. The gentleman from New York [Mr. LUNN] is attempting to amend the Borland amendment by offering a substitute. Ordinarily legislation, unless it is a limitation under the Holman rule, is not in order on an appropriation bill. This House adopted a rule making section 6 in order. It is purely legislative, raising the salaries of employees. The Borland amendment is offered as an amendment to this legislation. The substitute of the gentleman from New York is offered as a substitute for the Borland amendment. All of section 6 is legislation made in order by a rule adopted by this House, and I do not think that the point of order is well taken and can lie in this instance.

The CHAIRMAN. The Chair asked for a discussion of the point of order, because he was somewhat in doubt as to the ruling proper to be made. The substitute of the gentleman from New York [Mr. LUNN], is offered to the Borland amendment, and it is insisted that it is in order as a limitation. This matter of limitation under the rules of the House, is frequently misapprehended, and amendments offered as limitations, are not limitations at all, under our precedents. This substitute is presented as a limitation on a limitation, and therefore presumed to be in order. But the Borland amendment is really not a limitation on an appropriation bill. It is in substance, legislation on an appropriation bill, and would be out of order, but for the Holman rule. It is cast in the form of a limitation, but in essence it requires the executive departments to which it relates to maintain an eight-hour system. But since the effect of the Borland amendment is to secure a larger return of work to the Government for the amount of money that would otherwise be paid for a less return of work, it effects a retrenchment of Government expenditures, and is therefore in order. The Borland amendment is something more than a negative prohibition on the use of moneys. In this connection, in order that the nature of a limitation may be more perfectly apprehended, it will be well to cite some of the precedents.

Legislation may not be proposed in the form of a limitation. (4 Hinds, sec. 3931.)

The House by limitation on a general appropriation bill may provide that no part of an appropriation shall be used for a certain purpose. (4 Hinds, 3917.)

This is upon the theory that the House may deny an appropriation for a purpose authorized by law. It is not in order to legislate as to the qualifications of the recipients of an appropriation, but the House can specify that no part of an appropriation shall go to recipients lacking certain qualifications. (4 Hinds, sec. 3942.)

A limitation is negative in its nature. (4 Hinds, sec. 3955; id., sec. 3967.)

The limitation must be upon the appropriation and not an affirmative limitation of official functions. (4 Hinds, sec. 3957.)

A limitation must not include positive enactments establishing rules for executive officers. (4 Hinds, sec. 3967.)

The limitation permitted on a general appropriation bill must in effect be a negative prohibition on the use of money, not an affirmative direction to an executive officer. (4 Hinds, sec. 3974.)

Now the Borland amendment provides that the salaries afforded by the committee amendment shall not be paid to the clerks in any executive department, bureau, or office of the United States which does not require eight hours of labor a day. It does not relate to recipients lacking certain qualifications, but to hours of work required by departments, bureaus, and offices of the United States. Even if the department or bureau has authority under law to work its employees less than eight hours a day, this amendment in substance says to such a department, you must work your employees for as much as eight hours a day in order to enjoy the benefit of the appropriation designed for the payment of employees. The objection that this amendment, is in effect legislation, is cured as noted above by the fact that the increased return in work secured by requiring the employees to work for eight hours a day, instead of seven and a half as formerly, but at the same compensation, will operate a reduction of expenditures, thereby bringing the amendment within the saving effect of the Holman rule. But what will be the effect of the substitute?

The substitute in substance provides that the Borland amendment shall not apply to any department, bureau or office, where the clerks are working for eight hours, or less than eight hours, with no provision for pay for overtime work. Hence in all such departments, bureaus and offices, the clerks will receive the compensation provided by the committee amendment. The substitute further provides that in those departments, bureaus and offices, where the clerks work eight hours, and are paid time and a half for overtime, the Borland amendment shall apply, that is that the employees in such bureaus, departments, and offices, shall also receive the compensation provided by the committee amendment. In this view of the effect of the substitute which is to replace the Borland amendment, how can it be argued that the substitute which is legislation, will reduce expenditures? If it will not operate ex proprio vigore, to reduce expenditures, then it is not in order. The substitute must be considered with reference to its operation, meaning, and effect, as a whole. In the opinion of the Chair, the substitute is legislation. It is not shown that it will effect a retrenchment. Hence it is not within the Holman rule. Further the Chair does not think that the substitute can be regarded as a pure limitation. For the reasons given the point of order to the substitute is sustained.

The question now is on agreeing to the Borland amendment.

The question was taken, and the chairman announced that the ayes seemed to have it.

Mr. KEATING and Mr. LUNN demanded a division.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 121, noes 82.

Mr. KEATING. Tellers, Mr. Chairman.

Tellers were ordered, and the chairman appointed Mr. KEATING and Mr. BYRNS of Tennessee.

The committee again divided; and the tellers reported—ayes 128, noes 88.

Accordingly the amendment was agreed to.

The CHAIRMAN. The question now is on the committee amendment as amended.

The committee amendment as amended was agreed to.

Mr. BYRNS of Tennessee. Mr. Chairman, I move that the committee do now rise and report the bill with the amendments to the House, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. BYRNS of Tennessee. I move the previous question on the bill and amendments to the final passage.

The motion was agreed to.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time.

Mr. GOOD. Mr. Speaker, I move to recommit the bill to the Committee on Appropriations with instructions to report the same back to the House with the following amendment:

Strike out lines 8, 9, 10, 11, 12, and 13, on page 64.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GOOD. I am not.

The SPEAKER. Does any other gentleman who is opposed to the bill want to move to recommit it?

Mr. O'SHAUNESSY. I move to recommit.

Mr. LUNN. I move to recommit the bill with instructions to strike out the Borland amendment.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. LUNN. I am.

Mr. GOOD. Mr. Speaker, a parliamentary inquiry. Is it possible that anybody is opposed to a bill appropriating money to pay the Commander in Chief of the Army and Navy?

The SPEAKER. The Chair can not answer such a question as that.

Mr. O'SHAUNESSY. I move to recommit the bill with the following amendment——

The SPEAKER. There is already one motion to recommit.

Mr. BORLAND. I rise to make a point of order against the motion to recommit of the gentleman from New York on two grounds.

The SPEAKER. What is the point of order?

Mr. BORLAND. The point of order is on two grounds. First, that the House has just adopted the amendment, and therefore it is not a proper motion to move to recommit, and, second, that the Borland amendment was an amendment to an amendment and is not subject to be stricken out in that way.

The SPEAKER. The point of order is well taken.

Mr. KINCHELOE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. KINCHELOE. Is it in order to make more than one motion to recommit?

Mr. SPEAKER. Yes; when the first motion went out on a point of order.

Mr. KINCHELOE. Is it in order for more than one motion to recommit to be submitted to the House?

The SPEAKER. Why, yes; you can submit such motions until you get one that is in order.

Mr. O'SHAUNESSY. I have one to offer.

Mr. KINCHELOE. I have one I would like to send to the Chair.

The SPEAKER. Is the gentleman against the bill?

Mr. KINCHELOE. No, sir; I am not against it.

The SPEAKER. Is the gentleman from Rhode Island against it?

Mr. O'SHAUNESSY. I am partly against it. [Laughter.]

Mr. SHERLEY. Mr. Speaker, I insist that as no gentleman has announced his opposition to the bill, recognition goes to the gentleman from Iowa [Mr. GOOD].

The SPEAKER. Of course, that is correct. The Chair laid down the rule that he was going to pursue in this House about motions to recommit three years ago, and he is going to stick to it until he is overruled. Under the circumstances presented here the gentleman from Iowa [Mr. GOOD] is entitled to recognition, and the Clerk will report his motion to recommit, and we will see if that is in order.

The Clerk read as follows:

Mr. GOOD moves to recommit the bill to the Committee on Appropriations, with instructions to that committee to report the same back forthwith, with an amendment striking out, on page 64, lines 8, 9, 10, 11, 12, and 13, which reads as follows:

"Baltimore, office of assistant treasurer: Assistant treasurer, $4,500; cashier, $2,500; paying teller, $2,000; receiving teller, $1,900; exchange teller, $1,800; vault clerk, $1,800; clerks—2 at $1,600 each, 3 at $1,400 each, 3 at $1,200 each, 3 at $1,000 each; messenger, $840; 3 watchmen, at $720 each; in all, $31,500."

Mr. BYRNS of Tennessee. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. KINCHELOE. I have a motion to recommit.

The SPEAKER. The Chair has just recognized the gentleman from Iowa.

Mr. KINCHELOE. To amend his motion.

Mr. GOOD. I move the previous question.

The SPEAKER. The gentleman moves the previous question.

The question being taken, the previous question was ordered.

The SPEAKER. The question is on the motion to recommit with instructions offered by the gentleman from Iowa [Mr. GOOD].

Mr. DYER. Mr. Speaker, I ask unanimous consent that the gentleman state what his proposition is and what it means.

The SPEAKER. The question is on the Subtreasury business.

Mr. DYER. What part of it?

Mr. GOOD. To eliminate Baltimore.

Mr. McARTHUR. Mr. Speaker, I call for the regular order.

Mr. MOORE of Pennsylvania. Mr. Speaker——

Mr. McARTHUR. I demand the regular order, Mr. Speaker.

The SPEAKER. The Chair is trying to get it. For what purpose does the gentleman from Pennsylvania rise?

Mr. MOORE of Pennsylvania. A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MOORE of Pennsylvania. I understood the Chair to state that this amendment was as to the entire Subtreasury business. Does it not pertain to one office only of the nine?

The SPEAKER. The Clerk will read it again.

The motion to recommit was again read.

The SPEAKER. This applies only to Baltimore.

The question being taken, on a division (demanded by Mr. MADDEN) there were—ayes 70, noes 119.

Accordingly the motion to recommit was rejected.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, a parliamentary inquiry. This motion to recommit having been defeated, is it in order to offer one that has merit and that will be adopted?

The SPEAKER. No; only one motion to recommit can be made. The question is on the passage of the bill.

The question being taken, the bill was passed.

On motion of Mr. BYRNS of Tennessee, a motion to reconsider the vote by which the bill was passed was laid on the table.

DAYLIGHT-SAVING BILL.

Mr. HARRISON of Mississippi. Mr. Speaker, I present the following report (H. Rept. No. 386) from the Committee on Rules.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

House resolution 267.

Resolved, That immediately upon the adoption of this resolution the House shall proceed to the consideration of S. 1854, entitled "An act to save daylight and to provide standard time for the United States," under the general rules of the House.

Mr. HARRISON of Mississippi. Mr. Speaker, this proposes for the consideration of the House the bill to advance the standard time one hour during certain periods of the year. It is said that 12 countries in Europe have already adopted this principle. It will work to the advantage of the laboring people of the country in advancing the clock one hour, and give them that much more time to spend with their families at home in the afternoon.

I yield 10 minutes to the gentleman from Kansas [Mr. CAMPBELL] and reserve the balance of my time.

Mr. CAMPBELL of Kansas. Mr. Speaker, it is said that the American people are conservative. That is stating it mildly. We are the last among the great nations to take advantage of the opportunities that Ben Franklin said over 150 years ago the world would have of saving candlelight and fuel by changing the clock.

This bill is tardy in coming before the House. When the matter was submitted to the Committee on Rules the conservatism that is usual in that committee was laid aside, and

the committee reported the rule providing for the consideration of this bill.

I said a moment ago that we were a conservative people. Most people in the country, without regard to where they live or what their business is, have been in favor for years of changing the date of the inauguration of the President of the United States from the 4th of March until some day in the spring or early in the summer, when it would not endanger the lives of those who come here to attend the inauguration. But because Washington was inaugurated once on the 4th day of March they can not change the date. The first time Washington was inaugurated was on the 30th day of April, and if we could change the date from the 4th of March to the 30th day of April we would show just as much reverence for the memory of the first inauguration of President Washington as by showing a veneration for his second inauguration on the 4th of March. But we are so conservative that when we get into a way of doing things we refuse to change. Monarchies, kingdoms, and empires change their methods and their feast days. If the king's birthday comes when it is cold and dreary, they change the date to the most pleasant and happy day of the year in order that they may celebrate it without danger to health and life. Other countries have sought to save daylight, to use what daylight they require, by moving the clock forward, and have some left for recreation for their people who work; in order that places of employment and business may close and employees have time for rest and recreation in the afternoon during the summer season. Other countries have done that. We have failed. The time has now come when I believe the House of Representatives will lay aside this species of standpatism and join with those who are in favor of advancing the clock one hour, rising an hour earlier between the 1st of April and the 1st of October, and retiring, if they choose, an hour earlier at night. I am in favor of the rule and of the bill which it makes in order.

Mr. STAFFORD. Will the gentleman from Mississippi yield for a question?

Mr. HARRISON of Mississippi. I will.

Mr. STAFFORD. The rule in terms provides that the bill shall be considered according to the House rules. That would permit of one hour of debate, in case the gentleman from Tennessee wished to move the previous question. Now, there are a number on this side of the House who would like to discuss this bill, and I would like to inquire what is the purpose of the gentleman from Tennessee if the rule shall be adopted as to closing debate?

Mr. HARRISON of Mississippi. I will yield to the gentleman from Tennessee to answer.

Mr. SIMS. Mr. Speaker, this is the only opportunity we will have to consider this bill at all. My purpose was, after the one hour was exhausted, to which I would be entitled, to move the previous question on the bill and all amendments.

Mr. STAFFORD. Would not the gentleman ask unanimous consent to extend the time beyond the hour for a reasonable time, so that it would permit Members to have some discussion on the bill? I want to say to the gentleman that there are a number on this side who have asked, in the aggregate, for more than one hour's time. Would not the gentleman ask to extend the time to some reasonable hour this afternoon before he moves the previous question, so that the bill could be passed this evening?

Mr. SIMS. Let me say to the gentleman that after the rule is adopted and the one hour is used we will see how the matter develops. I would not be opposed to giving a reasonable time if I did not lose the parliamentary opportunity of moving the previous question.

Mr. STAFFORD. I think that would be satisfactory.

Mr. MONDELL. Mr. Speaker, might I suggest that this arrangement can not be made before the rule is adopted?

Mr. HARRISON of Mississippi. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. KELLY] five minutes.

Mr. KELLY of Pennsylvania. Mr. Speaker, I was glad to vote in the Rules Committee for the favorable report on the resolution making this daylight-saving measure in order. I am glad now to urge the adoption of the rule and the passage of the measure itself.

This idea is not a freak proposal; it is founded in common sense. It is not a new, untried experiment. It is in successful operation in 12 European countries and time has vindicated every argument advanced by its proponents.

The idea of saving an hour of daylight each day during the summer months is said to have originated with William Willett, a London architect, some 10 years ago. As he walked through the streets of London in the early morning hours, he noticed how deserted they were, even when fully lighted by the sun. Observing this, he conceived the idea of moving the clock ahead an hour in summer, so that the people might have an hour more of daylight.

Ridicule was heaped upon the proposal. Innumerable objections were proposed. In the British Parliament the legislation embodying the idea was defeated in 1909, 1911, 1912, 1913, and 1914. But more numerous became those who saw advantages in it, and on May 17, 1916, the measure was passed in Parliament. Since then France, Germany, Italy, Norway, Sweden, Denmark, Holland, Portugal, Australia, and Iceland have followed.

The committee appointed to investigate results in England reported that—

> we can say unhesitatingly that the vast preponderance of opinion throughout Great Britain is in favor of it not only as a war measure but as a permanent institution.

Simply and concisely this measure provides that on the last Sunday of this month at 2 o'clock a. m. the clocks shall be advanced one hour. On the last Sunday in October at 2 a. m. the clocks shall be turned back one hour, putting them just where they were before.

It will create no confusion, but it will give an extra hour of daylight, with all the manifold advantages which that involves. It will result in saving of fuel, in added time for the production of food, in increase in outdoor exercise and recreation, and in general improvement of health.

The executive council of the American Federation of Labor adopted resolutions in favor of this measure, stating—

> that we urge the inauguration of the daylight-saving project for the conservation of time and opportunity for greater leisure and open-air exercise for the masses of the people.

The Pittsburgh Chamber of Commerce and a host of business organizations have indorsed this measure and urged its passage.

Let the cavillers ridicule the idea of saving daylight; let the would-be humorists laugh at it as they will. The fact is that the practical results of the measure will be more than 150 hours of daylight leisure for every man and woman and little child. That one tremendous boon justifies the passage of this bill, and I sincerely hope that the House of Representatives will do what the Senate has already done and enact this measure without more delay.

Mr. HARRISON of Mississippi. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

An act (S. 1854) to save daylight and to provide standard time for the United States.

Be it enacted, etc., That, for the purpose of establishing the standard time of the United States, the territory of continental United States shall be divided into five zones in the manner hereinafter provided. The standard time of the first zone shall be based on the mean astronomical time of the seventy-fifth degree of longitude west from Greenwich; that of the second zone on the ninetieth degree; that of the third zone on the one hundred and fifth degree; that of the fourth zone on the one hundred and twentieth degree; and that of the fifth zone, which shall include only Alaska, on the one hundred and fiftieth degree. That the limits of each zone shall be defined by an order of the Interstate Commerce Commission, having regard for the convenience of commerce and the existing junction points and division points of common carriers engaged in commerce between the several States and with foreign nations, and such order may be modified from time to time.

SEC. 2. That within the respective zones created under the authority hereof the standard time of the zone shall govern the movement of all common carriers engaged in commerce between the several States or between a State and any of the Territories of the United States, or between a State or the Territory of Alaska and any of the insular possessions of the United States or any foreign country. In all statutes, orders, rules, and regulations relating to the time of performance of any act by any officer or department of the United States, whether in the legislative, executive, or judicial branches of the Government, or relating to the time within which any rights shall accrue or determine, or within which any act shall or shall not be performed by any person subject to the jurisdiction of the United States, it shall be understood and intended that the time shall be the United States standard time of the zone within which the act is to be performed.

SEC. 3. That at 2 o'clock antemeridian of the last Sunday in April of each year the standard time of each zone shall be advanced one hour, and at 2 o'clock antemeridian of the last Sunday in September in each year the standard time of each zone shall, by the retarding of one hour, be returned to the mean astronomical time of the degree of longitude governing said zone, so that between the last Sunday in April at 2 o'clock antemeridian and the last Sunday in September at 2 o'clock antemeridian in each year the standard time in each zone shall be one hour in advance of the mean astronomical time of the degree of longitude governing each zone, respectively.

SEC. 4. That the standard time of the first zone shall be known and designated as United States standard eastern time; that of the second zone shall be known and designated as United States standard central time; that of the third zone shall be known and designated as United States standard mountain time; that of the fourth zone shall be known and designated as United States standard Pacific time;

and that of the fifth zone shall be known and designated as United States standard Alaska time.

SEC. 5. That this act take effect and be in force from and after January 1, 1918.

SEC. 6. That all acts and parts of acts in conflict herewith are hereby repealed.

With the following committee amendments:

On page 3, line 4, strike out the word "April" and insert the word "March"; on line 6, strike out the word "September" and insert the word "March"; on line 11, strike out the word "September" and insert the word "October"; on lines 24 and 25, strike out all of section 5; on page 4, line 1, strike out the figure "6" and insert the figure "5."

The SPEAKER. The gentleman from Tennessee is recognized for one hour.

Mr. ESCH. Mr. Speaker, would it be possible to divide the time for general debate and allow three-quarters of an hour on a side?

Mr. SIMS. Mr. Speaker, if it can be agreed that at the end of the hour and a half of debate the previous question shall be considered as ordered on the bill and amendment I shall have no objection.

Mr. ESCH. We may not use the whole three-quarters of an hour on this side.

Mr. SIMS. Would the gentleman object to that sort of an arrangement?

Mr. ESCH. No.

Mr. SIMS. Mr. Speaker, I ask unanimous consent that debate upon the bill run for one hour and a half, one half of that time to be controlled by the gentleman from Wisconsin [Mr. ESCH] and the other half by myself, and that at the end of the hour and a half the previous question shall be considered as ordered on the bill and all amendments to final passage.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that debate on this bill be limited to one hour and a half, half of the time to be controlled by himself and half by the gentleman from Wisconsin [Mr. ESCH], and that at the end of the hour and a half the previous question shall be considered as ordered on the bill and all amendments to final passage.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman permit a suggestion?

Mr. SIMS. Yes.

Mr. GARRETT of Tennessee. And that at the end of that time amendments, of course, should be reported and voted on.

Mr. SIMS. Oh, yes; reported and voted on.

Mr. GARRETT of Tennessee. They can be offered at any time during debate; but, of course, they will have to be offered from the desk before a vote is taken.

Mr. SIMS. I understand that to be the result, that at the end of that time any amendment that is offered can be voted on, but without debate.

Mr. WINGO. Mr. Speaker, if that consent agreement is made, how will those who do not get time—and I understand the committee, who are all in favor of the bill, will use all of the time—and who wish to offer improving amendments, get a chance to discuss them?

The SPEAKER. They can not be discussed after the hour and a half is consumed.

Mr. WINGO. And one would not have an opportunity to offer them unless he got recognition.

The SPEAKER. They can be offered pending debate.

Mr. WINGO. But one would have to get the floor.

The SPEAKER. Of course in order to offer an amendment. The Chair's understanding is that debate is to run for an hour and a half and that at the end of that time the previous question shall be considered as ordered on the bill and amendments to final passage. Amendments offered during that time and pending are to be voted on at the end of that time without debate.

Mr. WINGO. Mr. Speaker, I object.

The SPEAKER. The gentleman from Tennessee is recognized for an hour.

Mr. SIMS. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. BORLAND].

Mr. BORLAND. Mr. Speaker, this proposition, known as the daylight-saving bill, is a plan which is now in operation in the countries of practically all of our allies and in the enemy countries. It is in operation in Great Britain, in France, in Germany, in Austria, in Italy, in Holland, in Portugal, and in Scandinavia.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BORLAND. Yes.

Mr. GARRETT of Tennessee. Is it in operation in Canada?

Mr. BORLAND. It is in operation through action of some of the provincial legislatures in some of the Provinces in Canada.

Mr. GARRETT of Tennessee. Is it in operation in Mexico?

Mr. BORLAND. No.

Mr. GARRETT of Tennessee. What effect will it have upon the international train schedules on those roads that run into Canada and Mexico from this country?

Mr. BORLAND. I shall speak of that matter when I come to it. It is not a new proposition, so far as the civilized world is concerned, but it has been in operation now for two full seasons. In fact, the United States is behind other first-class commercial countries in the delay in adopting this daylight-saving movement. The proposition simply consists of exchanging one hour of artificial light for one hour of natural light. It provides for advancing the clock during the period of time embraced practically between the vernal equinox and the autumnal equinox one hour.

The effect of that will be to move forward the business habits of the community one hour nearer to sunrise. In no other respect will the habits of the community or any of the schedules of hours of labor be changed, but the result of advancing the clock will be to utilize one hour of sunlight nearer to the time of sunrise and cut off one hour of artificial light at the end of the day.

Mr. PADGETT. May I ask the gentleman a question?

Mr. BORLAND. Yes.

Mr. PADGETT. Down in my country a farmer gets up an hour before sunrise and does not quit work until an hour after dark. Would he have to get up and go to work two hours before sunrise? [Laughter.]

Mr. BORLAND. There would not be the slightest change in the habits of the gentleman's constituents. There would not be the slightest change in the habits of any gentlemen anywhere. The change is a community change, which does not affect the individual at all.

Mr. RAMSEYER. Would this daylight-saving bill affect in any way the farmer?

Mr. BORLAND. It would not.

Mr. RAMSEYER. Would he eat his dinner an hour earlier?

Mr. BORLAND. Oh, no.

Mr. RAMSEYER. Would he eat it at 1 o'clock instead of at 12?

Mr. BORLAND. If the gentleman will permit me to proceed, we can get along a little better. I have only 10 minutes, and I do not think we can advance very much if each gentleman asks a separate question.

Mr. LONDON. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. LONDON. How can there be a community change, of substance, without a change of life of the individuals who compose the community?

Mr. BORLAND. I think I will answer that question as I proceed, if the gentleman pleases.

Mr. WINGO. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. WINGO. I read a very interesting article last Sunday by a person who has been very much interested in this bill, and from which I draw the conclusion that possibly the next propaganda they will start will be a change in thermometers. He suggested in this article that Congress provide special thermometers for next winter, fixing freezing at 45° F., insisting that by so doing we would save coal, contending that people heat their houses to 60 or 70, and by the new proposed winter thermometer would be led to be satisfied with less heat. Is it the intention of the gentleman to follow this bill with that kind of a bill?

Mr. BORLAND. That is a very good illustration of the argument used against this bill.

Mr. WINGO. This is from a gentleman who is in favor of this.

Mr. BORLAND. If the gentleman is not advancing it seriously——

Mr. WINGO. I am advancing it seriously, because the magazine article was a serious argument and by a man in favor of this bill. I am not advancing that theory.

Mr. BORLAND. It evidently was not a serious argument. Nobody is going to change the laws of nature even to suit the gentleman from Arkansas. All we are going to do is to change the business habits of the community, which we regulate by clock. We go to work by the clock; we get up by the clock; we eat by the clock; we catch trains by the clock; the banks and business offices open by the clock. Now, it is perfectly apparent that it does not make much difference how much daylight there is, or how early the sunrise, it is impossible for an individual in a community to take advantage of that daylight himself except for purely recreational purposes. Some gentle-

men can get up an hour earlier if they choose, and ride horseback, play golf, or play tennis, but there is no case in which they can transact business by that added hour of the day. If they go down to their stores, their customers are not there; even their clerks have not put in an appearance. The street cars are not in operation. If they go to their offices, there are no patients or clients. The banks are not open, and the mails have not been delivered. It is utterly out of the power, in this complex age of civilization, of any individual to change the habits of a community. He can not add to the day's work to save his life, because that is fixed by the fixed habits of the community. The only way it can be done is by a power which commands the universal respect of the community, and that power is the clock.

Now, when we come to figure out exactly how the community's habits are regulated, we find they are regulated not only by the clock, but they are actually regulated by the standard time fixed by the railroads. We do not follow accurate sun time in any community in the United States, and it does not make a particle of difference to us what the accurate sun time is. We follow the standard time as fixed by the clock.

In 1883 the railroads, realizing the tremendous inconvenience of everybody in trying to follow sun time in all the different communities of the United States, through the American Association of Railroad Managers, fixed upon a standard time. They figured that there was one hour's difference for every 15 degrees of longitude, and by making a standard number of zones approximately 15 degrees in width and changing the time by the even hour they would gradually reduce the inconvenience and confusion occasioned by the dual time. So they did that. And now we have the standard time fixed by the common consent of the railroad companies, which embraces four zones in the United States based upon certain standard of meridian. Now, everybody, including the courts and the Government, have adapted themselves to this standard time. It is not the sun time in any State in the United States, not a single one, because it is reckoned west from the meridian of Greenwich, and that is only the mean standard time of the meridian of Greenwich, which is not the actual sun time any day of the year. It is the average time at which the sun crosses the meridian of Greenwich throughout the year.

Mr. AYRES. Mr. Speaker, will the gentleman yield?

Mr. BORLAND. In just a moment. I would rather finish a little further. So that we are now operating under an artificial standard.

I want to impress that upon gentlemen. We are not tampering with natural laws, as my friend from Arkansas [Mr. WINGO] seems to think. We have long since passed that. While he was still in school we passed the idea of regulating our time by the movement of the sun. We have come to an artificial standard given to us by the railroads. All that we are asking here is that that standard, so accepted by the people, shall be made the United States standard.

Let me explain briefly the frame of this bill, which I drew and which was introduced by me in the House of Representatives and by Senator CALDER in the Senate. The first section adopts the standard time now in use throughout the country—established by the American Association of Railway Managers—as the standard time of the United States, and provides that the boundaries of the zones shall be fixed by the Interstate Commerce Commission, having regard for the convenience of commerce and the existing junction points and division points of the common carriers. There will be no interference, therefore, with the standard time now in general use.

The second section provides that within the zones thus created the standard time of the zone shall govern the movement of all common carriers engaged in interstate commerce and shall be the official time of the United States, regulating its courts, offices, and legal proceedings done under the statutes, laws, or regulations of the Government.

Having thus fixed the official standard time of the United States, the third section provides that at 2 o'clock antemeridian of the last Sunday in March of each year the standard time of each zone shall be advanced one hour, and at 2 o'clock antemeridian of the last Sunday in October of each year the standard time of each zone shall, by the retarding of one hour, be returned to the mean astronomical time of the degree of longitude governing such zone, so that between the last Sunday in March at 2 o'clock antemeridian and the last Sunday in October at 2 o'clock antemeridian the standard time in each zone shall be one hour in advance of the mean astronomical time of the degree of longitude governing each zone, respectively.

It is in this third section that the daylight-saving plan occurs. During the summer months, and especially between the vernal equinox and the autumnal equinox, the days are long and the sun rises three or four hours before the time when business begins according to the settled habits of the community. It is in this period of the early part of the day that the saving of the use of daylight can be effected by moving the business habits of the community forward one hour.

But, says some individual who prides himself upon his settled opposition to new methods: "Why can't a person rise an hour earlier in the morning if he desires to do so, without the need of a law?"

In this age of complex civilization it is manifest that no one individual can change the settled habits of the community. It is entirely possible for him to rise an hour earlier in the summer time and use that hour for recreational purposes, but in a city at least, or even in a very moderate size industrial community, he can not add that hour to his day's work. His day's work does not depend upon himself alone but upon his employer, his employees, his customers, his clients, and especially upon the arrival and departure of the mails, the opening and closing of the banks and other public offices. In order to take practical advantage of the hour of daylight, it is necessary to move the entire habits of the community by some power which everyone consults and respects.

This power is the clock as represented by the standard time. The change is made at 2 o'clock in the morning of the last Sunday in March—a time when it is manifest that traffic of all kinds is at its lowest ebb. Those who happen to be awake and at business at that hour on Sunday morning would make the change then, and the comparatively few trains which happen to be on the road would change their time as they now change it in passing from one zone into the other. The great mass of citizens, however, would not notice the change at all. When they retired to bed on Saturday night at the usual time, they would simply move their watches one hour forward, get up Sunday morning by the same watch, and practically no change would occur in their habits.

The hasty objector concludes that he himself is the only one who is going to change and that the street cars, railroads, and stores will operate on the old basis. It should be understood, however, that the trains will arrive and depart, the mails will be delivered, the street cars will run, and the banks will open and close at the same hour by the clock as under the existing habit and schedule, so that only the individual who refuses to make the change will find himself out of line with the timepiece and an hour late for everything.

The effect of this simple change is to add an hour of daylight at the beginning of the day and to cut off an hour of darkness at the close of the day. It also has the effect of providing an extra hour of daylight between the close of business in the afternoon and sunset. It confines the sleeping period more nearly to the period of actual darkness and the working and recreational period more nearly to the period of actual daylight.

This bill has been specifically indorsed by the United States Chamber of Commerce and by hundreds of organizations of business men throughout the United States. It has been urged also upon Congress by the American Federation of Labor. An especial plea for its passage has come from the advisory commission of the Council of National Defense on the ground that it is an important war measure. The medical bodies throughout the country have agreed that it is important from the standpoint of health and sanitation in removing much of the eye strain of individual workers and providing more hours of daylight for healthful recreation.

The United States Shipping Board has petitioned Congress for its passage and the Fuel Commissioner made a special plea to the President of the United States setting forth the importance of this measure in the conservation of fuel. It is manifest that all of these organizations could not unite upon a plan unless it possessed undoubted merit and was as far as possible removed from a mere fad.

We have also the result of the experience of the European countries, where it has had a practical test for the last two seasons. In both France and England it goes into operation by virtue of executive order, and if it had not fully demonstrated its usefulness as a war measure it would not have been continued through the third season of its trial.

It is, in fact, a very important war measure at this time. The United States is one of the last of the great powers to adopt this important change, and the failure of Congress to pass the law would put us out of harmony with European nations on the question of time during the summer season. This would have a serious effect upon our exchanges, our shipping, and our mail and cable communications.

The gentleman from Tennessee asked me whether this plan had been adopted in Canada and Mexico and, if not, whether our international train service would not be affected by their

failure to adopt the same plan. I am answering this a little more fully by saying that Canada has now adopted the plan in some communities and Provinces by local election. It is probable that it will be adopted there by Dominion election also following our adoption.

It is impossible to say what will be done in Mexico, but the question is not serious in any case, because it is just as feasible to change time when that occurs on international boundary as it is now to change time when that occurs on boundary between one of our existing zones of standard time.

The convenience of similar system of time, however, will appeal to the Dominion of Canada, especially in view of the example of the mother country.

The advantages of the plan are too numerous to analyze in detail. The most conspicuous is the saving in artificial light by cutting off an hour of darkness at the close of day. This results in a saving of fuel to an enormous extent in all of the great cities of the United States. Not alone is the saving in actual fuel involved, which is extremely important during this war period, but the saving in the labor of mining, transporting and handling the fuel, and in operating and providing plants for the production of artificial light.

The advantages of the plan in the way of health and recreation are apparent at a glance. All of the indoor workers will have an extra hour of daylight after the close of their work, which will be of the greatest value in building up their bodily health and strength. The extra hour of daylight can be used also for military training, but more especially for home gardening.

The cultivation of home gardens during the coming season will be a very important element in the conservation of food supplies. The extent to which our population can be fed by perishable food raised at home will be an important factor in winning the war. Home gardening not only utilizes the surplus labor and energies of the family but relieves to that extent the demand upon labor for the farms where there exists now an alarming shortage.

The production of food at home also relieves the strain upon transportation and storage facilities of the country and releases a certain amount of labor and energy which can be devoted to taking the surplus of our food products abroad. The National War Garden Commission, which is very strongly in favor of this bill, calculates that the total amount of time the extra hour of daylight would add to the working time of the 5,000,000 war gardeners which they estimate will be this year would be 910,000,000 hours, and that each garden can grow vegetables equivalent in food value to 126 pounds of beef and 93 pounds of bread. This, they estimate, would save enough meat to feed an army of a million men for 503 days.

Altogether the advantages of the daylight-saving plan are so obvious and the disadvantages, if any, so slight, that this House will do well to respond to the urgent demands of the commercial interests of the country, to the advice of the medical fraternity, and to the request of all those who are engaged in the war work of the Government, and pass this measure, placing the United States in harmony with the practice of our allies, and meeting to that extent the efficient operations of our active enemies.

The SPEAKER pro tempore (Mr. CANDLER of Mississippi). The time of the gentleman from Missouri has expired.

Mr. SIMS. Mr. Speaker, I want to renew my request. I ask unanimous consent that the debate be continued for an hour and a half, one-half of the time to be controlled by myself and the other half by the gentleman from Wisconsin [Mr. ESCH], and at the conclusion the previous question shall be ordered on the bill and all amendments thereto.

Mr. WINGO. What disposition is there to allow time?

Mr. SIMS. My purpose is to yield to those who oppose the bill as well as those who favor it.

Mr. WINGO. We could not get time under the rule.

Mr. SIMS. I had no control over the time on the rule.

Mr. WINGO. But the gentleman has time now.

Mr. SIMS. I will yield from the time in my control.

Mr. WINGO. Is the debate to be on the bill?

Mr. SIMS. The rule says it shall be considered under the general rules of the House.

Mr. ROGERS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. ROGERS. Has the committee the power, after the House has decided the amount of debate to be had on this bill, to fix another and a different time?

The SPEAKER pro tempore. We are not in the committee now. We are in the House.

Mr. FESS. Mr. Speaker, will the gentleman yield?

Mr. SIMS. I will yield for a question.

Mr. FESS. Under the rule under which we are operating the Chairman has the right to move the previous question at the end of the hour?

Mr. SIMS. Yes.

Mr. FESS. So that if we do not get the hour and a half we may be cut down to an hour?

Mr. SIMS. Yes.

Mr. WINGO. The gentleman from Tennessee is an experienced man in the House, and he knows that that would not be fair or practicable.

Mr. SIMS. I am anxious to get through.

Mr. WINGO. I have asked the gentleman for time. He has indicated that the committee wants all the time.

Mr. SIMS. I will state to the gentleman that I will yield him five minues of my time that I have to yield.

Mr. WINGO. Very well. Some one suggests that that is all I need.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. SIMS] asks unanimous consent that the debate be limited to one hour and a half, and that at the conclusion of that time the debate shall be exhausted and the previous question shall be ordered on the bill and all amendments thereto, and that one-half of the time be controlled by the gentleman from Tennessee and one-half be controlled by the gentleman from Wisconsin [Mr. ESCH].

Mr. ESCH. Mr. Speaker, I assume that the time taken by the gentleman from Missouri [Mr. BORLAND] shall be deducted.

Mr. SIMS. Part of it shall be deducted from this side.

Mr. LONDON. Reserving the right to object, Mr. Speaker, I suggest that the gentleman from Tennessee eliminate that part of his request which relates to the five-minute rule. We should be free to offer amendments and to discuss them.

Mr. SIMS. You can offer any amendment, and it can be voted on at the conclusion of the hour and a half.

Mr. LONDON. But can we not have opportunity to speak in favor of an amendment as it is offered?

Mr. SIMS. If the gentleman gets time he can do that.

Mr. LONDON. Members desire to take time on their amendments. I object unless that can be done.

The SPEAKER pro tempore. The gentleman from New York objects. The time of the gentleman from Missouri [Mr. BORLAND] has expired.

Mr. SIMS. Mr. Speaker, I want to ask this question: I desire to yield to the gentleman from Wisconsin [Mr. ESCH] 25 minutes, to be yielded by him to such gentlemen as he sees proper, without my losing the floor, if I can do that. If not, I will yield five minutes to gentlemen in such amount as they may request.

The SPEAKER pro tempore. Under the circumstances, the gentleman can yield to the gentleman from Wisconsin, if he desires to do so.

Mr. SIMS. Then, I ask unanimous consent that I be permitted, from the hour I have got to use, to yield 25 minutes to the gentleman from Wisconsin [Mr. ESCH], to be yielded by him without my losing the floor and the opportunity to make my motion demanding the previous question on the bill and all committee amendments.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent to yield 25 minutes of the hour in his control to the gentleman from Wisconsin, to be yielded by him as he sees proper, this to be done without his losing any privileges which he is entitled to use as in charge of the bill Is there objection?

Mr. LONDON. I object.

The SPEAKER pro tempore. The gentleman from New York objects.

Mr. BARKLEY. Mr. Speaker, has the gentleman the right to do that?

Mr. BORLAND. Could not the gentleman from Wisconsin or any other gentleman on his own side claim an hour in his own right?

Mr. GARRETT of Tennessee. Mr. Speaker, if I may be permitted, as I remember the rules of the House, the gentleman from Tennessee can yield such time of his hour as he desires for debate without losing his rights.

The SPEAKER pro tempore. That is right.

Mr. GARRETT of Tennessee. If the gentleman from Tennessee [Mr. SIMS] yields for amendments, he loses the floor for all purposes.

Mr. SIMS. The question is, Can I yield to the gentleman from Wisconsin [Mr. ESCH] and have him reyield the time?

Mr. GARRETT of Tennessee. Unless he restricted the time to debate, he could not.

Mr. SIMS. I will restrict it to debate. I yield to the gentleman from Wisconsin 25 minutes for debate, with the privilege

to him of reyielding such of it as he sees proper to other Members of the House.

Mr. DOWELL. Mr. Speaker, under the rules the gentleman has no right to yield time except to those who desire to occupy the floor. The gentleman has no right under the rules to yield time to some one else and have that person yield part of that time. He can only yield the time to one who desires to occupy the floor, and it occurs to me that this can be done in the same way by designating those to whom he desires to yield time.

The SPEAKER pro tempore. The gentleman is incorrect in that. The gentleman can yield 25 minutes if he sees proper to the gentleman from Wisconsin, and the gentleman from Wisconsin can yield part of that, if he sees proper, to others.

Mr. SIMS. I yield 25 minutes to the gentleman from Wisconsin [Mr. ESCH].

Mr. DOWELL. Mr. Speaker, I am sure that the Chair is wrong on that ruling; not that I care about this proposition. It is entirely immaterial. But that rule should not be established, because it is in violation of the rules. I am perfectly willing in this instance that the gentleman from Wisconsin shall have all of the time that the gentleman from Tennessee desires to give him; but I do object, Mr. Speaker, to the Speaker establishing the precedent here that is contrary to the rules.

Mr. RUBEY. Regular order!

Mr. SAUNDERS of Virginia. Mr. Speaker, what is the precedent that the gentleman from Iowa thinks is being established that is contrary to the rule? Under the familiar precedents of the House, the gentleman who has the hour can yield such portions of that time as he pleases to another Member.

Mr. DOWELL. Certainly. I think he has a perfect right to yield 25 minutes of that time to the gentleman from Wisconsin if the gentleman from Wisconsin occupies the 25 minutes. That would be all right. If he does not, he must yield back the balance of his time not occupied by the gentleman from Tennessee.

Mr. SAUNDERS of Virginia. The gentleman from Wisconsin, practically speaking, can allow other gentlemen to speak in his time and we can not stop him. Nobody can stop him.

Mr. DOWELL. Not if the gentleman from Tennessee yields the time?

Mr. SAUNDERS of Virginia. No; the gentleman from Tennessee need not yield the time. I yield to the gentleman from Wisconsin, for instance, 25 minutes. The gentleman from Wisconsin takes the floor. Somebody asks the gentleman from Wisconsin if he may interrupt him. The gentleman from Wisconsin allows him to interrupt him and to proceed for 5 minutes, if he wants, or 10 minutes. Nobody can stop that.

Mr. DOWELL. Certainly; with the gentleman from Wisconsin still occupying the floor.

Mr. SAUNDERS of Virginia. Yes; he has the technical right to the floor.

Mr. DOWELL. Certainly.

Mr. SAUNDERS of Virginia. So that that works out, as a practical proposition, as a yielding of time by the gentleman.

Mr. DOWELL. That is correct, certainly; but not in the manner in which it was suggested.

The SPEAKER pro tempore (Mr. CANDLER of Mississippi). That is the way in which the Chair intended it. So the statement of the Chair was correct. To whom does the gentleman from Tennessee yield?

Mr. SIMS. I yield 25 minutes to the gentleman from Wisconsin [Mr. ESCH] for debate only.

Mr. BORLAND. Will the gentleman yield to me five minutes?

Mr. ESCH. I have enough requests to take up the 25 minutes without yielding any more to the gentleman from Missouri.

Mr. SIMS. Perhaps, possibly, before the debate is over we may get an opportunity for these other gentlemen to be heard.

Mr. BORLAND. Can the gentleman from Tennessee yield me five minutes?

Mr. SIMS. That leaves us only 10 minutes on this side. I would rather yield to the gentleman from Missouri [Mr. BORLAND] than to any other man who is not a member of the committee, because he introduced the bill.

Mr. DOWELL. I suggest to the gentleman that he ask unanimous consent for more time.

Mr. SAUNDERS of Virginia. I ask unanimous consent that the gentleman from Missouri [Mr. BORLAND] may proceed for five minutes, the time not to be counted as a part of the hour of the gentleman from Tennessee, and the gentleman from Tennessee to lose no rights by reason of it.

Mr. DOWELL. I ask unanimous consent that the debate be extended 20 minutes beyond the hour.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent that the time be extended 20 minutes beyond the hour.

Mr. SIMS. I would have to object to that without an agreement that the previous question should be considered as ordered at the expiration of the time for debate.

Mr. BROWNING. I object, unless that agreement is made.

The SPEAKER pro tempore. The gentleman from New Jersey objects——

Mr. BROWNING. Unless the agreement is made as suggested by the gentleman from Tennessee.

Mr. DOWELL. I will incorporate that into the request for time.

The SPEAKER pro tempore. The gentleman will state his request.

Mr. DOWELL. That 20 minutes time beyond the hour be granted, and that the previous question be ordered at the end of the hour and twenty minutes.

Mr. SIMS. On the bill and all amendments.

Mr. DOWELL. On the bill and all amendments.

The SPEAKER pro tempore. The gentleman from Iowa asks unanimous consent that the debate be extended 20 minutes beyond the hour to which the gentleman from Tennessee [Mr. SIMS] is entitled, and that at the close of that time the previous question be considered as ordered on the bill and all amendments. Is there objection?

Mr. MADDEN. I object.

The SPEAKER pro tempore. The gentleman from Illinois objects.

Mr. HASTINGS. Regular order!

Mr. SIMS. I yield 25 minutes to the gentleman from Wisconsin [Mr. ESCH].

Mr. BORLAND. I ask unanimous consent that I may have five minutes, not to be taken out of the hour.

The SPEAKER pro tempore. The gentleman from Missouri asks unanimous consent for five minutes, not to be taken out of the hour. Is there objection?

Mr. JOHNSON of Washington. I object.

Mr. SIMS. I yield to the gentleman from Wisconsin [Mr. ESCH] 25 minutes for the purposes of debate, without losing the floor.

Mr. ESCH. Mr. Speaker, this bill divides the territory of the United States into what are known as five zones, approximating the zones now established by the railroad companies, with the right in the Interstate Commerce Commission to delimit these zones so as to make the delimitations as convenient as possible to traffic conditions. Under the present system there have been many cases of inconvenience because the limits of the zones were not definite. Under the powers granted by the bill the Interstate Commerce Commission will fix these zones. Under present conditions I know of a city in central zone territory which as to one railroad uses eastern time and as to another railroad central time, to the great confusion of the traveling public. There ought to be no such confusion. With the power herein granted to the Interstate Commerce Commission to fix the zones, basing them largely upon the junction points, there will be no confusion. Daylight saving is not a new matter. It is not an untried experiment. Twelve or thirteen nations have adopted it. Every European nation at war has adopted it, and not one of them has seen fit to go back to the old system. The fact that it has proven a success in every country that has tried it is a sufficient justification for this country to adopt it.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. ESCH. For a question.

Mr. GARRETT of Tennessee. In those countries that have adopted it, have there been any changes in the hours of labor for the factory workers?

Mr. ESCH. No; not as I understand.

Mr. GARRETT of Tennessee. That is, they are run by the clock, as before?

Mr. ESCH. Does the gentleman mean in the number of hours worked by the people?

Mr. GARRETT of Tennessee. I do not mean the number of hours of work. I mean in the time at which they go to work.

Mr. ESCH. They begin an hour earlier, based upon sun time, so that they get through an hour earlier in the afternoon, and that is one of the main purposes of this proposition, that the laboring people can get through at 4 o'clock in the larger centers, whereas they now get through at 5 o'clock, and can devote the balance of the afternoon and the early evening to gardening, other outside work, amusements, and so on.

Mr. GARRETT of Tennessee. If this bill shall pass here, I wish to know whether the factories in this country will continue to run by the clock as it now stands—that is, by sun time, using that as a nearly accurate expression—or whether it means that

where they now begin work at 7 o'clock, they will then go to work at 8 o'clock?

Mr. DOWELL. No; they will go to work at 7 o'clock.

Mr. GARRETT of Tennessee. Seven o'clock as it is now or 8 o'clock as it is now? In other words, whether they will change the hour of the clock at which the whistles will blow? Where they now blow at 7 o'clock to call the people to work, will the whistles then blow at 8 o'clock?

Mr. LEHLBACH. Will the gentleman yield?

Mr. ESCH. I can not yield at this time. Mr. Speaker, this fact ought to be remembered, that nations that have adopted this proposition in Europe are located in latitudes higher than a great portion of the United States. The nearer we get to the equator the more even the nights and days are, and therefore in the southern part of the United States, possibly in Florida and southern Texas and southern California, they will not be able to save as much sunlight during the months covered by this bill as will the people living in the Northern States. They therefore may not get the full benefit of the act. But it is to be remembered that most of France, practically all of England, Norway, and Sweden, and a great portion of Germany are, in point of latitude, really north of New York City. Therefore their days covered by the daylight act are very much longer than they would be in the southern latitudes. However, in the United States there is scarcely a section that will not be benefited by this act. It will save time; it will save light; it will save fuel; it will increase the comforts of thousands of people. It will aid in the prosecution of the war, and all these are factors which justify Congress in adopting this act.

I will now yield to the gentleman from New Jersey [Mr. PARKER].

Mr. PARKER of New Jersey. Mr. Speaker, "man's work is from sun to sun." That was true in the old days when there were no clocks. Husbandmen and sailors started with sunrise and that began their day. We go to work by the clock. We find in the summer that the sun gets up earlier and the clock time does not go ahead with the sun. Usually we begin our hours of labor in the factory at 7 o'clock. The result is that in the summer three good hours of morning daylight are lost in many countries, hours that men ought to use so as to get their afternoons to themselves.

It is comparatively a very short time since there were any clocks, and the errors of clock time are as conspicuous as its novelty.

The sailor had a half-hour sand glass which he turned over at sunrise, and when it was out sounded one bell, repeating this until he got to eight bells, and then beginning over again. Short watches of two hours in the evening, called the "dog watch," arranged for the change of men on deck. The first clocks were poor things. They finally became good enough timekeepers or chronometers to enable the mariner to guess at longitude, although as late as 1798 Vancouver could not tell his longitude within a degree, and in 1825, the beginning point of the survey of Alaska, allowed a margin of two degrees of longitude to cover errors. Those who travel by sea know how the clock is changed every day according to the longitude and the time when the sun crosses the meridian.

The sun itself is nearer the earth in winter and moves faster, so that the length of the days varies during the year, and our clock time is called "mean time," being an average of the sun time during the year.

Since the introduction of factories and fixed working days the people of cities where they had clocks began to work by clock time, while the farmer in summer still gets up with the sun in order to get his harvest in.

The trouble with clock time is that the whole community gets used to starting different sorts of work at 6, 7, or 8 in the morning, while daylight begins much earlier, but common agreement has the force of law. The workman would consider it an imposition to be asked to begin an hour earlier by the clock. In families where there are servants breakfast can not be had until the servants are up and the milkman has called. Markets, stores, banks, factories, libraries, railroads, trolleys, and all other machinery of civilization have each its own time-table, and each one depends upon the other. A commuter can not get to town until the train runs, and more trains are run at hours which suit the convenience of the community. A single man can get up earlier and go it alone at anything that interests him. The great historian and student, Thiers, used to rise at 3 and get six hours' work in his study before he went to business. After dinner he appeared for a few minutes at the official reception and then went to bed. But most men and women must go with the crowd, and there can be no change, no matter how beneficial, which is not a matter of common consent and which is not acceded to by all.

This bill, as a practical matter, proposes to put the clock forward in summer so that it will ring 7 o'clock at what we now call 6 o'clock, and factory and work generally will begin more nearly with the day. A few of us get daylight for ourselves by rising early and getting to work before the rest start, and if you start with daylight I may not have daylight for my morning exercise. Thus it is not true, as some of us have thought, that every man can arrange his time for himself.

My friends, the Colgate Co., in Jersey City, tried daylight saving. They got the workmen to agree to come an hour earlier, so as to get an earlier workday and have the afternoon to themselves. Everyone liked the plan, but they found it would not work well because the morning trains did not run frequently in the early hours. Everybody must make the change at once.

Railroad travel has become an absolute necessity. American railroads run east and west, and in 24 hours, from New York to Chicago, the time changes by more than an hour. The difficulties attending the change of time with each degree of longitude were of little importance as long as railroads were short, but as the system ran 3,000 miles, from the Atlantic to the Pacific, these frequent changes became unbearable, and to make travel safe it was necessary that the time should not be in doubt and that the engineer's watch should be a law from the beginning to the end of his run. Hence came the adoption of the system of zones, in which the time changes an hour at certain points, preferably, whenever possible, at junction points, such as Pittsburgh, Buffalo, or Omaha. These railroad zones are described in the bill and are made subject to the rules of the Interstate Commerce Commission. The time set by the railroads has been very generally adopted by the various cities and towns throughout the Union and followed abroad. There is no law for this, and it is merely a matter of common consent. It is only one of the instances of how much can be done without law and by common consent, habit, and agreement.

Perhaps the bill might have stopped with simply saying that railroad time should be put forward, and governed in this way. The present standard time exists by mere agreement between the railroads, which changed the hours all over the country so as to avoid altering the time with every few miles of travel. The system works very well, although in some places standard time is a half hour ahead of the sun and in others a half hour behind. In one gentleman's district—Mr. COOPER of West Virginia—the sheriff, following the almanac and railroad time, closed the polls 20 minutes before sunset because the sun ought to have set at that time. [Laughter.]

It is not certain whether towns will feel at liberty as they are now to adopt what time they please. Savannah found it inconvenient to use Chicago time, and its business now runs by New York time, although the railroads run by Chicago time. The same thing is true in Ohio. This is a country of local independence.

The action of these towns is a proof of the practical character of the bill. Chicago time was 37 minutes slower than Savannah sun time, and it was found that a day's work would not be done before dark if it was to begin and end by Chicago time. The workmen certainly would not start an hour earlier by the clock, and so Savannah set the clock forward an hour, just as we are doing now. This governed all the affairs of the town, but everybody knew that if a railroad train started at 1 o'clock, it meant 2 o'clock by the Savannah time.

The advantages of getting up with the sun are so great that some arrangement to catch up with daylight in the summer has become absolutely necessary in time of war. "Early to bed and early to rise makes a man healthy, wealthy, and wise." It will give the workmen time in the afternoon, whether he work in the factory or the office. The children will have longer holiday after school. Men can go to their homes and be with their families. They can take care of gardens, and gardens and food production are now an absolute necessity. It will save gas and electric light, and therefore fuel. The figures of this saving are estimated in many millions. The system was adopted last year by England, France, Germany, Italy, Norway, Sweden, Denmark, Holland, and Portugal, and this year by Australia and Iceland, but, of course, it was reversed in Australia. An hour of daylight to 20,000,000 workers and 100,000,000 people is of inestimable value. The change is a practical one and will only be made twice a year. It will shorten one night in the spring by an hour and lengthen one night in the fall by an hour, and the only objection that has been made is that some through trains will be an hour late one night when the time is changed. Late trains are not uncommon.

This legislation does not attempt to change time. Actual time can not be changed by legislation. It changes only the artificial time which we have. What is called "mean time" is an artificial compromise. Standard time is an entirely artificial agreement by which one place takes the time of another so as to keep to equal hours and even time throughout certain zones. The language of the bill if carefully read provides that the railroad time shall be made an hour earlier during the summer and this could have been done by an order of the Railroad Director without any statute. It likewise says that United States offices shall be operated by this statutory time and that United States statutes as to time shall be construed to refer to that time. When the act provides that it shall determine "the time in which any act shall or shall not be performed by any person subject to the jurisdiction of the United States," the courts may limit the word "jurisdiction" so that the enactment may not extend for all purposes to all United States territory, but only to matters within United States constitutional jurisdiction. But common consent will do the rest. The people have generally adopted railroad standard time and the people will adopt United States standard time because it gets them nearer to the real day. We follow the motto, "Work while it is called to-day." This is a practical matter. It does not settle theoretical time. It settles the practical question of when a man shall work by saying that our arbitrary time shall follow the seasons.

It is of no consequence whether the bill technically goes too far in saying that everybody shall be bound by the new time, because, although time and tide wait for no man, and the sun does not stand still or go ahead for the American Congress, as it did once for Joshua [laughter], it is beyond all question that on the whole this bill will work for the practical advantage of the community, and I support it heartily, whether for peace or war.

Mr. ESCH. Mr. Speaker, I yield three minutes to the gentleman from New York [Mr. HICKS].

Mr. HICKS. Mr. Speaker, the full merit of this proposed legislation has been obscured behind the clouds of ridicule and lack of understanding, some of the darkness which this bill seeks to eliminate. This measure does not propose to change either the laws of nature or the habits of man. But it does seek to alter the conditions under which we work and play.

In answer to the gentleman from Tennessee [Mr. GARRETT], let me say that, briefly, the setting forward of our clocks neither lengthens or shortens the hours of toil. The working day under the new arrangement of time remains the same, so far as the actual length in hours of that day is concerned. It merely means that the working day will commence one hour nearer to sunrise and terminate one hour further away from sunset than at present. And as a corollary the time for recreation will begin one hour earlier and end one hour earlier. That is all there is to the proposition in its simple analysis. In other words, we merely borrow 60 minutes from the afternoon and loan them to the morning.

This will enable us to do more in the early hours of the day and then have more time for recreation in the afternoon, while it is yet light. The same amount of time for work and and the same amount of time for play will be ours as at present, the only difference being that our work and our pleasures will be consummated in daylight. It means that, accomplishing the same, we cut off one hour of darkness, thereby benefiting health and saving that much artificial light and the corresponding amount of fuel to produce that light. I am heartily in favor of the proposition.

Mr. ESCH. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. ROGERS] two minutes.

Mr. ROGERS. Mr. Speaker, the daylight-saving proposal is almost the only thing since the summer of 1914 on which the entente powers of Europe and the central powers have been able to agree. The forerunner of the movement in the world was Germany, which passed a law on the 6th of April, 1916, putting forward the clocks one hour. Within three months of that time the following countries of Europe had adopted the daylight-saving plan: Holland, Austria, Turkey, England, France, Norway, Sweden, Denmark, Italy, Switzerland, Spain, and Portugal.

Mr. KING. Mr. Speaker will the gentleman yield?

Mr. ROGERS. I have not the time. In 1917 this list was increased by the addition of Australia and Iceland. I believe that in the New World Nova Scotia has set the United States a good example. England was actuated by considerations growing out of the war in adopting this policy. She found that she could effect an enormous saving in coal for military and naval purposes if she adopted the daylight-saving plan. It is said that in 1917 she saved nearly £3,000,000 as a result of the daylight-saving plan, and thereby released the equivalent in coal for her war vessels and for her war industries. As a war measure and as a peace measure I favor this bill. When I was in Great Britain in November I made full inquiries into the workings of the daylight-saving movement. Everywhere I went I was told that it had become an integral part of the fabric and life of the people of Great Britain, and that they would not, if they could, even consider going back to the old régime. [Applause.]

Mr. SIMS. Mr. Speaker, I yield five minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Speaker, I do not know that I have any particular objection to this bill; I just decline to take it seriously. I do not know that it is going to help anyone and I do not know that it will hurt anybody. I suppose I would not have taken any time except that I want to remove the impression that I am inclined to "pester," as some folks say, my good friend from Tennessee, the chairman of the committee, Mr. SIMS. I would not think of that, because I am very fond of the gentleman from Tennessee, and if the House will permit me I shall tell the reason why. He is the first real live Congressman that I ever saw. I remember when I was a barefooted boy in his district he was pointed out to me as he walked along the road as a Congressman. That morning I had gone to work at daylight—not by the clock—and I was throwing up sweet-potato hills with a hoe, the meanest work that a boy ever did, unless it be "suckering" tobacco; and those of you who were raised in Tennessee and Kentucky know what that is. So ever since that time as a barefoot boy when I saw him, my first real Congressman, I have been exceedingly fond of him and have watched with pride his steady rise to his present great influence and high standing in the House, and when I get "naughty" with him it is simply the naughtiness of a young man to an elderly man whom he loves and respects. God bless him, I hope he will remain in Congress for many years to lead us by his wisdom and cheer us with his graciousness.

The gentleman from Missouri [Mr. BORLAND] is one of the most ingenious, hard-working Members of this body. He is always serious about everything, and he thought that I wanted to repeal the laws of nature or alter them. That is not what I am trying to do. He is the one that is trying to make the change. I was serious when I told him that I read a magazine article last Sunday proposing a winter thermometer.

I do not recall the name of the gentleman who wrote it, but if I can find the article I am going to ask the privilege of putting it in the RECORD, because it was a serious article, advocating that Congress provide for a winter thermometer and fix the freezing point at 45° Fahrenheit, on the serious theory that people generally try to keep their apartments and houses at between 60 and 70 degrees of heat, and they could look at the thermometers and be fooled, and in that way save fuel next winter. I have as much respect for that proposal as I have for this. Mr. Speaker, you can not change the habits of a Nation, and that is what you are trying to do by this legislation. A majority of the men who advocate this character of legislation have not seen the sun rise in 20 years [applause and laughter], and they will not see it if you pass this bill. This bill is for the relief of the slackers of the Nation who are too lazy to get up early. If it will get them out of bed earlier and get them to their offices at 9 o'clock instead of 10 o'clock, it may not do any harm, and may do some good.

But the great mass of the toiling people of this country will go on getting up before or at daylight. This is simply a bill to deceive men who are too lazy to get up, and have not the will power to set the alarm clock earlier. If you want to save daylight, why do you not run up the clocks two hours instead of one? You can do it. You have plenty of opportunity during the summer months to get up two hours earlier and use the daylight. These men who traipse around here at night are not going to bed any earlier, and they will not get up earlier if you pass this.

Mr. KINCHELOE. Will the gentleman yield?

Mr. WINGO. I will.

Mr. KINCHELOE. The thing I am concerned about in this bill is, and I know the gentleman represents an agricultural district as well as I do, is not the beginning of the day but the end.

Mr. WINGO. There will not be any end.

Mr. KINCHELOE. Of course, stores and every other business that opens an hour earlier will close an hour earlier. Now, would that not inconvenience people who work not by the number of hours in the day, but until the sun goes down?

Mr. WINGO. No; I do not think it would make any difference. I think there are a great many people in this country that will not pay any attention to this law; and people will go around here in the city of Washington and ask, "What time is it?" "Do you mean the congressional time or the standard time," will be the reply. The farmer will have a good laugh over our tinkering with the clocks. We have tinkered with everything; we have tried to repeal the law of supply and demand, now you are tinkering with the clocks, and if you keep up this foolishness, some fool will ask us to suspend the law of gravity and regulate the period of gestation. [Laughter.]

Mr. KING. Will the gentleman tell me at what time Congress will convene?

Mr. WINGO. I do not know.

Mr. KING. Congress is supposed to convene at 12 o'clock noon.

Mr. WINGO. It will convene at 12 o'clock "congressional" time, or at 11 o'clock real time.

Mr. STEVENSON. Will it interfere with the time of getting up on Sundays?

Mr. WINGO. If the gentleman is constituted as I am, it will not. I repeat, I am not so much opposed to this legislation, as I can not take it seriously. We should not be wasting our time on such bills, but should go on with the war-finance bill, the great supply bills for the Army and Navy, and other measures for speeding up the war. While our boys are fighting in the trenches we are here like a lot of school boys "tinkering" with the clocks. [Applause.]

Mr. SIMS. Mr. Speaker, I yield five minutes to the gentleman from Pennsylvania [Mr. DEWALT], a member of the committee.

Mr. DEWALT. Mr. Speaker, I, like some other gentlemen who have spoken in regard to this bill, at first regarded the subject with some levity, and thought the matter might be futile and that it was chimerical, but the longer I have thought about it and the more closely I have examined it the more I am convinced that there is practical utility in it.

The best proof of a pudding is the eating thereof, and the very best proof of the business sense of the world in regard to a measure is what the business men say. Now, this measure has been advocated by the National Chamber of Commerce, representing 450,000 business interests in this country. That in itself, in my judgment, would be conclusive proof of the merits of the matter. But further than that—and I have so little time I can not discuss the merits of the bill—permit me

to observe to this distinguished assembly that this very measure, according to Mr. Brunet, who is a skilled public-service engineer in Providence, R. I., is estimated to save $40,000,000 in fuel in the United States in one year. We have cried for fuel; we say that there is a scarcity of it. We all know we need it, and need it all the time, and if that item alone is to be taken into consideration, it would be a moving consideration to me.

Mr. RAMSEYER. Will the gentleman yield?

Mr. DEWALT. I must decline to be interrupted.

There were $10,000,000 saved in five and one-half months in France for fuel alone. There were $12,000,000 saved in England for five months and a half in fuel for light and heating purposes. There were 200,000 tons of coal saved in the city of London in the period of five and a half months by their daylight saving.

There are to-day about 102,000,000 people in this country outside of the territorial expansion that we have in the Philippines and in the Sandwich Islands. Of those we can safely say there are about 20,000,000 men and boys and other male labor engaged in our manufacturing industries and upon our farms. Allow one hour per day in these four or five months as the saving in time by the advancing of the clock, by having them get up earlier and working at that time, and you save all those hours. If there ever was a time in the history of the Nation when we needed productive farm labor, incessantly and intensely, this is the time.

Some gentlemen say we can not change nature, that we can not change the habits of the people. I admit you can not do that by legislation, but you can do it by the moral effect of the legislation and you can do it by the example that has been set.

Now, this matter can not be accomplished unless there is a concentration of effort. If one establishment in Pittsburgh says, "We will have daylight-saving regulation," and another says, "We will not," there is no concentration of effort. If one city says it will do so and another city says it will not do so, again there is the competition and no concentration. But if you have a national law to the effect, although it is not penal, although there is no penalty attached to the violation thereof, and although it is nothing except moral suasion and example, if you have a national law and it is general and universal, you have a concentrated effort, and that is what the bill does and nothing else.

Mr. SAUNDERS of Virginia. Will the gentleman permit me to ask him a question?

Mr. DEWALT. Certainly.

Mr. SAUNDERS of Virginia. Has this experiment been tried out in England under war conditions?

Mr. DEWALT. It has, sir.

Mr. SAUNDERS of Virginia. And is the report from England to the effect that it has been satisfactory?

Mr. DEWALT. Satisfactory, and completely so. They saved $12,000,000 in fuel in five months' time.

Mr. HUMPHREYS. How will they save fuel?

Mr. DEWALT. By reason of the fact that if they go to work at one hour earlier in the daylight they do not require light. The coal is used in producing electric light.

The SPEAKER. The time of the gentleman has expired.

Mr. ESCH. Mr. Speaker, I yield three minutes to the gentleman from Wisconsin [Mr. COOPER].

Mr. COOPER of Wisconsin. Mr. Speaker, I heard the gentleman from Mississippi ask a moment ago how this would save any fuel. I will answer his question. In the cities and towns of the country a great many places are required now to close at 11 o'clock at night. If these places should put the clock ahead one hour they will really close at what now is 10 o'clock, and thus save an hour's consumption of fuel for the purpose of artificial light. It will save, also, an hour's consumption of fuel in millions of places for the production of heat. And these two savings will together save millions in money.

Now, here in my hand is the answer to the gentleman's question as to what the saving has been in London, England. Mr. Robert Garland, the president of the Chamber of Commerce of Pittsburgh, as chairman of the daylight-saving committee of the United States Chamber of Commerce, testified before the Senate committee. By the way, the Senate passed this bill unanimously. This is what he said:

I believe, also, Senators that if you will ascertain from the British or the French commissions, from any of the members who are here, they will say that they not only are satisfied to have this in time of war, but they will also continue it in times of peace. Those are the verdicts we get from these various countries, and we have corresponded with chambers of commerce in Great Britain; we have statistics and reports from the main cities, such as London, Birmingham, Manchester, Glasgow, and other cities, as well as Belfast, in Ireland. We have reports from Vienna; we have reports from Berlin; we have reports from Paris. In England alone, in the short term of five and one-half months, they saved in fuel $12,000,000 in our money, and in France $10,000,000. It means economy, it means efficiency, it means physical recreation for our people, and it means farm gardening to a very much larger extent than we have to-day, because it gives the men, women, and children that extra hour, and that is the one thing I wish to impress upon you.

Mr. Speaker, in reply to the question asked a few minutes ago by another gentleman, it is sufficient to say that where shops now open at 7 in the morning by the clock they will continue to open at 7 by the clock——

Mr. PADGETT. But that will be 6 o'clock.

Mr. COOPER of Wisconsin. That will make no difference at all. They will work the same number of hours, but they will quit one hour earlier, and therefore will consume less fuel in the evening for artificial light. Moreover, the places of amusement, all the theaters and countless other places, though closing at the same hour by the clock, will really be closing one hour earlier, and thus require less fuel for heat and light.

The gentleman from Arkansas [Mr. WINGO] said that he could not take this bill seriously, and yet it presents a subject so serious and important that England, France, Austria-Hungary, Italy, Sweden, Denmark, Norway, Australia, Iceland, and Bermuda have considered it, have all adopted the plan proposed by this bill, and, according to official reports, with most gratifying results. It would seem as if the gentleman from Arkansas could afford at least to consider the bill seriously.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. PADGETT. I would have liked to ask the gentleman a question for information.

Mr. SIMS. Mr. Speaker, I yield three minutes to the gentleman from Pennsylvania [Mr. ROSE].

The SPEAKER pro tempore. The gentleman from Pennsylvania is recognized for three minutes.

Mr. ROSE. Mr. Speaker and gentlemen of the House, when I first began to consider this question of daylight saving I was disposed to believe with my friend from Kentucky, Mr. THOMAS, but since that time I have given some consideration to the measure and am now heartily in favor of the provisions of the pending bill.

At a meeting composed of men representing farmers, business and professional men, and industrial establishments, held in the city of Johnstown, Pa., recently, resolutions were adopted favoring the daylight-saving bill and urging its enactment, a copy of the same having been forwarded to me and mention made thereof in the RECORD.

In a community such as that in which I live, composed largely of industrial workers, it has been found that in times like the present emergency men are very glad to be able to leave their employment one hour sooner and devote that hour in their war gardens, and many of our men are doing such work right now. Those of us who have had no experience whatever with men employed in industrial establishments have no conception what the cessation of daily employment one hour earlier in the evening means. At this time of the year men who are employed at day work are required to eat their morning and evening meal by artificial light. By the change now proposed, the daylight saving will work a wonderful change in the evening and furnish opportunity to vastly increase the raising of food products. I am in sympathy with the arguments already adduced in favor of this measure and hope that there will not be one dissenting vote.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. ESCH. Mr. Speaker, I yield two minutes to the gentleman from New York [Mr. PLATT].

The SPEAKER pro tempore. The gentleman from New York is recognized for two minutes.

Mr. PLATT. Mr. Speaker, when I first heard of the daylight-saving proposition I thought it was a little strange that people could not agree, if they wanted to, to get up an hour earlier without changing the clock, but the more I have looked into the matter the more I have understood that if you want to change the habits of people you have to change the clock. After all, there is a good deal that is arbitrary about our methods of reckoning time, and clocks are rarely exactly right anywhere. A day is the time it takes the earth to turn around on its axis, and just why it should be divided into 24 parts called hours, I do not know. It comes down to us from some ancient method of reckoning. The 24 hours, 1 hour to every 15° of the circle, do not work out exactly right, and there is a difference of some 4 minutes, I believe, between what is called solar time and siderial or astronomical time. Then the earth does not turn over exactly 365 times while it is going around the sun in a year, but about 365¼ times, so we have to add a day once in four years in February to make the years come out right in the long run. The months are supposed to come from the revolutions of the moon, but to make them come out right in

a year some have been given 30 days and some 31 days, and one 28 days, except once in four years, when it has 29. There is a good deal that is arbitrary about it all, rather than scientific. In the doctrinaire days of the French Revolution they tried to change a good deal of this, and were going to have it all arranged on the decimal system, with 10 months in a year and 10 days in a week, and I have forgotten whether they tried 10 hours in a day or not—but, anyway, it did not last. It was real, genuine revolution, however, and one evidence that the Russian revolutionists, the bolsheviki, are not the real thing is shown in the fact that they have not tried to reform the calendar, though the Russian calendar needs it as much as some other things Russian.

The division of the United States into time belts 15 degrees, or an hour, apart is arbitrary, but so convenient and workable that ever since the railroads adopted it in 1883 it has been generally accepted by everybody, and I have been very much surprised in reading the hearings on this bill to find that the standard-time belts have never before been given the sanction of law. The fact that they were generally adopted without any law shows that you can work great reforms without passing laws, though the fashion nowadays is to pass a law for everything, and this bill to turn all the clocks ahead an hour on March 31 caps the climax of the present fashion. It is nevertheless a workable proposition and will undoubtedly save daylight and fuel, a matter of prime importance during these strenuous war times. Under the present standard-time system there are places where the clocks are nearly an hour faster than the real sun time, and the people in those places are to-day complacently getting up at 5 because the clock says 6 without knowing the difference. That proves the value of the plan without drawing on the experience of European countries. My friend, the gentleman from Arkansas [Mr. WINGO], says you can not change the habits of the people by law. The answer to that is that the habits of the people in the matter of getting out of bed and getting into bed and going to work were changed when the standard-time system was adopted.

Mr. Speaker, it may seem an exaggeration to say that there are places where people are to-day getting up at 5 because the clock says it is 6, but Cleveland, Ohio, is an example. Travelers know that as you go westward on the New York Central or the Erie the railroad time changes to central time at Buffalo. You set your watch an hour back on leaving that city. Suppose you arrive at Cleveland, some five hours by train west of Buffalo, at 6 o'clock. You will find the clocks in the city set at 7 o'clock. After trying central time a while the people of Cleveland decided, as a matter largely of daylight saving, to reckon by the eastern standard of the seventy-fifth meridian instead of the central time of the ninetieth meridian, which is considerably west of Chicago and not far from St. Louis. As Cleveland is about at longitude 82, its clocks were about 28 minutes slow by central standard time and are 32 minutes fast by eastern time. They found that everything went along better with the clocks indicating a half hour later than the actual time rather than a half hour earlier.

In my district eastern standard time is practically the same as actual time. The seventy-fifth meridian is the meridian that passes through Philadelphia, and it passes through Sullivan County, N. Y., at Lackawaxen, a little junction point on the Erie Railroad. Port Jervis, which is in Orange County and about the westernmost point in my district, is about 18 minutes of longitude east of this point. Its clocks are therefore a minute and some seconds only slower than actual time. The seventy-fourth meridian passes through the Hudson River, between the cities of Newburgh and Beacon, and clock time in those places and in Poughkeepsie is just 4 minutes behind the actual time—that is, behind what it would be if eastern standard time were reckoned from the seventy-fourth instead of the seventy-fifth meridian west longitude. Millerton, which is the easternmost place in my district, is about at longitude 73° 30′, and its clocks are therefore about 6 minutes slow. When you get over to Boston, Mass., eastern standard time is some 16 minutes slow, and at Eastport, Me., longitude 67°, it is 32 minutes slow. It will be a particularly good thing for those far eastern points to set their clocks an hour ahead during the spring and summer, but it will also be a good thing everywhere else. Our time standard after Easter Sunday till October will be sixtieth meridian time, the meridian of far eastern Nova Scotia.

It is expected that the enactment of this law will lead to a good deal more of food production, particularly by small gardeners in the suburbs of the smaller cities and villages, and I believe that expectation is warranted. It will be a pretty lazy individual who will not make some good use of the extra hour of the afternoon and evening. How it will work out with the genuine early risers, of whom there are some in every city and village—people who have been accustomed to doing half a day's work before breakfast—I am not so sure. They have always been daylight savers, like the farmers.

Mr. Speaker, the farmers are the real daylight savers. They have been getting up early and going to bed early for generations, and that is why so many of them are healthy, wealthy, and wise. This bill is designed to give the city people equal advantages. They will not get up an hour earlier without this little scheme to fool them into thinking that it is an hour later than it really is, but when they once get started at it they will all be glad of it.

I have been interested in this proposition for several years, and, incidentally, Mr. Colgate, of Colgate & Co., who has tried the plan in his factory at Jersey City with great success, in spite of somewhat unsatisfactory train service, lives in my district and has written me several times about it, and I have been interested in Senator CALDER'S efforts, which are now to be crowned with success. Chambers of commerce and many manufacturers and business men in my district have favored the daylight-saving bill, and I have no doubt that it will be passed without much opposition and will be entirely successful. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. SIMS. Mr. Speaker, I yield three minutes to the gentleman from Massachusetts [Mr. OLNEY].

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for three minutes.

Mr. OLNEY. Mr. Speaker, I do not know of any legislation that has been more universally demanded than the daylight-saving bill. This bill was passed by the Senate early last summer. I am glad that the time has been extended by the House committee from five to seven months.

I was one of a committee of three Congressmen to visit the White House last summer in the interest of this bill, the other two Members being the gentleman from Tennessee [Mr. SIMS] and the gentleman from Missouri [Mr. BORLAND], the author of the bill. The President told us that he needed no conversion to the idea of daylight saving. Back 30 or 40 years ago, when it was the custom to work from dawn until darkness, there was a young chap working in a woolen mill, working 12 hours a day. He requested his employer for a day off. His employer asked him for what reason. He said, "I work 12 hours a day and at the end of the day I am fatigued, and when Sunday comes I sleep all day. I want a day off so that I can see what the daylight looks like."

This will be of tremendous benefit not only to those athletically inclined, who play golf and tennis, but to all the industrial workers of this country. It has been shown that in England in the few months of experiment it has saved $2,500,000.

By unanimous consent, I wish to insert in the RECORD letters from Marcus A. Marks, president of the Borough of Manhattan, and from Sidney Colgate, of Colgate & Co., who has tried this out in private industry with great success.

The letters are as follows:

NATIONAL DAYLIGHT SAVING ASSOCIATION,
New York City, January 28, 1918.

DEAR CONGRESSMAN OLNEY: Answering your kind lines of 21st, just received, I inclose my most recent summing up of the arguments for daylight saving.

Experiences in single cities, like Cleveland and Detroit, while usually satisfactory, do not touch the present movement, which is a summer proposition (Apr. 28 to Sept. 29), and which is to be not local but universal in this country, and which will in turn bring us into harmony with Europe, where daylight saving is also a summer regulation.

In the winter there is no daylight saving by pushing clocks forward, because you lose as much by the darkness in earlier rising as you gain by retiring earlier.

We have studied this carefully for two years and feel certain of ground, as stated in Post article. Glad you will help push this into the light, I remain,

Cordially, yours,

MARCUS A. MARKS.

COLGATE & CO.,
New York, January 26, 1918.

Hon. RICHARD OLNEY,
House of Representatives, Washington, D. C.

MY DEAR MR. OLNEY: I am inclosing copy of a statement which I have just sent to the Outing Publishing Co. I think it is exactly what you want, and it will be all right for you to use any or all of it in any address that you may make before the House, and you may use my name and that of our company in connection with it.

We are heart and soul in favor of daylight saving. It would, no doubt, now be considered a war measure, but I am convinced of the fact that if our Nation tries it it will never give it up; it will be one of the blessings which will come to future generations through this war.

I thank you for your interest, and if there is anything further that I can do to help you in this matter please do not hesitate to call on me.

Yours, sincerely,

SIDNEY M. COLGATE.

COLGATE & CO.,
New York, January 26, 1918.

We have found that closing our office an hour earlier in the summer has been of much benefit to our employees. They have been able to use the extra hour for recreation and out-of-door work. In speaking to the head of one of our departments, in the fall of the first year that we tried the daylight-saving plan, I said: "George, you have not had a vacation this summer, when do you propose to take it?" He replied: "I do not feel as if I needed any vacation. Every day during the summer was in the nature of a short vacation, and I have never been in better health."

This was the experience of practically all of our office force. We found that all, both men and women, were in better condition; that they worked with much more snap and energy, and that the same force put through more work than before the daylight-saving plan was adopted. Getting out earlier in the afternoon for some recreation or work which really counts, acts as a stimulus and encouragement, and we have found that there was a much more buoyant and cheerful spirit throughout our office force.

We would not under any circumstance go back to the old plan. After we tried this daylight saving for only a month and a half 94 per cent of our employees voted to continue it. Each year we have adopted it for a longer period. During 1917 it was in operation from the 1st of April to the 1st of October, and we certainly will put it into effect this year.

Congress could not take any action which would more easily save fuel, increase the production from the land, and benefit the health of the Nation than by putting into effect the Calder daylight-saving bill which passed the Senate at the last session, but was held up by the House. Almost universally business men are in favor of daylight saving, and if our Congressmen could only realize that their constituents are behind them in this matter there would be no question whatsoever that the bill would promptly be passed.

We are way behind our allies in this respect. They have tried it out and are convinced of the advantages of daylight saving. France has enacted a law that daylight saving, every year, whether they are at war or not, will commence on the 1st of April and continue until the 1st of October.

COLGATE & CO.,
By SIDNEY M. COLGATE.

Mr. Speaker, to practice what I preach, I yield back the remaining minutes of daylight of my time to the committee.

Mr. HASTINGS. Will the gentleman yield to me for a question?

Mr. OLNEY. I yield to the gentleman.

Mr. HASTINGS. The gentleman has stated that similar legislation has been passed in England and several other European countries. Is the time when this change goes into effect uniform?

Mr. OLNEY. It is proposed to conform——

Mr. HASTINGS. Does it go into operation in March or April, or at the same time this bill provides?

Mr. OLNEY. As I understand——

Mr. HASTINGS. Does it go into effect in March or in April? The Senate bill has one date and the House amended it. At what date does this go into effect in European countries?

Mr. SIMS. In England March 24. In Germany, I think, March 15.

Mr. HASTINGS. Then it is not uniform?

Mr. SIMS. Practically uniform.

Mr. HASTINGS. Very nearly so?

Mr. SIMS. Yes.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. ESCH. I yield to the gentleman from Pennsylvania [Mr. MOORE] three minutes.

Mr. MOORE of Pennsylvania. Mr. Speaker, I think all of the great industries in the State of Pennsylvania favor this legislation, and there is a reason for it. If work is begun in the mills one hour ahead of the present time of beginning work and it ceases one hour ahead of the present time of ceasing work, there will be an hour's saving, so far as fuel for artificial light and heat are concerned. It has been figured by men who are able to estimate on this subject, as to the 83,500,000 incandescent lights reported by the Census to be in use in 1915, that it requires to keep those lights going for one hour 6,126 tons of coal. For one hour per day from the end of April until the end of September it requires to keep those lights going 937,000 tons of coal. It is believed that 1,000,000 tons of coal per annum could readily be saved by the passage of this bill.

Gentlemen have suggested that foreign countries have adopted this daylight saving. That is true. In 1906 a parliamentary committee in England reported in favor of daylight saving. That was in a year of peace. The reasons given for it were these: "A greater use of daylight for recreation." That is to say, if work ceased one hour earlier in the day, there would be another hour for recreation, so far as the workers were concerned. The second reason was "less use of houses licensed for the sale of intoxicating liquors." That, of course, appealed to the people of England in particular at that time. A third reason was "the benefit to the general health and welfare of all classes." That included the saving of strain on the eyes. When a man works in the daylight the strain on his eyes is not so severe as it is when he works by artificial light. Another reason given by this parliamentary committee was the reduction of commercial and domestic expenses as to artificial light. That involves the coal-saving estimates I have mentioned for the United States.

Since the war broke out every European country, with the exception of Russia, has found it absolutely necessary to avail itself of these morning hours of daylight which had previously been wasted, because people did not begin work early enough to enable the various industries to avail themselves of the natural light and because there was an extravagance, a waste, and expense, due to the fact that work that could have been done by daylight continued after dark, when lights and fires had to be forced.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

By unanimous consent, Mr. MOORE of Pennsylvania was given leave to extend his remarks in the RECORD.

Mr. MOORE of Pennsylvania. Mr. Speaker, the trade and commercial bodies of Pennsylvania and Philadelphia have been sending resolutions urging the passage of this bill as a war measure—a speeding-up measure. Individual business men have also been writing to urge its passage. They want the advantage of that extra daylight hour for reasons that appeal to our business judgment. I shall incorporate several of these in my remarks, but for general information I submit a series of resolutions adopted by the American Philosophical Society, of Philadelphia, founded in the year 1727, which can not be accused of having any other than a scientific interest in this important question. At a meeting in the ancient home of the society in Independence Square, May 31 last, action was taken as follows:

RESOLUTIONS IN REFERENCE TO DAYLIGHT SAVING ADOPTED BY THE AMERICAN PHILOSOPHICAL SOCIETY.

Resolved, That the American Philosophical Society, convened in special meeting for this purpose, memorialize the Congress of the United States urging the early enactment of the identical bills, House No. 2009 and Senate No. 1854, entitled, respectively, "A bill to save daylight and to provide standard time for the United States."

Resolved, That the members of the American Philosophical Society urge their respective Senators and Representatives to take early and affirmative action on these bills, and that the society address the President, asking his approval of them.

Resolved, That the members of the American Philosophical Society urge their respective State legislatures to pass resolutions favoring these bills, as the Pennsylvania Legislature has recently done, and that they further urge commercial, financial, agricultural, and engineering associations in their respective localities to memorialize Congress for the early enactment of these bills.

Mr. Arthur H. Lea, in moving the adoption of the above resolutions, said:

In his autobiography, Benjamin Franklin wrote:

"In walking through the Strand and Fleet Street one morning at seven o'clock I observed there was not one shop open, though it had been daylight and the sun up above three hours; the inhabitants of London chusing voluntarily to live much by candle light, and sleep by sunlight, and yet often complain, a little absurdly, of the duty on candles and the high price of tallow." (Bigelow edition, Philadelphia, 1868, pp. 291-292.)

The founder of this society was the first to present the idea of daylight saving but his suggestion has been neglected for 150 years. Men can not and will not individually alter their habits of rising and going to bed, but collectively they can do so with no inconvenience. Traveling eastward or westward we alter our watches one hour at certain places and immediately forget the change and adapt ourselves to the new time. By Federal legislation we can do the same and as easily throughout the entire country.

The bills aforesaid would legally establish the standard-time zones adopted by the railroads in 1883, which innovation was then recognized as an immense convenience. They would also cover any legal questions by providing that standard time is to govern common carriers, Government officers, and persons subject to the jurisdiction of the United States in their acts and legal relations, rights, and contracts. Furthermore, after establishing standard time, these bills provide for advancing it in the five zones, respectively, by one hour at 2 a. m. on the last Sunday in April of each year, and for retarding it by one hour at 2 a. m. on the last Sunday in September. The only amendment necessary, now that April, 1917, is past, is to provide that for this year the advancement shall take effect at the earliest date, to be specified after approval of the act of Congress.

The advantages of daylight saving are manifold and great. Daylight is free, artificial light costly. According to the United States Census, issued in 1915, there were 83,500,000 incandescent lamps of 50-watt equivalent in the United States in 1912. The growth in the five-year period since 1907 had been at the rate of 84 per cent. Allowing for only a growth of 50 per cent in the five-year period from 1912 to 1917, there are conservatively 130,000,000 such lamps in the United States to-day. To illuminate this number of lamps one hour requires 6,126 tons of coal, according to the best station practice in large units. To illuminate them for one hour per day from the end of April to the end of September requires 937,000 tons of coal. This, then, would be the economy in coal alone by the daylight-saving plan. To this should be added the cost of transporting and delivering this 1,000,000 tons of coal, carting away ashes, etc. It has been impossible to ascertain how many of these lamps are illuminated with hydroelectric current, but it would be conservative to offset them against the oil and gas lamps in the country, and to conclude that the net economy in coal, oil, and gas to be effected by daylight saving would be equivalent to about 1,000,000 tons of coal a year.

From the labor standpoint, if we take eight hours as the standard workday, divided into two equal periods from 8 to 12 o'clock and 1 to 5, with rest and dinner from 12 to 1, there is one hour of daylight more from sunrise to 12 o'clock than from 1 p. m. to sunset, and this disparity increases to 1 hour and 19 minutes at the last Sunday in Septem-

ber. In other words, from two to three and one-half hours of daylight are now allowed to pass before work begins and only from three-fourths to two and one-half hours of daylight remain after work ends. It would obviously be better if these differences were more nearly equated, or even reversed, so that work would begin in a cooler hour and end sooner after the "heat meridian," when labor is more exhausting. The recreative period of the day would then have more sunlight, and the people would spend more time in fresh air, with resulting physical benefit. Eyestrain would be lessened by the substitution of an additional hour of natural for artificial light. As public health affects public efficiency, the productiveness of the Nation would be increased. Daylight saving, after long discussion during peace, was adopted as a war measure for efficiency and economy by the belligerent nations of Europe, excepting Russia, and the same reasons apply with even greater force to the United States, which does not have as long days and short nights as Europe in summer.

Agricultural productiveness would also be stimulated by the enactment of daylight saving. Farmers would have an extra evening hour of light, and those in other occupations who wish to raise food plants would have the same extra hour after the close of their working day. Thus this change of time would aid immensely in accomplishing the Government's expressed desire for increased food production.

As previously stated, all the belligerent European nations except Russia have adopted daylight saving as a war measure for efficiency and economy, and adjacent neutral nations, such as Norway, Sweden, Denmark, and Holland, have done likewise. These European nations now follow time standards six and seven hours ahead of ours, and therefore their business day is practically over before ours begins. Stock exchanges in London and Paris now close one hour before our exchanges open, and the Continental European stock exchanges close two hours before our opening. Stock-exchange transactions within the same day would be facilitated by our advancing our time, and the same would be true of ordinary commercial and financial transactions across the ocean.

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THE MANUFACTURING VIEWPOINT.

PHILADELPHIA, *March 6, 1918.*

Hon. J. HAMPTON MOORE,
House of Representatives, Washington, D. C.

DEAR SIR: What is holding up the daylight-saving bill? One million tons of coal could have been saved last summer had Congress passed this bill a year ago, and this quantity of fuel would have kept 1,000,000 families in comfort for a month; it would have prevented thousands of deaths from pneumonia, influenza, and bronchitis; it would have kept factories working which were compelled to close down; it would have kept people employed who have been walking the streets as a result of the fuel famine—all because Congress failed to act.

The only possible objectors to this bill could be the gas and electric light companies, as this bill has the unique distinction of being wholly good—a bill which would lessen suffering, keep the wheels of industry moving, save fuel for our coming winter, promote the health and happiness of millions, and yet it is allowed to remain dormant. I wonder if Congress realizes how much the people are stirred up about this matter? Can't you do something to get prompt action on this bill?

Very truly, yours,

NORTH AMERICAN LACE CO.,
HENRY S. BROMLEY,
Vice President.

—

FOR WAR WORK IN THE GARDENS.

NATIONAL WAR GARDEN COMMISSION,
Washington, D. C., March 14, 1918.

Hon. J. HAMPTON MOORE,
House of Representatives, Washington, D. C.

MY DEAR SIR: I want to thank you for your efforts in behalf of the daylight-saving bill and urge you and your colleagues to redouble efforts now that the planting season is upon us. This bill should increase by fully 25 per cent the efficiency of war gardening this year and add millions of dollars worth of food to that which will be raised f. o. b. the kitchen door. A big drive starts March 18 to get a million boys to aid the farmer. This means that the "city farmer" must get all the help you can give him. War gardens are the field kitchens over here which are supplementing the field kitchens over there. Food must follow the flag. Give the war gardener the extra hour of daylight in which to cultivate his back yard or vacant lot and he will raise food equivalent to the ration of 1,000,000 soldiers for six months.

Yours, very truly,

P. S. RIDSDALE, *President.*

—

STATEMENT OF A COAL MAN.

PHILADELPHIA, *March 14, 1918.*

Hon. J. HAMPTON MOORE,
House of Representatives Building, Washington, D. C.

MY DEAR MR. MOORE: I was very much pleased to read in the paper that you had taken up the advocacy of the daylight-saving bill. As a coal man I can assure you that your estimate that there would be a saving of about 1,000,000 tons of coal is conservative. I know of no one measure which would be more beneficial in the saving of coal than this, and, with a great many other people, can not understand why the House of Representatives is still holding up the measure after it has been passed by the Senate. It should go into effect at least not later than April 1, and as there will be some preliminary arrangements to be made before that time this delay on the part of the House seems incomprehensible.

I hope, now that you are an advocate of the measure, that you can have it passed speedily.

Yours, very cordially, SAMUEL HEILNER.

AN AUTHOR ON STANDARD TIME.

Kirk Munroe, the author, now residing in Florida, makes this statement as to the complexity of time adjustments:

In 1883 there were 77 different "times" kept by the railroads of the United States. The resulting confusion was so great that a "time convention" of prominent railroad men was called to devise a remedy. They did this by dividing the United States into four time zones—Eastern, Central, Mountain, and Pacific, each covering 15 degrees of longitude (approximately 900 miles) and representing one hour of time. The meridians of longitude bisecting these zones are, respectively, the seventy-fifth, ninetieth, one hundred and fifth, and one hundred and twentieth. A zone, therefore, covers 7½ degrees of longitude or 450 miles on each side of its bisecting meridian.

Thus the western line of the seventy-fifth meridian zone, dividing eastern from central time, extends due south from Hudson Bay to Habana, Cuba, passing through the cities of Detroit, Mich., Mansfield, Ohio, Ashland, Ky., Bristol, Va., Asheville, N. C., Waycrosse, Ga., and Tampa, Fla.

This simple zone system was hailed as an excellent solution of the difficulty and was readily adopted by the entire country, though as it did not receive official sanction from the Federal Government there was nothing compulsory about it, except in the States of Pennsylvania, Ohio, Michigan, and Florida. In 1915 the last-named State so amended its law on the subject as to make the legal time to be adopted optional with its several counties. Being thus left at liberty to use their own discretion in the matter, the several railroads proceeded to use the time best suited to their own convenience without regarding in the least the desires of the general public, and to change from one time to another at such points as best suited them without regard to the established zone lines. The resulting confusion is almost as bad as that existing before the famous "time convention" was held. Thus the zone line between eastern and central time, instead of being straight and making a readily comprehended division, has become as crooked as a rail fence, and communities west of the time line are keeping eastern time, while others lying far east of it are compelled to keep western time, much to their inconvenience and business disadvantage.

The section of the country suffering most in this respect is the peninsula portion of Florida, which, bordering on the Atlantic and lying almost wholly within the eastern zone, is compelled by its railroads to retard its clocks one hour and keep the time of Texas even as far west as El Paso, Oklahoma, Kansas, etc.

The railroads wholly to blame for this unhappy state of affairs are the Atlantic Coast Line, the Seaboard, the Southern, and the Florida East Coast. The first two run on eastern time as far south as Savannah, and there (80 miles east of the zone line) change to central time for the brief balance of their run into Florida. The Southern, running almost due north and south through Columbia, S. C., changes its time from eastern to central at that point. The Florida East Coast Railway, operated entirely far within the eastern zone, uses central time, though at certain points it is located 150 miles east of the zone line marking the division between eastern and central or western time.

During the present year (1916) all Europe, realizing as never before the value of daylight, has set its clocks ahead a whole hour, and if we Americans would keep up with the economic procession of the world, we must take similar action wherever the railroads are stealing our daylight.

On the eastern coast of Florida both Miami and Key West have in the past adopted eastern time and then been compelled by the Florida East Coast Railway to give it up. Many other Florida communities are loud in their dissatisfaction with western time and are most desirous of adopting eastern time in its place.

Yours, truly, KIRK MUNROE.

By unanimous consent, Mr. HICKS, Mr. BORLAND, and Mr. THOMAS were given leave to extend their remarks in the RECORD.

Mr. ESCH. I yield one minute to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker, when this proposition was first suggested it came to me with more or less of ridicule. I thought if there was any desire to begin work earlier than was the custom, why not get up earlier and begin it. But in looking into the reasons for the proposal I am persuaded that there is more than sentiment in it. It will not affect the agricultural sections of the country at all, since their rising and retiring are due almost entirely to seasonal conditions. The farmer regards the demands of the seasons rather than customs. The sun rather than the clock is his guide. In the summer time he gets up earlier and begins work earlier than in the winter time. Yet that could not be so in a city where the work is the result of community interest and is done through associations and societies, largely under the law of custom. In centers the population soon learns the demands of the rules of the group. Hours for labor as well as for recreation are fixed by custom. These determine the schedules of trains, the opening and closing of offices, professional and public, the beginning and ending of the business day. The custom of opening the office at 9 o'clock soon assumes the force of law; it would be difficult to change the hour but not to push it ahead by a change of the clock. By the latter method work still begins at 9 by the clock but 8 by the sun. It might end by 4 by the clock but 3 by the sun. We thus change the hour but not the custom.

Earlier rising will give a better product as all must admit who have any experience with the early-morning rising. The mind is brighter and the body more vigorous.

The early closing does not only insure great saving of fuel and light, but it insures a great saving of the afternoon which may be employed in the garden or field for augmenting the food supply. Especially is this true of him who is in indoor work. The open-air work will not only greatly increase the food supply, but it will, by this diversion from indoor to outdoor work prove a great tonic in health to the individual. So I say there is really great value in starting the work an hour earlier in the morning and stopping it an hour earlier in the afternoon, thereby getting more hours for production, thereby losing nothing in the way of time for work, and at the same time saving the time in the afternoon for increase in another line of production that otherwise could not be done if we did not have our earlier hour. This, of course, means little

if anything in the country but much in the city. Therefore, it seems to me that the proposal is laid in genuine good sense, and I shall, although coming from a section where it will not affect us much if at all, vote with pleasure for the saving of the extra hour.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. ESCH. Mr. Speaker, I yield the balance of my time to the gentleman from Michigan [Mr. HAMILTON].

Mr. HAMILTON of Michigan. Mr. Speaker, if this earth should disappear from among the 2,000,000 stars in the photographic star catalogue of space, and if upon other planets and stars intelligence in some form is searching the infinite depths which we call the sky, it would simply be noted in some language undreamed of by us that another light had gone out; and with it would disappear the brief history and all material traces of mankind.

We are a small planet revolving around a central sun.

The time we take to make the circuit of the sun we call a year, and the time we take to make one revolution we call a day, and the day we divide into minutes and the minutes into seconds.

By these years, days, minutes, and seconds we measure human transactions and human life, and "the days of our years are three score years and ten; and if by reason of strength, they be four score years, yet is their strength labor and sorrow; for it is soon cut off and we fly away."

We have five senses, all of them inferior to those of the lower animals, and they grow dull with the passing years.

Beyond our normal sight and hearing there are telescopic worlds and microscopic worlds and sound worlds, and in the little radius of our senses on this moving sphere we lay premises from which we try to reason into the unknown.

John Fiske, in his Excursions of an Evolutionist, says:

> We have every reason to believe that the great glacial period began 240,000 years ago and came to an end 80,000 years ago, but at the beginning of this period men were living in the valley of the Thames. At the end of it, the men of the River drift had probably become extinct and their place in Europe had been taken and held for ages by the boreal cave men who now in turn were about starting on their long retreat to the Arctic regions.
>
> How long a time before the swarthy Iberian settled in Europe with his dogs and cattle we have no means of deciding; nor can we say when the blue-eyed Aryan began his invasions, though we know this last event must have been very recent—not very long before the dawn of history.
>
> Nor can we tell how long there had been human beings on the earth before the glacial epoch began—but it must have been a great while because even before the close of the Pliocene age they had had time to spread over the earth as far as Portugal in one direction and as far as California in the other. And if we are to take the date of 240,000 years ago for the beginning of the glacial epoch we can hardly allow for the close of the Pliocene age an antiquity of less than 400,000 years.

For centuries "they mowed and babbled till some tongue struck speech and patient fingers framed lettered sound."

EARLY THEORIES.

Long after the dawn of history primitive man believed that the earth was flat; that the sun, moon, and stars were hung in the heavens for purposes of illumination; that the earthquake and the thunder were the literal voice of an angry God, and that comets were balls of fire flung from heaven at an offending world and brought war and pestilence in their train.

The rotundity of the earth dawned upon the early Greek astronomers. Pythagoras (569—470 B. C.) "deduced his system in which the earth revolves in an orbit from fantastic first principles," one of which was that "the circular motion is the most perfect motion."

Plato (born 429 B. C.) proposed to astronomers "the problem of representing the courses of the planets by circular motions."

Aristotle (384—322 B. C.) "summed up the state of astronomical knowledge in his time and held the earth to be fixed in the center of the world."

Eratosthenes (276—196 B. C.) "measured an arc of meridian from Alexandria to Syene (Assuan) and found the difference of latitude by the length of a shadow at noon, summer solstice."

Ptolemy (130 A. D.) "theorised on the planetary motions and held that the earth is fixed in the center of the universe."

The Greek astronomers who believed the earth to be at rest reasoned that if it were revolving things would fly off from it.

But with the decay of ancient civilization the world forgot the learning of the Greeks.

As time went on a system of the universe comprehending heaven and earth and hell, created out of myth, mystery, legend, and story, took shape in human thought and became real.

It culminated in the sixth century in a complete edifice of the universe constructed by the Egyptian monk, Cosmas, in which heaven was above, the earth the ground floor, and hell below. When Dante wrote his Divine Comedy early in the fourteenth century he wrote it in the light of the astronomic and theologic knowledge of his time.

In the view of medieval Europe the earth was flat, bounded on the north by ice and Arctic blasts too cold for life to live in; on the south by desert wastes and boiling seas too hot for life to live in; on the east by far Cathay and swamps of vast extent, and on the west by a "Sea of Darkness"; and the few people who finally began to talk about a possible other side of the world where trees grew downward and rain fell upward were considered by knight, monk, and vassal as mere babblers and dreamers of dreams.

The science of those days was mixed with miracle and prodigy. "It brewed strange ingredients into elixirs of life, searched for the philosopher's stone, and gathered herbs in auspicious phases of the moon for the cure of diseases."

The map of Claudius Ptolemy made in the middle of the second century, and the travels of Marco Polo in Asia represented all that scholars knew and much of what they conjectured concerning the earth's surface down to the voyages of the fifteenth century; but during all that time the theory of the monk, Cosmas, that the earth was flat and stationary was commonly accepted.

For centuries Europe, looking westward across the sea, spoke of it as the "Sea of Darkness" and beyond its mysterious horizon few mariners dared to sail.

By the thirteenth century, however, it had become known that beyond Cathay—that is, Cipango, or Japan—the earth did not extend itself in swamps, but that the shores of eastern Asia were bounded by a sea as were the shores of eastern Europe.

The mariner's compass, discovered in the twelfth century and rejected for nearly a hundred years because it was believed to be the work of the devil, had by the end of the thirteenth century come into general use, and here and there cloistered scholars and student nagivators began to wonder if the sea that washed the shores of western Europe was not the same sea that washed the shores of eastern Asia, and whether it was not possible to sail westward into the east.

Generations "bloomed out, loved and hated, and rustled off, and the rolling and tramping of new generations passed over them."

The earth was torn by wars of spoliation, conquest, and religion; Europe fought back the Moors and Moslems and organized the crusades.

A little later men began to kill one another with gunpowder, and thereafter brute strength had no monopoly.

A little later they learned to print their thoughts on paper, with movable blocks and a printing press, and thereafter there was no monopoly of knowledge by a few.

A little later a man was born near Genoa destined to demonstrate that the "Sea of Darkness" had another shore and to lift the veil from a continent where in the course of time there should be founded under God a nation—"consecrated to liberty and dedicated to the proposition that all men are created equal."

COPERNICUS, BRAHE, KEPLER, GALILEO, AND NEWTON.

Man knows now that the earth is round, because he lives around it, has traveled around it, strung cable and telegraph systems around it, and talks around it constantly by wire and by wireless.

But the rotundity of the earth and its habitation on opposite sides, which are now accepted "always everywhere and by all," was for centuries a subject of learned disputation and theological controversy in which the scriptures were constantly invoked against the theory of the Antipodes and punishment was inflicted here and salvation was denied hereafter to those who dared dispute the theological argument.

Nicholas Copernicus, an ecclesiastic born in 1472, investigating the theory of Ptolemy, that the earth was the fixed center of the universe, which had held sway then for 1,600 years, came to the scientific conclusion that not only the earth but all the then known planets revolved around the sun and established the rotation of the earth upon its axis.

This was opposed to the evidence of the senses. For ages it had been argued that if the earth were in motion a wind of great velocity would surround the earth, that bodies thrown upward from the earth would remain behind and that it was clear that if a bird flew up from its nest, it could never return.

Copernicus argued that there could be no such wind as it was believed would result from the earth's rotation, because the air would share the motion of the earth.

He wrote a book called "The Revolution of the Heavenly Bodies," but for 36 years it remained unpublished, because he foresaw the storm its publication would provoke, and feared the

consequences to himself. The only copy he ever saw was brought to him on his death bed in 1543.

Three years after the death of Copernicus came Tycho Brahe, whose collection of observations through long years of study of the heavens helped to lay the foundations for the work of Johannes Kepler, said to be the "real founder of modern astronomy."

Contemporary with Kepler was Galileo, born in 1564. He discovered and demonstrated certain laws of motion; one that "the motion of a body will never stop nor vary its speed nor change its direction except by the action of some force"; another that "a light body and a heavy body fall at the same speed, except for the resistance of air"; another, the isochronism of the vibrations of a pendulum, that is "that a pendulum of a given length, has its time of swing independent of the extent of swing."

This pendulum principle in the hands of Huyghens in the middle of the seventeenth century led to the invention of the pendulum clock.

In 1607 Galileo heard that a Dutch spectacle maker had combined a pair of lenses so as to magnify distant objects, and from this suggestion, without having seen this combination of lenses, he evolved a telescope, one of the first turned toward the sky.

His telescope and his heliocentric theory got him into serious trouble, but men with telescopes still continued to scan the sky.

He died on Christmas Day, 1642, and on that same day Sir Isaac Newton, who worked out the law of universal gravitation, was born.

When Newton gave his discovery to the world it was objected that he had substituted gravitation for Providence.

When the work of these men was finished the old conception of the universe was gone, and the question of whether the earth stands still passed forever beyond the stage of controversy to final judgment.

Old religious controversies became "volcanoes burnt out, on the lava and ashes and scoria of which the olive and vine are now growing."

TIME.

Time is a mystery. The time of the earth's rotation or of its circuit round the sun is long or short, as we live it. It may be a too brief happiness or a lingering torture. Some grow old before they have time to be young.

In the "Confessions" of St. Augustine he says:

> What, then, is time? If no one asks me, I know. If I try to explain it to one who asks, I do not know. Yet I say with confidence that I know. But if nothing passes away, there would be no past time. If nothing were to come, there would be no future time. If nothing were, there would be no present time.
>
> Yet these two times, past and future, how can they be when the past is not now and the future is not yet?
>
> As for the present, if it were always present and did not pass over into the past, it would not be time but eternity.

Past time is not now, future time is not yet, and present time has no duration.

In the universe of eternity there is no rising and setting of suns, no day, no night, no years, no centuries. Sun time is merely local time in its relation to eternity.

Human chronology belongs to this solar system alone and we measure time while the sun shines and throws shadows against a background which we call history.

Conquerors and kings, lawgivers, saints, jesters, scoundrels, geniuses, and charletans, millionaires, and mendicants have come and gone their way in pomp or squalor, out of mystery into mystery, and the sun and the wise, experienced stars look down and give no hint of human destination.

"No philosophy will ever satisfy men which can not throw a plank across the grave."

We are still baffled by the illusive illumination that some call individuality and others call soul.

All our philosophy, all our groping speculation and reasoning leave the mystery of the future as mysterious as ever and yet as imperative as ever.

Bacon says:

> If a man meditate much upon the universal frame of nature, the earth with men upon it—the divineness of the soul excepted—will not seem much other than an ant hill where some ants carry corn and some carry their young and all go to and fro, a little heap of dust.

If the hope of continued conscious existence after the death of the body ever fades out of human thinking, then the light will have gone out of the world; the deepest inspiration to right living will have ended and human existence will have become a meaningless tragedy.

That hope transforms Bacon's ant heap and dignifies human existence. With that hope we journey on to superlative issues.

We may put back the clock or set it ahead or stop it altogether, but time goes on and present time has no duration.

LATITUDE AND LONGITUDE.

The question of "daylight saving," of setting the clock ahead, is not new. It is said that Benjamin Franklin originated the idea, but in 1907 an Englishman named William Willett published a pamphlet on "Waste of Daylight," and since 1916 all the nations of Europe except Russia, Greece, and the Balkan countries have adopted the plan.

The stars enter but little into the consideration of the average man going about his business. They were there when he arrived a short time ago, and they will be there when he goes a short time hence.

The question of whether they were put there by a Supervising Intelligence or were sown in space by chance gives him little concern.

He goes about his business till the undertaker calls, and then his surviving associates trot the horses to the cemetery and hurry back to their business and their little plans for permanence.

He looks upon the "star gazer" as a dreamer disconnected from practical affairs, and yet the map on his office wall, with its lines of latitude and longitude, is the result of centuries of study of the sky.

If he wants to travel by water, he does not speculate on how ships find their way across the sea. He simply finds out the sailing time, engages a room, and goes aboard.

On his voyage he sees a paper posted up from day to day telling where the ship is, and he knows in a general way that the captain or somebody takes observations of the sun at noon, but he does not trouble himself about how it is all done.

To guide a ship swiftly, surely, and safely across the ocean and alongside the wharf of the port of destination is one of the triumphs of human knowledge, and it is only within comparatively recent times that it has been possible.

The transition from sails to steam was only a little while ago. It was not until 1815 that steamboats began to feel their way along the rivers and along the coasts.

The navigator "takes the sun" at noon by a sextant, and the dictionaries define a sextant as "an instrument for measuring the angular distance between two objects—as between a heavenly body and the horizon—by a double reflection from two mirrors, used especially for determining latitude at sea by taking the sun's altitude at noon."

The navigator begins to watch the sun through the sextant near midday and continues till the instant it begins to descend. That is the instant of noon on the ship.

He then compares the height of the sun at noon with certain astronomical tables in his chart room and knows in what latitude the sun reaches that precise height on that particular day in the year.

When he gets his longitude he knows exactly where his ship is, and he gets this by a chronometer.

A marine chronometer is defined as "an accurate timekeeper used for determining a ship's longitude at sea. It is suspended horizontally in gimbals and beats half seconds."

Early unsuccessful efforts were made to so adjust a pendulum clock that it would not be affected by the rolling of a ship at sea, and in 1713, by an act of the English Parliament, upon the recommendation of a committee of which Sir Isaac Newton was chairman, a reward was offered, £20,000, for an instrument that would find the longitude at sea true to half a degree.

John Harrison, of Yorkshire, won the reward after 43 years of study and experiment, but did not receive his final payment until 1764.

A navigator's chronometer is ordinarily set to Greenwich time. The meridian line passing through Greenwich, England, where the British Royal Observatory was established in 1675, is by common consent used as the line from which time and distance, east and west, are reckoned.

For purposes of convenient computation 360 lines of longitude are commonly drawn from pole to pole and, starting from the Greenwich line, are numbered east and west around the world, the line opposite Greenwich, on the other side of the world, of course, being the one hundred and eightieth degree.

Inasmuch as the earth revolves from west to east, and inasmuch as it turns through 360 degrees of longitude in 24 hours, it turns at the rate of 15 degrees an hour. Therefore the time at a point 180 degrees east and west from Greenwich would at the same time be 12 hours later than Greenwich and 12 hours earlier than Greenwich.

For illustration, Samoa and the Fiji Islands are geographically neighbors, but Samoa is nearly 180 degrees west of Greenwich and the Fiji Islands are nearly 180 degrees east of Greenwich, so that when it is Sunday in Samoa it is Monday in the Fiji Islands.

To obviate this difficulty an arbitrary line has been drawn upon the map of the world down through the Pacific near the one hundred and eightieth meridian line, and it has been informally agreed that islands on the east side of this line shall reckon their longitude west from Greenwich and islands on the west side shall reckon their longitude east from Greenwich. This line is known as the International Date Line.

To get the longitude of a ship at sea the navigator, having found the ship's time, compares it with Greenwich time, and if he is sailing east of Greenwich, he knows that the ship's time is earlier than Greenwich time, because the sun is over points east first, and if he is sailing west of Greenwich he knows that the ship's time is later than Greenwich time.

For illustration, if it is noon on a ship in the Atlantic and the chronometer shows that it is 1 o'clock at Greenwich the navigator knows that his ship is 15° west of Greenwich, since 15° of longitude equal one hour of time.

SETTING A WATCH.

We get our standards of time from the study of the stars. To the man on the street the setting of his watch is a trifling thing, but to set a watch or a clock involves the use of the most delicate machinery of this mechanical age, machinery which derives its accuracy from the stars in their courses.

Obelisks, sundials, and water clocks were used to measure time before the Byzantines learned the art of glass blowing, and after that sand glasses were used on land and sea.

To know the speed of a ship in the early days of navigation a piece of wood, called "the log," shaped to resist being dragged through the water was tied to the end of a cord with knots on it, spaced with arithmetical precision, and as the cord slid through the sailor's fingers the time between knots was measured by the sand glass, and these words "knot" and "log" still survive in the language of the sea.

Now, if your watch runs down you set it by the nearest watch or clock. If you want to be accurate, you set it by a jeweler's "regulator." But the "regulator" varies a little from day to day so that the sum of its variations in a week may be appreciable and the "regulator" must in turn be regulated by the astronomical clock.

Every observatory has an astronomical clock which is made as perfect as human skill can make it.

It must be mounted upon a firm foundation, subject as little as possible to vibration, change of temperature, and barometric pressure.

But when made as perfect as possible, it has to be set and regulated by observation of the stars.

For these observations a transit is necessary. The transit is a telescope, the tube of which is firmly attached at right angles to a horizontal axis the ends of which point east and west, so that the telescope may be so rotated as to follow a line along the sky from north to south known as the astronomical meridian.

Across the field of view of the telescope fine threads are mounted so as to form a minute cross.

From astronomical observations for a hundred and fifty years astronomers have compiled tables by which they know exactly when each tabulated star is on the astronomical meridian line.

To know, then, whether the astronomical clock is right it is necessary to check a star by the cross in the telescope at the exact instant it crosses the astronomical meridian line.

If the clock time of crossing tallies with the star time of crossing, the clock is right. If not, it is set accordingly.

This star time regulates earth time. Exactly at noon every day time is ticked by telegraph all over the country.

STANDARD TIME.

There is another kind of time called "standard" or railroad time, which was put in operation in the United States by the railroads in 1883, and has since been generally adopted throughout the world.

Since the sun apparently travels from east to west it is obvious that local time differs widely throughout the country.

For illustration, before standard time was adopted trains leaving New York on New York time arrived in Buffalo by New York time, which was different from Buffalo time; left Buffalo by Buffalo time and arrived in Chicago by Buffalo time, which was different from Chicago time, and so on across the continent.

Railroad companies had the custom of running their trains by the time of the chief town along a given line, so that when several different lines entered a town the town had several different kinds of time.

By the "standard" time system the whole country, including Alaska, is divided into five time zones 15 degrees wide east and west, so arranged that the middle meridian lines of the zones from east to west are, respectively, 75, 90, 195, and 120 degrees west from Greenwich, and that of Alaska is 150 degrees west from Greenwich. The time of each meridian line is the time of the whole zone.

The time at each of these meridian lines and of the zone it governs is therefore earlier than Greenwich time by even hours. For illustration, since 15 degrees make an hour, the 75-degree line is 5 hours earlier than Greenwich, the 90-degree line 6 hours, and so on across the continent.

This bill, with amendments recommended by the committee, proposes by law to standardize the time of the United States and to advance the present "railroad time" one hour during a period of seven months in each year, beginning at 2 o'clock a. m. on the last Sunday in March, and ending at 2 o'clock a. m. on the last Sunday in October.

But whether we call it sun time, star time, or standard time, it is only man's method of trying to measure the flight of the future which is not yet through the portals of the present, which has no duration.

Mr. LONDON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONDON. At the conclusion of one hour, is it in order for another Member to ask for recognition to speak on the bill?

The SPEAKER. It is not. The House ordered the hour extended by 20 minutes and at the end the previous question considered as ordered on the bill and amendments to final passage.

Mr. LONDON. There was such a request, Mr. Speaker, but I was not aware that the House had agreed to it.

The SPEAKER. The Chair is informed that it was objected to. If the gentleman gets the floor he is entitled to an hour.

Mr. LONDON. A parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONDON. If I ask to be recognized and I get one hour, can I speak five minutes and then yield the rest of the time?

The SPEAKER. Yes; but the gentleman has not yet got his hour. [Laughter.]

Mr. SIMS. Mr. Speaker, the gentleman from Arkansas [Mr. WINGO] has made it necessary for me to refer to the little personal matter mentioned by him that, unexplained, might cause you to think that I am getting old. The gentleman wanted to know why we did not move the clock forward two hours instead of one? We can, but it is not needed. The gentleman from Arkansas when he came to be sworn in as a Member lacked two hours of being 25 years old; he lacked two hours of the constitutional age. We moved the clock ahead two hours in order that he might be sworn in. That is why we happen to have him here to-day. [Laughter.] So you see that when it is necessary to fool ourselves, that the hands of the clock be set forward, we can do so.

Now, outside of this little pleasantry, I want to say that the Senate bill provided that the clock should be advanced one hour on the last Sunday in April and retarded one hour on the last Sunday in September. The House amended the bill so as to provide that the clock should be set forward one hour on the last Sunday in March and retarded one hour on the last Sunday in October, so as to make the time included seven months instead of five. The reason was that more coal is consumed in March and October than in any two months included in the Senate bill. The fuel situation was such that there was an appeal to make the bill applicable to 7 months out of the 12 months.

That is how these amendments came to be made. It is impossible in a few minutes to reply to all the arguments and objections that have been made to the bill, but gentlemen from the country ought to know that the country people, the farmers, will get up no sooner and go to bed no later. The trouble with the country farmer is that when he goes to town where such gentlemen as my friend from Arkansas [Mr. WINGO] live, he has to wait for these luxurious gentlemen to get up before he can sell them his eggs and butter and vegetables so he can go back to his farm. This will force these gentlemen to get up an hour sooner. The farmer will get into town and sell his barter and buy the things he needs and get back and get to work an hour earlier in the morning. It is on account of the farmer that I am in favor of this bill and not these luxurious lawyers who do not want to go to bed until 2 o'clock in the morning and not get up before 10 o'clock in the day. Another thing we want is that the saloons and other kind of houses that keep late hours close, at least on Saturday night, one hour sooner——

Mr. KING. And open one hour earlier in the morning.

Mr. SIMS. No, indeed; the morning following Saturday is Sunday morning. And this they will have to do, because this will make the law as to closing apply with penalty attached. But my friend from Arkansas need not observe this law, because he will not have to suffer from any penalty for the violation of

it, as he is in no business required to close any earlier. He was so young when he came here that naturally his mind is yet a little slower as to legislative matters than if he had been of constitutional age when he reached this body.

Mr. WINGO. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes; for a brief question.

Mr. WINGO. When I lived in Tennessee I found that the farmers did not waste any time on a man who was too lazy to set his alarm clock to get up an hour earlier. I do not think they have enough energy to buy a clock.

Mr. SIMS. The gentleman must know that the people everywhere else are not as industrious as in the district I represent and where he once lived. The farmers of my district need no alarm clocks to wake them in the morning. A request for the passage of this bill has come from the President of the United States, from the Secretary of the Treasury, from the Food Administration, from the Fuel Administration, and Ambassador Sharp, in France, sent a cablegram to explain how important it is, and that has been transmitted to me by the Secretary of State, and I am going to ask unanimous consent to place in the RECORD a few of the letters, resolutions, and communications in favor of this bill. The United States Chamber of Commerce and a great number of industrial organizations over the whole country favor this bill, and no one that I know of is opposed to the bill except Members of the House, who do not seem to know what the sentiment of the country is regarding this measure and without having given the bill any real study treat it as a trivial and unimportant matter:

DIRECTOR GENERAL OF RAILROADS,
Washington, January 18, 1918.

Hon. T. W. SIMS,
House of Representatives.

DEAR CONGRESSMAN: Note the attached from Mr. Marks. I think this is a very important matter. If you think it could be put through on the railroad bill without delaying it or causing controversy, I am willing. On the other hand, I think this daylight-saving bill is of sufficient importance to justify a special rule so as to insure its immediate consideration in the House. The latter I would strongly urge.

Cordially, yours,

W. G. MCADOO.

—

JANUARY 18, 1918.

Hon. W. G. MCADOO,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: I am just in receipt of your letter of the 18th inclosing a letter from Hon. Marcus M. Marks, with reference to the daylight-saving bill. I have just written Mr. Marks a letter in reply to one he has written me suggesting that the daylight-saving bill be attached as an amendment to the railroad legislation. I have repeatedly assured Mr. Marks that the daylight-saving bill was going to be considered by the committee and acted on at an early date; that the same has been made a part of the war legislation; that it is to have preferential consideration, but that I did not think it wise or prudent to attempt to amend the railroad bill by attaching it to that bill. If we open the door for amendments of this kind nobody knows where it will end. I do not think that if there is any objection to the consideration of the daylight-saving bill when reported to the House that there would be a particle of trouble in getting a rule to have it considered on its merits. I have been strongly in favor of the bill ever since it was introduced, and did all I possibly could to get Judge ADAMSON to agree to act on it last session, as the President well knows as we had quite a lengthy correspondence concerning it. One or more bills besides this one are being urged as proper amendments to the railroad bill. My own judgment is that we should have just as little legislation or legislative provisions in the railroad bill as is possible to have, and that these provisions should apply exclusively to the operation of railroads while they are in your hands.

This is the way this matter strikes me, and as it is not at all necessary to attach the daylight-saving bill to the railroad bill in order to secure its consideration and passage, I can not think it wise to attempt it.

Very sincerely, yours,

T. W. SIMS.

—

DEPARTMENT OF STATE,
Washington, February 12, 1918.

Hon. THETUS W. SIMS,
Chairman of the Committee on Interstate and Foreign Commerce, House of Representatives.

SIR: I have the honor to inclose herewith for your committee's information in connection with bills on the subject now before it a copy of a telegram from the American ambassador at Paris, wherein he states that the daylight-saving regulations which have been in operation in France for two successive seasons have demonstrated the wisdom of the plan, and expresses the hope that there will be no opposition in Congress to the enactment of a similar law in the United States.

I have the honor to be, sir, your obedient servant,

ROBERT LANSING.

—

PARIS, *February 8, 1918.*

SECRETARY OF STATE,
Washington:

Noticing in the American press the legislation providing for daylight saving during the summer months is now pending, may I express the hope that there will be no opposition to such a measure. The wisdom of this regulation in France has been amply demonstrated through its operation for two successive seasons. I believe it is one of a number of common-sense and practicable economies brought out by the exigencies of the war which should remain permanently as a part of our national economic life.

SHARP.

UNITED STATES FOOD ADMINISTRATION,
Washington, D. C., February 2, 1918.

Hon. THETUS W. SIMS,
Chairman Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D. C.

DEAR MR. SIMS: I hardly think that it will become necessary to secure any additional support on the general principle involved in the bill for daylight saving. However, I am only too pleased to give my indorsement to the effectiveness of similar legislation as carried out in Europe. There is no doubt that in the coming spring and summer the additional food production which the Government is desirous of securing will be very largely stimulated by the additional period of daylight which would be given to those town workers who interest themselves in gardening and whose production is of very real importance at this time. I wish you every success in your efforts to carry this excellent bill, which has already been passed by the Senate, through the House.

Faithfully, yours,

HERBERT HOOVER.

—

UNITED STATES SHIPPING BOARD,
EMERGENCY FLEET CORPORATION,
Washington, December 29, 1917.

Hon. THETUS W. SIMS,
Chairman Committee on Interstate and Foreign Commerce, House of Representatives, Washington, D. C.

DEAR SIR: I am inclosing a memorandum, the substance of which was contained in the letter I sent to the President a short time ago.

I understand this bill is to come before your committee for a hearing very shortly. Also that you strongly favor the bill. I am in hopes that the hearing will make it possible for a speedy acceptance by Congress of this measure.

If there is anything that we can do to further the bill I should be glad to know.

Very truly, yours,

EDWARD N. HURLEY, *President.*

—

The daylight-saving movement has proven a success in 12 of the largest countries of Europe, in that it has resulted in material economies in the use of coal and artificial light and in its benefits to the workers of the nation.

The Senate recently passed a similar daylight-saving act for this country, and the measure is to come before the House Committee on Interstate and Foreign Commerce at the next session of Congress.

The daylight-saving plan, if put into operation in this country for the period of April 1 to October 1, would not only result in economies for our people but would materially help the shipbuilder. Practically all "outside" work on ships is dependent upon daylight. Under our present system of time workers begin their work usually at 7 o'clock in the morning and leave at 5 o'clock. This means a loss of an hour of daylight during certain months of the year. Under the daylight-saving system this hour would be gained and more work produced, for in effect the hours of work would be 6 a. m. to 4 p. m.

The result would be increased productivity, less danger from accident, and economy. If the President could urge upon Congress to consider the daylight-saving measure in view of the experience of Europe and our own necessities the shipbuilders and workers of the country would be grateful.

—

IN THE SENATE, *May 16, 1917.*

Whereas enemy Governments have passed laws advancing the time one hour during the long summer days for the purpose of conserving their resources and other belligerents have done likewise as a measure of economic war necessity: Therefore

Resolved (if the House concur), That the General Assembly of Pennsylvania indorses the efforts of the business interests now being made to secure the passage by the Congress of the United States of legislation known as daylight saving to advance the standard time one hour during the summer months.

Resolved further, That a copy of these resolutions be forwarded to the Senators and Representatives in Congress from Pennsylvania.

I hereby certify that the foregoing resolution was adopted by the Legislature of Pennsylvania on May 16, 1917.

(Signed) W. P. GALLAGHER,
Chief Clerk, Senate of Pennsylvania.

—

Resolutions adopted by Norfolk-Tidewater Association of Credit Men.

Whereas a demand has been made to advance the time throughout the country one hour from the last day of April to the last day of September; and

Whereas it has been shown that many European countries which adopted the plan as a war measure have derived such benefits in the conservation and economy of gas, electricity, coal, and oil that it may become a permanent law with them; and

Whereas it is estimated that the extra hour of daylight will aid production in all lines and save approximately $50,000,000 in lighting bills and 1,000,000 tons of fuel during that period as well as improve the health of the Nation: Be it

Resolved, That this meeting of the Norfolk-Tidewater Association of Credit Men go on record as favoring national legislation to carry out this plan.

—

THE MERCHANTS' ASSOCIATION OF NEW YORK,
New York, February 2, 1918.

Hon. THETUS W. SIMS,
House of Representaives, Washington, D. C.

DEAR SIR: We wish again to urge upon you favorable action by the House Committee on Interstate and Foreign Commerce upon Senate bill 1854, to save daylight, which bill, as you doubtless are aware, passed the Senate June 27, 1917.

The arguments in favor of this measure are convincingly stated in Senate report 46, and we understand that the bill has the support of the President.

On account of the present coal situation and the possibility of saving coal through the curtailment of light during working hours, it is particularly desirable that the bill become law at the earliest possible

moment. The purpose of the bill is strongly approved by the general sentiment of the country and particularly by business and manufacturing interests, and we hope that you will lend your influence to promote its speedy passage.

Yours, very truly,

THE MERCHANTS' ASSOCIATION OF NEW YORK,
By S. C. MEAD, *Secretary.*

UNITED STATES FUEL ADMINISTRATION,
Washington, D. C., January 4, 1918.

Hon. T. W. SIMS,
Chairman Committee on Interstate and Foreign Commerce,
Washington, D. C.

MY DEAR MR. SIMS: I understand that the so-called daylight saving bill will be up for discussion in your committee at an early date.

The experience of England and France has convinced me that the change of time provided in this bill would save the United States a very large amount of fuel in the course of a year. I believe that an estimate of 800,000 to 1,000,000 tons direct saving in coal would not be excessive.

As Fuel Administrator I should be much gratified by such favorable action on the part of your committee as would place this bill on the statute books in time to make the saving effective this year.

Very truly, yours,

H. A. GARFIELD,
Fuel Administrator.

CHAMBER OF COMMERCE OF THE
UNITED STATES OF AMERICA,
Washington, D. C., February 25, 1918.

Hon. THETUS W. SIMS,
Chairman Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D. C.

DEAR JUDGE SIMS: As you may be interested in the period during which England will utilize daylight saving this year, we inclose, on behalf of Mr. A. Lincoln Filene, chairman of our committee on daylight saving, an excerpt from a short discussion which occurred in the House of Commons on January 17, 1918.

Very truly, yours,

ELLIOT H. GOODWIN, *Secretary.*

"SUMMER TIME."

[Oral answers, Parliamentary Debates, House of Commons, Jan. 17, 1918, p. 478.]

25. Mr. Gilbert asked the home secretary if it is the intention of the Government to put into force summer time during the present year; and if so, in view of the early date of the Easter holidays this year, will he consider whether the alteration can be made from March 25 and also continued until the first week in October, so that the country can have this benefit as long as possible?

Sir G. CAVE. The experience of the second year of summer time has confirmed the conclusions based on the first year's working of the scheme, and I think it will be in accordance with the general wish that summer time should be continued. As regards the period during which it shall be put in force, the honorable member will recollect that the question was investigated after the first year by a departmental committee, which recommended the period from the second Sunday in April to the third Sunday in September. This recommendation was adopted by the Government last year. No decision has yet been taken as regards this year, and I can only say that the question of period will be carefully considered before the order is made.

PERIODICAL PUBLISHERS' ASSOCIATION OF AMERICA,
New York, January 29, 1918.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,
HOUSE OF REPRESENTATIVES,
Washington, D. C.

GENTLEMEN: I am pleased to inform you that at the last meeting of the Periodical Publishers' Association, held on January 23, the following resolutions were adopted in reference to the Calder daylight-saving bill:

"Whereas 12 European countries, including England, France, Germany, Austria, Italy, Portugal, Holland, Russia, Norway, Denmark, and Sweden, have adopted daylight saving as a war-economy measure with satisfactory results; and

"Whereas the present coal situation accentuates the advantage of a saving of 1,000,000 tons of coal which would be one of the annual results of the adoption of this measure; and

"Whereas the saving in lighting bills, stimulation of farm gardening and of healthful daylight sports, the substitution of an hour's labor in the cool morning in place of the hot afternoon, and furthermore, uniformity of our time with Europe's, are all economies and advantages which will follow the adoption of the daylight-saving bill: Therefore be it

"*Resolved*, That we, the Periodical Publishers' Association of America, indorse the movement of the National Daylight Saving Association to turn the clocks of this country forward one hour on the last Sunday of April and back again on the last Sunday in September.

"*Resolved*, That we urge Congress to adopt as a war-emergency measure the Calder daylight-saving bill, already unanimously passed by the United States Senate, where it was introduced in conformity with the request of the National Daylight Saving Association."

Very truly, yours,

JOHN ADAMS THAYER,
Executive Secretary.

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA,
Washington, D. C., February 5, 1918.

Hon. THETUS W. SIMS,
Chairman Committee on Interstate and Foreign Commerce,
House of Representatives, Washington, D. C.

DEAR JUDGE SIMS: In order that you may have before you the position of the Chamber of Commerce of the United States, in advocacy of legislation which will establish daylight saving, I beg to submit a memorandum in which we have attempted to place in somewhat summary form our reasons for hoping that legislation will be enacted without delay

Prof. Robert W. Willson, of Harvard University, has prepared rather elaborate statistical data, which will indicate by hour and minute the results of daylight saving in each important community of the country. This data has been sent to the printer, and copies will be forwarded to you in the very near future.

Very truly, yours,

A. LINCOLN FILENE,
Chairman Executive Committee on Daylight Saving
of the Chamber of Commerce of the United States.

DAYLIGHT SAVING—ITS ADVANTAGES—USE AS A WAR MEASURE—FUEL CONSERVATION—REQUEST FOR LEGISLATION.

[Statement presented to the Committee on Interstate and Foreign Commerce of the House of Representatives by the Executive Committee on Daylight Saving of the Chamber of Commerce of the United States.]

I. Advantages of daylight saving.

A. MILITARY.

1. The training of the national forces will be expedited, and the practice of Home Guards and similar organizations, the members of which have other regular occupations, will be greatly facilitated.
2. Production would be increased in the shipyards of the country.
3. The production in all plants which are making materials for military use and for building ships would be increased, and the conditions of work for their employees would be improved.

B. ECONOMY.

1. There will be the greatest of all savings—that of human materials—as pointed out below.
2. Immediate saving in form of reduction of expense for light and heat.
3. Ultimate saving in the conservation of coal and other sources of light and heat.
4. Possible reduction in the cost of living of those who like to work in their gardens, utilizing the extra outdoor hour for this purpose.

C. HEALTH, MORALS, AND SOCIAL WELFARE.

1. One hour more for outdoor recreation. Recreation is a national asset, an immense force for health and moral well-being.
2. Working mothers and fathers obtain an extra hour for outdoor play with their children, both summer and winter.
3. One hour less for bad lights in tenements.
4. Lessened eyestrain for workers and school children due to the use of artificial light.
5. Smaller risk of accident in industrial establishments because there will be a light hour instead of a dark one at the end of the working day at the time of greatest fatigue and most frequent accidents.
6. Lessened risk of accident due to transportation and traffic conditions, because the afternoon rush will fall in daylight instead of darkness.
7. Working girls will be on the way home in daylight instead of in the dark in winter.
8. Our last hour of sleep will be sounder and more beneficial than it is under present conditions, because there will be less light.

D. EFFICIENCY.

1. General efficiency will, of course, be increased by any improvement in the health, morals, and social welfare of the workers and others.
2. In summer a cool hour in the morning is substituted for a hot one in the afternoon.
3. In winter a light hour at the end of the day is substituted for a dark one. This is especially valuable coming as it does at the time of greatest fatigue and is peculiarly valuable in some industries where accurate eyesight is essential.
4. Efficiency is lowest in the later afternoon, the time when accidents are most frequent.

II. The daylight-saving plan as a war measure.

1. The daylight-saving plan was adopted as a war measure by Great Britain, Germany, France, Italy, Austria, Holland, Denmark, Norway, Sweden, Portugal, Australia, Iceland.

The year 1916 was the first year of operation of the plan in all but the last two countries, which adopted the plan in 1917.

A committee of the British House of Commons, which made a preliminary study of the question in 1908 and 1909, reported favorably a daylight-saving bill, stating the results would be:

"To promote the greater use of daylight for recreative purposes.

"To lessen the use of houses licensed for the sale of intoxicating liquors.

"To facilitate the training of the territorial force.

"To benefit the physique, general health, and welfare of all classes of the community.

"To reduce the industrial, commercial, and domestic expenditure on artificial light.

"That the object of the bill, which is desirable and would benefit the community, can not be attained without legislation.

"And that an alteration of the clock of one hour in April and a similar alteration of one hour in September is the best mode of attaining the object of the bill."

Reasons why daylight saving was adopted as a war measure.

A. Economy in consumption of coal, oil, gas, light, etc.

ENGLAND.

1. The savings in the use of artificial light and fuel to produce this in England were estimated as $2,500,000 for the summer months alone. (Parliamentary Debates, House of Commons, vol. 82, No. 39, p. 304.)

2. Mr. Hanbury Thomas, of the Sheffield United Gas Co., has suggested that a general estimate for the whole country can be arrived at from the figures of actual saving in coal given in the replies from those undertakings who use coal and no other fuel on the following plan: The amount of coal stated by such undertakings (28 in number) to have been saved as a direct result of summer time works out in the aggregate at 1.449 per cent of the total annual quantity carbonized by them. The total quantity of coal used by all gas undertakings in the United Kingdom in 1915 was, in round figures, 18,000,000 tons. Reckoning 1.449 per cent of those figures, therefore, the saving in coal affected by gas undertakings in the United Kingdom as a result of the four and a half months of summer time may be put at about 260,000 tons.

Further, applying the same percentage to the total annual sum spent by consumers on gas (reckoned on the total annual sales of gas undertakings at 3s. per 1,000 cubic feet) the saving in expenditures to consumers works out at about £475,000.

These estimates can not, of course, be regarded as anything but conjectural; but they represent the best that can be done with the figures, and are not perhaps very far wide of the mark. (Report, Summer Time Committee, England, Feb. 1917, p. 12.)

3. The parliamentary committee heard from over 80 municipal electrical light undertakings, from 50 to 60 private companies, and from 11 electric power companies.

The estimates of the reduction in consumption of electric light vary very widely, from 1.25 per cent in one case to 55 per cent.

The returns of the power companies give a mean reduction of 20 per cent for lighting purposes.

Thirty-eight private companies furnished figures giving an estimate of reduction varying from 10 to 41 per cent, the mean for the 38 being 23 per cent.

Sixty-four municipal undertakings give a mean reduction of 18.3 per cent in units used for lighting. (Report Summer Time Committee, England, Feb. 1917, p. 10.)

4. According to E. Houghton Fry, secretary committee for regulation of petroleum supplies, the economy affected by the daylight-saving act in consumption of illuminating oils in England was 2¼ per cent of the consumption for the year, i. e., about 11,500 tons.

"This seems to be a very modest proportion, but it should be remembered that 11,500 tons represents two journeys by an oil tanker, which would occupy approximately four months, and this saving, therefore, can by no means be regarded as negligible. In fact, owing to the shortage that is at present being experienced in these vessels the result is a very welcome one."

5. Mr. Herbert Samuel, in the House of Commons, May 8, 1916, said:

"The Government would not have dreamt of favoring this measure or of inviting the House to consider it unless it had reason to think that it was essentially advantageous for war purposes.

"The question of our coal supply is one which is giving us serious concern.

"We are casting about in every direction for means to increase our coal supplies, and when a proposal is made which, we believe, and indeed are convinced, would lead to a large economy of certainly many hundreds of thousands of tons of coal in the course of a year, we can not regard that as a matter of indifference."

6. The question was first brought to notice by the expert committee appointed to advise the Government on the disposal of the coal output.

This central committee for the disposal of coal unanimously passed a resolution urging the Government to adopt the daylight-saving plan in order to conserve the coal resources of the nation.

7. The board of trade found it necessary to urge upon all gas and electric light companies a reduction in their consumption of coal.

8. The railway executive committee managing the railways on behalf of the Government favored the proposal.

(Parliamentary debates, House of Commons, May 8, 1916, p. 345.)

FRANCE.

[From summary, report of M. Mallavalle (deputé), on behalf Commission de l'Enseignment et des Beaux Arts, on bill for renewal of summer time in 1917 and subsequent years.]

1. The committee record two sets of estimates of the total saving in coal for the whole country as follows:

(1) The total quantity of coal consumed by gas undertakings in France annually being put at 5,000,000 tons and by electrical undertakings at 2,000,000—7,000,000 tons in all—an economy of 10 per cent on this amount (which the committee think it fair to take as result of summer time) gives about 60,000 tons over one month, 200,000 tons over three and one-half months (length of summer-time period in France in 1916), 360,000 tons over six months, 410,000 tons over seven months.

If a 15 per cent economy is reckoned, the savings are estimated at about 87,500 tons over one month, 306,000 tons over three and one-half months, 525,000 tons over six months, 612,000 tons over seven months.

Reckoning a mean between these two calculations the saving over six months is put at 442,500 tons and over seven months at 511,000 tons; representing a saving in cost (estimating £1,750,000) and 51,000,000 (£2,030,000), respectively; "chiffres moyens qui pourraient approcher davantage de la verite."

2. The director of inventions affecting the national defense after studying figures of output of gas during the periods preceding and following the introduction of summer time and the restoration of normal time concluded that the saving in coal or gas light might be put at 1 kilogram (somewhat over 2 pounds) per persons, or 1 ton for each 1,000 persons per month.

There are said to be 18,000,000 persons in France "eclaires par le gaz," so that the economy of coal on this basis would amount to 18,000 tons per month, or more than 200,000 over the whole year.

The figure for electricity undertakings is estimated as 100,000, giving a total of 300,000 tons (30,000,000 francs, or £1,190,000) for gas and electricity combined. Half this amount would be saved for the summer-time period.

3. At the Calais docks there was an increase in unloading capacity of 250 tons each day of summer.

4. At Marseilles it was found possible to deal with an extra quantity of goods estimated at between 12,000 and 31,000 tons from July to September (2¼ per cent to 4 per cent of the total tonnage unloaded).

GERMANY.

The municipal gas works at Berlin reported a decrease during May and June, 1916, of 508,500 cubic meters in spite of the fact that 18,000 new gas meters were put up during the first six months of 1916, and the records from January to April showed an increase of 2.4 million cubic meters output of gas as compared with 1915.

The other countries of Europe are investigating the results of last year's operation of the daylight-saving plan. (Report English Commission, p. 17.)

III. Daylight saving as a war measure in the United States.

A. THE FOOD PROBLEM.

1. This country is facing a very serious food problem the solution of which, in part at least, lies in increased, intensive cultivation of the soil. Most agricultural operations must cease at sunset.

2. The daylight-saving plan offers opportunity to over 20,000,000 workers engaged in trade, transportation, and other pursuits outside the field of agriculture for an extra hour of daylight after their workday is over for work on the land.

The United States Food Administrator, Mr. Herbert C. Hoover, writing on February 2, 1918, says:

"In the coming spring and summer the additional food production which the Government is desirous of securing will be very largely stimulated by the additional daylight which will be given to those town workers whose interest in gardening and whose production are of great interest to the Government."

Prof. Y. N. Carver, Harvard University, and former Chief of the Rural Organization Service of the United States Government, says:

"It would be a great help to the movement for the increase of the production of food if workingmen had an extra hour of daylight in the evening for work in their gardens. An hour's work a day in a garden, if wisely directed, will produce an amazing amount of food.

"I believe this to be of the utmost importance. Unless something unforeseen happens, the world is going to experience the greatest food shortage within the next year that it has known since the Napoleonic wars. The chances are that there will be many hungry people in our large cities before another winter is over, not because there is not enough work for them to do, not because money wages will not be high, but because food will be hard to get at any price. Anything which will enable workingmen to produce a part of their own food is, therefore, of the utmost importance."

B. CONSERVATION OF COAL AND OTHER MATERIAL RESOURCES.

1. There is no doubt but that this country will achieve the savings that the European nations have experienced.

In Section IV of this statement will be found a very conservative estimate of the savings in coal which may be expected from daylight saving.

IV. Fuel saving to be expected from daylight saving.

If daylight saving were adopted in the United States through act of Congress a very important saving in consumption of fuel, especially of coal, would result. What the total saving of coal would be is very difficult to estimate, but it would apparently exceed 1,500,000 tons a year, even if daylight saving were in effect only for the shortest period that has been suggested and at a time of year when there is least need for artificial heat and light. The saving would occur in both direct and indirect ways.

DIRECT SAVING.

Daylight saving contemplates increased utilization of natural light through better adjustment of the active day for the greater part of the population to the hours during which artificial light is not generally required. Coal enters into artificial light mainly through development of electric energy and through production of gas, both by carbonization and in use under boilers and retorts.

The amount of coal that will be saved if the clock is moved ahead one hour will differ with the period during which this method of daylight saving is used. Calculations computed for different periods, based upon actual British experience in the summer of 1916, and modified by allowances for differences in latitude, etc., give the following savings in coal for the United States:

(1) Saving of 150 hours of a yearly average of 1,320 per year requiring artificial illumination in the United States (i. e., by daylight saving between second Sunday in April and last Sunday in September, according to the Calder bill (S. 1854) now before the House Committee on Interstate and Foreign Commerce):

	Tons coal.
In electricity for lighting	660,000
In gas for lighting	144,000
	804,000

(2) Saving of 190 hours from the yearly average (i. e., with clocks moved ahead 1 hour between Apr. 1 and Nov. 30):

	Tons coal.
In electricity for lighting	836,000
In gas for lighting	183,300
	1,019,000

(3) Saving of 198 hours from the yearly average (i. e., with clocks advanced 1 hour throughout year):

	Tons coal.
In electricity for lighting	871,000
In gas for lighting	190,000
	1,061,000

The saving in coal used for these purposes could be represented approximately by the following percentages:

(1) With saving of 150 hours:		
Amount of coal used for lighting through gas and electricity, approximately	tons	15,750,000
Amount saved	do	804,000
Percentage saved		5
(2) With saving of 190 hours:		
Amount of coal used for lighting through gas and electricity, approximately	tons	15,750,000
Amount saved	do	1,019,000
Percentage saved		6.5
(3) With saving of 198 hours:		
Amount of coal used for lighting through gas and electricity, approximately	tons	15,750,000
Amount saved	do	1,061,000
Percentage saved		6.6

THESE ESTIMATES CONSERVATIVE.

Any estimate for the whole territory of the United States, such as has been made above, must proceed upon many assumptions and estimates. That the estimates which are presented are conservative appears from several circumstances. For instance, actual British experience in the summer of 1916 demonstrated that the electric current used during the period of daylight saving was reduced by percentages that ranged from 1½ to 55, and the amount of gas used was reduced by percentages as low as 2 but as high as 26. The figures do not include the savings in coal which would be obtained at "isolated" plants and at the plants of electric railways which sell power for lighting. Again, the estimate has been made on a basis which assumes that the use of electric energy and gas for lighting is spread evenly over the country, whereas, as a matter of fact, the census report for 1912 showed that out of a total of 76,000,000 incandescent lights wired for service by municipal and commercial central stations 57,000,000 were in the New

England, Middle Atlantic, and North Central States; in other words, were in the part of the country where, because of latitude, the advantages of daylight saving will be most striking.

The estimate for the results if daylight saving is used throughout the year is especially conservative, since it includes no estimate for the saving which would result throughout two winter months, when, in effect, a morning hour with very moderate use of artificial light would be substituted for an evening hour of maximum artificial illumination. The saving of coal obtained in this way can not be estimated very accurately, but it apparently would exceed 300,000 tons.

INDIRECT SAVING.

The saving of coal through substitution of a morning hour of moderate artificial illumination for an evening hour of maximum use of electricity and gas for lights illustrates ways in which very important savings in coal would be obtained.

Reduction of the peak load for central power stations would have very important results. To illustrate the importance of this item the situation of the Commonwealth Edison Co., of Chicago, which distributes approximately one-eighteenth of the country's total electric energy, may be taken. The peak load of this company is needed for no more than one and one-half hours a day. The average load is less than 50 per cent of the peak. The investment in equipment to produce the peak is upward of one-fourth of the whole and equals at least $25,000,000; the cost of carrying this equipment is $3,250,000 a year. At Rochester, N. Y., one-third of the investment is said to be necessary to care for the peak, at a cost per customer per year of $60. Daylight saving would flatten the peak, since at the seasons when the yearly peak is now attained (because the greatest demand for electric transportation and the maximum use of electric light come at the same hour) daylight saving would reduce the requirements of power for lighting and would at the same time place the greatest demand for electric transportation further within the hours of natural light; in other words, daylight saving would tend to separate the two factors the concurrence of which now causes great investment and large use of coal, and at the same time would materially reduce one of those factors. The benefits would be twofold—(1) saving of coal in an amount which can not be accurately estimated, but which would reach into the hundreds of thousands of tons, and (2) postponement of new investments in equipment to carry the peak of the load.

This postponement of new investments will occur at a time when it is of the highest public interest to avoid all new financing of private enterprise that is possible. The new investment otherwise necessary may again be illustrated through the situation of the Commonwealth Edison Co. In 1916 it had a generating capacity of 360,000 kilowatts, at the end of 1917 it had increased this to 452,000, and according to plans made in 1917 it will have raised it to 600,000 by the end of 1919.

In the use of coal for domestic purposes daylight saving, if practiced during eight or more months, will cause real economies, although there are such great diversities in this use that the saving of coal can not be estimated very accurately. The saving would occur during the cooler months when, in effect, a morning hour when relatively little heat is used in residences would be substituted for an evening hour when under present conditions the use of artificial heat in residences is at its maximum. That the saving would be considerable is apparent from the fact that, according to the figures of the Geological Survey for 1915, at least 60,000,000 tons of bituminous coal will be used this year for heating residences.

Daylight saving will have its effect, too, upon some other problems regarding coal. For example, it will make it easier to persuade small electric stations throughout the country to decrease their "all-night" service and save coal proportionately. It would create a public sentiment which would insist upon needless lighting by municipalities being eliminated, and would lead each private user of electric lights to reduce the amount of light he uses to his actual requirements, thus reducing extravagance in electric energy. The public point of view created by daylight saving will make easier adjustment of such question as the legitimacy under present conditions of advertising by electric signs, illumination of "white ways," etc.

V. Support of daylight saving.

Daylight saving, to be made uniformly effective throughout the continental United States by act of Congress, is actively supported by the following officers and organizations:

The President of the United States.
United States Food Administrator, Mr. Herbert C. Hoover.
United States Fuel Administrator, Dr. Harry A. Garfield.
The Chairman of the United States Shipping Board, Mr. E. N. Hurley.
Conference of shipyard employment managers, called by the United States Shipping Board.
The Council of National Defense.
The advisory commission, Council of National Defense.
Committee on coal production, Council of National Defense.
The following State councils of defense: Arizona Council of Defense; Connecticut Committee on Public Safety; Illinois Council of Defense; Iowa Council of Defense; Maine Committee on Public Safety; Nebraska Council of Defense; New Hampshire Committee on Public Safety; New Jersey Committee on Public Safety; Rhode Island Committee on Public Safety; South Dakota Council of Defense; Vermont Committee on Public Safety.
Pennsylvania Legislature, by joint resolution memorializing Congress.
Chamber of Commerce of the United States.
American Federation of Labor.
Board of Managers, New York Cotton Exchange.
State Board of Agriculture, Massachusetts.
State Board of Education, New Jersey.
Boston School Committee, Boston, Mass.
American Philosophical Society.
American Association for the Advancement of Science.
National Lawn Tennis Association.
National Baseball League.

In addition to action taken through membership in the Chamber of Commerce of the United States, many commercial and other similar organizations have taken special action. These organizations include:

Traffic Club of New England.
York Chamber of Commerce, York, Pa.
Commercial Club, Davenport, Iowa.
Merchants and Manufacturers Association, Milwaukee, Wis.
Chamber of Commerce, Franklin, Ind.
Johnson County Business Men's Association, Franklin, Ind.
Chamber of Commerce, Washington, D. C.
Chicago Association of Commerce.
Civic and Commercial Association, Denver, Colo.
Duluth Commercial Club, Duluth, Minn.
Portland Rotary Club, Portland, Me.
Portland Retail Merchants' Association (Maine).
Portland Cement Association, Chicago, Ill.
Indianapolis Chamber of Commerce, Indianapolis, Ind.
Fall River Chamber of Commerce, Fall River, Mass.
Great Dayton Association, Chicago, Ill.
Worcester Chamber of Commerce, Worcester, Mass.
Boston Chamber of Commerce, Boston, Mass.
Rochester Chamber of Commerce, Rochester.
Charlotte Chamber of Commerce, Charlotte, N. C.
Manchester Board of Commerce, Manchester, N. H.
Greenbay Association of Commerce, Greenbay, Wis.
Muskegon Chamber of Commerce, Muskegon, Mich.
Waterloo Commercial Club, Waterloo, Iowa.
Dubois Chamber of Commerce, Dubois, Pa.
Greenville Chamber of Commerce, Greenville, S. C.
Retail Lumber Dealers of State of New York.
Pittsfield Board of Trade, Pittsfield, Mass.
Council Bluffs Chamber of Commerce, Council Bluffs, Iowa.
Spokane Chamber of Commerce, Spokane, Wash.
Charlton Commercial Club, Charlton, Iowa.
City Commission, Grand Rapids, Mich.
Jamestown Board of Commerce, Jamestown, N. Y.
Pittsburgh Chamber of Commerce, Pittsburgh, Pa.
Middletown Chamber of Commerce, Middletown, Ohio.
Merchants' Association, Springfield, Ohio.
State Chamber of Commerce, Pennsylvania.

A. LINCOLN FILENE,
Chairman Executive Committee on Daylight Saving of the Chamber of Commerce of the United States.

Mr. SIMS. Mr. Speaker, I move the previous question on the bill and committee amendments to final passage.

Mr. STAFFORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STAFFORD. The rule which was adopted by the committee provided for the consideration to Senate bill 1854 under the general rules of the House. This bill that is presented for consideration contains several committee amendments. Those amendments have not been presented as yet for action by any Member of the House. It is the general rule, if I am not mistaken, that a bill when presented to the House by a report is considered as it is introduced and requires some formal action on the part of some Member of the amendment.

The SPEAKER. What is the parliamentary inquiry?

Mr. STAFFORD. My inquiry is whether it is not necessary for the gentleman to move to amend as his committee directed him?

The SPEAKER. No. The universal practice is if the bill is read and the amendments are read they are supposed to be pending. I do not remember during the whole time I have been here to have ever seen it done in any other way. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 3, line 4, strike out the word "April" and insert the word "March."

The SPEAKER. Without objection, the amendment will be agreed to.

There was no objection.

The Clerk read as follows:

Page 3, line 6, strike out the word "September" and insert the word "October."

The SPEAKER. Without objection, the amendment will be agreed to.

Mr. WINGO. Mr. Speaker, I object.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Page 3, line 10, strike out the word "April" and insert the word "March."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Page 3, line 11, strike out the word "September" and insert the word "October."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Page 3, lines 24 and 25, strike out section 5.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

Page 4, line 1, strike out the figure "6" and insert in lieu thereof the figure "5."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry

The SPEAKER. The gentleman will state it.

Mr. WINGO. The previous question having been ordered, that shuts off all amendments except the committee amendment?

The SPEAKER. Yes; all debate.

Mr. WINGO. No amendment would be in order at this time?

The SPEAKER. No. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken.

Mr. THOMAS. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is not a quorum present. The Doorkeeper will lock the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on the passage of the bill.

The question was taken; and there were—yeas 253, nays 40, answered "present" 6, not voting 133, as follows:

YEAS—253.

Alexander	Fairfield	Lehlbach	Robinson
Anderson	Farr	Lever	Rogers
Ashbrook	Ferris	Linthicum	Rose
Ayres	Fess	Little	Rouse
Baer	Fisher	Littlepage	Rowe
Bankhead	Flood	Lonergan	Rubey
Barkley	Focht	Longworth	Russell
Barnhart	Fordney	Lufkin	Sabath
Beakes	Foster	Lundeen	Sanders, La.
Black	Frear	McAndrews	Sanders, N. Y.
Bland	Freeman	McArthur	Sanford
Blanton	French	McClintic	Saunders, Va.
Borland	Fuller, Ill.	McFadden	Scott, Iowa
Bowers	Fuller, Mass.	McKinley	Scott, Mich.
Britten	Gallagher	McLaughlin, Mich.	Sells
Browne	Gandy	Madden	Shackleford
Browning	Gard	Magee	Sherley
Brumbaugh	Garrett, Tenn.	Maher	Sims
Buchanan	Glass	Mansfield	Sinnott
Burroughs	Glynn	Mapes	Sloan
Byrnes, S. C.	Godwin, N. C.	Martin	Small
Byrns, Tenn.	Goodall	Mason	Smith, Idaho
Campbell, Kans.	Gould	Mays	Smith, Mich.
Cantrill	Graham, Ill.	Meeker	Smith, C. B.
Carlin	Green, Iowa	Miller, Minn.	Snook
Carter, Okla.	Greene, Mass.	Miller, Wash.	Stafford
Cary	Griest	Mondell	Stedman
Classon	Hadley	Moon	Steele
Claypool	Hamilton, Mich.	Moore, Pa.	Sterling, Ill.
Cleary	Hamlin	Moores, Ind.	Stiness
Coady	Harrison, Miss.	Morgan	Strong
Collier	Haskell	Mott	Sumners
Connally, Tex.	Hastings	Neely	Sweet
Cooper, Ohio	Haugen	Nelson	Swift
Cooper, W. Va.	Hayden	Nolan	Tague
Cooper, Wis.	Helm	Oldfield	Temple
Cox	Hensley	Oliver, N. Y.	Thompson
Crosser	Hersey	Olney	Tillman
Dale, N. Y.	Hicks	Osborne	Timberlake
Dale, Vt.	Hilliard	O'Shaunessy	Towner
Dallinger	Holland	Overmyer	Van Dyke
Decker	Houston	Padgett	Venable
Dempsey	Howard	Paige	Voigt
Denison	Hull, Tenn.	Park	Waldow
Denton	Humphreys	Parker, N. J.	Walsh
Dewalt	Igoe	Parker, N. Y.	Walton
Dickinson	Ireland	Peters	Wason
Dill	Johnson, Wash.	Phelan	Watkins
Dillon	Jones, Tex.	Platt	Watson, Pa.
Dixon	Jones, Va.	Polk	Welty
Dooling	Juul	Pratt	Whaley
Doolittle	Kearns	Purnell	Wheeler
Doremus	Keating	Rainey	White, Me.
Doughton	Kelly, Pa.	Raker	Wilson, Ill.
Dowell	Kennedy, Iowa	Ramsey	Wilson, Tex.
Dupré	Kennedy, R. I.	Ramseyer	Winslow
Dyer	Kettner	Randall	Wood, Ind.
Eagan	Kiess, Pa.	Rankin	Woods, Iowa
Elliott	Kinkaid	Rayburn	Young, N. Dak.
Ellsworth	Kitchin	Reavis	Young, Tex.
Elston	Knutson	Reed	Zihlman
Emerson	Kreider	Riordan	
Esch	Langley	Robbins	
Evans	Larsen	Roberts	

NAYS—40.

Almon	Dominick	Lee, Ga.	Stephens, Miss.
Bell	Garner	Lobeck	Stevenson
Blackmon	Goodwin, Ark.	McCulloch	Taylor, Ark.
Brand	Gray, Ala.	McLemore	Taylor, Colo.
Burnett	Hawley	Oliver, Ala.	Thomas
Candler, Miss.	Heflin	Overstreet	Vinson
Caraway	Huddleston	Price	Weaver
Connelly, Kans.	Johnson, Ky.	Romjue	Williams
Cramton	Kincheloe	Sisson	Wingo
Crisp	Lea, Cal.	Steagall	Wright

ANSWERED "PRESENT"—6.

Booher	Hardy	London	Snell
Cannon	King		

NOT VOTING—134.

Anthony	Capstick	Costello	Dies
Aswell	Carew	Crago	Donovan
Austin	Carter, Mass.	Currie, Mich.	Drane
Bacharach	Chandler, N. Y.	Curry, Cal.	Drukker
Beshlin	Chandler, Okla.	Darrow	Dunn
Brodbeck	Church	Davidson	Eagle
Butler	Clark, Fla.	Davis	Edmonds
Caldwell	Clark, Pa.	Delaney	Estopinal
Campbell, Pa.	Copley	Dent	Fairchild, B. L.
Fairchild, G. W.	Hull, Iowa	Mudd	Steenerson
Fields	Husted	Nicholls, S. C.	Stephens, Nebr.
Flynn	Hutchinson	Nichols, Mich.	Sterling, Pa.
Foss	Jacoway	Norton	Sullivan
Francis	James	Porter	Switzer
Gallivan	Johnson, S. Dak.	Pou	Talbott
Garland	Kahn	Powers	Templeton
Garrett, Tex.	Kehoe	Quin	Tilson
Gillett	Kelley, Mich.	Ragsdale	Tinkham
Good	Key, Ohio	Rodenberg	Treadway
Gordon	Kraus	Rowland	Vare
Graham, Pa.	La Follette	Rucker	Vestal
Gray, N. J.	LaGuardia	Sanders, Ind.	Volstead
Greene, Vt.	Lazaro	Schall	Walker
Gregg	Lenroot	Scott, Pa.	Ward
Griffin	Lesher	Scully	Watson, Va.
Hamill	Lunn	Sears	Webb
Hamilton, N. Y.	McCormick	Shallenberger	Welling
Harrison, Va.	McKenzie	Sherwood	White, Ohio
Hayes	McKeown	Shouse	Wilson, La.
Heaton	McLaughlin, Pa.	Siegel	Wise
Heintz	Mann	Slayden	Woodyard
Helvering	Merritt	Slemp	
Hollingsworth	Montague	Smith, T. F.	
Hood	Morin	Snyder	

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. TALBOTT with Mr. DUNN.

Mr. HAMILL with Mr. BENJAMIN L. FAIRCHILD.

Mr. KEHOE with Mr. HAMILTON of New York.

Mr. SHOUSE with Mr. GEORGE W. FAIRCHILD.

Mr. CLARK of Florida with Mr. GILLETT.

Mr. HOOD with Mr. DAVIS.

Mr. BOOHER with Mr. TREADWAY.

Mr. CAMPBELL of Pennsylvania with Mr. MUDD.

Mr. SCULLY with Mr. ANTHONY.

Mr. WILSON of Louisiana with Mr. BACHARACH.

Mr. GALLIVAN with Mr. GRAHAM of Pennsylvania.

Mr. ASWELL with Mr. HOLLINGSWORTH.

Mr. DELANEY with Mr. MORIN.

Mr. SULLIVAN with Mr. NICHOLS of Michigan.

Mr. MCKEOWN with Mr. ROWLAND.

Mr. WATSON of Virginia with Mr. AUSTIN.

Mr. MONTAGUE with Mr. MCKENZIE.

Mr. BESHLIN with Mr. WARD.

Mr. BRODBECK with Mr. CHANDLER of Oklahoma.

Mr. CAREW with Mr. BUTLER.

Mr. DENT with Mr. COPLEY.

Mr. CALDWELL with Mr. COSTELLO.

Mr. CHURCH with Mr. CHANDLER of New York.

Mr. DIES with Mr. FOSS.

Mr. HELVERING with Mr. EDMONDS.

Mr. DONOVAN with Mr. GARLAND.

Mr. JACOWAY with Mr. DARROW.

Mr. KEY of Ohio with Mr. GRAY of New Jersey.

Mr. DRANE with Mr. FRANCIS.

Mr. HARRISON of Virginia with Mr. DAVIDSON.

Mr. LARSEN with Mr. GOOD.

Mr. EAGLE with Mr. KELLEY of Michigan.

Mr. LAZARO with Mr. HAYES.

Mr. GARRETT of Texas with Mr. MCLAUGHLIN of Pennsylvania.

Mr. LESHER with Mr. MERRITT.

Mr. ESTOPINAL with Mr. HEATON.

Mr. MONTAGUE with Mr. PORTER.

Mr. GORDON with Mr. HUSTED.

Mr. FIELDS with Mr. KAHN.

Mr. LUNN with Mr. SIEGEL.

Mr. NICHOLLS of South Carolina with Mr. HUTCHINSON.

Mr. FLYNN with Mr. NORTON.

Mr. POU with Mr. SLEMP.

Mr. GRIFFIN with Mr. POWERS.

Mr. QUIN with Mr. HULL of Iowa.

Mr. RAGSDALE with Mr. RODENBERG.

Mr. SCHALL with Mr. STEENERSON.

Mr. RUCKER with Mr. SWITZER.

Mr. SEARS with Mr. TEMPLETON.

Mr. WALKER with Mr. CLARK of Pennsylvania.

Mr. SHALLENBERGER with Mr. TILSON.

Mr. WEBB with Mr. CURRY of California.

Mr. SHERWOOD with Mr. TINKHAM.

Mr. WELLING with Mr. JAMES.

Mr. SLAYDEN with Mr. VARE.

Mr. WHITE of Ohio with Mr. JOHNSON of South Dakota.

Mr. THOMAS F. SMITH with Mr. VOLSTEAD.

Mr. STERLING of Pennsylvania with Mr. LA FOLLETTE.

Mr. STEPHENS of Nebraska with Mr. WOODYARD.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

On motion of Mr. SIMS, a motion to reconsider the vote by which the bill was passed was laid on the table.

MRS. ANNIE BAILEY.

Mr. PARK. Mr. Speaker, when the House resolution No. 259 was passed, inadvertently an amendment to the resolution, which should have been adopted, was omitted, and I ask that the action of the House in passing the resolution be vacated.

The SPEAKER. In passing the House resolution 259 there was a small amendment left out, and the gentleman from Georgia asks unanimous consent to vacate the proceedings by which it was passed. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment: After the word "pay," in line 2 of the resolution, insert the words "out of the contingent fund of the House."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution as amended.

The resolution as amended was agreed to.

EXTENSION OF REMARKS.

Mr. BORLAND. Mr. Speaker, I ask unanimous consent that those who have spoken on the so-called Borland amendment may have leave to extend their remarks in the RECORD.

The SPEAKER. The gentleman from Missouri asks unanimous consent that gentlemen who have spoken on the Borland amendment to the legislative, executive, and judicial appropriation bill be permitted to extend their remarks on the bill itself and the amendment. Is there objection?

There was no objection.

Mr. PLATT. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the daylight-saving bill.

The SPEAKER. The gentleman from New York asks unanimous consent to revise and extend his remarks on the daylight-saving bill. Is there objection?

There was no objection.

Mr. HAYDEN. Mr. Speaker, I ask unanimous consent to extend my remarks on the daylight-saving bill.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an article in the Atlanta Constitution on the Speaker's birthday.

The SPEAKER. The gentleman from Georgia asks unanimous consent to print an editorial about the proceedings on the Speaker's birthday. Is there objection?

There was no objection.

DAYLIGHT-SAVING BILL.

Mr. WALDOW. Mr. Speaker, my colleague, Mr. FRANCIS, was unable to be here. Had he been here he would have voted "aye" on the daylight-saving bill.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

Mr. WALSH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WALSH. I rise to submit an inquiry of an astronomical nature. The rules of the House provide that we should meet at 12 o'clock meridian. If the daylight-saving bill becomes a law at what hour would the House convene? [Laughter.]

The SPEAKER. It would be 12 o'clock by the clock.

Mr. WALSH. But it would not be 12 o'clock meridian.

The SPEAKER. The Chair knows, but the rule provides that the House meet at 12 by the clock.

Mr. KITCHIN. Mr. Speaker, I renew my motion.

The SPEAKER. The gentleman from North Carolina moves that the House do now adjourn. The question is on agreeing to that motion.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.) the House adjourned until to-morrow, Saturday, March 16, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of the Treasury, transmitting copy of a communication of the Secretary of Agriculture submitting an estimate of appropriation to enable the Department of Agriculture to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products (H. Doc. No. 975), was taken from the Speaker's table, referred to the Committee on Agriculture, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. RAKER, from the Committee on the Public Lands, to which was referred the bill (H. R. 10587) granting to the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, reported the same with amendment, accompanied by a report (No. 381), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SABATH, from the Committee on Immigration and Naturalization, to which was referred the bill (H. R. 10589) to make valid certain certificates of naturalization, reported the same without amendment, accompanied by a report (No. 382), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. PRICE, from the Committee on Claims, to which was referred the bill (H. R. 4610) to compensate Thomas G. Allen for injuries received while employed in the General Land Office of the United States, and making an appropriation therefor, reported the same with amendment, accompanied by a report (No. 384), which said bill and report were referred to the Private Calendar.

Mr. STEAGALL, from the Committee on Claims, to which was referred the bill (H. R. 2012) for the relief of Mrs. W. E. Crawford, reported the same without amendment, accompanied by a report (No. 385), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SIMS: A bill (H. R. 10744) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department, approved September 2, 1914, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

By Mr. SHACKLEFORD: A bill (H. R. 10745) to authorize Cole and Osage Counties, Mo., to construct a bridge across the Osage River; to the Committee on Interstate and Foreign Commerce.

By Mr. SHERWOOD: A bill (H. R. 10746) to provide for a monument at Arlington to mark the grave of Maj. Gen. William S. Rosecrans; to the Committee on the Library.

By Mr. PADGETT: A bill (H. R. 10747) providing for the better administration of justice in the Navy; to the Committee on Naval Affairs.

By Mr. CARLIN: A bill (H. R. 10748) to repeal section 896 of the Code of Law of the District of Columbia; to the Committee on the District of Columbia.

Also, a bill (H. R. 10749) to authorize the Secretary of Agriculture, to grant in his discretion, leave of absence to certain employees outside of the city of Washington; to the Committee on Expenditures in the Department of Agriculture.

By Mr. CARY: A bill (H. R. 10750) to amend an act entitled "An act to authorize the extension eastwardly of the Columbia Railway," approved June 13, 1898, and for other purposes; to the Committee on the District of Columbia.

By Mr. RUBEY: Resolution (H. Res. 281) for the immediate consideration of a bill reported from the Committee on Agriculture as a substitute for H. R. 7795; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 10751) granting an increase of pension to William B. Carr; to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 10752) granting an increase of pension to William Froats; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10753) to amend House bill 1339, Sixty-second Congress; to the Committee on Invalid Pensions.

By Mr. CLAYPOOL: A bill (H. R. 10754) granting an increase of pension to Eli Berry; to the Committee on Invalid Pensions.

By Mr. COPLEY: A bill (H. R. 10755) granting a pension to Anna Fishbeck; to the Committee on Invalid Pensions.

By Mr. CRAMTON: A bill (H. R. 10756) granting an increase of pension to Horace E. Hand; to the Committee on Invalid Pensions.

By Mr. DALE of New York: A bill (H. R. 10757) for the relief of Swend A. Swendson; to the Committee on Claims.

By Mr. ELLIOTT: A bill (H. R. 10758) granting a pension to Emma Bridgett; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 10759) for the relief of Otho Adams; to the Committee on Claims.

Also, a bill (H. R. 10760) granting an increase of pension to John Jarrette; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10761) granting an increase of pension to Jeremiah Hunt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10762) granting an increase of pension to Bennett W. Burton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10763) granting an increase of pension to John M. Tyree; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10764) granting an increase of pension to Stephen F. Easterling; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10765) granting an increase of pension to Henry M. Hutchinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10766) granting a pension to Thomas Gentry; to the Committee on Pensions.

By Mr. FORDNEY: A bill (H. R. 10767) granting an increase of pension to Frank H. Campbell; to the Committee on Pensions.

By Mr. GRAHAM of Illinois: A bill (H. R. 10768) for the relief of George W. Gamble; to the Committee on Claims.

By Mr. HAWLEY: A bill (H. R. 10769) granting a pension to Joseph B. Doan; to the Committee on Invalid Pensions.

By Mr. KEY of Ohio: A bill (H. R. 10770) granting an increase of pension to William J. Robey; to the Committee on Invalid Pensions.

By Mr. LESHER: A bill (H. R. 10771) granting an increase of pension to Edward A. Searls; to the Committee on Invalid Pensions.

By Mr. MANSFIELD: A bill (H. R. 10772) to establish the military record of James W. Miller; to the Committee on Military Affairs.

By Mr. MEEKER: A bill (H. R. 10773) granting a pension to Fritz Hintermeyer; to the Committee on Pensions.

By Mr. MOON: A bill (H. R. 10774) granting a pension to Eugene Johnson; to the Committee on Pensions.

By Mr. RANDALL: A bill (H. R. 10775) granting an increase of pension to Albert Sharp; to the Committee on Invalid Pensions.

By Mr. RODENBERG: A bill (H. R. 10776) for the relief of Charles B. Carroll; to the Committee on Claims.

By Mr. ROSE: A bill (H. R. 10777) granting a pension to Joseph Heming; to the Committee on Invalid Pensions.

By Mr. SHERWOOD: A bill (H. R. 10778) granting a pension to Henry A. Jaegle; to the Committee on Pensions.

By Mr. SNOOK: A bill (H. R. 10779) granting an increase of pension to James Custer; to the Committee on Invalid Pensions.

By Mr. WALTON: A bill (H. R. 10780) granting a pension to Alvin R. Scott; to the Committee on Pensions.

By Mr. WILSON of Louisiana: A bill (H. R. 10781) granting an increase of pension to Thomas Leonard; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Irish Women's Council, asking for the recognition of the political independence in the form of the Irish Republic; to the Committee on Foreign Affairs.

By Mr. CARY: Petition of National Retail Dry Goods Association, relative to payment of the income and excess-profits taxes; to the Committee on Ways and Means.

By Mr. DALE of New York: Petition of Woman's Christian Temperance Union of Barnet, Vt., favoring national prohibition during the war; to the Committee on the Judiciary.

By Mr. DARROW: Resolutions of the Market Street Business Men's Association and Walnut Street Business Men's Association, of Philadelphia, Pa., in behalf of daylight saving; to the Committee on Interstate and Foreign Commerce.

By Mr. DOOLING: Memorial of members of the Irish Women's Council of New York City, Philadelphia, Springfield, and San Francisco, and others, relative to freedom for Ireland; to the Committee on Foreign Affairs.

Also, memorial of Chamber of Commerce of State of New York, relative to payment of excess-profits tax; to the Committee on Ways and Means.

By Mr. FULLER of Illinois: Petitions of the Belvidere (Ill.) Screw & Machine Co.; the Mechanics Machine Co. of Rockford, Ill.; and Adolph Lewishon, of New York, asking that provision be made for the payment of war taxes in quarterly installments; to the Committee on Ways and Means.

By Mr. HAMILTON of Michigan: Resolution of the Michigan State Grange, protesting against any proposition to discontinue or curtail Rural Free Delivery Service; to the Committee on the Post Office and Post Roads.

By Mr. HILLIARD: Resolutions adopted by the Illinois Firemen's Association, protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of Louisa Fishburn, Hortense S. Cramer, Clifford C. Cable, J. R. Sutton, M. F. Ralston, Laura S. Gilbert, and 15 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Cora Louther White, J. W. McCaslin, W. B. Rankin, Addie B. Wastfeld, William Robertson, Mrs. J. A. McCulloch, and 30 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Mrs. D. W. Coulter, H. H. Hyde, Mrs. H. H. Hyde, Miss Marjorie Hyde, Mrs. Mary C. Miller, and Mrs. George W. Hagerman, all of Oak Creek, Colo., praying for the repeal of that section of the war-revenue act providing for increased postage rates on periodicals; to the Committee on Ways and Means.

Also, resolutions adopted by the Colorado Federation of Women's Clubs, protesting against increased postage rates on second-class mail matter; to the Committee on Ways and Means.

By Mr. KENNEDY of Rhode Island: Resolution of Council of Providence (R. I.) Engineering Society, favoring passage of daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. MOON: Papers to accompany a bill for the relief of Eugene Johnson; to the Committee on Pensions.

By Mr. MOORE of Pennsylvania: Resolution of the Philadelphia Bourse, favoring action upon Senate bill 3530, providing for the repeal of the act of March 1, 1913, authorizing the valuation of the physical property of the carriers; also another resolution of the same body, requesting action on the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSE: Petition of A. B. Gordon and others, residents of Bedford County, Pa., for the repeal of the zone rate, and for making the second-class postage rate one and the same, level and uniform throughout the Union, regardless of distance; to the Committee on the Post Office and Post Roads.

Also, petition of the Presbyterian Church, Juniata, Pa., for the enactment, in the shortest time possible, national prohibition as a military necessity; to the Committee on Alcoholic Liquor Traffic.

By Mr. ROUSE: Resolution of the Newport Lodge, No. 5, of Kentucky, Amalgamated Association of Iron, Steel, and Tin Workers of America, asking for immediate action for operation and maintenance of adequate navigation facilities for the Ohio and Mississippi Rivers; to the Committee on Rivers and Harbors.

By Mr. SMITH of Michigan: Protest of Thomas G. Phillips and 35 citizens of Olivet, against zone system second-class mail matter; to the Committee on the Post Office and Post Roads.

Also, resolution of Seventh-day Adventist Church, Battle Creek, protesting against Sunday laws; to the Committee on the Judiciary.

Also, protest of John C. Winans and 50 citizens, of Waldron, against zone system second-class postal matters; to the Committee on the Post Office and Post Roads.

Also, protest of Advance Pump & Compressor Co., Union Steam Pump Co., and Rathbun & Kraft, all of Battle Creek, against absolute and final rate-fixing power on Director General of Railroads; to the Committee on Interstate and Foreign Commerce.

Also, protest of Bryant Paper Co., of Kalamazoo, Mich., against absolute and final rate-fixing power being conferred on Director General of Railroads; to the Committee on Interstate and Foreign Commerce.

By Mr. VARE: Memorial of the Lumbermen's Exchange of Philadelphia, in support of four-payment plan for excess-profits taxes; to the Committee on Ways and Means.

Also, petition of the Market Street, Walnut Street, and Chestnut Street Business Men's Associations, of Philadelphia, asking immediate action on the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Pittsburgh Newspaper Publishers' Association, asking for the recoinage of the 2-cent piece; to the Committee on Coinage, Weights, and Measures.

SENATE.

SATURDAY, *March 16, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we seek Thee earnestly, we trust with a passionate desire to know Thy will, that we may have a clear conception of the duties of this hour, that we may be the elect of God for service sent under Thine own direction, inspired by Thy Holy Spirit to accomplish Thy great purpose in this Nation and in the world. Call us to Thyself in the service of humanity and fit us for this divine enterprise. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

PERSONAL EXPLANATION.

Mr. FLETCHER. Mr. President, I wish to state by way of personal explanation that yesterday when the votes were taken which appear on pages 3546 and 3547 of the CONGRESSIONAL RECORD I was necessarily absent on business of the Senate.

Mr. GALLINGER. The Senator from Florida has called attention to the fact that on yesterday when he was necessarily absent two votes were taken. I am paired with that Senator and did not notice that the Senator was absent from the Chamber, having observed him in the Chamber a little while before I voted. It was an oversight on my part, which I regret.

PETITIONS AND MEMORIALS.

Mr. TILLMAN. Mr. President, I send to the desk and wish to have noted in the RECORD several petitions from South Carolina colleges, including the State Normal and Industrial College at Rock Hill, known as Winthrop College; and one from other women of the State, asking me to vote for the woman-suffrage amendment.

Of course they did not expect me to comply with their request, knowing my attitude on the question. I think the women will get the vote in time, but it is not a question for the National Government to decide and any interference in Washington in regard to the ballot is contrary to my ideas of constitutionality.

I would like to have the number of ladies signing these petitions counted and printed.

The VICE PRESIDENT. In the absence of objection, the request of the Senator from South Carolina will be complied with.

The petitions are as follows:

Petition signed by 16 women of Richland County, S. C.;

Petition signed by 24 teachers and pupils of Anderson Woman College, South Carolina;

Petition signed by 17 teachers of Converse College, South Carolina;

Petition signed by 202 teachers and pupils of Coker College, South Carolina; and

Petition signed by 877 teachers and pupils of Winthrop College, South Carolina.

Mr. PHELAN presented a memorial of the American Institute of Architects, of San Francisco, Cal., remonstrating against the presentation and erection in prominent places in the capitals of one or more of the nations now allies of the United States replicas of Barnard's statue of Abraham Lincoln, which was referred to the Committee on the Library.

REPORTS OF COMMITTEE ON MILITARY AFFAIRS.

Mr. FLETCHER, from the Committee on Military Affairs, to which was referred the bill (S. 3426) to empower the President to requisition timber and timber products for war purposes, reported it with amendments and submitted a report (No. 316) thereon.

Mr. MYERS, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

S. 164. A bill for the relief of Adolph F. Hitchler (Rept. No. 315); and

S. 1478. A bill for the relief of John F. Kelly (Rept. No. 314).

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OVERMAN:

A bill (S. 4121) to amend section 9 of chapter 252, volume 29, of Public Statutes at Large;

A bill (S. 4122) to amend section 10 of chapter 252, volume 29, of Public Statutes at Large, an act approved May 28, 1896, as amended by chapter 161, volume 35, Public Statutes at Large, passed by the second session of the Sixtieth Congress, February 19, 1909;

A bill (S. 4123) to amend section 7 of chapter 252, volume 29, of the Public Statutes at Large;

A bill (S. 4124) to amend section 12 of chapter 252 of volume 29 of the Public Statutes at Large, the act of May 28, 1896;

A bill (S. 4125) to amend chapter 200, volume 35, of the Public Statutes at Large, passed by the Sixtieth Congress, first session, May 27, 1908; and

(By request) a bill (S. 4126) to amend sections 226 and 228 of the Judicial Code, by increasing the maximum price for which the reports of the Supreme Court may be disposed of, and by defining in part the authority of the Attorney General to purchase such reports for use in the Department of Justice (with accompanying papers); to the Committee on the Judiciary.

By Mr. MARTIN:

A bill (S. 4127) to authorize the W. M. Ritter Lumber Co., a corporation, to construct bridges across the branches and tributaries of the Big Sandy River and their tributaries, in the counties of Buchanan and Dickenson, in the State of Virginia; to the Committee on Commerce.

By Mr. FLETCHER:

A bill (S. 4128) granting a pension to Sallie Hardwick (with accompanying papers); to the Committee on Pensions.

By Mr. McCUMBER:

A bill (S. 4129) granting an increase of pension to Andrew Nelson (with accompanying papers); to the Committee on Pensions.

By Mr. POMERENE:

A bill (S. 4130) granting a pension to Martin L. White; to the Committee on Pensions.

By Mr. KENYON:

A bill (S. 4131) granting an increase of pension to Martin B. Fitch (with accompanying papers); to the Committee on Pensions.

AMENDMENT TO LEGISLATIVE APPROPRIATION BILL.

Mr. STERLING submitted an amendment proposing to appropriate $4,327.50 to enable the Secretary of the Senate to pay those officers and employees of the Senate borne on the roll known as the soldiers' roll, in accordance with the provisions of Senate resolution of July 14, 1911, etc., intended to be proposed by him to the legislative, etc., appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

PENSIONS AND INCREASE OF PENSIONS.

The VICE PRESIDENT. The morning business is closed.

Mr. WALSH. Mr. President, yesterday the Senate passed the bill (S. 3799) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors. At the time the bill was under consideration I was in attendance at a session of the Judiciary Committee. Some amendments ought to have been made to the bill in consequence of the death of some of the beneficiaries since the bill was reported. I ask unanimous consent to reconsider the votes by which the bill was ordered to a third reading and passed.

Mr. SMOOT. I will say to the Senator that the rule has generally been that the House acting upon the bill last takes care of the deaths that have occurred since the introduction of the bill, and as this is a Senate bill I am quite sure that it will be taken care of in the House, and therefore it will not be necessary to recall the bill. However, if the Senator desires to have it recalled, I have not any objection. I am only stating what the rule has been in the past.

Mr. WALSH. I am not able to speak about the rule, but I would prefer not to send a bill to the House carrying appropriations for beneficiaries who have since died.

Mr. SMOOT. I have no objection, of course, but only made the statement because it has been the rule.

The VICE PRESIDENT. The bill is still in the possession of the Senate. Without objection, the votes by which the bill was ordered to a third reading and passed will be reconsidered. The amendments sent to the desk by the Senator from Montana will be stated.

The SECRETARY. On page 2, strike out lines 9, 10, 11, and 12, in the following words:

> The name of George Leadbeater, late of Company E, Two hundred and fourteenth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving.

The amendment was agreed to.

The SECRETARY. On page 11, strike out lines 3, 4, 5, and 6 in the following words:

> The name of Milton Laird, late of Company I, Fifth Regiment Pennsylvania Reserves Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The amendment was agreed to.

The SECRETARY. On page 12, strike out lines 20, 21, 22, and 23 in the following words:

The name of William A. Bodine, late of Company I, Thirty-seventh Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $40 per month in lieu of that he is now receiving.

The amendment was agreed to.

The SECRETARY. On page 19, strike out lines 9, 10, 11, and 12 in the following words:

The name of Joseph T. Lewis, late of Company G, Eleventh Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The amendment was agreed to.

The SECRETARY. On page 23, strike out lines 11, 12, 13, 14, and 15 in the following words:

The name of Henry Lee Anderson, late major and brevet lieutenant colonel One hundred and ninety-fourth Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The amendment was agreed to.

The SECRETARY. On page 32, strike out lines 22, 23, and 24 in the following words:

The name of James Stuart, late of Capt. Ahl's Independent Battery, Delaware Volunteer Heavy Artillery, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The amendment was agreed to.

Mr. WALSH. I wish to explain that in each of these cases the beneficiary has died since the bill was reported.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CALLING OF THE ROLL.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Borah	Johnson, S. Dak.	Nugent	Sterling
Calder	Jones, Wash.	Overman	Swanson
Culberson	Kellogg	Pittman	Thomas
Curtis	King	Pomerene	Tillman
Dillingham	McCumber	Reed	Townsend
Fletcher	McKellar	Shafroth	Trammell
Gallinger	McLean	Sheppard	Wadsworth
Hale	McNary	Sherman	Walsh
Hardwick	Martin	Smith, Ariz.	Williams
Henderson	Nelson	Smith, Ga.	Wolcott
Hollis	New	Smoot	

Mr. MCNARY. I desire to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness.

The VICE PRESIDENT. Forty-three Senators have answered to the roll call. There is not a quorum present.

Mr. RANSDELL, Mr. KENYON, Mr. KIRBY, Mr. WATSON, Mr. VARDAMAN, Mr. MYERS, Mr. POINDEXTER, Mr. GORE, Mr. FALL, Mr. FRANCE, Mr. HARDING, Mr. BECKHAM, Mr. SUTHERLAND, Mr. FRELINGHUYSEN, Mr. GRONNA, Mr. UNDERWOOD, Mr. SHIELDS, and Mr. THOMPSON entered the Chamber and answered to their names.

Mr. SUTHERLAND. I wish to announce the absence of my colleague [Mr. GOFF] on account of illness.

The VICE PRESIDENT. Sixty-one Senators have answered the roll call. There is a quorum present.

COAL SITUATION IN COLORADO.

Mr. SMITH of Georgia. I move that the Senate proceed to the consideration of House bill 9054, the Agricultural appropriation bill.

Mr. THOMAS. Is the morning business over?

The VICE PRESIDENT. It is closed.

Mr. THOMAS. Will the Senator from Georgia permit me?

Mr. SMITH of Georgia. I yield.

Mr. THOMAS. Mr. President, it is my painful duty to announce this morning to the Senate that the Garfield forces have captured the second line of the trenches in Colorado. This news comes to me in the following telegram:

DENVER, COLO., *March 11, 1918.*

Senator CHARLES S. THOMAS,
Senate Office Building, Washington:

Herewith is a partial list of the mines that I know of that are idle in this State to-day: Cadell, Gordon, Larimer, Strong, Tioga, Big Four, Rugby, Mutual, Ludlow, Toltec, Harris, Fox, Matchless, Acme, Hecla, Standard, Frederick, Grant, Royal Gorge, Emerald, Wolf, Park, Reliance, King, Black Canon, Black Diamond, Oakdale, Ravenwood, Maitland, Bowen, Chandler, Radiant, Puritan, Baum, Monarch, Centennial, Firestone, Evans, Russell, Ideal, Shamrock, Sunnyside, Nonpareil, McGregor, Bear River, International, Indian Creek, Routt, Pinnacle, Curtis, Wedge. Total tonnage lost these mines to-day, 18,165; total men out of employment in these mines, 4,143. Am told that many miners are already leaving our State, feeling that our operators can not work under prices that have been set, or the operators be able to continue paying present high wage scale unless price of March 11 is revised to that in effect November 1, date we were compelled to advance wages $1.40 per day. I contend we should be allowed to immediately reduce our wages to scale in effect during October.

HARRY F. NASH.

Mr. President, the loss of 18,165 tons a day in these 51 mines is the equivalent of 544,950 tons per month and 6,539,400 tons per year, and 4,143 men at $5 a day are deprived of $20,715 a day and $621,450 a month.

So successful, Mr. President, has the Garfield campaign been that I imagine before the next week is over they will have captured every line except the eminence commanded by the Colorado Fuel & Iron Co.

TOAST TO THE KAISER.

Mr. WILLIAMS. Mr. President, I think it is well enough now and then, while we are discussing matters of world-wide import, like the hours of labor of employees in the city of Washington, to say something that relates itself to the present awful war situation of the world.

Mr. George Morrow Mayo, formerly a clerk in the office of the freight claim agent of the Southern Railway system, of Washington, who is now a gunner's mate in the United States Navy, is the author of the following toast to the Kaiser, which I want to read to the Senate:

A TOAST.

Here's to the Blue of the wind-swept North,
When we meet on the fields of France;
May the spirit of Grant be with you all
As the sons of the North advance.

And here's to the Gray of the sun-kissed South,
When we meet on the fields of France;
May the spirit of Lee be with you all
As the sons of the South advance.

And here's to the Blue and Gray as one,
When we meet on the fields of France;
May the spirit of God be with us all
As the sons of the Flag advance.

Mr. President, it is very seldom that poetry is written. A great deal of verse is every day added to the literature of the world. I think these three stanzas constitute poetry, and I wanted to put them in the RECORD.

Mr. TILLMAN. Mr. President, I ask that the Secretary may read the stanzas, for I do not think one-third of the Senator's heard them, owing to some confusion in the Chamber.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The stanzas were read by the Secretary.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the bill (S. 1854) to save daylight and to provide standard time for the United States, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 10358) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED.

H. R. 10358. An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1919, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

AGRICULTURAL APPROPRIATIONS.

Mr. GORE. I ask unanimous consent that the unfinished business be laid before the Senate.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

Mr. REED. I send to the desk an amendment, which I ask to have read.

The VICE PRESIDENT. The amendment proposed by the Senator from Missouri will be stated.

The SECRETARY. After line 20, on page 93, it is proposed to insert the following:

To enable the Secretary of Agriculture to cooperate with and make an exhibit illustrative of the investigations, products, and processes relating to farming in the subhumid, arid, and semiarid regions of the United States at the International Soil-Products Exposition, to be held at Kansas City, Mo., in conjunction with the International Farm Congress, during the fiscal year ending June 30, 1919, including labor and all expenses in the city of Washington and elsewhere, $20,000.

The President is hereby authorized to extend invitations to other nations to appoint delegates or representatives to the International Farm Congress, to be held at Kansas City, Mo., in connection with said International Soil-Products Exposition: *Provided*, That no appropriation shall be granted or used for the expenses of delegates.

Mr. WILLIAMS. Mr. President, I merely wish to suggest that the regular order of business goes back to the appeal which was taken on yesterday from the decision of the Chair upon the amendment offered by me.

The VICE PRESIDENT. The Senator from Mississippi appeals from the ruling of the Chair sustaining the point of order to his amendment. The question is, Shall the ruling of the Chair stand as the decision of the Senate?

Mr. WILLIAMS. Mr. President, upon that point I want to make a few perhaps innocuous observations. I voted upon yesterday for the Borland amendment requiring the employees of the Government to work at least eight hours daily. I voted for it after having announced that I wanted to add to that an amendment that employees should be allowed time and a half for overtime, so as to put them upon the same footing as all organized labor. The right to put an amendment to the amendment was denied me by a ruling of the Chair, which, as I stated yesterday in an argument, I think was an incorrect ruling; but whether it be correct or incorrect as a matter of parliamentary law, there ought to be some means whereby the Senate of the United States can have the opportunity to put Government employees upon the same footing as all other workingmen in this country. Unless the ruling of the Chair is reversed, that opportunity will not present itself here.

Now, I want to say that, as I stated yesterday, that if the amendment of the bill were in order—which I doubt—then undoubtedly the amendment to the amendment was also in order, being a mere modification of the amendment, which in itself was a change of existing law. Upon yesterday the Borland amendment passed by a vote of 29 to 28. Unless I can get a vote of the Senate upon the proposition of putting these people upon the same footing as other organized labor, I shall change the vote which I cast on yesterday for the Borland amendment, and unless there are other changes in the Senate it will be thereby defeated.

I want my friends and constituents in Mississippi to understand just why I did it. I have been standing here for the principle of putting these people upon the same footing as other working people. I have heard a great deal about their not working eight hours, because they were "adding up figures" or were "punching cards" or something of that sort. Well, the man who is engaged in picking coal or the man who is engaged in a munitions factory, in a somewhat unhealthy pursuit of some sort, or in mining copper, is doing work that is much more wearing and tearing upon his health, if not upon his nerves, than these people are doing. The man who is a bank clerk, somebody said, worked but four or five hours a day. That is a mistake. The bank closes at the end of a limited time, but the bank clerk stays there until he has his books right. If there is a mistake of 25 cents, he remains there all the time until that 25 cents is hunted down if it takes him until midnight. My employees work upon an average more than eight hours a day, and I work upon an average at least 10 hours a day.

Mr. GALLINGER. Will the Senator permit me to interrupt him?

Mr. WILLIAMS. Yes.

Mr. GALLINGER. The Senator from Mississippi is laboring under a misapprehension, which I will endeavor to correct. The so-called Borland amendment is not an amendment of the Senate; it is the text of the House bill; and the Senator's amendment is not to an amendment of the Senate, but it is to attach an amendment to the House provision.

Mr. WILLIAMS. I am not laboring under a misapprehension; I understand that. My amendment is to an amendment which the House made upon existing law.

Mr. GALLINGER. Yes; but a Senator can not make a point of order against the House text.

Mr. WILLIAMS. The amendment which the House placed on existing law, if in order, makes my amendment to that amendment in order, because it is a modification of a proposed change of existing law which the House has made.

Mr. GALLINGER. That is reasoning which I can not follow.

Mr. WILLIAMS. I should hate very much to vote against making Government employees work eight hours a day without limitation; they ought to be required to work eight hours, but I do not intend to vote to do them an injustice. Just as I would not make a Prætorian cohort out of them because they merely happen to be in "Rome," the center of the Government, I will not, upon the other hand, lean backwards and do them an injustice. If they are going to be put under the eight-hour law, they ought to be put under it with the limitations and restrictions that are universal with regard to all eight-hour laws. They have no right to demand anything more than other workingmen demand, and we have no right to subject them to any further restrictions—punishment, if you choose to call it so—than other workingmen suffer. Therefore I have taken this appeal from the decision of the Chair in order that the Senate may get a vote upon this proposition; and the universal rule in the Senate is that when the Senate wants to vote upon a question of substantive legislation it can get it by appealing from the decision of the Chair, regardless of the parliamentary point involved, because the rules of the Senate are not the masters of the Senate; they are its servants; and the object of the Senate is to pass substantive legislation of the right character. I am seeking that; but if I can not get it I shall, upon the vote being taken in the Senate after we go out of the Committee of the Whole, reverse my former vote and vote against the Borland amendment presented barely, as it is, without this modification.

Mr. PITTMAN. Mr. President, I hesitate to vote against the ruling of the Chair, because I realize the Chair is a parliamentarian, and I realize also that his rulings have nearly always been right; but I wish to call the attention of the Chair to the fact that there is an apparent conflict in the Chair's ruling now and a ruling he made in the past. I will read the ruling of the Vice President in connection with the naval appropriation bill on July 15, 1916, when we were dealing with the Dental Corps of the Navy.

The VICE PRESIDENT. The Chair recalls that decision.

Mr. PITTMAN. Here is the language of the Vice President, who was in the chair at that time:

> The VICE PRESIDENT. Notwithstanding the rule of the Senate to the effect that general legislation may not be attached to an appropriation bill, still when the House of Representatives opens the door and proceeds to enter upon a field of general legislation which has to do with a subject of this character the Chair is going to rule; but, of course, the Senate can reverse the ruling of the Chair, that the House having opened the door, the Senate of the United States can walk in through the door and pursue the field.

The VICE PRESIDENT. If the provision in the bill were general legislation on the part of the House, the Chair would have ruled the same way this time; but it is not general legislation on the part of the House.

Mr. PITTMAN. It changes existing general law, and if that does not constitute general legislation, then I would like to know the definition of general legislation. The facts in that case were these: In the naval appropriation bill, as it came from the other House, there was a provision dealing simply and purely with the regular medical officers of the Navy, providing for their rank, and so forth. There was no mention of dentists in that bill as it came to the Senate. An effort was made there by way of amendment to declare that dentists were doctors, and this body attempted to define and enlarge that provision of the bill. A point of order was then made, just as it has been made in this instance, that the proposed amendment was general legislation attempted to be put upon an appropriation bill. This contention was met by the argument then made, that the House having entered into general legislation, the Senate was not required to accept that general legislation or decline it; but, it having come legally before this body, that the Senate was entitled to consider it; that the Senate could modify it or enlarge it. The contention was then made that the provision with regard to medical officers was not general legislation, just as is contended in this instance that the so-called Borland amendment is not general legislation; but it did change the existing law.

Now, the question is whether the pending provision of the bill as it comes from the House changes existing law? If it does not change existing law, why is it in the bill? What is the necessity of that provision in the bill if it does not change existing law? The existing law expressly provides that the departments may employ clerks and pay wages to them for less than eight hours' work a day, while the provision now in the bill says the departments shall not employ and pay clerks for less than eight hours' work. If that is not a change of existing law, then why is it put in the bill? Certainly it is not the function of an appropriation bill to perform such a service. An appropriation bill is designed to provide money for the carrying out of the existing law.

The House, however, came to the conclusion that the existing law was not satisfactory, and they changed the existing law. There is not any doubt that they changed it. Of course, the statement is made that they changed the law negatively instead of affirmatively; but what difference does the manner of changing it make? They said the money shall not be used for the payment of wages except under certain circumstances; but does that bar the Senate from saying that the money shall be used under other circumstances? If the House negatively says that no employee shall work less than eight hours, will it be contended that the Senate can not say such employees shall work more than eight hours?

We had this same question up again in the Senate and passed on it, on an appeal from the decision of the Chair on the naval appropriation bill in 1916, the same bill in which the provision I have been discussing with regard to dental officers was under consideration. The question came up and was decided by this body. As the naval appropriation bill came over from the other House, on the advice of the Secretary of the Navy the existing law was changed, and the eight-hour law was set aside in that bill. How? There was a provision in the bill—not an amendment, but a provision in the text of the bill—which expressly stated that during the war the Secretary of the Navy might compel men to work over eight hours. Was that general legislation or was it a limitation, or what was it? It dealt with something besides providing money. It was undoubtedly general legislation. When the question reached the Senate I offered an amendment which provided that these men should have 30 days' vacation with pay during each year. Was not that quite a broad amendment to that provision of the House? Mark you, the provision of the House said that these men might be worked more than eight hours a day, and I offered an amendment which provided that they should have 30 days' vacation during each calendar year with pay.

Mr. GRONNA. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from North Dakota?

Mr. PITTMAN. I do.

Mr. GRONNA. I desire to ask the Senator if he is not overlooking the fact that the amendment offered by the Senator from Mississippi [Mr. WILLIAMS] touches two subjects? One is legislation. Of course, the House provision is legislation inserted in the bill by the House; and, while we might have a right to amend that legislation, the Senator must realize that the amendment of the Senator from Mississippi also affects the appropriation; and for the increased amount that might be required no estimate has been made. I think it is an entirely different question from the one that the Senator is arguing. The amendment which the Senator from Nevada offered at the time referred to by him in connection with the naval appropriation bill simply affected the legislation, but did not affect the appropriation, while the amendment of the Senator from Mississippi does affect the appropriation.

Mr. WILLIAMS. Mr. President, will the Senator from Nevada allow me a moment or two?

Mr. PITTMAN. I yield to the Senator from Mississippi.

Mr. WILLIAMS. The House provision, which is new legislation and changes existing law, directly affects the appropriation, and does not affect anything else. In its very language it says that the amount appropriated shall not be paid except, and so forth. Of course, my amendment to the amendment likewise affects the appropriation, but that is a still stronger argument for the contention that my amendment is absolutely germane to the House amendment, because they both affect the appropriation.

Mr. GRONNA. Mr. President, if I may be permitted, through the courtesy of the Senator from Nevada, to reply to the Senator from Mississippi, I wish to say that the amendment of the Senator from Mississippi increases the appropriation contained in the bill. The department can not pay these employees the amount of money which would be required by the amendment of the Senator from Mississippi unless the appropriation is increased, but the House provision does not do that. The Senator must realize that.

Mr. WILLIAMS. The House provision does not directly increase or decrease the appropriation, but undoubtedly the Members of the House and of the committee there, in taking into consideration the effect of the operations of the new law which they intended to put upon the statute books, did permit it to influence them in naming the amount generally appropriated.

Now, if the Senator from Nevada will pardon me to make one more remark, not quite pertinent to the question at issue, but it happens to occur to me while I am on my feet some Senator said yesterday that the departments could not operate under such a provision as I propose; that they could not manage it; that it was impracticable. Mr. President, there is not a factory in the United States that does not manage just exactly this sort of a situation. When a man goes to work he reports, and when he leaves he must report. Some Senator said that if you leave it to the clerks to make a report for themselves as to how many hours they work it would bankrupt the Treasury. Of course, nobody who is not a fool is going to leave it to each clerk to determine how many hours he has worked. He must report when he starts and he must report when he leaves, and the department will have proper regulations to determine how many hours he has worked each day. That, of course, has nothing to do with the point of order, but I wanted to crowd that in while I was on my feet.

Mr. GRONNA. If the Senator will further permit me, I want to assure the Senator from Mississippi that I am in sympathy with his amendment, and if the point of order had not been made against it I should have voted for it. I will say to the Senator from Mississippi that I voted as he did for the Borland amendment, but if I had not expected that an increase in pay would be given the clerks I might not have voted that way. I am entirely in sympathy with the Senator's amendment.

Mr. WILLIAMS. And I hope the Senator will take the same position I am taking—that in order to assert the right of the United States Senate to do equal and exact justice by these people he and I will not abide by our votes in favor of the Borland amendment unless we get the opportunity to put the amendment to the amendment so as to do equal and exact justice.

Mr. GRONNA. I am sure the Senator from Mississippi is too good a parliamentarian to insist that the decision of the Chair in this case is not correct.

Mr. PITTMAN. Mr. President——

Mr. WILLIAMS. Oh, I beg the Senator's pardon. I insist that it is absolutely incorrect, because, as the Vice President once before said in a similar case, wherever the House opens the door by making a change in existing legislation, that door is open for the Senate either to agree or to disagree or to further limit or modify. I do not think a greater mistake was ever made by a presiding officer.

Mr. PITTMAN. Mr. President, I have not been able to follow all the argument that was going on, so I did not attempt to answer all of it; but the Senator from North Dakota raised the question that there is no estimate to pay the increased labor under the amendment of the Senator from Mississippi. In the first place, I will answer that by saying that there is no attempt to increase the appropriation in the amendment of the Senator from Mississippi; consequently, it is not subject to the objection that there is no estimate for the appropriation.

Another thing: I rose for the purpose of contending that the Chair had reversed his ruling; that he is not, on this occasion, following the precedent that he has established before on a similar question and a precedent that was sustained on appeal by this body. The first case to which I referred was an amendment on the naval appropriation bill.

What was that amendment? I want to read it, to show that it requires more money than the original bill required. Here was the amendment offered to the naval appropriation bill in which the Chair established the precedent:

That the President of the United States is hereby authorized to appoint and commission, by and with the advice and consent of the Senate, dental surgeons in the Navy at the rate of 1 for each 1,000 of the authorized enlisted strength of the Navy and Marine Corps, who shall constitute the Naval Dental Corps, and shall be a part of the Medical Department of the Navy. Original appointments to the Naval Dental Corps shall be probationary for a period of two years and may be revoked at any time during the probationary period by the President: *Provided*, That the rank of such officers of the same date of appointment among themselves at the end of said probationary period shall be determined by the recommendations of an examining board appointed by the Secretary of the Navy.

The amendment which I am now reading, which established the precedent in this matter, provided not only for the increase of the personnel of the Navy but provided for the establishment of two additional commissions to examine and pass on these applicants.

In other words, it required an additional expenditure. There was no appropriation in the House bill, as it came over here, to take care of that amendment. There was no estimate for it. It had never been thought of. Not only was it entirely new legislation, but it was legislation that would entail an additional expense for which there had been no estimate, and therefore the contention does not affect the precedent established by the Chair in that case.

When the matter came up three days later on my amendment to the naval bill fixing the number of days' vacation for Government employees in the machine shops, again that precedent was cited, and again this body, on an appeal from the Chair, sustained the principle established by the Chair in the preceding case.

The only question here at all is, Has the House entered upon general legislation? That is the only question. Why, to set a precedent in this body, and say that when the House has entered upon general legislation in an appropriation bill we can not consider it, and act freely upon it is to abdicate the legislative functions of this body. It is true that it is a bad principle; it is a vicious policy. I am opposed to general legislation on any appropriation bill. The only function of an appropriation bill is to provide the money to carry out existing law.

We are opposed to it; but there are two bodies of Congress. They are absolutely independent of each other. While we in this body may not place general legislation on an appropriation bill, we have no authority to abdicate our legislative functions and say that when the House violates that policy and that practice, and places general legislation in an appropriation bill, we have either got to accept it or turn it down.

The provision as it comes from the House is both new legislation and general legislation. It is general legislation because it changes existing law.

Mr. GRONNA. Mr. President, I do not want the Senator from Nevada to misunderstand me. I did not intend to say that the Senate could not consider the amendment proposed by the House. I claim that the Senate could say that these clerks should work eight and one-half hours, or seven and one-half hours. It is within the power of the Senate to change the legislation. What I did try to say was that when a point of order is made against such an amendment as that proposed by the Senator from Mississippi, involving large expenditures of money, which this necessarily would involve, it is not an analogous case. The Senator does not refer to an analogous case. One or two men in that department might have been paid out of the funds appropriated, or the expense perhaps would be paid as a deficiency; other moneys might be appropriated for the purpose of paying those men; but you could not hope to pay a large number of men, running into the thousands, such as are affected by the provisions of this bill. The Senator must realize that this involves large expenditures of money; and I believe that the Chair was absolutely right in his ruling. No estimate has been made for this increased appropriation.

Mr. SHAFROTH. Mr. President, I should like to ask the Senator a question. I can not understand why the Senator says this necessarily will require an increased appropriation, for the reason that there is a requirement now that these people shall work eight hours instead of seven hours.

Mr. GRONNA. With no additional pay.

Mr. SHAFROTH. That is all true.

Mr. GRONNA. The amendment of the Senator from Mississippi provides for wages for time and a half—an increase of pay.

Mr. SHAFROTH. Yes; but there is no certainty that any time and a half will be sought, or that any excess amount will be required. There is nothing in it to show that this of necessity, as the Senator says, will require an increased appropriation.

Mr. WILLIAMS. If the extra hour of work is required, we will not need it.

Mr. GRONNA. Yes; and if the extra hour of work is required, it seems to me it will not be needed. Consequently I do not see how the statement can be made that it absolutely requires an increased appropriation.

Mr. PITTMAN. Mr. President, there is not any question as to whether or not the amendment requires an increased expenditure. The amendment does not call in terms for any appropriation of more money. If it did call for an appropriation of more money, then the objection that there is no estimate would be material; but that is not involved in this question. The amendment of the Senator from Mississippi does not call for the expenditure of any more money. It is simply an enlargement of general legislation that the House has already enacted and sent over to us.

After the Vice President had made the ruling in the case of the amendment with regard to the Dental Corps, and when the matter came up three days later upon an amendment offered by me to the naval appropriation bill increasing the days of vacation of the employees of the Navy Department, the contention was made that the more holidays you gave them the more money it required to carry on the work, which is true. If you only make a man work half the time, you have got to take twice as long or employ twice as many men. There is no doubt that it is true that the amendment I offered imposed an extra expenditure on the Government, and this amendment will impose an extra expenditure on the Government, but not in this bill and not in this amendment.

The occupant of the chair when the last precedent was established made this ruling, and he referred to the Vice President's former ruling:

> The PRESIDING OFFICER (Mr. ASHURST). The Chair is ready to rule. The Chair has listened to the very able arguments, and is of opinion that in view of the precedent set by the Vice President and the Senate on the 15th of this month—

That was the Dental Corps decision.

Mr. SHAFROTH. What year?

Mr. PITTMAN. Nineteen hundred and sixteen, three days before the ruling; ruling I am now reading—

> and considering that the House of Representatives has provided as to how many shifts may be worked, also for a working during overtime, and having proposed to change the general law and stated that a "shift" may work "overtime," the Senate is at liberty to amend such provision.
>
> The Chair therefore overrules the point of order.

From that there was an appeal to this body. Now, what was the result of the appeal? The question was clearly stated, the issue was clearly had, as to whether the prior decision of the Vice President of this body should be sustained; and on the appeal the Senate sustained it by a vote of 45 to 17. In doing it, they sustained the general principle that general legislation having been entered into upon an appropriation bill by the House of Representatives, this body is not required to vote for or against that legislation, but that it may use its legislative function and amend that general legislation so as to conform to the views of this body.

Certainly it will be an unfortunate day when this great legislative body has to be tied hand and foot by another body over which it has no jurisdiction. To say that the House may engage in general legislation on an appropriation bill, and that, because it does it, no matter how vicious it is, no matter how incomplete it is, no matter how absurd it is, we have to ignore such conditions, that we either have to vote for it or vote against it, and that we are not allowed even to make it intelligent, that we can do nothing with it, is, to my mind, a very extraordinary contention.

Mr. WILLIAMS. That we have no initiative.

Mr. PITTMAN. I do not care whether it is this eight-hour question or whether it is another question; it is immaterial. You are establishing a precedent; and if you establish it, and reverse the precedents of the past, you will tie your hands so that you never can amend any general legislation that comes from the House.

I think we are foolish to do it. I think we ought to stand flat-footed by the precedents that have been established by this body and say, "We disapprove of general legislation upon appropriation bills. We will not introduce any general legislation in an appropriation bill in this body; but when the House—a body over which we have no control—does place general legislation in an appropriation bill, then we will not bind ourselves to vote just for or against it, but we will permit ourselves to utilize to the fullest extent our legislative functions, and do what we please in the matter."

Mr. WATSON. Mr. President, may I interrupt the Senator to ask him a question?

Mr. PITTMAN. Certainly.

Mr. WATSON. Does the Senator call this new legislation?

Mr. PITTMAN. Yes; the Senator calls it new legislation.

Mr. WATSON. Or general legislation?

Mr. PITTMAN. The Senator calls it both new legislation and general legislation.

Mr. WATSON. That is, within the meaning of the House rule?

Mr. PITTMAN. I do not know what the meaning of the House rule is. I do not care.

Mr. WATSON. It makes a great deal of difference, according to my view of the situation.

Mr. PITTMAN. I am not a Member of that body and never have been.

Mr. WATSON. That is to say, it was originally placed in the House bill, not as new legislation nor as general legislation, but as a limitation on an appropriation. Therefore the argument the Senator has been making, that because the House introduced new legislation we have the right to amend that legislation, does not hold, because it is not new legislation; it is a limitation on an appropriation bill.

Mr. WILLIAMS. Mr. President——

Mr. PITTMAN. Just a minute.

Mr. WILLIAMS. If the Senator will pardon me, while there is a rule in the House that an amendment may escape the parliamentary objection of being new legislation provided it be a limitation upon the appropriation, still the fact is left that new legislation which is a limitation upon the appropriation is new legislation, and what the House put in here is new legislation, and if it had not been general legislation or new legislation there would have been no gumption or sense in the House putting it in at all. Their object was to change the existing order of things, and it escaped the point of order in the House because, under a technical rule of the House, new legislation, where it is a limitation upon the appropriation, is not subject to the point of order.

Mr. PITTMAN. Mr. President, the Senator from Mississippi has stated the answer to the suggestion of the Senator from Indiana [Mr. WATSON] so clearly that it is hardly necessary

for me to say anything; but I may add that even if that were not a technical rule of the House it would make no difference to me in this body. I am not familiar with the rules of the House, nor do I care what the rules of the House are. I know what new legislation is. I know that legislation that changes existing legislation is general legislation; and if the House voted to the contrary, I would still know that it is general legislation.

Now, then, suppose this had taken place: Suppose they had said that this money should not be used in the payment of any wages for anyone that worked less than 10 hours. Suppose they had gone further and stated that this money should not be used in the payment of any wages for any person that worked less than 18 hours. What are you going to do about it? Are you going to vote "no" and kill the appropriation, or what are you going to do? Do you not understand that by that rule of limitation they can make a law absurd; that they can say that you can not do anything with the appropriation? Why, it must be true.

I do not care by what technical means or what parliamentary means they accomplish their purpose. I say that we are entitled to perfect any provision of a bill that comes over to the Senate from the House, and I do not care what that provision is or how they got it in there. When a provision comes over here from the House we do not have to vote "no" or "yes" on it. We can perfect that provision so long as it is germane to the subject that has been legislated on in the House. Whenever we abdicate that authority, then we can simply legislate on a subject that the House legislate on first, and only in the manner in which they do it.

Mr. SMITH of Arizona. Mr. President, in explanation of my vote on this question I wish to say that I voted for the Borland amendment, as it is called. I voted for it for the reason that I think those employed in the departments and in this particular department would be better off under an eight-hour law than under the existing law, where by the mere edict of the Secretary they might be made to work any number of hours in the day, seven being the minimum. I shall still adhere to that course, but I think I would prefer very much the attitude of the Senator from Mississippi rather than that they should not have the pay for overtime work; and in case this amendment is not put on the bill in the Senate I shall vote against the Borland amendment.

I wish to explain my attitude so that my colleagues and those interested will understand that I believe if the clerks are paid for overtime eight hours are little enough in this particular time of our history to work. Everybody is working that much. If they are to receive no pay for the arduous duties of the overtime after eight hours of service I shall vote to let that matter remain, as I have already stated, where it now is rather than put it at eight hours and still have them work over that time and not receive any remuneration for it.

Mr. SMITH of Georgia. Mr. President, while we are considering this question I think we ought to keep in mind the entire difference between the character of officers to whom the proposition of overtime and extra pay is to be applied and the character of pay to which it is now applied. It is now applied to day labor, to a class of work where the pay is by the day, and the wage is largely fixed by the work done. This appropriation bill carries appropriations by the year. If you turn to nearly any page in the bill you will see a long list of items where so much a year is appropriated, not by the day. It is so much for the year for the particular position occupied by a clerk.

Now, suppose you adopt the policy of one and a half pay for all time beyond eight hours, you would tear your whole appropriation bill to pieces. I open the bill at page 17. There you have appropriated for one executive clerk in the Bureau of Plant Industry $2,000 for the year; for two executive clerks, $1,980 each a year. Suppose those executive clerks work an hour over on one day or two days or occasionally, what becomes of your appropriation for the pay of those clerks for the year? You break down your entire bill. You would be called upon to increase this appropriation bill by some lump sum to be distributed at the pleasure of chiefs of divisions to those clerks whose salaries they desired to increase. That would be the practical effect of it.

Mr. President, I desire to make this suggestion: We have a rule which forbids an increase of an appropriation not estimated for by a department or recommended by a committee. The practical effect of this amendment is to increase the appropriation and tear the appropriation bill all to pieces.

Not alone for the reason suggested by the chairman, but for the additional reason that you can not increase an appropriation bill upon the floor of the Senate, I shall vote to sustain the decision of the Chair.

The VICE PRESIDENT. The Chair has no objection to the reversal of an opinion of the Chair. That has been done a number of times, and it does not affect either his personal or official relations toward Senators. But the Chair does have the right to explain.

There is no conflict between the opinion of the Chair on the point of order upon the naval bill and this bill. The House did clearly inject into that bill general legislation. The House rule, as the Chair understands, is new legislation; the Senate rule is general legislation; and there is a vast deal of difference between new legislation and general legislation.

This is not general legislation in the House bill applying to civil-service clerks in all the departments of the Government. The most that can be said for it is that it is new legislation with reference to certain clerks in one department of the Government; but it is not general legislation, and the Chair feels that he has a right to put on record his denial, from his intellectual standpoint, of any disagreement between his opinion on the naval bill and his opinion in this particular case.

The question now is, Shall the ruling of the Chair stand as the ruling of the Senate?

Mr. GORE. Mr. President, it seems to me a good deal of the argument here has been based on the principle of pay and a half for overtime. The merits of that proposition are not involved in this proposition at all. It appears to me that the Chair's ruling is eminently correct in holding that this amendment is new legislation. The House amendment was properly drawn to come within the House rule.

Now, Senators will see at a glance that it will be utterly impossible to prepare an appropriation bill for one of the departments if the principle of pay and a half for overtime is to be involved. Infinite foresight could not prepare such an estimate. We are required to legislate upon estimates furnished by the departments. The Senate recognizing the propriety of that rule has adopted a rule subjecting any increase of appropriations to a point of order which has not either been estimated for by the department or reported by a standing committee of the Senate. It would throw our entire system of passing supply bills into utter and inconceivable confusion. They could not be based upon estimates if the principle of pay and a half for overtime was to be involved, because nobody could tell in advance how much overtime there would be and how much overpay would be necessary. So it destroys all our rules, all our precedents, and abolishes the system. In fact it introduces an impossible system. It is no system at all.

I shall not undertake to differentiate the payment of time and a half for overtime in a governmental department from ordinary trades or industries. Perhaps it is possible that it ought to apply to both, even though it would involve a revolution of our rules. It ought not to be done in this way or at this time. Generally where pay and a half has been introduced in the industries the industries are conducted profitably. The time and a half is presumed to be economic, even though it is overpay for the least efficient hours on the part of the employees.

Now, the Government is not conducted at a profit. It will be better for the Government if it has occasion for overtime to engage additional employees, rather than pay excessive compensation for overtime. Industries find that upon occasions it pays them better to pay overtime, even though it be excessive than to employ additional help or labor. The principle is different. I hope this legislation will not be brought out at this time, because it changes the whole form, as far as this bill and all other legislation of the kind is concerned.

The VICE PRESIDENT. Shall the ruling of the Chair stand as the ruling of the Senate?

Mr. PITTMAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CALDER (when his name was called). I have a general pair with the junior Senator from Rhode Island [Mr. GERRY] and withhold my vote. If at liberty to vote, I would vote "yea."

Mr. JOHNSON of South Dakota (when his name was called). I have a general pair with the senior Senator from Maine [Mr. FERNALD]. I am unable to procure a transfer and withhold my vote.

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. In his absence I withhold my vote.

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] who is not present. I therefore withhold my vote.

Mr. GRONNA (when Mr. LA FOLLETTE's name was called). I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to serious illness in his family. I ask that this announcement may stand for the day.

Mr. STERLING (when his name was called). I have a general pair with the Senator from South Carolina [Mr. SMITH], and in his absence I withhold my vote.

Mr. THOMPSON (when his name was called). I have a general pair with the Senator from Illinois [Mr. SHERMAN]. I withhold my vote not knowing how he would vote if present.

Mr. TILLMAN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Louisiana [Mr. BROUSSARD], and vote "yea."

Mr. THOMAS (when Mr. VARDAMAN'S name was called). The junior Senator from Mississippi [Mr. VARDAMAN] is absent on official business.

Mr. WEEKS (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. JAMES]. He being absent, I withhold my vote. If at liberty to vote, I would vote "yea."

I wish also to announce that my colleague [Mr. LODGE] is unavoidably absent. If he were present, he would vote "yea."

Mr. WILLIAMS (when his name was called). Transferring my pair with the Senator from Pennsylvania [Mr. PENROSE], who is unavoidably absent, to the Senator from Nebraska [Mr. HITCHCOCK], who is also unavoidably absent, I vote "nay."

The roll call was concluded.

Mr. THOMPSON. I transfer my pair with the Senator from Illinois [Mr. SHERMAN] to the senior Senator from Texas [Mr. CULBERSON] and vote "nay."

Mr. BECKHAM. I wish to announce that my colleague [Mr. JAMES] is absent on account of illness. I ask that this announcement may stand for the day.

Mr. DILLINGHAM. Because of my pair with the senior Senator from Maryland [Mr. SMITH] I withhold my vote.

Mr. KNOX. I transfer my pair with the Senator from Oregon [Mr. CHAMBERLAIN] to the junior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. HARDING (after having voted in the affirmative). I notice the absence of the junior Senator from Alabama [Mr. UNDERWOOD], with whom I have a general pair, and I withdraw my vote.

Mr. OVERMAN. I desire to announce that my colleague [Mr. SIMMONS] is unavoidably absent.

Mr. CURTIS. I wish to announce the following pairs:

The Senator from New Jersey [Mr. BAIRD] with the Senator from Illinois [Mr. LEWIS];

The Senator from Connecticut [Mr. BRANDEGEE] with the Senator from Alabama [Mr. BANKHEAD]; and

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY].

Mr. SMITH of Georgia (after having voted in the affirmative). I should have announced before I voted my pair with the senior Senator from Massachusetts [Mr. LODGE] and that I have been advised by his colleague he would vote as I did. I make that statement now and let my vote stand.

Mr. STERLING. I transfer my pair with the Senator from South Carolina [Mr. SMITH] to the Senator from Washington [Mr. POINDEXTER] and vote "yea."

The result was announced—yeas 40, nays 14, as follows:

YEAS—40.

Beckham	Johnson, Cal.	New	Sterling
Borah	King	Nugent	Sutherland
Curtis	Kirby	Overman	Swanson
Fall	Knox	Phelan	Thomas
Fletcher	McCumber	Pomerene	Tillman
France	McKellar	Ransdell	Townsend
Frelinghuysen	McLean	Shields	Wadsworth
Gallinger	Martin	Smith, Ga.	Warren
Gore	Myers	Smith, Mich.	Watson
Gronna	Nelson	Smoot	Wolcott

NAYS—14.

Hale	McNary	Smith, Ariz.	Walsh
Henderson	Pittman	Stone	Williams
Hollis	Shafroth	Thompson	
Jones, Wash.	Sheppard	Trammell	

NOT VOTING—41.

Ashurst	Fernald	Kenyon	Saulsbury
Baird	Gerry	La Follette	Sherman
Bankhead	Goff	Lewis	Simmons
Brandegee	Harding	Lodge	Smith, Md.
Broussard	Hardwick	Norris	Smith, S. C.
Calder	Hitchcock	Owen	Underwood
Chamberlain	James	Page	Vardaman
Colt	Johnson, S. Dak.	Penrose	Weeks
Culberson	Jones, N. Mex.	Poindexter	
Cummins	Kellogg	Reed	
Dillingham	Kendrick	Robinson	

So the Senate decided that the decision of the Chair should stand as the judgment of the Senate.

Mr. REED. I desire to call up the amendment I introduced a short time ago.

The VICE PRESIDENT. It will be stated.

The SECRETARY. On page 94, after line 3, insert as a separate paragraph the following:

To enable the Secretary of Agriculture to cooperate with and make an exhibit illustrative of the investigations, products, and processes relating to farming in the subhumid, arid, and semiarid regions of the United States at the Interantional Soil Products Exposition, to be held at Kansas City, Mo., in conjunction with the International Farm Congress, during the fiscal year ending June 30, 1919, including labor and all expenses in the city of Washington and elsewhere, $20,000.

The President is hereby authorized to extend invitations to other nations to appoint delegates or representatives to the International Farm Congress, to be held at Kansas City, Mo., in connection with said International Soil Products Exposition: *Provided*, That no appropriation shall be granted or used for the expenses of delegates.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Missouri [Mr. REED].

The amendment was agreed to.

Mr. WADSWORTH. I offer the following amendment, which I ask the Secretary to read:

The SECRETARY. On page 91, at the end of line 16, it is proposed to insert:

Provided, That the head of any department may excuse any clerk or employee from more than seven hours of work a day if such clerk or employee takes courses of study in any university or other institution of learning which, in the judgment of the head of the department, will fit him for better service in any department or branch of the Government. In such cases seven hours shall constitute a day's work; but no person shall be excused from rendering more than seven hours' service except on the days when actually in attendance at such universities or institutions of learning, and no person in any office, bureau, or department shall, because of attendance at any university or institution of learning, be excused from work in such office, bureau, or department at any time when the work therein be in arrears. No person working only seven hours shall be deemed to have rendered a full day's service, nor shall he be paid for a full day's service unless there be filed thereafter with the head of the department, in such form and within such time as he shall fix, a certificate showing the actual presence of such person in the classes of the university or other institution of learning on said day, signed by the authorities thereof. No person shall be entitled to be excused for more than one hour each day, even though he devotes a greater number of hours each day to courses of study in a university or other institution of learning.

Mr. WADSWORTH. Mr. President, permit me to indulge in a very brief explanation of this amendment. To the best of my information, there are something like 4,000 Government employees, who are mostly classed as clerks, who are students in the universities in and around Washington. The courses of study which they pursue and the hours of study which they pursue have a very close relation with the hours of work in the departments. Under the present existing system the departments release their employees at half-past 4 o'clock in the afternoon. The universities and colleges offer courses of study for those employees who are properly enrolled, commencing at 5 o'clock in the afternoon and continuing until 7 o'clock in the evening, also courses of study and hours of lectures later on in the evening after the supper hour. If the so-called Borland amendment prevails either the length of service in the departments will be increased by the addition of an hour in the morning, by opening an hour earlier, or by adding an hour at the end of the present day's work—an hour later in the afternoon; or possibly one-half hour may be added in the morning and one-half hour added in the afternoon. I imagine that very little, if any, time will be gained by an increase of the morning hours of work; in other words, I do not believe that the departments will open earlier as a result of the Borland amendment. It is much more probable that the departments will continue work later in the afternoon and thereby comply with the Borland amendment.

Mr. KIRBY. I should like to ask the Senator a question.

Mr. WADSWORTH. I yield to the Senator.

Mr. KIRBY. As I understand, we have passed a law setting the clock forward an hour. I should suppose the clerks would have time to go to school after their eight hours' service had commenced an hour earlier.

Mr. WADSWORTH. Setting the clock forward or backward does not make any more hours, one way or the other.

Mr. KIRBY. It was so claimed when the legislation was passed.

Mr. WADSWORTH. If the Borland amendment, as now written, prevails the working day of the clerks will be extended further into the afternoon, and it will make it impossible for the students in the universities—some 4,000 in number—who are department clerks, to attend those lectures which now are held between the hours of 5 and 7 p. m. It is apparent that half an hour's time is consumed, necessarily, between the release of the clerk from his department and his arrival at the university to commence his work there during that late afternoon period.

The amendment which I have introduced authorizes the head of a department of the Government to permit a student in his department to work seven hours, as he is working to-day, and have that count in the same category as the other clerks who

work eight hours in order that he may be able to continue his college course. There is very grave doubt whether these men can continue their college course if the Borland amendment, as now written, prevails. The object of my amendment is to let these men continue in their studies. A great many of them attend these universities on the express request and encouragement of the department heads, who want these young men and young women to pursue special courses of study in order that they may be better fitted to advance in Government service. The object of my amendment is to permit that practice to continue.

Mr. BORAH. May I ask the Senator from New York a question?

Mr. WADSWORTH. Yes.

Mr. BORAH. I could not very well follow the reading of the amendment from the desk, because it was rather long. Does this amendment discriminate between those who are attending the university and those who are not as to the hours of service during the day? Does it give the university students a seven-hour day and the others an eight-hour day?

Mr. WADSWORTH. In one sense it does.

Mr. WILLIAMS. In all essentials it would.

Mr. BORAH. It seems to me as though that would demoralize the service. Everybody would go to a university, then, I suppose.

Mr. WADSWORTH. Scarcely under the wording of this amendment. The question is, Do you want to demoralize the universities and all these men who are getting their education, or——

Mr. BORAH. We are just now interested in getting service from the departments and not in affording an education. These young men have an opportunity, after they have worked the same length of time as have the others, to go to the universities at night and complete their courses of study, and I venture to say that, if there are 4,000 of them, the universities will conform their hours to their courses of study for the advantage of having them attend.

Mr. WADSWORTH. Mr. President, I have discussed that very matter with the people connected with the universities, and they tell me it is almost impossible to readjust their hours in such a way as to comply with the Borland amendment and still give the students as many hours a day as they are now giving them. One must remember that the two hours between 5 p. m. and 7 p. m. can not be very considerably changed without upsetting the whole course of life with respect to the meal hour and the conditions that are imposed upon people by reason of the inadequate transportation facilities of the city. The employees have to take the trolley cars to their homes after that late afternoon session at the universities, in many instances many miles, to the outskirts of the city, and then endeavor to get back to the universities for the evening sessions. Now, if the time of closing the departments is postponed one hour by reason of the Borland amendment the whole thing is apt to fail; it can not be done.

Mr. BORAH. Mr. President, I am very clear in my mind that we ought not to have two standards of service in the departments. It seems to me that we could hardly justify that. I know it is difficult to work it out, but I would rather oppose the Borland amendment and stand for the seven-hour day than stand for the seven-hour day for a portion of the employees and an eight-hour day for the others. I do not think that that is in conformity with equity. It seems that the service has been organized and geared up for the seven-hour day, and it is hard to get away from it. The city is organized upon that basis; in other words, the whole arrangement has been along that line.

Mr. WADSWORTH. I think it is fair to say that the special courses in the universities have been geared up to the seven-hour day, but the rest of the city is not.

Mr. BORAH. Mr. President, I do not believe that we ought to have two standards of service in the departments.

Mr. CALDER. Mr. President, let me inquire of my colleague if he understands that most of these courses are to prepare men to better perform their service in the departments?

Mr. WADSWORTH. Yes; that is the fact. As I have already intimated, a large number of the clerks attend the universities as students upon the request of the department chiefs, who desire them to improve themselves so that they will be more efficient Government employees and that they may be retained more permanently in the service and rise to the highest grades. The chiefs want the employees to take these courses, and the situation arises whether, without the adoption of my amendment, it is not going to be almost impossible for them to attend the courses.

Mr. KIRBY. Mr. President, it seems to me this whole matter might be well settled by determining for whose benefit the Congress is legislating. If these employees are needed to do the Government work in the departments, then they ought to be required to do it. If we are legislating for the benefit of the employees or for the benefit of the colleges, it might be very well to vote for the amendment that is proposed. If we need the work of these clerks eight hours a day—and we have already said we do need them by the action the Senate has taken—they ought to be required to do that much service.

My sympathy, of course, is with the clerk all the time, as he is, in a way, a more concrete proposition than the Government itself; but the idea is this: These Government clerks are getting better pay to-day than clerks of like kind in civilian and industrial employment; there is no doubt about that proposition. If it requires this much service to do the Government work—and it evidently does, because we are employing numerous additional clerks all the time—then these clerks ought to be required to do that much service. There is no question that they are not getting paid for that much service. If they desire to improve their condition by attending colleges, that is an admirable ambition and they might be allowed to do that; but let them do it in their own time. They can do it very well after they have finished the eight-hour-day service; and if they can not, it is not the fault of the Government, which is entitled to all it pays for—at least that much—and we do not need to go about protecting the college interests or other individual interests when we are making a simple business proposition and contract to pay for service that we have not been getting.

Mr. WILLIAMS. Mr. President, I am a true disciplinarian and serve in the army as a private subject to orders. Therefore, in accordance with the decision which you rendered not long ago upon my amendment to the House provision of this bill, and in accordance with the ruling of the Senate sustaining your ruling—both of which were wrong—I make the point of order against the amendment proposed by the Senator from New York.

The VICE PRESIDENT. The Chair is pleased to find the Senator from Mississippi right, and sustains the point of order.

Mr. WILLIAMS. I hope the Chair will not understand that the "Senator from Mississippi" is right. The "Senator from Mississippi" is merely attempting to duplicate a wrong because it has become a precedent. [Laughter.]

Mr. GORE. Mr. President, there can not be any doubt that the amendment offered by the Senator from New York is subject to the point of order.

The VICE PRESIDENT. The point of order has been sustained.

Mr. GORE. Yes, sir. I merely wish to make one observation, which is that if the amendment, to which I was opposed as offered, had classified these employees and permitted those whose services are necessary in the military arm of the Government or who have declared an intention to connect themselves with the military arm of the Government, I think it would be wise to pass it in that form, and I hope the Senator from New York will offer it in that form when the bill is reported to the Senate. I believe there will then be no objection to it.

Mr. President, I send to the desk an amendment, which I ask to have read at this time.

The VICE PRESIDENT. The Secretary will state the amendment.

The SECRETARY. It is proposed to insert a new section at the end of the bill, as follows:

SEC. —. That the Secretary of Agriculture is authorized to require all persons, firms, or corporations conducting establishments engaged in packing or preparing meat or meat products which enter into interstate or foreign commerce, and which establishments are subject to Federal inspection under the provisions of an act entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1907," approved June 30, 1906, to install and maintain, so far as may be, uniform systems of cost accounting and bookkeeping. The Secretary of Agriculture is further authorized to prescribe all necessary rules and regulations to carry into effect the provisions of this section. It shall be the duty of all such persons, firms, or corporations to install and maintain the systems of cost accounting and bookkeeping prescribed by the Secretary of Agriculture after 60 days' notice from the order of the Secretary requiring and prescribing the same. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and punished accordingly.

Mr. WILLIAMS. Mr. President, I make the point of order that the amendment proposes general legislation on an appropriation bill.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The point of order is sustained.

Mr. GORE. Mr. President, I think the point of order was well sustained, and I have prepared a written notice required by Rule XL of the Senate, which I desire to file at this time, that I will move to suspend the rules in order to offer this amendment to the bill. I will merely say in one sentence that the packing houses have been virtually guaranteed a profit of 9

per cent on their meat production and 15 per cent on their specialties. I am advised that one of the biggest packing houses in the country shifts its bookkeeping system quarterly, and perhaps monthly, and that it is impossible to determine anything about the costs or the profits. It is to meet that situation and the juggling with the public interests that this amendment is offered. I present the notice at this time.

The PRESIDING OFFICER. The Senator from Oklahoma presents a certain notice for the suspension of the rules——

Mr. WILLIAMS. Mr. President, I want to say that I think I shall very cheerfully vote for the amendment suggested by the Senator from Oklahoma if it comes before the Senate under a motion to suspend the rules; but after the recent rulings of the Vice President and of the Senate, it strikes me that perhaps we had better suspend the rules or else submit to the same infliction all along the line. If the Senate can be deprived of a right to vote under a technical rule, then somebody had better move to suspend the rules; and when it comes to suspending the rules on such an amendment as that offered by the Senator from Oklahoma, I will vote for it; but I will not allow any committee of this body, or any bunch of little men, to take liberties with the rule unless they let me take some liberties with it, too.

The SECRETARY. The Senator from Oklahoma gives notice that he will move a suspension of paragraph 3 of Rule XIV in order to offer the amendment which was last read.

The PRESIDING OFFICER. The notice will lie on the table.

Mr. GORE. Mr. President, I now wish to call up the notice which I gave several days ago, in regard to moving to suspend the rules in order to offer an amendment increasing the price guaranteed for wheat.

The PRESIDING OFFICER. The Secretary will read the notice.

The SECRETARY. The Senator from Oklahoma gave previous notice that when the Agricultural appropriation bill was being considered he would move to suspend paragraph 3 of Rule XIV, prohibiting the reception of general legislation to any general appropriation bill, in order that he might propose the following, to be inserted at the proper point in such bill as a new paragraph——

Mr. JONES of Washington. Mr. President, before that is read, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

Mr. WILLIAMS. Mr. President, I desire to offer an amendment to the motion.

The PRESIDING OFFICER. The Senator is not in order. That can not be done in view of the fact that the absence of a quorum has been suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	New	Stone
Beckham	Hollis	Nugent	Sutherland
Borah	Johnson, Cal.	Phelan	Thomas
Calder	Johnson, S. Dak.	Pittman	Thompson
Curtis	Jones, N. Mex.	Pomerene	Townsend
Dillingham	Jones, Wash.	Ransdell	Wadsworth
Fall	Kellogg	Reed	Walsh
Fletcher	Kenyon	Shafroth	Warren
France	King	Sheppard	Williams
Gallinger	Kirby	Shields	Wolcott
Gore	Knox	Smith, Ga.	
Hale	McCumber	Smoot	
Harding	McKellar	Sterling	

The PRESIDING OFFICER. Forty-nine Senators having answered to their names, a quorum of the Senate is present. The question is on the motion of the Senator from Oklahoma.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. McCUMBER. The motion is debatable, is it not?

The PRESIDING OFFICER. The present occupant of the chair thinks it is.

Mr. GALLINGER. Mr. President, will the Senator yield in order that I may ask what the motion is?

The PRESIDING OFFICER. The motion is to suspend Rule XIV, so as to permit the introduction without violating the rules of an amendment offered by the Senator from Oklahoma. The question is upon suspending the rule.

Mr. GALLINGER. I ask, for information, that the proposed amendment may be read.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. It is proposed to add to the bill a new section, to read as follows:

That section 14 of the act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, be amended to read as follows:

"SEC. 14. That whenever the President shall find that an emergency exists requiring stimulation of the production of wheat and that it is essential that the producers of wheat, produced within the United States, shall have the benefits from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit. The President shall thereupon fix such guaranteed price for each of the official grain standards for wheat as established under the United States grain standards act, approved August 11, 1916. The President shall from time to time establish and promulgate such regulations as he shall deem wise in connection with such guaranteed prices, and in particular governning conditions of delivery and payment and differences in price for the several standard grades at the local elevator or the local railway market where such wheat is delivered from the farm where produced, adopting No. 1 northern spring or its equivalent as the basis. Thereupon the Government of the United States hereby guarantees every producer of wheat produced within the United States that, upon compliance by him with the regulations prescribed, he shall receive for any wheat produced in reliance upon this guaranty within the period, not exceeding 18 months, prescribed in the notice a price not less than the guaranteed price therefor as fixed pursuant to this section. In such regulations the President shall prescribe the terms and conditions upon which any such producer shall be entitled to the benefits of such guaranty. The guaranteed prices for the several standard grades of wheat for the crop of 1918 shall be based upon No. 2 northern spring or its equivalent at not less than $2.50 per bushel at the local elevator or the local railway market where such wheat is delivered from the farm where produced.

"This guaranty shall not be dependent upon the action of the President under the first part of this section, but is hereby made absolute and shall be binding until May 1, 1919. When the President finds that the importation into the United States of any wheat produced outside of the United States materially enhances or is likely materially to enhance the liabilities of the United States under guaranties of prices therefor made pursuant to this section, and ascertains what rate of duty, added to the then existing rate of duty on wheat and to the value of wheat at the time of importation, would be sufficient to bring the price thereof at which imported up to the price fixed therefor pursuant to the foregoing provisions of this section, he shall proclaim such facts, and thereafter there shall be levied, collected, and paid upon wheat when imported, in addition to the then existing rate of duty, the rate of duty so ascertained; but in no case shall any such rate of duty be fixed at an amount which will effect a reduction of the rate of duty upon wheat under any then existing tariff law of the United States. For the purpose of making any guaranteed price effective under this section, or whenever he deems it essential in order to protect the Government of the United States against material enhancement of its liabilities arising out of any guaranty under this section, the President is authorized also, in his discretion, to purchase any wheat for which a guaranteed price shall be fixed under this section, and to hold, transport, or store it, or to sell, dispose of, and deliver the same to any citizen of the United States or to any Government engaged in war with any country with which the Government of the United States is or may be at war, or to use the same as supplies for any department or agency of the Government of the United States. Any moneys received by the United States from or in connection with the sale or disposal of wheat under this section may, in the discretion of the President, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts."

Mr. GORE. Mr. President, has the Senator from North Dakota the floor?

The PRESIDING OFFICER. He has a right to the floor. He has been recognized.

Mr. GORE. I wish to ask him to yield to me for just a moment.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Oklahoma?

Mr. McCUMBER. With pleasure, Mr. President.

Mr. GORE. Mr. President, the amendment as read, of course, is long and involved; and, from the reading, Senators listening to it from their desks can not grasp the points involved. It reiterates section 14 of the so-called food-control act. It proposes to change that act in four particulars, and in four particulars only.

First, with respect to the price of wheat, it raises the guaranteed minimum from $2 to $2.50.

The second change is that it substitutes No. 2 northern for No. 1 northern as the basic grade, No. 1 northern being in fact an ideal grade.

The third change is that it substitutes the local elevator, or the local railway market in the vicinity where the wheat was grown, for the principal interior primary market—the language of the law as passed.

The fourth and last change is this: It was contended by Mr. Hoover, as I am informed, and by others, that the $2 written into the law last summer was not only a minimum but was a maximum, was an absolute price. That contention was made by others. This makes it plain that that was a minimum price guaranteed by Congress, and was not a maximum price, not an absolute price.

Those are the only four changes which are involved in the proposed amendment.

DAYLIGHT-SAVING BILL.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1854) to save daylight and to provide standard time for the United States, which were, on page 2, line 24, to strike out "April" and insert "March"; on page 2, line 26, to strike out "September" and insert "October"; on page 3, line 4, to strike out "April" and insert "March"; on page 3, line 5, to strike

out "September" and insert "October"; on page 3 to strike out lines 18 and 19; and on page 3, line 20, to strike out the numeral "6" and insert the numeral "5."

Mr. CALDER. Mr. President, the action just taken by this body consummates, as far as the Congress is concerned, legislation that will put into effect the daylight-saving plan, which, it is universally believed, will be of inestimable value in bringing about, through the saving of time, a considerable contribution toward the winning of the war in the conservation of human energy and a large amount of fuel now consumed in the manufacture of artificial illumination. It will also supply an additional hour for home gardening by the city and suburban dweller, estimated at one-fifth of our total population, and it will give to the workers of the country one hour for recreation at that part of the day when it is most convenient for them to enjoy it. Briefly, this bill provides that on the last Sunday in March—which this year occurs on the 31st instant—clocks shall be moved forward one hour and remain so until the last Sunday in October. We simply move the whole day one hour ahead during the seven months between these two dates by making use of an hour of daylight ordinarily wasted in the early part of the morning.

The change is universal and will cause no confusion. Business will go on just the same; appointments will be kept just the same; railroads will run on present time-tables.

England, France, Germany, Austria, Denmark, Sweden, Norway, Italy, Holland, and Portugal—in fact, every European country of importance save Russia alone—have adopted this plan and have found that it has worked with the greatest success in the saving of fuel and in general healthful benefit for its people. On the north Canada and on the south Mexico are only awaiting the consummation of this legislation to adopt the plan themselves.

It will not affect our agricultural sections, since their rising and retiring are due almost entirely to seasonal conditions. The farmer regards the demands of the season rather than customs. The sun, rather than the clock, is his guide; but it will affect advantageously, it seems to me, all of the people of our country except those engaged in farming. Those who have carefully worked out the problem insist that it will save the United States in the matter of fuel alone at least 1,000,000 tons of coal annually. This saving in fuel will come entirely through the fact that we have exchanged one hour of dark for one hour of light.

People live by custom. Eighty per cent of the people of the United States rising in the morning allow only sufficient time to dress, eat breakfast, and arrive at their places of employment just at the stroke of the time to begin their day's work. If their time to start work is 8 o'clock, under the new arrangement it will still be 8 by the clock. Street railways, suburban and interurban transit facilities will be operated upon the same theory, and there will be no difficulty at all about the changed conditions. In fact, after the first day no one will be inconvenienced or confused. Under the operation of this plan the worker begins his day by the same clock time as formerly, but actually an hour earlier, and when the day's work is done there is an hour more of daylight, which, under the present standard, he does not enjoy.

In that hour he can till his garden or do any other thing of a healthful or economic nature.

Perhaps no better experience on daylight saving can be cited than that of the recreation commission of Detroit, which city of its own accord has adopted this plan. The commission reports it has made the after-supper hour the most popular hour of the day. Amateur baseball games among the employees of factories and offices are numerous, and the general improving influence on the social and moral welfare of the city is very great.

I predict, Mr. President, that this is going to be a very popular measure, and that after its beneficial effect is felt for the first year of its operation no effort will be made hereafter to repeal it. When this legislation was first suggested to me for introduction, like every other man who had given it superficial examination, I treated it with some levity, but as one carefully inquires into the subject it will become apparent that it is one of the most important conservation measures ever enacted by the Congress of the United States, and I have taken great pleasure in being its sponsor in this body.

Mr. President, I move that the amendments of the House of Representatives to this measure be concurred in.

The motion was agreed to.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House disagrees to the amendments of the Senate to the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, requests a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. SHERLEY, Mr. EAGAN, and Mr. CANNON managers at the conference on the part of the House.

URGENT DEFICIENCY APPROPRIATIONS.

The PRESIDING OFFICER (Mr. GRONNA in the chair) laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MARTIN. I move that the Senate insist upon its amendments and agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to, and the Presiding Officer appointed Mr. MARTIN, Mr. UNDERWOOD, and Mr. WARREN conferees on the part of the Senate.

REMOVAL OF STATUE OF FREDERICK THE GREAT.

Mr. THOMAS. I send to the desk a joint resolution and ask that it be read and referred to the Committee on Public Buildings and Grounds.

The joint resolution (S. J. Res. 140) providing for the removal and disposition of the statue of Frederick the Great was read the first time by its title and the second time at length and referred to the Committee on Public Buildings and Grounds, as follows:

Resolved, etc., That the statue of Frederick the Great, now disfiguring one of the pedestals of the United States War College in the city of Washington, be removed and disposed of as the Committees of the Senate and House on Public Buildings and Grounds shall determine.

HOME RULE FOR IRELAND.

Mr. GALLINGER submitted the following concurrent resolution (S. Con. Res. 18) which was read and referred to the Committee on Foreign Relations:

Resolved by the Senate (the House of Representatives concurring), That the application in the case of the Irish people of the great principle of self-determination, as interpreted by the President of the United States in his discussion of the fundamental and indispensable conditions of a lasting peace, will constitute a source of genuine gratification to the people and Government of the United States, sincerely solicitious as they are for the harmony and prosperity of the two great peoples; and be it further

Resolved, That the two Houses of Congress concur in the belief that the effect of willingness on the part of the people and Government of Great Britain to permit the ascertainment of the will of the Irish people by means of a plebiscite of the adult population (men and women) will be viewed as a precedent of distinct national character seeking to acquire in an orderly, legal manner final vindication and sanction of their titles to sovereignty.

AGRICULTURAL APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The Senator from North Dakota is entitled to the floor.

Mr. McCUMBER. I have consented to yield for a few minutes to the Senator from Mississippi.

Mr. WILLIAMS. Mr. President, I rather hope this amendment will not pass, not because I care much about the price fixed or anything of that sort, but it is one step further in the line of the Government attempting to fix prices. If the Government were all wise and could fix a price that was wise, of course, it goes without saying that it would be all right, but the Government is not all wise. Thomas Jefferson was inquired of years ago, "Do we have angels run the Government?" and he answered by saying, "No; men."

Whenever you fix a price that is too high you merely encourage hoarding and speculation in order that that price may be reached in actual sales, notwithstanding what the market wants to sell it for. If you fix the price too low you merely stop production. It would be immensely better if you stop the whole attempt to fix prices for anything.

My opinion is that if you were not to attempt to fix the price of wheat at all wheat would be selling next year at about $1.50 or $1.75 a bushel—at a fair market price—but even if it were selling at $4 a bushel, if the wheat was worth it in the market on account of the cost of production and the cost of living and other things, then the wheat ought to have that price. The very best measure that any legislative body can take in order to reduce the price of a product is to leave the market with its stimulus absolutely free, so that a man may plant with the idea of getting $4 wheat and be disappointed later on by getting $1.70 wheat.

Now, Mr. President, next to munitions and men and ships, food and fuel are the most important things that are necessary in order to win this war, and the question comes up as to how best to increase the production of food and of fuel. That question has presented itself to various people at various times in the history of the world—in the French Revolution, the American Revolution, in ancient Rome when the Gracchi were striking, and all that—but it all comes back to this: If you will let a man believe that maybe he can sell his wheat next year for $5 a bushel as the sky-high price of it, if you let a man believe that maybe next year he can sell his coal for $15 a ton, possibly at a sky-high further price, two results must follow: Every man who has any land he can put in wheat will put it in wheat just as soon as he can, and everybody who has a mine, even if it is a coal mine that in ordinary times was not rich enough to pay to work, will go to work and work it. What will be the result? The result will be overproduction and a decreased price of both wheat and coal for the benefit of the people. That is the necessary economic result of letting the market alone.

So I do not see much sense and never have seen much sense in any governmental attempt to limit the price of products to the people. If you let the man go on his production will limit the price, because his hope and the spirit of speculation will lead to overproduction, and the overproduction will correct his selfishness, will correct his greed, and will give to the consumer what the consumer has a right to have, to wit, a sufficient quantity of the product in the market. It is more important to the consumer to have a sufficient quantity than it is to have it even at a low price. You must have coal to keep warm. You must have wheat if you are going to eat wheat bread.

Now, I have but one more suggestion to make in connection with this matter. I have thought sometimes I would start a voluntary association whereby I and other men signing the agreement would agree not to eat anything made out of wheat at all during this war. It would not be much sacrifice. My own section of the country did that for nearly three years. We did not have anything made out of wheat and the Confederate soldiers fought pretty well without any wheat in their stomachs. I would long ago have started a movement, and made myself its voluntary first member, except for the fact that I absolutely hate to play in the limelight and go out and appear even to be "patrioteering." But it can be easily done. If wheat gets too high, if people out West, the Senators from North Dakota and the Senators from South Dakota and the other Senators there get too greedy, we can stop their exploitation by stopping eating their product. We can live on rice and corn bread and rye and various other things. There is no telling how many pretty dishes you can make out of rice and corn meal if you just know how to make them. I am not at all afraid of leaving the laws of trade free.

I have been a Democrat all my life and always have believed in every sort of free thing, amongst other things free trade, especially free trade within the United States. I have gone further and believed in it even outside of the United States, and even if I am in error I am not afraid to face the other fellow in the open, because I believe with old Jefferson that you can "leave error free provided you also leave reason free to combat it."

Now, I stood all this. I voted for a lot of it because I thought that neither the American Congress nor the American people would be satisfied until you tried it to the 40nth degree. The world had already tried it to the 40th degree at various stages of its history, but it had to try it to the 40mnth degree with every generation. A daughter of mine said to me once about one of my sons, "Papa, it is useless to scold the boy or to scold anybody else. He has got to learn for himself." She was then about 8 years old, but had a good deal of wisdom within her little head. It is true that each generation must learn for itself.

However exploited and however fallacious and futile the experiments of the past have been we learn nothing from it, because it is just about 5 per cent of humanity that knows what humanity has done outside of their generation and they have got to learn it. I think it is now about time to stop it all and leave the market free. Let the buyer go out and try to get the lowest price he can and let the seller go out and try to get the highest price he can, and let the producer get the highest price possible, and when he is paid for it he will make the stuff, and when he makes the stuff he will defeat his own selfish ends by overproduction and oversupply in the market.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. The Senator from North Dakota [Mr. MCCUMBER] has the floor. Does he yield to his colleague?

Mr. GRONNA. I wish to ask the Senator from Mississippi a question. The Senator from Mississippi is laboring under a misapprehension. I do not think that any of the Senators from the Northwest asked for any legislation to fix price. On the other hand, they were opposed to it. They said, "Leave it to the law of supply and demand." I am glad to know that the Senator from Mississippi believes as I do, and he argues much better than some of us did a year ago.

Mr. WILLIAMS. The Senator is mistaken in thinking that I misapprehended. I suppose the Senator arrived at that conclusion from the fact that I voted against him when the proposition was up before; but I stated when I so voted at that time that I did so with the view in my own mind that neither the American people nor the Congress would ever be satisfied without trying the experiment once more. But I have said upon this floor many times, the Senator will remember, that no Government could in the long run fix prices; that while it might make a man sell at a certain price, if he sold at all, it could not make him sell at all; and that if the price fixed was, in his opinion, too low, he would hoard and speculate, whereas if the price was entirely too low the work of production for the future would stop. I thought the wisest course to pursue, when you all were arguing for that, was to vote it through and let it be tried once more. Now, I say it has been tried enough and it has failed.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield further to his colleague?

Mr. MCCUMBER. Certainly, I yield.

Mr. GRONNA. If I may be permitted, I wish to say to the Senator from Mississippi that he is still mistaken. Myself, my colleague, and other Senators from the West asked to be let alone. We did not ask for the legislation, I want to say to the Senator.

Mr. WILLIAMS. I just said that I voted against your proposition when it was formerly before the Senate, and that I voted against it for the reasons I have given, which were mere tactical reasons. You were right then, in my opinion.

Mr. GRONNA. The Senator from Mississippi is right now.

Mr. WILLIAMS. Although what you say is true, I do not think you were formerly exactly expressing the true and right reasons why you were right at that time.

Mr. MCCUMBER. Mr. President, there is no material disagreement between the Senator from Mississippi [Mr. WILLIAMS] and myself concerning the operation of the law of supply and demand within our own country. The main difference seems to be that the Senator from Mississippi is in favor of that law of supply and demand when cotton is high and wheat is low, but votes against it when wheat seems to be high and cotton somewhat low. The Senator from Mississippi says he has contemplated entering into an agreement with others to refrain from eating wheat altogether.

I should like to enter into an agreement with the Senator from Mississippi, each of us denying ourselves certain rights and privileges, if I could do so on equal conditions, but the Senator has a decided advantage over me. I have to wear his cotton whether I want to do it or not. If 40° below zero in a North Dakota winter will not compel me to wear clothes the law comes in and does compel me to wear them. So he has me at a disadvantage. While he can change his diet from wheat to sweet potatoes I can not change my method of having to wear his cotton.

We people of the Northwest who raise the food for the country have to pay for our labor according to the law of supply and demand, and if labor is short we have to pay $5 a day for it. We have either to pay that amount or we must leave our fields idle. There is no middle ground for us on this proposition. We have to purchase everything that we buy and need upon our farms according to the prices that are fixed by the law of supply and demand of both the labor and the materials which we must purchase.

Laboring under those conditions we feel as though we ought to be left to the law of supply and demand in selling the products which we have to sell. The law which the Senator from Mississippi has enunciated that whenever you increase the quantity you will depreciate the price and whenever you lessen the quantity you will appreciate the price ought to apply to our products now just as it applies to his cotton and to the labor which we must employ.

But the Senator from Mississippi seems to have ignored the condition that is confronting us. The Congress of the United States did step in, and they gave the President the power to fix the price of food products. Acting upon that the President fixed the price of the thing which we produce mostly in our State, namely, wheat, at $2.20 a bushel for the 1917 crop.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. Will the Senator from North Dakota yield?

Mr. McCUMBER. I yield.

Mr. WADSWORTH. I do not mean to be over technical, but can the Senator point to any provision of the food-control act which gives the President the power to fix the price of wheat for 1917?

Mr. McCUMBER. It gives him the power to take the mills and gives him the power to operate them. It gives him the power to license, and under the authority to take possession of the mills that grind the flour and under the authority to license the manufacturer of flour he can grant licenses only upon condition that the licensee pay the farmer a certain price for his grain, and in that way the authority granted has been exercised and this action might be sustained by the law itself.

Mr. WADSWORTH. Does the Senator think that was in the spirit of the act?

Mr. McCUMBER. No; I would say it is not. I do not think it was in the spirit of the act that we should take this method of driving down the price of the product on the farm. On the contrary, I think the spirit of the act was that the producer should be let alone entirely in the matter.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER (Mr. GRONNA in the chair). Does the Senator from North Dakota yield to the Senator from Kansas?

Mr. McCUMBER. I yield.

Mr. CURTIS. I wish to ask the Senator if he does not think that it was the belief on the part of the Members of the Senate that the farmers would be left alone and their market would be left free and that they would get the market price without interference?

Mr. McCUMBER. Under the guise or the theory of controlling the middleman or the profiteer we have so operated under that law that we have choked down the price of wheat to such an extent that he will be unable to produce the wheat that the country needs.

Mr. CURTIS. Mr. President——

Mr. McCUMBER. I yield.

Mr. CURTIS. Will the Senator also permit me to state that very little, if any, benefit has been derived by the consumer?

Mr. KING. Will the Senator yield?

Mr. McCUMBER. I yield to the Senator from Utah.

Mr. KING. I wish to say that the entire food bill is one which I did not agree to with very much enthusiasm. Indeed, I voted for it very reluctantly, and stated that I thought it was in contravention of the law of economics. But what I rose to say is this: I have been advised, and I am asking for information because the Senator may know far better than I, that the gentlemen who fixed the price of wheat were a committee composed principally of farmers, called in to aid Mr. Hoover, and that Mr. Hoover himself was not in favor of fixing the price of wheat. Does the Senator have information upon that matter?

Mr. McCUMBER. I have complete information on what was done. It was not a committee of farmers that fixed the price. On the contrary, it was a committee composed of consumers and of the middlemen who do the manufacturing that fixed the price; and while we had a representative from the State of North Dakota who was heard upon that matter, of course he was in the minority, and the price fixed much lower than he contended for.

Mr. GORE. Mr. President——

Mr. McCUMBER. I yield to the Senator from Oklahoma.

Mr. GORE. I ask the Senator from North Dakota to name the chairman of the board that fixed the price of wheat last August.

Mr. McCUMBER. I do not remember who was the chairman of the particular sub-board which heard the testimony on prices.

Mr. GORE. Dr. H. A. Garfield, of Fuel Administration fame. He was chairman, and his name appears first on the report signed by the board. I believe Theodore Vale is the second name. I do not think anybody would regard Mr. Vale as a farmer. I understand there was not a wheat farmer on the committee. There was one man from Georgia, a cotton State, who is a farmer, and another one from Illinois who is a prominent corn producer.

Mr. SMITH of Michigan. If the Senator will permit me——

Mr. McCUMBER. I yield.

Mr. SMITH of Michigan. Is that the same person who fixed the price of coal?

Mr. GORE. It is one and the same.

Mr. SMITH of Michigan. It was not very well fixed. Mine went up from about three and a half dollars to $11 a ton. I do not know how other Senators were affected.

Mr. POMERENE. Mr. President——

Mr. McCUMBER. I yield to the Senator from Ohio.

Mr. POMERENE. Will the Senator allow me to make a suggestion, in view of what has been said? I have been informed that a member of that price-fixing committee was Mr. L. J. Taber, who was master of the Ohio State Grange. He is a farmer also.

Mr. GORE. Does he produce wheat?

Mr. POMERENE. He is a farmer.

Mr. SMITH of Michigan. Did the master of the Ohio State Grange fix the price of fuel?

Mr. POMERENE. I wish the Senator would not refer to the subject of fuel.

Mr. SMITH of Michigan. I am not seeking to lure the Senator from Ohio into any discussion that he might shun, but it is a new one on me if the president of the Ohio State Grange fixed the price of coal.

Mr. McCUMBER. Mr. President, I have been diverted somewhat from the principal subject, but I desire to present to the Senate and I ask the attention of Senators to a few cogent reasons justifying the setting aside of the rules of the Senate and allowing this amendment to be placed upon the pending appropriation bill.

Let us recall this one fact: Whether we acted wisely or unwisely in passing the food bill, we did pass it. Whether or not the operations under it have been just and fair and proper, the fact is that under its operations we have driven down the price of the thing below all other things that you wanted the farmer to produce in this country to such an extent that he can not afford to produce it. Now, there is a simple proposition. No Senator and no one else in the United States would say that barley ought to be worth more than wheat when the amount of barley which is raised per acre is almost double that of wheat; no one would say that the price of rye should be more than that of wheat; no one would claim that one ought to pay more for a 10-pound sack of corn meal at a retail store than he would pay for a 10-pound sack of white flour; no one would claim that one ought to be taxed more for rye flour than he would be taxed for wheat flour; and yet such is the case to-day. These facts indicate that there is a wrong and there ought to be a remedy.

I want now to call your attention to the price of these several cereals on the 9th day of March, 1918, at Minneapolis, Minn. Wheat on that day was worth $2.20 a bushel. I say "wheat," but I mean No. 1 northern wheat. That No. 1 northern wheat probably did not represent more than one-fifth of the wheat that was marketed in Minneapolis on that day. Much of that wheat was No. 2, No. 3, and No. 4, and no grade at all.

But, taking the very highest price only for the one grade of wheat, what would you receive at Minneapolis for the highest standard grade that is raised of northern wheat? You would receive $2.20 a bushel.

Upon the same day rye was selling for $2.09 a bushel; on the same day barley was selling at $2.25 a bushel; on the same day corn was selling for $1.85 a bushel; and oats were selling for 98 cents a bushel.

Now, let us get at the yield per acre. Taking an average of 10 years throughout the United States, we find that the yield of wheat was 14.7 bushels per acre; of corn, 26.1 bushels per acre; of rye, 16.1 bushels per acre; of barley, 24.2 bushels per acre; and of oats, 31.2 bushels per acre. Oats must have ranged over much of the southern and eastern territory at a very low yield, because if you will take the oats that are raised in the Northwest you will find that the average yield is almost double that.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. McCUMBER. I yield.

Mr. POMERENE. I was attracted by the figures which the Senator from North Dakota gave as to the prices of corn and rye. The Senator regards those prices as exorbitantly high, does he not?

Mr. McCUMBER. Well, compared with the price of wheat, they certainly are exorbitantly high.

Mr. POMERENE. But compared with the price of corn or of rye during normal years they were exorbitantly high?

Mr. McCUMBER. Yes; in normal years those would be exorbitant prices. In normal years, when a farmer could hire men for from $25 to $30 a month and board, of course a price of that kind would be exorbitantly high; but if, as to-day, he must pay $60, $80, $90, and in some instances

$100 a month and board for labor, which would amount to $125 a month, that price is very low—so low that if a farmer had to hire all his help, it would be impossible for him to raise any of these grains for that price.

Mr. NELSON. Mr. President, will the Senator from North Dakota yield to me for a moment?

Mr. McCUMBER. I yield to the Senator from North Dakota.

Mr. NELSON. With the permission of the Senator from North Dakota, and in answer to the Senator from Ohio [Mr. POMERENE] as to the prices of these various grains, I desire to say that I have been engaged in grain raising more or less for 40 years, and my experience has been that in normal times when we were getting from 80 cents to $1 a bushel for wheat our rye would be selling from 50 to 60 cents a bushel. In those days I used to be glad when I received 60 cents a bushel for rye. In the fall of the year our oats would generally be selling at from 20 to 25 cents a bushel at home, while toward spring they might go up to 30 cents a bushel. Corn generally sold from 40 to 50 cents a bushel. Those were the prices of what we called coarse grains in those days in normal times, as compared with the price of wheat. We received from 40 to 50 cents a bushel for corn, from 20 to 25 cents a bushel for oats, and from 50 to 60 cents a bushel for barley. I have often sold barley, where it was mixed with some foul stuff, at as low as 40 cents a bushel, when it was known as feed barley.

If the Senator from North Dakota will indulge me further, I desire to say, as to the price which was fixed last year for the farmers' wheat, as a matter of fact the bulk of the wheat did not bring the farmers $2 a bushel. I raised on my farm a first-class quality of what is known as durum macaroni wheat, but because there was a small quantity of cockle in it that wheat was graded as No. 4, and I only got $1.96 a bushel for it. Most of our farmers had a similar experience. Their wheat would be graded down so that a very small proportion of farmers in the aggregate got as high as $2 a bushel for their wheat.

Mr. POMERENE. Mr. President, I do not care to interrupt the speech of the Senator from North Dakota, but I think the statement which has been made by the Senator from Minnesota as to the relative prices of these cereals is substantially correct. I think that another fact that ought to be borne in mind in connection with this subject, as showing the abnormally high price of corn, is that while the price has been abnormally high, the quantity of corn raised last year was unusually great, but it is true that there has been a good deal of soft corn, and this soft corn has been sold at abnormally high prices—out of all reason, in my judgment.

Mr. McCUMBER. Well, I am not dealing with the corn question, nor is that being dealt with in this particular amendment. What this country is now asking of the farmer is that he shall produce wheat. Will the farmer produce wheat under present conditions? Can you compel him to produce wheat when he has got to produce it at a loss? Without any question, in my State wheat would be produced at a loss under present prices for labor.

Let me call the attention of the Senator to the fact that the western two-thirds of the State of North Dakota for two years now has only produced enough wheat for seed, and in many instances the farmers have not produced even that much. So they are not getting rich on $2.20 a bushel wheat, because they do not raise it. We were perfectly willing to be left to the law of supply and demand, and if you will take off all restrictions to-day and let that wheat bring what the demand for wheat would give it, we shall be perfectly satisfied.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. McCUMBER. I yield.

Mr. POMERENE. I realize that the State of North Dakota during the last two years has been somewhat unfortunate; that is, they did not have an average crop of wheat during those two years. Other sections of the country were more fortunate; but I submit it is hardly fair to determine the price of wheat now by what may have been the cost per bushel of wheat when in some sections of the country it was almost a total failure. I dare say that there are farms in the Dakotas, if I have been properly informed as to the yield of wheat there, on which, if the price which the farmer could have realized would have been $10 a bushel, he would not have had a profitable return for his year's work, because the elements had been such that the crop was a substantial failure.

I think that when it comes to a question of ascertaining the price of wheat, and so forth, we have got to bear in mind what at least is an average crop. You might fix the price to-day at $2.50 or $3 a bushel, and we may have a yield during this coming year which might be equal to the yield of 1915, which was abnormally great. To fix the price on that basis, certainly would not be fair to the public.

Mr. McCUMBER. Very well, Mr. President, I think the Senator, then, will agree with me that if the crop of wheat in 1915 was a little over 1,000,000,000 bushels and that in 1917 there was but a trifle over 500,000,000 bushels, or only about one-half of what the crop was in 1915, the farmers who only raised half a crop that year ought to be entitled to a better price for what they did raise; they ought, therefore, to have the benefit of the general law of supply and demand. Give them that and they will take their chances as to whether their crop will bring more or whether it will bring less. That is all the farmer is asking for.

Mr. POMERENE. Mr. President——

Mr. McCUMBER. Just a minute. As I have said, when you fix the price of the farmer's product you in all equity ought to fix the price of everything that the farmer has to buy, and you ought especially to fix the price of labor that goes into his product. Now, inasmuch as you have not fixed the price of any of the other articles, and inasmuch as the shortage of labor—if I may call it a "shortage," for the difficulty is not altogether due to shortage—has created such a demand that the price has doubled and trebled and quadrupled, it does seem to me that those conditions should be taken into consideration in fixing the price, if you are going to fix it, at which the farmer must sell his product.

I now yield to the Senator from Ohio.

Mr. POMERENE. I do not think I am treating the Senator quite fairly in taking so much of his time——

Mr. McCUMBER. I am always glad to yield to the Senator.

Mr. POMERENE. But I simply want to make this observation, and in my own time I will submit such further observations as I may care to make.

The Senator has spoken about the law of supply and demand. I recognize the fact that it is a well-established rule of political science that the law of supply and demand fixes prices, but I think we ought to add to it the qualification that it only fixes prices when it is permitted to operate, and I submit that during the last two years the law of supply and demand has not operated in this country either as to wheat or meal or corn or oats.

Mr. McCUMBER. What does fix the prices, then, will the Senator tell me?

Mr. POMERENE. A lot of hoarders and a lot of gamblers.

Mr. McCUMBER. The Government to-day has complete control over the question of monopolies. Does the Senator claim that the Government is not performing its duty to annihilate any person or any corporation that seeks to obtain a monopoly over food products? Is the Government failing?

Mr. POMERENE. Mr. President, I think either the Government or the Congress or both have failed to perform their duty in this: An attempt has been made to regulate the price of wheat, but corn and oats and other competing cereals have been left in the open market where the prices have been advancing out of sight. Corn at such prices as we have now is simply a monstrous proposition.

Mr. REED. Mr. President——

The PRESIDING OFFICER (Mr. SHAFROTH in the chair). Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. McCUMBER. I yield.

Mr. REED. I should like to ask the Senator from Ohio now if the remedy he proposes is by law or regulation to reduce the price of corn and all the other cereals? Is that the remedy he proposes?

Mr. POMERENE. Why, Mr. President, I have said that I believe it is necessary to fix the price of wheat; I believe it is necessary to fix the price of corn; I believe it is necessary to fix the price of oats or of any other cereal.

Mr. REED. But that is not the question. The Senator has stated that the price of corn and the price of other cereals aside from wheat has gone out of all reason. Now, I want to ask him if the remedy he proposes is, instead of letting the price of wheat be advanced, to reduce the price of corn and of the other cereals?

Mr. POMERENE. Mr. President, I realize that the Senator from Missouri has very decided views upon this subject, and I do not believe that he and I could agree upon it at all; but we do know that before the price of wheat was fixed the price was up to $3 and $3.50 in certain localities, and the price of flour was up to $16, $17, and $18 a barrel. When we are fixing the price of a cereal which is necessary to sustain life, in my judgment it is necessary to keep it within reasonable bounds so as not to starve the people who are not producing cereals.

Mr. REED. Mr. President, I am sorry the Senator declines to answer the very simple question I put to him. He is about to

make a speech, so he has announced, upon this question. He comes from a great agricultural State, and I hope that when he comes to make his speech he will tell us whether the remedy he proposes is to reduce the price of corn and of rye and of barley, so that their price will be in proportion to the present wheat price; whether that is the remedy he proposes to give the farmer in lieu of giving the farmer an increase in the price of wheat. Now, while he is at it——

Mr. POMERENE. Mr. President, the Senator refers to the fact that I am from an agricultural State; I am. I am also from an industrial State, and these suggestions do not embarrass me in the least.

Mr. REED. I am not endeavoring to embarrass the Senator; I am very much in earnest about getting this great question—I dislike to trespass upon the time of the Senator from North Dakota, but will the Senator pardon just one remark?

Mr. McCUMBER. I yield; it is all illuminating.

Mr. REED. I am very much in earnest about getting this great question settled on what I think is a right basis, and I am very solicitious to secure, if possible, the very able help of the Senator from Ohio; and I assure him that when I referred to the fact that he is from a great agricultural State I did not mean, and could not possibly have meant, any reflection. Ohio is a great agricultural State; it is also a great industrial State; it is great in many ways; it has the Senator for its representative, and I was born in that State myself.

Mr. POMERENE. The State of Ohio is very proud of the latter fact, I assure the Senator.

Mr. REED. Jesting aside, I am asking this question in all seriousness and it must be answered seriously.

Mr. POMERENE. It will be so answered.

Mr. REED. It must be answered seriously by the Congress and by the American people, because if we make a mistake it may be a tragic mistake. Now, while the Senator is answering the proposition to which I have just referred, I hope he will in his speech answer another proposition. A moment ago he assigned hoarding as one of the causes for the price of $3.50 for wheat, which is rather high; I do not know of any $3.50 wheat myself. I am going to challenge the Senator, good-naturedly, of course, to point out where wheat was held in such quantities by hoarders that it seriously affected the price. I am going to ask him, when he examines the figures, to look and see whether in the great terminal markets at the time wheat was $3.50 a bushel there was not less wheat on hand in the great terminal markets than there had been at any similar period of the year for a number of years?

Mr. POMERENE. Mr. President, I again apologize to the Senator from North Dakota. My position, very briefly stated, is that when we started to fix the price of cereals we should have fixed the price of corn as well, and perhaps of oats and rye. That is my position; and, with that remark, I will not interrupt the Senator further, but in my own time will discuss the question.

Mr. McCUMBER. Mr. President, the Senator has just stated that his State is both an agricultural and an industrial State. Will the Senator kindly tell me what the average wage of the skilled workman is in the steel establishments of Ohio?

Mr. POMERENE. No; I can not give the Senator the price.

Mr. McCUMBER. I think the wages would run all the way from $5 to $12 a day, would they not?

Mr. POMERENE. Mr. President, I think that would fairly state the fact. It depends, of course, upon the kind of employment.

Mr. McCUMBER. Very well. Then, I will average it at $9 a day. The Senator has complained about the poor people who receive only from $5 to $12 a day being compelled to buy flour that is manufactured from wheat that sold for $3.50 a bushel; and he says that that would bring the price of flour up to $18 a barrel. Well, as a matter of fact, each person in the United States consumes practically one barrel of flour a year. That means that a man working in the industrial field in the State of Ohio would work two days to buy all the flour that he would use for himself in 365 days. Now, does the Senator or any other person on the face of the earth know of a food product or anything else produced by human labor that is as cheap as white flour? It is the cheapest thing, compared with the amount of energy that is required to produce it, that you can get anywhere upon the face of the earth to-day, and that can be established without any possibility of question.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. McCUMBER. Yes.

Mr. REED. If the Senator will permit me, I wish to make this remark: I put in the RECORD a day or two ago some figures that were adduced before the Commerce Committee with reference to the wages paid in the shipyard at Hog Island, which were testified to be based upon the prices usually paid in Philadelphia and vicinity, and they were fixed by a Government board which was created for fixing wages on an equitable basis. Those wages had been preliminarily fixed, and, as so fixed, the average man in those yards, as I recall, even a common laborer, was making from $50 to $75 a week. A very large number of the employees—over 3,000—were averaging a good deal above $200 a month. Those who wanted it were being furnished a bed at 10 cents a night, and they were being fed excellent meals at 30 cents a meal; and, upon review, the same board added 20 per cent to all of those wages. I give the Senator those figures because they fit into the statement which he has just been making.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. McCUMBER. I yield.

Mr. NELSON. The Senator from Missouri ought to have added one more word; he ought to have said that when they increased the rate of wage, the increase was made retroactive.

Mr. REED. Yes; it was made retroactive; that is correct.

Mr. THOMAS. Mr. President——

Mr. McCUMBER. I yield.

Mr. THOMAS. I think the Senator from Missouri should have also added the fact that the increase has recently been applied to the shipyards in the South, plus 20 per cent, and made retroactive so as to take effect last October.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Oklahoma?

Mr. McCUMBER. I yield.

Mr. GORE. Before this question passes I simply want to say that the farmers who produce wheat in North Dakota and in Ohio have to pay wages in competition with the wages mentioned by the Senator from Missouri, or else——

Mr. McCUMBER. That is the point I was trying to make a short time ago.

Mr. GORE. Or else go without the help. It was testified before the Committee on Agriculture yesterday that in Minnesota last year the farmers were paying $35 a month to farm hands, and got the hands, while this year they are offering $60, with board and lodging, and are not getting the hands.

Mr. McCUMBER. Mr. President, one of the large farmers from my State was in my office this morning. He was trying to get help to do his seeding next spring and engage it beforehand, and he was talking with one of these I. W. W. bolsheviki fellows. I do not know what you may call them. He wanted $5 a day. The farmer said, "Well, I have got to have a man that will drive my gang plows and seeders." "How many horses do you use?" "I use five horses." This fellow said, "Have I got to hitch up those horses?" the farmer said, "Yes." The man replied, "I'll be d—d if I will hitch up five horses for any man for $5 a day." That gives you a little bit of an idea of the difficulty that the farmer encounters in attempting to secure help to-day to do his farm work.

The other day I gave a table showing what was paid to riveters out on the coast in the shipbuilding industry. They were paid $11.10 a day each. The average number of rivets driven by each was 51—$11.10 for driving 51 rivets in a day! Now, the Senator from Ohio perhaps thinks that those are a suffering people, and that it would be an injustice to them to allow the farmer to receive $2.50 a bushel.

The Senator thinks that wheat became high simply because there were monopolies handling it. Does not the Senator comprehend that in 1916 we raised, I think, but 558,000,000 bushels of wheat in the United States, just enough to feed our own people, and nothing to spare? We raised somewhat more in 1917. Now, notwithstanding the fact that we raised only enough to feed our own people under ordinary conditions, we shipped, or attempted to ship, a good many millions of bushels of wheat, some portion of which got over and some of which was fed to the sharks and swallowed up by the ocean. Now, necessarily, no one got the benefit of that wheat, but it reduced what was already a deficit to a greater deficit and necessarily increased the price.

All that the farmer asked, under those conditions, was: "Let me alone, and if I have got to compete for labor with establishments where a man will be paid $11.10 a day for driving 51 rivets, for heaven's sake allow me to get what the public is willing to pay for my product. I am not hoarding it." That is all he is asking.

Mr. President, we get right back to the main proposition: Do you want to raise wheat in the United States in the summer of

1918? You are bound to raise some, no matter whether you pass this law or not; but do you wish to raise enough so that we will have some to ship to our allies, and will have a sufficient amount to meet the home demand without having wheatless days? If you do, there is a way to do it. If you do not, just vote down this amendment.

Mr. President, it is not so much a question of what it costs to get something as it is a question of whether or not you are going to get it. Our allies would sooner pay $5 a bushel for wheat over in Great Britain, and be sure to get it, than to have the price fixed at 50 cents a bushel without any chance of getting it. They are not grumbling at the price they will have to pay. What they want is something to keep them from starving while they are fighting this battle; and they do not care what they have to pay for it, provided they get it. They are not paying for their wheat to-day anything in comparison with what they are paying for ammunition, measured by what it costs to produce each of those articles; and they are not grumbling because they are having to pay four and five and even ten times as much as they used to have to pay if they had bought shells in the United States.

All they say is, "Give us the shells at any price." They will also say, "Give us the wheat at any price, for all we want to be sure of is that we will get it." Now, we ought to produce it.

The Senator has spoken about corn. Our allies would be glad to get corn if they could use it, but corn will spoil before it is kept many days, after it has been ground, in a moist climate. Therefore they can not use American corn to any great extent to feed their soldiers and to feed their population over in Europe. They must have either rye or barley or wheat or oats; so if they get these articles they will be satisfied.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Oklahoma?

Mr. McCUMBER. I yield to the Senator.

Mr. GORE. I think the Senator might do well to mention this fact at this point, that the value of corn for food is only about two-thirds that of wheat, and that if we could ship corn instead of wheat to our allies in Europe it would take practically a third more shipping space.

Mr. McCUMBER. The Senator is correct, and I will put in the RECORD something concerning that in a short time.

Now, to get at the facts that stare us in the face, I have given you the average yield of these cereals for the last 10 years. I am going to give you now what the farmer would receive for those cereals per acre under the present price.

With wheat at $2.20 a bushel, and an average yield of 14.7 bushels to the acre, the farmer would receive $32.34 for an acre. With corn at $1.85, he would receive $48.29 for each acre. Remember that he can leave his corn in the shock; he can leave it upon the stalk after it is ripened for a month or two months or three months, and then gather it, if it is sufficiently dry, and his family can do that work; whereas with wheat the moment it is ripe it must be cut, and it must be shocked and taken care of, and he must hire help if necessary.

Again, while from wheat he would receive $32 an acre, rye at $2.99 a bushel would give him $48.14 an acre. Barley would give him $54.45 an acre.

Now, will a farmer raise wheat—can you compel him to raise wheat, or if he is in his right senses would he naturally raise wheat—at $32 an acre, when he can get $54 an acre for raising barley, which is much easier to raise, and not only very much easier, but it assists him in cleaning up his land against foul stuff that will accumulate where you have cropped with wheat one year after another?

Mr. SMITH of Michigan. At the present price of corn and barley?

Mr. McCUMBER. At the present terminal price of corn.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. McCUMBER. I yield to the Senator.

Mr. GALLINGER. In the section of the country from which I come there is a great deal of discussion going on and inquiries being made as to the cause for the abnormal price at which barley, rye, and oats, particularly, are held, and to some extent corn. I will ask the Senator from North Dakota if he can give me the information that will enable me to satisfy my correspondents that there is a legitimate reason for it, because I remember the time when barley and oats and rye and even corn were sold at one-third the price at which they are now held. There must be some good reason for it. Perhaps I ought to know it, and yet I should like the opinion of the Senator from North Dakota, who has studied these questions much more carefully than I have.

Mr. McCUMBER. First, Mr. President, with a world war on, as there is to-day, everything is in a feverish state, a state of uncertainty. All the warring nations want to get hold of all the grain that they can get hold of at any price. That of itself necessarily, irrespective of the general consumption of the world compared with its productiveness, would send prices skyward. Second, we do not get over to the old country every barrel of flour that we ship, or every bushel of wheat, or corn, or oats. I never have been able to secure from any one of the departments the proportionate part of our shipments that goes to the bottom of the ocean. That is kept secret, but we all know that it is very great. We know it from the fact that we know that most of these ships that are sunk carry food. Eighteen British ships, on an average, outside of their fishing vessels, are going down to the bottom of the ocean every week; and nearly every one of those ships has not only munitions but food products on it. Then, we will say there will be 10 other ships going down every week that belong to the allies and to neutrals, making from 28 to 30 shiploads of produce that are fed to the ocean every week. The Senator can see that any nation wanting to secure grain will keep its agents buying, buying, buying, all the time, as much as they can, the result naturally being to keep up the price.

Mr. GALLINGER. That can not apply to corn, inasmuch as the Senator has said already—which is true—that corn can not be transported, either in the raw state or in the manufactured state, and made use of in the European countries.

Mr. McCUMBER. The moment that one class of cereals becomes scarce or becomes exceptionally high, it immediately drives to a high point the price of everything else that can be used as a substitute, so that it would bring up the price of corn a great deal above what would be normal.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Oklahoma?

Mr. McCUMBER. I do.

Mr. GORE. Before the Senator proceeds further, after answering the question of the Senator from New Hampshire, I think it might be well to put in the RECORD at this time the fact that the advance in the price of the uncontrolled grain is no greater than the advance in the price of farm machinery. I will print in the RECORD, before the debate has closed, figures demonstrating that fact. They show that it is not a sporadic increase with respect to grain or farm products alone, but that it is a part of the general advance which characterizes everything that is uncontrolled.

Mr. McCUMBER. Let me ask the Senator how it compares with cotton, for instance?

Mr. GORE. Cotton is a fit illustration; and I may say that, as I recall, in the list of 100 leading articles of which Bradstreet has kept a record for a number of years, farm products show a less increase than anything else. I believe that lead is the only commercial article which drops down among farm products as in the class which has advanced the least.

Mr. McCUMBER. Mr. President, I ask permission to put into the RECORD at this time the table from which I have just quoted, giving the kinds of grain raised in the United States, the average yield per acre for the last 10 years, the price per bushel on March 9, 1918, and the yield in dollars per acre.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Kind of grain.	Average yield per acre of last 10 years.	Price per bushel on Mar. 9, 1918.	Yield in dollars per acre.
Wheat	14.7	$2.20	$32.34
Corn	26.1	1.85	48.29
Rye	16.1	2.99	48.14
Barley	24.2	2.25	54.45
Oats	31.2	.98	30.58

Mr. McCUMBER. In addition to that, Mr. President, I wish to put into the RECORD the number of calories in a bushel of wheat, a bushel of corn, a bushel of rye, of barley, and of oats, including the price of each of these bushels, showing how cheap, measured by the number of calories in a bushel, wheat is compared with all of the other grains.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

	Price.
Wheat, 1 bushel, 60 pounds, 89,340 calories	$2.20
Corn, 1 bushel, 56 pounds, 88,032 calories	1.85
Rye, 1 bushel, 56 pounds, 84,448 calories	2.99
Barley, 1 bushel, 48 pounds, 70,796 calories	2.25
Oats, 1 bushel, 32 pounds, 41,920 calories	.98

Minneapolis quotations of March 9, 1918.

Mr. McCUMBER. I wish also to insert in the RECORD another statement, showing the number of calories in 60 pounds of wheat, corn, rye, barley, and oats; and still another table, which will show just what a bushel of wheat will buy—in other words, what $2.20 will buy of calories in other grains.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

	Cost.
60 pounds of wheat contain 89,340 calories	$2.20
60 pounds of corn contain 94,320 calories	2.00
60 pounds of rye contain 90,480 calories	3.20
60 pounds of barley contain 88,500 calories	2.80
60 pounds of oats contain 78,600 calories	1.84

$2.20 will buy—
89,340 calories of wheat.
104,684 calories of corn.
62,135 calories of rye.
69,221 calories of barley.
94,005 calories of oats.

Mr. McCUMBER. I will quote this:

Two dollars and twenty cents will buy 89,340 calories of wheat; it will buy 104,684 calories of corn, 62,135 calories of rye, 69,221 calories of barley, and 94,005 calories of oats.

Wheat has already for the 1918 crop, been raised from $2 to $2.20 a bushel by the order of the President. We seek by this amendment to raise it to $2.50 a bushel at the local market, which perhaps would be equivalent to an increase of about 35 to 38 cents a bushel at the terminals.

Let us see the effect of this. It means everything in the world to the farmer who is going to produce this wheat. It would make a difference, we will say, of 30 cents a bushel. Do Senators stop to think how much difference that would make in the price of a loaf of bread? I gave a table in an address a short time ago showing that an increase of 10 cents a bushel on wheat, when converted into a loaf of bread, meant one thirty-second of 1 cent per loaf of bread. If you raise it to 30 cents a bushel that will be three times that or about one-tenth of 1 cent a loaf. While the increase of 30 cents a bushel would determine whether or not we would raise enough wheat to support ourselves and furnish some to the allies, it would mean an increase of only one-tenth of 1 cent a loaf to a man, and inasmuch as a family of five consume about four loaves of bread a day upon the average it would be four times that, or 4 mills, or less than one-half of 1 cent a day for a whole family. That is exactly what it means. That is the awful imposition upon the laboring man who is receiving $11 a day and is 50 per cent efficient by the farmer in asking $2.50 per bushel for his grain.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. McCUMBER. I yield.

Mr. GALLINGER. Perhaps it is my own fault that I do not know definitely the proper answer to give to the question I am going to propound, but I have been a very busy man during this session.

I am going to ask the Senator if, after the price of wheat has been fixed, the price of bread has been or will be fixed? In other words, after this increase in the price of wheat is established, can the men who produce bread fix their price, and increase it at their own sweet will, or not?

I do not know but that Mr. Hoover has fixed the price of bread. They are doing such extraordinary things that I am bound to confess my ignorance.

Mr. McCUMBER. Mr. President, he has in a way fixed the price of bread, the same as he has in a way fixed the price of a great many other articles. For instance, there will be published I think in practically every morning newspaper, or at least once a week, a list of articles, stating the prices that the consumers here in the city of Washington should pay. That list includes bread and beans and pork and everything else; and in addition to that, at the bottom of this table, there is printed a request that if any greater charges are made against anyone they will report the fact to the board. The board has, of course, already had hearings with these people and has told them what they could charge and had a right to charge; and I think for the most part they are conforming to the requirements of the board.

Mr. GALLINGER. I trust that is so, Mr. President, although I think the general consuming public pay mighty little attention to those tables in the morning papers, or in the evening papers, for that matter.

Mr. McCUMBER. I think a great many of the sellers make excuses that they are just out of those articles.

Mr. GALLINGER. Just one other observation; and I do not make this in antagonism to the position the Senator takes. It is not quite fair, however, to cite the abnormal wages that are being paid at Hog Island, or on the Pacific coast, or anywhere else where Government contracts have been made in what I regard as a very reckless and indefensible way. There are multitudes of people all over the country who do not receive those wages and who do consume flour. Every pound of flour that is used in New England comes from the West. We scarcely raise a bushel of wheat in New England at the present time, and it would be a losing venture to undertake to raise it, although some of our farmers did experiment a little in that direction last year; but the people who consume that flour are people getting very moderate wages, as a rule. They are the men and women in our textile industries, who get what has been denounced on this floor a score of times as a ridiculously low wage.

Mr. McCUMBER. How much?

Mr. GALLINGER. I can not tell the Senator exactly how much, but they are not any such wages as have been quoted for these governmental industries; and the ordinary people are working for wages a little higher than they got a year or two or three years ago, but nevertheless they are normal wages. So that in considering the question, it is right that we should look at this question by and large and not say that a man is getting $11.25 a day somewhere, and hence he can afford to buy flour.

Mr. McCUMBER. Suppose he is getting $5 a day?

Mr. GALLINGER. Well, we do not pay that, as a rule. I suppose, probably, the wages in the textile industries in this country not only in New England but throughout the country, taking the men and women who are employed—and they are largely women—would be less than $2 a day. I think probably that is true. They should be considered in this matter; and even if they pay but one-tenth of a cent increase on a loaf of bread, with the abnormal prices of everything that they purchase in the line of furniture and clothing and everything else, even that may be a burden.

I do not suppose anybody will agree with me that we ought to consider this at all; but the average man and woman dependent upon the West for their wheat and their flour are considering it, and I think it is very natural that they should.

Mr. McCUMBER. I have stated that if you put the flour up to $15 a barrel, or even as high as $18 a barrel, one barrel lasts one individual one year; and I insist that giving two or three or four or even five days' labor in a year for all the flour that that individual will consume is not an imposition upon him. The great trouble is that the farmers have been producing these products so long for a price that gave them a mere existence, and we are so in the habit of getting their products without any profit whatsoever to them, that we feel that they must continue to be the benefactors of the world, and furnish their products at the same inadequate prices, while the people with whom they are dealing are receiving two and three and four times as much as they did in previous years.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota further yield to the Senator from New Hampshire?

Mr. McCUMBER. I yield to the Senator.

Mr. GALLINGER. I think I am a reasonably good friend of the farmer.

Mr. McCUMBER. The Senator is a good friend of everyone.

Mr. GALLINGER. I was born on a farm and I have been in sympathy with the farming population, and yet am I mistaken in the information that has come to me and the pictures that I have studied in magazines and newspapers that the farmers of the West, as a rule, are very prosperous at the present time, having more automobiles per family than almost any other class of the community, either West or East or in the Middle States? Am I mistaken about that?

Mr. McCUMBER. Yes; the Senator is mistaken.

Mr. GALLINGER. Then the newspapers and magazines are imposing upon the American people.

Mr. McCUMBER. Let me state the situation to the Senator. The farmer has to come to town once in a while.

Mr. GALLINGER. Yes.

Mr. McCUMBER. The farmer will have to pay from $350 to $400 for a span of horses. The farmer could buy a Ford car last year for $360—less than he would pay for a span of horses. The Ford would not be eating off its head during the winter months. It would pay him from the standpoint of dollars and cents if he had much running to town, if he lived 6 or 8 miles out, to use gasoline, even at the prices he has been paying, and use an auto; and he had to economize where he could get credit to buy the auto on three falls' time. He had to economize in every possible way that he could, and it was greater economy to use the Ford for the driving around than it was to use horses, and he has to use one of the two. Therefore the automobile proposition is not one that cuts a great deal of figure, any more than the fact that it pays him better, perhaps, to get a tractor to plow

with than it would to pay $5 a day for a man to drive three horses.

Mr. GALLINGER. Mr. President, if the Senator will permit me, that is one side of the question.

Mr. McCUMBER. Yes.

Mr. GALLINGER. The other is that because of the universal use of automobiles we have to build nitrate plants in this country to supply the farmer with fertilizer.

Now, I do not think I was mistaken about that. I was in the Senator's State about 20 years ago, I think—possibly not more than 15 years ago—and I had some farms pointed out to me near Devils Lake that I could have bought, if I had had any money to buy them with—which unfortunately was not the case—for about $8 or $10 an acre.

Mr. McCUMBER. And the Senator would have had less money now if he had bought them.

Mr. GALLINGER. I am told that they are selling now for $100 an acre. I was told so by North Dakota men. I do not know whether that is correct or not, and I suppose there have been some taxes paid on them, but of course they have raised crops all that time. So I may be mistaken about this; I may have been imposed upon; but while possibly the price of the farmer's wheat ought to be increased—I am not arguing that proposition now at all—I have been told, and I have been led to believe, that the farmers of these great agricultural States—and I have rejoiced in that fact, if it is a fact—have made a great deal of money in the last 10 or 15 years, especially the last 10 years.

Mr. McCUMBER. Let me tell the Senator what the facts are. If the Senator would go into the county records and find the number of mortgages there are upon these lands, he would probably be astounded, but all this high-priced land is covered with mortgages that have to be paid. I do not suppose there is one farm in twenty in my State that is free from mortgage, taking the State through. I may be in error. My colleague keeps better acquainted with those matters than I do. There are so many mortgages in the United States and the farmers were having such a hard time to pay interest that the Government had to establish a rural bank system to help them out. That is some evidence of the fact that they had to borrow money. That is some evidence of the fact that they could not pay the interest that was being charged them. The Senator assisted with that bill, which I do not think was a very good one, because I think when you get through with it it will cost the Government the difference between what the farmer saves and what he was paying before, and possibly the Government might as well have made it in a direct gift. But, as a matter of fact, the farms are not paying very well.

Now, let me give the Senator another condition. We have a great many foreigners—that is, they were foreigners—in my State. They were from the Odessa country and other portions of Russia and Bohemia and sections of Germany. How do they farm? The wife does the shopping. The little girls that are 10 and 12 years old can pull a bundle of grain, and you will see them at work. The wife and every woman and every boy and child is at work. When they first come over here they live just about the same as they did in Russia, just as economically. They spend nothing unless they are compelled to spend it. They therefore are enabled to save what they do raise as a rule. Those people have been getting ahead. They have been getting ahead only because they have not lived up to the standard of American living.

Now, I want the American farmer to live just exactly as the rest of the average population of the United States. I want him to have a right to buy a Ford if he can and ride in it to town, and I think it is proper for him to do it. Those are the only people who have gotten ahead. Land has gone up, not that it will produce any more, but that it is getting scarce.

Now, let the Senator go and buy one of those farms at $100 an acre. Suppose he has to pay 6 and 7 per cent for his money to buy it with and charge that up, as you would if you invested the same sum in a mercantile establishment. Then make an allowance for yourself as overseer. Then pay your wife what is being paid to your colored cook here in the city; pay as much to your daughter as you would pay a colored girl waiting on your table, and pay to your son one-half what you would pay to your chauffer here in the city driving a car, and where will you end at the close of a year? It will depend on exactly what your credit is. If you are considered honest and have a credit, you may borrow enough money to live over the next year, but you will not make it off your $100-an-acre farm in my State or anywhere else I know of where you have to hire labor.

Mr. President, we want to raise wheat. I do not care whether it is two or three dollars or five dollars a bushel, the main thing is to raise wheat and get it raised.

Mr. GORE. Mr. President——

Mr. McCUMBER. In just a moment. You can not expect this farmer who can get $48 or $53 an acre for what rye and barley he can raise to sow his land to wheat, when he can only get $32 an acre and when he is bound to run behind in raising the wheat. I now yield to the Senator from Oklahoma.

Mr. GORE. I wish to ask the Senator from North Dakota if he does not think it economy even to the housewives in New Hampshire if we would fix the price of wheat high enough to insure a sufficient supply of wheat and thus enable us to cut out the order requiring the housewife to buy a pound of trash with a pound of flour? That involves double waste. It forces the housewife to gather into her pantry stuff she does not need. On the other hand, there is an artificial demand for those articles that raises the price to people who do want them.

Mr. McCUMBER. I thank the Senator for his suggestion.

Mr. THOMAS. Mr. President——

Mr. McCUMBER. I yield to the Senator from Colorado.

Mr. THOMAS. I am very much interested in the Senator's argument, and I agree with him very fully. It is noticeable that every time the Food Commission recommends a substitute for wheat or for some kinds of meat the substitute advances in price until it reaches the price of the thing desired to save. It is a good illustration of the effect of the law of supply and demand when untrammeled.

What I interrupted the Senator for was to say that some time before Mr. Hoover assumed his duties as food commissioner I had a talk with him, together with other gentlemen who were present, with regard to the manner in which he intended to control prices, and this was his reply in substance, that given reasonable appropriations for the purpose he could buy the surplus wheat of the country and store it away, go to Cuba and buy practically all the sugar product of Cuba and store that away, and then when prices threatened to rise above a proper level, everything considered, they could be equalized by letting some of the Government stores loose and go upon the market, the taxpayers, of course, paying the difference, if any, and by that means keep prices either upon or at a reasonable level. It was due to that purpose which caused me to give such support as I did to the so-called food and fuel conservation bill, and it is the only way, in my judgment, in which the Government can exercise price control with any degree of success, because, as the Senator says, while the Government can fix a price it can not force the producer to raise the substance about which the price is fixed unless he can do so at a profit.

The situation is vividly illustrated now in my State, where the fuel commissioner has fixed a price for coal that makes it impossible for the small, independent miner to produce coal except at a loss. As a result, during the last week, 52 mines have shut down, and as a consequence our coal output is reduced more than 18,000 tons a day. It is a good illustration of the manner in which arbitrary interferences with the law of nature—I think I do not go too far in calling it that—will result. You can lead a horse to the trough, but no power on earth that I know of can make him drink.

Mr. McCUMBER. I thank the Senator. I think it ought to be said here on the floor at this time by myself, that I believe considerable has come out of the orders with reference to wheatless days and the requirements to mix barley with bread, because I think it saves wheat to use the graham flour and other flours. I think that is a saving. Whether the whole amount when added together will represent any considerable number of bushels I am not prepared to say, but undoubtedly it will have some beneficial effect in saving the consumption of wheat in the United States.

Mr. THOMAS. If the Senator will yield for a moment further——

Mr. McCUMBER. Certainly.

Mr. THOMAS. I think I should add the statement that in my opinion that was, and to-day would be, Mr. Hoover's plan if he had executed it in accordance with his own judgment. I think there have been some interferences which have resulted in the arbitrary fixing of prices for certain necessities of life which have produced bad consequences.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to his colleague?

Mr. McCUMBER. I yield to my colleague.

Mr. GRONNA. It is seldom that I differ with the conclusions of my colleague, but I have to do so at this time. I do not know that I differ only I have information which perhaps he has not received. It is true that we have been conserving wheat by wheatless days, but for the last four or five weeks witnesses have appeared before the Committee on Agriculture. Some 20

different farmers' organizations have been represented, and the testimony goes to show that while we are having wheatless days and conserving wheat by keeping it away from the human family there are millions of bushels being fed to animals.

Mr. McCUMBER. Because it is cheaper.

Mr. GRONNA. Because it is cheaper than any other grain. I simply wanted to call attention to the fact that I do not think we have conserved any wheat.

Mr. McCUMBER. But that was not due so much to the matter of the wheatless days as it would be due directly to fixing a price for wheat much lower in comparison with the real value than that of other cereals.

Mr. GRONNA. That is correct.

Mr. McCUMBER. In that respect I think my colleague is correct.

Mr. GALLINGER. Mr. President——

Mr. McCUMBER. I yield to the Senator from New Hampshire.

Mr. GALLINGER. I would not interrupt the Senator at all——

Mr. McCUMBER. I am glad to be interrupted.

Mr. GALLINGER. Were it not that this is a matter which appeals to me, and I am seeking information.

The Senator from Oklahoma propounded the interrogatory as to whether or not it would be better for the housewives of New England to have more wheat and not be compelled to buy something they did not want when they bought something they did want, as seems to be the case at the present time throughout the country, I judge; it certainly is so in Washington, where I know we are compelled to buy a certain amount of cereals if we buy a certain amount of wheat flour. If those who buy shredded wheat biscuit when they buy a certain amount of wheat flour will examine the package, they will find that they get about two-thirds the shredded wheat they got a few months ago. That has escaped the attention of Mr. Hoover, I imagine. I think that Mr. Hoover is making the most foolish orders that have ever been issued. I will not express my view about Mr. Hoover and his administration because it might not be parliamentary if I did so. I have not any faith in it at all.

One other point, however, the Senator has brought out, and that is the mortgages on the farms of the West. Mr. President, if there is a piece of property in the city of Washington that has not a deed of trust on it, equivalent to our mortgages in the East and the West, I think men will have to hunt some little time to find it. Of course there are properties that are not mortgaged, but as a rule they are mortgaged in almost every instance.

One other point. The Senator applauds the fact, and I agree with him, that the farmer can afford to buy Ford cars and dispense with the use of horses. That is the very thing that is troubling our people in the East. How does it happen that the horse has been almost extinguished as a draft animal and as an animal for pleasure, and at the same time what we buy from the West to feed the few horses we keep in the East has increased in price three times, such as corn.

I happen to own a couple of horses for my amusement, and I do not own at my home a car of any description. A letter that I received only yesterday stated that "the price of corn and oats is so high that I hesitate to buy it," and I know that the small farmers of New Hampshire to-day are sending their hens to the Boston market and disposing of them because they can not afford to buy grain to feed them and they do not get an adequate return from the eggs and the poultry that they sell.

Now, that is what puzzles me. As I said, the horse has been almost extinguished as a draft animal and as an animal for pleasure, and at the same time the price of what we feed to horses has increased to such an abnormal amount that those who have horses hesitate to make the purchase.

Mr. McCUMBER. If the Senator would follow the investigation just a little further he would get the solution of the whole problem. Go to that farmer in New Hampshire and ask him why he does not raise more of this article and that article, and what will his answer be? "I have got to raise it with labor. The prices that are now being paid to labor in your cities and in all work, directly for the Government or indirectly for war purposes, are so extraordinarily high that I can not pay the price and make anything even at the price that I may receive. Therefore I must quit raising." Therefore there will be a deficit in the market of those particular products, and that necessarily will raise the price. So it all gets right back to the question of the extraordinary price that is being paid for labor.

The Senator spoke of Hog Island. I have been told that the conditions which were prevailing at Hog Island and which were explained before the Committee on Commerce have been practically cured. Now, maybe that has been the case at Hog Island. I talked with a contractor yesterday who the day before had visited one of the important ship-constructing plants at Wilmington, Del. He related to me and to others in my presence that he had gone on the upper deck, where there were about 100 workmen at about 3 o'clock in the afternoon, and not more than 5 or 6 of those men were working at all. They were just simply lying idle, and probably receiving a dollar an hour at least, and possibly higher than that. Can the farmer lure those men who are basking in the sunshine on these ships, and who are spending so much of their time doing nothing, and expect to get them at the same price upon the farm?

The labor market is shot to pieces. We are not getting efficiency in the production of scarcely anything in the United States to-day. The farmer is suffering because of that fact.

Now, let me state another matter that bears upon this question. Under your present system of raising money to buy liberty bonds you divide the country up into sections and you draw from the several sections according to the capitalization of the banks. Now, look at the States of North Dakota, Minnesota, South Dakota, Eastern Montana, Iowa, and the wheat-raising section generally.

In my State, with a failure of the wheat crop practically in two-thirds of the State for two years, the banks are called upon to subscribe for these liberty bonds. They have been so far able to meet the demands. They must not only subscribe for those bonds, but they must also lend money to the counties or to the farmers to buy seed grain to seed the land where there was a complete failure for a year or two past. Every dollar that is taken for the liberty bonds is taken out of those States. Where does it go? It goes into the State of Ohio, into the State of New Hampshire, into all the Eastern States and Middle States where there is any manufacturing, and there it is literally burned up in the exorbitant sums that are paid for labor and paid for material furnished. So the people in these latter States who are also taxed to buy liberty bonds get the money right back into their own section again. Now, that increases the price of labor. It increases the demand for labor in that section, and of course prevents the farmer in my section from getting labor unless he pays these enormous prices. As he can not compete with these manufacturers, he can not get the labor. Not only that, but his own boys leave the farms for this greater remuneration.

There is the condition we have to meet. How are we going to meet it? We ought to meet it by being allowed either to sell our products for what they are worth in the market, or if you are going to fix a price on any of these products fix a price at least sufficiently high so that with what labor we perform ourselves on the farm and what we can hire in addition, at these exorbitant wages, it will allow us a reasonable return upon our investment and a little profit. That is why we are asking that the price of wheat be fixed at $2.50 a bushel.

Mr. President, I want to have read here a letter that I received from a gentleman who is farming in my county and which I think presents the matter very justly and fairly. He is a patriotic man, because he says he is going to raise wheat for this country even though he can make a great deal more if he raises anything else. I admit that his patriotism may be challenged a little, from the fact that the renter has to suffer the greater loss, but he also will suffer loss.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will read.

The Secretary read as follows:

NORTHWESTERN CADILLAC CO.,
Minneapolis, Minn., March 8, 1918.

DEAR MR. McCUMBER: Rye is selling for $3 a bushel on the local exchange, barley is selling for 8 or 10 cents more than wheat, and corn at almost as much as wheat. If these prices continue, the farmers claim that wheat is the cheapest grain they can feed their stock.

It seems to me that the Food Commission is overreaching itself in fixing a price of $2.20 on wheat and still urging the farmers to put in a big acreage. Even, if the wheat is raised it will not be sold if coarse grains continue at their present high prices. Wheat is the riskiest crop that the farmer can raise. Iowa farmers have found out that it pays better to raise corn even at half the price of wheat. For 10 years there has been a propaganda in North Dakota urging the farmers to diversify. Now the Food Commission comes along urging the North Dakota farmer to plant more wheat, which works not only to the detriment of his land but of his pocketbook and nullifies the beneficial effects of the propaganda for diversifying.

If the farmer plants more wheat it certainly is from purely patriotic motives, as he certainly can have no other. It would be patriotic for him to plant more wheat even if the price of wheat compared favorably with other grains, for it is very bad for the land, as you know, especially land that has been raising wheat for 30 years or more; but in addition to this, the Government penalizes the patriotic farmer by fixing the price of his wheat at a dollar or a dollar and a half less than it would sell on the market. Three dollars or three dollars and a half would not be too high for wheat considering the price of other crops, such as cotton, corn, etc.

I noticed in one of our local papers the other day that there were many eastern buyers in Minneapolis buying up dry goods and shipping them back East where they came from. The article went on to say that the prices of many forms of dry goods were two or three times what they were a few years ago. Everything that the farmer has to buy is doubled or trebled. Feed for horses, to take just one item, is three times as high as a few years ago.

I am a great believer in allowing supply and demand to fix the price of merchandise. If any one article is unreasonably high people will immediately turn to something else. If the Government has to have wheat for export why does it not allow the farmers a price which will compensate them for their risk and for the damage to their land. If the price of wheat flour is high, people will use less of it.

On our farm we are going to put in 50 per cent more wheat than we did last year regardless of Government action. As you know, the price of wheat, whether it is two or three dollars would not make any vital difference to me, but it makes a big difference to our renter, who pays all the expenses and does all the work. He could make double the money by planting this acreage with almost anything else.

If wheat is to remain at $2.20 everything that the farmer buys should be regulated to correspond. As this is impossible, it seems to me that the fair thing to do is to fix the price of wheat somewhere near its relative value. I can not see how this would disturb the present conditions or conditions until next July anyway. The price on the old crop could remain at its present price and the new price to affect new wheat only. Under such conditions, after seeding, all the old wheat in the country will come on the market.

I presume there is nothing new in this letter for you, but I felt that I ought to write you on account of my personal experience with North Dakota farming. It is an actual fact that the man who is running our farm is not a dollar ahead for the past two years of hard work, in spite of the comparatively high prices prevailing. Crops have been poor and expenses greater than ever.

Mr. McCUMBER. That letter is written by one who is farming in the Red River Valley, where they had no failure last year, but a fairly average good crop in 1917.

Mr. GRONNA. It is a favorite section of the State.

Mr. McCUMBER. Yes; it is a favorite section, as my colleague says, of the State. Yet, even with the prices that were being paid he has not gotten ahead during this last year.

Now, Mr. President, in closing let me say——

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Oklahoma?

Mr. McCUMBER. I yield.

Mr. GORE. Did I understand the Senator to say he was closing?

Mr. McCUMBER. Yes; I desire to close now.

Mr. GORE. I was going to suggest to the Senator that I presume it would be just as well to adjourn until Monday and let him finish then. A good many Senators here have expressed a desire, it being Saturday evening, to adjourn; but if the Senator is on the edge of closing I will not make the suggestion now.

Mr. McCUMBER. Very well, Mr. President. This is simply a question of either letting the price alone entirely if you want to produce wheat or else allow a price that will somewhat compare with the prices that are fixed by the law of supply and demand on other articles.

Mr. GORE. Mr. President, for the reasons suggested a minute ago, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock p. m.) the Senate adjourned until Monday, March 18, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *March 16, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God Almighty, to whom we have been taught by the Master to look up in faith and confidence, and call Thee by the endearing name Father, which is altogether reassuring, quicken, we pray Thee, our activities and efficiency in the work whereunto Thou hast called us, that we may be faithful servants in the furtherance of the eternal plans which Thou hast ordained, and which in spite of the untoward circumstances of life Thou shalt in Thine own good time accomplish, to Thy glory and to the good of Thy children—

> That nothing walks with aimless feet,
> That not one life shall be destroyed
> Or cast as rubbish to the void,
> When God hath made the pile complete.

And all praise shall be Thine, in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

ANONYMOUS BILL.

The SPEAKER. Some gentleman, without writing his name on it, filed a bill providing pensions at the rate of $30, $32, $35, $38, and $40. Who is the author of the bill?

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that it had passed Senate bills of the following titles, in which the concurrence of the House was requested:

S. 3798. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars others than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors;

S. 3476. An act to authorize the extension of a spur track or siding from the existing lines of railroad in the District of Columbia across First Street NE., between L and M Streets, to the buildings occupied by the field medical supply depot of the Army; and

S. 4099. An act to amend and reenact section 5200, Revised Statutes of the United States.

ADDITIONAL ASSISTANT SECRETARIES OF WAR.

Mr. DENT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, my purpose being to move to concur in the Senate amendments.

I will state that the bill as it passed the House was drafted by the War Department, and after it passed the House it was discovered that unintentionally the salary of the present Assistant Secretary had been reduced from $5,000 to $4,500. Except in the Department of Justice all Assistant Secretaries get $5,000 a year, and it was not intended to reduce the salary of the present Assistant.

Mr. MILLER of Minnesota. Mr. Speaker, reserving the right to object, I should like to ask the gentleman a question if I may. There was so much confusion here and I do not know that I quite understood him, and I want to be put right. My understanding is that the two gentlemen who will be affected by the passage of this bill are already in office and receiving compensation at the rate of $4,500 a year, and refuse to serve longer unless their salaries are increased to $5,000, which will be accomplished by the passage of this bill. Am I correct?

Mr. DENT. The gentleman is entirely incorrect about that.

Mr. MILLER of Minnesota. Then I want to be corrected.

Mr. DENT. I can not say who will be appointed. I have no private or inside information, and have not had the curiosity even to ask——

Mr. WALSH. Did not the gentleman——

Mr. DENT. Let me answer the gentleman from Minnesota. I have not even had the curiosity to ask who would be appointed to these additional places. I do not know whether the gentlemen who are now receiving $4,500 will be appointed or not. The law simply provides for these two additional Assistant Secretaries, to get $4,500, but in the bill as drafted in the War Department, and as passed unanimously by the House here about a week or 10 days ago, unintentionally the salary of the present Assistant Secretary of War, an office that has been in existence for many years, was reduced from $5,000, which he is now receiving, to $4,500. It is the purpose simply to correct that mistake, and the Senate amendment, as I understand, does it.

Mr. MILLER of Minnesota. Of course nobody would want to see the salary of the present Assistant reduced. May I go further and inquire, does this bill really create, then, two new Assistant Secretaries in the War Department?

Mr. DENT. The House has already decided that it does. The War Department has requested it and the Senate has agreed. The War Department, which is perhaps the most overworked department now in Washington, has but one Assistant Secretary of War. This bill has already passed the House unanimously a week or 10 days ago.

Mr. MILLER of Minnesota. One further inquiry. Can the gentleman inform the House whether or not it is the intention of the present Secretary of War to remain permanently in France, so that this newly created office is necessary for that reason? I ask that in good faith, because it has been stated that he is going to remain on the War Board.

Mr. DENT. I will state to the gentleman that my information is that the Secretary does not intend to remain permanently in France.

Mr. MONDELL. The purpose and effect of the Senate amendment, as I understand, is simply to restore the present salary of the Assistant Secretary?

Mr. DENT. Of the present Assistant Secretary, as I understand it.

Mr. STAFFORD. Will the gentleman yield?

Mr. DENT. I yield to the gentleman from Wisconsin.

Mr. STAFFORD. As I understand the purpose of the Senate amendment, it goes further and provides $5,000 for these two

additional Assistant Secretaries of War. The present Assistant Secretary of War receives $5,000. As I remember from looking over the bill as it was returned from the Senate, for these two additional secretaries it increases the amount from $4,500 to $5,000.

Mr. DENT. I think the gentleman is mistaken about that. If I am mistaken as to this, it is due to my misunderstanding of the Senate report.

Mr. DYER. Reserving the right to object, Mr. Speaker, I want to ask the gentleman in regard to a matter which has been in the public press very much here of late, especially yesterday and the last few days, with reference to legislation recommended by the Surgeon General for what he says are the needs of the Medical Department of the Reserve Corps and Medical Corps, as to efficiency; and I will ask the gentleman if he knows what the attitude of the War Department is in reference to this Assistant Secretary of War who is now acting Secretary of War?

Mr. DENT. Of course, that has absolutely nothing to do with the matter now pending before the House. The gentleman was in my office this morning, and I stated to him very frankly that there was a conflict of opinion on the subject.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object—and I do not intend to object—I merely wish to state to the Chairman of the Committee on Military Affairs that I have just reexamined the amendment as passed by the Senate, and the purpose is, as I stated to the gentleman, to increase the salaries of these two new Assistant Secretaries from $4,000 to $5,000. The existing salary of the present Assistant Secretary of war is $5,000, but this bill has nothing to do as to his salary. It merely creates two additional Assistant Secretaries of War, and instead of the salary as carried in the original bill being $4,500 the Senate amendment changes it to $5,000.

Mr. DENT. I may have misunderstood the Senate report. If so, I plead guilty in not comparing the report with the bill.

The SPEAKER. Is there objection?

Mr. DYER. I object.

INDUSTRIAL CREDITS.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 10608) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes; and, pending that, I ask unanimous consent that the time for general debate be controlled equally—one half by the gentleman from Michigan [Mr. FORDNEY] and the other half by myself.

Mr. HAMLIN. Does the gentleman wish to fix any limit on the general debate?

Mr. KITCHIN. As far as the time is concerned, it is my desire to let it run on.

Mr. HAMLIN. Is it probable that the general debate will run all of to-day?

Mr. KITCHIN. Yes; certainly all of to-day.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 10608, and in the meantime he asks that in the general debate he control one-half of the time and the gentleman from Michigan [Mr. FORDNEY] one-half the time on the other side.

Mr. HAYES. Mr. Speaker, I think the gentleman from Michigan and the gentleman from North Carolina are both in favor of the bill. I want to know who those opposed to the bill are going to get time from.

Mr. KITCHIN. I will say to the gentleman from California that he will be given ample time, as well as those who are opposed to the bill. I am sure the gentleman from Michigan [Mr. FORDNEY] will join me in that statement.

Mr. FORDNEY. I am perfectly willing, and think it just that those who are opposed to the bill have equal time and that they should be alternated with those who are in favor of the bill. I am perfectly willing to divide the time with the gentleman from North Carolina and give the gentleman from California and those opposed to the bill ample time.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question now is on the motion of the gentleman from North Carolina to go into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. GARRETT of Tennessee in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the consideration of the bill, of which the Clerk will read the title.

The Clerk read as follows:

A bill (H. R. 10608) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman and gentlemen of the committee, on February 4 of this year I introduced House bill 9499, known as the War Finance Corporation bill. It was introduced as an administration measure, just as it was prepared by the Treasury Department. Since its introduction the Ways and Means Committee has been giving most diligent study and investigation to the provisions of the bill. As a result of our study and deliberation, so many amendments to the original bill were made in committee that the committee thought it better and wiser that a new bill containing such changes should be introduced. Accordingly, I was instructed to introduce House bill 10608, now known as the War Finance Corporation bill. This bill comes before you with the unanimous report of the committee, but it must not be understood that the committee, or any member of it, would sanction such a bill in times of peace. Not one would favor it. We report and present it strictly as a war measure, deemed necessary by the administration and the committee.

The bill, even in its present shape, as well as the original, is so radical, so unprecedented, and, I may say, economically so revolutionary, that the mind of the most radical would hesitate to indorse it at first blush. But the more we studied the bill, the more we investigated its purpose and effect, the more we contemplated the real situation that confronts the country, its wisdom and necessity as an emergency measure appealed to us, and I think the bill as amended will appeal to the judgment of the House and the country.

This situation confronts the Nation: The administration—the war prosecuting branch of the Government—is convinced, and from the evidence before it your committee is convinced, that for the more effective prosecution of the war the time has come when it is absolutely necessary for the Government in some way to go to the rescue of the industries whose operations are necessary or contributory to the prosecution of the war. If it withholds financial help, then the Government must of necessity take over or commandeer the war industries of the country, including, perhaps, many public utilities, power plants, and so forth, and manage and operate them, putting up all the funds for investments and operation. We are decidedly of the opinion that it is better and wiser for the Government to assist to some extent in providing money and credits for such industries than to take them over.

There are three ways by which the Government can render the necessary assistance:

First, by direct advances and loans by the Treasury. No thoughtful man would suggest adoption of this method. Billions of additional bonds and taxes would have to be issued and raised.

Second, by investing the Federal reserve bank system, through the Federal Reserve Board, with the powers and functions necessary to effectuate the purposes of the bill. After due consideration this method did not appeal to our best judgment. To throw upon the Federal reserve system the vast powers and responsibilities contained in the bill or those necessary to carry out the objects of the bill would be a burden too immense to be added to its shoulders. It would be unable to efficiently perform both the large and responsible duties now devolving upon it and the many and important duties proposed in the scheme of this bill. We desired, too, to maintain as far as possible this great system in its integrity without impairing its principal function of promoting and facilitating active commercial transactions.

Everyone really interested in maintaining the Federal Reserve System in its integrity, and confining it to its primary and essential functions as far as possible, will readily see the danger of the vast and extraordinary powers and functions pro-

posed in the bill overcoming and swallowing up the Federal Reserve System itself.

If, therefore, it is unwise to provide the necessary aid directly from the Treasury by raising more taxes and issuing more bonds, and if it is unwise to take care of the war industries through the Federal Reserve System, then, as the third way of providing the needed assistance, there must be created another and a new agency by which such assistance can be rendered. This bill proposes that new agency by creating the War Finance Corporation. At once we all see the necessity of coming to the rescue of the war industries. The Government has gone out and by its continual sale of liberty bonds barred up almost every avenue of credit. It has almost exhausted, and will continue during this war to exhaust, the surplus loanable funds of the banks throughout the country by its continuous flow of issues of certificates of indebtedness. There are outstanding to-day about two billion and a half dollars of certificates of indebtedness payable on or before June 25, 1918. These certificates are issued from time to time during the year and the banks take them up, but under the law they can not be issued for a longer period than a year. Some are for 90 days, some for 4 months, and some for 6 months, and so forth, and the banks are continually appealed to to supply this enormous amount of money for the Government. We can understand very readily how the Government has affected both the money and credit market.

I do not think the necessity for this legislation or some sort of legislation to give relief, can be more clearly expressed than the Secretary of the Treasury did in his testimony before the Committee on Ways and Means. He said:

> The Government's borrowings, particularly during the period immediately preceding and following each liberty loan, have tended to preempt the credit facilities of the banks and often to prevent them from giving needed and customary help to quasi-public and private enterprises. Many instances have been brought to the attention of the Secretary of the Treasury and of the Federal Reserve Board where industrial plants, public utilities, power plants, railroads, and others have found difficult, if not impossible, to obtain the necessary advances to enable them to perform vital service in connection with the war because essential credits, ordinarily available to them, are being absorbed by the Government itself.

I will now explain the bill and its provisions. It contains three titles. Title I relates to the War Finance Corporation. Title II relates to the Capital Issues Committee.

Title III relates to Miscellaneous—the saving and repealing clauses, and the penalty clause. It also contains a provision exempting from the stamp tax any note or notes secured by liberty bonds and certificates of indebtedness.

Title I. War Finance Corporation.—The corporation is named by the bill the War Finance Corporation. It is given the ordinary powers of a corporation, to adopt, alter, and use a seal; to sue and be sued; to acquire and lease lands; to make contracts; to appoint and fix compensation of officers, attorneys, agents, employees; to make by-laws, and so forth, necessary to the transaction of its business.

The life of the corporation is 10 years, but it is not authorized to do any business or exercise any powers given to it by the bill after six months after the termination of the war except to wind up its affairs and liquidate its assets. Its principal office is to be in Washington, but it may establish agencies or branch offices in any city or cities in the United States.

It has one stockholder and only one—the United States. Five hundred million dollars is the amount of the capital stock, to be paid in from time to time as called for by the board of directors with the approval of the Secretary of the Treasury.

The management of the corporation is vested in a board of five directors. The Secretary of the Treasury is to be chairman and the four other members are to be appointed by the President and confirmed by the Senate, two for a term of two years and two for a term of four years. We have provided, in order to assure the country that the directorate shall be nonpartisan, that not more than three members of the five directors shall be of the same political party. The salary of these directors is not to exceed $12,000 a year. It is no bar for appointment that one is already an officer of the Government. He can remain such officer and be a director, but his salary as such officer and director, combined, can not exceed the salary fixed for a director; that is, can not exceed $12,000. It is also provided in the bill that each director shall give his entire time to the business of the corporation, except such time as he devotes to the Government in his other official capacity, and that no director or officer of the corporation shall in any manner, directly or indirectly, participate in the determination of any question affecting his personal interest or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

The corporation is authorized to issue bonds in an amount equal to four times the amount of its capital stock paid in and with a maturity of not less than one nor more than five years. The original bill authorized an issue of eight times. Under the original bill $4,000,000,000 of bonds could be issued and be outstanding at any one time if the total amount of capital stock; that is, the $500,000,000, had been paid in. In this bill we have limited the total amount of outstanding issues to $2,000,000,000 when the whole capital stock has been paid in. The amount that can be issued and outstanding at any one time is four times the amount of the capital stock then paid in.

That is, if an installment of only $100,000,000 is paid in the corporation is authorized to issue and have outstanding only $400,000,000 of its bonds. If $250,000,000 of the capital stock is paid in, it is authorized to issue and have outstanding $1,000,000,000 of bonds, and when the whole $500,000,000, it can then issue and have outstanding $2,000,000,000 of bonds—the amount limited. I may here say that the corporation will probably make the larger part of its loans or advances by its bonds instead of money. For instance, a corporation with proper securities applies to the War Finance Corporation for a loan of $1,000,000. The finance corporation has not the money, and it does not want to go to the trouble and expense of going out in the market and selling its bonds. It will advance to the applicant $1,000,000 of its bonds, and then the applying corporation will go out and sell or go to the banks and borrow with these bonds pledged as security, as they will be of superior security, the funds needed.

Now, as to the power of the corporation to make loans or advances. Such loans or advances may be divided into three classes:

First, to any bank, banker, or trust company, which shall have made since April 6, 1917, and which shall have outstanding any loan or loans to, or which shall have purchased since such date and own at time of the advance, any bonds or obligations of any person, firm, corporation, or association conducting an established and going business in the United States whose operations shall be necessary or contributory to the prosecution of the war, such advances to be for a period not to exceed five years. It is contemplated that most of the business, most of the loans to the war industries, will go through the banking channels. The advances will, for the most part, be made by the corporation to the banks, which in turn will make loans to the war industries. In this way the corporation will have not only the note or obligation of the borrowing industry and the securities which the bank requires of it, but the note or obligation of the bank and such other securities as the corporation may require of the bank. Thus the bank stands between the corporation and the borrower as an additional protection and making an additional security to the bonds of the corporation, to which I shall later refer.

Take a munition company as an illustration. It needs $1,000,000 and applies to its bank for it. The bank, not having sufficient funds, takes the company's note and the securities it requires of the company and applies to the corporation. The corporation, if it is satisfied the securities are adequate, will advance to the bank 75 per cent of the loan which the bank makes to the company, but the bank must give its note, secured by the company's note to it and all the securities pledged by the company to the bank.

In cases like the one just given, where the bank gives its note, secured by the obligation of the borrower and the securities he pledges, the corporation is authorized to advance to the bank not to exceed 75 per cent of its loan to the war-industry borrower.

However, the directors are authorized to advance 100 per cent of the bank's loan—the total amount—but when they do that the bank must put up not only its note and the note of the borrower and his securities, but additional securities amounting to at least 33 per cent of the amount of the advance.

The corporation can advance to a bank or banking institution or trust company that has gone out and bought bonds or obligations since the declaration of war of any person, firm, corporation, or association whose operations are necessary or contributory to the prosecution of the war 75 per cent of the market value of such bonds or obligations, but the bank must make its note secured by such bonds or obligations. The corporation is authorized to advance 100 per cent of the market value of such bonds or obligations provided the bank will put up in addition to the securities just mentioned securities amounting to 33 per cent of the advance. Under the class of advances which I have been discussing it will be observed that

the fundamental condition of the advance by the corporation to the bank is that the bank shall aid by its loan an industry necessary or contributory to the prosecution of the war. Such advances can be made for periods not exceeding five years.

Second, the corporation is authorized to make advances for periods not exceeding one year "to any savings bank, banking institution, or trust company in the United States which receives savings deposits, or to any building and loan association in the United States * * * whenever the corporation shall deem such advances to be necessary or contributory to the prosecution of the war or important in the public interest."

It will be noticed that the recipient of such advances need not be a war industry; that is, an industry necessary or contributory to the prosecution of the war, or need not make loans to war industries. If the corporation deems advances to such savings banks, banking institutions, or trust companies, or building and loan associations "important in the public interest," such institutions are eligible to apply for advances. But the note of such savings banks, banking institutions, trust companies, and building and loan associations given for such advances will have to be secured by the pledge of securities the market value of which is equal at least to 133 per cent of the amount of the advance.

These institutions are in a way, however, contributing to the war, because their depositors are withdrawing deposits and buying liberty bonds. They are advancing the Government funds on its certificates of indebtedness.

All of these institutions are injuriously affected by Government issue of bonds and certificates of indebtedness alike. Building and loan associations are affected to some extent like savings banks.

The Government in its continuous issue and sale of bonds, with a rate of interest as high as any saving deposits receive, and in many States much higher, naturally induces depositors to draw out their money and invest in such bonds. The Government is therefore practically in competition with the savings banks. Hundreds of millions have already been drawn out for this purpose, and such withdrawals will continue as long as the Government is forced to sell bonds.

Deposits in savings banks are made with the view of their remaining for months and years. The deposit savings institutions therefore make long-time loans and investments, which the commercial banks do not. Large and unforeseen withdrawals by depositors for investment in bonds are likely to embarrass if not ruin some of the best and safest of these institutions if the corporation is not permitted to come to their rescue to some extent. As I said a moment ago, building and loan associations will be affected somewhat similar to the savings banks.

When my friend from Ohio [Mr. LONGWORTH] suggested to the committee that building and loan associations should be included in this class I believe I was the first one who objected, and asked why should building and loan associations be included. I observed that they were lending money out, and the fellow who was building and had built a house was not putting money in it, he was getting or had gotten money out of it—he was a borrower. But the gentleman from Ohio reminded me that the association would not get along very well if all the members were borrowers; that a majority of the members were not borrowers; and that if the association did not have a greater number of nonborrowers, who put their money in to help the other fellow to build his home, they could have no borrowers and build no homes. He explained how millions of dollars have been and will continue to be withdrawn by the nonborrowing member to be put into liberty bonds.

That jogged my memory of exactly what I did. In the case of the second liberty loan I did not have the cash on hand, and I had been such a good friend of the banks in my community as a borrower that I owed them the limit. So to buy a few thousand dollars of liberty bonds I had to cash in my building and loan stock. Thousands of others, perhaps, did and will do as I did. The committee adopted the suggestion and amendment of the gentleman from Ohio [Mr. LONGWORTH], and, in my opinion, it was the fair thing to do.

I would say that one of the important differences between this bill and the original bill and the Senate bill is that we safeguard advances by the corporation by increasing the interest rate and the amount of security to be pledged. The bill requires the savings institutions and building and loan associations to pay a rate of interest on such advances at least 1 per cent per annum higher than is paid on commercial paper in the Federal reserve district in which the borrowing institution is located. That will have a tendency to bring the money back to the corporation as soon as possible. With such advances they are not supposed to make profits, and they do not become responsible for war-industries loans as do the commercial banks. The advances are made to them for their benefit to help them—to save them in some cases, perhaps—and not advanced to them to make loans to war industries for the prosecution of the war. We require them, therefore, to pay this 1 per cent per annum higher rate just as we do the persons, firms, or corporations that borrow direct from the corporation in aid of their war-contributing industries. The savings deposit institutions and building and loan associations must secure their notes by securities worth at least 133 per cent of the advances.

Third, this is the class of loans or advances to be made to war industries direct by the corporation, without the intervention of the banks. The corporation is authorized—

in exceptional cases to make advances directly to any person, firm, corporation, or association, conducting an established and going business in the United States, whose operations shall be necessary or contributory to the prosecution of the war (but only for the purpose of conducting such business in the United States and only when such person, firm, corporation, or association is unable to obtain funds through banking channels or from the general public), for periods not exceeding five years.

It will be observed that the advances can only be made on condition that the borrowing person or concern is operating in the United States, that its operation is necessary or contributory to the prosecution of the war, and that it has been unable to get loans through banking channels or the general public. But the total amount of loans or advances that can be outstanding at any one time under this direct loan provision is 16⅔ per cent, or one-sixth of the capital stock paid in at the time of the advance, plus the amount of bonds which the corporation is then authorized to issue and those outstanding. For instance, say, $200,000,000 of the capital stock has been paid in; it can then issue four times that much in bonds. It will then have $200,000,000 capital paid in and an authorization to issued $800,000,000 in bonds, or a total of $1,000,000,000. Under the direct loan provision, it would be only authorized to loan and have out at any one time in the aggregate 16⅔ per cent, or one-sixth of the $1,000,000,000. The original bill contained no limitation in this respect. I believe my friend from California [Mr. HAYES], who opposes this bill, will admit this provision is a great improvement over the original bill, or the bill the Senate passed.

Mr. HAYES. I admit that.

Mr. KITCHIN. Now, we have another limitation on this provision. This is an emergency measure, and I believe this limit which the committee put in will appeal to the sound business judgment of every man in or outside of this Congress. We provide that the rate of interest which this corporation shall charge when making advances direct under this clause or section must be at least 1 per cent per annum in excess of the rate of discount or interest on 90-day commercial paper prevailing at the Federal reserve bank in the district in which the borrower is located. Now, that will have a tendency to keep the borrowing industries within the banking channels and will also operate something like the graduated interest of the Vreeland-Aldrich Act to cause them to pay their obligations to the corporation as early as possible. There is another limitation put in this provision that I think you will admit is a great deal wiser and better, and certainly more secure, than the original bill. The original bill had no specific security. The board could take any amount of security it wanted, whether 20 per cent, 25 per cent, or 50 per cent. This bill requires that for each of these direct loans by the corporation the borrowing institution shall put up securities worth 133 per cent of the amount of the loan.

Another very important change——

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I would rather get through first.

Mr. MEEKER. Just a question right there at that point.

Mr. KITCHIN. Let me get through. The gentleman can save that question. I would like to answer the question, but I will get through in 15 minutes.

We provide in this bill what we believe is an important safeguard to the Federal Reserve System. We prevent, while the original bill authorizes, the Federal reserve banks buying and investing or dealing in the bonds of the corporation. In my opinion the provision in the original bill which permitted the Federal reserve banks to go out and purchase and deal in these bonds, if it should become law, would impair to a considerable extent the strength and virtue of the entire Federal Reserve System. I understand that the Committee on Banking and Currency as a unit agrees with us on that proposition.

We further safeguard the Federal Reserve System by requiring that in the case of discounts of the direct obligations of member banks and rediscount of eligible paper secured by bonds of the corporation that the interest charge shall be not less than 1 per cent per annum in excess of the interest rate on eligible commercial paper of corresponding maturity. That

is to prevent the reserve banks from loading up with so much paper secured by the long-time bonds of the corporation. While the bonds run from one to five years, we require the note of the member bank to be paid, if it is a direct loan, in 15 days; and if it is rediscount paper it must be paid in 90 days.

In other words, the member bank rediscounting at the Federal reserve bank eligible paper secured by the corporation bonds must make it payable in 90 days. If it is a direct note of the bank secured by such bond, it must be payable in 15 days. Such notes can be renewed from time to time, but within 90 days, which is the outside limit, the Federal reserve bank can protect itself by calling upon the member bank to pay. The member bank can go out and sell the corporation bonds if necessary to meet its payment.

Another requirement that was not in the bill as it passed the Senate, or in the original bill, is that before the member bank can get any money from the Federal reserve bank for its paper secured by these bonds it must satisfy the Federal reserve bank that it has not in its possession sufficient commercial paper eligible for discount or rediscount under the regulations of the Federal Reserve Board made under authority of the Federal reserve act. In our opinion, it is best to separate as far as practicable the influence of the corporation over the Federal Reserve System and the Federal reserve banks. It is almost certain—and it is wise that it should be so—that some members of the Federal Reserve Board are going to be members of this directorate; and if we do not hedge it about and safeguard the Federal Reserve System by these limitations, the members of the Federal Reserve Board who will be members of this may fall too much in love with their new companion, overlooking the primary purpose and functions of the Federal Reserve System, and may unwittingly subject the system too much to the interests of the corporation.

The bill as it came to us had no penalties attaching to a director or other officer who violated the law, who embezzled, misappropriated funds, and so forth, and had no penalties for making false entries, and no penalties for the certifying to or making false statements or overvaluations by anyone for the purpose of securing advances. We have penalties, both fines and imprisonment, for such offenses. Another important limitation, in neither the original nor the Senate bill, which we provide is that the corporation can not advance and have outstanding at any one time to any one person, firm, corporation, or association an amount in excess of 10 per cent of its—the finance corporation's—capital stock. This is similar to the national-bank-act requirements. Before concluding my explanations of this title, let me say that we have thrown another safeguard around the direct advances by the corporation by requiring a quarterly report to the House and Senate, detailing the amount advanced, the names and addresses of the recipients of the advances, the time, and the security accepted.

Title II. Capital Issues Committee.—By this title a committee, called the Capital Issues Committee, is created, separate and distinct from the War Finance Corporation. This is another difference between this and the original bill.

Mr. FESS. Before the gentleman leaves the first title, will he submit to one question?

Mr. KITCHIN. I wish the gentleman would just keep that in his mind. I am going to get through with this in about 5 minutes, and then for 20 minutes I will be glad to answer questions.

Mr. FESS. The gentleman is leaving the first title.

Mr. KITCHIN. I know, but I want to get through with both, and then return and answer questions.

The original bill gave the directors of the War Finance Corporation the absolute power to grant or refuse a license for the issue or sale or offering for sale or subscription of any issue of securities by any individual, firm, corporation, or association, if the total aggregate issue was in excess of $100,000. In other words, an industrial corporation, if its aggregate issue was in excess of $100,000, could not put any of its securities on the market for sale; and if any person should buy them, neither could he resell or put them upon the market for sale without first getting a license from this corporation, under penalty of fine and imprisonment. This title of the bill which we present to the House—and it is practically the same as the provision of the Senate bill as it finally passed the Senate—takes from the corporation any power or authority over the issuing of securities, and creates a Capital Issues Committee, to consist of seven members, not more than four of whom shall be of the same political party, to be appointed by the President by and with the advice and consent of the Senate. This Capital Issues Committee has no power to grant or refuse licenses for the issuing of securities or the offering for sale of securities. The only power the Capital Issues Committee has, which for all practical, legitimate purposes is almost as effective as the mandatory provisions of the original bill, is this: When securities are issued or offered for sale, if the aggregate of the issues is in excess of $100,000, its only power is "to investigate, pass upon, and determine" whether or not the issue and sale or offer for sale or subscription of such securities is compatible with the public interest. I think, gentlemen, that should be the "national interest" instead of the "public interest," and your committee will, at the proper time, propose an amendment accordingly.

For instance, suppose a corporation or firm of the gentleman from Missouri [Mr. MEEKER] wanted to issue a million dollars of securities and offer them for sale. It would submit them to this committee with all the facts with respect to the purpose and use to be made of them or their proceeds and the necessity of the issue. The committee would make investigation, and it would determine, not whether the issue or sale should be made, but whether the issuing or offering them for sale was compatible with the national interest. If they decide that it is not compatible with the national interest, they will not put any mark on these securities. If they decide that it is compatible, I imagine that their plan will be to approve their issue and sale as compatible with the national interest and permit the corporation or company to publish and, if it is desired, to print on the securities such approval. It will have almost the same effect as if the committee was empowered to grant or refuse a license. If they should decide that the issue or sale of such securities was not compatible with the national interest, they would simply declare that their issue or sale was not compatible with the national interest, and the power of the committee, so far as such securities are concerned, would be at an end.

The corporation or company could proceed to issue and sell its securities, if it could get a purchaser, without violating any law or incurring any penalty. The matter would be left to the patriotism and judgment of the company and to the patriotism and judgment of the purchasers. However, it would be most difficult to put on the market or sell privately, especially to security dealers, securities, the issue and sale of which had been condemned by this committee as incompatible with the national interest.

Just a moment in reference to the qualifications of the members of this committee. Like the membership of the board of directors of the War Finance Corporation, it is no bar to appointment that one is already an officer of the Government. The bill requires that at least three members of the Capital Issues Committee shall be members of the Federal Reserve Board. That provision was put in because there is at present, and has been for a month or more, in the Treasury Department a volunteer capital issues committee, and three members of the Federal Reserve Board are members of such committee and are fairly acquainted with the work to be done by and the duties of the Capital Issues Committee created by this bill. They have all the machinery and are organized in the same way that this committee will be organized. It was the thought of the committee and of the Senate, according to the bill it passed, and also of the Treasury Department, that these three members should be retained as members of this new Capital Issues Committee.

The salary, if the members are not members of the Federal Reserve Board, is fixed at $7,500, but if a member receives any other compensation from any office or employment under the United States, the amount so received is to be deducted from his salary. If a member receives more than $7,500 in some other capacity as an officer or employee of the Government, he should receive no salary as a member of the committee.

Title III. Miscellaneous.—This title contains penalties for violations of the provisions of the act not provided for in section 18. It contains also a provision to the effect that no stamp tax shall be required on any note secured by a pledge of liberty bonds or certificates of indebtedness of the Government, provided the par value of such Government obligations equals the amount of such note.

I believe that that provision will meet with universal approval in the House and in the country.

There is another provision in this title of much importance. You see it in the papers, you heard it discussed in the Senate, and it has been discussed here—as to whether or not the corporation bonds, the two billions provided in the House bill and the four billions provided in the Senate bill, would be a moral obligation on the part of the Government, and whether or not the Government should not guarantee such bonds. Some have taken the position that the United States should be bound to stand behind every one of these bonds, though not expressly guaranteeing them. Others take the position that if the United States Government is morally behind these bonds to be issued

by the corporation it ought to expressly by this act guarantee their payment. If the United States is to guarantee their payment, it might as well issue its own bonds and lend the money to the war industries. So that there might be no question about it, so that a person would know that he was getting corporation bonds and not Government bonds, so that everyone would know that the United States was and should be in no way liable, implied or expressed, we added a section to the bill, which specifically provides:

That the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation.

But I believe these bonds are going to be practically as good as the Government bonds. Of course, a great deal will depend upon the board of directors. If they are strong, courageous, honest business men, with good judgment—and I am confident it will be that class of men—these bonds will be practically as safe and as good as Government bonds; that is, if the House bill passes.

Every safeguard is thrown around them. The Government, of course, could possibly stand to lose $500,000,000, which is its capital stock, or whatever part of it is paid in. That amount will be back of these bonds. We so provide. But when you come to think about these war industries, they are, in practically every case, corporations or companies of large assets, owned and controlled by business men of large affairs and big wealth. I sometimes fear that such fellows will get too much of the corporation advances and the smaller fellows too little. Behind every advance made and every bond issued, so far as five-sixths of the business is concerned, which will go through the banks, are the notes of the borrowing companies or corporations and all the securities which the lending banks require of them, and in addition, the notes of the banks and such other securities as the finance corporation may require to make absolutely safe its advances to the banks. The bonds have a floating lien not only upon all these assets but upon the capital stock paid in by the Government. As to the direct loans by the corporation under section 9 they are limited in amount, as I have before explained, to sixteen and two-thirds of the capital paid in plus the aggregate amount of bonds authorized to be issued and outstanding at the time of the advance, which, if the full amount of capital is paid in and the full amount of bonds authorized by the bill is issued, can not exceed $416,666,666. Such direct advances must have behind them securities worth 133 per cent of their amount. The Government's $500,000,000 capital stock is an additional asset to which the floating lien attaches. It seems, therefore, that in every business view the corporation's bonds will be absolutely good and safe and amply secured.

As to the direct advances by the corporation, we have thrown another check or safeguard around them, to which I briefly alluded a few moments ago. We have a provision in the bill, not in the original bill, that all of the advances made by this corporation, direct to any person, firm, association, or corporation, must be reported to the Clerk of the House and the Secretary of the Senate by the corporation every three months. In that report it must give the name and the address and the amount of the advance, the nature of the securities, and the terms of the loan made to each individual, firm, or corporation. My own committee differs with me in respect to this provision, and I hope now that it may be persuaded to modify that. I strongly favor and urge now, as I have urged, that the corporation should be made to report quarterly; but I think it ought to be modified in this way: The report should inform Congress and the people each quarter the amount outstanding at the time of the report, and outstanding on the first day of each month, up to the time of the report, how many bonds it had issued and were outstanding them, and how many were outstanding on the first of each month prior to the report, and the nature and amount of the securities taken for the advances, and the average lengths of time for which the loans were made. I would require such reports as to each class of loans or advances. I think it is unwise, as the provision now stands, to require the name of the company, corporation, or individual, and the amount and terms of the advances made to such company, corporation, or individual, and the securities given. If we do, we will give one competitor a great advantage over another. Take two concerns that are competing, making and selling to the Government and the allies the same article. One, we will say, is able to get his money through the banks. No report is made. Neither his competitor nor anyone knows the amount, nature, or terms of his loan or securities given. The other has the banks combined against him, as has frequently occurred in cases of large competition, or without such combination is unable to get funds from the banks.

But he is producing necessary munitions or other articles for the war. It is to the interest of the Government that it continue business and that there be competition in the production of these articles; he must come to the War Finance Corporation for aid. The corporation under the present provision must make a quarterly report and give the name of that particular concern, and the amount of money borrowed, the terms of the loan, and the securities that it had to put up, and every detail of the transaction. All can readily see what a great advantage such a report would give its competitor. It would also have the effect of impairing or destroying the credit of the borrower.

I think I am through with the explanation of the bill, and will now be glad to answer any questions of gentlemen.

Mr. MEEKER. In section 10, when you are discussing the amount that shall not exceed 10 per cent of the capital stock that shall go to any corporation, does that include subsidiary organizations?

Mr. KITCHIN. This corporation has $500,000,000 capital. It never can make a loan to any one concern to exceed 10 per cent of that. I think the spirit and intent of this section is that in case of a corporation owning a majority of the stock or controlling interest in another corporation, the two would be regarded as one concern.

Mr. DEMPSEY. If the gentleman will permit, under section 7 the provision is made for empowering advances to different banking corporations or concerns doing a commercial business. Under section 8 it empowers advances to certain financial corporations, including savings banks. Of course, there is a difference made between two kinds of business, commercial and saving. Now, under section 8, empowering the corporation to loan to savings banks, there is a limitation made upon the rate of interest?

Mr. KITCHIN. Yes.

Mr. DEMPSEY. But there is none under section 7 making loans to banking institutions or commercial business. What is the difference made between the two? Under section 7, relating to commercial banks, there is no provision made in regard to the interest rate, but under section 8, relative to savings banks, there is.

Mr. KITCHIN. In section 7 advances are made to the banking institutions, which make the loans to industries whose operations are necessary or contributory to the war. The banks thus assume, with such industries, the payment to the corporation of its advances. They would not take the risk of assuming liability and the trouble and expense of handling such loans if it had to pay the extra 1 per cent. The purpose of the advances to the banks under section 7 is not to help the banks, not for their benefit, but to aid and benefit the war industries and at the same time give to the corporations' advances the banks' obligations as additional security for their payment.

But the advances by the corporation to the savings banks are for the direct benefit of such banks, to help them, just as in the case of advances made under section 9 by the corporation to the war industries, to help them. Under section 9 such direct advances bear the same extra 1 per cent as do the savings banks. The savings banks are not required, as a condition precedent, in order to secure advances, that it shall use them for the purpose of loaning to or aiding an industry necessary or contributory to the war. It is not called upon to assume liability for loans for the benefit of others, as in the case of banks under section 8.

Mr. FESS. What change, if any, in the original bill did the committee make in reference to the issuance of Federal reserve notes and exchange for these bonds?

Mr. KITCHIN. The gentleman will understand that the bill does not authorize issuing Federal reserve notes in exchange for the bonds of the corporation; but such notes can be issued on paper eligible for discount or rediscount, secured by such bonds, with the same maturities as is provided under regulations of the Federal Reserve Board under the reserve act.

The rate of interest which a member bank must pay in discounting or rediscounting paper with the Federal reserve bank, secured by such bonds, is not less than 1 per cent per annum in excess of the prevailing rate at such Federal reserve bank.

Mr. FESS. That is a matter of precaution?

Mr. KITCHIN. Yes; that is a matter of precaution and protection to the reserve system.

Mr. FESS. What I wanted to know specifically was whether the circulation per capita under this organization will be increased, and to what extent?

Mr. KITCHIN. You mean the real currency?

Mr. FESS. Yes; the real currency.

Mr. KITCHIN. I think there will be very little currency issued on paper secured by these bonds. In this connection

I would like to ask the gentleman from Virginia [Mr. GLASS], who is chairman of the Committee on Banking and Currency, what is the difference between a Federal reserve bank note and a Federal reserve note? Is it that the Federal reserve bank note must be secured by a Government bond?

Mr. GLASS. The Federal reserve bank note is issued in pursuance of that bank's ownership of United States bonds.

Mr. KITCHIN. And it must have that behind it?

Mr. GLASS. Yes.

Mr. KITCHIN. And the Federal reserve note is only required to have 40 per cent gold reserve behind it in addition to the commercial paper back of the note of the member bank as collateral.

Mr. FESS. That is what I am trying to get at, whether the Federal reserve bank, with the approval of the Federal Reserve Board, can receive these corporation bonds and issue any amount of Federal reserve notes?

Mr. KITCHIN. Oh, no; but if it had the power, it would hardly do that with the extra 1 per cent per annum interest provision. I think under provisions of this bill the Federal reserve bank, with the approval of the Federal Reserve Board, can have issued notes by putting up its note or eligible paper, secured by the bonds of the corporation, just as it could do with the liberty bonds. Whatever you can do with a liberty bond you can do with this bond with respect to Federal reserve bank notes or Federal reserve notes.

Mr. FESS. That is one of the things that is fundamental in this?

Mr. KITCHIN. Yes.

Mr. FESS. There is another question I want to ask——

Mr. CANNON. If the gentleman will allow me, in one case the Government is behind it and in the other case the Government is not liable?

Mr. KITCHIN. Yes; as to the respective bonds; but as to the bank reserve notes, of course the Federal reserve bank will be behind it and the member bank will be behind it, and other securities will be behind it, and the corporation bond will be behind such Federal reserve bank notes.

Mr. FESS. What authority is given to this corporation to use its money for the purchase of liberty bonds?

Mr. KITCHIN. I did not quite catch that.

Mr. FESS. Is the authority in the bill given to the corporation to purchase liberty bonds?

Mr. KITCHIN. Yes; it can purchase any bonds issued or converted by the Government since September 24, 1917, the date the last bond act became a law.

Mr. FESS. I would like to have the opinion of the chairman——

Mr. KITCHIN. It is the opinion of the Federal Reserve Board and of the Treasury Department, as I understand, that this provision will have a stabilizing influence on the market value of liberty bonds.

Mr. FESS. Now, in view of the fact that the chairman has made a very lucid and comprehensive statement of the bill, I should like to have his opinion on what amount of inflation, if any, this bill will have the effect of producing upon the currency?

Mr. KITCHIN. Of course, that is hard to say. It would depend largely upon the administration of the act by the directors, and also it would depend largely, so far as the inflation of the actual currency is concerned, on the Federal Reserve Board. They need not issue a dollar of new currency on the basis of the corporation bonds. There is no right given to a member bank which holds these bonds to go and demand it as a matter of right. I think the Federal Reserve Board has got its eye on that proposition, and the same thought is running through the minds of a majority of the board as is running in the gentleman's mind and through mine. I do not anticipate much inflation of the actual currency. There will be an expansion of credit. There must be, because we have not money enough, if we had all the actual money in the world, to carry on the transactions that the Government must carry on during this war.

Mr. CALDWELL. I was going to ask the gentleman if there was a provision in the bill to prohibit the directors of the corporation from loaning the corporate money to concerns in which they are interested?

Mr. KITCHIN. No. Personally, I think there should be in this case and in every case of boards and commissions and agencies dealing with or advising on the expenditures of Government funds. But we put in this provision—not in the original bill—that no director or officer of this corporation can, directly or indirectly, participate in any loan to any partnership or firm or corporation or association in which he is directly or indirectly interested. If he does do that he is guilty of an offense punishable by fine or imprisonment, or both.

Mr. CALDWELL. I did not see it in the original bill.

Mr. KITCHIN. You understand the Finance Corporation through its directors can make advances to a firm or corporation in which a director is interested, provided such interested director does not, directly or indirectly, participate in the loan.

Mr. CALDWELL. It is the same as in the case of a bank. The bank can not loan to itself. You have not a provision like that. Do you not think it is wise?

Mr. KITCHIN. I think the principle of the gentleman's suggestion should have been incorporated in several other bills that have become law, but the House and Senate did not seem to think so, and the advisers of the administration did not think so, taking the position that such a provision would be a great obstacle to the most efficient administration of the War and Navy Departments during the war. Under the provision in question not only is the interested director forbidden to vote upon the question of making the loan, but he is not even permitted quietly to suggest that his firm or corporation is worthy of the loan or to express a hope to the board that the loan will be made, and so forth. He can not participate in any proceedings in any way with respect to the loan, "directly or indirectly."

Mr. CALDWELL. If it so happens that the directors are heads of a number of institutions, three might sit down and loan $50,000,000 to the one, and the other three might sit down and loan $50,000,000 to the other, and so on; but of course the President would not be expected to appoint that class of men—$50,000,000 is a lot of money.

Mr. KITCHIN. Suppose the President did appoint that class of men, which, of course, he would not. I imagine that if the prosecuting attorney had one-half the legal ability and astuteness that the gentleman has, he could convict them all for collusion in participating in such a transaction.

Mr. GARNER. Also, the President can remove them at any time.

Mr. KITCHIN. The President can remove them at any time. That is one of the provisions of the bill to which I have failed to call attention. The President can at any time remove any of the directors of this corporation, or members of the Capital Issues Committee, or any officer.

Now, the gentleman from Pennsylvania (Mr. MCFADDEN) has been on his feet for some time, and I yield to him.

Mr. MCFADDEN. I want to ask the chairman of the committee two or three questions.

Mr. KITCHIN. Can not the gentleman put all his questions in one, because I am going to stop in a few minutes, when my time will be up?

Mr. MCFADDEN. Following the question of the gentleman from Ohio (Mr. FESS) a little further in regard to the issuance of Federal reserve notes, is the gentleman of the opinion that the deposit by member banks of notes secured by these corporation securities with any one of the 12 reserve banks would be legal reserves?

Mr. KITCHIN. I do not think so. Let me ask the gentleman there: In your opinion, can or can not the Federal reserve bank take a note of a member bank secured by liberty bonds, not bearing the circulation privilege—and none of them do bear it—and issue Federal reserve notes on them? I do not refer to Federal reserve bank notes, but Federal reserve notes.

Mr. MCFADDEN. No privilege is granted that is not given to United States bonds in this respect, but I am not speaking of the notes, but of legal reserve.

Mr. KITCHIN. I am asking for your opinion and information now.

Mr. MCFADDEN. I was speaking particularly of a member bank taking a note from a corporation. The member bank takes that note and deposits it in the Federal reserve bank of its district and receives credit for it. Is there any difference between that credit and the deposit of gold? The bank gets credit on which it can grant loans.

Mr. KITCHIN. As a bank credit against which checks can be drawn? No. But such a note is supposed to be paid in gold or money when due, otherwise the bank would not give the credit against it. I do not know as much about the Federal Reserve System as I ought. I do not know half as much about it as the gentleman from Pennsylvania [Mr. MCFADDEN] does, for he is a member of the Banking and Currency Committee and has given great detailed study to it; but my understanding of the way the Federal reserve notes are issued is that they are issued to a Federal reserve bank. The reserve bank must put up the notes and eligible paper as security, and also there must be behind them 40 per cent in gold before any Federal reserve note can be issued.

Mr. MCFADDEN. That is true.

Mr. KITCHIN. In other words, if the amount of a Federal reserve note is to be $100, there must be put up $40 in gold as a

reserve against it. And the bank that is going to get these reserve notes must put up its note and back it with eligible paper. That is as I understand the way the Federal reserve notes are issued, and the Federal reserve bank notes are issued on deposit of Government bonds as collateral to the bank note.

Mr. McFADDEN. That is true.

Mr. KITCHIN. If that is so, I think I can answer all of the gentleman's questions in one. If that be true, I do not think under this bill any man need be alarmed at all about the issuing of Federal reserve notes to the extent of unreasonable inflation.

Mr. McFADDEN. That is true so far as the actual issuance of Federal reserve notes is concerned.

Mr. KITCHIN. I thought that was what the gentleman was getting at.

Mr. McFADDEN. But a member bank deposits a customer's note, secured by these War Finance Corporation securities, with the Federal reserve bank, and receives credit——

Mr. KITCHIN. Yes. The member bank, of course, can destroy itself if it wants to. The Federal reserve bank, perhaps, can destroy itself if it wants to, and the Federal Reserve Board can destroy the system if it wants to, but no new money or Federal reserve notes can get out anywhere until the Federal Reserve Board orders it. It passes on the security. The Federal reserve bank passes on the security. The member bank that makes the first loan on the security passes on it. The Federal Reserve Board finally must pass upon the wisdom and necessity of further note issues. I do not see how we are in much danger of getting unreasonable inflation——

Mr. McFADDEN. In this way, that the member bank——

Mr. KITCHIN. You are going to have an expansion of credit, of course.

Mr. McFADDEN. The Federal reserve member banks under the law are required to keep a 7 per cent reserve on deposits. In other words, with a $7,000 balance at the Federal reserve bank it can loan $100,000, or increase its deposits to that extent. The deposit of the note of the member bank at the Federal reserve bank is just the same as if they deposited money or gold. There is no difference between this kind of credit and the kind of credit established by the deposit of gold.

Mr. KITCHIN. If a man has the security which is supposed to get the money or gold when due to continue the credit; yes.

Mr. McFADDEN. The danger of inflation is not with the issuance of Federal reserve notes, but through the inflation of credit, which is the same thing.

Mr. KITCHIN. I thought the gentleman was heretofore referring to inflations by issue of Federal reserve notes, because I know that was in my mind when I first studied the bill, and it was in the gentleman's mind first, because we discussed it.

Mr. McFADDEN. I should like to ask the gentleman one other question.

Mr. KITCHIN. Certainly.

Mr. McFADDEN. The gentleman said, during his very fair statement of the bill, that he could not imagine anyone would advocate the loaning of this money on the part of the Government direct to banks and industrial institutions. That is, if they did, it would require the immediate sale of $4,000,000,000 worth of Liberty bonds.

Mr. KITCHIN. I said I did not believe any man would advocate or favor the Government coming to the rescue of the war industries direct from the Treasury, and that sooner or later it would require, if you are going to lend $4,000,000,000, as provided in the original bill, issuing bonds to that amount or greatly increasing taxation.

Mr. McFADDEN. Then the gentleman admits that $4,000,000,000 is to be raised from this source by the creation of this law?

Mr. KITCHIN. No. I said that under the original bill $4,000,000,000 in bonds would be issued, but that we had limited it to $2,000,000,000, and if the Government had to do it directly the Government would have to issue $2,000,000,000 of bonds or raise that much additional by taxation. It may later on develop that it will take $4,000,000,000, but the thought of the committee was that it ought to cut to $2,000,000,000; that we should wait and see how this bill is going to operate; that if Congress is satisfied with the operation and conduct of the business and it later is shown that the $4,000,000,000 is required, Congress could then make the authorization. The Treasury Department is anxious, and says it is nesessary, to increase this limit to $4,000,000,000. Your committee said to it that when the corporation issues bonds up to $1,000,000,000 or $1,500,000,000, and from the reports sent to Congress and upon investigation Congress is satisfied that the business of the corporation has been managed wisely and in accordance with the act, there will be no trouble in getting the authority to issue more of these bonds.

Mr. LONGWORTH. The gentleman will recall that Mr. Warburg, while he said that it would be advisable to have the limit placed at $4,000,000,000, said that he did not expect anything like that would ever be issued.

Mr. KITCHIN. Yes; that is true.

Mr. McFADDEN. The gentleman said that a large percentage of the advances would come from the banks—national banks, State banks, and trust companies?

Mr. KITCHIN. Yes; that is, the banks will handle, or are expected to handle, most of the loans to the war industries and receive most of the advances from the corporation. The authors of the bill, the Secretary of the Treasury and Mr. Warburg, who appeared before our committee, said that the primary object was to require practically all of the business of the corporation to go through the banking channels, and that in exceptional cases only would advances be made direct by the corporation.

Mr. McFADDEN. That being the case, is not the burden still on the banks?

Mr. KITCHIN. Yes; in the sense I have just explained.

Mr. McFADDEN. Then, why create an institution of this kind?

Mr. KITCHIN. The burden is not on the banks in that sense. The gentleman's proposition is to burden the Federal Reserve System with the whole burden of the powers and responsibilities and duties contained in this bill. The benefits or burdens, if any, of this bill apply to State banks, savings banks, trust companies, and all kinds of banking institutions.

Mr. McFADDEN. Will not the sale of these bonds come into competition with the sale of liberty bonds?

Mr. KITCHIN. I think so, to some extent. I regard that as one of the dangers in the operation of this bill. I am afraid that they will compete with the Government bonds to a larger extent than does the Secretary of the Treasury. He said that there might be some danger. This matter necessarily must be left to the good judgment and the wisdom of the directorate and the Secretary, who is chairman of the board of directors. I feel confident they will arrange it so that they will not measurably handicap the sale of Government bonds.

Mr. LONGWORTH. May I suggest that the rate of interest must be subject to the approval of the Secretary of the Treasury?

Mr. KITCHIN. Yes; and properly so.

Mr. McFADDEN. I want to call the attention of the gentleman to the fact that recently the Farm Loan Board were unable to sell their securities and had to come to the United States Treasury for help.

Mr. GLASS. If the gentleman from North Carolina will yield, that statement needs to be modified somewhat; they thought that they could not sell them, but, as a matter of fact, they have not yet come to the United States Treasury for help.

Mr. MADDEN. But they have got the authority.

Mr. DENISON. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. DENISON. I want to ask the chairman if the theory of the bill is that this corporation is to be self-sustaining?

Mr. KITCHIN. Yes; and there may be a little profit in it. We provide that its net earnings may be liquidated and put into Government bonds, and so forth.

Mr. DENISON. How about the salaries, and so forth? Are they to be paid by the corporation?

Mr. KITCHIN. Yes; but the salaries of the Capital Issues Committee, which is entirely separate from the corporation under our bill, will be paid by the Government.

Mr. DENISON. Is there any provision in the bill about the limits of this corporation?

Mr. KITCHIN. I am glad the gentleman has asked about that. I may have overlooked that in my explanation of the details of the bill. The life of the corporation is 10 years, but it can not do any business, except winding up its affairs and liquidating its assets, after six months after the termination of the war, the time of such termination to be proclaimed by the President. In other words, it can make no more loans, issue no more bonds, after six months following the termination of the war. The directors must then begin to wind up its business, liquidate its assets, and turn any net earnings or surplus over to the Treasury of the United States.

Mr. MOORE of Pennsylvania. But the war corporation is authorized to last for 10 years.

Mr. KITCHIN. Yes.

Mr. LONGWORTH. Their functions are confined to the period of the war and six months thereafter, except as to the liquidation of assets?

Mr. KITCHIN. Yes.

Mr. DENISON. In the consideration of the bill did the chairman discover any sentiment at all in favor of a permanent institution of this kind?

Mr. KITCHIN. No; it is purely a war measure, and I am sure no member of our committee would vote for the bill except as a necessary war measure.

Mr. CANNON. Are the obligations of this corporation which is about to be organized subject to taxation, State or Federal?

Mr. KITCHIN. They are subject to the taxation that the liberty bonds issued under the act of September 24, 1917, are subject to—that is, estate tax, surtaxes, and excess-profits taxes, with the same exemption with respect to the $5,000 which the gentleman had put into the last liberty bond act.

Mr. CANNON. That answers the question.

Mr. MOORE of Pennsylvania. Is not that one of the reasons why it is expected that these bonds will sell?

Mr. KITCHIN. That is one of the inducements for a person to buy.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. KNUTSON. What kind of exceptional cases did the committee have in mind when it framed section 9?

Mr. KITCHIN. War industries which in many cases included public-utilities companies and power plants when they show that they can not get the money through the banks or general public.

Mr. KNUTSON. If they can not get the money through the banks, they are questionable loans, are they not?

Mr. KITCHIN. Oh, no; not necessarily so. They may be most solvent and worthy of credit, but the banks, with such demand upon them by the Government to buy certificates of indebtedness and to furnish money to customers to buy liberty bonds, may not have the necessary funds.

Mr. KNUTSON. Why should they not be compelled to furnish just as much security as those who make their loans through the banks?

Mr. LONGWORTH. They have to furnish more.

Mr. KITCHIN. They have to furnish equally as much securities—securities equal to 133 per cent—if the loan must be given. I think the gentleman is looking at the original bill.

Mr. KNUTSON. That overcomes, then, the objection that I had.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. JOHNSON of Washington. I understood the gentleman to say that this bill contemplated taking care of all banks alike—that is, Federal, State, and private banks.

Mr. KITCHIN. No; not taking care of all the banks, but to make advances to banks, whether State or national, when they make loans to industries contributing to the prosecution of the war.

Mr. JOHNSON of Washington. I would like to call the gentleman's attention to what is now happening. A prominent banker states that he has a communication from the auditor of the United States Emergency Fleet Corporation to the effect that they will discontinue carrying a certain trustee account unless the bank becomes a member of the Federal Reserve System. This is a large State bank handling money on account of shipbuilding.

Mr. KITCHIN. I appreciate what the gentleman says. If that State bank is sound and safe and perfectly worthy of the deposit, I think the auditor referred to ought to be rebuked for trying to coerce by such a method or threat this bank into the reserve system.

Mr. JOHNSON of Washington. And the bank says it can not go into the Federal Reserve System.

Mr. KITCHIN. Yes. This corporation under this bill makes absolutely no distinction between State banks and banks that are members of the Federal Reserve System.

Mr. JOHNSON of Washington. And it would rise above the Federal Reserve System?

Mr. KITCHIN. Yes.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. McKENZIE. The gentleman was asked a question by some one here as to whether or not this law would interfere with the sale of liberty bonds, and I think he answered that that might possibly be true.

Mr. KITCHIN. Yes.

Mr. McKENZIE. It has been my understanding that one of the purposes of this law is to control credits in order that the Government may be assured that it can sell its bonds without selling them at a high rate of interest.

Mr. KITCHIN. The gentleman is right. That is one of the primary objects to be accomplished by the Capital Issue Committee title of the bill.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. ANDERSON. Section 9 of the bill provides for the direct loans?

Mr. KITCHIN. Yes.

Mr. ANDERSON. What I want to ask the gentleman is this: Is the language used in this and other sections touching those eligible for advances, or the character of advances possible under the bill, intended to exclude a going agricultural enterprise?

Mr. KITCHIN. No; not all. I can conceive of an established agricultrual industry that is necessary and contributory to the war, and it would be amenable to the provisions of this bill. That is, it would come within the provisions that make it eligible to apply for loans from the corporation or from the banks.

Mr. ANDERSON. It struck me so under the language, and that is the reason I asked the question.

Mr. DOWELL. Would that apply to the individual?

Mr. KITCHIN. Yes; the individual would come under the provisions if he was engaged in an industry necessary or contributory to the war, and we can all conceive of many kinds of agricultural industries necessary or contributory to the war, but generally one engaged in agriculture can get the necessary funds from his local banks. I think, too, a reclamation or an irrigation association that could show that it was necessary and contributory to the prosecution of the war, and that it could not get the necessary funds elsewhere, and could put up the proper security and comply with the other terms, would be just as eligible to apply for that loan as the Du Pont Powder Co.

Mr. MOORE of Pennsylvania. If the gentlemen will look on pages 69 and 70 of the hearings, they will find that the Secretary of the Treasury answered that question.

Mr. KITCHIN. I thought that the Secretary of the Treasury answered it.

Mr. REED. Liberty bonds are quoted now, or have been quoted, below par?

Mr. KITCHIN. Yes, sir.

Mr. REED. And the idea of this is that this bill will stabilize them?

Mr. KITCHIN. The provision whereby the corporation can purchase such bonds will have a tendency to stabilize them.

Mr. REED. That never contemplates the original purchase or new issues, but those just thrown on the market?

Mr. KITCHIN. But the corporation would have the right to subscribe for original issue of bonds. However, it will deal, for the most part if not all, as the gentleman suggests. As to bonds being below par, there are just a few millions that have been offered for sale—just a limited few, not anything like $100,000,000 worth—and, of course, they are quoted. But I have never seen a person yet that had a bond that would take less than par for it. I have asked several parties if they were ready to sell their bonds at less than par; they replied that they were not. I have never found anyone willing to do it, and I doubt if this quoted market value of the bonds is really a bona fide market value.

Mr. REED. They place them with the broker and get bids at these prices?

Mr. KITCHIN. Yes.

Mr. STERLING of Illinois. I think the gentleman did not understand the question asked by the gentleman from West Virginia [Mr. REED]. As I understood him, he asked the question whether or not this corporation could buy Government bonds when they were originally issued or whether they were confined to bonds of later issue.

Mr. KITCHIN. Yes; it could subscribe for bonds as originally issued.

Mr. MONDELL. During his illuminating discussion of the bill the gentleman called attention to the importance of the personnel of the organizations which the bill provides. He emphasized the importance of the personnel being of a character to command the respect and the good judgment of the country, and his committee has very wisely provided that not over three of the members of the corporation and four of the members of the committee should be of one political party.

I wanted to know how the committee views that provision. Was that viewed by the committee as merely a matter of persiflage and verbal camouflage, or is it considered a real provision in the bill which the committee hopes and expects will be carried out in good faith and honestly, so that the business and

the corporation will really represent the views of the country economically and politically?

Mr. KITCHIN. Well, after the manner of answering questions in the House of Commons, I will say to the latter part of the gentleman's question, I answer in the affirmative. [Laughter.]

Mr. MONDELL. Then the gentleman is more hopeful of the future in this particular respect than he has reason to be gratified at the experience of the past?

Mr. KITCHIN. If the gentleman take the commissions and boards that have been appointed under Taft's administration or the Wilson administration, where it was intended by the law they should be nonpartisan, and it was specified in the act that not more than so many of a political party should be appointed, he will find that such requirements have been carried out very fairly under both administrations.

Mr. MONDELL. If the gentleman will accept an amendment striking out the administration which he last referred to, I will vote for his proposition. But the gentleman does believe——

Mr. KITCHIN. Your suggestion is out of order. [Laughter.]

Mr. MONDELL. The gentleman does believe, personally, that it is important that a bill of this kind should be carried out in good faith?

Mr. KITCHIN. I do. Take the Federal Trade Commission and the Federal Reserve Board, appointed by Mr. Wilson, and if I wanted to bet—and I never did bet, for if I did, I would lose [laughter]—here is one bet that I would win, that the majority on both of those commissions are of a party opposite to that of the administration.

Mr. MONDELL. On what information does the gentleman base that statement?

Mr. SMITH of Michigan. What is the objection to the Government being responsible for those bonds?

Mr. KITCHIN. If it is going to be responsible, why not issue its own bonds?

Mr. SMITH of Michigan. There are two reasons why the Government should. In the first place, they are competing with Government bonds, and, in the next place, it is for the benefit of the Government solely and entirely. And another thing——

Mr. KITCHIN. I will say to the gentleman that I think it would be unfortunate for the Government to do it, and I would not favor this proposition at all if the Government had to guarantee all these bonds. I should say, if the Government is to be responsible, it would be the wise thing for it to issue and sell its own bonds to finance direct the industries necessary or contributory to the prosecution of the war. Then there would be no competition in sale of bonds and no question as to them. All would be alike.

Mr. SMITH of Michigan. We are going out very soon to help sell these bonds, and these questions will be asked.

Mr. KITCHIN. The gentleman can just tell them that the bill itself declares specifically and expressly that the Government is not responsible for a penny of the principal or interest on these bonds or for any act of commission or omission of any of the directors or officers of this corporation. The Government has already put into it, or shall have put into it, $500,000,000 when the capital stock is fully paid in, as part of the assets as security to the bonds, and they are going to have all the securities of the banks and corporations and individuals to which loans are made.

Mr. SMITH of Michigan. Denominated "commercial paper," and nobody thinks that what is denominated as commercial paper is as good as securities of their Government.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes; and I will then take my seat.

Mr. MEEKER. Can the Government loan to any subsidiary corporation? It says here in section 10—

> That in no case shall the aggregate amount of the advances made under this title to any one person, firm, corporation, or association exceed at any one time an amount equal to 10 per cent of the authorized capital stock of the corporation.

Now, if they loan up to 10 per cent of the capital stock of the corporation to the parent corporation, can they loan up to 10 per cent to a subsidiary corporation?

Mr. KITCHIN. I would say that according to the strict letter of that provision they could so loan, but not according to its spirit and intent, and no directorate would make such a loan under such circumstances to the subsidiary corporation; that is, a corporation the majority of whose stock or the controlling interest is owned by another corporation if to the parent company the 10 per cent had been advanced and was still outstanding. I say that the loan to the parent and such subsidiary together ought not to be over 10 per cent. I thank gentlemen for their patience and attention. [Applause.]

Mr. FORDNEY. Mr. Chairman and gentlemen, the gentleman from North Carolina [Mr. KITCHIN] has explained so thoroughly the purposes of the bill that, so far as I am concerned, I am going to be very brief, if permitted, in explaining my views about this bill and its purposes.

It is an emergency measure and nothing else. That is all there is to it, and that is all there ought to be to it. The gentleman from Texas [Mr. GARNER] asked Mr. Warburg when he was before our committee what he thought of this bill, and he said, "It is an emergency measure, and therefore I am in favor of it." I will quote his exact words. The gentleman from Texas then said to him, "Mr. Warburg, what would you think of this law in normal times?" His reply was, "It would be absolutely rotten, sir; absolutely rotten."

It is an emergency measure, because we are doing great things and taking great chances at this time throughout the whole world. It is for the purpose of making available certain securities as collateral to loans that are not available for that purpose to-day.

All will agree that the Federal reserve banks to-day have saved us from a financial panic. [Applause.] The Federal reserve banks under existing law can only loan on commercial paper—paper given in the payment or the promise of payment in a business transaction—for instance, in the purchase of goods or real estate or any other property. The local banks, the member banks of the Federal reserve bank, can rediscount such paper with the Federal reserve bank, and no other paper; that is to say, a direct loan made to an individual or corporation by a member bank; and that company's paper given the member bank can not rediscount with the Federal reserve bank.

I wish to repeat: Commercial paper alone can be rediscounted by the member banks in a Federal reserve bank, and therefore collateral security, such as is expected to be offered under the terms of this bill, is not available for rediscount for loans in the Federal reserve banks.

In normal times the annual products of the country, agricultural and manufactured, exceed in value $30,000,000,000. With inflated values, such as there are now all over this world, due to this great world war, our products, agricultural and manufactured, exceed in value this year more than $50,000,000,000. There is in round numbers in circulation in this country $6,000,000,000 in money of all kinds at the present time, and in June of this year more than half that sum will be called into the United States Treasury from taxes; and if you remove from the business channels of this country one-half of all the money of this country and pay it into the Treasury of the United States any business man can understand that there is going to be a scarcity of money in the country to be loaned to the industries of the country to carry on the production of goods, agricultural and manufactured.

My candid opinion is that the real purpose of this bill is to loan money to the great railroads of the country chiefly, and I will tell you why. There is an estimated valuation of railroad property in the United States to-day of $17,500,000,000. In my candid opinion their value is $20,000,000,000. Because of legislation, both State and National, that has been unfriendly to the railroads of the country for the past 10 or 15 years the railroad property of the country is not as valuable as heretofore. That is to say, investments in railroad property are not attractive, and railroad securities have gone clear out of sight on the toboggan slide.

Of the railroads of the country last year 750 railway systems in all borrowed but $57,000,000, or three-tenths of 1 per cent of their valuation, based upon $17,500,000,000. The money lenders of the country will not lend money to the railroads. Of course, while the railroads are under Government control, with the guaranty of a certain rate of income based on the value of the property while the Government is behind the railroads, railroad securities sell at better prices in the market than if the Government were not back of them. But if I were loaning money I would not loan to the railroads of the country. I would much rather accept municipal bonds at a reasonable rate of interest, because most of the municipal bonds of the country are exempt from taxation.

That is one reason why money lenders will invest in such securities. The second is they are the best class of loans in the country except real estate mortgages. They are more apt to be paid. But with 750 railway systems of this country last year, as I said before on the floor of this House, borrowing only $57,000,000, with the Interstate Commerce Commission fixing the maximum rates on freight and passenger fares the railroads can charge, and the Congress of the United States fixing the

minimum wage scale—two great bodies, one fixing the income and the other fixing the outgo—railroad property is in a bad fix. And the condition is going to get more chaotic every day unless we have some more favorable legislation in the interest of the railroads. The railroads of this country are the bone and sinew of the industrial world——

Mr. MADDEN. Did the gentleman notice in this morning's paper that the Interstate Commerce Commission had issued an order increasing the railroad freight rates 15 per cent?

Mr. FORDNEY. Fifteen per cent on what and where, my friend?

Mr. MADDEN. Railroad rates.

Mr. FORDNEY. There are three great railway divisions in the country, fixed by the Interstate Commerce Commission. One is west of the Mississippi River, another south of the Ohio River and east of the Mississippi River, and the third is north of the Ohio River and east of the Mississippi River. This increase in rates does not apply to all the railroads in the whole country.

Again let me say to the gentleman—I am diverting, however, from the purpose of my argument—that the increased rates allowed by the Interstate Commerce Commission to the railroads of this country in the last 10 years are not one-tenth of the amount that has been permitted in the way of increases by the principal countries of this world to their railroads. I had occasion to look that up only a short time ago.

Mr. MADDEN. I am not complaining at this increase of rates.

Mr. FORDNEY. Neither am I. I understood the gentleman about that.

Mr. HICKS. I think this rate increase was only on specific articles and not a general increase on all commodities.

Mr. FORDNEY. When it is applied on all articles in general the gentleman will find that the percentage of increase is so small that it does not amount to much. In other words, the Adamson bill increased the operating cost of the railroads of this country, according to the best information I can obtain, more than $100,000,000, and no adequate income has been allowed to the railroads to meet that additional cost. But the principal purpose of this bill is to loan money to the railroads. When I say to you that the railroads were only able to borrow last year three-tenths of 1 per cent of their total capital value you can understand that the money lenders of the country are not anxious to loan to the railroads.

Mr. DILLON. The bill that we just passed relative to the taking over of the railroads provided for loans to the railroads, did it not, and does not that sufficiently supply that need?

Mr. FORDNEY. I will say to the gentleman, no.

Mr. DILLON. Why not?

Mr. FORDNEY. The gentleman is correct, and yet not exactly correct. The purpose of the $500,000,000 loan authorized in the railroad bill recently passed, as I understand it, is to purchase equipment, to better the railroad systems of the country, to purchase terminals, and buy rolling stock, which the railroad companies have not had the money to purchase. We are in a chaotic condition to-day in the shipment of goods all over this country on every railroad. Now, why? I will tell you why. Because of adverse legislation that I have spoken of, the railroads of the country have not had the money to keep up their betterments, and with the greatly increased production of goods in this country, and products of every kind, the railroad companies have not had the money to build locomotives and cars and better bridges and terminals, and to lay heavier steel, and these roads are at the present time in a condition run down at the heel. This $500,000,000 appropriated in the railroad bill is to answer that purpose, and not to loan to the railroads money they must have for many other betterments.

Mr. DILLON. Does not the bill directly authorize the purchase of bonds issued by the railroads?

Mr. FORDNEY. Railroad bonds?

Mr. DILLON. Yes. The bill itself provides that the Government may buy and sell bonds that may be issued.

Mr. FORDNEY. The bill provides that the President may approve of the issue of bonds authorized by the railroads, in his judgment.

Mr. DILLON. And to purchase?

Mr. FORDNEY. No; I beg to differ with the gentleman. It is not to buy railroad bonds. That is not my understanding of the bill.

Mr. DILLON. If the gentleman will examine it, he will find I am correct.

Mr. FORDNEY. When I first read the bill that was my inference, but when you read the bill carefully you will see that it authorizes the President to approve of the issue and sale and purchase of those bonds. I may be wrong about this, and if so I want to be corrected. If there is such a provision in the law, the President ought to be burned in effigy if he steps out now and attempts to purchase railroad bonds on the market to bolster up the value of railroad stocks and bonds. Let me call your attention to the depression in railway stocks and bonds, because it is the gist of this argument. I want to tell you where the stocks and bonds of the railway companies have gone in the past few years. I have here a list of the bond values of 26 of the largest railroads in the United States, bonds of those companies sold since 1906 down to and including 1917. They went all to pieces. Some of you gentlemen are more familiar with some of these roads than with others, as I am; but the 4 per cent bonds of the Atchison, Topeka & Santa Fe Road went from 104½ to 83½, their par value being $100. The Atlantic Coast Line went from 95½ to 80; Baltimore & Ohio, from 101½ to 78; Chesapeake & Ohio, from 109 to 70; Chicago, Burlington & Quincy, one of the most valuable roads of the country, traversing one of the richest territories in the United States, from 103½ to 81½.

Mr. SLOAN. Will the gentleman yield, or does he desire to finish his statement?

Mr. FORDNEY. I will yield, although I want to go on with this argument.

Mr. SLOAN. What I desire to know is this: These bonds were supposed to be secure. Does not the gentleman attribute the reduction in the market price of these railroad bonds to the competition of a large amount of Government securities bearing a comparatively high rate of interest, and which are practically exempt from taxation?

Mr. FORDNEY. No, my friend; what I am trying to illustrate is this, that at the time when the Government took control of the railroads their financial situation was critical. Money was very hard to obtain by people who must have money, and the railroads needed more money than any other great industry in the country.

Mr. SABATH. Will the gentleman yield for a question?

Mr. FORDNEY. Yes.

Mr. SABATH. Is it not a fact, perhaps, that the public lost confidence in these railroads on account of the stories of the dishonest operations of some of the officials of these roads, like the New Haven and others?

Mr. FORDNEY. I have heard a great deal about thieves. I never caught but one thief in my life, and I saw him steal and I caught him. I am not ready to convict everybody upon the simple statement that the average man of business is a thief. I do not believe that the average railroad in this country has been so handled that it has gone to pieces because of thieves in its management. Some roads have undoubtedly been mismanaged; not altogether because the management was dishonest, but it was incompetent and perhaps sometimes dishonest along with it. I know of no railroad officials who have been stealing, and if I did know of any I would report them to the Attorney General.

Mr. SABATH. My question was whether, due to the circulation of these reports, and due to the mismanagement on the part of some roads, have not all railroads suffered thereby?

Mr. FORDNEY. I do not think that is the chief cause.

Mr. SABATH. That is one of the causes.

Mr. FORDNEY. Will the gentleman let me answer, we can not both talk at once, for if we do it will be sort of a half-bred argument.

Mr. SLOAN. Will the gentleman yield?

Mr. FORDNEY. Let me answer the gentleman first. I do not believe that because of some mismanagement of a few railroads in the country that is the cause of the depreciation of railroad values in the country. Now, I will yield to the gentleman from Nebraska.

Mr. SLOAN. There has been no charge of thievery or mismanagement in the roads the gentleman has mentioned, the Union Pacific, Atchison, Burlington, Northwestern, or any of the granger roads, except possibly the Rock Island?

Mr. FORDNEY. I am not charging mismanagement of the roads or dishonesty. I do not know of any dishonesty in the management of the great railroads of this country, although I have heard of it.

Mr. WALSH. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. WALSH. Has the gentleman read the report by the Interstate Commerce Commission which investigated the management of some of these roads?

Mr. FORDNEY. Yes; but not all.

Mr. WALSH. And did not they condemn the management and the way the finances were used?

Mr. FORDNEY. Suppose I did read it all; I would not know anything about it except what a member of the Interstate Commerce Commission said about it.

Mr. WALSH. The gentleman would if he read the testimony and was able to form an opinion, and I know the gentleman is.

Mr. FORDNEY. No; I was not present. Now, if the gentleman will let me proceed, I want to be kind to everybody, because I have no ill will against anybody.

Mr. JUUL. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. JUUL. Will the gentleman tell me what period of time lies between the high valuation of the bonds and the lower valuation?

Mr. FORDNEY. From 1906 down to date, but chiefly in the last two years.

Mr. JUUL. Two years between the high and the low value.

Mr. FORDNEY. Between 1906—that is the farthest period of time back—down to the 1st of January, 1917, and from that to December, 1917.

Now, the Chicago, Milwaukee & St. Paul road's bonds declined from 98⅛ to 69; the Chicago & North Western from 100⅛ to 70½; the Delaware & Hudson from 103 to 87; the Great Northern from 101⅛ to 86; and so on down the whole 26. I will not take the time to read them all. The average shrinkage of all these bonds of these companies was 16⅜ per cent on all the roads.

Now, the value is there. The value of the stock depends on the value of the property, and not only upon its value but upon the successful management of the companies. You may have an institution with a million dollars of capital paid in and a million dollars' worth of property and a million dollars of par value of stock, but your stock is not worth 2 cents on the dollar unless that institution is successfully managed.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. GREEN of Iowa. The gentleman speaks of the depreciation of railroad bonds; the gentleman is aware that all bonds have greatly depreciated in value?

Mr. FORDNEY. Yes; but, my friend, the railroads are in a chaotic condition financially to-day, and the purpose of this bill is really to aid the railroads more than any other industry, in my opinion. All values have shrunk in the country and so have stocks since the war has been declared.

Mr. GREEN of Iowa. I had here the other day a chart which I intended to use when we were discussing the railroad bill, which made a comparison of the rise and fall of railroad bonds and other bonds and railroad stocks and other stocks, and there was no appreciable difference in the rise and fall between railroad stocks and other stocks. They all depreciated in the same ratio and in the same way.

Mr. FORDNEY. The gentleman's argument is evidence that the financial circumstances of the roads are in bad shape. Financiers having the money do not want to loan it, and so it makes it impossible to get money at reasonable rates of interest. That is the purpose of this bill—to aid such industries in getting money.

Mr. DILLON. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. DILLON. I want to call the gentleman's attention to the provisions of section 7 of the railroad bill:

> The President may, out of the revolving fund created by this act, purchase for the United States all or any part of such securities at prices not exceeding par, and may sell such securities whenever, in his judgment, it is desirable at prices not less than the cost thereof.

Mr. FORDNEY. What is the purpose of that? The purpose is that if the railroad comes to the Government to get any portion of the $500,000,000 to buy betterments, rolling stock, heavier steel rails for terminals to add to the betterments of the railroads, all the railroad companies have got to offer to the Government is their stock and bonds, whatever security they may have, but it does not authorize the President to go out and promiscuously buy railroad bonds on the market.

Mr. DILLON. Let me read a further provision in reference to the reorganization of these companies.

Mr. FORDNEY. I wish the gentleman would not take up all of my time. I will concede that the President has authority to buy these bonds, but the money put into the bonds is to go to the railroad companies for betterments of the railroad, and it does not authorize him to buy bonds floating around the country issued 10 years ago. The gentleman and I disagree only as to the purpose.

Mr. DICKINSON. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. DICKINSON. The gentleman stated that the purpose of the bill is to aid the railroads. Does the gentleman find the word "railroad" in the bill?

Mr. FORDNEY. No; and I do not find the word "sugar-coated," and yet it is sugar-coated from top to bottom. There is nothing in the bill about railroads, but you will agree that the railroads are in the worst condition to-day financially than any other industry of the country and will get the major portion of these loans.

It was stated by the Secretary of the Treasury and by Mr. Warburg, who appeared before our committee, that they feel they must within the next 30 days, I believe, loan to the New Haven Railroad $45,000,000. That is one to begin with. Now, you can take care of a whole lot of little institutions in the country with $45,000,000.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LONGWORTH. I simply want to inject the fact, however, that under this bill the limit of the amount that could be loaned directly to the railroads is one-sixth of the outstanding capital stock.

Mr. FORDNEY. Yes; but one-fifth of $500,000,000 is $100,000,000, and with that capitalization there would still be $55,000,000 left.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. STERLING of Illinois. I think the idea of the Secretary of the Treasury was not that this corporation would loan that entire amount to the New Haven Railroad Co.

Mr. FORDNEY. No; I think not. I think I rather exaggerated that.

Mr. STERLING of Illinois. But that if they would loan a considerable per cent of it, the banks would be willing and able to take care of the rest of the loan to the company.

Mr. FORDNEY. Yes. Let me get to the gist of the point. The committee threw safeguards around the bill to that extent, as the gentleman from North Carolina [Mr. KITCHIN] has fully explained, that not more than 10 per cent of the capital and issue of bonds can be loaned to institutions directly by this corporation. The remaining 90 per cent must come through the local banks with the indorsement of the local banks. The difference between those two loans is this: The purpose of this bill is to loan to local banks, National or State, 75 per cent of the money that the bank loans directly to the institution, and only 75 per cent, but that bank must indorse that note on which the loan is made. The loans to be made through the local banks, National or State, must be secured and that security turned over to this Finance Corporation with the collaterals and notes, together with the indorsement of the local bank of that note. That is double security, but the direct loans authorized up to 10 per cent may be made by the Finance Corporation directly to the company or individual without the indorsement of any bank. But in such loans the corporation then must demand 133 cents collateral securities for 100 cents of loan. That is the difference between the two loans. That loan when obtained directly through the institution with 133 cents of collateral on 100 cents of loan is not as good as the loan that comes through the local bank, because there is an additional 33⅓ per cent collateral required with the loan through the bank, and in addition to that, there is the indorsement of the local bank, and that class of loans is better than the direct loan.

Mr. REED. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. REED. This corporation, which is temporary, and which has been denominated as rotten, can only provide for loans for a five-year period.

Mr. FORDNEY. Yes; the corporation must cease six months after the proclamation of peace.

Mr. REED. Who will take care of the railroads then?

Mr. FORDNEY. Let them go to hades or let the country take care of them. We do not want the Government forever to take care of them. We expect normal conditions once more to prevail, and when normal conditions have once more returned to the country, we will go on as we have in the past, and the Federal reserve banks and the local banks will take care of the industries of the country. There are now unusual conditions prevailing throughout the whole country, and this is intended to take care of those conditions under those circumstances.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SMITH of Michigan. For how long a term can this corporation loan to an institution engaged in war industries?

Mr. FORDNEY. Five years is the limit. I did not quite fully answer the other question. Under the provisions of this bill the activities and powers of the corporation must cease six months after the proclamation of peace, and the business of the corporation must be closed within 10 years.

Mr. SMITH of Michigan. Do I understand they could loan to a manufacturing institution for five years?

Mr. FORDNEY. Yes; the longest loan that can be taken is five years.

Mr. SMITH of Michigan. On commercial paper?

Mr. FORDNEY. On any kind of security back of any note offered to the corporation. Five years is the limit that they can make the loans for, either directly or through the local banks, because we expect this war will end some time, and we are all praying that it will end in a short time; but we are trying to take care of the industrial world while this war is going on and aid every institution that is aiding the Government to support our boys in the trenches over across the sea. That is the meat of this thing.

Mr. McCORMICK. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. McCORMICK. I would like to suggest to the gentleman that perhaps he is conveying to the committee an impression of undue optimism. He stated that we would return to normal conditions before long after the war. I thought perhaps he meant he hoped we would.

Mr. FORDNEY. Oh, yes; I hope and I expect. The people of this country are intelligent, and if they make a mistake they will soon correct it.

Mr. JUUL. The gentleman stated that the power to loan would cease in five years?

Mr. FORDNEY. In six months after the proclamation of peace.

Mr. JUUL. If there is power in this bill to grant loans there must be power to renew loans where there is inability to pay, must there not?

Mr. FORDNEY. Yes; but they are not supposed to be renewed after six months after a proclamation of peace. The powers of the corporation must cease then, except the winding up of its business.

Mr. JUUL. What happens when there is inability to pay?

Mr. FORDNEY. I will tell you what came mighty near happening to me in the panic of 1896. If I had had anything, I would have "busted," and that would be their fix if they are unable to go elsewhere and get money except through this corporation, because this corporation's business must end six months after the war is over; they are likely to be embarrassed.

It was thought best to control the new institution, and say to a city, for instance, that wanted to build a city hall that cost half a million dollars, "You can wait just as well until this war is over when we will not need that money for other purposes. And we will not issue a license to any bank in the country to finance that project until the war is over."

Mr. HICKS. If this committee does not have the power to prevent that corporation from issuing that new issue of stocks and bonds, what value is it to have the provision put in the bill?

Mr. FORDNEY. I will tell you the benefit that I think there is in it. I thought at first that that original provision in there was too drastic, and that it might be used for political purposes where it was possible to do so. If the corporation, or if this corporation, does not recommend the issuance of stocks or bonds to be sold to finance a corporation for more than $100,000, the banks that must look to this finance corporation for loans are going to be very slow to make those loans unless they know this corporation is going to indorse such loans, and consequently it will have practically the same effect as the old provision that was in the law, in my opinion. I do not believe that a bank that must look to this finance corporation for rediscounts would finance a corporation that this committee would disapprove of for fear the finance corporation would decline to give aid to your bank any further.

Mr. McFADDEN. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. McFADDEN. Will the gentleman explain how the finance corporation is to get its funds, and from what source?

Mr. FORDNEY. Yes. The gentleman from North Carolina took two hours a while ago to tell you that, and I thought he told you plainly. I will be very brief. In the first place, the Government is to take $500,000,000 of stock of this company and put up the cash extracted from people in taxes. Beyond that they are going to issue bonds of the corporation, back of which they claim they have got collateral security from direct loans or from local banks of the country, and in addition to what is back of those bonds is this $500,000,000 in cash put in the Treasury by the Government. They expect to sell bonds and get money in addition to the $500,000,000 subscribed by the Government. Has that answered your question?

Mr. McFADDEN. Whom are they going to sell the bonds to?

Mr. FORDNEY. To you and to anybody else who has money and courage enough to buy them.

Mr. McFADDEN. They are made eligible for rediscount?

Mr. FORDNEY. Let me say to you that I differ with my good friend from North Carolina, Mr. KITCHIN, in this respect. I believe the Government should be back of these bonds as well as the corporation. Whether they are or whether they are not, if you and I live long enough, and if this corporation meets with reverses and losses to amount to more than $500,000,000 subscribed by the Government in stock, Uncle Sam through some future Congress will come forward and say to the man that loaned his money, "You loaned that money to this corporation in time of great need and that corporation loaned it to some institution furnishing supplies to support my boys on the battle field, and Uncle Sam will pay you 100 cents on the dollar." [Applause.]

Mr. McFADDEN. Does the gentleman think that these bonds will sell in competition with liberty bonds?

Mr. FORDNEY. There is a provision in the bill which provides that these bonds must not be sold at less than par, but what they will sell for I do not know. But that is what the law says.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. GRAHAM of Illinois. The inquiry in my mind is this: Suppose we issue these bonds and find they will not sell, then we will have to take some similar action like that which we took in the matter of the Federal farm-loan bonds?

Mr. FORDNEY. Well, I never had any faith in that farm-loan scheme. I think that was a fake. But if it is found that this corporation's bonds will not sell at par, mark what I tell you, the administration will be right back and ask Congress for some relief, and we will give it as best we can. That is what will happen, my good friend.

Mr. STERLING of Illinois. Does the gentleman not think that the interest rate will make them sell at par if the interest rate is high enough?

Mr. FORDNEY. I think so.

Now, let me say to you, my good friends, this: I will not mention the firm, but the Secretary of the Treasury made the statement before our committee that one great corporation in this country that is doing very much toward aiding in the production of supplies by furnishing power to great institutions is at the present time in financial trouble; and it is expected that this corporation is going to lend aid to that company, that recently was compelled to pay 13 per cent interest on a loan they obtained in New York. And when it is understood that company can come to this corporation and get money at a reasonable rate of interest the local bank is going to loan that money at a reasonable rate of interest or give up the loan.

It is going to be a good thing in that way. As to whether or not this is inflation, let me say, that here is the dangerous part of it, but we need not be afraid of that. Uncle Sam never got in such deep water but that he was able to wade ashore high and dry and pay his debts. We were practically out of debt before this war began. We pay our debts. We are the wealthiest people in the world, with $260,000,000,000 of wealth in the United States; and with thirty or forty billions of indebtedness nobody need fear that Uncle Sam will not pay his debts.

Mr. JOHNSON of Washington. Granting that, I would like to ask the gentleman if he has given any consideration to the thought of the possibility of the fact that if the Government is not out-and-out behind these bonds it will inevitably lead by the Government to the ownership of the railroads?

Mr. FORDNEY. As long as God gives me intelligence and my health and strength and my constituents permit me to remain here I will vote against Government ownership of railroads, because that would bring financial disaster to our Government.

Mr. JOHNSON of Washington. But in spite of the gentleman's vote, the bond situation, with the Government apparently not being behind them, will result in the ownership of the railroads.

Mr. FORDNEY. I do not think it will, but if it does, if this Government through any legislation that we are passing now to help out this war, becomes the possessor of a railroad in this country, oh, how quick Uncle Sam will let go as soon as the people open their eyes and find out what an expensive proposition the Government has on hand.

No country in the world has tried Government ownership and control and operation of railroads that did not make a failure of it; not a country in the world. Right over here in Canada,

across the border, the railroads in private ownership spent $73 in operating costs for each $100 of receipts or income, while the Government-owned roads, traversing some of the best and richest territory in Canada, spent $102.13 to get back $100. That is the difference between a Government-managed institution and one managed by an individual or a corporation.

As a little illustration here, we had a little flurry of snow this winter, 3 or 4 or 5 or 6 inches of snowfall, and a man came and asked me to aid him, if possible, in getting some coal hauled to his home, because he said the coal companies of the city claimed they had no means of transporting the coal to his home. They had the coal, but no means of transporting it. I saw 24 teams lined up about this Capitol hauling snow down to the Potomac River, trying to raise the height of the water. [Laughter.] They could have had no other purpose. Why in the world did not they shovel the snow to one side, as we do in Michigan, where we have 3 or 4 feet of snow? No; more than a score of teams hauling snow from the Capitol, with no transportation available to haul coal to individuals needing it. That is an illustration of Government management. [Applause.]

I will give another illustration. Since the Government took over the management of the railroads a man came to me the other day and said, "I was down by Collingdale, 26 miles outside of Philadelphia, and there I saw 147 carloads of coal that had lain there 42 days without unloading or moving. But that is Government ownership. Great Scott!

A carload of goods arrived in this city on the 2d day of March that had been shipped from the city of Detroit, 700 miles away, on the 28th of December. It took 63 days to get that carload of goods from Detroit to the city of Washington under Government management. No wonder that we have a shortage of cars.

Mr. SABATH. Mr. Chairman, will the gentleman yield? That was before Government management.

Mr. FORDNEY. No, sir; we now have Government control, since December 28 last. The very day the Government took over the railroads that carload of goods was shipped from the city of Detroit, 700 miles away, and it took 63 days to get that carload of goods to Washington.

Mr. SABATH. I suppose the gentleman thinks that the Secretary of the Treasury or the Director ought to have been on that train and ordered the goods shipped down here.

Mr. FORDNEY. Let me call your attention to the situation to-day. There are some things about this bill that I do not like, but I am going to support it because it is going to give relief to the financial institutions of the country. It is absolutely necessary, gentlemen, to pass it in order to avoid a money panic. All the outstanding money in the country is redeemable in gold under existing law. Silver is redeemable in gold.

Mr. DILLON. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Later I will yield. Silver certificates are redeemable in silver and gold certificates are redeemable in gold. There are gold certificates outstanding at present to the extent of $1,235,000,000. Six months ago we had over $1,800,000,000 of gold certificates outstanding. Back of every gold certificate outstanding to-day there is 100 cents of gold coin or gold bullion in the United States Treasury to redeem it when it comes back. Those gold certificates are now being called in and Federal reserve bank notes are issued in their place, back of which there is but 40 cents of gold coin or gold bullion. In other words, we are issuing $2.50 of Federal reserve notes against $1 of gold. This is inflation.

In addition there are $1,875,000 of United States notes, $346,381,000 Treasury; and Federal reserve notes, of $1,505,000; of Federal reserve bank notes, $11,898,000; and $719,000,000 of national-bank notes; or a total paper money outstanding and silver combined of $4,358,000,000, with $2,400,000,000 of gold to redeem it with. This is inflation.

We are going to keep on issuing more Federal reserve bank notes until all the gold certificates of the country have been called in and destroyed and Federal reserve bank notes issued in their place—that is, $2.50 for $1, or about $5,000,000,000 of Federal reserve notes outstanding as against a little less than $2,000,000,000 of gold certificates heretofore. But we have to have the money, and I have no criticism to offer. I only call your attention to the importance of these things.

We are going far afield in legislation, gentlemen. I have voted for everything that the administration has asked for, in the way of power or appropriations or bond issues, to help carry on this war. I am going to vote for everything, in my judgment, that the administration needs. I have entirely forgotten politics in this House while this war lasts.

But the administration is asking at the present time for more power than it ought to ask for, and one that I am unalterably opposed to and am going to express myself right here, and I want you to think about it: There was introduced in the Senate the so-called Chamberlain bill, which, if enacted into law as it was introduced, would give the President of the United States the power to take over all the sawmills, all the lumber camps, the entire production of lumber, and all the timber of the United States, and to direct management.

Now, anything under the blue sky could be directed under the language of that bill by the President of the United States. Gentlemen, that bill was introduced upon the theory that the sawmills of the South are declining and have refused to furnish to this Government timber with which to build ships. That is a mistake. The man that conceived that idea was uninformed. I know better. I have examined timber in nearly every State in the South, and I am a manufacturer of lumber in the State of Mississippi, where as fine long-leaf timber and as large grows as grows anywhere under God's sun.

The Government has asked for large sticks of timber, say, 24 by 24 inches square, and from 30 feet long up to any length that can be obtained, chiefly 40-foot lengths. I want to tell you, my friends, that to saw a stick of timber 24 by 24 inches square and 40 feet long in a sawmill means that you must have a stick of timber absolutely straight, absolutely round, and absolutely perfect, about 38 inches in diameter at the top end. I venture to say there is scarcely a tree of long-leaf pine standing in any Southern State that will make a stick of timber 24 by 24 inches square and 40 feet long with a proud edge or an absolutely square edge. I say it takes a stick 38 inches at the top end to make a stick of that kind, and the shipbuilding corporations were so notified when they went out onto the market last year and asked for that size of timber from the mills of the South to build ships. They were told, "Go to the Pacific coast, where you can get your large dimensions, and the mills of the South will furnish you to their fullest capacity and limit all the timber that can be made out of the standing timber in the South." They declined to do that and said they could not mix Douglas fir from the Pacific coast with long-leaf timber from the South.

Finally they have discovered that they can mix them and that they will properly mix, because the tensile strength of a stick of timber cut from Douglas fir and of a stick of timber cut from long-leaf pine of the South is practically the same. I saw a test made at the World's Fair at Chicago, and the pressure before the timber gave way was 282 points on Douglas fir as against 285 points for long-leaf pine—practically the same. At last the corporation obtaining timber for shipbuilding in the South have found they can not secure these large timbers from the South, and have gone to the Pacific coast, as lumbermen advised them to do last May. But they come back now and say they are obliged to go to the Pacific coast, because the lumbermen of the South are disloyal and will not cut timber for them for shipbuilding. That is not true. Any man who makes that statement is not well posted. [Applause.] I am opposed to that bill. There are 48,000 sawmills in the United States, employing, in round numbers, 900,000 men. Those 48,000 sawmills have 48,000 skilled, experienced superintendents running them. No man in the White House or any other house in the city of Washington can sit in a cushioned chair behind a mahogany desk and direct the management of 48,000 sawmills scattered all over this country as efficiently as can 48,000 superintendents right on the ground and knowing their business. [Applause.]

Mr. JOHNSON of Washington. Is there any real difference between apparently running them from headquarters in Washington and sending men into the lumber districts who fix a 10-hour day on an 8-hour basis and regulate the entire pay roll, commencing with $100 a month for second cooks, thereby establishing that scale?

Mr. FORDNEY. Let me say to the gentleman that about three months ago, when there was a strike in the sawmills and lumber camps of the Pacific coast in Oregon and in Washington, a man came there from California and called the lumbermen together and advised them what to do. The mills were closed down for three months. The I. W. W. would not let them run. They were destroying property, burning timber, blowing up dams, burning the landings where logs were landed, smashing machinery in the woods, doing every vicious thing that a wicked mind could think of——

Mr. JOHNSON of Washington. Putting emery into the oil.

Mr. FORDNEY. Yes; and putting camphor into the gasoline that ran the little motor engines to supply water to the donkey engines in the woods. Camphor spoils the gasoline. Gasoline with camphor in it will not run an engine. They put emery dust in the cylinders and in the grease boxes to destroy the machinery. They took sledges in the night and smashed the gearing, the drive wheels, which threw the machines out of commission for three or four weeks. While this was going on, that man came up there from California and claimed to be a representative of the

Government sent there by the President. He advised that the lumbermen accept all the conditions demanded by the I. W. W., saying that if they did so everything would run smoothly. I was not present, but I know some gentlemen who were.

One gentleman from California, a lumberman, operating there and in the State of Oregon, said to him, "You were a professor in a certain college down in southern California at one time, were you not?" "Yes." "You were kicked out because you were teaching socialistic ideas. Let me say to you, go back to California and tell your people that we have enough socialism and anarchy here without you, and tell Woodrow Wilson that we are going to run our institutions without advice from any anarchists from southern California." [Applause.] That is the kind of aid that the administration at that time gave to the institutions that were struggling with rampant anarchy on the Pacific coast in every industry. This bill that I am talking about is now before the Senate. I appeared before the Senate committee the other day and opposed that bill, and I believe it is going to be amended so that the President may commandeer timber, may commandeer lumber all he wants, but he will have to keep his hands off the throttle in the management of these mills. I believe that bill will pass the Senate in some such modified form, and when it comes here I want you to give it very careful consideration.

Gentlemen, I am going to close. I have talked much longer than I intended to. I am in favor of this pending bill, because I know that this $500,000,000, and this $2,000,000,000-bond authorization, will put enough more money in circulation in this country to aid the institutions that must have financial aid or else stop their operations or go into the hands of receivers. We have thrown safeguards around this bill in every particular. It would take me too long to explain all those things, but I am willing to answer any questions I am able to answer, asked by any man, whether opposed to the bill or in favor of the bill. I am going to support the bill. I want the men who are appointed to handle this money and place these loans to be men of the highest character, and I believe they will do their duty and make these loans where they are most needed, and that they will safeguard the interests of Uncle Sam and not loan money where it should not be loaned. It is not to be expected that they can loan it all perfectly and get it all back. That is beyond human ability in my opinion, because there is not a bank in this country, no matter how carefully and well managed, with the best talent there is in the land, which does not make some loans that fail. If this corporation makes loans on which they may never get back 100 cents for 100 cents I will not criticize them if they are as judicial in their loans as the average great banks of the country. Gentlemen, I thank you. [Applause.]

I yield to the gentleman from Ohio [Mr. LONGWORTH] one hour.

Mr. LONGWORTH. Mr. Chairman and gentlemen of the House, you listened this morning to a very able, exhaustive, and clear explanation of the details of this bill from the chairman of the committee, the gentleman from North Carolina [Mr. KITCHIN]. I shall not attempt to take up those details. All that I could say would be a mere repetition of what he said. Neither shall I discuss the question as to whether or not the particular object of this bill is to benefit the railroads of the country, as alleged by the gentleman from Michigan [Mr. FORDNEY]. While I believe that something of that sort is intended, and while something of that sort should be done, it occurs to me that inasmuch as we have limited the amount that can be directly loaned to any railroad or other corporation to one-sixth of the entire amount of the capital and bonds to be issued that loaning to railroads is more or less a negligible part of this bill.

Mr. MADDEN. If the gentleman will yield, is it not limited to 10 per cent of the capital?

Mr. LONGWORTH. To 16 per cent of the capital and the amount of bonds authorized to be issued on that capital.

What I desire at the outset to discuss in some detail is the original bill submitted to us and the effect that the passage of that bill might have had upon the country.

The fashion has been growing of late, particularly when bills of major importance are before us, that the sponsors of these bills on the floor of this House rest their main grounds for defense of their provisions upon the proposition that they were drafted in some executive department. Members of committees reporting these bills advocate and recommend them not because they reflect their views but because they reflect the views of some one else. Since I have been a Member of this House I have never seen such a flagrant illustration of this sort of legislation as in the case of the railroad bill passed last week. Time and time again the chairman of the Committee on Interstate Commerce and other members resisted amendments to certain sections of the bill on the sole ground that they were drafted elsewhere than in the committee room—in the office of the Director of Railroads, perhaps, or in the office of the Interstate Commerce Commission, or in the offices of certain railroad attorneys who were presumed to know exactly what the railroads wanted—and hence we were described as meddlers when we sought to disturb the work of any of these gentlemen by so much as the dotting of an "i" or the crossing of a "t."

Things have come to a pretty pass, gentlemen, if legislation in this House, in this Congress, is to be simply a matter of Executive order, if committees of this House are to be mere legislative machines for registering the will of the Executive. For one, I believe the time has come to definitely impress upon the Executive and upon the country that we propose to do some thinking for ourselves. [Applause.] That we propose to scrutinize rigidly the legislative proposals sent to us from the other end of the Avenue, and to enact them with such additions, subtractions, and alterations as seem best to us, acting in the capacity imposed upon us by the Constitution of the United States. [Applause.] In short, that we propose to conduct ourselves as legislative representatives of the American people and not merely as amanuenses of those holding executive office. [Applause.]

The Committee on Ways and Means, in recommending this bill, do so not upon the plea that some one else made it for us, but because we made it for you. [Applause.] It is true, of course, that we present this bill in response to the request from the Treasury Department for the creation of the financial machinery thought necessary, and as we have concluded, after full discussion and hearing absolutely essential to the proper financing of the war. But we have built the legislative framework of that machinery ourselves, we have hung a respectably sized monkey wrench on the safety valve and we have changed engineers. [Laughter.]

Probably few of you realize—the gentleman from North Carolina indicated it to you this morning—but probably few of you realize, who did not study it closely, the absolute revolutionary character of this bill as originally presented to us. It gave to William G. McAdoo, Secretary of the Treasury, Director of the Railways of the United States, chairman of the Federal Reserve Board, and holder of several other vastly important offices, in addition to the powers he already possesses, the power to advance or withhold from the banking institutions and the industrial corporations of this country credits to the extent of $4,500,000,000.

I say that these powers were entrusted to William G. McAdoo, for while I concede there was to be associated with him a board of four other gentlemen, yet inasmuch as he had the power to appoint them, to dismiss them at will, with the veto absolutely over anything they might do, they would have been about as pitiful a collection of dummies as it is possible to conceive. Furthermore, the bill gave to him a power perhaps even more vast and far-reaching, that of licensing or refusing to license the issue of securities in any amount over $100,000 by any person, firm, or corporation in the United States. Even that was not all. As if the powers specifically granted in the act were not enough to make him the undisputed master of American industry and finance, tucked away rather inconspicuously in the body of the bill there appeared this provision, entirely unexampled in the legislative history of this country, and I commend it to the attention of the constitutional lawyers of the House:

Provided, That the powers specifically enumerated herein shall be deemed in addition to and not in limitation of any implied powers granted in this act.

Where would have been the limit to the powers that Mr. McAdoo could have exercised under such a provision as that? Do you realize what it would mean to concentrate such powers in the hands of one man? Take the first of them only, that of the extension or the refusal to extend credit to the amount of $4,500,000,000. It is difficult for gentlemen, even those who have been dealing in these vast amounts in the last few months, to realize what a credit $4,500,000,000 means. Let me give you a very few illustrations of the vastness of this sum. Possibly you are familiar with some of them. It would be equivalent to an expenditure at the rate of nearly $4.50 a minute for every minute that has elapsed up to to-day since the birth of Christ. It would be four and one-half times as much as it ever cost this Government to live in any year hitherto. It would be about equivalent—and I shall ask my colleague from Nebraska [Mr. SLOAN] to correct me if I am wrong, because I heard him cite these figures—to the combined national and State debt, together with the debts of every county, city, village, and township in the United States before the war. That is substantially correct, is it not?

Mr. SLOAN. Add together the national debt and all State, county, and municipal debts.

Mr. LONGWORTH. It would have financed three times over the Boer War in Africa. It would have financed three times over the total cost of the Crimean War. It would have financed twice over the total cost of the Russo-Japanese War. It would have come within 30 per cent of financing the entire cost of all the Napoleonic wars, which lasted more than 22 years. It would have come within 40 per cent of financing the entire cost of the Civil War. And it was proposed to grant to one man, at his own request, the power to manipulate this huge sum as he pleased. In addition to this, it was proposed to give him the power to grant or withhold from any firm or corporation the right to borrow money to the extent of more than $100,000. Pause, gentlemen, and reflect for a moment upon what that would mean. You will all remember the investigation authorized by this Congress some years ago of the so-called Money Trust, during which the fact was developed, or it was alleged to have been developed, through cross-examinations of Mr. J. Pierpont Morgan, of Mr. Baker, president of the First National Bank of New York, and some other master financiers, that there existed a coterie of men in this country, consisting of themselves and 9 or 10 other individuals and institutions, without whose consent it would be difficult, if not practically impossible, for any corporation in the United States to issue securities to the extent of $10,000,000. Gentlemen on this floor orated themselves black in the face about the danger of the concentration of such powers within the hands of a small number of individuals. What will you say to concentrating a power vastly greater in the hands of one ambitious man? These two powers—that of controlling credit and that of controlling the issue of securities—would have made of Mr. McAdoo the arbiter of the business and the finance of America. No war lord in history, no Czar or Kaiser, ever had such power as this. He would have been in position to make or break men, to make or break corporations. He could build up or destroy communities. His smile could have made a State blossom as a rose; his frown could have made of it an industrial wilderness.

The mere transmittal to Congress of such a bill is illustrative of the danger every day growing in menace to the institutions bequeathed us by our fathers. I mean the continuous reaching out by the Executive for more and more power. It is a danger not lightly to be passed over. It demands the prayerful consideration of thoughtful legislators. On about the same day this bill made its appearance in this House, and you will all remember that my genial friend from North Carolina [Mr. KITCHIN] was not very enthusiastic about it at the time, a bill known as the Overman bill made its appearance in the Senate, also prepared at the other end of the Avenue, designed to turn over to the President the power to remodel our system of government in any way he saw fit. I do not think it is an exaggeration to say that if these two bills had passed in the form in which it was hoped and intended they should pass, the Congress of the United States might just as well have abdicated. Possibly we might, as a matter of form, have been called together once a year to vote appropriations of forty or fifty billion of dollars to the Executive, but beyond that we would not have had any excuse for existence. If it were contemplated to found a dynasty in this country, no more effective steps could have been taken to that end than by the passage of these two bills as originally drawn. No one contends that the Executive should not have extraordinary powers in time of war. No loyal man in Congress will refuse to grant to the President or to his subordinates, within or without the family circle, all the money necessary to the prosecution of the war to the limit, but thoughtful men must realize that second only to defeat is the danger that when this war is over it may be found difficult, if not impossible, to restore the Government to its ordinary status in time of peace, with all of its checks and balances in full force and effect necessary to the Government of a free people.

Congress owes it to itself, we owe it to the people who sent us here, to see to it that our grant to the Executive of money and power, while generous even to the point of bringing Executive domination during the war, must not be permitted to lead to Executive usurpation after the war. [Applause.]

The Committee on Ways and Means has been fully alive to the grave dangers of this bill, as I hope the committee which will have charge of the Overman bill will be alive to its dangers. We have consulted together, as the chairman said this morning, for days and days; we have considered this bill section by section, line by line, and word by word. We have hacked it and pruned it and remodeled it, until now all of us feel that while we have given to the Treasury Department and to the Secretary all the machinery necessary to the proper financing of the war, the features dangerous to the perpetuation of American institutions have been eliminated. [Applause.]

I will not undertake to discuss the present bill, except as to four or five cardinal points. In the first place, we have provided for two committees instead of one, and have divided their responsibilities. We have taken from the Secretary of the Treasury the power to appoint either of those committees. We have limited the amount that can be advanced. We have taken away the absolute power to license or refuse to license the selling of securities and, except in a case where it may be necessary for the development of a fixed line of policy, we have taken away the veto power from the Secretary of the Treasury. Now, all of this, gentlemen, has been accomplished without a word of politics, without a suggestion of partisanship, without a division based in any instance upon party lines. This complete absence of partisanship, and that has been characteristic of the deliberations of the Ways and Means Committee since a state of war was declared, is particularly noteworthy, because it is the first time in this country that the Ways and Means Committee has not divided on partisan lines.

Scarcely ever before has any measure of major importance come from that committee except where a partisan division has taken place. Indeed, most of the great finance and revenue bills have for years been framed by the majority without consultation even with the minority. Take the Payne bill, for instance. When we framed it not a Democrat was permitted anywhere near the committee room, and the Democratic Party returned the compliment in not permitting us access to the committee room when the Underwood bill was being framed. But in this emergency, from the beginning until now, and the chairman will bear me out, there has not been in subcommittee or in full committee one single division based on party lines. [Applause.] Republicans have voted not as Republicans; Democrats have voted not as Democrats; they have voted only as Americans. [Applause.] That same forgetfulness of partisanship has been characteristic of the actions and deliberations of this House upon all war measures.

Let me recall to you the eloquent valedictory of our honored Speaker on the closing day of the last session, when he said:

> I think every Member of this House has contributed all that was in him to the support of the Government of the United States in this great emergency. So far as I have been able to observe, and I have observed very closely, partisan politics have been temporarily banished from this House. I think every man has given the utmost patriotism to the service here.

And over in the Senate the distinguished Senator from Mississippi, formerly the leader of his party in this House, and perhaps the leading spokesman to-day of the administration, said this:

> Are we not all trying to do our very best? Is there a Senator on either side of the Chamber who is not behind the American people in this war, except a few fool pacifists that have now pretty nearly passed out of political existence?

But since the question of this fact has been raised on this floor and elsewhere, I intend to very briefly recapitulate the legislative action of the Republican Party upon all war measures passed at this and the last session of Congress. Summed up in a sentence, gentlemen, since the day war was declared, and even before that, when it had to do with any question of preparedness for the national defense, the Republican Party, whenever called upon in the interest of the efficient prosecution of the war, has stood behind the President of the United States with practical unanimity. [Applause.]

Furthermore, its support of the administration's war program has in every case been at least as effective, and in some cases it has furnished a larger proportion of supporters than the President's own party. There was one measure, for instance, which for far-reaching importance stands out above all others enacted in the last session of Congress, the measure asked for and urged by the President as absolutely essential to our effective participation in the war; I mean the selective-draft law. Had it not been for the fact that the Republican Party gave to the President in that crisis even more effective support than did his own party, that measure might never have been enacted into law, and our position to-day, in all probability, would have been little less than a national humiliation. The committee in charge of the bill could not muster the votes necessary among the majority to report it to the House, and when a leader was sought to pilot it through the President could find no member of his party willing to assume charge, and he was forced to apply to a member of the Republican Party, the Hon. JULIUS KAHN, of California [applause], to direct the passage of the bill through the House. How well he led it is illustrated by the fact that while at the outset, as you will remember, it was freely predicted that the selective-draft measure would fail, yet on its final passage it received 313 votes for and 109 against it. Of the affirmative votes, Republicans contributed 169 and Democrats 144. To the opposition Republicans furnished 42 votes and Democrats 67, so that the plurality of Republican votes for the selective-draft act was 127 and of Democrats but 77. In other words, 25 more Republicans than Demo-

crats voted to support the President and 23 more Democrats than Republicans joined the opposition to the President.

I have given these figures not in criticism of gentlemen, Democrats or Republicans, for voting against the selective draft, but in answer only to the charge or the suggestion that Republicans have not at all times supported the President of the United States in the efficient prosecution of the war. The fact is that in every measure recommended by this administration for the arming of the Nation and for the filling of its Treasury we have given to the President more effective support than has his own party, and that had he been compelled to rely upon his party only, if we had assumed an attitude of opposition, this Government would be to-day without the means and the men necessary to make our participation in the war anything more than a farce.

From the beginning we have scrupulously avoided seeking any partisan advantage. We have sought to keep politics out of any discussion, and we have succeeded in so far as we have been concerned, but not, unfortunately, in so far as some members of the opposite party have been concerned.

Were it not for the fact that our actions and motives have been called in question on the floors of both Houses of Congress and elsewhere I would not have alluded to the matter that I am going to speak of now, and I do so not with any intent to criticize the majority or of any Member of it, but only in justice to this side of the House. Since we entered the war, gentlemen, nine Members of this House have voluntarily left Congress. Of these, five were Democrats and four Republicans. The resignations of the five Democratic Members were avowedly for one purpose, and one purpose only, and that was for the betterment of their financial condition.

Mr. Adamson is now drawing a salary much larger than he received here, in a life position. Mr. Fitzgerald is, we are all delighted to hear, now enjoying a most lucrative law practice. Messrs. Bruckner, Griffin, and Hulbert are holding extremely profitable offices under the Tammany administration of the city of New York. For this assuredly I do not blame them. They thought it advisable and necessary to make adequate financial provision for the future, and from that point of view they are entirely right. There has not been in my time in Congress a man who has so well, by his distinguished services to his country, earned an assured financial independence that he could never have attained here as has our old friend Fitzgerald. [Applause.]

The reasons for the withdrawal of these gentlemen from Congress were highly laudable, but it can hardly be said that in their present sphere of action they are contributing in any great degree to the winning of the war.

Upon this side four men have left Congress. Theirs was a different purpose, but will you say that it was one less laudable? All four of them left to enter the military service of the United States. They were Gardner, LAGUARDIA, HEINTZ, and JOHNSON of South Dakota. [Applause.] LAGUARDIA is now abroad. HEINTZ is in camp at Montgomery, Ala., hoping soon to go to France. JOHNSON is a private soldier in a near-by encampment. Gardner has "gone west." A colonel, he was demoted to the rank of major at his own request, hoping thereby to get sooner to the trenches. He died a victim to his ambition to render fighting service to this country. [Applause.]

The experience of those who are left has, from a financial standpoint, been obviously unfortunate. Take the situation of my colleague, Capt. HEINTZ, for instance, and I speak with knowledge of the situation. None too abundantly gifted with the world's goods, his law practice has gone to pieces. He draws no salary either from the legislative or military branch of the Government. Although his name is carried on the roll of this House, although he would have the right to vote if he were here to-day, although his office is maintained in the House Office Building, and the routine business of his district is being transacted, he is not permitted to draw one cent of his salary for clerk hire. Comparisons are always odious, but on the facts as I have stated them, and as you know them, do you not think that we are justified in resenting the accusation that Republicans in this House have at any time put politics above patriotism?

Mr. POU. Nobody has made it.

Mr. LONGWORTH. On the contrary it has been made, and I am about to come to just that point. A Member of another body not long ago made a speech, filled with abuse of the Republican Party and of some of its leaders, and I had hoped that that sort of thing would have stopped there. But more recently unfortunately a Member of this House brought in politics for the first time since the war began, and since the time he did so he has been elevated to the position of leader of the campaign for the reelection of gentlemen upon that side of the aisle. About two or three weeks ago the gentleman from Oklahoma [Mr. FERRIS] had published in the RECORD—and you all heard the debate about it—with his announced approval of its sentiments, an editorial written by one Martin H. Glynn, sometime governor of the State of New York, and more recently the chairman of the last Democratic national convention—permanent or temporary, I have forgotten which. Since that time I have seen this editorial published as a paid advertisement in a Washington newspaper, coming from what source I do not know. This editorial is compounded in about equal proportions of venom and falsehood, and it would not be worthy of notice, except for the statement that the criticism of some of the war policies of this administration made by various persons in the last few months is, and I quote, "A well-laid plan, nicely trained and strategically timed. Its purpose, no matter how secretive its sponsors, how insinuating its methods, how seductive its arguments, is to give the Republican Party a majority in the next House of Representatives and pave the way for a Republican President in 1920."

The gentleman from North Carolina [Mr. POU] must admit that that is a criticism of our patriotism here, as Members of this body.

Mr. POU. Mr. Chairman, when I inadvertently stated a while ago that nobody had made the charge I meant that so far as I recollected no gentleman on this side of the Chamber has impugned the patriotism of any other gentleman on that side, and I think I am safe in saying that is so. I was not speaking of any quotation from any outsider.

Mr. LONGWORTH. Ah, but that is not a quotation from an outsider; it was brought in by a responsible leader on that side, with the definite statement that he approved and indorsed it.

Mr. MADDEN. And reintroduced when his attention was called to it.

Mr. LONGWORTH. Reintroduced; and he had it read here in his time, taking 20 minutes to have it read, so as to more fully impress it upon the Members of the House and upon the galleries.

Mr. MOORE of Pennsylvania. And he admitted that it was partisan.

Mr. LONGWORTH. He admitted that it was partisan, and that he himself indorsed it, and since that time he has been made chairman of your campaign committee. I acquit every one whom I see before me of any such statement as that. I am only pointing out that we on this side have the right to resent the introduction here by a leading man on that side of that sort of stuff.

Now, in the first place, the crass silliness of such a proposition is evident from the fact that the most vigorous criticism of the war policy of this administration has come, not from Republicans at all, but from rock-ribbed militant Democrats like Senator CHAMBERLAIN and Senator HITCHCOCK, Henry Watterson and Desha Breckinridge, who demand the instant removal of Secretary Baker, all of whom have been more outspoken in their criticisms than any member of my party. Do you suppose that any of these men are animated by a desire to elect a Republican House of Representatives? Why, it would be easier for a camel to traverse the eye of a needle than for any Republican to get the vote of any one of them for any office. I make the positive assertion that any criticism of the war policy of this administration, so far as my party is concerned, any suggestion of weakness or inefficiency in the conduct of the war voiced by any one of us from the beginning until now, has been made with one object, and one object only, the speeding up of the war. [Applause.]

There is only one issue in America to-day, my friends. It is the winning of the war and the winning of it speedily. To it all selfish considerations, all questions of partisan advantage, must bow. You of the majority party have control of the fighting machinery and the purse strings of the Nation. How can we of the minority best help you to make the men, the arms, and the money count. That is the only thing that concerns us. Can we best help by blindly following your leaders in every case, or can we best help by backing you to the limit when you are going in the right direction, but offering advice, suggestion, and criticism when you are going in the wrong direction or in no direction at all? That is the only problem we have, and I think there is but one answer. I hold that it is not only the privilege but the patriotic duty of Republicans in this hour, while backing the administration vigorously when it is right, to criticize it fearlessly when it is wrong. [Applause.] May I not, gentlemen, on this point quote from an article written by one of the best known men in America, probably one of the two or three leading Democrats in this Nation outside of public office? Mr. Henry Watterson, "Marse Henry," the veteran editor of the Courier-Journal, wrote an article which appeared in the Washington Post the other day. I will only quote very

briefly from it. In speaking of what he called the "helter-skelter, ragtime press," meaning those papers which act as he describes them as "special pleaders for presidential policies," he said:

Here is a typical expression of the newspapers which having no opinions would deny them to all others. I find it in the Tennessean, of Nashville, and it reads as follows:

"Moses led the children of Israel 40 years in the wilderness because the Israelites had faith in Moses. When that faith waned for a moment Moses lost control of the Israelites. When faith was restored the people followed their leader. When their faith waned, calamity befell them. When they believed their leader, God smiled upon them, and they were cared for in that their every wish was granted. So must the American people place their faith in the Moses who is leading them out of the wilderness. Believe that Woodrow Wilson is our leader and that he knows the road to the promised land. Follow him with the faith of a child. Do his bidding in all things, and ours will be the victory."

Of these sentiments Col. Watterson said:

This is something worse than hero worship. It is fetish worship. After it servility could go no further. Fatuous, blind folly could offer no counsel more unpatriotic and unworthy. The writer forgets the free institutions of his country and proposes in lieu of them a cartel to Mexicanize the Government and Diazify the President. Except that the words have many echoes and appear to be a part of a cult organized, engineered, and dominated from Washington, they would not be important.

I do not believe there is a man in either House of Congress who in his heart of hearts will not admit the justice of Col. Watterson's characterization of that kind of flap doodle. If this is one of the many instances that continually crop out of little men trying to curry favor with a great one, then it is a matter of no importance at all; but if it is part of an organized cult to engineer and disseminate news from Washington, then it is a mighty serious thing. If there is here in Washington a publicity organization the purpose of which is to disseminate half truths, to tell only one side of the story, to exaggerate our successes and depreciate our failures, so that the people may be lulled into a false sense of security, then we have a source of real danger to the Republic. This is no time for half truths, my fellow countrymen. This is no time for concealment of the facts. If there ever was a time for pitiless publicity it is now. [Applause.] Whether it helps or hurts parties or individuals or presidential ambitions, the closed season for the truth ought to be declared off. This is not the President's war. It is not the war of the Democratic Party or any other party. It is the war of the American people. [Applause.] We stand by the President not as an individual, not as a party leader, but because he, for the time being, represents the American people. Our loyalty is pledged not a person but to the country and the cause. True patriotism in times like these should be evidenced not in mere empty professions of loyalty but in making that loyalty count in the actual winning of the war. [Applause.] Can that be best done by an attitude of fawning servility to those in the seats of the mighty or by constructive criticism of our shortcomings and suggestions of improvement? That is the question, and there ought to be but one answer. If the President in his magnificent isolation from the common people, an isolation among rulers comparable only to that of the Mikados of ancient Japan, is to be immune from criticism of his acts and the acts of his subordinates, then we must fight this war as no other war in history was ever successfully fought.

Criticism more bitter by far than that ever directed by anyone at this administration has been leveled at the responsible heads of other nations since the beginning of the war. Read the debates in the House of Commons and in the Chamber of Deputies and you will see what has been said here in criticism of this administration in comparison with what is being said there of their Governments is mild as the cooing of a dove. In England the personnel of the cabinet and the heads of the army and the navy have been changed time after time. In France seven ministries have fallen, and yet every change has brought an increased efficiency and power to the arms of the allies. Let us thank God for that. Were England's navy of less overwhelming power; were the armies of England and France on the west front less strong and efficient than they have become as the direct result of the criticism of weakness and inefficiency, it is not pleasant to think of the predicament in which we would find ourselves to-day.

At home criticism has not been partisan. It has come from members of both parties alike. The demand for investigation of certain executive departments has not been partisan. Upon the whole the result has been most salutary. Many improvements have been made, some grudgingly it is true, but all contributory to our fighting efficiency and strength. It has brought about the abolition of a good deal of red tape; it has done something toward a better coordination of overlapping powers, and it has in several instances resulted in the removal of incompetents and a substitution of strong and efficient men. These things have not come merely through the process of evolution. They are the direct result of criticism of weakness and inefficiency, and in their revealment through congressional investigation brought about, in most cases, by our insistence for light.

Will anybody say that we have been less patriotic than he who says, "I blind my eyes; I stop my ears; I have no opinions; I am abject; let Moses do it"? [Laughter.] In all that I have said, all that I shall say, I utter not a word of criticism of the general course of the Democratic Party in this House. I would be criticizing myself if I did, because your course on all war measures has been my course. I do not intend to offer any criticism to-day of the executive branch of the Government as administered by your party, but I insist that I not only have a right but that it is my duty as an American citizen to offer such criticism if it is intended or calculated to speed up the winning of the war. [Applause.]

I might most respectfully suggest, as my party has suggested, that much of the inefficiency and failure of the War Department to produce definite results is due to its various boards and committees, some with more and some with less authority, with conflicting power and jurisdiction and consequent chaos of administration, and that efficiency and order could best be had by the creation of a department of munitions and the coordination of all these overlapping functions under one head.

I have yet to hear a valid argument against it. Every argument for governmental inefficiency, conscious and unconscious, is in its favor. I doubt if you could sum up better in one sentence a more conclusive argument in favor of a munitions department than this. I quote:

I have a great respect for boards and commissions in peace times. I think they are very desirable. In war times I do not know of anything that is less desirable.

Those are not my words, gentlemen, they appear in the hearings on this bill before the Ways and Means Committee. They are the words of Mr. McAdoo, Secretary of the Treasury. They might just as well, they might better have been, the words of Mr. Secretary Baker. But it all depends, even in times like this, whose ox is gored. This administration declines to accept directly our suggestions with regard to the creation of a department of munitions or other reforms in the general conduct of the war. They counter with the suggestion that some of these changes will probably be made if only we will give the President authority to remodel all departments. They are not satisfied with anything less than the Overman bill.

I repeat that this incessant reaching out for legislative functions on the part of the Executive, this inordinate greed of autocratic power, is a menace to the very foundations of our system of Government. We on this side of the aisle do not believe in it, and I am mighty sure that the great majority on that side of the aisle do not believe in it either.

We have played the game square with you since this emergency began, and we mean to keep on playing it square, that this war may end in honor and justice to the United States. [Applause.] You may make it a little harder for us by calling us names and impugning our motives, but you can not prevent us from supporting you to the limit on every measure designed to win the war. We believe that there are men in our party who could help to win if you gave them positions on the regular team instead of keeping them on the side lines. We think you would do better if you played the game the way our allies play it, where the question is not, Whom did you vote for in the last election? but, Are you fit to render service to your country in this time of need? [Applause.] It is not the question of whether a man calls himself a Democrat or a Republican that ought to count to-day.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. LONGWORTH. Mr. Chairman, may I have three minutes more?

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield three minutes more to the gentleman.

Mr. LONGWORTH. It is not whether a man calls himself a Republican or a Democrat that ought to count, it is whether he is true blue American from his hide to the marrow of his bones. The true test of loyalty in these days lies not in mere empty protestations of devotion to the administration. It depends on whether with his body or his brains he is contributing something to the cause. Let us on both sides of this Chamber stand together on every measure which will help to win the war. Let us not play politics, let us not accuse each other of playing politics. It is a matter of mighty little importance whether the Democratic Party or the Republican Party shall control the next House of Representatives, except only in so far as that control

may help or hinder the speedy winning of the war. [Applause.] If the next House shall be Republican, it will not be because we have played politics. It will be because the American people believe that the Republican Party is of all parties the best fitted to legislate to bring about efficiency, speed, and power in the conduct of the war and in the solution of the tremendous problems that lie before us in the period of reconstruction.

Just one more word, and I am through. These are days when the wisdom and truth of the saying of a great American statesman are especially apparent: "He serves his party best who serves his country best." [Prolonged applause.]

Mr. RAINEY. Mr. Chairman, I yield to the gentleman from Tennessee [Mr. HULL] such time as he may desire.

Mr. HULL of Tennessee. Mr. Chairman, the speech of my distinguished friend from Ohio [Mr. LONGWORTH] is but another evidence of the entire absence of partisanship in this House during the present war(?). I say that, provided you accept certain statements made by the gentleman protesting any disposition to inject politics into the affairs of Congress at this time. My view has been that each individual and each political party during periods of war should be permitted to raise political questions whenever he or they may see fit. They lose rather than gain by it. The country will judge individuals and parties and appraise their services by what they do in support of the war rather than by what they say of a political character while the war is pending. For my part, I have no disposition—I am really unable to warm up to any kind of a political speech during this serious and critical stage through which our country is passing. I feel, therefore, somewhat of a sympathy for any gentleman who can either get up and undertake to inject politics into our affairs—that is, for politics' sake—or who can find enthusiasm with which to applaud such utterances. This is especially true, Mr. Chairman, while we have under consideration one of the most important bills, one of the most far-reaching war measures that has been before Congress during the present war.

I had hoped that my distinguished friend from Ohio [Mr. LONGWORTH] would give the House the benefit of some of the splendid financial wisdom and the large storehouse of economic information which I know he possesses, and I remained on the floor very intensely listening, expecting to have the benefit of that kind of an address. I know that not only myself but the House was disappointed when we failed to hear the views of the gentleman with respect to the many extremely important provisions in this bill.

Mr. Chairman, the problems with which this bill deals are closely related to and intimately associated with the great general problem of financing the war. The Government must provide in the soundest and most practical way for its daily cost. At the outset I desire to call attention to two important facts which relate to this bill. One is the general agreement among financiers and business men that the relief which this measure contemplates is both urgent and necessary. The other is that those who have withheld whole-hearted approval of the bill have failed to offer an adequate substitute remedy. The conditions which urgently call for financial relief by this or some similar special method are not common to this country alone. Similar emergency conditions have arisen and been dealt with under different plans in each of the important commercial countries at war.

It therefore becomes imperative, Mr. Chairman, that a new and additional method—an unusual kind of Government cooperation—should be devised to meet new and extraordinary conditions in this country resulting from the war. We should no more consider this method of rendering financial aid in time of peace, however, than we should refuse to consider it or some similar plan to meet unavoidable business necessities in time of war. There is no plainer proposition than that the financial resources of the country must be conserved and mobilized to the end that the entire financial power of the Nation shall be centralized behind the war. This embraces the conservation and mobilization of labor and all kinds of supplies, as well as money and credit. These are only secondary to the mobilization of the Army. Money is only the agency for securing these necessary supplies, both by paying labor to produce them and paying for them after they are produced. It is of interest to note that in all important countries at war both money and credit have been placed practically at the disposal of the Government. A similar course is imperative in this country in the interest of the prompt, vigorous, and comprehensive prosecution of the war. The effect of this preemption of money and credit by the Government will naturally be to deprive even that portion of our financial and industrial concerns whose continued and successful operation is likewise necessary for the conduct of the war, or is in the national interest, of a substantial amount of financial aid which they must have. Who, then, can and should see that they get necessary relief?

Mr. Chairman, it is well known that in time of war the activities and demands of businesses which contribute to its prosecution are greatly increased. The practical doubling of prices of commodities correspondingly increases their financial requirements. During normal times we have always done an immense credit business in this country. Business, however, has been able thus far to supply its financial needs from the public and from existing banking channels.

The Federal reserve banks, the national banks, the State banks, private banks, and the trust companies, together with the public, have at all times been ready and able to furnish ample credit for all business needs. The supply of money and credit heretofore available for investment, however, has now been channeled to a measurable extent—and must be more so as the war continues—toward the United States Treasury, through the agency of either taxes or bonds. While the banks will naturally undertake to assist their regular customers as heretofore, and the Federal Reserve System will in turn endeavor to accommodate the banks in these undertakings, it is entirely apparent that increased business activities will require additional credit not now available, and furthermore it is evident that even this character and amount of regular banking aid will not be sufficiently available to certain businesses and classes of business, the continued operation of which is essential, directly or indirectly, to the successful prosecution of the war—indirectly, or in the national interest. in the case of savings banks, for example, and directly in the case of war industrial concerns. Under existing law many of these businesses are denied financial aid through our Federal Reserve System, because Federal reserve banks are not allowed to rediscount paper, the proceeds of which have been used, or are to be used, for permanent or fixed investments of any kind, nor can they rediscount paper having a maturity of more than 90 days in most instances.

Mr. Chairman, these business concerns, as a rule, possess the most satisfactory securities for collateral, but the prohibitions just stated oblige them to turn to the public or to the other banks, which latter are now unable to furnish the necessary aid and at the same time retain liquid assets sufficient for their own soundness and stability; hence they must themselves turn to the Government or to some agency created by the Government for relief. Railroads, including all public utilities, individuals needing credit on long-term paper to buy war bonds, war industries which manufacture or produce supplies immediately required for war purposes, banks which have already furnished aid to these classes of business and industry to such an extent that they either require aid in turn or aid to enable them to continue thus to render financial assistance in their respective localities, present a new situation of credit requirement which must be provided for by some additional and unusual method. The situation and attitude of the Government, as I have described, is such that the duty of providing this new and independent source of credit by the best means possible devolves upon it, just as it has fallen on other Governments.

Mr. Chairman, the Treasury worked out the method deemed most desirable and practicable and embodied it in a draft of a bill which was sent to the chairmen of the appropriate committees of the respective Houses of Congress and by them introduced. That bill is now pending in modified form. It has been properly subjected to close scrutiny, both in and out of Congress. Both its plan and its purpose have received more or less criticism, some constructive and some destructive. The chief objection offered has related to inflation and to the possibly injurious effects the operation of the proposed corporation might have on our Federal Reserve System. Some critics appear to underestimate the necessity for the creation of this or a similar temporary and supplemental method of war financing. It is purely supplemental to our existing methods and facilities for supplying money and credit. In reply to the criticisms and objections offered, we do have the satisfaction of knowing that the method proposed by this bill is sounder, better, and more practicable than any similar method adopted for a like purpose by any of the other important countries at war.

It is proposed temporarily to weld, as it were, this method on our present national machinery of finance, with the purpose that it shall cooperate and articulate with existing financial agencies. Let us look at the principal objections offered against it, which are inflation and possible injury to the satisfactory operation of the Federal Reserve System—the fear that Federal reserve banks may become overstocked and "locked up" with so-called "dead securities," and that their notes might fall into disfavor.

As to inflation, it may be said that inflation would also arise if the financial aid necessary should be rendered by our regular

banking agencies. This would be unavoidable in either event. As to fear of injury to the Federal Reserve System by allowing, under certain restrictions, rediscount and note-issue privileges to the bonds of the corporation, it may be said that this fear did not seriously arise when it was proposed to give similar privileges to our nearly $6,000,000,000 of war bonds, nor has such fear seriously arisen since they have been floated. The Federal Reserve System has been so carefully administered that only about $300,000,000 of this total issue has been allowed to come into the Federal reserve banks as collateral for advances for loans. The bonds of the corporation are not to be the direct basis of note issues. But, just as in the case of liberty-bond transactions, member banks could, under this bill, rediscount at Federal reserve banks their 15-day notes secured by short-term bond of the corporation, or the 90-day notes of their customers secured by such bonds. In other words, reserve banks can not buy them and issue notes against them as they would against bonds bearing the circulation privilege. Of course the reserve bank system will safely control the volume of discounts and note issues as they now do. They now have a 67 per cent gold cover for outstanding note issues.

Mr. Chairman, the successful flotation of the bonds of the corporation are virtually as necessary as the flotation of our war bonds, for the reason that the Government would otherwise be obliged to render financial aid, such as this bill proposes, out of the proceeds of war bonds. With the restrictions prescribed by this bill and others which the Federal Reserve Board is authorized to prescribe, I am unable to see any reason for fear that the Federal reserve organization, under its continued careful and safe administration, would suffer material injury from the operation of this corporation. This is especially true when we reflect that the general underlying theory of this bill is that no business or financial concern may invoke the aid of the corporation so long as it may be able to procure such aid from the public or regular banking sources on practicable terms. I am sure the affairs of the corporation will be administered in this spirit.

Mr. Chairman, it is true that the great desire of all banks during the war crisis is to keep their assets as liquid as possible. At each stockholders' meeting in England, France, and other countries the officials have pointed with pride to the manner in which they have during the year past maintained a sufficient level of assets that were liquid. All banks in this country feel the same way. They naturally desire to lend all financial aid possible through the handling of liquid assets, and such additional but limited aid as they may feel justified in offering upon long term and other paper which is good and solvent. The owners of large portions of the billions of long-term paper outstanding in this country are wholly unable, under existing conditions, to secure the necessary amount of credit on it either for the most urgent war business needs or for the purpose of investing in liberty bonds. The new method of finance proposed in this bill is intended, among other things, to give recognition to this class of paper to such an extent as may be deemed feasible and necessary.

The question of inflation of credits interposed against this bill is one of never-ending discussion and difference of opinion. Few people agree on the question as to when legitimate expansion ceases and injurious inflation begins. Still fewer people agree as to each of the causes and effects of inflation. Without stopping to enter into this ceaseless controversy, I may say that it is impossible for any country to finance a war such as the present one without more or less inflation. The evils of this necessary amount of inflation have in the past proven of less consequence and less insurmountable than the still greater evils that would otherwise have resulted. It has been made plain, if it was not already plain when we entered the war, that it could not be financed from taxation alone, which would have prevented inflation, nor from the added help of borrowing to the extent of the amount of savings and money available for investment, which also would have prevented hurtful inflation. It is claimed that legitimate borrowing would require the amount loaned to the Government to be matched by an equal amount of spending power relinquished by the people, and that to go beyond this means inflation. It therefore follows that inflation can be checked or prevented by savings on the part of the people and by restricting nonessential industries.

Mr. Chairman, the emasculation of the capital issues provision in this bill which would restrict nonessential industries is in this connection greatly to be deplored. I think it would be possible to finance the war on taxes and legitimate borrowing if the people could be induced to readjust their habits and industry speedily enough to conform to the great preparations for war which must immediately be made. Our annual savings should amount to $12,000,000,000 or $15,000,000,000. To the extent that our economic conditions are not so adjusted to war requirements the inflation complained of will probably arise in some form.

Credit, not currency, inflation threatens us most. While our stock of money on March 1, 1918, was $1,205,000,000 in excess of the stock on hand March 1, 1917, it must be noted that the increase of money in actual circulation was only $508,000,000. Both the $500,000,000 of gold turned in for Federal reserve notes and the notes themselves are embraced in the figures for 1918. This in a sense is duplication. It is said that to avoid inflation of currency, it can only be issued against gold or commodities; to issue it against nonproductive property, or commodities immediately destroyed or consumed would be inflation of currency. The needs of business and not the needs of the Treasury should always determine the amount of currency issued. While we point to the horrible condition of inflation in Europe as a situation entirely to be avoided at home, the fact should not be overlooked that they have banking credit inflation over there in connection with the purchase of Government bonds, while in this country the banks to-day only own a small percentage of Government long-term war paper, and the national banks only hold $280,000,000 of bonds of foreign Governments. The expansion of bank credit in aid of Government loans rather than bona fide borrowing from individuals is to be avoided to the fullest possible extent. The final question of paramount importance in this connection is, through taxation and legitimate loans, to transfer the spending power of the people to the Government to the extent necessary to meet its war obligations. This policy is very different from that possible one recently described by a leading financier as "a pyramid of credit based upon Government bonds and consisting first of individual credit, second of member-bank credit, and finally of reserve-bank credit, all backed by the taxing power and the power to issue money."

Mr. Chairman, to avoid the condition just described, the Government should encourage and in a measure require, if necessary, the people to contribute directly the maximum amount of their savings in money and production while the war continues. Naturally the demands of business and of the war justify a certain amount of expansion. The credit-lending and note-issuing power of the Federal reserve banks is still more than two billions. This will not be nearly exhausted in any event. Under the doctrine that a dollar of credit extended to member banks may be multiplied by five in the lending power of the member banks we have almost unlimited potential banking credit capacity. The first object, however, should be to avoid exercising it to the extent of inflation. This, as stated, can be effected best by saving and increasing production. Production of war supplies can be increased by curtailing nonessential industries and savings effected by putting a curb on personal expenditures. Such course would set free an immense amount of labor, tonnage, coal, and other materials strictly required for war purposes. The most effective means of curbing individual expenditure is by taxation. Taxation either prevents it or provides revenue for the Treasury. A good purpose is served in either event. Our existing war-tax laws go a considerable distance in restraining individual expenditures, but in view of the financial exigencies of the Government they do not go far enough. The immense amount of unnecessary, not to say entirely useless, private expenditures being made throughout the country is open and notorious. The income and excess-profits tax laws, which accomplish most in this respect, should, during the present session, have their rates readjusted and in some respects tightened up and a tax on sales of luxuries or a stamp tax on the order of that in France and certain other countries should be directly imposed on private expenditures for luxuries and other nonnecessities. A stamp tax on the receipt of money paid for diamonds, pearls, furs, and many other articles of ornament and luxury would be most timely. A special tax on gifts during the war would likewise serve a most useful end in more ways than one. Nothing is more vital than that these powers of useless expenditure should be transferred to the Government to the fullest possible extent to aid in meeting its sore financial needs. To this end the people of Europe are practicing all kinds of self-denial.

Mr. Chairman, after all is said, inflation, whether of currency or credit, tends to higher prices. Mr. Bonar Law, chancellor of the British exchequer, speaking in the House of Commons on January 29, 1918, relative to high prices of commodities, said:

> The inflation of prices is easy to explain. After the war broke out the supply of commodities was diminished. If there be any falling off in spending power—a reduction of wages—that supply would have been counteracted; but that could not happen. Wages were again raised to meet the increased prices, then prices rose once more and wages were again raised to meet the increased cost. The whole goes around indefinitely.

The bill would provide credits to meet real exigencies to the extent of $2,500,000,000, comprising its capital of $500,000,000 paid in by the Government, and bond issues of $2,000,000,000. Should absolute war-emergency demands require a larger amount now or hereafter, its lending power should be increased to a larger amount. In view of the special and emergency credit demands which must be met preferably by a new and supplemental method of finance, and in view of the Government's obligation and necessities in this connection, and in view of the safety and the practicability of the plan which this bill proposes, it is my judgment that it should pass and pass speedily, and that the Government at the same time should adopt every available resource to speed up production in all essential war lines and to compel savings on the part of the people by such effective means as taxation and reasonable restriction of nonessential industrial activities. We are in the midst of what is possibly a lengthy war. Our financial structure is sound. Our financial position is far stronger than that of any other country. The ablest banker in England, Sir Edward Holden, recently said:

I wish to congratulate the Federal Reserve Board and the bankers of America on having succeeded in creating and building up a banking system which surpasses in strength and excellence any other banking system in the world.

[Applause.]

Mr. Chairman, it is a matter of great pride to note that the financial center of the world which was first at Tyre, then at Carthage, then at Rome, then at Venice, then at Amsterdam, then at London, is now in New York. We are the leading banking power of the world, with more than $3,000,000,000 of gold. We have a balance of trade in our favor of more than $3,000,000,000. Our large foreign loans are taken up by purchases from here. We do not have to borrow from abroad. Our purchases from abroad are not large. For three or four years following the war the balance of the world, largely famished and destitute, will be clamoring for each of our innumerable kinds of production. Why should our gold leave us within this period? We have become a great creditor Nation and will continue to be. Business conditions throughout the country are sound. While I would be as far as any person from urging a method of finance inherently unsound as a war measure, or one that would be calculated to injure or cripple our existing financial machinery, I do not overlook the fact that war in its very nature is more or less a test of the strength, the stability, and the staying power of the manhood, the industry, and the finances of the various nations engaged. Unusual exertion of man power, greater and more rapid production of industry, and increased credit facilities, are always required and always forthcoming. If this war is to be an unavoidable test of economic endurance, who is more ready to meet that test than the people of the United States? The financial institutions of European countries at war have successfully borne far heavier burdens than those of peace times or even those contemplated by the exigencies of war. I have confidence in the wise, careful, and sound administrative capacity of those at the head of our various banking institutions, and of those who will be at the head of the proposed corporation, and having that confidence in the proper administration of our banking affairs, I feel justified in the conclusion that the rediscount and note issuing privileges accorded to the bonds of this corporation in this bill would not be abused, but would, at the same time, both add great strength to the paper of this corporation and facilitate its successful operation to a large extent. No abler man has ever directed the affairs of the Treasury than Secretary McAdoo.

The operations of the Treasury and of this corporation should not so conflict as to handicap either. The paper of each, which contains like terms as to interest rates and maturity, should occupy a like position of advantage in the money market. The two should operate so as to reach most conveniently and with least conflict the various types of subscribers with cash available for loans, whether for short or long terms or intermediate periods.

Mr. Chairman, while we should prepare for and proceed upon the theory of a lengthy war, and while we do not in this country contemplate reaching the condition of financial stress under which other countries at war are to-day laboring, still it is a matter of special interest to glance at their financial methods adopted in large measure to meet conditions similar to those which this bill has in view. It will first be seen that the amount of money in the world has increased from $12,500,000,000 in 1912 to $32,500,000,000 at the close of 1917. We also find that the note circulation of the 11 European countries at war, over and above the specie reserve held against them, increased from $1,125,000,000 in 1914 to $13,640,000,000 in 1917. Russia, France, Germany, and Italy have been constantly increasing their uncovered paper circulation in the order named. The increase in the gold stock of the world has not been above normal. This expansion of currency, of course, is in addition to the huge expansion of banking credits.

Russia's methods of war finance have been reduced virtually to a printing-press proposition. Prior to the war the Russian State Bank had the authority to issue $230,000,000 of paper without gold cover. This limit has been enormously raised. Her entire paper money increased from $815,000,000 at the outbreak of the war to about $9,000,000,000 recenty. For some time the Government has been issuing unlimited quantities of paper, fresh from the printing press, and passing it out direct to all creditors in payment of her obligations.

At the outbreak of the war the limit on note circulation of the Bank of France was fixed by law at $2,400,000,000. At the time her outstanding note circulation was $1,436,000,000, whereas it is this year $4,725,000,000, or an increase of more than three and a quarter billions. The limit on its note circulation has been raised six times since 1914. The French Government, through its treasury and the banks, has rendered from time to time such emergency aid as this bill contemplates. The Bank of France at the close of 1917 had granted to the Government $3,000,000,000, had aided by subscriptions to the various Government loans, and had also made advances to many different firms by giving credit on securities offered. The Government cooperates with the bank with respect to these latter transactions and, in a measure, aids it in taking care of any losses incurred. The expansion of banking credit in France has been largely in the form of bank notes, which in the main have been put in government loans. This is true of Germany. In Canada a munitions board, to the extent required, finances all concerns producing war supplies by money procured from the treasury or by discounting British treasury bills and getting legal-tender notes.

Germany adopted a special method of financing not very unlike that proposed by this bill, except the German method is virtually a wide-open one, with no restrictions either on rediscounting by the German National Bank or on the note issues against the paper so rediscounted. On January 7, 1918, the note circulation of Germany aggregated $4,470,000,000, which was covered by $600,000,000 of gold. Germany has not maintained a gold standard since the outbreak of the war. Germany's ratio of gold to note issues was 25.4 per cent in 1914; 29.7 per cent in 1915; 22.4 per cent in 1916; and 14.9 per cent in October, 1917. This ratio has been considerably lowered since that time. The paper currency of Germany of all kinds has been increased from $500,000,000 at the beginning of the war to $4,500,000,000. Because of the fact that some of Germany's methods of financing the war are considered a greater departure from sound finance than those of some other countries, it would perhaps be of interest briefly to outline her method, which corresponds in a way with the plan of the pending bill, but without the restrictions and safeguards of the latter. At the outset Germany decided to finance her war on paper money and bonds. Her plan was to raise all the paper money required through the National Bank of Germany, known as the Reichsbank, but in case this method should prove insufficient she would utilize the loan banks. The Reichsbank makes loans by discounting bills in the main. Its note issues are covered only by bills so discounted and the cash balance. The amount of notes issued must never exceed three times the cash balance. The law thus fixes a limitation on the issue of notes. There is no legal limitation on the creation of credit balances. The bank was also required to meet the remaining two-thirds of note issues with bills of exchange falling due within 90 days. The treasury bill was not considered a bill of exchange for this purpose prior to the war. Soon after the war commenced, however, owing to the very great curtailment of the usual supply of bills of exchange, and finding it necessary that the Government should secure largely increased supplies of notes from the Reichsbank, the law was enacted in August, 1914, which defined treasury bills as coming within the class of bills of exchange to the extent that they could or should be utilized to cover note issues in all cases where there was a maturity within three months. The result was that the Government could issue treasury bills as rapidly and in amounts as great as it found necessary or saw fit, and the Reichsbank issued a corresponding amount of notes on the basis of these bills as they were needed.

Trouble, however, was found in keeping up the requisite amount of the cash balance, because of the limitation it imposed on note issues. This cash balance not only comprised silver and gold but notes of other banks, including also what were called Imperial Treasury notes. In August, 1914, a law was enacted creating another system of note-issue banks, which were known as the Darlehnskassen or loan banks. They were empowered to make loans by issuing notes. This loan-bank system was a

revival of substantially the previous system of 1848 and the system of 1870 in operation during the Franco-Prussian war. The Reichsbank was authorized by law to include the notes of this latter class of loan banks in its cash balance, and also to treat them as gold, with the result that the Reichsbank could issue $3 of its notes for every $1 of Darlehnskassen notes held. It is represented that this loan-bank system which Germany has revived on the three occasions stated was to constitute an agency for making loans, which ought not to be made by the ordinary joint-stock or private banks in Germany. These loans were classified under the name of "dead loans." These Darlehnskassen banks make their loans to all kinds of business concerns, including municipalities, by the issue of Government notes to the extent of from 40 to 85 per cent of the value of the security offered. The purpose of the creation of these banks was to avoid the burdening of the Reichsbank and the joint-stock banks to an extent which would, to use the language of an English banker, "lock them up." The amount of notes issued by the Darlehnskassen banks was $329,000,000 for the year ending in December, 1914; $587,000,000 in December, 1915; $852,000,000 in December, 1916; and $1,922,000,000 for the year ending in December, 1917. For these same dates the Reichsbank used the following amounts to increase its cash balance: $217,000,000 for the year ending in December, 1914; $313,500,000 in December, 1915; $105,000,000 in December, 1916; and $326,000,000 for the year ending in December, 1917. These Darlehnskassen notes have been turned into the Reichsbank in payment of war loans to a very considerable extent for a time, but to a much smaller extent recently. Nearly 28 per cent of the first loan was thus paid. The States and municipalities have been heavy borrowers of these notes. Likewise individual concerns, including especially the manufacturers of munitions, savings banks, and many trading concerns, as borrowers have utilized these notes to a very great extent. With these Darlehnskassen notes included, the total issue of paper money of Germany in 1917 was $4,920,000,000. According to the balance sheet of the Reichsbank on December 31, 1917, the bank was utilizing as a cover for its note issues Darlehnskassen notes to the extent of $326,000,000 and treasury bills to the extent of $3,649,000,000.

It is thus seen that treasury bills were chiefly relied on. The Reichsbank notes, after being created in the manner already described, are utilized by joint-stock banks when received as a basis for the extension of further credit. The situation is that the Government is responsible to the bank on its treasury bills and the bank is responsible to the public on its notes. Since August, 1914, the Reichsbank has by law been relieved of its previous obligations to repay its notes in gold. It may further be remarked that the Government discounts its treasury bills with the Reichsbank at the official rate, while the Reichsbank rediscounts the bills in the open market at the market rate, which is always lower than the official rate. It is noted that the German law prescribes a ratio of the cash balance to the notes issued and not to the liabilities, which would also include credit balances. These Darlehnskassen banks are controlled by the Reichsbank. The banks commenced business without capital, but with only note issues. According to the recent announcement of the president of the Reichsbank the German Government contemplates the continuance of these loan banks for a period of four or five years after the war for the purpose of giving persons time in which to repay money borrowed to purchase Government bonds and also to extend credit to other banks which are expected to be in need of help in meeting conditions that will arise after the war. He expresses the view that holders of war loan bonds will to a very great extent seek to part with their holdings in order to secure money to invest in raw materials, factories, and other business concerns at the conclusion of the war, and that this will throw a large portion of the war loan on the market without sufficient buyers, which would result in the depreciation both of the bonds and the securities in general. This plan, however, contemplates a combined plan of joint activities on the part of the Reichsbank and the joint-stock banks and the Darlehnskassen, the idea being that the Darlehnskassen and to some extent the Reichsbank will provide new capital for the absorption of war loans, and in turn the Reichsbank and branches acting in cooperation with the joint-stock banks and their branches will take up the securities whenever offered for sale and thus protect the security market. The securities so taken up would thus gradually be redistributed during a number of years to follow through the agencies of the Reichsbank and the joint-stock banks.

The foregoing would indicate that the German Government entertains the view that it will be impossible to effect a large withdrawal of any of their notes by these special war banks in a shorter time than four or five years. I am unable to secure any data as to the amount of paper issued by ordinary banks in Germany. I have procured this information relative to these German loan banks chiefly from English financial publications and from a recent financial address of Sir Edward Holden.

Mr. Chairman, the second report of the select committee on national expenditures in England contains this statement:

> The Government through the Bank of England and joint-stock banks created large new credits to enable its factories to expand their productions.

The English banking system only provides credit and not currency. When the war broke out in 1914 gold was rapidly withdrawn and additional currency became necessary. The result was that the original act of 1844 imposing legal restrictions on the issue of notes by the Bank of England had to be suspended so that the bank could exceed the legal limit of its note issue, which was accordingly done on a large scale. This was the fourth time in the history of this banking act that the law had to be suspended to meet financial emergencies.

Under the currency and bank notes act of August 6, 1914, the treasury was authorized to issue currency notes through the Bank of England to bankers to a maximum limit not exceeding 20 per cent of the bank's liabilities on deposit and current accounts. The amount of notes thus issued are treated as an advance by the treasury to the bank or banks, bearing interest from day to day at the current bank rate, the security for the treasury advance consisting of the floating charge on the assets of the bank up to the amount of the notes issued.

This same act authorized the Bank of England and any Scottish or Irish bank of issue, so far as temporarily authorized by the treasury and subject to any conditions attached to that authority, to issue notes in excess of any limit fixed by law. These notes, like currency notes, to be legal tender and redeemable in any kind of coin. The Scottish and Irish banks of issue used currency notes as cover for the bank's own notes. Their excess issues of their own notes could not exceed the cover afforded by the currency notes.

During the early stages of the war the English Government made special provision for advances in connection with stock-exchange loans. These advances were to be made through the Bank of England, not to banks but direct to other lenders to members of the stock exchange. These advances were to the extent of 60 per cent of the value of the securities held by such lenders.

The British treasury in November, 1914, organized a committee representing the treasury, the Bank of England, the joint-stock banks, and the Association of Chambers of Commerce, which authorized advances in approved cases to British traders carrying on an export business. When an application for advances was approved, this committee authorized the bankers of such trader to accept a six-months' bill drawn by the trader. This bill was renewable until 12 months after the close of the war or the expiration of the act. The trader could discount this bill anywhere. The Government provided that as to any loss in connection with these advances 75 per cent should be borne by the treasury and 25 per cent by the accepting bank. The cost to the trade was about 6½ per cent per annum.

The Government, in November, 1914, jointly agreed with the Liverpool Cotton Association and the Liverpool banks to guarantee advances made to merchants by those banks. Under this plan persons desiring advances made application to representatives of the cotton association and the banks of Liverpool. The chief purpose of this direct aid was to enable the Liverpool Cotton Exchange to reopen.

It will be seen that the English methods adopted for affording financial relief to different classes of business have been less satisfactory than the proposed method. Moreover, they have had such drastic experience as the moratorium. Sir Edward Holden recently stated that—

> If the act (restricting the amount of note issues of the Bank of England) had been repealed, I believe that we might have got through the crisis without a moratorium.

England has made considerable expansion of banking notes, silver and copper circulation, in addition to more than $1,000,000,000 of new paper currency notes, which latter are declared redeemable in coin, although the actual reserve for that purpose is only $147,500,000 of gold. She had only $140,000,000 of these latter notes outstanding in December, 1914. It is thus seen that while England continues nominally on a gold basis, she is not so in actual fact. It is important, however, to note that her financial structure continues stable and there is no lack of parity between gold and other kinds of circulating medium. A movement is now on foot to secure the repeal or modification of the Bank of England act of 1844 so that the bank will be allowed to exceed the limit of its note issue at any time on payment of a tax. The amendment embodies the principles that notes may be created and issued on the security of bills of exchange and on

the cash balance, so that a relation is established between the notes issued and the discount; the notes issued shall be controlled by a fixed ratio of gold to notes or of the cash balance to notes; this fixed ratio may be lowered on payment of a tax; and the notes should not exceed three times the gold or the cash balance. The fact that the Bank of England is divided by law into two parts—the issue department and the banking department—makes the statement of the bank for January 16, 1918, for example, show a percentage of gold alone to liabilities of 19.6 per cent, but in fact the bank's entire amount of available gold was 28.2 per cent of liabilities. The Bank of England has always been allowed to issue notes against a debt due from the Government for several centuries of the amount of $55,000,000 and certain securities of $37,000,000. All other notes must be issued against gold. With these three items forming the cash balance of the bank under its statement of January 16, 1918, the percentage to liabilities was in fact 33.5 per cent against 19.6 apparently shown by that statement.

The entire note issue of England during the war increased from $225,000,000 to $1,385,000,000. Much of the latter, however, was issued for gold withdrawn from circulation. During the early stages of the war the British Treasury assisted many financial institutions by issuing through the Bank of England currency notes to banks under certain conditions and restrictions. It will be seen that financial aid has been rendered businesses and classes of business at various times and in various ways, both by the British Treasury and by the banks in turn. Some time ago the leading banks made an arrangement whereby credit facilities were allowed the farmers to enable them to purchase the requirements necessary for greater food production. Some recent financial aid the British Treasury has rendered has embraced such direct advances as the bonus to potato growers, $25,000,000; bonus to miners, $100,000,000; bonus to munition workers, $200,000,000; loaf subsidies to make the price 18 cents for 4-pound loaves, $225,000,000; bonus to railway workers, $50,000,000; bonus to civil servants, $15,000,000.

In addition to her increased bank and treasury notes, England takes care of a floating debt of around $6,000,000,000. Of late England has striven to avoid investment by banks in long-term war bonds. The banks are reported to have contributed $500,000,000 of the first long-term 3½ per cent loan, amounting to $1,666,000,000; $1,000,000,000 of the second 4½ per cent long-term loan, amounting to $2,915,000,000; and no substantial direct contribution to the third long-term loan of February, 1917, at 4 and 5 per cent. In the United States the banks, as stated, have very greatly reduced their holdings of long-term war securities.

Mr. Chairman, it will be seen from the brief references made to the methods of financing adopted by other countries during the war that the contrast in favor of those of the United States is as great as it is favorable. One of the chief purposes of the proposed corporation is to render such emergency financial aid as the Treasury would in most instances undertake to render for war purposes or in the national interest, but which it can not render in a manner nearly so convenient and expeditious as the corporation, which, after all, is but a Government agency with limited liabilities.

While savings banks are referred to as possibly needing immediate credit facilities from time to time during the war, the mere fact that such facilities are thus made available in case of need will probably obviate any necessity for advances to them. The experience of savings institutions elsewhere where the financial stress confronting them has been greater than that which will arise here confirms this view.

The English postal savings deposits at the beginning of the war were $940,000,000, while on February 2, 1918, they were $1,015,000,000. The only other kind of savings banks in England, known as trustee savings banks, have only suffered a loss of deposits to the amount of $12,500,000. The English postal savings rates have been 2½ per cent from the beginning, as compared with rival offerings for half a dozen different kinds of Government war paper, running as high as 6 per cent at times for exchequer bonds. Only about $90,000,000 were withdrawn from this latter class of savings institutions during the $5,000,000,000 loan campaign in February, 1917, while $120,000,000 were withdrawn during the 4½ per cent loan campaign in 1915. It is evident that any advances our savings institutions might require from the corporation would be very temporary and during some large loan campaign. Deposits in German savings banks during the first 11 months of 1917 were $825,000,000 gross, as compared with $575,000,000 for 1916 and $580,000,000 for 1915. Germany has floated a long-term issue of bonds every six months during the war. In Italy the savings banks deposits increased from $397,000,000 on July 1, 1916, to $507,000,000 on October 21, 1917.

Mr. STAFFORD. Will the gentleman yield in that particular?

Mr. HULL of Tennessee. Yes.

Mr. STAFFORD. Can the gentleman give the committee the benefit of his research as to how that difficulty was met by the savings banks of the country when the last liberty loan was floated, caused by the withdrawal of savings funds on the part of depositors from savings banks?

Mr. HULL of Tennessee. I will say to the gentleman it has been difficult to get accurate figures as to the savings withdrawals in this country during the last liberty loan. It has been suggested by those in the savings-bank sections that substantial withdrawals occurred, but no exact figures have been obtainable. Now, in that connection, I call attention to the figures showing the rather satisfactory operation of the savings institutions in England, Germany, and two or three other countries during the war. In Germany, where there have been seven successive long-term loans, in England, where there have been three, in Canada, where there have been several, and in Italy, where there have been about five, the figures which I will not take time to read but will insert in the RECORD, show that there has been an annual uniform increase in savings deposits under these loan conditions.

Now, it is true that there have been temporary withdrawals, but they have been only temporary. The withdrawals from the postal savings system in England, which is the main portion of the savings institutions, only amounted to $210,000,000 during both the largest loan campaigns, as I have stated, and the amount was soon replenished. So I feel assured that the mere fact that the savings institutions of the country have available credit for depositors will be practically sufficient to safeguard them against serious withdrawals; and, if the gentleman will pardon me, I say that in the light of the experience of the other countries.

The rate of interest in the English postal savings banks is 2½ per cent. It has never been over that, and yet the Government has been paying interest all the way from 3½ to 6 per cent on the various kinds of war paper it has put out.

Mr. STERLING. Let me ask the gentleman if the withdrawals from the savings banks in this country during the bond sale injured the savings banks at all?

Mr. HULL of Tennessee. I was unable to find any facts or data which indicated serious injury, or inconvenience, or possible injury to them during these past loans. But I agree with gentlemen from these savings-bank sections that the banks are entitled to the benefit of immediate credit facilities to meet any possible withdrawals to such surprising extent as might or could occur during these bond campaigns, or at any other time, as to that.

Mr. STAFFORD. Will the gentleman yield in that particular?

Mr. HULL of Tennessee. Yes.

Mr. STAFFORD. I have received definite information that in some sections of the country there were withdrawals of savings funds to the amount of hundreds of thousands of dollars, and my query directed to the gentleman from Tennessee was as to how the savings banks met the stringency occasioned by the withdrawal of those savings funds.

Mr. HULL of Tennessee. I do not think the stringency was great enough to necessitate any unusual preparation by the savings banks with a view of securing available funds to meet withdrawal demands. In other words, no such stringency has occurred as might occur under the next loan campaign or some successive loan campaign; and it is but natural that they should expect and that they should receive at the hands of the Government such available assistance as possible conditions might make necessary.

Mr. OLDFIELD. Will the gentleman yield?

Mr. HULL of Tennessee. Yes.

Mr. OLDFIELD. I would like to state, and I do not know whether I remember it correctly or not, that my recollection is that this very question was asked of the Secretary of the Treasury and he said the withdrawals had not heretofore been substantial, and, of course, expressed the hope that they would not be substantial under the next liberty loan. That is my recollection.

Mr. HULL of Tennessee. I agree that that is substantially what the Secretary said, and I think it will work out largely that way, in the light of European experience.

Mr. LONGWORTH. If the gentleman will pardon me, that danger would be particularly evident if the next large bond issue should be at a higher rate than 4 per cent.

Mr. HULL of Tennessee. The possibilities of danger would correspondingly increase.

Mr. PLATT. If the gentleman will permit, the savings banks statistics of the State of New York, which State, perhaps, has larger deposits than any other State, have been published in the

last week, I believe, and show that the withdrawals from the savings banks, while greater than the deposits during the past year, were offset by interest credits during the last year. If another liberty loan campaign is waged on a 4½ per cent basis some kind of relief will very likely be necessary.

Mr. HULL of Tennessee. That is a very interesting statement. I am glad the gentleman made it.

Mr. KITCHIN. In that connection I desire to say that while other banks, not mutual savings banks, have increased their individual deposits nearly 50 per cent in the last three years, the mutual savings banks have increased their deposits only about 12 per cent. In other words, the deposits in savings banks in the last 12 months especially has not kept pace with anything like the increase in the deposits in other banks, which shows that something is affecting the savings banks. Now, in June, 1914, the deposits in mutual savings banks—which constitute three-fourths, at least, of all the deposits in the savings banks—were $3,915,626,000. In June, 1917, they had only increased since 1914 to $4,422,489,000. In other words, they had only increased about $500,000,000, and in the stock savings banks their deposits have increased since June 20, 1914, to June 20, 1917, less than $100,000,000. In fact, they were about $1,000,000,000 on June 20, 1917, so that something has materially affected the deposits of savings banks. While other banks seem to have been helped, the savings banks seem not to have been helped by any of this war prosperity, you might say.

Mr. PLATT. If the gentleman will permit, would not that tend to show that the wage earners and the smaller merchants, who constitute the bulk of the depositors in the mutual and in the stock-savings banks, have not had as much chance to save as they had before? The deposits in the national banks are made up of credits or loans, but in the savings banks they are largely cash.

Mr. KITCHIN. I will say that in the last 12 months they have had opportunity to make Government investments; that is, they could buy Government bonds and get 4 per cent interest. That is all. They could get, as a rule, less than that in the savings banks that pay the highest rate of interest. So instead of putting their money in the savings banks they have invested in Government securities.

Mr. PLATT. That is probably true of the last few months, but it would not have been true of the 3½ per cent loans.

Mr. KITCHIN. I can see how it would be true as to that, because most of the savings banks do not pay more than 3 per cent interest. What rate do they pay in the State of New York?

Mr. PLATT. The larger savings banks in New York City pay only 3½ per cent, but in the smaller cities they generally pay 4 per cent.

Mr. HULL of Tennessee. Mr. Chairman, it is very apparent that every country at war has had to grapple with problems similar to those to which this bill refers. It is also apparent that the methods by which they undertook to extend relief are not, in soundness and practical operation, nearly so meritorious as the methods proposed in this bill.

I now come to another branch of the bill relating to capital issues. With due deference to the committee—and I always have the profoundest respect for the views and judgment of the Committee on Ways and Means—it is my humble opinion that the capital issues provision as originally inserted in this bill should not have been weakened. It is most unfortunate that the House committee and the Senate have seen fit to emasculate the provision in the bill authorizing restrictions of capital issues. The necessity for this action is grounded upon the whole financial policy of the Government placed in operation for the conduct of the war and is an essential part of the same. It is not only based on the experience of all other important countries at war, but it is a fundamental part of the Government's policy of conserving all possible money, credit, labor, and supplies and concentrating them directly behind the war, as it is also directly an essential part of our Government's loan policy. Offerings of new securities for other than Government or necessary war purposes have been practically suspended everywhere except in the United States.

The real demands of the war relate to the securing of goods and services for war purposes. It follows as day follows night that nonessential industries should not, therefore, expand but that all available labor, materials, and capital above their normal requirements should be diverted to war purposes. The greater the amount of money thus made available for investment the easier can Government loans be floated and the lower will be the interest charges. It is a well-known fact that most of the industries in Austria, Turkey, and Germany not directly connected with the war are either crippled or destroyed. The people are putting their all into the war. Many nonessential industries there have been diverted to war purposes; others have been obliged either to run at a normal or less than normal capacity or to close down. During the year 1917 in Germany the increase in capital for existing companies and issue of shares by new companies only aggregated $105,000,000. Twenty-five million dollars of this amount was due to increase in capital by aniline concerns in November. New capital issues in England for the year 1917, apart from Government issues, were between $30,000,000 and $40,000,000. It was about the same for 1916. This was less than one-half of 1 per cent of the total, the balance of which was Government issue. No expenditures on new buildings in excess of $2,500 is allowed there without permission of the treasury. In the beginning of capital issues control in England the officials undertook to halt all construction work involving new capital expenditures until after the war, except for war purposes. The Government has even compensated contractors for damages resulting from a cessation of such construction work. Our original bill allowed an exemption of $100,000. Prior to the war the issues of new capital in England were more than $1,100,000,000, whereas under strict Government regulations the amount is now but little over $30,000,000, making a net saving of toward $1,000,000,000 to go into war bonds and the production of war supplies. Under like restrictions here the Government would derive far more than $1,000,000,000 for direct war purposes. Little wonder money and material for the war are scarce, with interest rates increasing.

Mr. Chairman, it is claimed here in support of the view that all nonessential industries and businesses should be allowed to expand and produce war profits ad libitum that the persuasive influence of the proposed capital issues committee will curb them sufficiently. England is cited as having no general express law for this purpose. The truth is that England has a number of statutes expressly authorizing the prohibition of new capital issues as to certain classes of industry, while the power of the treasury to control the stock exchange gives the treasury committee authority equivalent to that of law as to other new capital issues. It has been by these combined means, and only by them, that suitable restrictions have been imposed and carried out in England.

The absolute folly of depending on nonessential industries to observe the persuasive suggestions of a capital-issues board with no authority is better illustrated by the experience of Canada, whose committee was acting under an order in council, which was a law. The law there prohibited either the selling or purchasing of prohibited securities and imposed a penalty of imprisonment for not exceeding one year, or a fine not exceeding $5,000, or both, in the discretion of the court. In the face of this severe penalty large blocks of new securities were issued and sold without the necessary approval of the committee, with the result that the Government on January 9, 1918, issued another order in council allowing the committee, in certain cases, to give its approval after the issue and sale of such issues in order to save the violators from the penalties incurred. This related to meritorious cases alone. Criticism of the penalty contained in the first draft of this bill for violation of these security restrictions has been made. The laws of France, Germany, and Canada impose penalties equally effective or more so. I herewith append copies of the laws of four other Governments on this subject.

Mr. Chairman, just now the Government is strenuously calling on every citizen to produce and to save. The cry "Produce, save, restrict, or eliminate nonessentials!" is to-day ringing through every European country. The Government must have all available supplies of every kind necessary for the conduct of the war. It is just as necessary, therefore, that money and credit should be conserved, concentrated, and made available to the Government with which to pay for needed war supplies, as it is that they should be produced and made available for the Government's use. Upon what theory, therefore, can the Government call on one class of citizens to save all the money and produce all the war supplies possible and place both at its disposal, while it at the same time leaves another class of citizens free to utilize any amount of new capital or labor or material, so vital to our war necessities, in developing all nonessential industries and turning out large war profits to their own enrichment? When we behold the central powers marshaling their entire financial and economic forces behind the war to the practical abandonment of nonessential enterprises; when we see our allies in Europe doing virtually the same thing, with a view to putting every ounce of material, every hour of labor, every dollar of money that can be made at all available in compact, concentrated support of the war, how can we in justice to our allies, much less to ourselves, proceed with indifference as to the hundreds of millions of money, the immense amount of labor, and the large quantities of material unnecessarily retained for the development and expansion of nonessential businesses to the great detriment of our war supplies, our labor necessities in

shipbuilding, and other war-industry plants, and to our money and credit supply so necessary for the floating of large temporary and permanent loans? I fear that we do not yet realize the magnitude of our task. I fear that there is too much disposition to expect others to perform such additional war services, at whatever cost or injury, as would involve some sacrifice or disappointment to those who should perform them.

Naturally, the policy of controlling new capital issues during the war will involve injuries to a business or class of business here and there, but it may be said that this would be infinitesimal to the overwhelming injury that would result to all classes of business and to our institutions as well in case we should unduly protract or fail to win the war by our deliberate refusal to organize, conserve, and mobilize our money, credit, and supplies to that full extent which both our enemies and our allies have already done. Every good citizen should be ready and willing to conform to the necessary restrictions of new capital issues. The law, with its penalties, would not disturb him; every shirking citizen should be compelled to conform to them, and to that end the law should disturb him. Who has a right, therefore, in the interest alone of the business concern that would shirk its duty and violate these regulations, to demand immunity for it? The citizen can not learn too soon the necessity for giving more of his time and money to the Government and less to his own enrichment if we are to win this war.

Mr. Chairman, the pending bill also authorizes the corporation to buy and sell bonds of the United States. It is understood that the chief purpose of this provision is to enable the corporation to make such purchases of outstanding war bonds and at such times as would tend to stabilize the Government loans. I am gratified to see this principle embodied in the bill. It was my individual view that the bond-authorization act of September 24, 1917, should have contained it. Under the operation of such plan I am satisfied the present market situation of our liberty bonds would have to-day been much more favorable than it is. I speak in the light of the experience of both England and France during the past year. The only purpose of this method is to protect liberty bonds from artificial market conditions and to maintain them at their true and real market level, whether in the condition of the investment market that be par or slightly below par. Naturally, many individuals purchased bonds on credit procured at the banks. During recent months a large number have found themselves unable to make payment, with the result that their bonds went on the market at forced sale and at a discount, the inevitable effect of which has been apparently to depreciate the entire issue of first and second liberty 4's, aggregating near $4,500,000,000. This unfortunate condition now confronts the Government in the face of a new long-term loan which must soon be effected. The result is that higher interest rates are being generally demanded. Fair and reasonable rates of interest should be paid by the Government on its war loans, but the greatest possible care and caution should be exercised, to the end that excessive rates and the great burdens which they would entail on this and the next generation may be avoided. It is well understood that a system of successive war loans carrying a conversion privilege in each case very seriously hampers the Government in its efforts to keep the interest rates at the proper and fair level.

I wish to repeat, Mr. Chairman, that the action of the capital-issues committee in England has all the force and effect of law. It is impossible, under the power which they exercise through agencies which really are as effective as law, for any concern to put new issues on the market in violation of their order.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield there?

Mr. HULL of Tennessee. Yes.

Mr. GREEN of Iowa. I agree with the gentleman entirely on that. In England it is done by the force of a treasury regulation, as the gentleman is of course aware, and by this treasury regulation they undertake to absolutely forbid such issues as they do not approve, and I think they have succeeded quite completely in enforcing the regulation.

Mr. HULL of Tennessee. I am appending the laws of four countries to my remarks.

Mr. LONGWORTH. May I add right there, is not the Government control of the stock exchange complete?

Mr. HULL of Tennessee. The treasury have complete control of the opening and closing of the exchange, and they would not allow it to be opened after it was closed during the early stages of the war, except on condition that no stock should be handled unless permission was first secured from the capital-issues committee.

Then they have two or three separate statutes which expressly give authority to prohibit stock issues as to certain other classes of capital.

Mr. PLATT. Will the gentleman yield?

Mr. HULL of Tennessee. I yield to the gentleman from New York.

Mr. PLATT. The gentleman is a student of economics. I wonder if he could go a little more into detail into the question of nonessential industries? For instance, England apparently has not discouraged, and perhaps has encouraged certain industries which are not in any way essential to the war, but which are exporting industries. So her exports have been kept up pretty well. Is not that true?

Mr. HULL of Tennessee. Some of her exports have been kept up, but she has a balance of trade against her now of $2,300,000,000, notwithstanding such volume of exports as she has been able to maintain.

Mr. PLATT. There has not been an effort to shut out industries which are not indirectly connected with the war, though, if they were industries which brought credit to England and extended or maintained her export trade.

Mr. HULL of Tennessee. If the gentleman will pardon me, I am sure he will find, as I have stated, that they have not only imposed severe restrictions on new capital issues for nonessential purposes, but they went at once to every contractor constructing an important building and said, "We ask you to cease this construction until after the war." In many cases the contractors did this; in others they declined on account of the damage involved; and the Government said, "We will pay the damage. We want your new capital, your labor, and your materials to put into the war."

Mr. PLATT. They did not undertake to hold down industries from going ahead as they were, without extra buildings or extra capital, did they?

Mr. HULL of Tennessee. In some instances they have so well restricted and curtailed the operation of large parts of their nonessential industries as practically to put them out of business. They openly say that somebody will have to suffer, somebody will have to make some sacrifices in connection with the general plan of the Government to mobilize all available money and credit and labor and supplies for the prosecution of the war. We do not expect our nonessential industries to go full tilt, expanding, as the war goes on, and make increased profits at the expense of the war.

Mr. PLATT. What they did practically was to stop their expansion.

Mr. HULL of Tennessee. They stopped their expansion and largely denuded them of labor and supplies. The Government put its hands on the raw material at the source and they were soon cut off, and the Government made no effort to help them. It was too busy with the war.

Mr. MOORE of Pennsylvania. As our bill was first presented to the House it was intended to comprehend that sort of a compulsory feature here?

Mr. HULL of Tennessee. Yes. Now, Mr. Chairman, I must hasten along.

Mr. STERLING of Illinois and Mr. FOCHT rose.

The CHAIRMAN. Does the gentleman yield; and if so, to whom?

Mr. HULL of Tennessee. I will yield to these two gentlemen, and then I just must conclude.

Mr. STERLING of Illinois. I conclude that the gentleman thinks this law ought to provide somewhere the power to prohibit the issue of stocks. Now, as I remember, it was repeated before the committee that there was already in operation through the Secretary of the Treasury a voluntary committee, who are acting in substantially the same capacity that this committee will act. Was it not represented to the committee that they were fairly successful and were preventing the issue of unnecessary stocks?

Mr. HULL of Tennessee. The Secretary of the Treasury stated that they had made considerable progress in that class of work. When I looked into the experience over in Canada, however, where a similar penalty was imposed, and found so many different classes of new stock issues put on the market in utter defiance of the existence of the committee and the penalties, and when I reflected further as to the innumerable kinds of industry in this country compared with the smaller number in Canada, it was impossible to escape the conclusion that immense amounts of new capital—it may be of a comparatively small nature in many cases—will be further utilized in these nonessential lines, with the result that a vast amount of money in the aggregate would be lost to the Government in connection with the prosecution of the war.

Mr. STERLING of Illinois. I got the impression, if not the conviction, that the Secretary of the Treasury, through the banks, could make it practically impossible for any very great issue of bonds to be made that even this voluntary committee disapproves of.

Mr. HULL of Tennessee. True as to very great new issues. There will be so many smaller ones that will ignore the committee.

All of such nonessential investments, all of such purchases keep that amount out of shipbuilding, keep it out of all classes of war industry, and you will greatly hamper the strength and capacity of the Government to finance the war at a reasonable rate of interest in the first place, and in the second place it is deprived, as stated, of the labor and materials that would otherwise be available.

Mr. FOCHT. Will the gentleman yield?

Mr. HULL of Tennessee. Yes.

Mr. FOCHT. The gentleman from New York referred a moment ago to the industrial activity of England. I assume that the method employed, or a similar one proposed here has something to do with stimulation of that activity. I was advised, much to my surprise, by a gentleman who knows as much about shipping as any person in the country that the exports from England are now greater than they were prior to the war. I would like to have the gentleman, if he has any such information, confirm it.

Mr. HULL of Tennessee. The chief concern with warring countries in the examination of imports and exports now is to see where the balance of trade is.

Mr. FOCHT. That would have no result in the amount of exports prior to the war and at the present time. They might have much more imports than they had before and still greater exports.

Mr. HULL of Tennessee. If the gentleman takes that question up, he is obliged to go back and allow for the increased values over the value of imports and exports before the war. You may find that the exports are now double in value those before the war, but if you look at the quantity you may find that they are less than they were before the war. It requires an investigation at the different stages as to the actual relative quantity and value.

Mr. FOCHT. I was hopeful to find through the methods here a possibility of the same stimulation that they have had there because of the increased capital and the flexibility of the whole financial situation.

Mr. HULL of Tennessee. I see the gentleman's point now, and it is a good one.

Now, Mr. Chairman, this Government can adopt the stabilizing method proposed in this bill, and I am not criticizing this method, but I am only urging that it should have been supplemented by the English and French methods.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. HULL of Tennessee. Yes.

Mr. MOORE of Pennsylvania. The Secretary of the Treasury did not approve the setting aside of a sinking fund or the retention of the bonds at par, as I recall it.

Mr. HULL of Tennessee. I understand that.

Mr. MOORE of Pennsylvania. The gentleman is advocating the French method, and I thought it was fair to the committee to say that the Secretary did not approve the adoption of this method.

Mr. HULL of Tennessee. That is true, but I hope to persuade the Secretary that he ought soon to recommend it, and I say that for this additional reason. We have been preaching over this country that persons should purchase Liberty bonds and should not sell them; that the market ought not to be loaded and oppressed with sales when once purchased, whereas in this corporation bill we make one prime function of that corporation, to buy and sell bonds in order to stabilize the market.

Mr. Chairman, as to interest rates, should the war go on for some time, as it bids fair to do, we will later see a general demand arise for higher rates of interest on the loan to follow the coming one. I wish to say something on this subject presently. Some persons say that a stabilizing method creates artificial interest conditions. On the contrary, it would remove or prevent an artificial interest and capital value situation created by the forced sales of a very small percentage of the total volume of bonds outstanding. England set aside each month one-eighth of 1 per cent of the total issue under her last long-term loan, which included $5,000,000,000 of new money and about $5,000,000,000 of conversions, for the purchase of these bonds in the market when they went below par. During the past 12 months she has expended near $140,000,000 in this manner—$150,000,000 has been set aside—with the result that the fours have been at or above par most of the time, while the 5½ per cents, subject to all income tax, have either been kept at or near enough to par as to create no injurious effects on her temporary or forthcoming long-term loans. France has utilized almost the identical method, and it continues in operation without criticism.

The best judgment of the Government and of financiers in England and France has supported this method as the most effective means of stabilizing their respective Government loans. Those Governments could have adopted the method proposed in this bill or any one of several others, but they still cling to the plan which I have described, and experience has seemingly justified its wisdom and practicability. My individual judgment is that this bill should contain the provision now in it and also the English and French plan. It is obvious that with the forthcoming loan the amount of outstanding bonds will at least reach $10,000,000,000. From experience abroad, it will be necessary to purchase $150,000,000 annually for stabilizing purposes. The new corporation, I fear, will be too much engrossed in making advances in other directions, with the result that these preemptions of its resources will leave an inadequate amount with which to buy war bonds on the market and stabilize our loans. Combined with this additional method which I have described the corporation would then be in an attitude merely of supplementing the purchases of the Treasury to such extent as might be deemed wise and necessary for stabilizing purposes. This combined plan would save considerable interest. The English method operates as a sinking-fund proposition to the extent of the bonds purchased.

Mr. Chairman, referring again to our rising interest rates, I think it would be unwise to insert another conversion clause in the forthcoming long-term bonds. To continue to do so would result in swinging the entire volume of outstanding war debt to the highest interest level that will be reached during the course of the war. One may say that we could then refund into lower rates of interest in the course of some five year after the war. The answer to this is that no government will be able to refund twenty or thirty billion dollars within any short time at that stage. We might greatly profit here by the course and example of the English Government in dealing with a gradual and certain rising of interest rates at each successive loan stage. Her first long-term loan was floated in 1914 at 3½ per cent; her second in 1915 at 4½ per cent; during the latter part of 1916 the Government was being forced to pay 5½ per cent on treasury bills of 12 months or less and 6 per cent on exchequer bonds of three years. The necessity for another large long-term loan to absorb some of the floating indebtedness and to secure new money confronted the Government. There was a general clamor for higher interest rates on the new loan and suggestions upon every hand that it would have to bear around 6 per cent interest. This outcome was seemingly inevitable. A new ministry came into power, however, in the meantime.

The new treasury officials decided that the Government would take a hand in shaping the course of the money market. They at once announced a discontinuance of the issue of any more short-term paper at 5½ per cent and 6 per cent. They prepared a prospectus of the new loan. This proposed two interest rates, in the alternative—one rate was about 5¼ per cent subject to all income tax; the other rate was determined by subtracting from this higher rate the existing normal income tax rates, which fixed it at 4 per cent "with normal income tax compounded," but subject to supertax. The supertax rates then, as now, ranged as high as 42½ per cent. The loan campaign which followed in February was an immense success and the flotation of this loan at these rates is still pointed to as a great achievement of the Government. To-day the English 4's subject to supertax are at a premium, while ours are under 97. Since that time English Government borrowing and disbursements have been the chief influence in the money market, and discount rates have been following the rates at which treasury bills were to be had. When the sale of three-month treasury bills at 5½ per cent was suspended in January, 1917, their market at once fell to 5 per cent. At the end of April weekly sales of three-month treasury bills at 4⅜ per cent were inaugurated. On December 27 the rate for three and six month treasury bills was lowered to 4 per cent, and this brought down discount rates correspondingly. During the fore part of the present year three and six month treasury bills were sold as low as 3½ per cent, while bank-deposit rates went to 3 per cent. It may be contended that the loans made to England by this Government made these interest reductions possible. Perhaps a suitable reply would be that England has during this time been obliged to take care of an unfavorable trade balance of $2,300,000,000; she has been obliged to maintain her international exchange situation, which required the payment of a separate and higher interest rate than her domestic rates; she has during the past year loaned her dominions and allies $2,000,000,000; she has also been struggling along under the burden of $24,000,000,000 indebtedness. It is also true that England did not float a large amount of bonds abroad during 1917.

Then, Mr. Chairman, why should not our Government, as the chief factor in our money market, which it is, exercise its influence to the extent consistent with our domestic conditions,

with a view to stabilizing the money market and keeping our interest level, not below a legitimate plane that would be fair to investors in the circumstances, but on what should be a basis reasonable to the Government, to the investors, and to the American people liable for repayment of all Government obligations contracted? I feel assured that our Government officials will do, and are doing, their whole duty in this respect. The Government here, as it has elsewhere since the outbreak of the war, has necessarily put its hands on transportation, on most kinds of production, and in a way on labor. It embargoes both exports and imports. It has, in other words, become a factor in the labor market, in the production and prices of foodstuffs, in the manufacture and prices of all essential war supplies, in shipbuilding, and in the operation and rate making of all lines of transportation. It is a still larger factor in the money market. It is not only the biggest borrower, but the biggest lender.

I am not indicating my views as to how high interest rates to the Government should go now or during the war, but I do emphasize the view, not to say the necessity, that no high point to which interest rates are bid up by a group of bankers or a group of other business men, or by any locality, for some temporary profit-making purpose, should be allowed to control the fair interest level for the Government waging this great war in behalf of all classes of people and of business. I am glad strongly to commend the Treasury's course thus far, and feel satisfied as to its future course. Let there be no profiteering in interest at the expense of the Government at this time of its dire need any more than in war supplies. With the Government the question of borrowing money with which to prosecute the war is immediately followed by the close secondary problem of how to deal with the huge debt which will exist at the end of the war.

On September 13, in closing my remarks in support of the second war bond-issue measure, I said:

> The motto of every citizen should be, "To produce and to save." He should then be content to turn over to the Government, if necessary, the maximum amount of his profits and savings above the portion strictly necessary for personal and business requirements. If the war should continue for another year or more, the extreme necessity for producing and saving with a view of aiding the Government to the fullest possible extent will later become far more apparent than now.

May I, with emphasis, repeat this utterance? This should not only be the motto of every citizen, but of every department, bureau, and division of the Government. Foreign governments at war, as I know ours has and will in every possible way, have long since inaugurated many new systems and methods of checks and balances on expenditures, including a system of expenditure control in each department, with the result that large savings have been made without impediment or delay in the prosecution of the war. Some time ago the English Government caused an order to be sent throughout the army with respect to salvage. Salvage commissions to collect and deal with unserviceable materials were appointed. In the reply made by Mr. Bonar Law for the Government in the House of Commons on January 14, 1918, the following statement, among others, was made:

> Amongst the results achieved: From waste fats collected from army camps alone have been produced (1) sufficient tallow to provide soap for the entire army, navy, and Government departments, with a surplus for public use, producing an annual revenue of $4,800,000, in addition to saving valuable tonnage; (2) 1,800 tons of glycerine for munitions sufficient to provide the propellant for 18,000,000 18-pounder shells. The glycerine costs the Government $300 per ton, as compared with $1,500 per ton, the price of imported glycerine; (3) while over $5,000,000 worth of military rags have been recovered and used in the manufacture of new cloth and blankets for the army.

The fourth and last report of the expenditures committee shows that from technical investigations savings of $15,000,000 on cordite contracts have resulted; also $175,000,000 on gun ammunition; $10,000,000 on gun equipment; and $5,000,000 on aircraft.

Mr. Chairman, may I divert from the bill long enough to say that England finally woke up to the fact that since her first advance toward Paris Germany's principal gains have been made by her propaganda system? England now has a minister of propaganda. It was my view months ago that this Government should set aside $50,000,000 for legitimate propaganda work to expose and offset the German system and to present our true attitude and the real war situation to the people of Russia and of several other countries where this work has been sorely needed.

In conclusion, Mr. Chairman, I most heartily support this bill as the most desirable and efficient method of rendering financial aid so urgently needed. It will strengthen—not weaken—existing financial agencies. We are approaching a severe test of our financial strength. We can and shall successfully stand that test. To do so with greatest certainty and safety, however, a better and fuller realization of the huge burdens to be met and borne must be awakened in the minds of many citizens and business concerns.

Some personal and nonessential business sacrifices will have to be made, just as in other countries at war. Our war industries and our allies, for example, must have adequate fuel, even at the expense of the expansion of nonessential concerns.

All that is valuable and dear to humanity is at stake in this war. The achievements of hundreds of years in the higher, greater, and better development of government, education, Christianity, finance, commerce, and civilization itself hang in the balance. The Anglo-Saxon race fighting for the allied cause will not let them be stricken down. The outcome is not in doubt. I have had, and now have, the firmest and most unalterable faith in victory. We can, we must, we shall win. [Applause.]

APPENDIX.

FRANCE.

GOVERNMENT CONTROL OF ISSUE OF SECURITIES BY PRIVATE CORPORATIONS.

On May 31, 1916, the French Parliament passed the following "law restricting the right of issuing securities during the continuance of hostilities" (Journal Officiel, June 1, 1916, p. 4854; Legislation de la guerre de 1914–1916, vol. 4, p. 209):

"SEC. 1. The issuing, advertising, placing on sale, or introducing into the market in France of bonds or other securities of foreign governments or of stock or shares of whatever nature of French or foreign cities, corporations, or companies is forbidden from the date of the publication of this law until such time as shall be determined by a decree in council of the ministers after the cessation of hostilities.

"This provision, however, is subject to modification by order of the minister of finance.

"SEC. 2. Infractions of this law shall be punishable by imprisonment for not less than six months and not more than one year and by a fine of 1,000 to 10,000 francs; in case of a second offense by imprisonment for not less than one and not more than two years and by a fine of 10,000 to 25,000 francs.

"Section 463 (this section provides that when, in the case of a person convicted of crime, the jury finds extenuating circumstances, the penalty shall be modified in a certain manner, as set forth in the laws of May 13, 1863, Nov. 27, 1870, and Oct. 26, 1888) of the Penal Code shall apply to this law."

Two months after its passage the law of May 31, 1916, received an official interpretation from the minister of finance, in reply to a question put to him in the Chamber of Deputies by M. Bergeon.

The question was, Whether the law of May 31, 1916, is infringed by such companies as increase their capital without appealing to credit or publicity, but by inserting in a newspaper a notification of the calling of an extraordinary general meeting for the purpose of increasing the company's capital.

The reply was, The provisions of the law of May 31, 1916, place no obstacle in the way of the fulfillment by the companies of legal or statutory formalities required for the issue of additional stock. The placing of this stock, however, if effected by an appeal to the public or through publicity, falls under the ban of the law.

GERMANY.

GOVERNMENT CONTROL OF ISSUE OF SECURITIES BY PRIVATE CORPORATIONS.

[Proclamation of Mar. 8, 1917, relating to Government control of the issue of bonds or preferred stock (Reichs-Gesetzblatt 1917, p. 220).]

The Bundesrath, by virtue of the power vested in it by section 3 of the act of August 4, 1914 (RGB., p. 327), authorizing the Bundesrath to adopt economic measures, does hereby proclaim the following order:

"SECTION 1. Until further notice bonds issued within the Empire of a definite nominal value payable in money, which, in the proportion of such nominal value to the entire indebtedness give to the bondholders substantially equal rights, may not be put in circulation unless authorized by the Government. With respect to bonds payable to bearer, the existing provisions of law remain in force.

"Until further notice companies within the Empire may not issue preferred stock which entitles the holder to a definite maximum dividend fixed in advance unless authorized by the Government.

"SEC. 2. Such authorization may be given by the central authorities of the State in whose territory the person issuing the bonds has his domicile, or his industrial establishment, or in which the company has its principal place of business.

"The validity of the bonds or of the stock shall not be affected by the want of such authorization.

"SEC. 3. Whoever, contrary to the provisions of section 1 of this order, issues bonds or stock without the authorization of the Government, or acts contrary to the conditions accompanying such authorization, shall be punished by a fine not exceeding one-fifth of the nominal value of the bonds or stock which have been issued without the authorization of the Government, or with reference to which the conditions imposed have been violated; the minimum fine shall be 1,000 marks.

"SEC. 4. The foregoing order shall take effect on the day of its promulgation. The imperial chancellor *may determine* when this order shall cease to be effective."

STATE CONTROL OVER ESTABLISHMENT AND EXTENSION OF COMPANIES IN GERMANY.

[From Board of Trade Journal, Dec. 6, 1917, p. 517.]

According to the Deutscher Reichsanzeiger (Berlin) of November 6, a Bundesrath order, dated November 2 requires until further notice the consent of the State governments for:

"1. The establishment of a share company or limited company with more than 300,000 marks (about £15,000 at par exchange) of original capital. If shares are issued at a premium the actual issue price is the one to be considered.

"2. Any decision to make such an increase in the original capital of a share company or limited company founded after November 5, 1917, as will bring the original capital of such a company up to more than 300,000 marks; and any decision to make such an increase in the original capital of a share company or limited company founded before November 5, 1917, as will bring the total additions since that date to the original capital of such company up to more than 300,000 marks.

"3. Any decision to issue participating certificates conferring a claim upon the dividends of a share company or limited company, or upon a share of the property of such company in the event of its dissolution."

The State government competent to grant the requisite permission in any particular case is the Government in whose territory the company is question is established or is to be established. The imperial chancellor is authorized to prescribe that the consent may be granted only in agreement with himself or with an authority specified by him.

A regulation, dated November 2, issued by the imperial chancellor under this order, prescribes that the consent required by the order shall be granted by the State governments only in agreement with the directorate of the imperial bank.

GOVERNMENT CONTROL OF ISSUE OF SECURITIES IN CANADA.

[Text of orders in council Dec. 22, 1917; Jan. 9, 1918.]

CANADIAN ORDER IN COUNCIL, DATED DECEMBER 22, 1917.

Whereas it is advisable that the Canadian investment market should be conserved to facilitate the borrowing of the large sums of money that will be required for the prosecution of the war and to enable His Excellency's Government, if need be, to fully avail itself of the loaning capacity of the country for the paramount purposes of national defense, and that the impairing of the market should be prevented by forbidding the offering and sale thereon of securities for raising money for purposes the execution of which may, in the public interest, be postponed until peace has been restored, provision being made for the issue by the minister of finance of a certificate permitting the offering and sale of such securities as the said minister shall deem proper to except from such prohibition;

Therefore His Excellency the Governor General in council, on the recommendation of the minister of finance and under the provisions of the war-measures act, 1914, is pleased to enact the following regulations, and the same are hereby made and enacted accordingly:

1. It shall be unlawful within Canada, by or on behalf of any provincial, colonial, or foreign government, municipality, commission, local government, institution, corporation, or incorporated company to issue, sell, offer, or advertise for sale any bonds, debentures, or other securities evidencing an obligation to repay money borrowed, which may hereafter be issued by or on behalf of any such colonial or foreign government, municipality, commission, local government, institution, corporation, or incorporated company as aforesaid, or any shares which may hereafter be issued of the capital stock, whether preferred or common, of any such corporation or incorporated company, or to purchase or agree to purchase any of the bonds, debentures, or other securities or shares of capital stock aforesaid, unless the offering and sale thereof within Canada shall have been first approved by the minister of finance by his certificate of approval in writing: *Provided*, That nothing herein shall affect the issue, offering, advertising, sale, or purchase of any bonds, debentures, or securities of the Government of Canada, or the trading in any bonds, debentures, securities, or shares of capital stock heretofore issued and placed upon the market, or which shall have been originally issued and placed upon the market with the approval of the minister of finance evidenced by his certificate as aforesaid.

2. Any issue or sale made in contravention of the foregoing prohibition shall be deemed to be in excess of the authority of the provincial, colonial, or foreign government, municipality, commission, local government, institution, corporation, or incorporated company on behalf of which the same is made, and may be restrained by action at the suit of the attorney general of Canada in the public interest; and, moreover, any person issuing, selling, or offering or advertising for sale or purchasing or agreeing to purchase any such bonds, debentures, or other securities, or any shares of capital stock so issued, sold, offered, or advertised for sale, without the certificate of approval hereinbefore required, shall be guilty of an offense, and shall be liable, on summary conviction before two or more justices under the procedure prescribed by Part XV of the Criminal Code, to imprisonment for a term not exceeding one year or to a fine not exceeding $5,000, or to both imprisonment and fine, in the discretion of the tribunal.

3. For the purposes of the foregoing regulations the words "sale," "sell," and "purchase," and their parts, shall be held and interpreted to include mortgaging, pledging, or parting with any right or interest in consideration of money, or, as the case may be, acquiring, by way of mortgage, pledge, or otherwise, any right or interest in consideration of money.

CANADIAN ORDER IN COUNCIL, DATED JANUARY 9, 1918.

Whereas the minister of finance reports that he is informed that securities have been issued and sold without the certificate of approval required by the regulations enacted by the order in council of the 22d day of December, 1917 (P. C. No. 3439), such issues having been made and securities sold and purchased by the parties concerned without knowledge on their part of the said regulations; and

Whereas in the case of these issues there would have been no objection, in the public interest, to the granting of a certificate of approval if it had been applied for, and as the effect of the said order is to make the securities illegal and the several parties liable to penalties, and as there may be other causes of a similar nature of which the minister of finance has not been advised, or which may arise in the future, it is therefore deemed desirable that the regulations should be amended and the following regulations enacted and made:

Therefore his excellency in council, on the recommendation of the minister of finance and in virtue of the powers in that behalf conferred by the war-measures act, 1914, or otherwise vested in the governor general in council, is pleased to make the following regulations and the same are hereby made and enacted accordingly.

REGULATIONS.

1. Notwithstanding any provisions to the contrary in the regulation enacted by the order in council of the 22d of December, 1917 (P. C. 3439), the minister of finance shall have power to give his certificate of approval for the offering and sale within Canada of any bonds, debentures, or other securities or shares of capital stock referred to in said regulations after the same have been issued, offered, advertised for sale, sold, purchased, agreed to be purchased, mortgaged, or pledged, or any right or interest therein has been parted with or acquired, and such certificate, or proper evidence of the issue thereof, shall be conclusive evidence that the offering and sale within Canada of the bonds, debentures, or other securities or shares of capital stock mentioned in such certificate was duly authorized and approved by the said minister; and that the issuing, offering, sale, advertising for sale, or otherwise dealing with such securities or shares, or any right or interest therein, was not done in contravention of the said regulations, and did not constitute an offense thereunder.

2. The minister of finance may grant his certificate of approval, as aforesaid, with respect to any bonds, debentures, or other securities or shares of capital stock referred to in the said regulations which have been or may be issued on or after the said 22d day of December, 1917.

3. The powers conferred upon the minister of finance by the said regulations and by these regulations may also be used and exercised by a minister acting for, or, if the office is vacant, in the place of, the said minister, and also his successors in such office and his or their lawful deputy.

ENGLAND.

GOVERNMENT CONTROL OF SECURITY ISSUES.

The Government control or regulation of security issues in the United Kingdom is effected to a large extent through the London Stock Exchange. As a condition of reopening the stock exchange the treasury made public a memorandum dated December 24, 1914, approving the opening of the stock exchange from January 4, 1915, subject to certain restrictions which the treasury therein imposed. One restriction is as follows:

"No dealings shall be allowed in any new issue made after January 4, 1915, unless specially allowed by the committee and approved by the treasury."

Another provision of this memorandum was as follows:

"It should further be borne in mind that many of the transactions which the rules are designed to prevent are illegal under the trading-with-the-enemy acts and proclamations or under the common law."

These various acts are then cited in the footnotes. On January 27, 1915, the treasury announced that the chancellor of the exchequer had appointed a committee to consider and advise upon applications received by the treasury for approval of fresh issues. The committee consisted of five persons, one of whom was the governor of the Bank of England and another a member of the board of trade.

On January 19, 1915, the treasury made the following announcement as to control of fresh issues of capital:

"In connection with the reopening of the stock exchanges the treasury have had under consideration the general conditions under which new issues of capital in the United Kingdom can be permitted during the continuance of the war.

"It appears to the treasury that in the present crisis all other considerations must be subordinated to the paramount necessity of husbanding the financial resources of the country with a view to the successful prosecution of the war. Accordingly, they wish it to be understood that until further notice they feel it imperative in the national interest that fresh issues of capital shall be approved by the treasury before they are made.

"Treasury approval will be governed by the following general conditions:

"(1) Issues for undertakings carried on or to be carried on in the United Kindgom shall only be allowed where it is shown to the satisfaction of the treasury that they are advisable in the national interest.

"(2) Issues or participations in issues for undertakings carried on or to be carried on in the British Empire overseas shall only be allowed where it is shown to the satisfaction of the treasury that urgent necessity and special circumstances exist.

"(3) Issues or participations in issues for undertakings carried on or to be carried on outside the British Empire shall not be allowed.

"(4) The treasury will not in ordinary cases insist upon the above restrictions where issues are required for the renewal of treasury bills or other short instruments held here and falling due of foreign or colonial governments or municipal corporations or railways or other undertakings.

"All applications should be made in the first instance to the treasury. The treasury will not be prepared to approve under paragraph 4 (3) of the temporary regulations for the reopening of the stock exchange (a) any dealings in new issues which have not been approved by the treasury before they are made."

On January 29, 1915, the following treasury notice as to control of fresh issues of capital was issued:

"The approval of the treasury should be obtained for all these issues of capital of whatever nature, whether made on behalf of a Government, municipality, or other public body, or any company, whether public or private. Treasury approval is not required for calls of installments on shares, stock, debentures, or bonds already issued.

"All applications for approval of fresh issues should be addressed to the Treasury, the envelope being marked "Capital issues." In order to save delay and reduce correspondence to the minimum it is desirable that the fullest particulars should be given in each case."

On March 25, 1915, the following circular letter of the local government to local authorities as to approval of fresh issues of capital was made public:

"BORROWING BY LOCAL AUTHORITIES.

"SIR: In their circular letter of the 11th instant, the local government board referred to the decision of the lords commissioners of His Majesty's treasury to restrict capital issues by local authorities within the narrowest limits: (a) It was pointed out in the same circular letter that labor should be economized by local authorities as far as possible and that the inception of new works, except such as are of pressing necessity either for reasons of public health or on account of war requirements, should be avoided.

"The board have been in communication with their lordships in regard to this matter and it has now been arranged, in order to meet the convenience of local authorities and to avoid duplication of labor, that the sanction, approval, or consent of the local government board to any borrowing under powers conferred by public general acts or by local acts or provisional orders, under which such sanction, approval, or consent is required, shall suffice without any further approval by the treasury where—

"(a) The sanction, approval, or consent has been given on a date subsequent to the 12th instant; and

"(b) The money proposed to be raised is to be raised otherwise than by the issue of stock, bonds, or bills.

"Where a local authority hold a sanction, approval, or consent of the board of an earlier date than the 12th instant which has not yet been acted upon, whether wholly or in part, no further action must be taken upon it without a further sanction from the board authorizing the action unless the money is to be raised by the issue of stock, bonds, or bills, when the consent of the treasury must be obtained instead of the further sanction of the board.

"The treasury have further decided that their approval will not henceforth be required for the renewal or replacement by local authorities of maturing mortgages.

"With respect to the statement in the board's circular letter, to which reference is made in the first paragraph above that it has become necessary to avoid the inception of all new works except such as are of pressing necessity, either for reasons of public health or on account of war requirements, it must be understood that these terms will be construed in their strict sense.

"Consequently, before any application is made to the board with a view to the immediate execution of works, local authorities should fully satisfy themselves that they can show that the expenditure can not be avoided, postponed, or reduced. Any application should be accompanied by a statement of the facts upon which the local authority rely to prove these points.

"The treasury are anxious that the attention of local authorities should be particularly drawn to the fact that economies and restrictions on borrowing are possible not only as regards new works but also as regards works in progress. As regards these latter, it will frequently be found possible by arrangement with contractors or otherwise to postpone works or parts of them or to enlarge the period allowed under contract for their completion. In any case in which an application for sanction to this board or to the treasury is necessary, where works are in progress or are the subject of a contract, it will be necessary to demonstrate that every possible effort has been made in this direction before the extent of the application has been finally determined upon."

On May 18, 1915, the chancellor of the exchequer was asked in the House of Commons whether he was aware that the treasury has no power to prevent the registration of a new joint stock company in regard to which it has refused to approve the issue of the capital with which it proposes to operate, and whether he proposes to ask Parliament for power to prohibit the issue of such capital. The following answer was given:

"The treasury have no legal power to make their disapproval of *fresh issues* of capital effective, and the Government do not propose to seek such power at the present time. I do not, however, consider it probable that in present circumstances promoters will persist in propositions of which the treasury have expressed disapproval, or that if they do persist, such propositions will be supported by the public. Should they do so, the question whether any advantage they may thereby obtain over those who have been content to be guided by the rules laid down should not be counterbalanced by special fiscal burdens will not fail to receive careful consideration."

Mr. MOORE of Pennsylvania. Does the gentleman from North Carolina expect to proceed any further to-night?

Mr. KITCHIN. Has the gentleman anyone who desires to speak now?

Mr. MOORE of Pennsylvania. We had intended to yield some time to those in opposition to the bill. The gentleman from Pennsylvania [Mr. MCFADDEN] is here, also the gentleman from New York [Mr. PLATT], and the gentleman from California [Mr. HAYES] has made some arrangement in behalf of these gentlemen.

Mr. KITCHIN. Do these gentlemen desire to be heard to-night?

Mr. McFADDEN. Mr. Chairman, it is now 6 o'clock, and there are only about 30 gentlemen in the room, and I think it is time to adjourn.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the Chair, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10608, the war finance corporation bill, and had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Young, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House was requested:

S. 3799. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors.

The message also announced that the Senate had agreed to the amendments of the House to the bill (S. 1854) to save daylight and to provide standard time for the United States.

The message also announced that the Senate insisted upon its amendments to the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, and had ordered that Mr. MARTIN, Mr. UNDERWOOD, and Mr. WARREN be the conferees on the part of the Senate.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 1854. An act to save daylight and to provide standard time for the United States.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, the following bills were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 4099. An act to amend and reenact section 5200, Revised Statutes of the United States; to the Committee on Banking and Currency.

S. 3476. An act to authorize extension of a spur track or siding from the existing lines of railroad in the District of Columbia across First Street NE., between L and M Streets, to the buildings occupied by the field medical supply depot of the Army; to the Committee on the District of Columbia.

S. 3798. An act granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors; to the Committee on Pensions.

S. 3799. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of such soldiers and sailors; to the Committee on Invalid Pensions.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. SCHALL for 10 days, on account of important business.

ORDER OF BUSINESS.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that the business in order on Monday next, the Calendar for Unanimous Consent, be dispensed with, that the bill H. R. 10608 be in order on that day, and that the business in order on Monday under the Calendar for Unanimous Consent be transferred to the Saturday following.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the business in order on Monday next under the Calendar for Unanimous Consent be dispensed with and transferred to the following Saturday and that the War Finance Corporation bill be in order on Monday. Is there objection?

Mr. MOORE of Pennsylvania. Mr. Chairman, I have no objection to that, except that I would like to know whether the gentleman proposes to use all day Monday in general debate?

Mr. KITCHIN. Yes. I am going to make an arrangement about that afterwards.

Mr. NORTON. I would like to ask the gentleman how long he expects it will take before we finish this bill?

Mr. KITCHIN. We hope to finish the bill by Tuesday night. I regard it as important that we should take Monday for the consideration of this bill, and that we should transfer the business in order on Monday to Saturday, in order that that calendar may be considered. Following the consideration of this bill it has been agreed and understood that the Moon bill, increasing the pay of the postal employees will be taken up and considered. Between now and March 26 we will have to pass another bond bill, and it is important that this bill should be gotten out of the way, so that we can take up the bond bill at the earliest possible moment, because the liberty loan campaign will begin on April 6, and some printing concerning it must be had. I think this bill ought to follow right along until we finish it.

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I suggest that the gentleman make his request that the business in order on Calendar Monday be transferred to Saturday only as to unobjected bills. I make that suggestion for this reason: A great many Members of the House, as the gentleman well knows, are from nearby districts and leave the city on Friday night.

If the agreement is that business in order on Monday will be transferred to the following Saturday, that would bring up important matters that would be controverted under suspension of the rules. There is a large Unanimous Consent Calendar at present, but on no call of the calendar since the convening of this Congress has that calendar been completed.

Mr. KITCHIN. You mean, to confine it to unanimous consent?

Mr. STAFFORD. Unobjected to.

Mr. KITCHIN. That is, motions for suspending the rules?

Mr. STAFFORD. Yes.

Mr. KITCHIN. I will modify that, Mr. Speaker.

The SPEAKER. How does the gentleman modify it?

Mr. KITCHIN. I modify it by moving that business on the Unanimous Consent Calendar and business on next Monday be dispensed with, and that unanimous-consent bills—that is, bills on the Unanimous Consent Calendar only, unobjected to—be called on Saturday next.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the business properly coming up next Monday, unanimous consent and suspension of the rules and motions to discharge committees, be transferred to next Saturday, and that on next Saturday that no bills on the Unanimous Consent Calendar shall be considered except those unobjected to.

Mr. KITCHIN. In other words, the business on Saturday be confined to the Unanimous Consent Calendar?

The SPEAKER. That business on next Saturday shall be confined to the Unanimous Consent Calendar.

Mr. STAFFORD. That the order for next Saturday shall be bills on the Unanimous Consent Calendar, and that bills may be

considered on the Unanimous Consent Calendar that are not objected to.

Mr. NORTON. Mr. Speaker, a parliamentary inquiry.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent that the business that would be in order under the general rules of the House next Monday be dispensed with.

The SPEAKER. Does the gentleman from North Carolina [Mr. KITCHIN] yield?

Mr. KITCHIN. I will adopt that suggestion and make that request.

Mr. CRISP. Mr. Speaker, I will object to that request.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that the business that would be in order next Monday under the rules be dispensed with, and that the bills on the Unanimous Consent Calendar be considered on the Saturday following, but that no motion to suspend the rules shall be made on that day. That gets what you are after.

The SPEAKER. Does that satisfy the gentleman from Wisconsin [Mr. STAFFORD]?

Mr. STAFFORD. That meets the request of "the gentleman from Wisconsin."

The SPEAKER. Why did you not say so?

Mr. STAFFORD. Because it was not submitted before, Mr. Speaker, in that form.

The SPEAKER. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that the bills in order on next Monday be transferred to next Saturday, and that next Saturday nothing except the Unanimous Consent Calendar shall be considered, and that no motion to suspend the rules or a motion to discharge committees shall be considered. Is there objection? [After a pause.] The Chair hears none.

INDUSTRIAL CREDITS—LIMIT OF GENERAL DEBATE.

Mr. KITCHIN. Now, I want to see if we can not agree that all general debate on the War Finance Corporation bill be closed when the committee rises on next Monday. I will not, of course, make the motion that the committee should rise before 5 o'clock anyway.

Mr. MOORE of Pennsylvania. Mr. Speaker, the gentleman from Michigan left a long list of those who desired to speak in general debate. I presume it will run over four or five hours. If the gentleman thinks we can get through on Monday, so that all these gentlemen may be accommodated——

Mr. KITCHIN. I will not move to rise until we do get through.

Mr. MOORE of Pennsylvania. All right.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that general debate shall be limited by the rising of the committee on Monday afternoon next. Is there objection?

There was no objection.

Mr. KITCHIN. That is general debate, and if we do not go under the five-minute rule for considering amendments on Monday, had we not better meet at 11 o'clock?

Mr. LONGWORTH. The gentleman has called a meeting of the committee at 10 o'clock a. m. Will he be able to finish?

Mr. KITCHIN. Oh, yes; because we will meet in this room.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

HOUR OF MEETING ON MONDAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock on Monday.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 9 minutes p. m.) the House, under its previous order, adjourned until Monday, March 18, 1918, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of the Treasury, transmitting copy of a communication of the president of the Board of Commissioners of the District of Columbia of the 14th instant submitting revised estimate of schedules of salaries for teachers and certain officials of the public schools of the District of Columbia for the fiscal year ending June 30, 1919, amounting to $2,312,800 (H. Doc. No. 976), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HARDY, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill (S. 1545) to amend the act of March 3, 1913, entitled "An act to regulate the officering and manning of vessels subject to the inspection laws of the United States," reported the same without amendment, accompanied by a report (No. 389), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. MAYS, from the Committee on the Public Lands, to which was referred the bill (H. R. 8444) for the relief of Ira G. Kilpatrick and Guy D. Dill, reported the same with amendment, accompanied by a report (No. 388), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 10300) granting an increase of pension to Mary J. Spate, helpless child of Joseph Spate, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CRAMTON: A bill (H. R. 10782) to amend section 2 of an act entitled "An act to amend section 4131 of the Revised Statutes of the United States, to improve the merchant marine service and thereby also to increase the efficiency of the Naval Reserve, and for other purposes," as amended by act approved October 22, 1914; to the Committee on Interstate and Foreign Commerce.

By Mr. PADGETT: A bill (H. R. 10783) to authorize the Secretary of the Navy to increase the facilities for the proof and test of ordnance material, and for other purposes; to the Committee on Naval Affairs.

By Mr. CRAMTON: A bill (H. R. 10784) to amend section 314 of an act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, as added to said act by an act approved October 6, 1917; to the Committee on Interstate and Foreign Commerce.

By Mr. BACHARACH: A bill (H. R. 10785) to amend an act entitled "An act to authorize the issue to States and Territories and the District of Columbia of rifles and other property for the equipment of organizations of home guards," approved June 14, 1917; to the Committee on Military Affairs.

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 10786) to confer jurisdiction on the Court of Claims; to the Committee on the Judiciary.

By Mr. FIELDS: A bill (H. R. 10787) to prevent the charge of exorbitant fees by agents or attorneys in the collection of war-risk insurance, and for other purposes; to the Committee on the Judiciary.

By Mr. MORGAN: A bill (H. R. 10788) to provide relief for the producers of wheat in the year 1917, and for other purposes; to the Committee on Agriculture.

By Mr. PORTER: A bill (H. R. 10789) to authorize the coinage of 2-cent pieces, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. RAKER: Resolution (H. Res. 282) for the immediate consideration of House bill 10587; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10790) granting an increase of pension to Welcome Ashbrook; to the Committee on Invalid Pensions.

By Mr. BRUMBAUGH: A bill (H. R. 10791) granting a pension to William J. Riley; to the Committee on Pensions.

By Mr. DILLON: A bill (H. R. 10792) for the relief of William H. H. Lee; to the Committee on Military Affairs.

Also, a bill (H. R. 10793) granting an increase of pension to Samuel H. Elton; to the Committee on Invalid Pensions.

By Mr. DYER: A bill (H. R. 10794) granting a pension to Kathrina Balthasar; to the Committee on Invalid Pensions.

By Mr. ESCH: A bill (H. R. 10795) granting an increase of pension to William P. Visgar; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 10796) granting an increase of pension to John M. Ison; to the Committee on Pensions.

By Mr. GODWIN of North Carolina: A bill (H. R. 10797) granting an increase of pension to Thaddeus Clark; to the Committee on Invalid Pensions.

By Mr. HAYES: A bill (H. R. 10798) granting a pension to Emma K. Jacobs; to the Committee on Pensions.

By Mr. IRELAND: A bill (H. R. 10799) granting a pension to Charlotta Mader; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10800) granting a pension to Della Voorhees; to the Committee on Pensions.

Also, a bill (H. R. 10801) granting a pension to George Bencher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10802) granting an increase of pension to David P. Dunkle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10803) granting an increase of pension to David B. Stockton; to the Committee on Invalid Pensions.

By Mr. KETTNER: A bill (H. R. 10804) for the relief of the heirs of Harold B. Stoebe; to the Committee on Claims.

By Mr. LANGLEY: A bill (H. R. 10805) granting an increase of pension to Jane Hampton; to the Committee on Pensions.

Also, a bill (H. R. 10806) granting an increase of pension to James A. Burke; to the Committee on Invalid Pensions.

By Mr. NEELY: A bill (H. R. 10807) granting an increase of pension to Jesse B. Jemison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10808) granting an increase of pension to Joseph Letzkus; to the Committee on Invalid Pensions.

By Mr. REED: A bill (H. R. 10809) granting a pension to Isaac F. Lanham; to the Committee on Pensions.

Also, a bill (H. R. 10810) retiring Thomas Harrison, a clerk in the Naval Observatory, and for other purposes; to the Committee on Naval Affairs.

By Mr. RUBEY: A bill (H. R. 10811) granting an increase of pension to David M. Prater; to the Committee on Invalid Pensions.

By Mr. STERLING of Illinois: A bill (H. R. 10812) granting an increase of pension to Charles J. Mead; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Colorado: A bill (H. R. 10813) granting an increase of pension to William H. Coleman; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 10814) granting a pension to Maggie V. Stone; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10815) granting a pension to James H. Schneider; to the Committee on Pensions.

By Mr. WELTY: A bill (H. R. 10816) granting an increase of pension to Luther H. Angleberger; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 10817) granting an increase of pension to John L. Wheeler; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CAREW: Petition of the Wholesale Coal Trade Association of New York, relating to fixing of prices on bituminous coal; to the Committee on Agriculture.

By Mr. CARY: Petition of Newport Hydro-Carbon Co. and the Newport Chemical Works, both of Milwaukee, Wis., asking that excess-profits taxes be paid in installments; to the Committee on Ways and Means.

By Mr. DALE of New York: Petitions of the Wednesday Club, of Fort Smith, Ark., and other clubs and organizations of the United States, against increase in second-class postage; to the Committee on Ways and Means.

By Mr. DILLON: Memorial of Steven A. Hurlbut Post, No. 9, Grand Army of the Republic, of Elk Point, S. Dak., urging the increase of pensions of all Civil War veterans to $50 per month; to the Committee on Invalid Pensions.

By Mr. ESCH: Petition of American Wood Preservers' Association, Baltimore, Md., against increase in postage on second-class matter; to the Committee on Ways and Means.

Also, petition of sundry citizens of Grand Marsh County, Wis., favoring closing all breweries in the Nation as a war measure; to the Committee on Agriculture.

By Mr. FESS: Petitions of citizens of the State of Ohio, pledging support of the Federal Food Administration, but protesting against the waste of grain in the manufacture of intoxicating liquors; to the Committee on the Judiciary.

By Mr. HILLIARD: Resolutions adopted by the Wednesday Club of Fort Smith, Ark.; Lake View Woman's Club; Monday Club of Marshall, Mich.; Wednesday Morning Club of Cranford, N. J.; General Federation of Women's Clubs; Woman's Civic Betterment Club of Roanoke, Va.; Pen and Brush Club of New York, N. Y.; Sorosis Club of Chillicothe, Mo.; Penelope Club of Fort Worth, Tex.; Kappa Alpha Theta Alumnæ Club of Greencastle, Ind.; and Cedar Falls (Iowa) Chapter, Daughters of the American Revolution, protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of Maude M. Sanders, D. O., Helen R. McIlvain, Mrs. Nellie M. Clark, Louise Gunsaul, Mrs. E. M. Troxel, Mrs. J. T. W. Hall, and 32 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Mrs. C. M. Bayliss, Mrs. H. A. Keegan, Mrs. Alice Sater, Mrs. E. M. Howe, Mrs. R. B. Hughes, John L. Young, Joseph J. Weir, Mrs. Nellie E. Geer, Edna White, and Mrs. Cintra Dillon, all of Denver, Colo., praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Maggie Fraser, Mrs. A. D. Moss, Mrs. Sudie E. Flint, Mrs. Ella H. Stem, Florence C. M. Wilmot, Hiram D. Nicholson, Rose D. Woodworth, and 21 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

By Mr. IRELAND: Petition of D. Turigliatti and other citizens of Toluca, Ill., favoring a law to punish persons or organizations responsible for pro-German activity; to the Committee on the Judiciary.

By Mr. LONERGAN: Petition of Advent Christian Science Church of Plainville, Conn., favoring immediate war prohibition; to the Committee on the Judiciary.

By Mr. LUNDEEN: Memorial of Lodge No. 11 of the International Boiler Makers, of Minneapolis, Minn., favoring no time limit for the return of the railways to private ownership; to the Committee on Railways and Canals.

Also, petition of Minneapolis Garden Club, favoring the daylight-saving bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of Local Union, No. 15, of Plumbers and Steam Fitters' Association, of Minneapolis, Minn., favoring the passage of bills granting increase of pay to the Government employees; to the Committee on Appropriations.

Also, petition of the Credit Men of the Northwest, favoring retaining the present bankruptcy law permanently, and strongly opposed to any effort to repeal said law; to the Committee on the Judiciary.

By Mr. POLK: Memorial of Delaware Automobile Association, against the passage of House bill 8565, relative to tax on automobile owners; also petition of James P. Winchester, president Wilmington (Del.) Trust Co., relative to payment of excess-profits tax; to the Committee on Ways and Means.

By Mr. ROUSE: Resolution of the Allied Federated Crafts of Railway Employees of Ludlow, Ky., opposing any legislation that would fix a time limit after the war for the railroads to be returned to private ownership; to the Committee on Interstate and Foreign Commerce.

By Mr. STINESS: Petition of medical society and residents of Washington County, R. I., favoring the passage of bill granting increased rank to officers in the Medical Corps of the Army; to the Committee on Military Affairs.

SENATE.

MONDAY, *March 18, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we lift up our hearts to Thee that we may draw from Thee those qualities of heart and mind that fit us for the duties and responsibilities of this high office. Thou dost minister out of Thine own hand direct the highest and best gifts to men who seek Thy face. We pray that the gift that Thou dost bring, that Thou dost inspire, that Thou dost breathe may be given to us this day, that with all purity of heart and purpose we may serve the people and serve God. For Christ's sake. Amen.

The Journal of the proceedings of Saturday last was read and approved.

DISPOSITION OF USELESS PAPERS (H. DOC. NO. 977).

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Secretary of Labor, transmitting,

pursuant to law, a list and schedule of useless papers without historic value on the files of the Department of Labor and requesting action looking to their disposition. The communication and the accompanying papers will be referred to the Joint Select Committee on the Disposition of Useless Papers in the Executive Departments, and the Chair appoints the Senator from Maryland [Mr. FRANCE] and the Senator from New Hampshire [Mr. HOLLIS] the committee on the part of the Senate. The Secretary will notify the House of Representatives thereof.

ENROLLED BILL SIGNED.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the Speaker of the House had signed the enrolled bill (S. 1854) to save daylight and to provide standard time for the United States, and it was thereupon signed by the Vice President.

CALLING OF THE ROLL.

Mr. SMOOT. Mr. President, before beginning morning business I think we ought to have a quorum. I therefore suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hardwick	Nugent	Stone
Baird	Hitchcock	Overman	Sutherland
Bankhead	Johnson, Cal.	Page	Swanson
Beckham	Johnson, S. Dak.	Pittman	Thomas
Borah	Jones, Wash.	Poindexter	Thompson
Calder	Kellogg	Pomerene	Tillman
Culberson	King	Ransdell	Townsend
Curtis	Kirby	Reed	Trammell
Dillingham	Knox	Robinson	Underwood
Fletcher	McCumber	Shafroth	Vardaman
France	McKellar	Sheppard	Wadsworth
Frelinghuysen	McLean	Shields	Walsh
Gallinger	McNary	Smith, Ariz.	Warren
Gore	Martin	Smith, Ga.	Watson
Gronna	Myers	Smith, Mich.	Weeks
Hale	New	Smoot	Williams
Harding	Norris	Sterling	Wolcott

Mr. BECKHAM. My colleague [Mr. JAMES] is absent on account of illness. I will let this announcement stand for the day. I also wish to announce that the Senator from Maryland [Mr. SMITH] is detained by illness.

Mr. SUTHERLAND. My colleague, the senior Senator from West Virginia [Mr. GOFF], is absent on account of illness. I ask that this announcement may stand for the day.

Mr. WARREN. I desire to announce that my colleague [Mr. KENDRICK] is away from the city on public business.

The VICE PRESIDENT. Sixty-eight Senators have answered to the roll call. There is a quorum present.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT. The Chair lays before the Senate a joint resolution of the State of Wisconsin, pertaining to the loyalty and war work of that State, which will be printed in the RECORD and referred to the Committee on Privileges and Elections.

The joint resolution is as follows:

Joint resolution No. 3 A.

Joint resolution relating to the loyalty and war work of the State of Wisconsin.

The people of the State of Wisconsin, represented in senate and assembly, hereby again renew their allegiance to the Republic and pledge their loyalty and undivided support to the National Government in its prosecution of the present war to a successful end, and in this moment of struggle, which threatens the very existence of the Nation, will never shirk in their duty as loyal citizens to their beloved country.

The State of Wisconsin stands second to none in meeting the demands made upon it by the Federal Government for our national defense.

Wisconsin took the initiative in providing for the dependents of its soldiers and has made the most liberal provision for them of any State in the Union.

Wisconsin placed its entire election machinery at the disposal of the United States in the first registration for selective service.

Wisconsin was the first State in the Union to file a complete return of its registration under the selective-service law with the Federal Government at Washington.

Wisconsin's administration of the selective-service law has repeatedly received the highest commendation from the War Department and other Federal authorities.

In Wisconsin less than 2 per cent of the men called under the selective-service law failed to respond to the call, while in the United States as a whole $8\frac{4}{10}$ per cent of those called failed to respond.

Wisconsin stands at the head of the list of her neighboring States in the percentage of volunteer enlistments, which numbered over 17,000, 45 per cent of which are of Teutonic blood. The percentage in Illinois was 34.8; Indiana, 41.6; Iowa, 59; Michigan, 31.1; Minnesota, 31.4; Kentucky, 35.8; while in Wisconsin our percentage was 54.5.

Wisconsin's troops when they left Camp Douglas were fully equipped, not by the Federal Government but by the State.

Wisconsin's citizens have contributed over $125,000,000 to liberty loans, Red Cross, Young Men's Christian Association, Young Women's Christian Association, Knights of Columbus, and other war activities. Our subscription to the first liberty loan was $36,236,750. Our subscription to the second liberty loan was $87,056,900. In the seventh Federal reserve district the subscription of this State was 155 per cent of its minimum allotment. In this loan Wisconsin stood at the head of all the States in this district. Illinois stood second, with a percentage of 152.8; Michigan third, with a percentage of 142.5; Indiana fourth, with a percentage of 122; and Iowa fifth, with a percentage of 111.4.

Wisconsin is proud of the foregoing record, and submits the same to the fair and impartial judgment of all loyal citizens of the Nation and pledges itself to even greater accomplishments in the future.

The people of the State of Wisconsin always have stood and always will stand squarely behind the National Government in all things which are essential to bring the present war to a successful end, and we condemn Senator ROBERT M. LA FOLLETTE and all others who have failed to see the righteousness of our Nation's cause, who have failed to support our Government in matters vital to the winning of the war, and we denounce any attitude or utterance of theirs which has tended to incite sedition among the people of our country and to injure Wisconsin's fair name before the free peoples of the world.

The people of Wisconsin recognize that the Government should not at this time be hampered by any partisan spirit that may interfere with the military program of the Nation, and we assure the Federal authorities that the people of this State stand ready and willing to give every possible assistance in all things that may be required to win the war, and we denounce all seditious utterances which, under the guise of free speech, are seeking to incite sedition and anarchy within or without our borders.

We condemn no person on account of birth or ancestry, but we do especially commend those patriotic citizens who have ties of either birth or friendship with our enemies, and who are at this time standing shoulder to shoulder with those of our citizens of other birth and ancestry.

In conclusion we declare that the people of Wisconsin recognize no party or factional loyalty, but, on the other hand, most heartily commend the loyalty of all our citizens irrespective of nationality or present party affiliations.

The speaker of the assembly and the president of the senate are hereby instructed to transmit a copy of this resolution to the President of the United States and to the presiding officer of the Senate and House of Representatives.

EDWARD F. DITTEMAR,
President of the Senate.
O. G. MUNSON,
Chief Clerk of the Senate.
LAWRENCE C. WHITTET,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. SMITH of Georgia. I have a number of petitions from Georgia prepared under the leadership of the American Defense Society asking for legislation looking toward the punishment of various lines of activity therein mentioned. I send them to the desk and ask that the usual notation be made in the CONGRESSIONAL RECORD and suggest that they be referred to the Committee on the Judiciary.

The petitions were referred to the Committee on the Judiciary, as follows:

Petitions from sundry citizens of Columbus, Savannah, Atlanta, Stone Mountain, Kirkwood, Clarkeston, Brunswick, and Thomasville, all in the State of Georgia.

Mr. McLEAN presented petitions of the Fairfield County Medical Society, of the New Haven County Medical Society, and of the Hartford County Medical Society, all in the State of Connecticut, praying for an advanced rank for officers of the Medical Corps, which were referred to the Committee on Military Affairs.

He also presented petitions of sundry citizens of South Manchester, of Hartford, of Newton, and of Bridgeport, and of the Capitol City Lodge, No. 354, International Association of Machinists, of Hartford, all in the State of Connecticut, praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

Mr. SUTHERLAND presented a petition of the congregation of the Baptist Church, of Salem, W. Va., praying for the enactment of legislation to prohibit the manufacture of intoxicating liquors during the period of the war, which was ordered to lie on the table.

Mr. NELSON presented a resolution adopted by the Fair Price Food Committee, of Thief River Falls, Minn., relative to the price of wheat as compared to the relative prices of other cereals, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by Simon Mix Post, Grand Army of the Republic, Department of Minnesota, of Pipestone, Minn., praying for an increase in pensions to soldiers of the Civil War, which was referred to the Committee on Pensions.

Mr. PHELAN presented a petition of Local Branch No. 214, National Association of Letter Carriers, of San Francisco, Cal., praying for an increase in the salaries of letter carriers, which was referred to the Committee on Post Offices and Post Roads.

Mr. HALE presented petitions of sundry citizens of Maine, praying for the submission of a Federal amendment to the legislatures of the several States, which were ordered to lie on the table.

He also presented a petition of the Aroostook County Medical Society, of Maine, praying for the enactment of legislation providing for an advanced rank for officers of the Medical Corps of

the Army, which was referred to the Committee on Military Affairs.

Mr. TOWNSEND presented a petition of Typographical Union, No. 18, and a petition of German-American Typographical Union, No. 21, of Detroit, Mich., praying for an increase in pensions to veterans of the Civil War, which were referred to the Committee on Pensions.

He also presented a petition of the Academy of Medicine, of Kalamazoo, Mich., praying for the enactment of legislation providing for advanced rank for officers of the Medical Corps in the Army, which was referred to the Committee on Military Affairs.

He also presented a memorial of the Seventh-Day Adventists, of Battle Creek, Mich., remonstrating against the enactment of certain Sunday laws, which was referred to the Committee on the District of Columbia.

Mr. MARTIN presented sundry papers to accompany the bill (S. 369) granting a pension to Pyrrhus Williams, which were referred to the Committee on Pensions.

REMOVAL OF STATUE OF FREDERICK THE GREAT.

Mr. THOMAS. On Saturday last I introduced the joint resolution (S. J. Res. 140) providing for the removal and disposition of the statue of Frederick the Great, and asked that it be referred to the Committee on Public Buildings and Grounds. I find that the joint resolution properly belongs to the Committee on the Library. Therefore I ask unanimous consent that the Committee on Public Buildings and Grounds be discharged from the further consideration of the joint resolution and that it be referred to the Committee on the Library.

The VICE PRESIDENT. Without objection, that action will be taken.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HITCHCOCK:

A bill (S. 4132) to amend the fifty-second and fifty-third Articles of War; to the Committee on Military Affairs.

By Mr. POMERENE:

A bill (S. 4133) granting a pension to George W. Childs (with accompanying papers); to the Committee on Pensions.

By Mr. SUTHERLAND (for Mr. GOFF):

A bill (S. 4134) granting an increase of pension to Beckwith A. McNemar (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 4136) granting an increase of pension to John G. Jackson (with accompanying papers); to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 4137) to amend section 5219 of the Revised Statutes to the Committee on Banking and Currency.

By Mr. McKELLAR:

A joint resolution (S. J. Res. 141) amending the act of July 2, 1909, governing the holding of civil-service examinations; to the Committee on Civil Service and Retrenchment.

COURTS IN WESTERN DISTRICT OF SOUTH CAROLINA.

Mr. TILLMAN. I introduce a bill (S. 4135) to amend an act entitled "An act to amend an act entitled 'An act to provide for the appointment of a district judge, district attorney, and marshal for the western district of South Carolina, and for other purposes,' approved September 1, 1916," so as to change the time of holding courts in the western district of South Carolina, and ask that it be referred to the Committee on the Judiciary. I also ask that the bill, along with the memorandum attached, be printed for the information of those who care to look into it and so that the memorandum will not get lost.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill and accompanying memorandum are as follows:

A bill (S. 4135) to amend an act entitled "An act to amend an act entitled 'An act to provide for the appointment of a district judge, district attorney, and marshal for the western district of South Carolina, and for other purposes,' approved September 1, 1916," so as to change the time of holding courts in the western district of South Carolina.

Be it enacted, etc., That section 5 of an act entitled "An act to provide for the appointment of a district judge, district attorney, and marshal for the western district of South Carolina, and for other purposes," approved September 1, 1916, be, and the same is hereby, amended so as to read as follows:

"SEC. 5. That the terms of the district court for the eastern district shall be held at Charleston on the first Tuesday in June and December; at Columbia on the third Tuesday in January and first Tuesday in November; at Florence the first Tuesday in March; and at Aiken on the first Tuesday in April and October.

"Terms of the district court for the western district shall be held at Greenville on the second Tuesday in August and the third Tuesday in February; at Rock Hill on the fourth Tuesday in November and second Tuesday in May; at Greenwood the second Tuesday in September and third Tuesday in March; at Anderson the third Tuesday in October and second Tuesday in January; at Spartanburg the first Tuesday in January, equity court.

"The office of the clerk of the district court for the western district shall be at Greenville, and the office of the clerk of the district court for the eastern district shall be at Charleston."

MEMORANDUM ON PROPOSED AMENDMENT BY THE CLERK OF THAT COURT.

It provides for changing the time of the holding of the courts for the western district only. For instance, the heaviest courts we have are Greenville in April and October, two of the very busiest seasons for the farmers. At practically every place our courts conflict with the State courts, and the lawyers having cases in our courts can not attend on this account. At two places we have to use the State courthouses, and arrangements always have to be made to postpone our court or the State court. This proposed amendment has the approval of the judge, the marshal, and the lawyers generally and will avoid the above conflicts.

OVERTIME PAY FOR CLERKS.

Mr. SHAFROTH. Mr. President, I desire to give notice of a motion to suspend the rules that I may propose an amendment to the Agricultural appropriation bill. I ask that the notice be read at the desk.

The Secretary read the notice, as follows:

I hereby give notice in writing that when the Agricultural appropriation bill (H. R. 9054) is being considered in the Senate I shall move to suspend paragraphs 1, 2, and 3 of Rule XVI of the Senate, which provide that no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill or to add a new item of appropriation; that amendments proposing to increase an appropriation already contained in the bill, or to add new items of appropriation, shall, at least one day before they are considered, be referred to the Committee on Appropriations; and that when actually proposed to the bill no amendment proposing to increase the amount stated in such amendment shall be received, in order that I may propose the following amendment:

On page 91, at the end of line 16, insert the following proviso:

"*Provided*, That work required in excess of eight hours shall be paid for at the rate of one and one-half times the regular compensation of the employee, computed on an hourly basis."

ST. LOUIS, BROWNSVILLE & MEXICO RAILWAY.

Mr. STONE. Mr. President, I have a communication which I desire to put in the RECORD, following a brief explanation.

February 14 and 16 the Senator from Iowa [Mr. CUMMINS], speaking to what is known as the railroad-control bill, referred to the St. Louis, Brownsville & Mexico Railway Co. In addition to what he said in the body of his speech, at the close of his remarks he inserted an extended table covering numerous railroads purporting to show their several earnings, or, I might better say, showing their per cent of earnings on capital. This table represents the earnings of the road mentioned as being 51 per cent on invested capital.

I am in receipt of a letter from Mr. G. H. Walker, of St. Louis, who is the vice president of the St. Louis, Brownsville & Mexico Railway Co., in which Mr. Walker gives what he says is the real per cent of earnings on the capital of that company. This statement is very different from the per cent of capital earnings of that company as given by the Senator from Iowa.

The Senator from Iowa in the table I refer to stated that the average per cent of net income on capital stock on the railroad mentioned—the St. Louis, Brownsville & Mexico—was 52.71 per cent. The vice president of the company, Mr. Walker, states that for the period covered the per cent was only 4.49 per cent of the earnings, and he asked me, as far as I can, to correct what he thinks was an unintentional mistake of the Senator from Iowa.

Mr. President, I know this gentleman, Mr. Walker, and it is sufficient for me to say, which I do with great pleasure, that there is no business man in St. Louis held in more universal esteem.

I ask leave that his letter, which I send to the desk, may be printed in the RECORD as corrective of the statement made by the Senator from Iowa.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[Gulf Coast Lines—New Orleans, Texas & Mexico Railway; the Beaumont, Sour Lake & Western Railway; the St. Louis, Brownsville & Mexico Railway; the Orange & Northwestern Railroad; Louisiana Southern Railway (N. O., T. & M. Rwy. Co., lessee). G. H. Walker, vice president.]

ST. LOUIS, MO., *March 13, 1918.*

Senator WILLIAM J. STONE,
Washington, D. C.

MY DEAR SENATOR: Recently in a discussion of the railway bill before the United States Senate, Senator CUMMINS made the point that the earnings on the comon stock of the St. Louis, Brownsville & Mexico Railway Co. were very large. He indicated the figure of 52 per cent.

I desire to give you the facts in the matter, with the suggestion that you use them in any manner you see fit that will correct the impression created by this statement:

ST. LOUIS, BROWNSVILLE & MEXICO RAILWAY.

This is a Texas corporation, operating a line of railway extending from Houston to Brownsville, Tex., including several branches. The total mileage operated is 548.18 miles. This company is a subsidiary of the New Orleans, Texas & Mexico Railway Co., which operates what are commonly known as the Gulf Coast Lines. The New Orleans, Texas & Mexico Railway Co. own the stock and funded debt of the St. Louis, Brownsville & Mexico Railway Co.

The capitalization of the St. Louis, Brownsville & Mexico Railway Co. reported as of September 30, 1917, was as follows:

Capital stock	$500,000
First-mortgage bonds	12,913,341
Equipment notes	535,000
Demand notes to New Orleans, Texas & Mexico Railway Co	499,309
Total	14,447,650
To which it is proper to add:	
Appropriated surplus	537,234
Profit and loss surplus	908,090
Final total	15,892,974

The latter item may be called the "capital invested," and that it is conservative will be evident from the valuation of $15,594,245 assigned by the Texas Railroad Commission to this property in the report issued by the commission covering the fiscal year ended June 30, 1916.

The total income of the St. Louis, Brownsville & Mexico Railway Co. applicable to interest and dividends—that is, after allowing for rentals and hire of equipment—is reported as follows:

12 months ended June 30, 1913	$234,647
12 months ended June 30, 1914	154,691
12 months ended June 30, 1915	403,488
6 months ended Dec. 31, 1915	361,774
12 months ended Dec. 31, 1916	1,444,704
12 months ended Dec. 31, 1917	1,325,623
Average 5½ years	713,623

The average net income is thus equal to 4.49 per cent on the figure of $15,892,974, taken as the "invested capital."

As you will see by the letterhead, I am vice president of the Gulf Coast Lines, which owns and operates the St. Louis, Brownsville & Mexico, and along with many of your other friends in St. Louis am deeply interested in the welfare of the property.

I would thank you for anything you can do for me in this matter.

Yours, very truly,

G. H. WALKER.

ERADICATION OF ADULT ILLITERACY.

Mr. SMITH of Georgia. Mr. President, I ask to have printed in the RECORD a letter from Secretary Lane to myself with reference to a pending bill and a matter of great urgency. To-morrow morning I shall call the attention of the Senate to the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, March 12, 1918.

MY DEAR SENATOR: I believe that the time has come when we should give serious consideration to the education of those who can not read or write in the United States. The war has brought facts to our attention that are almost unbelievable and that are in themselves accusatory. There are in the United States (or were when the census was taken in 1910) 5,516,163 persons over 10 years of age who were unable to read or write in any language. There are now nearly 700,000 men of draft age in the United States who are, I presume, registered, who can not read or write in English or in any other language. Over 4,600,000 of the illiterates in this country were 20 years of age or more. This figure equals the total population of the States of California, Oregon, Washington, Montana, Idaho, Wyoming, Colorado, Utah, Nevada, Arizona, New Mexico, and Delaware. The percentage of illiterates varies in the several States from 1.7 per cent in Iowa to 29 per cent in Louisiana. More than 10 per cent of it was in 13 States. Half of the illiterates were between 20 and 45 years of age. It has been estimated by one of those concerned with this problem that if these five million and a half illiterate persons were stretched in a double line of march at intervals of 3 feet and were to march past the White House at the rate of 25 miles a day it would require more than two months for them to pass. Over 58 per cent are white persons, and of these 1,500,000 are native-born whites.

I beg you to consider the economic loss arising out of this condition. If the productive labor value of an illiterate is less by only 50 cents a day than that of an educated man or woman, the country is losing $825,000,000 a year through illiteracy. This estimate is no doubt under rather than over the real loss. The Federal Government and the States spend millions of dollars in trying to give information to the people in rural districts about farming and home making. Yet 3,700,000, or 10 per cent, of our country folk can not read or write a word. They can not read a bulletin on agriculture, a farm paper, a food-pledge card, a liberty-loan appeal, a newspaper, the Constitution of the United States, or their Bibles, nor can they keep personal or business accounts. An uninformed democracy is not a democracy. A people who can not have means of access to the mediums of public opinion and to the messages of the President and the acts of Congress can hardly be expected to understand the full meaning of this war, to which they all must contribute in life or property or labor.

It would seem to be almost axiomatic that an illiterate man can not make a good soldier in modern warfare. Until last April the Regular Army would not enlist illiterates, yet in the first draft between 30,000 and 40,000 illiterates were brought into the Army and approximately as many near illiterates.

They can not sign their names.

They can not read their orders posted daily on bulletin boards in camp.

They can not read their manual of arms.

They can not read their letters or write home.

They can not understand the signals or follow the Signal Corps in time of battle.

There are 700,000 men who can not read or write who may be drafted within our Army within the next year or two. Training camps for soldiers are not equipped for school work, and the burden of teaching men to read the simplest English should not be cast upon the officers or others in the camps. We should give some education to all our men before they enter the Army.

There is even a larger problem than this that challenges our attention, and that is the teaching of the English tongue to millions of our population. Dr. John H. Finley, president of the University of the State of New York, in a recent speech presented this picture which he found in one of the cantonments:

"How practical is the need of a language in this country common to all tongues is illustrated by what I saw in one of the great cantonments a few nights ago. In the mess hall, where I had sat an hour before with a company of the men of the National Army, a few small groups were gathered along the tables learning English under the tuition of some of their comrades, one of whom had been a district supervisor in a neighboring State and another a theological student. In one of those groups one of the exercises for the evening consisted in practicing the challenge when on sentry duty. Each pupil of the group (there were four of Italian and two of Slavic birth) shouldered in turn the long-handled stove shovel and aimed it at the teacher, who ran along the side of the room as if to evade the guard. The pupil called out in broken speech, 'Halt! Who goes there?' The answer came from the teacher, 'Friend.' And then, in as yet unintelligible English (the voices of innumerable ancestors struggling in their throats to pronounce it), the words, 'Advance and give the countersign.' So are those of confused tongues learning to speak the language of the land they have been summoned to defend. What a commentary upon our educational shortcomings that in the days of peace we had not taught these men, who have been here long enough to be citizens—and tens of thousands of their brothers with them—to know the language in which our history and laws are written and in which the commands of defense must now be given! May the end of this decade, though so near, find every citizen of our State prepared to challenge in one tongue and heart the purpose of all who come with the cry, 'Who goes there?'"

What I have said here leads to a respectful request that you give early consideration to House bill 6490, which provides for a modest appropriation for the Bureau of Education to begin and conduct a vigorous and systematic campaign for the eradication of adult illiteracy. If the bill can be passed soon, special attention can be given to teaching illiterate men of draft age, and especially those who are classified in Class A.

Cordially, yours,

FRANKLIN K. LANE,
Secretary.

Hon. HOKE SMITH,
Chairman Committee on Education and Labor,
United States Senate.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on the 16th instant, approved and signed the act (S. 3471) to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States.

AGRICULTURAL APPROPRIATIONS.

The VICE PRESIDENT. The morning business is closed.

Mr. GORE. I move that the Senate proceed to the consideration of the unfinished business, House bill 9054, the Agricultural appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

The VICE PRESIDENT. The pending question is the motion offered by the Senator from Oklahoma [Mr. GORE] to suspend the rule.

Mr. PITTMAN. Mr. President, I wish to present an amendment and let it lie on the table, so that I may call it up as soon as the pending amendment has been disposed of.

The amendment that I am about to offer has to do with the so-called Borland provision of the bill as passed by the House. An amendment was offered by the Senator from Mississippi [Mr. WILLIAMS] yesterday attempting to so amend the Borland provision as to carry out the requirements of the eight-hour law. On a point of order the Chair ruled it out of order and upon appeal the ruling was sustained by the Senate. While I have not yet been able to comprehend exactly the theory upon which the Senate acted, it has acted, and I shall not attempt to bring up the same question.

I feel, however, that the situation as it now exists, unless some amendment of the nature I now present is in order, is that we will be compelled to swallow this half-baked legislation as it comes from the House or subsist upon the existing legislation.

These questions have to be settled by the Senate finally, Mr. President, because the House is pursuing exactly the same policy with regard to numerous other appropriation bills on which this same Borland provision is coming before this body. It simply means that the eight-hour law which has been adopted by Congress for many of its departments is being repudiated. It means that the policy which has not only been adopted by Congress but adopted by the various States with regard to the working of women at continuous labor and which was sustained by the Supreme Court of the United States is being circumvented by this peculiar form of nonamendable legislation.

The Borland provision not only permits the heads of the departments to work the employees excessive hours, even beyond human endurance, but deprives them of the opportunity to com-

pensate such employee by an hour's vacation. Understand that there are Senators here who base their support of the provision upon the ground of efficiency. I do not know how the same Senator who argued for an eight-hour law for women in the District of Columbia can now argue that efficiency in Government departments can be obtained by working women 10, 12, 14, or 16 hours a day. I think the theory is contrary to the experience and determination of all civilized countries. We are afraid of the expenditure of money, and instantly we lose sight of every other economic principle that this war has demonstrated in the countries of our allies.

The argument which is made by Senators here who favor the Borland provision is nothing new. It was used in England in the beginning of the European war. We know what the result was. They attempted to obtain more production by increased hours of labor; they called it "speeding up." What was the result? They found out that instead of getting an increased production the whole industrial system of Great Britain broke down. Great Britain now recognizes that it is even more necessary in times of war than in time of peace to conserve the life, health, and energy of its labor. There is no intelligent horseman who would attempt in a long race to crowd his horse at the start. If he did, he would never finish; and yet that is the theory that those who favor the Borland provision are attempting to apply to human beings.

I want to call attention to the fact that 90 per cent of these employees, so I am informed, are women, and the Supreme Court has laid down the principle—at least it has sustained the policy—that to work women over eight hours in continuous work daily tends to the destruction of the social conditions of this country; yet that is exactly what you are providing in this bill. If you are not providing that, then there is no reason for this provision at all, and it should be stricken out.

I am not opposing the working of women 8 hours a day, but I do oppose at the same time placing it in the power of some ignorant or vicious slave driver to work them 14 hours a day.

The time-and-one-half provision of the eight-hour law is not intended so much for increased pay as to deter overworking of employees.

It seems to me that on a mere matter of economy we should not lose sight of the principles that are of more value to this Government than are a few hours of work. Mr. President, I am as firmly convinced that it is more essential to conserve the life, health, and energy of the men and women of this country than it is to conserve time, wealth, or anything else. I am unwilling to see a vote on any bill which changes that policy without at least expressing intense disapproval. I feel that in the excitement attending the speeding up of this war, in the nervousness with regard to these large appropriations, we are drifting away from policies which have been heretofore established by experience.

I understand, Mr. President, that the Chair has ruled against the amendment of the Senator from Mississippi [Mr. WILLIAMS] on the ground that it was general legislation, and that it was an amendment to a provision of the House bill which was not general legislation but new legislation. I think I understand the distinction between "new legislation" and "general legislation," but if the Borland provision is not general legislation, then I do not understand the definition of "general legislation." If a provision of a bill which repeals or modifies existing legislation affecting a whole class is not general legislation, then I do not know what it is. But that has been decided.

The House held that the Borland provision was not subject to a point of order, because it was a limitation upon the use of the appropriation. Following that exact theory, I shall now present an amendment, which is a limitation the same as is the Borland provision, upon the use of this appropriation. If that is the rule I will follow it, but yet the amendment which I am about to offer shows the absolute absurdity of stating that something may be done negatively which can not be done affirmatively; that you may so limit an appropriation that you can prevent certain things from being done or compel certain things to be done, and yet that you can not direct that they be directly done.

I now offer the amendment, which in effect provides that none of this money shall be used to pay the salaries of the head of any department who has charge of any employees if he requires them to work over eight hours, unless for that extra work he sees that they are paid for time and a half for every hour overtime work they do.

I do not ask for a ruling upon that question now; it is not properly before the Senate, but when the time comes I believe that I can sustain the proposition that you may limit the payment of salaries to the heads of departments just as well as you can limit the payment of salaries to employees. I now ask that the amendment be read and lie on the table, to be called up at the proper time.

The VICE PRESIDENT. The amendment proposed by the Senator from Nevada will be stated.

The SECRETARY. After the word "day," in line 16, page 91, it is proposed to insert "or to pay salaries of the heads of executive departments having charge of the employment of labor who require more than eight hours' labor of an employee each day, unless such employee is paid at the rate of time and a half for each hour over eight hours."

Mr. CURTIS. Mr. President, I want to say a few words in behalf of the motion of the Senator from Oklahoma [Mr. GORE]. I hope that motion will be agreed to by the Senate, because I believe that it is only fair and just to the wheat growers of this country.

I remember well when the food-control bill was being considered that at that time there was no contention that those in authority desired to fix prices. I remember very well a meeting with several Senators from the wheat-growing States with Mr. Hoover and Judge Lindsey, who, it is claimed, prepared most of the food-control bill, and they did not contend that they wanted to fix prices. I also remember that at that meeting they were told that if the attempt were made to fix prices upon the products of the farmer the prices should also be fixed upon the machinery and articles the farmer had to buy. At that time it was the desire to prevent monopoly, hoarding, injurious speculation, and waste.

The bill, however, passed, and later on a price-fixing committee was appointed. The names of that committee were asked for last Saturday, but they were not given, and with the consent of the Senate I shall have them printed in my remarks.

The VICE PRESIDENT. In the absence of objection, permission to do so will be granted.

The names referred to are as follows:

H. A. Garfield, chairman.
Charles J. Barrett, Georgia.
William M. Doak, Virginia.
Eugene E. Funk, Illinois.
Edward F. Ladd, North Dakota.
R. Goodwin Rhett, South Carolina.
J. W. Shorthill, Nebraska.
James W. Sullivan, New York.
L. J. Tabor, Ohio.
Frank W. Taussig, District of Columbia.
Theodore N. Vail, New York.
Henry J. Waters, Kansas.

Mr. CURTIS. Mr. President, I want to say that after the committee was appointed the Senators from the wheat-growing States kept in communication with the members of the committee, and I know of my personal knowledge that the representatives of the commission from the wheat-growing States insisted upon a higher price than $2.20 per bushel for wheat. I believe they held out for a higher price just as long as they could. On the day before the price of wheat was fixed a Senator from a wheat-growing State called upon me and said he believed if some action were not taken the price of wheat would be fixed at between $1.65 and $1.75 per bushel. After having secured that information I asked other Senators to join me. They did so, and we called upon the price-fixing authority. The question was thoroughly presented by us, and it was urged that the price of wheat be fixed at its market price when the bill was passed and became a law. That, of course, was not done, but the price, as we all know, was fixed at $2.20 for the 1917 wheat crop.

Mr. McCUMBER. Mr. President——

Mr. CURTIS. I yield to the Senator.

Mr. McCUMBER. Was not the market price then nearly $3 a bushel?

Mr. CURTIS. The market price at that time, depending upon the locality, was between $2.50 and $3 a bushel; and I have here a letter, an extract from which I desire to read, showing the disastrous effect of the action of the Food Administration in the case of one farmer at least. I have received hundreds of letters similar to this from the farmers of Kansas, but I will merely read this one, because the others are substantially the same. It is dated September 20, 1917, and in part is as follows:

I just got returns to-day from a 980-bushel car of wheat. It brought me $1.96 a bushel in Kansas City. This wheat was worth from $2.70 to $2.80 a bushel some weeks ago. The taking of this wheat has cost me a cool thousand dollars, and I feel that if I am to furnish the other fellow bread he in turn should furnish me meat at a controlled price.

The food-control law contains this provision—I will simply read a short paragraph from section 14:

To determine, fix, and give public notice of what under specified conditions is a reasonable guaranteed price for wheat in order to insure such producers a reasonable profit.

That is the language of the present law. Now, I venture to say that no farmer in the wheat-producing sections where the yield was small, as it was in some parts of Kansas, Oklahoma,

and North and South Dakota, has made a single dollar upon his wheat.

I have a letter here from one farmer who had 100 acres in wheat, and here is what he writes:

The food-control bill has worked to the disadvantage of the farmer. On a hundred acres of wheat raised the whole output did not bring enough money to repurchase seed.

In this same connection there is another matter that should be remembered, and that is that the wheat producers were encouraged to thrash their wheat. In my section of the country, if it is discovered in the early spring that there is going to be a short wheat crop, the farmer turns it under and plants some other crop. Last year the farmers were appealed to not to do that, but to let the wheat grow, no matter how small the yield, and to harvest that wheat, and they were assured that they would not lose money by doing so, because the Government and the allies needed the wheat. So, many of the farmers in western Kansas who would have turned their wheat under permitted the crop to grow, thrashed it, and put it upon the market; but the price was fixed, and, instead of getting what they could have received for it some months before they sold it at from $1.65 to $1.96 a bushel.

Mr. President, while I am on this question I should like to read a letter that I received from a substantial farmer of my State, which touches upon another phase of price fixing. It reads as follows, to wit:

There is no reason why hogs and cattle should drop from 30 to 60 cents per hundred in 24 hours and meat sell constantly at increasing prices, nor why I should feed $2.20 corn into hogs and sell them at 18 cents and pay 50 cents for bacon, as I have done in the past year. If there is to be a fixed price for the products of the farm, at which many are losing money and going out of the live-stock business, then why should not prices be fixed on the finished product that everybody has to purchase?

I can make more money selling my corn at $1.25 than I can to feed it to live stock and then sell hogs at 16 cents or cattle at 12 cents per pound on foot.

In the same connection I desire to read, because they are all about alike, one of the many resolutions I have received. It is as follows:

GROVELAND, KANS.

Be it resolved by the members of the Farmers' Union of Groveland, Kans., That since President Wilson has seen fit to fix the price of 1918 crop of wheat at $2 for the local market we urge to you to use all your influence to persuade the administration to also fix a lower price on farm machinery and other commodities the farmer needs.

I insist that if the products of the farm are to have a price fixed upon them in return the farmer is entitled to have a price fixed upon the things that he needs and buys. The wheat farmers would rather sell their wheat in the open market and let the law of supply and demand control.

In this connection I desire to call the attention of the Senate to a letter from Kingfisher, Okla., which shows that the people in that State have the same difficulty in dealing with the different departments here that Senators have. This letter is addressed to Victor Murdock, a member of the Federal Trade Commission, and is as follows:

KINGFISHER, OKLA., *December 20, 1917.*

Mr. VICTOR MURDOCK,
Washington, D. C.

MY DEAR SIR: I am informed that you are one of the members of the Federal Trade Commission. I also understand that your commission will investigate the steel and farm-implement manufacturing companies' prices.

I would like very much to get you interested in looking up the implement-manufacturing companies, which is a very important matter. It will not be long until the farmers will have to buy spring implements. I do not see how the implement-manufacturing companies can "get by" with the prices they have put on for 1918. They are most unreasonable and affect the farmer more than any other line. I can not see how the farmer can pay the price.

I am one of the largest dealers in the West in the implement line. I have 12 stores and they carry a full line of implements and farm machinery. We deal direct with the farmer. The implement manufacturers have put from 80 per cent to 125 per cent to the retail dealer. When the retail dealer puts on his profit and the freight, it is going to make very high-priced farm machinery for the farmer to buy.

I would like very much to hear from you in reference to this matter. If there is any information I can give you, I will be very glad to do so.

Yours, very truly,

ED HOCKADAY.

To that letter Mr. Murdock sent the following reply:

WASHINGTON, *December 26, 1917.*

Mr. ED HOCKADAY,
Kingfisher, Okla.

MY DEAR MR. HOCKADAY: I have your letter of December 20, and I am much interested in your statement in regard to the increased prices which the manufacturers have put upon farm implements. I wish you would give me further details at once.

Let me have specific instances, naming in each case the implement, name of manufacturer, what his price was last year if you can, what this year, and what the price made now is. Any further information that you can offer as to the effect of the increased prices on the retailer as well as the farmer will be of service to me.

I will be obliged to you if you will do this as soon as possible.

Yours, truly,

VICTOR MURDOCK.

On January 1 this gentleman wrote Mr. Murdock, giving him full information; and I will ask permission to print that letter in the RECORD. It is a little too long to read:

There being no objection, the letter referred to was ordered to be printed in the RECORD, as follows:

KINGFISHER, OKLA., *January 1, 1918.*

Mr. VICTOR MURDOCK,
Care Federal Trade Commission,
Washington, D. C.

MY DEAR MR. MURDOCK: I have your letter of the 26th ultimo, replying to mine of the 20th, in reference to the big combine of the implement manufacturers.

All big concerns are on the same basis and have made the same prices: John Deere Plow Co., Emerson-Brantingham Co., Rock Island Plow Co., International Harvester Co., Oliver Plow Co., Parlin & Orendorff Plow Co.

In 1916 they put on a small advance of 10 per cent or 15 per cent, in the early part of 1917 they made several advances, and later they put on 25 or 30 per cent more, making a total of 80 per cent to 125 per cent.

Take, for example, a gang plow; the weight is 700 pounds. The price in 1916 was $53 to $55. The price now is $100 to $105. (The different manufacturers vary a little bit, which is why I say $100 to $105.)

The manufacturers are making their fight on the high-priced steel, claiming they base their price on 3-cent steel. A year or a year and a half ago steel was $1 to $1.15. In a plow they use pig iron, which costs 1½ cents. The majority of it would be steel based on the 3 cents per pound. There would be a small amount of soft center and cast steel, probably 40 or 50 pounds in a gang plow. This would cost more than the 3-cent steel.

Allow the 6 cents per pound for this steel (which, I expect, would cover the cost of manufacture), that would bring it to $42 cost. There is no way in the world, allowing them labor and overhead expense, to entitle them to the amount of $50 advance on this gang plow.

This is only one item. All the farm implements are on the same basis, several items being higher. I feel that if the manufacturers can hold the prices that have been made for 1918 that we will pay enormous profits on the goods we buy.

I have read a good many articles in the Trade Journal written by the manufacturers, also have heard some speeches by representatives of the manufacturers, and they have been very much exaggerated, trying to show the people the cost of their products. I am inclosing you a letter from Mr. Hood, of Pittsburg, Kans., who has eight stores. You can see what he says.

They will all tell you that their sales so far have been larger than ever before. Of course the price being twice as much would make more volume in dollars and cents. Take myself, for example: At this time of year I generally buy 15 carloads of goods. This year I expect to buy about three carloads of goods.

A great many sales made have been for immediate shipment. Others are to be shipped the latter part of January. They are very anxious to make shipments at once. I would like very much to see something done before spring shipments are made.

In the above statement I only spoke of farm implements. Did not include wheat binders. But we will take, for example, a 7-foot wheat binder. In 1916 we paid $120 for a 7-foot binder, including tongue trucks and transport. In the fall of 1916 they advanced $10. In the spring of 1917 they advanced $16, and this fall have advance $57, making a total of $83, costing $203. This is 70 per cent.

I hope this information will be of some benefit to you.

Yours, very truly,

ED HOCKADAY.

In response to that letter Mr. Murdock writes:

WASHINGTON, *January 17, 1918.*

Mr. ED. HOCKADAY,
Kingfisher, Okla.

MY DEAR MR. HOCKADAY: This is to acknowledge your letter of January 1, in regard to the increased price of farm implements and with the data which I had asked of you. I have been waiting opportunity to get the matter before the commission, which is overloaded with war duties, and in the meanwhile I wish you would keep me informed of all developments as they come to you in this line.

Yours, truly,

VICTOR MURDOCK.

Then, on February 7, Mr. Murdock wrote Mr. Hockaday as follows——

Mr. KIRBY. Mr. President——

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from Arkansas?

Mr. CURTIS. I will ask the Senator to wait until I read this letter:

WASHINGTON, *February 7, 1918.*

Mr. ED. HOCKADAY,
Kingfisher, Okla.

MY DEAR MR. HOCKADAY: I have your letter of January 31. I took up your former letter with Mr. Hoover and he informed me that the Department of Agriculture is actively handling the question of farm implements and, to avoid duplication of effort, I am sending your letter to them. In the meanwhile, as these things occur to you, write me and I will get them into the hands of the investigators in that department. I realize with you the necessity of expedition.

Yours, truly,

VICTOR MURDOCK.

Now, we all know that if the facts stated in this first letter were true, the Federal Trade Commission had full authority to investigate, and could direct the proper action to be taken; but they turned the letter over to the Food Administration. As I take it, under the first section of the food-administration act, it has full jurisdiction to act; but the Food Administration turns it over to the Agricultural Department, which has no authority at all. But the Agricultural Department closes its letter as follows:

However, if you still feel that some other action is necessary in the matter, it is the writer's opinion that you should take it up with the legislators for, as above stated, this department has no authority in the matter.

After two months, with the Federal Trade Commission having jurisdiction, with the Food Administration having jurisdiction, and then, if these statements are true, with the Department of Justice having the Sherman Act to apply to these people, they are referred back to Congress.

I simply call this to the attention of the Senators, because I believe our constituents are receiving the same kind of treatment that some of us receive when we call upon the departments, and are put off from one place to the other, although they do not refer us back, I believe, to the legislators.

I hope the motion of the Senator from Oklahoma will be agreed to and that the amendment will be adopted. It provides as follows:

The guaranteed prices for the several standard grades of wheat for the crop of 1918 shall be based upon No. 2 northern spring or its equivalent at not less than $2.50 per bushel at the local elevator or the local railway market where such wheat is delivered from the farm where produced.

Mr. STERLING. Mr. President, I rise more particularly to call attention to a few letters I have received from persons interested in farming in my own State and in corroboration of what was so ably said and argued on Saturday by the Senator from North Dakota [Mr. MCCUMBER] and in corroboration of what has just been said by the Senator from Kansas [Mr. CURTIS].

Mr. President, when the minimum price of wheat was fixed by law for the 1918 crop conditions were altogether different from what they are now; and when the price-fixing committee fixed the price of $2.20 a bushel for the 1917 crop conditions were altogether different from what they are now. When the act fixing the price of $2 was passed and when the price-fixing committee fixed the price for the 1917 crop at a maximum of $2.20 a bushel there was no adequate appreciation of the changed conditions since that time. There was no thought, I think, that the price of barley and of rye and of oats would rise to such high figures, and thus afford an inducement for the farmer to sow his land to these grains rather than to wheat; and wheat, as we understand, is the great desideratum.

In addition to that, Mr. President, the price of farm labor and what it would be for the year 1918 was hardly considered, and farmers now find themselves obliged to pay from $75 to $100 a month for farm help in South Dakota.

Another thing that I do not think was understood or quite appreciated was the tremendously increased price of farm machinery; and I shall call attention to a letter that describes the rise in price in various kinds of farm machinery.

So this seems to be the situation: We fixed the price by law in the first place according to certain conditions that then existed. It was an artificial price, a minimum price.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. STERLING. Certainly.

Mr. NORRIS. I think the Senator ought to qualify that statement a little bit so as to differentiate between years. There is a general impression that we fixed the price that exists now. Of course we did not fix in Congress the price of the 1917 crop, but we fixed the minimum price for the 1918 crop, which will not be harvested until the coming summer.

Mr. STERLING. So I understand; and I thought I had made myself plain in regard to that. The price-fixing committee fixed the price for the 1917 crop, and we fixed by statute the price for the 1918 crop at $2.

Mr. NORRIS. The minimum price.

Mr. STERLING. The minimum price. So Congress and the price-fixing authorities were governed by the conditions as they thought they saw them when these prices were fixed.

Mr. MCCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from North Dakota?

Mr. STERLING. I yield to the Senator from North Dakota.

Mr. MCCUMBER. I do not think it ought to be stated that we fixed a minimum price. We did not fix any price at all. We simply said to the farmers: "We want you to sow wheat. Now, it may be that there will be peace throughout the world before the crop has been harvested; and to assure you that you shall not lose we will guarantee that you shall have not less than $2 a bushel." We did not fix anything. We left it to be determined by the law of supply and demand unless something should happen that would drive the price down below $2, and in such a case we said we would guarantee that the price would be at least $2.

Mr. STERLING. I accept the Senator's qualification and explanation of my statement. It was a guaranteed minimum price.

Now, Mr. President, to refer to the letters I have here, depicting conditions in my own State, I read several extracts from these letters.

A gentleman, who is a prominent farmer in northwestern South Dakota, writes me as follows:

Also the price of rye has reached a price never heard of before of $2.40 per bushel on our market to-day, which makes it over $2.50 on the Chicago market, which makes this cereal above its market value as to the value placed upon wheat. I sincerely trust that the board on prices will get busy and not waste so much valuable time in setting a fixed price on everything, as I believe it is just to do so, as long as they have set it on a few things.

Farm labor is another thing that begins to have a serious face to it. Laboring men throughout this part of the country holding from $75 to $100 per month, with board and washing. I think this should have a fixed price of not over a certain amount. These are serious times and serious things to deal with here at home, as our lands will not all be farmed if we can not get the help to do it.

Mr. KING. Mr. President, will the Senator yield?

Mr. STERLING. I yield to the Senator from Utah.

Mr. KING. How does the Senator think that the farmers are going to get labor, when a lot of foolish boards and agencies and instrumentalities of the Government are advertising for men for various activities, promising wages that are entirely disproportionate to the services rendered, and wages of such a character as to increase very much more than it ought to be increased the cost to the Government of some of the work that is being performed?

Mr. STERLING. I do not know that I can answer the question of the Senator from Utah in that respect. I am hardly discussing that proposition; but we are confronted with the condition of a very high price demanded for labor, the immediate question being as to whether or not Congress should allow a price of $2.50 a bushel for wheat in order in some way to compensate the farmer for the extraordinary price he has to pay for farm labor under existing conditions.

Mr. GORE and Mr. SHERMAN addressed the Chair.

The VICE PRESIDENT. Does the Senator from South Dakota yield, and to whom?

Mr. STERLING. I yield to the Senator from Oklahoma.

Mr. GORE. Mr. President, the Senator will remember that on more than one occasion the coal operators have been permitted to increase the price of coal, or, rather, the Coal Administration, at the instance of organized labor, has recommended an increase in the wages of miners, and in order to meet that increase it has authorized the coal-mine operators to increase the price of coal in order that the operators might reimburse themselves for the increased wages of their employees.

Mr. STERLING. Certainly. I think the Senator's observation is very pertinent to the question.

I read from another letter:

The Government has set the price of farm products to a certain degree, and I think they should go further, but when doing this they should take into consideration the fact that the farmer is subject to the loss of his crop by the elements, over which he has no control; and at this time, when the cost of operation is so high, he should be protected by some plan of insurance by the Government up to the cost of operation at least, not for the farmer's protection alone, but for the protection of the Government itself, for if the farmer hesitates to put his whole acreage and equipment into operation for fear of a lack of help or losses by the elements, it would be a calamity to the whole Nation and the world.

I do not say, Mr. President, that I approve of some of the suggestions contained in these letters; but they give us some idea of what the farmer is thinking about, and the situation which induces him to think of these solutions for this vexed problem.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him?

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from New Hampshire?

Mr. STERLING. I yield to the Senator from New Hampshire.

Mr. GALLINGER. I observe that the Senator called attention to the fact that the farmer was encouraged by the Government to plant a larger acreage.

Mr. STERLING. Yes.

Mr. GALLINGER. I will ask the Senator whether or not a much larger acreage was planted under that inducement?

Mr. STERLING. I can not say exactly what the situation was in my State last year in regard to a larger acreage. I think that the acreage was materially increased last year, but it was due for the most part to the high market price—a price higher than that fixed by the price-fixing committee.

Mr. MCCUMBER. It was larger than it would have been without that assurance, at least.

Mr. STERLING. Yes.

Mr. WADSWORTH. Mr. President, if the Senator will permit an interruption, I think I can answer that question with respect to the wheat acreage of the United States.

Mr. STERLING. I shall be pleased to have the Senator do so.

Mr. WADSWORTH. As the result of the campaign for increasing the wheat acreage, the acreage planted in 1917 was increased two million and odd acres over that of 1916. Those figures are only approximate, of course.

Mr. GALLINGER. That is exactly the information I wanted to obtain.

Mr. STERLING. I thank the Senator for the information he has just furnished.

Mr. GORE. Mr. President——

Mr. STERLING. I yield to the Senator from Oklahoma.

Mr. GORE. The Senator from New York, I am sure, means that the winter sowing in the fall of 1916, together with the spring sowing in 1917, amounted to an increase of something more than 2,000,000 acres over and above the planting for the harvest of 1916; but the fall sowing in 1917, the acreage sown last fall, did not show a very substantial increase. In fact, it was about the same as voluntarily sown in 1914.

The Department of Agriculture made a drive last summer to secure the sowing of 47,000,000 acres of winter wheat to be harvested in 1918. They fell 5,000,000 acres short of the mark they had set. They secured the sowing of 42,170,000 acres, according to their estimate, whereas the farmers in 1914 voluntarily sowed, without any campaign, 42,012,000 acres.

I emphasize the fact that the department's estimate for the fall sowing of 1917 is 42,170,000 acres. I question whether the facts will justify the estimate; and I base that doubt on two facts: One is that they place the estimate of fall sowing in Kansas for 1917 and for 1916 at exactly the same number of acres—a coincidence that would not happen once in a thousand years. I say that impeaches the estimate. But what is still more significant, the department's estimate issued in December last gave the winter sowing for New York at 512,000 acres. The authorities of New York are now completing a census; it is 90 per cent completed; and if the remaining 10 per cent runs true with the preceding 90 per cent, there was sown in New York last fall, after the drive on the part of the Agricultural Department, only 361,000 acres, whereas the department's estimate places it at 512,000 acres. If that falling off prevails throughout the country, we are looking disaster in the face.

Mr. WADSWORTH. Mr. President, will the Senator permit me to interrupt him once more?

Mr. STERLING. Certainly.

Mr. WADSWORTH. I made an error in reply to the Senator from New Hampshire. The increase in 1917, compared with the figures of 1916, was not due to any campaign. It occurred before any campaign was started. It occurred before we went into the war, and was the natural increase following an increase in the price of wheat.

Mr. GORE. Yes, sir.

Mr. WADSWORTH. When wheat became $2.50 or $3 a bushel, 2,000,000 acres more were planted by the farmers. When wheat is reduced in price, less will be planted.

Mr. GORE. Will the Senator yield to me for a moment?

Mr. STERLING. I yield.

Mr. GORE. In 1916, 3,000,000 acres of rye were sown. The department made a drive to secure 5,000,000 acres. As a matter of fact, the estimate of 6,000,000 acres that we have is an increase of 100 per cent. There was no limitation on the price of rye.

Mr. STERLING. Reading further from this letter and for the purpose of emphasizing the point that the price of wheat should not be less than $2.50 a bushel to the farmer, under the conditions in order that he may be made to sow and raise with it, and for that purpose only:

> I think you will appreciate the fact I am not addressing you from a personal standpoint, but have been inspired by local conditions.
>
> Farm laborers are asking from $80 to $90 per month, and the farmers, many of them, are saying they will try and get along without help, just put in what they can themselves. You know what this would mean if it should be general. I have not tried to crystallize my thoughts into form, but to give you a general idea of how I see the situation.

Then another, and this is from a farm-elevator manager in the northwestern part of the State. He says:

> When the Government put a price of $2 per bushel on the 1918 wheat crop it was with the idea that it would stimulate production in that particular crop. Now, the price of other grain has advanced to such an extent that farmers are very seriously considering putting in barley and oats as a main crop instead of wheat.
>
> Barley at $1.80 here and oats at 85 cents are far more profitable to raise than wheat at $2 per bushel Minneapolis.

I have a letter in my office now which says in Clark County, S. Dak., a few days ago rye was selling at $3 per bushel at Chicago or Minneapolis, I have forgotten which, but leaving the price to the producer in Clark County, S. Dak., at $2.82 a bushel.

Mr. REED. Mr. President, if I may interrupt the Senator, because he is speaking of prices——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Missouri?

Mr. STERLING. I yield.

Mr. REED. I want to call attention to the fact that these prices for rye and barley and corn which he has spoken of prevail in Canada as well as in this country, showing that the price is not an abnormal one here, but that it is a world price where it is uninterfered with.

For instance, on March 8 at Manitoba No. 2 oats were selling at 99½ cents and American corn at $2.05 on the track at Toronto. At Ontario oats were selling at 99 cents and $1, barley was selling at $1.78 to $1.80, rye was selling at $2.35.

At the same time these remarkable prices prevailed for barley and oats and rye it will be observed that the wheat prices of Canada were substantially the wheat prices in this country, namely, No. 1 northern at Manitoba was $2.23½, which is substantially the price here, the reason for the wheat prices of Canada and the wheat prices of this country being the same. There is a control of wheat in Canada operating in conjunction with the control of wheat in this country.

If the Senator will pardon one further observation, of course the condition in Canada, where these high prices are being paid, as well as in this country, is a further inducement to the farmers of the country to plant something besides wheat.

Mr. STERLING. Certainly. I thank the Senator for his statement and for the figures that he has put in the RECORD. I think he is correct in the conclusion he has drawn therefrom.

Reading further from this letter:

> We have shipped around 100,000 bushels of wheat of the 1917 crop, and many of our best farmers are very seriously thinking of selling most of their seed wheat and sowing barley instead. And you can't very well blame them, for most farmers will try and work for their financial interests regardless of what is best for the country at large.

I do not quite indorse that statement of the farmer just made; it is too broad; the farmers are more patriotic than the statement would imply; but of course there will be the financial interest, and in many instances it will be a case of necessity on the part of the farmer that he should sow his land to these other grains rather than to wheat.

> What the solution to this problem is I do not know, but something should be done to assure the farmer as much or a little more for his labor in raising a wheat or bread crop as for a feed crop.
>
> Another thing that confronts us is this: There will be a shortage of hogs unless there can be a price fixed between pork on the hoof and corn, so that the farmer can afford to feed his hogs to market conditions. I know of several farmers living west of here who have from 12 to 20 good brood sows and who have just about decided to sell off slick and clean, saying their corn will bring them more money to sell than to feed. Fair corn here is bringing from $1.30 to $1.40 per bushel and hogs 15 cents. Could you go with me for a visit through our local stock yards and see the immature, poorly fattened hogs you would be convinced that something should be done at once.
>
> To my mind the slogan should be "stimulate the production of foodstuffs in every possible way. Unless there is some action taken at once next year will see wheat and hogs practically off of the market in this locality.

The references in this letter which I have just read have been in part to the price of labor. I will just read a short extract from a letter received this morning which refers to the price of farm implements. The writer figures that $5 to $7 a day will be demanded during harvest for harvest labor unless some action is taken on this matter by Congress.

He says:

> This may not interest you in the least. No doubt you have your hands full and your mind fully taxed with the serious problems of war, but to us farmers whose sons are at the front and who has the prices fixed on his crops by the Government. It is of much concern to us; I believe it would be only fair for the Government to set a price on farm labor as well as to fix prices for farm products.

I say in regard to this statement, as I said in regard to the previous statement, without at all indorsing what he has said here in regard to the conscription of labor for the farms, hardly thinking as yet it can be done; yet it shows what is in the farmer's mind and how his condition and his circumstances lead him to think of these things.

Mr. McCUMBER. I call the Senator's attention to the fact that there are a few hundred of these laborers now scattered around Sand Point in Idaho, and they are spending their time at present in making rushes on jails to get their comrades out of jail who have been arrested. There are plenty of those kind, but even if we would get them on the farms it would take a regiment to make them work.

Mr. STERLING. Certainly. And the writer of this letter alludes to how impossible labor of that kind would be for the farm.

Mr. GALLINGER and Mr. SHERMAN addressed the Chair.

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from South Dakota yield, and if so, to whom?

Mr. STERLING. I yield first to the Senator from New Hampshire.

Mr. GALLINGER. I am going to ask the Senator a question along a line that I know is not popular in the Congress of the United States, and perhaps not in the country. I submitted a resolution which went to the Committee on Agriculture asking that committee to make inquiry as to the advisability of so amending the Chinese exclusion act that we might have, under careful restrictions and regulations, some farmers from northern China, who are said to be very excellent farmers, brought into this country to supply to some extent the demand on the part of the farmers for labor during the continuance of the war. I have information that there are parties who are ready to bring a very large number of real farmers from China under very strict regulations, even holding up one-half their pay, depositing it in bank, and guaranteeing that they shall be returned to their home country at the close of the war. Does the Senator think that that is a matter worthy of any consideration on the part of Congress?

Mr. STERLING. Mr. President, I say to the Senator from New Hampshire that, without committing myself to the proposition at all, I think it is a matter worthy of the earnest consideration of Congress.

Mr. GALLINGER. I will state——

Mr. STERLING. As I understand the proposition, if the Senator will permit me, it is that 800,000 farmers from north central China be brought to this country. The situation is this: They desire experience here upon farms in order that they may learn farm methods and the use of farm machinery in this country, and they are ready to enter into a contract for one, two, or three years, or until the termination of the war, and then return to China. This labor is altogether distinct, as I understand it, from Chinese coolie labor.

Mr. GALLINGER. Absolutely distinct. I am very glad to have the Senator's opinion, because, being fully conscious of the fact that there is this intense prejudice against the importation of oriental labor in any form, I have become very greatly interested in this matter, and fully believe that it is a remedy we might, as a war-emergency act, adopt—and most of our legislation is based on that fact, and relieve this situation, which is becoming very alarming, so far as farm labor is concerned, because whatever price we put on wheat or any other commodity, if you can not get men to sow the seed and harvest the wheat the price will be of mighty little consequence.

Mr. STERLING. I thank the Senator from New Hampshire for calling attention to this matter. I now yield to the Senator from Illinois.

Mr. SHERMAN. Mr. President, I do not know whether any allusion has been made to this statement or not, but I am surprised at the reports from various parts of the country, not only what the Senator is reading but what comes to my office, in view of official statements made here in Washington. I call attention to a report made this morning in the public press, in which it is said:

"Hysterical and exaggerated statements" as to shortage of farm labor and the unfitness of boys for this work are doing great harm, officials of the Federal Employment Service said yesterday.

The only department of the Government that speaks with authority on this question says that the farmers are becoming hysterical and exaggerated in their statements. I have letters in great profusion on my table and in my files in the last 30 days from farmers whom I never knew to have hysterics in my life. They are hard-headed fellows. I never knew them to willfully exaggerate. Possibly they are not informed of actual circumstances in the farm communities, but I would like the Senator from South Dakota to state what he thinks of these official utterances compared with the men who are doing the work and raising the grain. Who is right?

Mr. STERLING. I think, Mr. President, the official statements referred to by the Senator from Illinois are contrary to the actual facts as they exist. He speaks about the credibility of the men with whom he has had correspondence and who have written him in regard to the situation as it pertains to farm labor.

Mr. BORAH. Mr. President——

Mr. STERLING. I believe each and every one of the men who have written to me here would rather underestimate than overestimate the bad conditions that exist. They are level-headed, conservative men. I yield to the Senator from Idaho.

Mr. BORAH. I understand the position which the Department of Labor takes in regard to the shortage of labor upon the farm is that there is no shortage of labor if a proper distribution of it could be had. I do not understand that the Department of Labor denies the fact that there is in some localities a great shortage of labor—that is easily proven—and that there is a failure so far as we have been unable to distribute the labor of the country in accordance with the demands of the different localities.

Mr. STERLING. Will the Senator permit me there? Is the Senator able to say whether the Department of Labor itself has adopted any method or is following any plan in regard to the distribution of farm labor?

Mr. BORAH. I am not able to say what the plans are or what the details connected with that proposition are, but I am told both in the public press and privately that they have been working out some plan. I do not know what the details are.

Mr. GRONNA. Mr. President——

Mr. STERLING. I yield to the Senator from North Dakota.

Mr. GRONNA. I think the Senator from Idaho is somewhat mistaken in the conclusion he draws from the statement read by the Senator from Illinois [Mr. SHERMAN]. The statement of the Senator from Illinois is to the effect that there is a shortage of farm labor. It may be true, as the Senator from Idaho has stated, that the report of the Department of Labor shows there is no shortage of labor, but general labor is somewhat different from farm labor. The Senator from Idaho knows as well as I do, and the rest of us here, that farm labor has become skilled labor. It takes skilled labor to perform all kinds of labor upon the farm.

Mr. BORAH. The Senator from North Dakota misunderstood me. The Senator from Idaho did not express an opinion as to the fact in regard to the matter. I was simply stating what I understood to be the position of the Department of Labor—that it did not deny the shortage of labor in certain localities, and so forth, but claimed that there was plenty of labor throughout the country, even farm labor, if it was properly distributed.

Mr. GRONNA. That is exactly the way I understood the Senator from Idaho.

Mr. BORAH. The Senator from North Dakota said the Senator from Idaho stated that there was no shortage of labor. That the Senator from Idaho did not say.

Mr. GRONNA. The Senator from North Dakota heard what the Senator from Idaho said. He said that the Department of Labor stated that there was no shortage of labor. The article which the Senator from Illinois read was to the effect that there was no shortage of farm labor. I think we are beginning to realize that every man who may be able to do ordinary labor can not work upon a farm and perform a good day's work with the intricate machinery we have. I think we ought to begin to draw a distinction between skilled farm labor and such labor as was referred to by my good friend from New Hampshire [Mr. GALLINGER].

Mr. SHAFROTH. I should like to make a suggestion to the Senator.

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Colorado?

Mr. STERLING. I yield.

Mr. SHAFROTH. I do not see how anybody can contend that there is no shortage of labor, in view of the fact that 2,000,000 men have been drafted and are in the service of the United States. Evidently they have been withdrawn from the avenues of labor. For that reason it seems to me the department must clearly be mistaken as to the fact that there is not a shortage of labor in the United States.

Mr. BORAH. I am not undertaking to argue that the Department of Labor is not in error, though I think a very strong argument could be made in support of the Department of Labor when you take into consideration the fact that there are thousands of people in the United States now who are not performing any labor.

Mr. GALLINGER. Will the Senator from South Dakota permit me just a word?

Mr. STERLING. I yield to the Senator from New Hampshire.

Mr. GALLINGER. When I made the suggestion in the form of a resolution that went to the Committee on Agriculture and Forestry that we might find relief in another direction, the Department of Labor—and I have an impression it came directly from the Secretary—informed me that the movement I had inaugurated or suggested was unnecessary, because the department, through the Federal Employment Bureau, was formulating plans that, in the opinion of the Department of Labor, would fully meet the requirement of the farmers of the country so far as labor was concerned. I had hoped that that would eventuate, but I have waited some weeks now; and while I am not as much interested in this question as the Senators who come from great agricultural States, I have watched in vain for any evidence that any good result had as yet been wrought out by the department.

Mr. STERLING. If the Senator from New Hampshire will permit me, does he not understand that the Department of Labor has in contemplation the sending of "city folks" out on farms, inexperienced, and knowing nothing whatever about farm labor?

Mr. GALLINGER. I think that is true. That is one of the matters that I tried to direct my attention to years ago, in the hope that some system might be devised, either through the Immigration Bureau or in some other way, to secure a distribution of the immigrants who come into this country, but it has proved an impossible thing to do. They congregate in New York, Boston, and Chicago, and the other great cities of the country and refuse to go on the farms. I suppose it is impossible to make them go there, and if we did I apprehend they would be of mighty little use as far as practical farming is concerned. I think that is exactly the idea the department had in mind when the suggestion was made that labor could be secured for the farms of the country.

Mr. STERLING. Mr. President, the discussion here makes quite pertinent another sentence or two from this letter, which I came near omitting. This writer says:

> Farm hands are scarce, some demanding $100 a month for farm labor. This man I hired is only a common farm laborer; can not run a tractor or steam engine or thrashing engine. Seventy-five dollars a month is a common price asked. If we farmers are going to start at $50 to $100 for spring work, what will the demand be for harvest hands and help? I figure that $5 to $7 a day will be demanded unless some action is taken on this matter by Congress.

The letter further states:

> I believe it would be only fair for the Government to set a price on farm labor as well as to fix prices for farm products. The Government conscripts our boys and sets the price. Why not conscript labor for the farm and set the price? Grain binders are $250 this year; last year, $180. Manure spreaders, $250; last year, $125. Prices seem to have been all arranged for the farmer. Shall we farmers bear most of the burdens of war?

So, Mr. President, under the conditions relative to prices of farm labor and the prices of these other grains which the farmer will substitute in sowing for wheat that he ought to sow, it seems to me that we can do no less than adopt the amendment proposed by the Senator from Oklahoma [Mr. GORE], providing for a price of $2.50 a bushel at the local markets.

Mr. President, in price fixing we should have regard to the highest normal cost of production as a basis for such price fixing. We should take into consideration not the lowest normal cost of production where there are the great facilities, the larger farms, and perhaps better methods of farming, which will enable the farmer to produce grain at a lower price, but we must take into consideration the average farmer, the man who most probably is obliged to hire some help, and who is not able within his own family to provide all the help that he will need for the operation of his farm. I sincerely hope that this amendment will prevail.

Mr. NELSON. Mr. President, I simply desire to contribute a few words to this most interesting discussion. I think, if we study the situation carefully, we shall come to the conclusion that the price fixing on wheat has been an abject failure. If we study the history of attempts at price fixing which have been made throughout the world we shall find that they also have been utter failures.

Now, let me call your attention, Mr. President, to the existing situation. Before we adopted the legislation under which a price was fixed last year on wheat, all cereals—wheat, corn, oats, barley, rye, and flax—were sold in the open market on the boards of the grain exchanges. The price was governed to some extent by the law of supply and demand. What did we do last year? We segregated wheat from all other cereals, and we said in respect to that one cereal, "We will fix an arbitrary price for wheat that you can not exceed, but for which you must sell your crop." What was the result? The result of the fixing of that arbitrary price on wheat was to enhance the price of other cereals. Corn, rye, barley, and oats have gone up until the prices of most of those cereals—in fact, all of them—to-day exceed the price of wheat.

Take even the price of oats at 99 cents and a dollar a bushel. There are only 32 pounds of oats in a bushel, while there are 60 pounds in a bushel of wheat. So, for feed or food purposes, either for man or beast, it takes two bushels of oats to equal a bushel of wheat.

Barley is to-day as high in price as is wheat, and even higher; rye is a good deal higher—50 per cent higher; and corn also is higher. What is the effect of this? I want to give you a concrete case to show how like a kicking gun it operates. I have a letter here from Mr. A. C. Hatch, a prominent merchant, who has been engaged in the grain business for many years, who lives in Otter Tail County, Minn., which is one of the largest agricultural counties in the State, a county consisting of 63 townships. Mr. Hatch tells me how this operates. Oats, barley, and corn are so high in price that the farmers, instead of using those cereals with which to feed their live stock, are grinding their wheat and using that for feed. Mr. Hatch states in his letter:

> Now, further, on Saturday, March 9, at the Herness farm there were 44 bushels of wheat ground for feed; at the Luhmys farm, in Ottertail Township, there were 100 bushels ground for feed, and in the town of Maine over 200 bushels of wheat.

People must have something with which to feed their live stock in order to keep it from starving; and if wheat is cheaper than oats, if it is cheaper than barley, if it is cheaper than corn, the farmer who needs feed will take his wheat and grind that instead of going into the market and buying oats and corn and rye and barley for feed purposes. That is the way it is operating.

Price fixing, even if you put the price of wheat at $2.50 a bushel—and I shall probably vote for that—will prove, Mr. President, an abject failure. The only fair way is to leave all of these cereals to be sold in the open market, to be governed by the law of supply and demand. Then the wheat farmer will get the real market value of his wheat as much as he is to-day getting the real market value of his corn, of his oats, of his rye, and of his barley. You should either do that or else you must adopt the arbitrary method of fixing the price of all these cereals. If you are going to fix the price on wheat in order to preserve the equilibrium and prevent the farmers from grinding their wheat for feed, you must fix a standard minimum price for corn, for oats, for barley, and for rye in order to put them on a parity.

What would be the result of the method which we are pursuing? I have received numerous letters from farmers, from grain dealers, and from other men who are versed in these things, who have called my attention to these matters. I have brought these communications time and time again to the attention of the Food Administration and to the attention of the Agricultural Department, and I have received from them only the vaguest and most indefinite kind of answers, which have indicated to me that they utterly fail to understand the situation.

I think the result of the present system will be that in the spring wheat States in the Northwest there will be a greater acreage of corn, a greater acreage of barley, and I know of my own knowledge that last fall there was a greater quantity of fall rye—winter rye, as we call it—seeded in the spring wheat States than ever before.

I believe it is true of North Dakota, as I know it is true of Minnesota, that more winter rye has been sown than ever, and the farmers will sow more barley and more flax than heretofore for two reasons: First, because those crops will bring them a much better income per acre, and, in the next place, at this moment they need feed for their stock and for their hogs. So if it comes to a question of buying dear corn or dear barley or dear rye, dearer and higher proportionately than wheat, the farmers are going to take their wheat and grind it and use it for feed. I have known such things to occur in normal times in years gone by, when there was a disproportion in the prices of these cereals.

So, Mr. President, even if we adopt this amendment, even if we fix a price of $2.50 a bushel, to my mind it will not cure the situation, so long as we leave the door open in respect to the other cereals. We shall still be confronted by the existing situation, because the demand for the other cereals and the market price for them will continue to fluctuate and to rise and rise, as it has done in recent times.

Why, Mr. President, may I ask, should the wheat farmer be segregated and made the one victim of price fixing? It passes my understanding; it baffles my comprehension. We can segregate the wheat farmer from all the other farmers; we can fix the price of wheat; but, as I said a moment ago, such action will prove like a kicking gun, because the farmer is going to raise the crop that he finds most profitable; and, I repeat, instead of taking his oats, his barley, and his rye and feeding them to the stock he will sell them, because they bring a higher price, and he will grind his wheat to feed his stock.

Such a condition is to my mind intolerable. There is only one of two courses to adopt: One is to leave the market open for wheat, as it is in the case of other cereals; and the other, which I regard as dangerous, but still much fairer than the present system, is to make an arbitrary price for all the other cereals. Mr. President, as I said at the outset, I have no faith in any method of price fixing; but if there is to be price fixing, in order to preserve an equilibrium between wheat and the other grains, what in common parlance are called the coarse grains, the price of them all ought to be fixed, or they ought all to be sold in the open market.

These are my views, Mr. President. I do not care to enter into a discussion of the labor question more than to say this: The Department of Labor and those affiliated with it have taken occasion to go into the labor situation. There have been a great many strikes and a great many disputes in regard to labor, which have been settled in the main by increasing wages in all directions. I am not finding fault with that; perhaps, in many instances such increases may have been just; but the increasing of wages in the other callings where labor is organized into unions and where men work in factories, in shops, and in shipyards, so that a man engaged in ordinary labor can earn from $8 to $12 a day for 10 hours of work, reacts upon the prices that the farmer is compelled to pay for his labor.

Furthermore, Mr. President, the farmer knows no eight-hour day; he knows no time and a half for overtime. The farmer, in order to be successful, must start early in the morning. The first thing he must do at the beginning of each day is to do what are called his chores; he must feed his horses and his pigs, milk his cows and harness his horses, and when all that preliminary work has been done he goes in and takes his breakfast. Then, after breakfast, he goes out in the fields to do his work. At evening, when he quits work in the fields, he comes home, when he must unharness the horses, must water and feed them, and must feed his pigs and milk his cows. The laborer from the large cities—and farmers have tried it—when employed on the farm does not want to stir an inch before breakfast. Oh, no; he wants to lie in bed until the breakfast gong beats, and then he will come down, halting and limping, and eat a generous breakfast. Then he will start out to work; but he will not stir an inch before that time. When evening comes, the moment he comes home with the team from the fields he wants to quit and go in to eat his supper. Even where it is customary, as is the case among well-to-do farmers during the rush season, to give a lunch in the field at 10 o'clock in the forenoon and to give a lunch at 4 o'clock in the afternoon, these city chaps when they come home in the evening with their teams from the fields feel they are doing a great thing if they take the harness from the horses, lead them to the water tank, and give them a bit of hay; but if they do that much, that is the ultimate limit; you do not catch a mother's son of them milking a cow or feeding a pig or doing anything else in the way of work. The farmer can not get along with that kind of labor. Then, even when you get them in the field, most of them are of no account. That is the difficulty we are confronted with.

We hear much talk about the distribution of labor and how labor is being mobilized. I am a member of the Committee on Commerce, which has been investigating the operations of the Shipping Board. We thought they were paying pretty high wages in some of the shipyards. Senators, of course, have heard of Hog Island, which has figured in the public press and in the public eye. Among the witnesses who appeared before us a few days ago was a man who called himself an "industrial engineer." I had never heard of the term before, and so it struck me as a novelty. I inquired what the functions of an industrial engineer were. He replied: "It is the business of an industrial engineer to educate and mobilize labor; to get it to work together in harmony; to bring labor in from sources where there is plenty of it, and to put it to good use." That is an "industrial engineer."

Well, now, I wish to God they would send an industrial engineer among us farmers who could mobilize farm labor, educate it, drill it, and make it so that it would be useful to the ordinary American farmer.

Why, Mr. President, I had an experience along this line some years ago, I think away back in 1893, when we had a sympathetic strike, and a great many laborers were floating through the country looking for work. We got a good many of the kind my friend from North Dakota has been referring to. One day a gang of about six or seven men came to my farm. It was at a time when labor was abundant and work was scarce. I had a lot of land that I wanted grubbed, a good deal of which I was letting out by the acre. These fellows came along and said that they had gotten stranded out West and were looking for work. "Well," I said, "I have work. I have a lot of grubbing to be done." I took them over and showed them the patch, where I had 8 or 10 men working. They were working by the acre, so much an acre for grubbing. They said, "Your terms are all right, and we will go to work, but we have not any money. Can you buy us tools?" I invested about $10 or $12 in tools; and they went over there and grubbed about half a day. Then at noon they came back to see me with long, very sober faces, and said, "Here, we don't like to work in this way, by the job. The way for you to do, Mr. NELSON, is to hire 20 or 30 men to grub, and then put a boss over them. We like to work under a boss. We don't like to work by the acre." I said, "I can not do that. I have not enough land, and can not afford to hire 20 or 30 men and put a boss over them. That would be too expensive." They said, "Well, unless you do that, unless you will hire a gang of 20 or 30 men and a boss, we don't want to undertake the work. We can do a good deal where we have a good boss." I went over and looked at what those six men had done all forenoon over on the lot, and they had done about as much work as a single, decent man would have done in two hours. So I let the crew go.

That is a sample of the kind of work we get on the farm; and I hope, Mr. President, that these reformers—and they are around us on all sides—will take into account, among other things, the matter of providing the farmers with industrial engineers, to help us to mobilize and get the right kind of farm labor to enable us to raise crops.

The farmer is handicapped by three things. The first is the extraordinary rise in the cost of farm implements and farm machinery. The second is the extraordinary rise in the price of labor, and the scarcity of the right kind of labor. The third is this price-fixing scheme, which, God knows, is the worst of all. We could survive if they would leave the farmer with an open and free market for his products, as in normal times we survived all these other pests, as we have survived the grasshopper, the hailstone, and every other calamity that Providence and the climate have visited upon our country.

In conclusion, Mr. President, while I shall reluctantly, as a matter of sentiment, vote for this proposition, to increase the price of wheat to $2.50 a bushel, if it is not ruled out of order; yet I believe that, even if it is adopted, it will prove an utter failure, and that we shall be confronted with the same situation next year that we are confronted with now under the price-fixing system that we have had during the past year.

I have here the letter of Mr. Hatch, to which I have referred. I will not take up the time of the Senate in reading it, but I will ask to have it printed as a part of my remarks:

The PRESIDING OFFICER (Mr. WOLCOTT in the chair). Without objection, that order will be made.

The letter referred to is as follows:

BATTLE LAKE, MINN., *March 13, 1918.*

Hon. KNUTE NELSON,
United States Senate, Washington, D. C.

DEAR SIR: The beautiful system of food supply is working fine in this county. With price of wheat and coarse grains as it now is, wheat is getting decidedly the worst of it. With barley at $3 for 60 pounds, oats at 89 cents, corn meal out of sight, precious wheat, which, it is said, the allies need, is out of it.

The facts as to this county, and which will hold for the whole Northwest, is this: Barley is being held for seed; all spring rye has already been bought up for seed; the acreage of oats will be heavy; all at the expense of wheat. It is a hard matter to buy flax for seed. I want 50 bushels myself, but don't know where I can get it. All this is at the expense of wheat acreage. Now, further, Saturday, March 9, at the Herness farm there was 44 bushels wheat ground for feed; at Luhmys, in Ottertail Township, over 100 bushels; at Maine over 200 bushels. Those are all that I know of, but I am certain of this, that 2 pounds of wheat to-day are fed to stock for every pound to humanity. This is getting a very favorable result, isn't it? Now, is it imbecility or disloyalty that is causing this condition? You are in a position to find out.

Nonpartisans are advocating less acreage of wheat and are making lots of capital out of present conditions and are gaining ground fast in this county. The marketing of barley has caused several temperance men to join the league lately, which I think will give the league a clean sweep in the legislature in this county.

Say, can't something be done, and done now.

Respectfully,

A. C. HATCH.

Mr. GALLINGER. Mr. President, I have never been able to bring my mind to the conclusion that price fixing was desirable under any circumstances; and I am gratified to have the Senator from Minnesota [Mr. NELSON]—a great lawyer and a successful farmer—declare in this presence that price fixing, so far as wheat is concerned, has been an abject failure. It occurred to me at the time it was undertaken that it was a grotesque experiment that at best would result in failure of some kind, and I am satisfied that the Senator from Minnesota speaks words of truth and soberness when he says it was an abject failure.

It seemed to me at that time, and it seems to me now, that if we are going to start price fixing in this country it ought to be broadened very much beyond wheat. I am not sure that we ought not to include agricultural products that are not so intimately connected with the war emergency as are wheat and other edible products of the farms; but, as I stated in the beginning, I have never brought myself to believe in the system at all, and do not believe in it now, and I think it ought to be abandoned absolutely and forever. It has been tried in other countries. France tried it, and it proved a failure. It was tried in this country at a former period in our history, and it proved a failure.

In that connection, Mr. President, I am going to ask that the Secretary be permitted to read one paragraph from the speech delivered by the distinguished Senator from Massachusetts [Mr. LODGE] in this Chamber on the 27th day of February last, which

deals with this very question. I have marked the paragraph, and ask that the Secretary read it, after which I shall occupy only one moment of time.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

In this connection I am going to cite Gustave Le Bon, who is one of the great scientific men of France, a distinguished biologist and also a publicist. Some of his books on psychology are very well known—for instance, one which he wrote some years ago, which was translated into many languages, called The Psychology of the Crowd. He wrote another book called The Psychology of Education, and another The Psychology of Politics, and still another Of Socialism. He has made a very elaborate study of the mental operations of masses of men in contradistinction to the individual mind. He has published recently another book, Les Premieres Conséquences de la Guerre, in which he collects data on the psychologic conditions of the nations engaged in war. Among the many things operating upon the public mind of which Mr. Le Bon treats is the price fixing which took place in France and in this country at the close of the eighteenth century. He lays great emphasis on the reversion to the old ideas of the French Revolution, and he points out in his citations of authorities the effects on the price of sugar, among other articles, both in France and in Germany. The authorities he cites all seem to show that price fixing was not successful and was in a large measure abandoned in both countries.

Mr. GALLINGER. Mr. President, some of the books to which the Senator from Massachusetts called attention in that paragraph are worthy of our attention. It was my privilege to scan The Psychology of the Crowd, and it contains information that certainly is important to any student of the existing condition in this country as well as the existing condition throughout the world.

Mr. President, it occurs to me that if we are going to fix prices, if we are going into that business to fix either minimum or maximum prices in this country for the products of the farm, we ought to enlarge it. Why should we not include hay? True, that is not consumed by human beings, but it is consumed by animals that contribute very largely to war conditions in Europe and contribute very largely to the comfort and happiness of mankind. In the little State of New Hampshire last year we raised 683,000 tons of hay, and in New England as a whole 5,085,000 tons of hay. The farmer in the Northwest—and he has reason for it—complains that he is not getting enough for his wheat to warrant him in raising it. Why, the hay that we raised in New Hampshire last year did not pay for putting it in the barn, and the result is that our barns throughout New England are crowded with hay for which there is no market. If we are going to fix a price on any agricultural product that will enable the farmer to raise it at a profit, I do not know why we should not extend our vision to New England and take care of our hay crop.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Nebraska?

Mr. GALLINGER. I yield; certainly.

Mr. HITCHCOCK. Is there not a large distinction there? Your hay crop is not a planted crop. It very often grows on ground that will not sustain a planted crop; and is not the Senator mistaken in saying that the farmer complains in regard to the price of wheat? The farmer is not complaining. He is simply refusing to raise wheat and is raising more profitable crops; and it is the country that is going to complain. We are going to complain, because we will not have an adequate supply of wheat for ourselves and to send to France and Great Britain.

Mr. GALLINGER. Mr. President, my hearing has been defective if I have not understood that Senators have, in behalf of the farmer, made complaint of the price that he is getting for his wheat at the present time.

Mr. HITCHCOCK. Mr. President, I think that is a very mistaken view to take of it. It seems to me that we need only to read the papers to see that a grave emergency exists because an inadequate supply of wheat is being raised; and it is we, who are responsible for supplying wheat not only to our own people but to France and to Great Britain and Europe, who should bestir ourselves to find a way to stimulate a larger production of wheat. We are doing all we can to abstain from the use of wheat, but we ought to take the more intelligent course and do something to stimulate its production. I have letters on my desk showing that in Nebraska, Iowa, and Illinois this year not over 75 per cent of the normal wheat crop will be raised. Why is it? Largely because the farmers are raising things which will pay them more per acre, and that is a very serious situation.

It is not the farmer that is complaining; it is the people who have got to use the wheat who will be complaining.

Mr. GALLINGER. Mr. President, I quoted the Senators from the great wheat sections of this country and they did complain, and I quoted them correctly. Now, I do differentiate between the necessity for wheat and the necessity for other products that are not so directly connected with our war emergency situation; but, nevertheless, I do say that if we are going into the practice of adopting the system of price fixing in this country, it ought to be very largely extended beyond one product of the farm.

I know of no reason why we should not fix the price of cotton. It brought 6 cents a pound not many years ago and it brings 35 cents a pound now, I think; and it is very essential to the manufacture of munitions of war. Why not fix the price on that, and either benefit the raisers of cotton, or, on the other hand, benefit the people who use cotton, the large and ever-increasing army of consumers?

So, Mr. President, while I have not fully determined how I shall vote on this proposition, I want to vote intelligently and I want to vote in a way that will increase the wheat product of this country. I have been seeking information as I have gone along by interrogating Senators who know more about it than I do. If I can be persuaded that this amendment will accomplish that result without doing a greater injustice to the army of consumers who use flour, which will be increased in price, I shall vote for it; and I may vote for it, anyway. I am not sure as to that.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire yield to the Senator from Nebraska?

Mr. GALLINGER. I yield to the Senator.

Mr. NORRIS. I agree with a great deal of what the Senator has said about the matter of price fixing. As I understand the Senator, he thinks that the natural laws of supply and demand ought to be allowed to take their course.

Mr. GALLINGER. I was taught that in my school days.

Mr. NORRIS. That is pretty sound doctrine. If it is not manipulated, in the end it will produce the best results. But because the Senator has said—and I know he feels that way—that if there is some reason why this should be an exception he would like to know it, I want to suggest to him something that has had a great deal of influence on me.

The present price of wheat, not by statute but by control of the market by governmental agencies, has been fixed. I do not suppose any one will dispute that. It has been fixed at a price which I think everybody will concede is below what it would have been if the law of supply and demand had run its regular course. As I look at this particular provision, it is in here now because that fundamental law has already been interfered with, and this is an attempt to approach more nearly what would be the result if the law of supply and demand had been allowed to take its course. Now, to my mind that is a reasonable view to take of it. I am led irresistibly to that conclusion, although fundamentally I do not like this idea of fixing a price.

Mr. GALLINGER. Now, Mr. President, I will ask my friend the Senator from Nebraska a question, to which I know he will give me a candid answer. It is believed that the price fixed on wheat is too low. I want to ask the Senator if he does not think the prices in the markets of the United States at the present time of rye and barley and oats are too high?

Mr. NORRIS. I think they would be lower, without any doubt, if the price of wheat had not been manipulated.

Mr. GALLINGER. Very well. That is exactly the answer I expected from the Senator, because he always gives candid answers. Now, I will ask the Senator, if we are to fix the price on wheat, ought we not logically and properly to fix also the price on barley, rye, and oats?

Mr. NORRIS. Yes; and I suppose logically we would not stop there. Of course, the Senator realizes that that leads us into additional difficulties.

Mr. GALLINGER. Yes.

Mr. NORRIS. To my mind we would not be justified in adopting this amendment if the price of wheat had not already been changed from what it would have been if the law of supply and demand had been allowed to prevail.

Mr. GALLINGER. I wish to ask the Senator a further question. If we should fix the price of rye and barley and oats at a lower point than they are selling for to-day, because they are selling at an abnormal price, would not that stimulate the production of wheat? Would it not be the very best method we could adopt to stimulate the production of wheat?

Mr. NORRIS. It might be, but I want to call the Senator's attention to the fact that the wheat-fixing proposition is of legislative origin, and we can not interfere with that except to take the very thing on which the price has been fixed, and that is wheat.

Mr. GALLINGER. But we could by legislation fix the minimum price of the other articles.

Mr. NORRIS. I presume we could, but, as I said awhile ago, that would lead us into a great many difficulties.

Mr. GALLINGER. I quite agree to that.

Mr. McCUMBER. May I ask the Senator a question?

Mr. GALLINGER. Certainly.

Mr. McCUMBER. Would the Senator advocate limiting the price of oats and barley and rye without also limiting the price of labor that we must use in the production of those grains, and without limiting the price of farm machinery and the price of thousands of articles that the farmer must buy?

Mr. GALLINGER. Well, Mr. President, that is a pretty comprehensive question.

Mr. McCUMBER. Should a limitation be placed on one class only?

Mr. GALLINGER. That is a comprehensive question that I do not want to answer. I will cross that bridge when I come to it.

Mr. NORRIS. May I ask the Senator if we are not right to that bridge?

Mr. GALLINGER. We are quite close to it. I know that the farmers in sections of the country where wheat, rye, barley, and oats are not grown, in the industrial sections of the country, where they consume these things and purchase them from the agricultural States, are very much disturbed to-day over the abnormal price, not so much of wheat as of the other products I have named. I called attention to that two or three days ago, and I do not care to repeat it, beyond saying that the average farmer in New England is unable to purchase food for his horses and cattle at the present price. Even the little farmers in the villages and on the farms are actually selling their fowls, sending them to the Boston market, because they can not afford to purchase grain to feed their hens. They are sending them in carloads literally. Hence I say this matter is very difficult of adjustment so as to give it an equitable and fair basis.

Now, I do not want to be put in a false position about this matter and I will not be put in a false position. I want to do everything in my power to increase the acreage of wheat and the production of wheat. I realize as much as any Senator does or as any man in this country does that we have a tremendous contract on our hands. The United States has practically got to fight the European war if it continues two years longer. We have to produce the men, we have to produce the money, we have to produce the food, and they can not fight it without wheat. I understand all that, and I appreciate it all, and I want to do my duty in the matter. Every question I have propounded during the debate on this bill has been for the purpose of endeavoring to get information that would justify my vote, because I want to vote right, and I thank the Senator for having so logically answered the questions I have propounded.

Mr. GORE. Mr. President——

Mr. GALLINGER. I yield to the Senator.

Mr. GORE. In connection with the Senator's question touching the price fixing on other agricultural products I will ask the Senator this question. He has had some experience, I believe, in the practice of medicine. If he had a patient who had taken too generous a portion of strychnine I wonder whether he would prescribe more strychnine as an antidote?

Mr. GALLINGER. That is hardly a question. If he had taken too much he would be dead before I could have prescribed anything.

Mr. GORE. If he had passed the danger line but not the dead line, and the question of life and death was still trembling in the balance, would the Senator prescribe more strychnine, and still more? If in fixing the price of wheat we have let one rattlesnake sting the farmer I would doubt the wisdom and efficacy of letting a half dozen rattlesnakes sting him as a remedy.

Mr. GALLINGER. The Senator from Nebraska says the farmers are not complaining. The Senator from Oklahoma says they have stung the farmer. There is a contradiction between these two who represent the affirmative of this question.

Mr. NORRIS. The Senator did not refer to me?

Mr. GALLINGER. No; the Senator's colleague.

Mr. NORRIS. My colleague is not in the Chamber. I think, if I understood my colleague's reference, he meant, and I think everybody will agree to that proposition, that if there had been no interference with the price of wheat the farmer would not complain, but when the price was fixed and put lower than he could produce other things for, I do not think my colleague meant to say——

Mr. GALLINGER. That is immaterial anyway; but I have said all I care to say on the subject. I confess that the difficulties which have suggested themselves to my mind during this debate have not entirely been cleared away, but I am going to give the matter very careful consideration and I shall vote upon it as I think the best interests of the country demand.

Mr. THOMAS obtained the floor.

Mr. GORE. Will the Senator from Colorado yield to me?

Mr. THOMAS. I yield.

Mr. GORE. I merely want to state before passing from the discussion of a few moments ago I did not speak to the point as to whether or not the farmers are complaining. I will say, however, the farmer has just occasion to complain whenever he is obliged by his Government or by any other artificial force to sell his products for less than the cost of production unless everybody else is required to do the same thing. I take it the farmers will go as far as any other class, they will make any sacrifice necessary, they will bear any burdens necessary to bring this war to an acceptable conclusion. I believe that of all those who are willing to strip their shirts from their backs to win this war the farmer is among the foremost of that class, but he has a right to insist that others shall be unbuttoning their collars while he is going through that operation.

Mr. THOMAS. Mr. President, this motion requires for its proper understanding a discussion of the proposed amendment to the pending bill. Hence I assume that a discussion of the amendment will perhaps determine the motion.

The purpose of this proposed amendment is to fix by legislation the price of a necessity of life, and its justification is that it has already been fixed, and fixed too low. If there is any other justification for it, I am unable to perceive what it is.

In the good old days when doctors bled for every ailment it was the practice if the first bleeding resulted in no improvement in the patient's malady nor killed him, then to bleed him again. This bill would seem to be based upon that principle. The Government having established the price of a commodity unsuccessfully, or at least unsatisfactorily, it is now proposed that Congress shall step in and fix a price of its own.

I do not believe, Mr. President, that practice will be any more successful in legislation than it was in medicine, and certainly not unless price fixing be made universal. It might be unsuccessful then, but it will very seriously disturb general economic conditions to single out any commodity or list of commodities and place an arbitrary price upon them, leaving all others to be determined by the uninterrupted play of the law of supply and demand.

Of course, I am aware and the Senate is aware that Executive price fixing has not been entirely confined to wheat. We have a maximum price upon many of the metals, and upon some of the products of some of them which have been fixed by other authority than the Food Commission. The prices fixed for metals have not at this time seriously disturbed industrial conditions, doubtless because at the outset they were fixed at a sufficiently high maximum to allow considerable play of difference between the price and the cost of production. But its success has not yet been determined.

I did not believe when we were discussing the conservation bill, nor do I believe now, that we can successfully regulate prices either by legislation or by the arbitrary, well-considered action of commissions created for that purpose, unless they are applied universally both to the product and to everything which enters into its creation. I thought then that we should legislate to remove all artificial interferences with the law of supply and demand, two or three of which are easily recognized; for example, undue speculation upon the stock exchange, the cornering of a given commodity, or the control of it by some combination which can regulate the product to suit the price which it fixes for public consumption.

I recall offering two or three amendments when the bill was pending to reach those conditions, and by controlling or removing them give free play to the law of supply and demand.

I think, Mr. President, as I did then, that such legislation is essential, wise, temperate, effective legislation. I think also that appeals to the judgment and the patriotism of the people for their contribution and cooperation to the general end are desirable and necessary. Perhaps all genuine conservation thus far attained by the Food Commission has been accomplished through the willing cooperation of the people with it by due observance of their requests and suggestions.

Perhaps there is one other mode of controlling prices. We have frequently been warned to avoid the mistakes of Great Britain since she entered the war and to emulate her successes. She has handled her food problem very well.

Great Britain at the outbreak of the war spent enormous sums of money in securing needed articles of food and wear for her people. She bought millions of bushels of wheat and hundreds of thousands of tons of sugar. She placed an embargo upon the exportation of wool from her colonies to other countries. Having secured large quantities of these very valuable materials, she

stored them. The prices she paid for them were a secondary consideration. She used these huge reservoirs to regulate prices by throwing their contents upon the market whenever speculation threatened or prices rose beyond what the Government considered reasonable. Of course, that is an expensive method of controlling prices. The people pay for it by taxation, but it is fairly effective.

I fear, Mr. President, that we may fix prices of given commodities by the commission or by the Congress as long as this war lasts, and the only effect will be to produce the storm of protest and complaint with which we are being overwhelmed by the farmers. It is a lamentable fact that wheat, for which there is a crying and incessant demand, is selling for less money than corn and other grains which in normal times are cheaper than wheat. At the present time, because of their unusual prices, they offer the farmer an irresistible inducement to plant them instead of the wheat, which is needed.

No man with common sense will engage in an unprofitable industry very long nor is there any who will fail to recognize existing conditions and produce that which promises some measure of profit. That is why we have a shortage of wheat acreage. Of course other conditions enter into the problem, but the fundamental one is the difference in prices of grains caused by the existing demand.

These unusual and exorbitant prices for other grains may be unjustifiable. They may be the result of speculation or of the orders of the Food Commission requiring their use as substitutes for wheat, but whatever the cause the markets determine the action of the farmer and of the stock raiser, and all the laws enacted by the Congress can not interfere with or overthrow that natural inclination of mankind.

Hence, I do not believe, Mr. President, that this bill, if it becomes a law, will have any other result than to force the prices of other grains still higher.

Mr. President, it is difficult to successfully interfere with natural laws of production and distribution without creating a disturbance somewhat similar to that which occurs in the human system when suffering from some particular malady. We know what the malady is. It may be local, but it interferes with and interrupts all the normal conditions of the body. They are so interrelated, so dependent upon each other that the principal disturbance necessarily reacts upon the whole system.

In the division of labor unconsciously cooperating to the product of any given commodity, material interference operates very much like throwing a foreign substances into a mass of delicate machinery. It may not be so abrupt or so serious, but the interference is there, and the irregularity of action will continue until removed or minimized.

It is sometimes helpful and instructive to go back to first principles, especially in the consideration of bills designed to affect fundamental economic laws. In his great work upon the Wealth of Nations, old Adam Smith directed the attention of the people of Great Britain in his introduction to the existence and importance of what he called the division of labor. I want to read an extract from that celebrated, although now almost obsolete work, upon the subject. I read from page 3:

> The greatest improvement in the productive powers of labor and the greater skill, dexterity, and judgment with which it is anywhere directed or applied seem to have been the effects of the division of labor.
>
> The effects of the division of labor in the general business of society will be more easily understood by considering in what manner it operates in some particular manufactures. It is commonly supposed to be carried furthest in some very trifling ones; not perhaps that it really is carried further in them than in others of more importance, but in those trifling manufactures which are destined to supply the small wants of but a small number of people the whole number of workmen must necessarily be small, and those employed in every different branch of the work can often be collected into the same workshop and placed at once under the view of the spectator. In those great manufactures, on the contrary, which are destined to supply the great wants of the great body of the people, every different branch of the work employs so great a number of workmen that it is impossible to collect them all into the same workshop. We can seldom see more at one time than those employed in one single branch. Though in such manufactures the work may be divided into a greater number of parts than in those of a more trifling nature, the division is not near so obvious, and has accordingly been much less observed.
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> To take an example, therefore, from a very trifling manufacture, but one in which the division of labor has been very often taken notice of, the trade of the pin maker, a workman not educated to this business, which the division of labor has rendered a distinct trade, nor acquainted with the use of the machinery employed in it, to the invention of which the same division of labor has probably given occasion, could scarce, perhaps, with his utmost industry, make 1 pin in a day, and certainly could not make 20. But in the way in which this business is now carried on not only the whole work is a peculiar trade, but it is divided into a number of branches, of which the greater part are likewise peculiar trades. One man draws out the wire, another straightens it, a third cuts it, a fourth points it, a fifth grinds it at the top for receiving the head; to make the head requires two or three distinct operations; to put it on is a peculiar business; to whiten the pins is another; it is even a trade by itself to put them into the paper; and the important business of making a pin is, in this manner, divided into about 18 distinct operations, which in some manufactories are all performed by distinct hands, though in others the same man will sometimes perform two or three of them. I have seen a small manufactory of this kind where 10 men only were employed, and where some of them consequently performed two or three distinct operations.
>
> To fix the wage or designate the price of any branch of the industry contributing to the production of the finished article is to disarrange all of them, to the injury of the enterprise.

This author discusses the subject of the division of labor very extensively, and it is interesting to refer without reading to that part of the discussion which is designed to show the contribution from a great number of sources of labor to the production of the simplest article. Take, for example, the pin which Mr. Smith uses as an illustration. The metal of which the pin is constructed is smelted from the ore, which in turn is dug from the earth by the miner. To dig the ore and to smelt it require the use of tools manufactured expressly for the purpose, made of materials upon which labor has in turn been expended both to produce and to shapen. The workmen engaged in these various contributions to the given result wear clothing which in turn is produced both as to the raw material and as to the finished product by another army of workmen, and these are supported in turn by food raised by another body of laborers, who in turn perform their work with implements produced in succession by other agencies, thus showing a complex yet well-regulated system of cooperation existing throughout society in the production both of the necessities and the comforts of life, which if interfered with by arbitrary acts of legislation necessarily interrupt what Mr. Henry George calls the unconscious cooperation of society and produce disturbances like those which we, as other nations of the past, are seeking to remedy by additional legislation of the same character.

If the Food Commission, in fixing an arbitrary price for wheat, places it too low, our conclusion is that Congress, because of the mistake, should legislate a price higher than that established by the commission or by the President.

It may be, Mr. President, that this will result as the author of the amendment believes. I think the only result will be to aggravate the situation. Corn, barley, and rye will enjoy a further rise. Perhaps this will support the establishment of a still further advance in the price of wheat by the President, which, proving unsatisfactory also, may require additional legislation by us.

We should remember, Mr. President, that legislation of this kind never has been successful at any time in any age among any people. All rules admit of exceptions; there may be some to this one, but I do not think so. The Senator from Missouri [Mr. REED] some time ago directed the attention of the Senate to the disclosures in Alison's History of Europe upon this subject. Mr. Carlyle, in his History of the French Revolution, emphasizes the impotence of legislation designed not only to fix the value of money, but as well to establish arbitrary prices for food and clothing. It can not be done, for it affects a subject outside the possibilities of human legislation. The bolsheviki of Russia have a more direct method of procedure. Political economy and legislation are alike subjects of indifference to them. What they want they take, and after the supply has been exhausted, in all probability they will, like the wolves—at least I hope they will—fall upon and tear each other to pieces. We are only proceeding, Mr. President, in a less direct and less brutal way, in my judgment, when we give no heed to the lessons of experience, which demonstrate that price fixing in its consequences is about as successful as would be an attempt to repeal the law of gravitation.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Utah?

Mr. THOMAS. Certainly.

Mr. KING. I sympathize with the views which the Senator from Colorado has just expressed upon economic questions; and at the time the so-called fuel bill was under consideration I then expressed the view that it would prove abortive and would fail to satisfy the American people or accomplish the results claimed for the measure. I now want to suggest to the Senator from Colorado, who has just referred to the great law of economics promulgated with such clearness by the greatest of all writers upon political economy, Adam Smith, and to call the Senator's attention to the fact that Prof. Hadley and others contend, in view of the great concentration of wealth in the hands of a few individuals, and particularly in view of our transportation system, in which especially in the past there was a sort of coordination between those who were engaged in large manufacturing enterprises and those who were controlling transportation, that the law of supply and demand, as announced by Adam Smith, was abrogated, and that it is now impossible, in view of industrial conditions prevailing in the

United States, for that law to have free play. Does the Senator from Colorado think that there is anything in our political system or anything in our industrial system that would require governmental fixing of prices and which would abrogate or modify the laws and principles of economics given to the world by Adam Smith?

Mr. THOMAS. Mr. President, I believe the comments of these later philosophers on the subject of political economy are largely true. Before the Senator from Utah entered the Chamber I adverted to the fact that there were interferences with the operation of this law which were proper subjects of legislation; for example, stock exchanges, where speculation has free play; the cornering the necessities of life, thereby producing a congestion in some places and scarcity in others, which is possible only through the great systems of transportation; also through the creation of large combinations of capital and industry, which control the output of product and restrict the output to the demand, thus enabling them to fix permanent arbitrary prices. Yes; I believe that the economists, to whom the Senator from Utah has referred, have correctly stated the modern situation, but the remedy therefor is not price fixing. It is by the abolition or the governmental control of these artificial conditions which have so grossly interfered with the general operation of the law of supply and demand. We should, so far as legislation can do it—and I think that if enforced it can be made effective—interfere with those artificial conditions which have sprung from inventions, discoveries, transportation, and so forth, and which, of course, depend for their existence upon the law. Those are proper and necessary subjects of legislation. Congress has recognized that and has frequently legislated along those lines, too far, perhaps, in some directions; not far enough in others.

That, however, is entirely outside of the pending situation, which must rest, in my judgment, for its operation upon the law of supply and demand. The Government for the present controls the transportation system and will divorce it from the monopolies. Hence the disturbance necessarily created in the general economy of things to which I have referred and the certain rise of every article recommended and resorted to as a substitute for wheat consequent upon the increased demand therefor and the inability of the producer of wheat to adjust himself to a rise of prices in everything that enters into its production makes this proposal a foredoomed failure; it makes no difference whether you fix the price of wheat at $2, $2.50, or $3 a bushel, the result will be the same.

Of course, Congress might put a price so far in excess of the possibilities of speculation as to make the act a workable one. But that would remedy nothing.

Mr. President, I referred to Adam Smith a few moments ago regarding the general division of labor and the entry of so many essentials into the production of the simplest article. Let me refer now for a moment to Henry George. At the time of his death Mr. George was engaged in a work upon political economy, which he had nearly completed. It is one of the most interesting, if not the most interesting, books that he ever wrote. It is a departure in many respects from the established theories and systems of political economy, and is based not upon the old idea of the greatest good to the greatest number, but upon the law of least resistance. In his chapters upon cooperation, both conscious and unconscious, he has disclosed why artificial interferences with the general laws of production miscarry, but also why socialism can never be anything more than a theory. With the permission of the Senate, I will in this connection read two or three extracts from Chapter X of Mr. George's work upon the subject of Cooperation and Its Two Kinds. I read from page 383:

There is one kind of cooperation, proceeding as it were from without, which results from the conscious direction of a controlling will to a definite end. This we may call directed or conscious cooperation.

And, I presume, Mr. President, that legislation such as is here proposed would fall under that designation.

There is another kind of cooperation, proceeding as it were from within, which results from a correlation in the actions of independent wills, each seeking but its own immediate purpose, and careless, if not indeed ignorant, of the general result. This we may call spontaneous or unconscious cooperation.

The movement of a great army is a good type of cooperation of one kind. Here the actions of many individuals are subordinated to and directed by one conscious will, they becoming, as it were, its body and executing its thought. The providing of a great city with all the manifold things which are constantly needed by its inhabitants is a good type of cooperation of the other kind. This kind of cooperation is far wider, far finer, far more strongly and delicately organized than the kind of cooperation involved in the movements of an army, yet it is brought about not by subordination to the direction of one conscious will, which knows the general result at which it aims, but by the correlation of actions originating in many independent wills, each aiming at its own small purpose without care for or thought of the general result.

The one kind of cooperation seems to have its analogue in those related movements of our body which we are able consciously to direct. The other kind of cooperation seems to have its analogue in the correlation of the innumerable movements, of which we are unconscious, that maintain the bodily frame motions, which in their complexity, delicacy, and precision far transcend our powers of conscious direction, yet by whose perfect adjustment to each other and to the purpose of the whole that cooperation of part and function that makes up the human body and keeps it in life and vigor is brought about and supported.

A beautiful instance of cooperation of the first kind is furnished by the tacking of a square-rigged ship under full sail. The noble vessel, bending gracefully to the breeze under her cloud of canvas, comes driving along, cleaving white furrows at her bow and leaving a yeasty wake at her stern. Suddenly her jibs fly free and her spanker flattens as she curves toward the wind, her foreyards round in, and their sails begin to shake, and at length, as what were their weather braces are hauled taut, to fill on the other side. The after sails that at first held the wind as before begin in their turn to spill, then their yards are shifted, and they, too, take the wind on a different side; and with every sheet and tack in its new place the vessel gathering again her deadened headway begins to drive the foam from her bow as she bends on the other side to cut her way in a new direction. So harmonious are her movements, so seemingly instinct with life, that the savage who sees for the first time such a vessel beating along the coast might take her for a great bird, changing its direction with the movements of its wings as do sea gull and albatross.

And between ship and bird there are certain resemblances. Both are structures in which various parts are combined into a related whole and distinct motions are correlated in harmonious action, and in both movement is produced by the varying angles at which flat surfaces are by a mechanism of joints and ligaments exposed to the impact of air. In a bird, however, the parts in their motions obey instinctively and unconsciously the promptings of the conscious will, but in the ship the motions of the parts are produced by the distinct action of a number of conscious wills, ranging from one or two dozen in a merchant vessel to several hundred in an old-fashioned ship of war. Their cooperation is produced not instinctively and unconsciously but by intelligent obedience to the intelligent orders of one directing will, which prescribes to every man his place and function, directing when, how, and by whom each motion shall be made. The bird veers because, when it wills to veer, every nerve and tendon directly respond with the necessary motions. The ship tacks because the separate wills that manage her rudder and sails consciously obey the successive commands which prescribe each of the necessary motions from a first order, "Full for stays," to the last, "Belay all." A series of intelligent directions consciously obeyed by those to whom they are addressed bring about and correlate the movements of the parts.

Nor could the maneuvers of a ship be carried on without such intelligent direction. Any attempt to substitute independent action, no matter how willing, for responsive obedience to intelligent direction would be certain ere long to result as in the traditional coasting schooner manned by two—captain and mate—where the captain, who was steering, irritated by some gratuitous advice of the mate, who was tending jibsheets, yelled out to him, "You run your end of this schooner and I'll run mine," whereupon there was a rattle of chain at the bow and the mate yelled back, "Captain, I've anchored my end of this schooner; you can run your end where you choose."

Mr. President, that is not a bad illustration of price fixing by legislation. We can anchor certain articles and let certain other articles whose production is dependent upon them run where they choose.

Now, much of the cooperation of man in producing social effects is of the nature of that by which a ship is sailed. In involves the delegation to individuals of the power of arranging and directing what others shall do, thus securing for the general action the advantages of one managing and correlating intelligence; but while cooperation of this kind is indispensable to producing certain results by conjoined action, it is helpless or all but helpless to bring about certain other results involving a longer series and more complicated and delicate actions and adjustments.

I think I have read enough from this very interesting and profound work to illustrate my contention. Suffice it to say that its every line and page upon this subject of conscious and unconscious cooperation in society is of the most intense interest. The unconscious cooperation of all men to a given end in the industrial world or to a number of given ends necessarily means that where conscious cooperation attempts to interfere it must recognize its entity. It can not deal separately with this, that, and the other part of it, since it is absolutely certain that the consequent disturbance in nine cases out of ten will defeat the object of the interference. Take, for example, Mr. President, the fixing of the price of wheat at $2 or $2.25 or $2.30 a bushel—it makes no difference what the price is. With every other article of commerce having free play, with every other product of the farm subject to no interference, with the shifting of demand from the thing to which the law relates, to the things which are free from the law and the consequent necessary increase of price because of that shifting demand, not only of the product but of the labor and of the machinery necessary to produce it, the result inevitably, in my judgment, is to defeat the purpose and the object of the law.

Mr. President, I can not leave this book without reading one other extract from the same chapter. Of course, I have not assumed to call the attention of the Senate to the chapter as an entirety, which perhaps I should have done, but because of these things, these fundamental things, Mr. George says:

This is the fatal defect of all forms of socialism—the reason of the fact, which all observation shows, that any attempt to carry conscious regulation and direction beyond the narrow sphere of social life in which it is necessary inevitably works injury, hindering even what it is intended to help.

And the rational of this great fact may, I think, at least in some measure, be perceived when we consider that the originating element in all production is thought or intelligence—the spiritual, not the material. This spiritual element, this intelligence or thought power as it appears in man can not be combined or fused as can material force.

No greater words of wisdom were ever penned by man.

Mr. President, this bill is an interference, and a very important interference, with a general condition dependent upon practically all of the forces that enter into production in civilized countries. The farmer complains that while he is unable to sell his wheat for more than $2, he has to pay the farm hand 100 per cent more than when the order went into effect; that he has to pay from 100 to 200 per cent more for his harrow, his plow, his reaper, his thrasher, and all the other machinery which is required for successful farming in modern times, and, that being the case, he naturally thinks that the remedy ought to come from the same source from which the disease proceeded; that is to say, from legislative action.

If I had my way, Mr. President, I would put no price upon wheat; or, if I did, I would, as has been suggested, penalize by legislative limitation or by Executive limitation every other article of human commerce, for there is scarcely one which does not enter into the production of a bushel of wheat, or a bushel of corn, or a suit of clothes, or a book, or any simple article of our ordinary life, many of which are subject to artificial prices because of the combinations to which I have referred, not through legislation, but by the arbitrary edict of those controlling production.

Mr. McCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from North Dakota?

Mr. THOMAS. I yield.

Mr. McCUMBER. Let me ask the Senator a question. I understand, I think, what the Senator would do if he had the power, and that is to repeal the provision which fixes the price and subject all commodities to the operations of the law of supply and demand; but the law under which the price has been fixed is upon the statute books. I am not conceding that that law has been properly construed to give the authority to fix any such price, but the price has been fixed. Now we have got to remedy, if we can possibly remedy, the injury that has been brought about by stretching the law which authorized a license to such an extent that the Food Commissioner can say to the licensee, "You shall not continue in your vocation or business unless you pay a limited price for the products upon which you operate." I do not think we had any authority to do that, but we have done it; and now, having done it, how are we going to get out of the situation in which we are placed? Undoubtedly we can not repeal the law. If we could, I would vote with the Senator that the Government should not fix the price of those things; but, inasmuch as the Government has fixed the price; that is, it has said to those dealers, "You shall not pay more than a certain price," and thereby has driven the price down to $2.20 a bushel, when otherwise under the law of supply and demand it would probably be $3 a bushel to-day; how would the Senator reach that proposition and undo the injustice?

Mr. THOMAS. Mr. President, of course that presents a very difficult problem, one to which, I presume, no man could give an absolutely satisfactory answer. I do not think we can improve the situation by legislating along the same lines, and I have endeavored to give my reasons for so thinking. We may produce a temporary benefit and make the farmer feel like some men do after taking a good, stiff stimulant; but when the effect of it is gone he will feel, as some of them do, that perhaps he would have been better off without it. I would say—and I have given a little thought to the subject—that, instead of this, we amend the food law so as to require the food commissioner or the President, whenever he thinks he should fix the price of one grain, to fix the price of all grains, and whenever he fixes the price of all grains, to fix the price of labor and the price to the farmer for the machinery necessary for the production of the crop. That may be impossible also, but I believe it is quite as possible and more feasible than a law like this. I may be mistaken. I know the situation is one which appeals to us all, and I concede that it justifies the idea expressed here by many who under the circumstances now existing think they should vote for this amendment; but it does not appeal to me, because I do not believe that it would more than temporarily postpone the suffering which is now complained of by a very large body of our people.

Mr. SHAFROTH. Mr. President——

Mr. THOMAS. I yield to my colleague.

Mr. SHAFROTH. Mr. President, does not the Senator realize that the pending amendment does not attempt to fix a maximum price, but proposes to fix only the minimum?

Mr. THOMAS. I realize that.

Mr. SHAFROTH. And by reason of that will it not leave the law in the same position that it is at the present time?

Mr. THOMAS. I recognize that, Mr. President, but I am as much opposed to fixing a minimum price as I am to fixing a maximum price. The objections to such legislation are not met by establishing a minimum instead of a maximum standard.

It may be that under this provision, which substitutes a minimum for a maximum price, the President will be quite as unwilling to exercise his authority by raising the price from the minimum as he has been to raise the price from that originally fixed. With those who are to execute the law I do not think the fact that this is a minimum instead of a maximum will prove, in practice, of any great importance. I hope I am mistaken—that is, if the motion shall prevail, and the amendment be adopted—but that is my impression.

I will join at any time in the effort to repeal any provision of the statute upon which the authority to fix a maximum price for any of these grains is pivoted. The Senator from North Dakota says that it is impossible to repeal the law. That may be. It might be possible that if Congress should pass such a law it would be only to challenge the veto of the President.

But, Mr. President, there is one peculiar feature of this proposed law to which I will refer before taking my seat. It is found in the last clause or paragraph of the amendment. I will read it:

This guaranty shall not be dependent upon the action of the President under the first part of this section, but is hereby made absolute and shall be binding until May 1, 1919. When the President finds that the importation into the United States of any wheat produced outside of the United States materially enhances or is likely materially to enhance the liabilities of the United States under guaranties of prices therefor made pursuant to this section, and ascertains what rate of duty, added to the then existing rate of duty on wheat and to the value of wheat at the time of importation, would be sufficient to bring the price thereof at which imported up to the price fixed therefor pursuant to the foregoing provisions of this section, he shall proclaim such facts, and thereafter there shall be levied, collected, and paid upon wheat when imported, in addition to the then existing rate of duty, the rate of duty so ascertained; but in no case shall any such rate of duty be fixed at an amount which will effect a reduction of the rate of duty upon wheat under any then existing tariff law of the United States.

Mr. President, I am at a loss to account for this provision. Perhaps my natural suspicion of anything which spells "tariff" has caused me to look askance at it.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Oklahoma?

Mr. THOMAS. I yield.

Mr. GORE. I will say to the Senator that I had the same view of the proposition that he had; but that language is imported from the law passed in August last. It is, word for word, a copy of the existing law.

Mr. THOMAS. That is another reason why I am glad I did not vote for the existing law.

Mr. GORE. Yes, sir; I think it is an added reason for congratulation.

Mr. THOMAS. Unfortunately I was too ill to be here to add my vote to the votes of my associates for this and the revenue law, and I derive infinite comfort from the fact.

But, Mr. President, the idea that at the present time or at any time in the immediate future there will be importations of wheat into the United States is one which seems to me, with all due respect to the author of this measure, to be too grotesque for serious consideration. If there is one product for which there is a greater demand than ever before known in history, it is grain of all kinds; and if there ever was a time when the difficulties of ocean transportation were paramount, that time is now. If Argentina's every acre were devoted to the cultivation of wheat, if the vast stretches of Siberia could be sown to this grain and the crop could be harvested, it would be physically impossible to transport a bushel of it to the United States until the shipping situation is vastly relieved.

Mr. McCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from North Dakota?

Mr. THOMAS. I yield to the Senator.

Mr. McCUMBER. I am fearful that the Senator, reading only a portion of that law, did not fully contemplate the purpose of the particular section which he read.

Mr. THOMAS. It may be.

Mr. McCUMBER. The law, as the Senator will remember, did not provide for a minimum price to be paid by the Government, but it was a statement on behalf of Congress to the farmers of the United States, and, reduced to the shape of a dialogue, it would run like this:

"This country needs wheat in 1918. It will, in all probability, need all that can be raised. We want you, the farmer, to plant it."

The farmer responded:

"I should be willing to plant it if I felt certain that the war would continue and keep up prices; but if I should increase my acreage to a great extent, and then we should have peace, the price would go down immediately to such an extent that I could not pay my expenses."

Congress then said to the farmer:

"Go ahead, and we will guarantee that your price shall be at least $2 a bushel; and if there is peace in the land, and you otherwise could not get $2 a bushel, the Government will take it off your hands."

The law itself provided that the Government should buy it at $2 a bushel. That did not contemplate time of war. In time of war it was certain that the price would be $2 or more; but in time of peace the Government agreed to guarantee the farmer, and take it off his hands. Then, so that the Government should not lose in peace conditions and under peace relations, the Government, to protect itself, speaking through Congress, provided that a tariff might be levied sufficient to prevent, in fact, any importations whatever. Now, of course, in time of peace, and with wheat worth, by a world demand, may be not to exceed $1.25 or $1.50 a bushel, and the Government taking it at $2 a bushel, it would have to protect itself from perhaps three or four hundred million bushels that could be raised right across the line in Canada.

That was the purpose of that provision in the law of 1917.

Mr. THOMAS. Mr. President, I am obliged to the Senator for making that statement. It is a very clear one, but to me it is not a convincing one. In the first place, were peace to come to-morrow it would be a long time before the present prices would be interfered with and a very long time before Canada would be able to produce much more than wheat enough for herself and to satisfy such natural demands as could be made upon her.

Mr. McCUMBER. Mr. President, will the Senator allow me to correct him there?

Mr. THOMAS. Yes.

Mr. McCUMBER. Canada, in the provinces west of the Red River, can raise 250,000,000 bushels, and she can not consume more than one-fifth of it, and she does not need a ship. We have railways that reach into all of her fields, and therefore, without a single ship, she could throw it over in three months.

Mr. THOMAS. Mr. President, Canada can not raise wheat, any more than America can, without labor. Canada's labor market, like ours, is extremely restricted; and I repeat that in my judgment—I am not infallible—Canada will have plenty to do, as will we and other nations engaged in this war, for a long time after it shall have ended, in supplying our necessities at prevailing prices.

One of the most interesting contributions to the literature of the CONGRESSIONAL RECORD, if I may so term it, was that of Congressman James A. Garfield in 1866 or 1867, immediately after the war, when he demonstrated, both by logic and by historical precedent, that prices and expenses prevailing at the end of a war will persist for two or three years thereafter; I do not remember the exact period of time, but a considerable time, and much more than a year after the close of hostilities. He made it in explanation of the fact that although the Civil War had terminated some time before, governmental expenses had increased. They reached their maximum, if I remember correctly, in 1867. So that I am still unable to perceive why we should enact this provision, there being, in my judgment, no occasion for it.

Mr. President, let me say, in conclusion, that I do not believe in suspending the Senate rules for the purpose of introducing riders upon appropriation bills except under the most extraordinary circumstances. The habit—for it is a habit—of adding riders of all sorts relating to subjects entirely foreign to the title of the bill and the subject thereof has become a general rule rather than the exception in our methods of legislation. I do not believe that this is an exigency which requires or demands the suspension of our rules, and I shall therefore vote against the motion to suspend.

Mr. JOHNSON of California. Mr. President, I desire to make of record a correction of a statement which has done a very grievous wrong and injustice to a high-minded and a patriotic citizen.

In the record of the Senate proceedings, published under date of March 12, in the speech of the Senator from Missouri, appears a copy of a telegram signed by Mr. Kellogg, of California, making a most serious charge against Mr. C. H. Bentley, of the Food Administration. The telegram indicates that he had endeavored to use his relation with the Food Administration to the detriment of tomato growers in California and to the advantage of the company with which he is connected. He is actually named as the author of an order fixing prices to tomato growers.

These statements are wholly erroneous and without foundation and do a grievous injustice to one who came to Washington last June at the urgent request of the advisory commission of the Council of National Defense. The facts are that Mr. Bentley came here at material personal sacrifice and to the disadvantage of his business, which had only recently been organized. As the canning season was then approaching, his associates assented only in the thought of rendering a service of importance to the Government. They had no desire to sell their wares to the Government, for their estimated output for the season had been sold to the wholesale trade. This custom arises from the necessity for planting or contracting to plant products like corn, peas, and tomatoes for canning purposes long in advance of the canning season.

In the conference held with the Quartermaster General of the Army and with the Paymaster General of the Navy, under the auspices of the advisory commission of the Council of National Defense, it developed that inquiries for the tremendous quantities of foods to be required had not brought satisfactory proposals either in quantity or in price. A committee appointed by the canners urged that the requirements be prorated throughout the industry, each canner taking his percentage in proportion to his pack, the prices to be fixed by the Government. For the protection of the Government it was desirable that some disinterested agency should determine the costs of these various supplies, and as the President had expressly directed the Federal Trade Commission to perform such functions, an arrangement was made for the Federal Trade Commission to delegate a cost accounting specialist to make these investigations and to advise with the Quartermaster General of the Army and with the Paymaster General of the Navy in matters of price determination. The authority for price fixing on products for the Army and for the Navy has clearly remained throughout and has been exercised by these officials.

Mr. Bentley acted as chairman of this canned foods committee and assisted in the development and execution of the plan. He then prepared to return to California, but was urged by Mr. Hoover to remain and assist in the organization of the Food Administration. He did this and was made head of the Division of Canned Foods, Beans, and Dried Fruits. His activities were to advise with the Enforcement Division in the interpretation and administration of the law with respect to the manufacturers and wholesale dealers in these products. By joint action of the Department of Commerce, the Department of Agriculture, and the Food Administration a committee on the conservation of tin plate was appointed, and Mr. Bentley has acted as chairman of this committee. The endeavor has been to secure an adequate supply of all materials relating to the industry not only for commercial but for home canning. After the passage of the food-control act the functions of advising the Army and the Navy in the matter of foods was turned over to the Food Administration, and the War Food Purchase Board, consisting of Admiral Samuel McGowan, Paymaster General of the Navy, chairman; Col. W. R. Grove, Quartermaster General's office, of the Army; Frank S. Scott, cost-accounting specialist, Federal Trade Commission; and Mr. W. V. S. Thorne, of the Food Administration, was formed to advise with the Army and the Navy in the matter of price fixing. After the resignation of Mr. Thorne, Mr. F. S. Snyder became the representative of the Food Administration.

To assist the War Food Purchase Board in securing necessary information as to available supplies and to secure such supplies without unnecessary disturbance of the trade, which would tend to enhance the cost of foods to the consumer, the Division of Allocation of Purchase was formed in the Food Administration, but Mr. Bentley is not and never has been a member of this division nor of the War Food Purchase Board. He has never attended its meetings excepting on specific request, and, as a matter of fact, was in California when the action now in controversy was taken. He was not consulted in these matters and had no part in fixing these disputed prices, as is evidenced by the letter of Admiral McGowan, which I now read:

NAVY DEPARTMENT,
BUREAU OF SUPPLIES AND ACCOUNTS,
Washington, D. C., March 15, 1918.

Mr. C. H. BENTLEY,
United States Food Administration, Washington, D. C.

MY DEAR MR. BENTLEY: I have just received your letter of even date inclosing copy of the following telegram sent last night by Mr. Edgar Rickard to the Food Administration at San Francisco:

"War Food Purchasing Board, consisting of Admiral McGowan, Paymaster General of the Navy; Col. Grove, Quartermaster General's office, of Army; Scott, representing Federal Trade Commission; and Snyder, representing Food Administration, officially went on record positively stating that Bentley was not consulted and had no participation in action of board inviting tender for canned tomatoes, nor did he have any participation in decision of the Army and Navy in fixing limits on price on raw tomatoes. Further information will be given to the press to-morrow. Bentley is not and never has been a member of the War Food Purchasing Board."

As you well know, that telegram was shown to me before it was sent, and my only statement was that it stated the case very mildly, because when the matter of certain criticisms of you in connection with the subject of the telegram was brought up yesterday forenoon at the meeting of the Food Purchase Board, of which I am the chairman, everybody, including the Navy, the Army, the Food Administration, and the Federal Trade Commission, was amazed to learn that you had been criticized for something that we had done and with which you had no connection whatever.

I wish very much that you might have been present there to hear the unanimous and enthusiastic opinion expressed about you by everybody, the one idea of us all being that we should very much desire to have more men just like C. H. Bentley if we could possibly get them.

For the rest, I want to add that your visits to and consultations with the Food Purchase Board have been all too few and invariably on our initiative, not yours.

I am aware that the facts in any case usually have great difficulty in overtaking and correcting erroneous advance statements, for the reason that, human nature being constituted as it is, it is really a readable news item when a statement is made to the effect that a good man and a big man is, after all, not so good or so big as he seems to be, whereas the mere correction of such an error is not accompanied by any thrills or deserving of attractive headlines. And yet, after all, this is by no means a reflection upon the press of the country nor yet even on its readers. It is rather a tribute to the consistency with which manly men habitually deport themselves, because if they all in fact fall from grace from time to time the value of the news item would be wholly lost.

With all good wishes and with unbounded respect and regard, I am,

Yours, faithfully,

(Signed) S. McGOWAN,
Paymaster General of the Navy.

I want to say in addition to that, Mr. President, that those of us in California who know Mr. C. H. Bentley—and there are very, very many of us who do—could not for one instant believe, nor could we for one instant entertain either charge or suspicion, against his integrity or against his patriotism. Mr. Bentley has for more than a generation occupied a prominent place in the affairs of our State and in those of our city. He has ever been a man aggressive, a man earnest, a man able, a man patriotic, a man unselfish, and there has never, in all of the generation in which he has played a prominent part in San Francisco and in California, attached to him the slightest suspicion. His reputation and his standing have been above reproach; his character, of the very highest, has never been assailed. Because his reputation has been so unsullied and his character so high, because his private and his public life have made him preeminent with us, and because we know him so well, we feel that this correction is due him, and, with him, we regret the unfounded charge that was made against him.

Mr. THOMAS. Mr. President, before the Senator takes his seat, will he permit me to ask him a question?

Mr. JOHNSON of California. Certainly.

Mr. THOMAS. Who made the charge?

Mr. JOHNSON of California. It was made in a telegram from California that was read by the Senator from Missouri.

Mr. KELLOGG obtained the floor.

Mr. GORE. Mr. President, does the Senator intend to address himself to the pending motion?

Mr. KELLOGG. Yes; just for a moment.

Mr. GORE. Will the Senator yield to me to make one or two references to the remarks of the Senator from Colorado [Mr. THOMAS]?

Mr. KELLOGG. Yes; I yield to the Senator.

Mr. GORE. Mr. President——

The VICE PRESIDENT. The Senator yields the floor.

Mr. KELLOGG. I would rather not yield the floor. If the Senator will permit me to go ahead now, I shall be glad to yield to him for a question.

Mr. GORE. It was not a question. I wanted to make one or two comments on the remarks of the Senator from Colorado.

Mr. PHELAN. Mr. President——

Mr. KELLOGG. Does the Senator from California wish to ask a question?

Mr. PHELAN. I desire to ask the Senator if he is addressing himself to the subject introduced by the Senator from California [Mr. JOHNSON]?

Mr. KELLOGG. No; I intend to make a few remarks upon the pending motion.

Mr. PHELAN. Mr. President, I desire permission of the Senator to reinforce as strongly as I can, from intimate personal knowledge, the remarks of my colleague as to the high personal character and unimpeachable integrity of Charles H. Bentley, of California. I have here telegrams from his business competitors confirming this opinion. May I ask the permission of the Senator to continue——

The VICE PRESIDENT. The Senator yields the floor if he does.

Mr. KELLOGG. I would rather not yield the floor at this time, if the Senator will permit me.

Mr. PHELAN. I have no desire to take the floor from the Senator.

Mr. KELLOGG. Mr. President, I had not intended to discuss this measure, and shall occupy the time of the Senate but for a few moments. The surpassing importance of this question to the State which I represent, as well as to the Nation, impels me to state my reasons for affirmatively voting thereon.

I believe it is unnecessary for me to say that, as a general proposition, I do not believe in the efficacy of price fixing by law. I believe rather that the natural economic law of supply and demand should prevail; and I am inclined to the opinion that it would have been better in the case of wheat that the law of supply and demand should operate without legislative restriction. But the question at present is not whether we shall institute a system of price fixing with regard to wheat, since it has already been accomplished and tested, the 1917 crop being produced and marketed under a price fixed pursuant to law.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. KELLOGG. I yield to the Senator.

Mr. KING. I want to ask the Senator if it is not a fact, however, that when the embargo was placed by the Government upon exportations, and those exportations included wheat, it was loudly insisted by farmers and representatives of the farmers that having cut off their export market the duty rested upon the Government to fix the price of wheat so that they would get such a price as was fair, and that the establishment of a price for wheat was by reason of the embargo, and because of the demands made by the agricultural interests of our country?

Mr. KELLOGG. I will answer the question of the Senator from Utah in this way:

There was no demand by the farmers, after the power of embargo was given the President, to fix the price of wheat. I received no request from the producers in my State or any other State to vote for fixing the price of wheat. I did receive requests, that if Congress contemplated such action, to vote for a price of $2.50 a bushel, or at least a greater price than that reported in the first instance.

It is true, undoubtedly, that argument was presented in the Senate and in the committee that the President, having the power of embargo, controlled and could close the world's wheat market in this country. I voted for that embargo because I believed it was a necessary war power, as I voted in all other matters and shall in the future vote for every power which I believe to be necessary or which may be necessary to carry on this war. It was stated that it was necessary for many reasons, which I shall not review now; but with the power invested in the President to embargo wheat, and in view of the shortage in the world's wheat supply, and the intention—and I think it was necessary—to purchase wheat for distribution to allied nations and neutral countries needing it, of course, the President could control the price; and it was argued, therefore, that Congress should fix a minimum price. My own judgment is that the situation could have been met without Congress fixing a price. I voted to increase the price as a minimum to $2 a bushel, and because, as the Senators will remember, when it was first reported from the committee it was $1.50 a bushel—an absolutely inadequate price.

It is true that if the foreign market had been destroyed the price of wheat probably would have declined, because the surplus of our grain always has found its market in Europe, which to a great extent has made the price. On the other hand, it is true that if the natural laws of trade had been permitted to operate—if the markets had been free and open, and foreign countries had, as they had in the past, purchased their wheat in our open market—wheat would have been more than $2.50 a bushel. In fact, when the law was enacted, and when the price was fixed, wheat was selling in this country for from $2.50 to $3 per bushel.

I am not criticizing the administration for wheat purchasing. I think, on the whole, it has been honestly and efficiently handled. But if there was reason last spring for fixing the price at $2.20 a bushel, there is all the more reason now for fixing the price at $2.50 a bushel, because the world's supply is shorter; the things the farmer must purchase are higher; labor is wanting now to a greater extent than ever before and is higher in price; and the difference in cost to the farmer between the spring of 1917 and the spring of 1918 is more than 30 cents a bushel, the increase which this amendment proposes to establish.

It is unnecessary for me to again relate the circumstances which actuated the Congress to enact the previous price-fixing law in respect of wheat, for which I voted and for which I make no apology. I believed generally at that time that the law was necessary, and I do not know what might have happened had it not been enacted. But, in view of the situation which exists in respect of the price for all other agricultural and manufactured products which are necessary to the prosecution of

the war, and in view of the prices which the farmer is compelled to pay for the products he purchases, we can not justify a vote *against* this legislation.

Permit me to briefly discuss the principle which was established by the law of August 10, 1917. In section 14 it is provided as follows:

> Whenever the President shall find that an emergency exists requiring stimulation of the production of wheat and that it is essential that the producers of wheat, produced within the United States, shall have the benefits of the guaranty provided for in this section, he is authorized, from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit. * * *

We also provided that for the year 1918 the price should not be less than $2 per bushel. At that very time the price of wheat was more than $2 per bushel. It was selling in Oklahoma, in Kansas, in Texas, in Minnesota at the stations, as I *recollect—the* chairman will correct me if I am wrong—at about $2.50 per bushel or a little more.

The production of wheat can not be encouraged by decreasing the price. I know of no way in which the growing of wheat, which is so necessary to carry on this war and to support the allied nations, can be induced by decreasing the price. It is true that all prices during this war have abnormally increased. It is true in every war. I remember very well after the close of the War of the Rebellion, in 1865, wheat was worth $2.50 a bushel in Minnesota, notwithstanding the limited facilities for transportation and the high cost thereof. In the spring of 1917, after nearly three years of the European war, wheat was worth from $2.50 to $3 per bushel, and if it had not been for the price fixed, I believe it would be worth much more than that to-day.

It has been stated that it is necessary that this country should produce the wheat to carry on this war. I know there is a shortage in France; and in England, of course, the production is small. Wheat can not be brought from Australia, nor are the wheat fields of Russia open to the allied nations. I know that this country and Canada must produce wheat at whatever cost if we are to have food to carry on the war.

I hesitate to vote to raise the price of food, but it seems to me we are confronted with a condition which makes an increased price absolutely necessary, if we are going to produce wheat in this country. Manifestly, farmers will not raise wheat unless the profits therefrom are equivalent to the profits derived from other products, any more than manufacturers and producers of commercial articles in the country will produce them when they can make more money producing something else.

I do not make any argument as to the cost of raising wheat, because the Senate is aware that with labor at exorbitant prices, with machinery at high cost, and considering everything which the farmer must buy at maximum prices, there is not much money in raising wheat, in view of the fact that the average production in the spring-wheat country is only about 14 or 15 bushels to the acre. This country is confronted with some grave agricultural problems. At the close of the War of the Rebellion, 75 per cent of the people lived upon and secured their living from the land. To-day less than 35 per cent of the people are engaged in agricultural pursuits. The comparative number has greatly decreased from year to year.

From an agricultural standpoint, our country is one of great fertility, with an advantageous climate, the most improved and modern machinery and methods, and highly developed farming communities, enjoying the best educational advantages along agricultural lines, and yet the agricultural districts, in comparison with the cities with their industries, have declined from year to year. As I have heretofore stated, less than 35 per cent of the people to-day obtain their living from the farm. It is an appalling condition which should be remedied by intelligent study on the part of Government scientists. Had it not been for this war which suddenly developed a universal shortage of food, we might have continued filling the cities and great industrial centers with the best blood and sinew of the country, which is usually withdrawn from the farm.

It has been very forcibly brought to our attention that a decrease of production at this time threatens disaster to this country and to our allies in the world's greatest struggle. I repeat that there should be an intelligent study of the development of systems of cultivation, markets, fertilizeration, machinery, labor, and all that goes to make agriculture a success. These subjects should receive the most careful attention by American scientific men and by Members of Congress, because if this decrease continues not only will we and the world be threatened with food shortage but it will undermine the very foundations of this country.

There is no doubt that an independent proprietary ownership and cultivation of the soil constitutes the strength of the Nation. It made France. The distribution of the lands to the people which emanated from the fiery furnace of the French Revolution, the ownership and cultivation by the small farmer, enabled her to stand the strain of the Napoleonic wars, the wars of the middle century, the Franco-Prussian War, and this, the greatest conflict of all times. The very foundation of the greatness of the country is its proprietary farmer. Nothing is of greater importance to us than the study of the economic principles which lie at the foundation of agriculture and to discover the reasons why the people have been flocking to the cities to employments and occupations that tend to degenerate rather than to increase the strength of the Nation.

We must solve this problem. I do not anticipate in the midst of this war that a solution can be reached, but we can adopt this plan: As long as we have embarked upon this trial of price fixing we can fix the price for the 1918 wheat crop commensurate with the price of other products which will, I believe, increase largely the acreage and the production of wheat in this country, and when the war is over, or perhaps before, we can take up the greater problem—the problem of encouraging agriculture, individual ownership, and of turning the people from the cities and great centers of industry back to the farm, so that the strength of this great Nation shall be in the future, as it has been in the past, based upon the soil.

Mr. President, of course some of the reasons why the people have inclined to the cities are that the cities have furnished greater opportunities for profit in commercial, industrial, and professional pursuits, and offer a more attractive environment, which the younger generation have been unable to resist. I shall not enter into a discussion of these economic questions, but undoubtedly they have been powerful factors in drawing the young men from the farms. This bill, however, will not settle these questions. If anything is to be accomplished it is a temporary expedient for the greatest possible production of wheat during the war, which is an absolute necessity. The solution of the other problems is as great a necessity, but it will consume a longer time and require scientific investigation and further legislation.

Mr. BORAH. Mr. President, I entirely agree with the remarks of the Senator from Minnesota [Mr. KELLOGG] that there has been a great disparity of late years between the population of our rural districts and that of the cities altogether to the advantage of the centers of population. Whatever fanciful theory theorists may entertain in reference to the cause, those who make a study of it in their offices, and so forth, of course it all resolves itself into the proposition that in the combination of circumstances, economic and otherwise, which control American life, other avocations have paid better than that of the farmer. There will always be plenty of farmers in this country so long as we have soil of the nature and kind which we now have if the farming occupation pays proportionately with the other occupations and industries of the country.

Mr. President, I should be perfectly satisfied with $2.20 wheat, and I should not stand in my place to challenge that price or to advocate any other price if the influences and the powers which control the price of wheat would also control the prices of those things which must necessarily enter into the production of wheat. Two-dollar-and-twenty-cent wheat seems to those who are not engaged in wheat raising and who are not familiar with the expenses connected with it a very high price. Compared with the prices before the war, of course it is a high price, and naturally we make that comparison as soon as the subject of $2.20 wheat is mentioned.

I should not desire to advocate here any higher price if the articles which enter into the production of wheat, all those things which the farmer must necessarily buy and utilize, were controlled and the prices fixed proportionately to the prices which have been established for the farmer. But that is not the case, as we all know.

When the food-administration bill was before the body an amendment was offered by myself providing a rule by which the price of other articles—farm implements, cotton, steel, etc.—could be controlled and fixed the same as the price of wheat. In the first place, if I remember correctly, that amendment was adopted in substance, but within 24 hours a change came over the spirit of our dream, and combinations which are made outside of the Senate Chamber, not in it, moved upon the bulwarks and that amendment was reconsidered and voted out. It was manifest that those who were engaged in the other industries did not want to be placed under the price-fixing law or placed in a position wherein the law could be construed into a price-fixing proposition. While we did enact a law which enabled

those who were executing it to fix the price of wheat we declined to enact a law which would enable those executing it to fix the price of farm implements and other products which it was necessary for the farmer to have.

I do not believe, Mr. President, that it is possible to fix a price by statute of a staple article and permit other prices to follow the law of supply and demand without courting disaster. It is an impossible program. It will not work out. The two rules and the two laws will not work side by side. If we are going to persist in the fixing of the price of the farm product—of wheat particularly—we must necessarily enter a larger field, which it will be found difficult to occupy when we undertake to enter it and fix the price of those things which the farmer must buy. If we do not do that, then we must keep moving up, by legislative act, the price of wheat in accordance with the price of the articles which the law of supply and demand fixes. That, as I understand, is what we are engaged in doing. We are simply seeking, as the Senator from Minnesota said a few moments ago, to fix a price corresponding with the increase of the prices of these other articles, such as farm implements and labor and those things which enter into the price of the production of wheat. It is for this reason, Mr. President, and no other, that I shall support this motion to submit this amendment and support the amendment in case the motion prevails.

Let me read a single paragraph from the President's address delivered to Congress December 4, 1917:

> Recent experience has convinced me that the Congress must go further in authorizing the Government to set limits to prices. The law of supply and demand, I am sorry to say, has been replaced by the law of unrestrained selfishness. While we have eliminated profiteering in several branches of industry, it still runs impudently rampant in others. The farmers, for example, complain with a great deal of justice that, while the regulation of food prices restricts their incomes, no restraints are placed upon the prices of most of the things they must themselves purchase; and similar inequities obtain on all sides.

There, in my judgment, is the statement of the whole proposition in a single paragraph. While we have fixed the price of this staple which the farmer produces, we have permitted the profiteer to indulge his appetite in other lines, and we have permitted other articles to be controlled entirely by the law of supply and demand. The great wheat producer, without whom this war can not go forward and without whom hunger and distress will curse the land, is singled out, placed under a certain price, while all around him men in other avocations operate under the law of supply and demand. It is unjust, uneconomic, and unwise. It is, as the President says, inequitable.

The result of it is that the farmer is placed in an inequitable position, and not only that, but so inequitable that it is impossible for him to maintain his position in the present situation. As I stated a moment ago—

Mr. WADSWORTH. Will the Senator yield?

Mr. BORAH. I yield.

Mr. WADSWORTH. Does the Senator believe that the law of supply and demand has been replaced by unrestrained selfishness, and that that is the reason for this situation?

Mr. BORAH. No; I do not. I would not apply that to the entire situation.

Mr. WADSWORTH. Or to any considerable part of the situation?

Mr. BORAH. Yes; to a considerable part.

Mr. WADSWORTH. Unrestrained selfishness is the cause for a good part of the high prices to-day?

Mr. BORAH. Yes; I think so; that of certain industries.

Mr. WADSWORTH. Anything except what affects agriculture?

Mr. BORAH. Yes; in my judgment, but, of course, a man speaks rather his opinion than from actual gathering of data in regard to those things. However, I think that farm implements come fairly within that rule.

Mr. WADSWORTH. The Senator thinks that unrestrained selfishness has put up the price of farm implements.

Mr. BORAH. There may be some restraint about it. I do not say that it is wholly unrestrained, but it is unrestrained where they think it is safe to go.

Mr. WADSWORTH. The Senator thinks there is nothing that does restrain except caution?

Mr. BORAH. I suppose we ought not to say these men are not patriotic, and I will not say it, but I am of the opinion that the business instinct and the business disposition of these men need legal restraint quite as much as that of the farmer. I would feel safer if they were both treated alike.

Mr. President, if the Senator pushes the question I will give him an illustration. The President of the Farmers' Equity of my State went East in the spring of 1917 and arranged for several hundred thousand dollars' worth of farm implements with the wholesalers under a written contract. That written contract was based upon a price fixed by reason of the war, and by reason of war conditions, so that the price already provided for in the contract was far in advance of the price that prevailed the year before, and supposedly sufficient to cover any anticipated rise by reason of war conditions. The president of the society, which is not a political society but purely a business society, being a cooperative organization, returned home, and some time after received a notice of the cancellation of the contract as a contract. He protested against it, but his protest was not heeded. He returned to the East and made another contract involving a large increase, and that, as I now remember, was afterwards canceled, and they made a third contract.

Mr. President, I have not the figures here so that I can give them exact, although I have some quoted here from a farmer in my State which I will read later showing that the price of some of these farm implements went up as high as 300 per cent. That leads me to say, without I hope doing these men an injustice, that they were not regardful of anything except their complete business interest in this proposition. Certainly they got the full advantage of the law of supply and demand while the man who purchased the implements was chained down by law.

Mr. WADSWORTH. I am informed—I do not know that my information is correct, but it will have a bearing on the incident to which the Senator refers—my information is to the effect that steel, which the manufacturers must have to make the implements, cost them $30 per ton prior to our entrance into the war and some time prior to it, and they are now paying $100 a ton, which is an increase of 300 per cent.

Mr. BORAH. Another exhibition of unrestrained selfishness.

Mr. WADSWORTH. On whose part?

Mr. BORAH. On the part of the men who started it in the first place, and including every man who adds an unnecessary price to the article until it gets down to the ultimate consumer.

Mr. WADSWORTH. That comes down to labor, because labor becomes a signal cost in the production of these things.

Mr. BORAH. I am not standing here to defend labor or anyone else. I am stating facts.

Mr. WADSWORTH. I am not attacking labor either.

Mr. BORAH. I do not know to what extent the labor prices entered into the increased cost of the production of steel, but if my figures are correct with reference to the labor price it has increased by no means in proportion to the increased cost of steel. I have had some figures presented to me upon that precise question. Of course, there has been an increase in the price of labor, and justly so, so far as that is concerned within reason, but it has been in no sense in proportion to the increase of price of the articles which labor produces.

The income from these institutions, in the midst of war, is sufficient proof that notwithstanding the increase in the cost of labor their profits are far in excess of what they were before the war began.

Mr. REED. I assume that the Senator——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Missouri?

Mr. BORAH. I yield for a question. I understand that does not take me off the floor.

The VICE PRESIDENT. For a question; no.

Mr. REED. I am going to ask a question. I assume that the Senator will agree that the extraordinary demand for labor has run the demand up higher than the supply, and that naturally has advanced wages; that has been one of the causes. Is not that the Senator's opinion?

Mr. BORAH. I am of the opinion that that is true.

Mr. REED. Now, I want to ask the Senator, in view of the fact that we have passed the daylight-saving law, and according to all the authorities have saved one hour a day, whether he does not think wages ought to come down?

Mr. BORAH. I do not disagree with the Senator, whatever he says.

Mr. REED. I have been reading the papers, and I find it is stated that we have saved 13 per cent of time, and that there will be enough food raised in an hour—in this extra hour—to supply 1,000,000 men in our Army in France; and I am just wondering why we did not run the clock forward two hours and save enough time to make up the food shortage.

Mr. NELSON. Mr. President, will the Senator from Idaho yield to me?

Mr. BORAH. I will yield to a question whenever I can do so without losing the floor. I yield to the Senator from Minnesota.

Mr. NELSON. The question I desire to propound to the Senator from Idaho is this: We have lengthened the beginning of the day by law, to which the Senator from Missouri has referred; and if we allow the clerks time and a half increased pay for the extra time they work during the longer daylight I do not think we have diminished the cost of labor.

Mr. BORAH. In a single paragraph I can state my position upon the eight-hour day contention, so that I shall not have to occupy the floor again.

I am in favor of paying the Government employees what the eight-hour day is worth, and I want them to work eight hours. In this time of war, when labor is scarce and when everyone is obligated to do the utmost that he can, putting forth his efforts and in conserving them in the different ways of life to help the situation, I do not think a man should contend that he should work only seven hours a day. While I am not in favor of the clerks working eight hours a day for the same pay that they receive for seven hours a day, I am in favor of paying them what their labor is worth, and then asking them to do what a man can do consistently with the preservation of his health during the existence of this war.

Mr. President, a great deal has been said about the labor situation with reference to the farm, and that is one of the things which enters into the cost of wheat, and very largely so. The price of labor has gone up at least 100 per cent, and in some places—notably in my part of the country—it has gone up more than that. Not only that, but in a large measure it is not to be had. The Labor Department in Washington contend that there is a sufficient amount of labor in the country, provided it were properly distributed, and, as I take it from that, they further intend to contend that there is a sufficient amount of labor which can work upon the farms effectively if it is properly distributed. I do not know whether or not the Labor Department is correct in that contention; I hope the Labor Department is correct; but I do know that by reason of the draft and by reason of the falling away from the farms of laborers for the last several years labor is at a minimum upon the farm, and that it can not be had; it is not subject to employment whatever price you may be willing to pay, because it is not there. That situation presents one of the most serious features of this entire problem with reference to the production of wheat or the production of any other kind of farm product. As I say, I do not know whether or not the Labor Department is correct; but I do know that, if it is correct, it is exceedingly important that without any delay whatever an effort be made to distribute the labor which is supposed to be subject to distribution in different parts of the country.

Now, upon this question of the price of wheat and of the labor situation, I want to read some letters from those who know the true situation much better than we do here. I read first from a letter of a Mr. Potter, of Grangeville, Idaho. He states the situation with great clearness and force. I read from the letter:

DEAR SENATOR: Beg to acknowledge receipt of your favor of the 19th, for which I thank you.

Late developments in the wheat situation makes it seem necessary to me to take advantage of your kindness and write you further in regard to this matter.

The developments referred to is the proclamation of President Wilson fixing the 1918 wheat price. If this stands and is not overruled by Congress or his own better judgment, it will go down in history as one of the greatest mistakes in this world war.

It seems to be his impression that the present shortage is caused by the farmers holding the wheat on the farm, and it would not do to increase the price on the 1918 crop for fear the farmer would hold his 1917 crop over for that price.

I know nothing about the facts in this case except in my own locality. Here, as soon as we learned last fall that the price was fixed, every bushel that was not required for feed was hauled to the warehouse as quickly as possible. I believe this will be found to be the condition throughout the United States.

The farmers may not be very wise as a class, but I do not think they would be foolish enough to hold their wheat when there was no possibility of an increased price, and pay from 7 to 10 per cent interest on money. Of course, a great many of them might as well have held their wheat, as they did not get their money, but they did not know this.

I shipped my wheat last November and have not gotten my returns yet. I noticed by comments of the press that there was a slacking up in the flow of wheat, and they laid it to the agitation in Congress for an increased price on the 1918 crop. I sincerely hope that this is the case, but common sense tells me that they are just getting the tail end of the 1917 crop.

I wish to go on record right now (without statistics before me) that we will have to go entirely without white bread months before the new harvest, and that this condition was caused by fixing the price so low on wheat that is was fed promiscuously to domestic animals.

This is a machinery age. And the one spot on earth more than any other to regulate production and prices of farm products is at the offices of the International Harvester Co., at Chicago. The farmer's machinery, made up of steel and cast iron—better than 50 per cent cast iron—costs him from $600 to $900 per ton.

It takes from 3 to 6 bushels of wheat to buy a pair of shoes. I think that Armour and his kind should show a little patriotism, too.

Mr. Wilson says: "To increase the price of wheat would dislocate all the present wage levels."

The Government statistics give 5 bushels of wheat as the average consumption. After careful investiaation I find this a little strong, but, for argument sake, we will admit it. This would be approximately $10 a year at the present price; if we increased the price to $3, it would be $15 a year.

I have out a standing offer right now, in order to contract harvest labor ahead, one year's supply of flour for one and one-half days' work, common labor; one year's supply of flour for one day's work, expert labor.

If by increasing the price of wheat $1 per bushel we could increase the production, so that everyone could have all they wanted, I believe, taking into consideration the price of other foodstuffs, that there are millions of people that would live almost entirely on wheat flour, and they would be more healthy, too.

If this is the case, and they should double their consumption, it would then cost them $30 per year for food.

Very cheap living, is it not?

By increasing the price of wheat so that it would insure an abundance of it being produced, they would lower the cost of living to an extent that would be hard to realize and eliminate untold suffering and hardships.

Mr. Wilson intimates that there are large stores of wheat which will be released at the end of the war. I for one would like to know where these stores of wheat are. Take, for example, the rebellion. I believe I am right in stating that farm products reached their maximum in price about 1867, and it is the general opinion among farmers now that the maximum price for their products will be reached about one year after this war is over.

The present price of wheat is going to cause a tendency among large producers, who are able to, to hoard their wheat until the war is over. And as I stated in my other letter, they are all going to plant anything else wherever they can.

This does not seem patriotic I know, but you have human nature to contend with. Then if you put down the price on all farm products there will be an army of them go to work in other lines of industry or start to breeding cattle to restock Europe with after the war.

Another matter: I understand from the press that the Food Administration has requested the merchants to close early and to go on a cash basis. I suppose their idea is to reduce consumption. It will probably have the desired effect, but at the same time it will reduce production amazingly. They should request the merchants to stay open evenings so that the farmers could go in and get their supplies (which he is allowed to buy only in limited quantities) without using the precious daylight. They should request the merchants and bankers to extend every bit of credit possible to the farmer, who only has a pay day once a year, otherwise he will be compelled to take up some other occupation where he has a pay day every Saturday night.

I tell you, Mr. BORAH, the situation is critical; seeding time is almost here; it requires a hard fight and quick action or we will all be eating something else in the place of good, cheap, white bread. I know that if the price had been fixed on wheat last fall at $3 it would have saved millions of bushels for consumption.

It is my impression that they figure five to the family. At the present price the flour bill is $50 a year, providing they have all they want. Increasing the price $1 a bushel on wheat would increase the cost of flour for a family of five $25 a year.

Don't you suppose that the lack of flour, causing the use of high-priced substitutes, has more than taken up this $25, and the year only half gone?

On the other hand, if by increasing the price of flour 50 per cent you would increase the production so that everyone would have enough and to spare, you would cheapen the cost of living to more than offset the entire flour bill. Do you grasp my meaning?

I now read from a letter from Y. C. Mansfield, of Sunnyside, Wash., a gentleman whom I have the honor to know, a man of wide experience and an accurate observer. I read from his letter:

How thousands of wheat growers are to put in this next spring's crop is hard for me to understand. This morning I tried to buy some feed barley. I was told that I could have some at $80 a ton. I have plenty of wheat feed, but I hate to feed it when it is so badly needed for human food.

My wheat is worth about $60 a ton. One ton of it is equal to a ton and one-half of barley. My son is working 80 head of mules and horses. You can readily see what it would cost that boy to be patriotic and feed barley, which he has to buy, instead of feeding wheat, and yet that is what we are supposed to do.

Now, I want to write you concerning the draft. I have a neighbor joining, farming 500 acres of wheat land. He has three sons; one is already in France, another one has been drafted and put in the first class, although he can only see out of one eye; the third son is not a strong man, not strong enough to run the big machinery needed on a wheat ranch, and yet he will be left alone to run and manage this ranch. I have another neighbor who has a large wheat ranch, who is an old man, and retired. His son is running the ranch. He has a large thrashing outfit and does his own thrashing, and also thrashes for his neighbors. This boy has also been drafted and put in the first class.

I have a son who is running a 3,000-acre farm belonging to his uncle, who is an old man, in poor health, and living in Los Angeles. He has 2,200 acres ready to seed this spring. Three of his best men have been drafted, and he has been drafted and put in the second class, although he has a wife and two little babies. He is risking thousands of dollars in trying to raise an extra large crop so that the hungry may be fed. One thousand acres that he intends to put into wheat, according to the rules of the best farming in this district, should be summer fallowed. With feed grain at $80 a ton, hay at $20 a ton, farming help at $3 a day and board, and we have to feed our work stock about three days for every day's work we get out of them, you can readily see what he is risking in trying to raise more wheat. And yet our Government puts down the price of our wheat, regardless of the cost of production, and puts no limit on what we have to buy or on the men's wages we have to employ.

The wheat growers are paying $3 a day and board, which amounts to about $4 per day. The Government is promising to bring men from the cities to help us with our work. None of our teams are less than four horses and a great many of them are eight. Our machinery is made for these large teams. Not one man in a hundred taken out of the city could drive these teams and handle the machinery on the steep side hills that you know we have to farm on.

I read a paragraph from a public letter by J. F. Fisher, of Rockland, Idaho. There is perhaps no better-informed gentleman in our part of the country with reference to these matters. I read only that portion of the letter which relates particularly to this subject:

In December last I marketed a car of hogs which I fattened on wheat. I noticed the appeal made to feed hogs corn and save wheat. I tried to buy corn to feed them and found that it would cost me $4.25 per hundred, while the wheat cost only $2.25. I would have lost money on those hogs by substitution.

I notice that wheat in Chicago is worth $2.20 per bushel and corn $1.20 per bushel. This is about the same ratio of value that corn has always maintained to wheat, yet locally wheat flour is worth $5.45 per hundred and corn meal is $9 per hundred. I ask you who makes the profit? Who is being exploited under this system?

Last spring every paper you picked up predicted a potato famine, and experts went on record that if every potato in the United States was planted we would still be short in the fall.

I myself sold seed potatoes for $5.50 per hundred, and when the men who planted them dug their potatoes in the fall they could not sell them at all. There was absolutely no market.

You point with pride to a price on wheat of $2.20 Chicago, and you hear a great deal of what it is doing for the wheat farmer. Again I cite my own case. In February, before the war began, I sold my wheat for $2 per hundred. To-day, after deducting the freight to Chicago and the grades, I would get $2.50 per hundred for the same wheat, yet it cost me twice as much in labor cost and food cost to produce that wheat as it did before the war. Again, you lose sight of the hazard of the business. The last two years, in spite of prices, because of increased cost of production and adverse weather conditions, over which I had no control, my farm has shown me an actual loss.

NEITHER SEED NOR CASH.

Now, you say put in every acre. In this community there are thousands of acres of land prepared ready to be planted, but the farmers have not got the seed wheat nor the money to buy it.

You fix the price of seed wheat at 15 per cent above the cost after it is cleaned, yet our local elevators are asking from $3.25 to $3.50 per hundred for spring seed wheat that they paid $2.70 to $2.85 for last fall. I have written to the council of defense and the State farm markets of these conditions, but they have taken no action.

You say the price of wheat will be $2 per bushel in 1918, and the press led the farmer to believe this was at primary shipping points; that is, farmers' point of delivery. Now I gather that your administration designates 12 points as primary markets, several of them on the eastern seaboard, a thousand miles away from the place of production of a single bushel of wheat, in a commercial sense. If that ruling stands, it means that the Northwest, deducting freight and grades, will take for its crop from $1.40 to $1.50 per bushel, or less than wheat was worth before the war, if you consider the increased cost of production.

COSTS HAVE DOUBLED.

In the spring before the war I bought a three-bottom plow for $95. To-day that same plow cost me $170. Then I got the best help for $40 per month. Now I get poor help at from $60 to $80 per month, and it costs me twice as much to feed them.

If a man can not operate a business at a profit he will go out of the business, and unless there is some drastic change at once the wheat farmer will be forced to quit.

Mr. President, as I said a moment ago, if we can have a price-fixing law for those things which the farmer must necessarily buy, so that they may be controlled proportionately with the prices of the things which he has to sell, I should be entirely content with $2.20 a bushel for wheat; but unless the law is so amended as to incorporate those things, provided we are going to continue the price-fixing proposition at all, I shall vote to increase the price of wheat from $2.20 to $2.50 a bushel.

I shall do so, Mr. President, not simply because it is for the interest of the farmer immediately that it be done, but I shall do so because, in my judgment, it enters into the larger proposition of the successful prosecution of this great enterprise in which we are engaged. I have always believed from the very beginning of the war that the first breakdown in this great conflict will, if any breakdown comes, be in the industrial life and in the agricultural field. The military men who are engaged in taking care of that part of the program will see that we get sufficient men in uniform and that we get sufficient men to the front, but I am afraid they are not disposed to give sufficient attention to those things which are necessary to support the men who are in uniform and who are at the front. It is natural for those who are dealing with that feature of the situation to fasten their time and their attention solely upon the question of man power.

But, Mr. President, this is not, as most previous wars have been, a war merely of armies; it is a war of nations; it is a contention and a conflict between whole peoples, and not merely between great armies.

In former times, until the Revolution in France, wars were carried on by armies, which were often employed and dissociated or disunited in a marked degree at least from the nation itself. The war went forward and the battles were fought without very much strain or without very much readjustment of the national life. But this conflict is distinctly a war between nations. It is one people pitted against another. It calls for the resources and the energies and the powers of the people as a whole. No man in this contest can be indifferent to the situation upon the theory that he is not geared up to some activity in connection with the war. Whether he is upon the farm, in the workshop, in the factory, or in the law office, he is in some measure contributing, if he is doing his duty; or, if he is not doing his duty, he is menacing this great conflict in which we are now engaged. So it is incumbent upon us to see to it that we do not break down industrially and agriculturally, as much as it is to see that we do not fail to supply the proper men at the front in France.

Let us reflect for a minute, Mr. President, upon this situation as it now confronts us. It will appear more conclusively that this is a war between the nations and the question of victory depends upon which is best organized and best united in spirit and in purpose, industrially and economically. That question will determine who shall win this great conflict.

Germany is now in possession of middle Europe. Bulgaria, Roumania, Austria-Hungary, Turkey, and a large portion of Russia are as completely a part of the German Empire as if national lines were wiped out. She has already realized one of the great objects and purpose of entering this war, which was to establish a middle Europe, to get control of the vast resources in the center of the Continent, and place herself practically in a fortified fortress in the middle of Europe. That is now largely a realization. While we still speak of Austria-Hungary and Turkey and Bulgaria and Roumania, they are as a matter of fact a part of the German Empire, and all orders proceed from Berlin.

The Kaiser is controlling the destinies of those nations as if they had been incorporated as a part of his Empire. Germany is taking possession day by day of the resources of Russia; she either has, or will have before very many months shall have passed, control of all that portion of Russia which she desires to control. With her capacity for organization, her transcendent aptitude for efficiency, in control of middle Europe, and with the natural resources of Russia behind her, this is not, indeed, a war between armies, but a war of nations. It will be determined according to the manner in which we organize ourselves industrially and agriculturally; how we stand economically, and how, as a people, we are united in spirit and in purpose.

You may put upon the western front all the soldiers that you can build ships to carry, but if there is not behind them a united and determined people, aroused and thoroughly understanding the fact that we are all a part of the contest, we shall not be able to succeed in the end. We could do nothing in this contest that would more discourage the German dynasty than to demonstrate once and for all that we are a thoroughly united people, determined to sacrifice whatever it is necessary to sacrifice in order to crush the military power of that people.

And when we reflect further on some of the issues which are involved in the war, we are again led to understand how conclusively this is a contest between the two systems of government, two civilizations. We ought to get away, if we can, from the idea that it is a conflict over national lines in Europe; that it is a question of the redistribution of territory in Europe; that it is a question of securing compensation for injuries which have been done us; and understand that, whatever the cause was in the beginning, we have now arrived at a point where it is distinctly a conflict between two systems of government, between peoples and nations, and that one or the other will have to go down.

Mr. President, I read yesterday in the New York Times an article appearing within the last 30 days in a leading paper published in Germany, one of the responsible journals of that country, in which it discusses the things that it will be necessary for the United States to concede in the readjustment after the war. Among others, it declares unalterably against the Monroe doctrine, and that neither Germany nor the other European countries with which Germany is associated can longer submit to that doctrine. It also declares against the immigration laws which inhibit certain immigrants coming to this country. Among other things, reading a single extract or two, this article says:

Our leaders builded better than they knew in their decision for unrestricted submarine warfare in that they thus voted that in the name of all Europe our people should confront the Yankeeism hidden in the Monroe doctrine, as if the nations of Europe could in future be excluded from those advantages which Columbus, by his discovery of America, opened up for all time to the civilized world. How little till now has Europe comprehended that the Monroe doctrine in its last analysis signifies nothing less than this.

The war was always, to our way of thinking, a war against America even before it came to the rupture of diplomatic relations and the declaration of a state of war. Nobody doubts that we should have been able much earlier to conclude a favorable peace if the American means of assistance had been at our disposal in the same measure as they have been at the disposal of our enemies or if they had been denied to them as they have been to us. So much more is America, since her openly declared participation in the war, our chief enemy, who alone can galvanize our other enemies to new and bolder resistance. If we can only emerge from this war unvanquished, without giving securities

and indemnities, this alone is equivalent to stigmatizing the whole Anglo-Saxon race. The nations who to-day believe in that race will, when they understand this fact, awake from the trance that let them work and fight so long for the Anglo-Saxon world dominion. In a higher sense even this world war is a war for the faith. There will be no salvation for Anglo-Saxon dominion, either in the British Empire or in America if this process of "crushing" miscarries, to say nothing of the result if it ends in a debacle of the entente.

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The Monroe doctrine in the last analysis is nothing but a transfer of the provincial Anglo-Saxon spirit to the New World. In its name, therefore, the principle has been laid down that emigration from the European continent should be tolerated only so far as it corresponds with the endeavor of the old Anglo-American aristocratic families to be self-sufficient and exclusive.

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In this the correct sentiment for a continental European community of interests in opposition to the insularity of the Anglo-Saxon race finds expression. From this it is evident that the German policy of supplanting Anglo-Saxonism from its position of world dominion by *Germanism* can not be better inducted than by emphasizing with all vigor during the war, and especially at the peace negotiations, the interests of pan-Europe against the Monroe doctrine in so far as this doctrine is intended to create ever new difficulties for the sale of European merchandise in American markets, and above all for the emigration of Europeans to any parts of the New World.

In other words, Mr. President, whatever may have been our opinion in the beginning of the war, both sides realize now that this is not only a war between great nations, involving the interests of all their citizens, but that it is distinctly a war between systems of Government, and it is so recognized.

Mr. President, the German historian, Prof. Meyer, in a book written since the beginning of the war in which he sums up the issues involved, or rather the issue because it all resolves itself into one, uses this language:

The truth of the whole matter undoubtedly is that the time has arrived when two distinct forms of State organization must face each other in a life-and-death struggle.

That is undoubtedly the understanding and belief of those who are responsible for this war. It is coming to be the understanding and belief of those who have had the war forced upon them. We have finally put aside the tragedy at the Bosnian capital and the wrongs inflicted upon Belgium as the moving causes of the war. They were but the prologue to the imperial theme. We now see and understand clearly and unmistakably the cause at all times lying back of these things. Upon the one hand is Magna Charta, the Bill of Rights, the Declaration of Independence, the Constitution of the United States, and the principles of human liberty which they embody and preserve. Upon the other hand is that peculiar form of State organization which, in the language of the emperor, rests alone upon the strength of the army and whose highest creed finds expression in the words of one of its greatest advocates that war is a part of the eternal order instituted by God. We go back to Runnymede, where fearless men wrenched from the hands of power habeas corpus and the trial by jury. They point us to Breslau and Molwitz, where Frederick the Great, in violation of his plighted word, inaugurated the rule of fraud and force and laid the foundation for that mighty structure whose central and dominating principle is that of power.

It is that power with which we are at war to-day. Shall men, shall the people, be governed by some remorseless and soulless entity softly called the "State" or shall the instrumentalities of government yield alone and at all times to the wants and necessities, the hopes and aspirations of the masses? That is now the issue. Nothing should longer conceal it. It is but another and more stupendous phase of the old struggle, a struggle as ancient and as inevitable as the thirst for power and the love of liberty, a struggle in which men have fought and sacrificed all the way from Marathon to Verdun.

It seems strange now, and it will seem more extraordinary to those who come after us, that we did not recognize from the beginning that this was the issue. But, obscured by the débris of European life, confused with the dynastic quarrels and racial bitterness of the Old World, it was difficult to discern, and still more difficult to realize, that the very life of our institutions was at stake, that the scheme of the enemy, amazing and astounding, was not alone to control territory and dominate commerce, but to change the drift of human progress and to readjust the standards of the world's civilization. Perhaps, too, our love of peace, our traditional friendship for all nations lulled suspicion and discouraged inquiry. Be that as it may, there can be no doubt now. Whatever the cause, however perverse the fates which brings us to this crisis, we are called upon not to settle questions of territory or establish new spheres of national activity, but to defend the institutions under which we live. Who doubts should we fail that the whole theory and system of government for which we have labored and struggled, our whole conception of civilization would be discredited utterly. Who but believes that should we lose militarism would be the searching test of all governments and that the world would be an armed camp harried and tortured and decimated by endless wars. No; we can no longer doubt the issue, and, notwithstanding some discouraging facts, we must not doubt the result. We are simply meeting the test which brave men have met before, for this issue has been fought over and over again for 3,000 years. Islam's fanaticism was grounded in the same design and made of the same stuff, but it broke upon the valor of Charles Martel's men at Tours. But the conflict was not conclusive. The elder Napoleon was obsessed by the same dream of world dominion, the same passion for military glory that now obsesses those against whom we war. But he, too, saw his universal scepter depart when chance and fate which sometimes war on the side of liberty turned from him on the field of Waterloo. And now the issue is again made up, and again this dream of world dominion, this passion for military glory torments the souls of our would-be masters. And now again somewhere on the battle fields of Europe the same fate awaits the hosts of irresponsible power. In such a contest and with such an issue we can not lose; it would not harmonize with the law of human progress.

It has been the proud belief of some that not only would this war result in greater prestige and greater security for free institutions but that it would effectuate the spread of democracy throughout Europe. We all hope for great things, for we believe in the ultimate triumph of free institutions, but we must not expect these things out of hand. The broken sobs of nations struggling to be independent and free so often heard in that part of the world and then heard no more, the story of Russia just now being written in contention and blood admonishes anew that the republican road to safety and stability is encompassed by all kinds of trials and beset by countless perils. Democracy is the severest test of character which can be put upon a people, and must be earned and acquired in the rigid school of experience. It can not be handed whole and complete to any people, though every member of the community were a Socrates. But what we have determined in this crisis, as I understand it, is that we will keep the road of democracy open. No one shall close it. If any nation shall hereafter rise to the sublime requirement of self-government and choose to go that way it shall have the right to do so. Above all things we have determined, cost what it may in treasure and blood, that this experiment here upon this Western Continent shall justify the faith of its builders, that there shall remain here in all the integrity of its powers neither wrenched nor marred by the passions of war from within nor humbled nor dishonored by military power from without the Republic of the fathers. That since the challenge has been thrown down that this is a war unto death between two opposing theories of government we are determined that whatever else happens as a result of this war this form of organization, this theory of state, this last great hope, this fruition of 130 years of struggle and toil "shall not perish from the earth."

So, sir, stripped of all incidental and confusing things, the problem which our soldiers will help to solve is whether the theory of government exemplified in the dynasty of the Hohenzollerns or the theory of government exemplified in the faith of Abraham Lincoln shall prevail. It is after all a war of ideas, a clash of systems, a death struggle of ideals. Amid the sacrilege of war it is our belief that the old order passeth. In such a contest there is little room for compromise. We can no more quit than Washington could have quit at Valley Forge. We can no more compromise than Lincoln could have compromised after Chancellorsville. We can and should keep the issue clear of all selfish and imperialistic ambitions, but the issue itself can not be compromised. Cost what it may in treasure and blood the burden, as if by fate, has been laid upon us, and we must meet it manfully and successfully. To compromise is to acknowledge defeat. The policies of Frederick the Great which would make of all human souls mere cogs in a vast military machine, and the policies of Washington which would make government the expression and the instrument of popular power are contending for supremacy on the battle fields of Europe. Just that single, simple, stupendous issue, beside which all other issues in this war are trivial, must have a settlement as clear and conclusive as the settlement at Runnymede or Yorktown. To lose sight of this fact is to miss the supreme purpose of the war, and to permit it to be embarrassed or belittled by questions of territory is to betray the cause of civilization. And to fail to settle it clearly and conclusively is to fail in the most vital and sublime task ever laid upon a people.

We need not prophesy now when victory will come. Neither is it profitable to speculate how it will come. If it is a real and not a sham peace, we will have no trouble in recognizing

it when it does come. Whether it shall come in the bloody and visible triumph of arms or, as we hope, through the overthrow and destruction of militarism by the people of the respective countries, we do not know. But that it will come we confidently believe. Indeed, if the principles of right and the precepts of liberty are not a myth, we know it will come. It has been said by some one that it was not possible for Napoleon to win at Waterloo, not on account of Wellington, not on account of Blucher, but on account of the unchanging laws of liberty and justice. Let us call something of this faith to our own contest. Let us go forward in the belief that it is not possible in the morning of the twentieth century of the Christian civilization for militarism, for brute force, to triumph. It would be in contravention to every law, human and divine, upon which rests the happiness and preservation of the human family. It would be to place brute force first in the divine economy of things. It would be to place might over right, and in the last and final struggle that can not be done. No; we can not lose. We must win. The only question is whether we shall, through efficiency and concerted and united action, win without unnecessary loss of life, unnecessary waste of treasure, or whether we shall, through lack of unity in spirit and purpose, win only after fearful and unnecessary sacrifices.

It has often been said since the war began, Mr. President, that a republic can not make war. I trample the doctrine under my feet. I scorn the faithless creed as the creed of cowards and traitors. If a republic can not make war, if it can not stand the ordeal of conflict, why in the name of the living God are our boys on the western front? Are they there to suffer and die for a miserable craft that can only float in the serene breeze of the summer seas and must sink or drive for port at the first coming on of the storm? No; they are there to defend a craft which is equal to every conflict and superior to every foe—the triumph and the pride of all the barks that have battled with the ocean of time. A republic can make war. It can make war successfully and triumphantly and remain a republic every hour of the conflict. The genius who presided over the organization of this Republic, whose impressive force was knit into every fiber of our national organization, was the greatest soldier, save one, of the modern world, and the most far-visioned leader and statesman of all time. He knew that though devoted to peace the time would come when the Republic would have to make war. Over and over again he solemnly warned his countrymen to be ever ready and always prepared. He intended, therefore, that this Republic should make war and make war effectively, and the Republic which Washington framed and baptized with his love can make war. Let these faithless recreants cease to preach their pernicious doctrine.

Sir, this theory, this belief that a self-governing people can not make war without forfeiting their freedom and their form of government is vicious enough to have been kenneled in some foreign clime. A hundred million people knit together by the ties of a common patriotism, united in spirit and purpose, conscious of the fact that their freedom is imperiled, and exerting their energies and asserting their powers through the avenues and machinery of a representative Republic is the most masterful enginery of war yet devised by man. It has in it a power, an element of strength, which no military power of itself can bring into effect. The American soldier, a part of the life of his Nation, imbued with devotion to his country, has something in him that no system or mere military training and discipline as applied to automatons of an absolute government can ever give. The most priceless heritage which this war will leave to a war-torn and weary world is the demonstrated fact that a free people of a free Government can make war successfully and triumphantly, can defy and defeat militarism and preserve through it all their independence, their freedom, and the integrity of their institutions.

Mr. NORRIS addressed the Senate. After having spoken for some time,

Mr. OVERMAN. If the Senator from Nebraska will yield it is desired to have a short executive session.

Mr. NORRIS. I will yield with the understanding that I shall finish to-morrow.

EXECUTIVE SESSION.

Mr. OVERMAN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

DEATH OF REPRESENTATIVE CAPSTICK, OF NEW JERSEY.

A message from the House of Representatives, by G. F. Turner, one of its clerks, communicated to the Senate the intelligence of the death of Hon. JOHN H. CAPSTICK, late a Representative from the State of New Jersey, and transmitted resolutions of the House thereon.

Mr. FRELINGHUYSEN. I ask the Chair to lay the resolutions before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate the following resolutions of the House of Representatives, which will be read.

The Secretary read the resolutions, as follows:

IN THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES,
March 18, 1918.

Resolved, That the House has heard with profound sorrow of the death of Hon. JOHN H. CAPSTICK, late a Representative from the State of New Jersey.

Resolved, That a committee of 15 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate, and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. FRELINGHUYSEN. Mr. President, I send to the desk the following resolutions and ask for their adoption.

The resolutions were read, considered by unanimous consent, and unanimously agreed to, as follows:

Senate resolution 215.

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JOHN H. CAPSTICK, late a Representative from the State of New Jersey.

Resolved, That a committee of eight Senators be appointed by the Vice President to join a committee appointed by the House of Representatives to take order for superintending the funeral of the deceased.

Resolved, That the Secretary communicate a copy of these resolutions to the House of Representatives.

The VICE PRESIDENT. Under the second resolution the Chair appoints the senior Senator from New Jersey [Mr. FRELINGHUYSEN], the junior Senator from New Jersey [Mr. BAIRD], the Senator from West Virginia [Mr. SUTHERLAND], the Senator from Indiana [Mr. NEW], the Senator from Idaho [Mr. NUGENT], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Arizona [Mr. ASHURST], and the Senator from Georgia [Mr. HARDWICK] as the committee on the part of the Senate.

Mr. FRELINGHUYSEN. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, March 19, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate March 18, 1918.

JUDGE OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA.

Robert H. Terrell, of the District of Columbia, to be judge of the municipal court, District of Columbia. A reappointment, his term expiring April 24, 1918.

UNITED STATES MARSHALS.

Bruce Alexander, of Booneville, Miss., to be United States marshal northern district of Mississippi, vice W. S. Vardaman, whose term has expired.

Floyd Loper, of Lake, Miss., to be United States marshal southern district of Mississippi, vice John G. Cashman, whose term has expired.

COLLECTOR OF CUSTOMS.

Andrew J. King, of Great Falls, Mont., to be collector of customs for customs collection district No. 33, with headquarters at Great Falls, Mont. (Reappointment.)

PROMOTIONS IN THE ARMY.

MEDICAL CORPS.

Capt. Bertram F. Duckwall, Medical Corps, to be major from November 6, 1917, to fill an original vacancy.

To be majors with rank from October 6, 1917.

Capt. Charles R. Castlen, Medical Corps.
Capt. Harry D. Offutt, Medical Corps.
Capt. George D. Chunn, Medical Corps.
Capt. Charles M. O'Connor, jr., Medical Corps.
Capt. Augustus B. Jones, Medical Corps.
Capt. Raymond E. Scott, Medical Corps.
Capt. Rufus H. Hagood, jr., Medical Corps.
Capt. Herman G. Maul, Medical Corps.

Capt. Frank H. Dixon, Medical Corps.
Capt. Robert Du R. Harden, Medical Corps.
Capt. Lloyd E. Tefft, Medical Corps.
Capt. David D. Hogan, Medical Corps.
Capt. William F. Rice, Medical Corps.
Capt. Edward A. Noyes, Medical Corps.
Capt. Charles W. Riley, Medical Corps.
Capt. Charles G. Sinclair, Medical Corps.
Capt. Charles G. Hutter, Medical Corps.
Capt. Frederick H. Petters, Medical Corps.
Capt. Clarence S. Ketcham, Medical Corps.
Capt. Robert P. Williams, Medical Corps.
Capt. Edwin B. Maynard, Medical Corps.
Capt. Harvard C. Moore, Medical Corps.
Capt. Arden Freer, Medical Corps.
Capt. Paul A. Schule, Medical Corps.
Capt. John S. Gaul, Medical Corps.
Capt. Frank W. Wilson, Medical Corps.

To be captains with rank from October 6, 1917.

First Lieut. Charles R. Castlen, Medical Corps.
First Lieut. Harry D. Offutt, Medical Corps.
First Lieut. George D. Chunn, Medical Corps.
First Lieut. Charles M. O'Connor, jr., Medical Corps.
First Lieut. Augustus B. Jones, Medical Corps.
First Lieut. Raymond E. Scott, Medical Corps.
First Lieut. Rufus H. Hagood, jr., Medical Corps.
First Lieut. Herman G. Maul, Medical Corps.
First Lieut. Frank H. Dixon, Medical Corps.
First Lieut. Robert Du R. Harden, Medical Corps, subject to examination required by law.
First Lieut. Lloyd E. Tefft, Medical Corps, subject to examination required by law.
First Lieut. David D. Hogan, Medical Corps.
First Lieut. William F. Rice, Medical Corps.
First Lieut. Edward A. Noyes, Medical Corps.
First Lieut. Charles W. Riley, Medical Corps.
First Lieut. Charles G. Sinclair, Medical Corps.
First Lieut. Charles G. Hutter, Medical Corps.
First Lieut. Frederick H. Peters, Medical Corps.
First Lieut. Clarence S. Ketcham, Medical Corps.
First Lieut. Robert P. Williams, Medical Corps, subject to examination required by law.
First Lieut. Edwin B. Maynard, Medical Corps.
First Lieut. Harvard C. Moore, Medical Corps.
First Lieut. Arden Freer, Medical Corps.
First Lieut. Paul A. Schule, Medical Corps, subject to examination required by law.
First Lieut. John S. Gaul, Medical Corps.
First Lieut. Frank W. Wilson, Medical Corps.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

CAVALRY ARM.

To be first lieutenants.

Second Lieut. Charles R. Gross, Cavalry, February 9, 1918.
Second Lieut. Irvine L. McAlister, Cavalry, February 9, 1918.
Second Lieut. Robert G. Breene, Cavalry, February 9, 1918.
Second Lieut. James I. Gibbon, Cavalry, February 9, 1918.
Second Lieut. Walter C. Butler, Cavalry, February 9, 1918.
Second Lieut. Don Briley, Cavalry, February 9, 1918.
Second Lieut. Howard F. Long, Cavalry, February 9, 1918.
Second Lieut. Benjamin Lufkin, Cavalry, March 1, 1918.

COAST ARTILLERY CORPS.

To be captains.

First Lieut. Leslie V. Jefferis, Coast Artillery Corps, January 24, 1918.
First Lieut. Stuart A. Hamilton, Coast Artillery Corps, February 9, 1918.
First Lieut. Howard F. Gill, Coast Artillery Corps, February 9, 1918.
First Lieut. Gerald R. Butz, Coast Artillery Corps, February 9, 1918.
First Lieut. Joseph W. Barker, Coast Artillery Corps, February 9, 1918.
First Lieut. Shuey E. Wolfe, Coast Artillery Corps, February 9, 1918.
First Lieut. Frank J. Atwood, Coast Artillery Corps, February 9, 1918.
First Lieut. Carl C. Terry, Coast Artillery Corps, February 9, 1918.

To be first lieutenants.

Second Lieut. Lloyd W. Taylor, Coast Artillery Corps, January 24, 1918.
Second Lieut. Guy H. Hearon, Coast Artillery Corps, February 9, 1918.
Second Lieut. Francis E. Harrison, jr., Coast Artillery Corps, February 9, 1918.
Second Lieut. James W. Hopkins, Coast Artillery Corps, February 9, 1918.
Second Lieut. Ralph E. Billsborrow, Coast Artillery Corps, February 9, 1918.
Second Lieut. Alfred W. Chapman, Coast Artillery Corps, February 9, 1918.
Second Lieut. William A. Emerson, Coast Artillery Corps, February 9, 1918.
Second Lieut. Lawrence J. Meyns, Coast Artillery Corps, February 9, 1918.
Second Lieut. James C. Vickery, Coast Artillery Corps, February 9, 1918.
Second Lieut. Clarence E. Muehlberg, Coast Artillery Corps, February 9, 1918.
Second Lieut. Edwin C. Higbee, Coast Artillery Corps, February 9, 1918.
Second Lieut. William T. Andrews, Coast Artillery Corps, February 9, 1918.
Second Lieut. Stoddard P. Johnston, Coast Artillery Corps, February 9, 1918.
Second Lieut. Lewis A. Hudgins, Coast Artillery Corps, February 9, 1918.
Second Lieut. Levi M. Bricker, Coast Artillery Corps, February 9, 1918.
Second Lieut. Thomas P. Ahern, Coast Artillery Corps, February 9, 1918.
Second Lieut. Lawrence Iverson, Coast Artillery Corps, February 9, 1918.
Second Lieut. Herbert Macmillan, Coast Artillery Corps, February 9, 1918.
Second Lieut. John P. MacNeill, Coast Artillery Corps, February 9, 1918.
Second Lieut. Archibald L. Parmelee, Coast Artillery Corps, February 9, 1918.
Second Lieut. Robert E. Ryerson, Coast Artillery Corps, February 9, 1918.
Second Lieut. Sam H. Coile, Coast Artillery Corps, February 9, 1918.
Second Lieut. Junius B. Peake, Coast Artillery Corps, February 9, 1918.
Second Lieut. Sam W. Anderson, Coast Artillery Corps, February 9, 1918.
Second Lieut. Richard B. Cross, Coast Artillery Corps, February 9, 1918.
Second Lieut. Geoffrey A. Ogilvie, Coast Artillery Corps, February 9, 1918.
Second Lieut. John S. Cansler, Coast Artillery Corps, February 27, 1918.

FIELD ARTILLERY ARM.

To be captains.

First Lieut. Armand Durant, Field Artillery, from January 25, 1918.
First Lieut. Thomas T. Handy, Field Artillery, from February 9, 1918.
First Lieut. Frank B. Tipton, jr., Field Artillery, from February 9, 1918.
First Lieut. Stanley F. Bryan, Field Artillery, from February 9, 1918.
First Lieut. Oliver L. Haines, Field Artillery, from February 9, 1918.

To be first lieutenants.

Second Lieut. Robert A. B. Goodman, Field Artillery, from January 25, 1918.
Second Lieut. Devereux C. Josephs, Field Artillery, from February 9, 1918.
Second Lieut. Henry M. Rees, Field Artillery, from February 9, 1918.
Second Lieut. John G. Paul, Field Artillery, from February 9, 1918.
Second Lieut. James E. Brinckerhoff, Field Artillery, from February 9, 1918.
Second Lieut. William G. Cummings, Field Artillery, from February 9, 1918.
Second Lieut. Harold T. Brotherton, Field Artillery, from February 9, 1918.

Second Lieut. Larkin W. Glazebrook, jr., Field Artillery, from February 9, 1918.
Second Lieut. Samuel D. Smolev, Field Artillery, from February 9, 1918.
Second Lieut. Charles F. Neave, Field Artillery, from February 9, 1918.
Second Lieut. Robert W. Wilson, Field Artillery, from February 9, 1918.
Second Lieut. Donald H. Brown, Field Artillery, from February 9, 1918.
Second Lieut. Ralph de P. Terrell, Field Artillery, from February 9, 1918.
Second Lieut. Stephen B. Ives, Field Artillery, from February 9, 1918.
Second Lieut. Robert F. Webb, Field Artillery, from February 9, 1918.
Second Lieut. William G. Lasch, Field Artillery, from February 9, 1918.
Second Lieut. Miller H. Pontius, Field Artillery, from February 9, 1918.
Second Lieut. Fritz A. Nagel, Field Artillery, from February 9, 1918.
Second Lieut. Adrian J. McDonald, Field Artillery, from February 9, 1918.
Second Lieut. John E. Hartigan, Field Artillery, from February 9, 1918.
Second Lieut. John L. Handy, Field Artillery, from February 26, 1918.

TEMPORARY PROMOTION IN THE ARMY.

INFANTRY.

First Lieut. Elmer F. Wallender, to be captain with rank from August 5, 1917.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 18, 1918.

CIRCUIT JUDGE.

Martin T. Manton to be United States circuit judge, second circuit.

UNITED STATES ATTORNEYS.

Richard H. Mann to be United States attorney eastern district of Virginia.
Richard Evelyn Byrd to be United States attorney western district of Virginia.

UNITED STATES MARSHALS.

John G. Saunders to be United States marshal eastern district of Virginia.
T. G. Burch to be United States marshal western district of Virginia.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

INFANTRY.

To be first lieutenants.

Second Lieut. Frederick M. Vinson.
Second Lieut. George W. Griner, jr.,
Second Lieut. Hugh T. Mayberry,
Second Lieut. Charles D. Pearce, jr.,
Second Lieut. Edward D. McDougal, jr.,
Second Lieut. Philip W. Lowry,
Second Lieut. Charles P. Winsor,
Second Lieut. John Doble,
Second Lieut. Moses McK. Darst,
Second Lieut. Robert R. Smith,
Second Lieut. Evan C. Dresser,
Second Lieut. James G. Carr,
Second Lieut. Daniel E. Farr, and
Second Lieut. Chester McN. Woolworth.

TEMPORARY PROMOTIONS IN THE ARMY.

INFANTRY.

To be colonels.

Lieut. Col. Fred L. Munson.
Lieut. Col. Thomas M. Anderson, jr.

To be first lieutenant.

Second Lieut. Bernard M. Barcalow.

POSTMASTERS.

ARKANSAS.

Archibald S. Rogers, Osceola.

SOUTH CAROLINA.

Jean C. Sloan, Pendleton.
Richard W. Adams, Ridgeway.
Robert R. Miley, Walterboro.

HOUSE OF REPRESENTATIVES.

MONDAY, *March 18, 1918.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, we find ourselves submerged in almost impenetrable darkness, which covers the earth as the waters cover the sea; and we most fervently pray, that it may presage the dawning of a new day, which shall flood the earth with light, warmth, and beauty; bring to men a clearer vision of the larger life, correct mistakes, right all wrongs, banish war, and establish a lasting peace; fructify and replenish the earth with all good; and unite all men and nations in the bonds of brotherly love: "For as the new heavens and the new earth, which I will make, shall remain before me, saith the Lord, so shall your seed and your name remain."

Our Father, our hearts are touched by the death of a Member of this House who has been taken from the confines of the now to the larger reward in the new life. Comfort us, especially those to whom he was nearest and dearest, by the precious promises of the gospel of the Lord Jesus Christ. Amen.

The Journal of the proceedings of Saturday, March 16, 1918, was read and approved.

MEMORIAL TO ORDERS OF SISTERS WHO SERVED AS NURSES IN THE CIVIL WAR.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution, which I send to the Clerk's desk.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Joint resolution (H. J. Res. 154) authorizing the erection of a memorial in Washington to the memory and in honor of the members of the various orders of sisters who gave their services as nurses on battle fields, in hospitals, and on floating hospitals during the Civil War.

Resolved, etc., That the Chief of Engineers, United States Army, be, and he is hereby, authorized and directed to grant permission to the Ladies' Auxiliary, Ancient Order of Hibernians in America, for the erection on public grounds of the United States of America in the city of Washington, D. C., other than those of the Capitol, the Library of Congress, and the White House, of a memorial to the members of the various orders of sisters who gave their services as nurses on battle fields, in hospitals, and on floating hospitals during the Civil War: *Provided*, That the site chosen and the design of the memorial shall be approved by the Commission of Fine Arts, and that the United States shall be put to no expense in or by the erection of the said memorial.

Mr. KITCHIN. Reserving the right to object, Mr. Speaker, how long will it take to get through with this resolution?

Mr. KENNEDY of Rhode Island. So far as I am concerned, I am willing to forego any privilege of speaking at great length on it, but shall ask to extend my remarks.

Mr. KITCHIN. Has it the unanimous report from the committee?

Mr. KENNEDY of Rhode Island. It has the unanimous report of the Committee on the Library.

Mr. KITCHIN. Does it cost the Government anything at all?

Mr. KENNEDY of Rhode Island. Absolutely nothing.

Mr. KITCHIN. Would it not be better to let the site be selected by the Fine Arts Commission?

Mr. KENNEDY of Rhode Island. That is provided in the bill as it stands. The bill is safeguarded in that respect.

Mr. KITCHIN. It is provided that they shall select the site?

Mr. KENNEDY of Rhode Island. Exactly.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the House joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. KENNEDY of Rhode Island, a motion to reconsider the vote whereby the House joint resolution was passed was laid on the table.

Mr. SLOAN. Mr. Speaker, I had expected to say something in favor of the joint resolution just passed, but in view of the haste of the House I will simply ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD on the joint resolution just passed. Is there objection?

There was no objection.

INDUSTRIAL CREDITS.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 10608) to provide further for the national security and defense, and, for

the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

The motion was agreed to.

The SPEAKER. The gentleman from Tennessee [Mr. GARRETT] will please take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10608, with Mr. GARRETT of Tennessee in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10608), which the clerk will report by title.

The Clerk read as follows:

A bill (H. R. 10608) to provide further for the national security and defense and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield one hour to the gentleman from California [Mr. HAYES].

Mr. STAFFORD. Mr. Chairman, I make the point of order that no quorum is present.

Mr. KITCHIN. I wish the gentleman would withhold it.

Mr. STAFFORD. I will withhold it.

Mr. KITCHIN. I hope the gentleman will withdraw the point of order, because it will take half an hour to call the roll. We want to adjourn earlier this afternoon than anticipated on account of the death of one of our colleagues.

Mr. MOORE of Pennsylvania. I trust the gentleman will withdraw the point of order.

Mr. STAFFORD. The gentleman from California is to speak in opposition to the bill, and I thought that a larger audience should be here. But in view of the statement made by the gentleman from North Carolina that we are going to adjourn earlier, I will withdraw the point of no quorum.

Mr. KITCHIN. And the gentleman also knows that general debate closes when we adjourn, and we want to save all the time we can.

Mr. HAYES. Mr. Chairman, I desire first of all to state that this so-called war-finance bill, as it now appears before this House, is a very different proposition from what it was when it was first introduced. I congratulate the Committee on Ways and Means upon the drastic amendments which they have put upon the bill and which, I think, without a single exception, are very desirable and essential changes. I presume we are all animated with one thought in considering legislation of this kind, and that is to do nothing that will interfere with the most efficient prosecution of the war and the bringing of it to a successful termination at the earliest possible moment. So I appear here as a critic of this legislation, not in a carping spirit, but in a friendly attitude, desiring to further the purpose which this House has in passing or considering this legislation, rather than to thwart it. If anything in the line proposed by this bill is to be done it should be done in the best manner possible; in a way to do as much good and as little harm as possible.

As has already been stated, this legislation would never be considered seriously for a moment, in time of peace, by anyone who understood at all the banking and currency systems of the world and the correct principles underlying them. When our banks and instrumentalities of credit are in first-class condition, when there is no general denial of credit to those who are entitled to it, I can not see why just at this time the established principles controlling matters of this kind should be thrown to the winds and a revolutionary proposition like this should be seriously proposed. This bill proposes something different from anything in the world, or, so far as I know, anything that ever was in the world.

In order that we may consider it in its fundamentals it is necessary to tear away the verbiage that seeks to hide the true meaning and intent of the proposition. A very ingenious camouflage has been incorporated in this bill in the provision that creates a corporation. This creation is not a corporation in any ordinary acceptation of that term; it is not proposed to appeal to the public to put up any of the capital stock of this corporation; private individuals are not invited to become directors or officers of it. It is proposed to create the Secretary of the Treasury and four other men to be appointed by the President of the United States and confirmed by the Senate in the manner in which public officials are appointed and confirmed under our system, a corporation for the carrying out of the purposes contemplated by this legislation. In other words, the United States is the corporation. The effect would be essentially the same if a bureau of the Treasury were authorized to do eactly what this corporation is authorized to do. It is said, of course, that by the creation of this so-called corporation the Treasury of the United States will not be directly charged with any of the obligations contracted by the corporation. That would be technically correct, probably, but the corporation being managed by the Secretary of the Treasury and four other officials appointed by the Government, the Government certainly would be morally responsible for any of its obligations, and I can not see the advantage in this round-about fashion of putting the United States of America into the loaning business, into the banking business. I do not see the gain in it.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. HAYES. Certainly.

Mr. MADDEN. Would it be the gentleman's idea that if we were going to do what this bill authorizes the board to do we should do it direct out of the Treasury of the United States?

Mr. HAYES. Why not? The bill proposes this in substance. The mere legal fiction of appointing a corporation made up of the Secretary of the Treasury and four officers of the Government does not change the real status of things at all. The Government is to put up all the money that constitutes its capital stock; to appoint in the usual way of appointment of Federal officials all of its directors, officers, and employees, and to do all its business.

Mr. MADDEN. Except in the establishment of a precedent, perhaps.

Mr. HAYES. The precedent that will be established will be equally dangerous in either case. I do not know how the gentlemen from Illinois views this sort of thing, but I am objecting, as I always have objected since I have been a Member of this House, to the Government of the United States making loans of the money collected from all the people to private business, big or little, and I am still opposed to it.

Mr. MADDEN. Is it the opinion of the gentleman from California that sooner or later all of the securities that may be taken by this corporation for moneys advanced will find their way into the regional reserve banks and have circulating medium issued with these securities as a basis?

Mr. HAYES. In reply to the gentleman I would say that there would be no possible way that I can see for floating the vast amount of securities proposed by this bill except through the banks and the Federal reserve banks, and I have no doubt that if this bill becomes a law a very large percentge of them will find their way into the Federal reserve banks and notes will be issued upon them—unless, of course, the Federal Reserve Board, as I hope the bill authorizes them to do, although I am a little doubtful about it—should turn their faces sternly against anything of the kind.

Mr. MADDEN. This bill does authorize the Federal Reserve Board to permit the acceptance of the securities taken by the corporations?

Mr. HAYES. It does.

Mr. MADDEN. As a basis for the issue of such circulating medium?

Mr. HAYES. It does, and without any limit.

Mr. MADDEN. The limit, of course, would be the extent of the obligations—that is, the $2,000,000,000.

Mr. HAYES. Yes; but it does not limit the percentage of the obligations that are issued that may be used for that purpose. Let us not deceive ourselves. I think it is well if we are to support this proposition to know what it is. This bill creates a great central bank. That is all it is. It makes the Government put up the money to run it. It is run by officials of the Government of the United States—a great national central loaning institution, to lend money on the security of such stocks and bonds as may be approved by the corporation to private corporations and to individuals.

Mr. MADDEN. Will the gentleman yield for a further question?

Mr. HAYES. Yes.

Mr. MADDEN. I would like the opinion of the gentleman from California as to the safeguards that surround the public interests through this corporation now as compared with the safeguards that appeared when the bill was first presented.

Mr. HAYES. The gentleman from Illinois was not on the floor when I began. I stated that this bill had been in all respects, where any changes had been made, vastly improved. It is not the same proposition at all as it was when he and I appeared before the Committee on Ways and Means to discuss it.

Mr. JOHNSON of Washington. The gentleman states that this is to all intents and purposes a great central bank.

Mr. HAYES. Yes.

Mr. JOHNSON of Washington. The subterfuge comes in the pretense that it is not a central bank of the United States.

Mr. HAYES. That is it, but it is a central bank.

Mr. JOHNSON of Washington. And the securities to be sent out will apparently appear not secured by the United States itself.

Mr. HAYES. They will not be according to the technical legal fiction attempted by the bill, but the United States will be behind it morally; and should this corporation be a failure financially and incur obligations that it could not pay, I hope that no one in the world thinks for a moment that this Congress would consent, or that the people of the United States would ever consent, with the Secretary of the Treasury and four other directors appointed by the President and approved by the Senate at the head of it, that these obligations should be repudiated by the Government of the United States. Every American, I believe, would blush at such a thought, and I am sure nothing of that kind will ever be done.

Mr. MADDEN. With the further appointment of a board to pass upon the securities that may be issued.

Mr. HAYES. That is a part that I have not time to discuss.

Mr. MADDEN. However, it is part of the scheme.

Mr. HAYES. I have no objection to a proper provision of that kind, but I shall have no time to discuss it. Now, this great central bank is brought forward here and urged upon this House and upon the Congress of the United States by the party in power. I just for a moment desire to call their attention to the history of the Democratic Party and to the history of this country, as affected by that party. I believe it was in 1832 that Andrew Jackson sent to the House of Representatives his famous message vetoing the bill which had passed Congress to renew the charter of the United States Bank, and in that message he pointed out the dangers of that kind of thing. Although the United States Bank at that time had only $14,000,000 of capial, provided entirely by private individuals, he pointed out the opportunity of using in politics the great power and influence which so much money in the hands of men at the seat of government gave them. He did not charge that up to that time the bank or its officials had corruptly or improperly used that power, but he said it was dangerous to give men, even indirectly connected with the Government in this free land such great powers as the possession and control of such a vast sum of money would give to them. When the bank officials found that their charter was to be taken from them, they proposed that a majority of the directors should resign and Jackson's political partisans appointed in their places. But this did not change the attitude of the incorruptible old hero at all. After the election of 1832 or 1834 he removed the deposits from the United States Bank, and he at that time charged them with improperly using their money or the influence and power that the United States Government had bestowed upon them for political purposes. I wonder what Andrew Jackson would think could he step in here to-day and see his professed followers proposing to create a United States Bank, not with $14,000,000 capital to be furnished by private individuals, but with $500,000,000 to be furnished by the Government of the United States; a capital for a bank, the largest that was ever thought of in the history of the world. What would he think about such a proposal? Do you believe that he would think that there was here no opportunity for the abuse of power, no danger of its being used for political purposes? Why, I do not care if an angel from heaven should run this corporation there will be all sorts of criticisms and complaints that not only favoritism has been used, but that political considerations have governed it.

The confidence of some of the people in their Government will be destroyed and their patriotism correspondingly decreased, because all of those who make application can not receive the bounty and assistance of this corporation, and those who are denied will feel that they are just as much entitled to the consideration of the corporation and the Government of the United States as those who are favored. We can easily conjecture what the result would be.

Now, I would not be here criticizing this bill if there were not other and, in my judgment, much better and saner ways to reach the same result.

Mr. GARNER. Does the gentleman have any objection to an interruption?

Mr. HAYES. I would not.

Mr. GARNER. Would it disconcert the gentleman's argument now to state concretely the method the gentleman would use to relieve the situation?

Mr. HAYES. I intend to do so before I am through. I first desire to speak briefly of the purposes of this corporation. It is proposed by this legislation that there shall be loaned to corporations and individuals by this corporation not only the $500,000,000, which the Government of the United States puts up under its provision, but that the credit of the United States shall be loaned to the extent of $2,000,000,000 in addition, whereas the Senate bill provides, if it is proper for me to speak of it, for $4,000,000,000. The committee has cut that down to $2,000,000,000, but it is reasonable to presume that the bill will come out of the conference with the amount somewhere between the two.

Mr. GARNER. Is that altogether an accurate statement to say that the Government is loaning its credit to the extent of $2,000,000,000 or $4,000,000,000 when the Government does not assume responsibility for these loans?

Mr. HAYES. The gentleman was not on the floor when I discussed that. I say the Government must assume the responsibility because the Secretary of the Treasury and four officials appointed by the President and confirmed by the Senate are to administer it, and I can not conceive Congress or the Government of the United States ever trying to avoid its responsibility under those circumstances.

Mr. JOHNSON of Washington. In other words, the Government either nominally must do it or else stand ready at any time to repudiate its part of it.

Mr. HAYES. Absolutely; one or the other. Now, what is the proposition in this legislation? It is proposed, in the first place, that this corporation should loan this money and its credit first to banks and trust companies; secondly, to saving banks and other banks with savings deposits and building and loan associations; thirdly, directly to corporations and individuals. Now, as I said in the beginning or near the beginning, there are ways in which this could be done and all of these things can be accomplished without drawing upon the Treasury for a cent, without creating any camouflage revolutionary corporation like that proposed by this bill. Other nations have done it, they are still doing it, why can not we? The great banks of the country, the commercial banks, are fuller of deposits than they have ever been in our history; fuller than any other banking system in the history of the world ever was. I have studied these statistics and I do not find that the bank deposits are diminishing; on the contrary, since the beginning of the war they are increasing. I do not find that the deposits in the saving banks are diminishing, though they are not increasing at the same ratio as the commercial deposits, but they are not decreasing.

There is nothing in this certainly to give us any financial alarm that I can see. For one, it seems to me that it would be wise to wait before we pass such revolutionary legislation as this until there is pressing and certain need for it. And if out of abundance of caution we think it necessary to do something to strengthen the situation and to give confidence to the public, especially to the investing public, let us do it in a way that will not plague us after the war is over. During the War between the States the national banking act was passed, giving the privilege to the banks to buy United States bonds and to issue currency upon them, something that no nation ever tried before, and a thing that every student of the subject will agree makes a very imperfect currency system. And that unsound legislation has been plaguing us ever since. It is still with us after 50 years and more.

And the legislation before us, in my opinion, if it becomes a law and the Government of the United States proceeds according to it and makes the loans that are provided for to the exent that they are permitted, will be here to plague us for the next 25 years and perhaps longer, when it is not necessary, in my judgment, at all.

Now, so far as loaning direct to individuals is concerned, as all the older Members of the House know, I have always, as a Member of this House and as a member of the Committee on Banking and Currency fought all such propositions. I believe that the Government of the United States should not go into the money-loaning business. I believe that it is not necessary for the Treasury of the United States thus to be opened to any of the business interests of this country in this direct way.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HAYES. I do.

Mr. MOORE of Pennsylvania. The gentleman is opposed to this bill and is in favor of extending such credits as may be necessary for war purposes through the regular system of Federal reserve banks?

Mr. HAYES. And the banks generally.

Mr. MOORE of Pennsylvania. And the banks generally?

Mr. HAYES. Absolutely.

Mr. MOORE of Pennsylvania. That question was thoroughly discussed before the committee, and it was indicated once, if

I recall, by one of the witnesses who came before the committee, that there were certain banks and bankers who imposed rates of interest so high as to make it impossible for certain industries to obtain loans and continue the business they were doing in connection with the war.

Mr. HAYES. I have heard that statement. But the gentleman, if he will read the daily reports of the business done in New York and other large cities, will see that the rates of interest are not high in any of the commercial centers of this country. Five per cent and six per cent on commercial loans is not excessive. And if anybody has been charged excessive interest it is because their security or personal responsibility are not such as to recommend them to the banks or to those who have money to loan. [Applause.] The Government of the United States can not afford to back up a man or a corporation whose credit is such that 10 or 15 per cent interest must be paid in order to get an accommodation.

Mr. MOORE of Pennsylvania. The gentleman knows that in the vaults of various banks throughout the country there are long-term securities now, some of them liberty bonds, which are not just as liquid as might be desired by the banks for the transaction of current business. Does the gentleman think that any relief should be afforded to those banks by an expansion of credit, as it were, by which they could utilize these long-term securities?

Mr. HAYES. I do, and I am going to state how I would extend that relief. I would extend it just as other nations extend it, and I will explain how that is done.

Now, what is the justification—because I desire to impugn nobody's motive or their good faith in this matter—what is the justification for this revolutionary legislation? The justification is that it is necessary in order to finance the war, in order to loan money that can not otherwise be secured by individuals and corporations who are manufacturing munitions and furnishing supplies for the Government in the progress of the war. And the terms of the bill limit it, if I am not mistaken in my memory, to those concerns that have been going since the beginning of the war—nearly a year.

In the first place, any corporation, manufacturing establishment, or individual who has been furnishing the Government with any supplies during the last year at the enormous profits and prices that they have had and that is in a position where it can not get such accommodations as it needs through the banks of this country, loaded as they are with deposits, are probably not entitled to it at all. They are doing their business in a manner or they are men of a character that should not be assisted by the Government of the United States to carry on or to enlarge their business. I have been in business a great many years, and I never found a time yet, except during the panic of 1893, when, if I had the securities, to say nothing about my responsibility, I could not find a banker in the United States that would loan me the money that I needed to carry on my business, no matter how big it was or how big I thought it wise to make it. And I undertake to say that no man who desires to do a business in the United States in the furnishing of munitions or supplies will go without the necessary assistance if he is entitled to it, and especially if he is to have or has a contract with the Government of the United States at this time to do anything that the Government needs to have done. I say that there will be plenty of men that will be glad to back up such a man and give him all the financial assistance that he needs; and it will not be necessary for the Government of the United States to appropriate $500,000,000, or any other sum, to induce him to do it. If this is not so, then this country is in a terrible condition; that is all, because other countries do it; and the patriotism and the enterprise and the energy of the United States citizen is not below that of any other citizenship in the world, in my estimation. [Applause.]

Now, when we leave those forms of industries that contribute directly to the prosecution of the war, then we must have in view practically all the other industries of the country, because they all contribute. We can not win this war unless the great industries and the small industries of the country are prosperous.

Unless the people are producing something, how in the world are they to buy these bonds that we must sell? How are they to pay their taxes unless the industries of the country are going forward, at least most of them, with as great energy and success as in time of peace? There never was a time in this country when production was at the high stage that it is to-day. If that is so, where is the pressing need for this great expenditure of money on the part of the Government of the United States to assist independent, energetic citizens of the United States in the conduct of private business in this country?

Mr. WELTY. Does the gentleman know whether other countries loan their credit in matters of this kind by legislation of this kind?

Mr. HAYES. They have not, to my knowledge.

Mr. GLASS. On that point, while I am not insensible to the saneness of what my colleague is saying, does he not know, as a matter of fact, that this Government and every other belligerent Government; that is, of the major nations, have loaned directly millions upon millions of dollars, hundreds of millions of dollars, to private contractors before they had ever broken the earth for their plants?

Mr. HAYES. They make advances to those who have contracts with the Government.

Mr. GLASS. On their plants.

Mr. HAYES. Yes; they make advances.

Mr. GLASS. You would not infer so from what the gentleman has said.

Mr. HAYES. That is quite a different matter from making direct loans to corporations and individuals who are not carrying out contracts for the Government. I am now speaking of those that are not directly connected with the prosecution of the war. They make advances to those who are directly connected, it is true.

Mr. STAFFORD. In that connection, will the gentleman yield?

Mr. HAYES. Yes.

Mr. STAFFORD. Is it not a fact that our own Government, through the large funds placed at the disposal of the War Department and the Navy Department, has been making advances to various industries in carrying on the war?

Mr. HAYES. It has.

Mr. STAFFORD. To the extent of millions and millions of dollars?

Mr. GLASS. That is what I said. Great Britain and this country and Germany are doing that.

Mr. STAFFORD. I understood the gentleman to say other countries besides our own. I did not know that he included our own.

Mr. GLASS. Yes.

Mr. HAYES. There is no question about that.

Mr. BURNETT. Mr. Chairman, will the gentleman yield?

Mr. HAYES. Yes.

Mr. BURNETT. Will it not be one of the effects of this bill that these various industries will be better enabled to buy bonds and speed up their industries by securing loans of this kind at low rates of interest? And is not that one of the very purposes of the bill?

Mr. HAYES. I do not see how they will. They can secure all the loans they need now at reasonable rates of interest, and I will show directly, I hope, how this bill will interfere with the prosecution of the war. How are these bonds to be floated? Who is going to take them? Somebody must buy them. Where is this $500,000,000 that is to be paid by the Treasury to come from? It must come from the taxes or bonds sold by the Government to the people. That $500,000,000 used in the prosecution of the war would go some distance toward helping to carry it on, and the two or four billions of these securities that would be issued by this so-called corporation will compete directly with the bonds issued by the Treasury; and it is proposed to issue them at a higher rate of interest, so that it is quite likely that investors will be much more ready to take them than they will be to take the bonds bearing a lower rate of interest issued directly by the Government.

Mr. SWITZER. Mr. Chairman, will the gentleman yield?

Mr. HAYES. Yes.

Mr. SWITZER. If they would put the interest rate higher now they would be taken?

Mr. HAYES. These Government bonds?

Mr. SWITZER. Yes.

Mr. HAYES. Certainly; and at a lower rate of interest than they can be sold through this camouflage corporation; and, as I have already pointed out, the moral obligation upon the Government is the same as is the obligation for its own bonds, and this increased rate of interest will cost the Government of the United States a great sum of money before we are through with it, in my estimation. It seems to me, therefore, that instead of this corporation assisting in the prosecution of the war, by putting out bonds bearing a higher rate of interest than the bonds issued and sold by the Government of the United States it will interfere with the prosecution of the war; and this $500,000,000 that is to be loaned out, instead of being used in the prosecution of the war, after it has been collected from our people in excessive taxes, or by selling bonds to our citizens, will be used for other purposes. In my judgment, it should be used for the purpose for which it was collected, and

that is the direct prosecution of the war, and it should not be loaned out to the great business interests of the country, which, I believe, are amply able to take care of themselves.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HAYES. I do.

Mr. GRAHAM of Illinois. You were speaking of advances to industries filling war contracts?

Mr. HAYES. Yes.

Mr. GRAHAM of Illinois. Have we not already enacted legislation providing that the Secretary of War and the Secretary of the Navy may advance to such contractors 30 per cent of their contracts?

Mr. HAYES. Yes; and they have done it in many cases. I do not mean that they have always done it, but they have done it in many cases.

Mr. SWITZER. Mr. Chairman, will the gentleman yield again?

Mr. HAYES. Yes.

Mr. SWITZER. I have received a great many letters from constituents in my district wanting relief from the excess-profits tax and an extension of time six months longer. I am informed that the Secretary of the Treasury says it can not be granted; that he must have the money in payment in June. Why is it that these small taxpayers must pay promptly while $500,000,000 of this money is to be used by the big interests of the country? Why must they be given this relief, and no relief given to the citizens who want some temporary relief, although they do not ask for exemption from the payment of their taxes?

Mr. HAYES. The gentleman can answer that question as well as I can. I have already hinted that I think this law could not possibly be administered in a perfectly equitable manner. Some one has to decide which one of the interests will be favored, which individual citizen or corporation shall be allowed the credit it proposes, and which one shall be denied, and there can not help but be inequities in it.

There will be charges of favoritism. There will no doubt be favoritism, because everybody is human and every man will favor his friend before he will favor his enemy. He will favor those whom he desires to assist rather than those that he is opposed to assisting. Everybody would do it. Everybody knows it. So that is one of the things that this measure will bring into the governmental system of the United States. I believe in leaving the loaning of money to the business interests of the country whose business it is to loan money. The Government of the United States is not organized to make a successful national bank or central bank. They have not the force and personnel, now skilled and ready by years of experience, to administer a great loaning system like this—the force such as the banks of the United States have to administer such a system in a business way. Such a system must be administered by men who have had years of experience, who have come up from the ranks and have had experience all along the line. These are the men who are managing the great banks and loaning institutions of the country, and the Government of the United States has no such force.

Besides all that, there is no public official charged with such vast and numerous responsibilities as the Secretary of the Treasury, and who must now be obliged to spread himself out very thin, that can sufficiently devote himself to this business to make a success of it. It can not be done. It is bound to be expensive to the United States. Inevitably many mistakes will be made. It can not be otherwise. I am not saying this in criticism of the Secretary of the Treasury, and least of all in criticism of the President of the United States, because neither of them can give any personal supervision to the operation of the proposed bank, except in the most cursory and superficial manner.

Some bureaucrat not directly responsible to the people will have to decide the questions that come up for decision in the administration of this great business. He will decide who is to receive the favor of the Government and who is not; and as is done in all similar cases, the Secretary of the Treasury, or even the full board of directors of the corporation will approve his decisions, if these come to them at all, in only the most perfunctory and routine way.

Mr. MILLER of Minnesota. Will the gentleman yield for an inquiry?

Mr. HAYES. I will.

Mr. MILLER of Minnesota. Can the gentleman inform the committee, if it is known, who are likely to compose this board of four men?

Mr. HAYES. I have no more knowledge than the gentleman has.

Mr. MILLER of Minnesota. In the case of the Food Administration bill, we knew beforehand that Mr. Hoover was to be appointed. I thought it might be illuminating if we knew beforehand who were to be the wise four, who were to enlighten the pathway of business.

Mr. HAYES. I have no knowledge on that subject. The truth is, that this Government has been going so rapidly toward paternalism, as it was called in the older days, that it is impossible to estimate the pace at which we are traveling. If we keep on with legislation of this character it will not be long until the Government of the United States will not only be handling the railroads, will not only be handling all the transportation of the country, but will be doing all the other business that amounts to anything in this country. For one, I shall continue to use whatever influence I have against this tendency. I do not believe in paternalism. I do not believe in socialism. I believe that this country is what it is because of the individual liberty and initiative that have been allowed to the individual citizen, and I want to see that system continued. I do not want to see things like this, that will create precedents that will come back to plague us for the next hundred years, put upon the statute books because we are in a state of war and have an emergency upon our hands, when my mind is not convinced that there are not other and better ways to accomplish the desired results.

Mr. JOHNSON of Washington. The gentleman is aware that every one of these new governmental corporations and bureaus publishes and sends out under frank, either daily or weekly, a newspaper which contains what it pleases to print, and at the same time the Government exercises a censorship on privately owned newspapers.

Mr. HAYES. I know that.

Mr. BURNETT. I believe my colleague voted for the Farm Loan System, did he not?

Mr. HAYES. Is the gentleman referring to the last farm-loan proposition?

Mr. BURNETT. I am speaking of the original farm-loan proposition. And was not that passed in time of peace?

Mr. HAYES. Yes; but the Government of the United States does not loan money to the farmer under the Farm Loan System. The Government only established the 12 farm-loan banks, which are to be financed by the sale of their bonds, based upon the real estate mortgages which the banks take from the farmers to secure the loans made to them. That is very different from the bill under consideration. I see no similarity between them.

Mr. LONGWORTH. Will the gentleman yield?

Mr. HAYES. Yes.

Mr. LONGWORTH. The gentleman is making a very strong statement of his views, and he just now spoke of the danger of paternalism in this sort of legislation. May I say to the gentleman that my principal reason for being in favor of this bill is that, in my judgment, it will prevent that kind of paternalism which he fears and which I fear. I fear that without this bill it may be necessary for the Government to take over not only the railroads, but even the private corporations.

Mr. HAYES. I can not discuss that with the gentleman now, for I have not time.

Mr. LONGWORTH. I think that is one of the most important features of the bill.

Mr. HAYES. That is decidedly not my view of it. Now, I have another objection to this bill which to me is very fundamental. That is, that the bill seems to contemplate that the $500,000,000 to be supplied by the Government of the United States, or so much of it as is actually paid in, is first to be loaned out entirely, and that then the credit of the United States, or of this corporation, may be drawn upon. There is no provision here for any reserve fund by which this corporation would be able to meet its obligations as they mature. If that policy is pursued by the governor and board of directors of the corporation, the result will be that they will be coming here repeatedly for assistance from the Congress of the United States. If this bill is to become a law, I believe there should be a provision in it—and I shall offer such an amendment at the proper time—for a reserve fund to be kept in the treasury of this corporation to meet its obligations as they mature. No loaning institution in the world that I ever heard of was ever successfully carried on unless it had such a reserve fund, and nearly all the statutes in this country which provide for banking or loaning institutions provide for such a fund in order that the corporation may be able upon demand to meet its obligations as demands are made upon it. There is no such provision in this bill.

Mr. WINGO. Will the gentleman yield for a question?

Mr. HAYES. Yes.

Mr. WINGO. I understood the gentleman to make the statement that under the provisions of this bill the corporation has got to loan out its capital stock before it can issue securities. Did the gentleman mean to convey that impression?

Mr. HAYES. No; I did not say that. I said the bill seemed to contemplate that. There is no direct provision to that effect.

Mr. KITCHIN. If the gentleman will permit me, I will say that there is no such provision.

Mr. HAYES. I do not say there is. In fact, I do not understand it that way.

Mr. KITCHIN. Most of the loaning will be by way of buying the bonds; and the amount of bonds to be issued, as provided in the bill, depends on the amount of actual cash paid in. It can issue only an amount equal to four times the amount of capital actually paid in. If the Government should pay in the whole $500,000,000, then it would be authorized under the bill to issue $2,000,000,000 of bonds; but if it is paid in in installments of, say, $100,000,000, when the first $100,000,000 is paid in it would be authorized to issue only $400,000,000 of bonds.

Mr. HAYES. But the gentleman from North Carolina [Mr. KITCHIN] individually, at least, would not object to a provision in the bill that would require a certain percentage at least of cash that was paid in to be kept as a reserve fund as a matter of safety?

Mr. KITCHIN. I should not think it was necessary, under the provisions of the bill, for that to be done.

Mr. HAYES. I think it is.

Mr. KITCHIN. That would not be needed, because they would have the securities.

Mr. HAYES. The securities might not be sufficiently liquid so that they could be sold quickly enough to meet the demands that might be made on the corporation.

Mr. KITCHIN. The only thing the corporation would be interested in selling in the first instance would be its bonds.

Mr. HAYES. I know, but they are coming due——

Mr. KITCHIN. In from one year to five.

Mr. HAYES. Suppose they are issued for one year, and the one year rolls around.

Mr. KITCHIN. The notes and securities given for these bonds will be payable in less time than that.

Mr. HAYES. True, but the interest has to be paid.

Mr. KITCHIN. And if the notes are not paid the securities can be foreclosed.

Mr. WINGO. Will the gentleman permit an interruption?

Mr. HAYES. Yes.

Mr. WINGO. Will the gentleman suggest in a general way how he would provide for it?

Mr. HAYES. I am just proceeding to do that now.

Now, I do not want to be here as a critic of this legislation without having something tangible and practical to propose. What I should do if left to me in this emergency would be to amend the Federal reserve act slightly, so that the necessary relief could be handled through that institution. I know that some of its friends—and it has no greater friend on this floor than I am—will object to that, but every central bank in the world extends accommodations to individuals and to corporations upon paper secured by collateral security. Even the central bank in Germany, which insists on its notes being based on short-time commercial paper, makes rediscounts on paper secured by collateral security. So does the Bank of England. So does the Bank of France, and every other central bank or reserve institution in all the world.

The Government of the United States, since I have been a Member of Congress, appointed a nonpartisan monetary commission, having upon it some of the best financial ability from both political parties, provided for the rediscount of loans secured by collateral security.

Mr. GLASS. Will the gentleman yield?

Mr. HAYES. Yes.

Mr. GLASS. Will my colleague state to the House what is the duration of the current loans by the Reischsbank?

Mr. HAYES. I have not seen it lately, but the duration is usually very short.

Mr. GLASS. It is only 28 days.

Mr. HAYES. They discourage that sort of thing.

Mr. GLASS. But I thought that the gentleman said, or I inferred from the tenor of his remarks, that the central bank of Germany encouraged loans of this kind.

Mr. HAYES. No; that is not true. The Reischsbank discourages such rediscounts, but they have always, in time of peace and war, constituted a large per cent of its business.

Mr. GLASS. Is it not a literal fact that the Government of Germany has established just such a system as is proposed here now, a war finance corporation, under which it has already issued $5,000,000,000 of national paper money?

Mr. HAYES. It has organized some such corporation, but it is not a Government corporation, financed by the Government; it is a private corporation.

Now, the way to provide for the emergency, in my judgment, is to amend the Federal reserve act so that, during the war only, in a certain contingency the Federal reserve bank might discount at least the direct obligation of the member banks when secured by collateral for a short time only. The provision of the monetary commission was that only when the central bank therein proposed thought that the public interests required it, and when approved directly by the Secretary of the Treasury, should such loans be made. Now, where is the unsoundness to permit this sort of thing to be done whenever the Federal Reserve Board thought that the public interests required it and their judgment is directly and affirmatively approved by the Secretary of the Treasury?

Mr. WINGO. Will the gentleman yield?

Mr. HAYES. Yes.

Mr. WINGO. The gentleman proposes, after stating his opposition to the present plan, to meet the situation by extending the Federal reserve act to permit the issuance of notes——

Mr. HAYES. No.

Mr. WINGO. Well, I withdraw that which proposes to amend it so that the Federal reserve bank can discount the paper with this as a collateral.

Mr. HAYES. That is the proposition.

Mr. WINGO. Will the gentleman explain what will be the difference in effect of doing that and what is proposed by this bill?

Mr. HAYES. I will if the gentleman does not see it. There is a vast difference. I would not permit the banks to issue notes on such paper, but would only rediscount and give a credit balance.

Mr. GLASS. Will the gentleman yield?

Mr. HAYES. Yes.

Mr. GLASS. Could not the credit balance be instantly transformed into currency?

Mr. HAYES. It could not if the law did not permit it.

Mr. GLASS. But it is automatic.

Mr. PHELAN. Will the gentleman yield?

Mr. HAYES. Yes.

Mr. PHELAN. Is there not as much danger from credit inflation as there is from currency inflation?

Mr. HAYES. Yes; and more is to be feared from credit inflation, because such inflation is more insidious; it is not generally known by the people at large, unfil its evil effects appear.

Mr. GLASS. What is the benefit of it if it could not be transferred into currency?

Mr. HAYES. There is plenty of currency. There is no trouble about that. More currency can be issued than the country would demand, as the law now is. We have $2,400,000,000 in gold in the Treasury of the United States, more than half of it now belonging to the Federal reserve banks, and another billion outside. Upon that we can base all the currency and credit necessary to do the business of this country. England, with scarcely a quarter of that amount, has been able to do all that it has done; raised and spent $28,000,000,000 since the beginning of the war, and in spite of that wonderful expenditure the notes of the Bank of England are at par everywhere in the world, and sterling exchanged is at par all over the world. Can we not do as well? They have not been obliged to organize any such "camouflage" proposition as this in order to do it. Neither need we. We can use the agencies and instrumentalities that we have, and with all of this gold in our possession, the like of which was never seen in the history of the world, for no nation in the world ever had a billion dollars in its reserve institutions or central bank, while here in the Treasury of the United States we have to-day $2,402,000,000 of gold—and can we not, with all that gold, do just as well as England?

Mr. GLASS. But to whom does that gold belong? That does not belong to the Federal reserve banks.

Mr. HAYES. Of course it does not.

Mr. GLASS. It does not belong to the Government of the United States. It belongs to the people who hold the gold certificates.

Mr. HAYES. All right. The gold certificates can be retired and the gold can become the basis of credit, as it should be.

Mr. GLASS. How are you going to get the gold in the United States Treasury except by seizure?

Mr. HAYES. Why, the gentleman knows that the Secretary of the Treasury can put it out any time he chooses.

Mr. GLASS. Put it out for something.

Mr. HAYES. Deposit it with the Federal reserve banks or with any bank he wants to put it, even pay it out on Government contracts. There is no difficulty about that.

Mr. WINGO. Here is one thing that I am trying to get at. As I understand the gentleman, he has gone on and made certain objections to this plan, and among them were these: That you were going to undertake to permit a great reservoir of credit to be absorbed by big business, with the Government backing it up. That is one objection.

Mr. HAYES. Yes.

Mr. WINGO. Another objection is that you have an inflation of credit.

Mr. HAYES. I have not said so, but of course this is a great inflation measure. It may be that in this crisis we shall not be able to prevent inflation, but I want it on the safest basis that we can get it on.

Mr. WINGO. Will there be any difference in the volume of credits outstanding under this bill and under the gentleman's plan?

Mr. HAYES. That all depends on how the corporation is managed.

Mr. WINGO. That applies in every case. If you have it issued under the supervision of one corporation or under the supervision of another corporation, will not the effect on the credits of the country be the same?

Mr. HAYES. No; because under the plan I suggest they will be issued on a business basis, along the regular lines that we have every day in time of peace, and the other will be along extraordinary lines by men who can not be familiar with the great task they will be called upon to perform.

Mr. WINGO. The Federal Reserve System is established for the prime purpose of meeting the credit need of the country. Would not the gentleman destroy that and turn it into a system to furnish credits for the investment of the country instead of the current business?

Mr. HAYES. No; I would not. I would only give short-time loans, as I would in any other case. This Federal Reserve System has been heralded all over the country as a great system, as a great creation, which I also claim, but it is created to meet emergencies as they arise in the history of the country. When an emergency arises, if we have to go outside of the Federal Reserve System in order to finance our industries and keep our corporations and manufacturing establishments running, then this great praise that the Federal Reserve System has received is not fully justified; but I do not believe it. I say that if it is handled right and the gold we have in this country is handled right and our resources and everything that we have in this country are handled as other nations handle theirs there is no need of this sort of thing at all. We can take care of this war and prosecute it and spend any amount that may be necessary, and there will not be any trouble about people getting all of the assistance and all of the credit to which they are entitled. That is my judgment.

Mr. GLASS. The Federal Reserve System I submit was not established to meet emergencies based on absolutely unsound financial operations. And so far from having transactions contemplated by this bill carried through the Federal Reserve System as normal transactions, the Banking and Currency Committee has proposed, and the Ways and Means Committee has accepted, a proposition to apply a differential tax upon these transactions and not let them go into the Federal Reserve System except upon a penalty.

Mr. HAYES. The gentleman knows that I approve of that.

Mr. GLASS. But the gentleman is arguing now directly against that sort of proposition.

Mr. HAYES. No; the gentleman does not understand me. I am not in favor of making loans like the loans made or proposed by this corporation through the Federal reserve banks. I am not in favor of making any loans of that sort through the Government or the Federal reserve banks, either, I do not believe it is necessary, at least it is not now necessary. If the time should come in the prosecution of this war when it is necesssary to put the whole force and credit of the Government behind the industries of the country, I should not hesitate to do this, because I feel that every American desires above all things that this Government may bear itself with honor and come out of this war with credit to itself and to its citizenship, and, if possible, secure the results that we are fighting for. [Applause.]

But I think we have not come to the point yet where that is necessary, and I would postpone it to the farthest day; at least I would hesitate to do things that I know are unsound, that I know nobody would think of doing in time of peace, that I know will plague us in the future, no matter how wisely they may be administered, until the pressing need is upon us.

Mr. GARD. But it seems to me that the gentleman is proposing to tie up to the Federal Reserve System the very unsound propositions that he is criticizing.

Mr. HAYES. No; I am not. I am proposing to modify the Federal Reserve System to the extent that will put it upon the same basis with all other reserve systems. I am proposing to grant to them the same privileges only that are granted to all other reserve systems in the world and under the same restrictions and safeguards that the Monetary Commission proposed in its report to the Congress of the United States some eight years ago. I can not see that there will be any different effect upon the Federal Reserve System, whether the Federal reserve banks are allowed to discount the obligations of the banks and trust companies secured by collateral or whether this proposed corporation issues its bonds for these obligations of the banks and trust companies and then such obligations, secured by the bonds of the corporation, are allowed to be discounted by the Federal reserve banks. The difference, so far as the effect upon the reserve banks is concerned, is only a difference between tweedledee and tweedledum. To do it in the direct way that I suggest will remove the necessity for this expensive corporation, with its unsoundness and defects, some of which I have tried to point out. The following is my suggestion in concrete form:

That section 13 of the act approved December 23, 1913, known as the Federal reserve act, be, and the same is hereby, amended by adding at the end of said section the following:

"*Provided further*, That during the period of the present war with Germany and for six months thereafter only, and under such rules and regulations as the Federal Reserve Board may prescribe, whenever in the opinion of such board the public interests so require, such opinion to be expressly concurred in by the Secretary of the Treasury, any Federal reserve bank may discount the direct obligations of member banks when accompanied by adequate collateral security, such obligations having a maturity of not more than 90 days, exclusive of days of grace. Such collateral security shall consist only of such bonds or stocks as shall be approved from time to time by the Federal Reserve Board and shall be accepted as such security at not more than 75 per cent of its actual market value."

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask to be advised when I have spoken 30 minutes.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. MOORE of Pennsylvania. Mr. Chairman, I do not wonder the committee is concerned over this bill. It is a most unusual measure. It is extraordinary, and would not have been thought of or considered except for the emergency of the war. It could not have had the sanction of the Congress except as a war measure. As to this, at the outset of my remarks, I am obliged to take friendly issue with my distinguished friend from North Carolina [Mr. KITCHIN], the chairman of the Committee on Ways and Means, concerning the "unanimity" with which he said this bill was passed by the Committee on Ways and Means and brought into the House. It is true the Republican minority did not oppose this measure. It labored with members of the majority to bring forth——

Mr. KITCHIN. If the gentleman will permit——

Mr. MOORE of Pennsylvania. I will.

Mr. KITCHIN. The gentleman must either have misconstrued what I said or I must have said something I did not intend to say. But what I did say or intended to say and what is a fact is that this measure was reported unanimously as the wisest measure, in our judgment, under the circumstances. It was voted on and reported out purely as an emergency measure, a war measure, and I think I said that no man on the committee and perhaps no man in the House could favor such a bill or the principles of such a bill in time of peace, and it could only be justified as an extraordinary measure in this extraordinary war. I have not seen anybody here or elsewhere who would indorse the principles of this bill as a permanent measure, as a measure in time of peace. This was the thought entertained by all the committee, both Democrats and Republicans. That was what I intended to say.

Mr. MOORE of Pennsylvania. It is pleasing to have the gentleman from North Carolina make that statement, because, at the outset of his remarks presenting this measure, the impression prevailed that the minority of the Ways and Means Committee had, in a measure, tumbled over itself to be with the majority to secure its passage. That, of course, was not the fact, and I am very glad to have the gentleman from North Carolina confirm my statement.

The truth of the matter is that both Democrats and Republicans on the Committee on Ways and Means felt that a tremendous responsibility was being placed upon them. They

weighed this matter carefully for weeks, doing the best they cculd as patriotic American citizens to respond to what appeared to be a Government need in this regard. It was a case of doing that which was best; not that which was politic only, but that which was patriotic and best under the circumstances. For such reasons the minority of the Committee on Ways and Means, as I believe, agree to permit this bill to come upon the floor without an adverse report.

I repeat, it is an extraordinary measure. As originally presented to the House by the gentleman from North Carolina, the bill contained a preamble that epitomizes its purposes better, perhaps, than any of the witnesses have done. It reads:

That for the purposes of affording financial assistance, either directly or indirectly—

Bear this in mind and appreciate the significance of it—

to persons, firms, corporations, and associations whose operations are necessary or contributory to the prosecution of the war in cases where such persons, firms, corporations, or associations shall be unable to procure funds—

Unable to procure funds, remember—

on reasonable or practical terms from the general public or through the regular banking channels, and for the purposes of regulating and controlling the sale or subscription of securities hereinafter authorized, and for other purposes in aiding the war—

And so forth. It was in the minds of the gentlemen at the Treasury Department who framed this bill that the corporation to be created should have the power to raise money to be loaned, to banking institutions, yes; to Federal reserve banks, yes; and private bankers, and also to individuals, firms, and corporations who could not obtain funds through banking channels in the ordinary way to conduct business for the purpose of promoting the war. There is the statement of the case and therein is the answer to the gentleman from California [Mr. HAYES], who has just spoken and who is insisting that this business should be done through the Federal Reserve System.

The gentlemen who framed this bill had that very question in mind, and in this preamble, which has been stricken out of the House bill as being not altogether proper legislative form, they set forth their purpose which frankly and boldly was to enable a corporation, to be known as the "War Finance Corporation," through an appropriation to be made by the bill, an appropriation of $500,000,000, and through funds to be raised through the selling of bonds, to do what? To lend money on transactions coming up through Federal reserve banks, to lend money to private bankers, to lend money to banking corporations, and, further than that, to lend money to individuals or to corporations who are unable to obtain money through the regular banking channels if such individuals, corporations, and so forth, are conducting business contributory to the war. The gentleman from California may be right that the Federal Reserve System is capable of handling all this business. I had hoped that that was the situation and brought that question up. The answer of the Secretary of the Treasury and the answer of the vice governor of the Federal Reserve Board is in the hearings.

These gentlemen have spoken upon that subject, and it is their opinion that this business, which is new war business, should be disassociated from the Federal Reserve Bank System.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. CAMPBELL of Kansas. Do the hearings disclose the number of industries that have encountered difficulty in financing their enterprises?

Mr. MOORE of Pennsylvania. No; they do not disclose those industries in number.

Mr. CAMPBELL of Kansas. Were there any business enterprises appearing before the committee that showed the necessity for this legislation?

Mr. MOORE of Pennsylvania. Certain hypothetical cases were stated by the Secretary of the Treasury.

Mr. CAMPBELL of Kansas. Were any business men or heads of enterprises before the committee?

Mr. MOORE of Pennsylvania. There were no business men, except several Members of Congress who are business men, before the committee, but the committee was informed that the chairman had extended general invitations to the bankers and other people interested to come before the committee and be heard. There was no response, I will say to the gentleman, from any banker of any distinction. They seemed to prefer not to appear before the committee, and to that extent the committee was at a disadvantage, but the impression was that the banking interests of the country favored this measure.

Mr. CAMPBELL of Kansas. Did the business interests of this country request this measure?

Mr. MOORE of Pennsylvania. Judging from certain statements made; yes.

Mr. CAMPBELL of Kansas. By business men?

Mr. MOORE of Pennsylvania. By the Secretary of the Treasury and the vice governor of the Federal Reserve Bank System, speaking for bankers and business men.

Mr. CAMPBELL of Kansas. Did their examination show that business concerns required capital that they could not get through regular banking channels?

Mr. MOORE of Pennsylvania. Their testimony certainly did show that there was need for this legislation.

Mr. CAMPBELL of Kansas. Hypothetical or actual?

Mr. MOORE of Pennsylvania. One case was mentioned in confidence; it has since been referred to in the public prints. It was stated to the committee that the railroads would need more assistance. If I have time I will go into that more fully. I shall narrate some of the instances in which assistance was desired, but, speaking broadly, I will say that it was contemplated that assistance should be rendered not only to railroads, not only to munition establishments, not only to public utilities generally, not only to concerns including water-power companies, but also to individual concerns and to farmers, if need be. The assistance proposed was to run down the line, according to the business and banking judgment of the gentleman who should be in control of the corporation. They were to take into account the war emergency need of these various interests and concerns that sought assistance.

Mr. SWITZER. The Secretary of the Treasury requested $4,000,000,000 for extension of credits, did he not?

Mr. MOORE of Pennsylvania. He did. Eight times the amount of the capital.

Mr. SWITZER. And your committee reduced that to $2,000,000,000?

Mr. MOORE of Pennsylvania. It did.

Mr. SWITZER. Now, upon what facts before the committee did it take such action to reduce the $4,000,000,000 to $2,000,000,000?

Mr. MOORE of Pennsylvania. Because it was stated to the committee that perhaps the entire eight times $500,000,000, which was $4,000,000,000, plus $500,000,000 in the aggregate, might not be needed.

Mr. SWITZER. Did the Secretary of the Treasury say anything about assisting farmers?

Mr. MOORE of Pennsylvania. Yes. I will come to that.

Mr. PLATT. I have read the hearings over and I was present at some of them here as well as in the Senate, and I do not recall seeing anything in them where the Secretary of the Treasury or anybody representing the Federal reserve bank said that the Federal Reserve System could not handle this business.

Mr. MOORE of Pennsylvania. I might as well refer to that now as at some other time, because the gentleman from California [Mr. HAYES] has left that matter in the minds of the gentlemen present. The Secretary of the Treasury said:

The Government's borrowings, particularly during the period immediately preceding and following each liberty loan, have tended to preempt the credit facilities of the banks and often to prevent them from giving needed and customary help to quasi-public and private enterprises. Many instances have been brought to the attention of the Secretary of the Treasury and of the Federal Reserve Board where industrial plants, public utilities, power plants, railroads, and others found it difficult, if not impossible, to obtain the necessary advances to enable them to perform vital service in connection with the war, because essential credits ordinarily available to them are being absorbed by the Government itself.

Now, there is a fact that I hope to leave with you for a moment, that the Federal Government which is lending money to our allies, which is making vast expenditures on war account in this country, is draining the financial resources of the country, of the banks, of the trust companies, and of the savings funds, in order to place the liberty loan which is to keep the wheels going, and that it is about to place a third liberty loan, the drive beginning on April 6, when new demands, for an amount not yet stated, but estimated to be upwards of $3,000,000,000, will be required from the banks already having numerous Government bonds in their vaults. That drive will necessarily contract the power of many of the banking institutions to lend.

Mr. PLATT. That, of course, is true; but the reason why the Federal Reserve Bank System can not handle it is because the Federal reserve banks are not allowed to discount notes based on collateral security. Suppose they were allowed to do it, has anybody said they would not be able to handle the situation? I do not say that I am in favor of that, but nobody has said distinctly that they could not do it if allowed to do so.

Mr. MOORE of Pennsylvania. I will quote the Secretary of the Treasury a little further on that:

The Federal reserve act does not provide for these and the War Finance Corporation is designed as a war emergency to fill this gap. The provisions of the Federal reserve act which permits Federal reserve

banks to rediscount and purchase commercial paper and paper secured by the Government's obligations have had the effect of forcing the banks to discriminate against loans on ineligible paper—

Now, bear in mind that matter of discrimination.

Mr. PLATT. Suppose the law was changed so that they were not forced to do so.

Mr. MOORE of Pennsylvania. Wait a moment until I finish what the Secretary says:

Even where such loans are vitally necessary for war purposes in favor of loans on commercial paper; even where they represented activities or enterprises not related to the war and which might well be curtailed during the period of the war. It is believed that the proposed bill has been widely and conservatively conceived as a war measure to give relief from this condition during the war.

Mr. PLATT. The point I want to make is just this: The Federal reserve members, including Mr. Warburg and others who appeared before the committee, and the Secretary of the Treasury himself, gave this their indorsement as a separate war institution because they did not want the business to be thrown into the Federal reserve bank. But they did not say that the Federal reserve bank could not take care of it.

Mr. MOORE of Pennsylvania. They intimated that it would be very dangerous to throw this business into the Federal reserve banks, and Mr. Warburg indicated that it would destroy the system.

Mr. PLATT. But it was shown that the banks in Europe did that.

Mr. MOORE of Pennsylvania. Oh, that is worrying the gentleman—what the banks in Europe have done?

Mr. PLATT. I share Mr. Warburg's view on this point, but I do not think that anybody has said that the Federal reserve bank could not handle this business.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I will in a moment. In committee I asked Mr. Warburg this question:

Mr. MOORE. The Federal reserve bank is undoubtedly a fixed institution, and some of us are inclined to think it is as close to a central bank as ever the United States Bank was.

Mr. WARBURG. None of this should ever go into the Federal reserve banks. Indeed, all that we provide now is that during the war, and as long as these obligations are outstanding, the Federal reserve banks may discount the paper security of these banks. We have not given the Federal reserve banks any larger powers than that. If this corporation wishes to go out of business, there will not be any other instrument that can do this business. I am very much opposed to having any of these powers go into the Federal Reserve System.

Mr. MOORE. You make that statement as a financier?

Mr. WARBURG. Yes. I want to be quite clear in regard to that proposition. The rediscounts, as proposed, I am in favor of. But the power to grant loans on bonds and stocks, and make direct loans to corporations in need, that I do not want the Federal reserve banks to enjoy.

Mr. MOORE. That would have an unfortunate effect upon the existing banking institutions throughout the country, would it not?

Mr. WARBURG. If it were done, or not done?

Mr. MOORE. If this corporation were to do a direct discount business with the public.

Mr. WARBURG. It would be more than a discount business, because it would be buying securities; it would be making permanent five-year loans. If we were to put that power into the Federal Reserve System we would destroy it.

In other words, if I understand this proposition at all, it is to give relief to the Federal reserve banks so that they may hold on to their present business and expand their credits.

Now, I want the gentleman from New York [Mr. PLATT] and the gentleman from California [Mr. HAYES], and the gentleman from Pennsylvania [Mr. MCFADDEN], who is going to oppose this bill, to bear that in mind when discussing this bill in their own time. My understanding is that in order to give the Federal reserve banks the power of expansion—I will not say inflation; that may come along in due course—it is proposed to organize a corporation that will create a larger circulating medium and afford relief to war industries the banks can not or will not accommodate.

Mr. SNYDER. Now, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. SNYDER. Has not the gentleman overlooked the fact that within the next few months or so we must pay $2,500,000,000 of taxes into the Government, and is it not fair to propose that this is to assist that operation?

Mr. MOORE of Pennsylvania. Yes. It has a great deal to do with it. We are approaching, I will not say a money crisis, but a money stringency, as things are now going in connection with our war demands.

Mr. SNYDER. We are approaching a money crisis unless this bill or some other similar bill is passed whereby this vast amount of tax can be paid in on the basis of one or two or three or more payments in the year.

Mr. MOORE of Pennsylvania. That is a matter that the Committee on Ways and Means will no doubt take up in due course. The question of paying taxes in installments has been discussed, and there may be a great deal of merit in it. I do not want to be diverted to that question at this time, however. It is true that men in business, even those who are supposed to be making vast sums of money in the manufacture of munitions, are having difficulty in getting all the money they want for furthering war enterprises.

Mr. SNYDER. On Saturday I spoke with a banker in the city of New York, and was told by the vice president of a bank that he had a friend across the way who had a large business and had a million dollars to pay in taxes, and that he had been in there that morning endeavoring to raise the whole amount on a loan.

Mr. MOORE of Pennsylvania. The gentleman has cited one case. I will cite another, because of the speech made by my distinguished friend and colleague from Michigan [Mr. FORDNEY], who had the floor on Saturday. The gentleman from Michigan stated his impression that the sole purpose of this bill was to lend money to the railroads. Mr. FORDNEY may not have stated it quite so strong, but the impression left here was that railroads mostly were to be favored by this legislation.

Now, the gentleman from New York [Mr. SNYDER] cites a case wherein a business man has difficulty in securing money to pay taxes. I could fill the RECORD with cases of this sort, but I am going to call attention to the very important matter of the maturing obligations of the New York, New Haven, and Hartford Railroad Co. For present purposes I do not care whether somebody unloaded on the company or not. There are plenty of utility companies in this country, perhaps, which have had bonds put out on the market and sold below par that might now be in position to derive some advantage from this bill. I am not excusing their faults, but if any such companies are doing war service I do not want any of them to go into the hands of receivers at this critical time. I do not care what the impression of the public is regarding the New York, New Haven & Hartford Railroad Co. at this particular juncture of the war, I would prefer not to see it go into the hands of receivers. I would prefer that the banks that are supporting it now should be supported, because if one bank goes, another goes, and here in the midst of a war crisis we would have trouble on our hands approaching a financial panic if relief was not afforded.

The New York, New Haven & Hartford Railroad Co. has been constantly referred to as one of those concerns that might be assisted by this new corporation. I do not know whether it will be or not, but it is interesting to note as we go on just how these things develop. There was a meeting in New York on Saturday last——

Mr. JOHNSON of Washington. It could be assisted under the railroad bill just passed, could it not?

Mr. MOORE of Pennsylvania. It could, and it could be assisted under this bill. This bill will assist railroad corporations as well as other corporations that are contributing toward the success and progress of this war. A meeting was held in New York City on Saturday and reported in the newspapers on Sunday. Among those who attended the conference, if the newspaper reports be true, were Howard Elliott, representing the New York, New Haven & Hartford; Thomas W. Lamont, representing J. P. Morgan & Co.; Robert Winsor, of Kidder, Peabody & Co.; and A. J. Sheldon, of Lee, Higginson & Co. Those gentlemen, you understand, are all distinguished bankers.

"It was ascertained after the meeting," the report goes, "that no plans were being made by any banking syndicate to take up the maturing New Haven notes." That was no small matter in the banking world. Now, in yesterday's newspapers appears another report. I quote the following newspaper dispatch from Washington:

WASHINGTON, *March 16.*

Means of meeting the New Haven Railroad's $43,000,000 one-year notes maturing April 15 was taken up to-day with John Skelton Williams, director of the railroad administration's division of finance, by Howard Elliott, of the New Haven, and a committee of directors. No conclusion was reached and the conference will be continued.

Director General McAdoo is anxious to have the New Haven meet the obligations on its own responsibility without specific Government aid, but also wishes to maintain the company's credit.

Here is a great railroad conferring with the greatest bankers of the world, and receiving no encouragement, according to this announcement. What is it? Is it extraordinary rates of interest? Is it lack of securities? What is it? After conferring with these gentlemen in New York the president of the railroad comes to Washington and meets the Comptroller of the Treasury, and the matter is there discussed. Now, I am not sure whether this bill is intended to meet a situation like that, but I assume it is, and I assume that if the New York, New Haven & Hartford Railroad Co., or any other railroad company doing an essential war business, as this road does, and without which this country would be in great distress to promote the war, could qualify under this bill it would obtain assistance.

Mr. WINSLOW. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. WINSLOW. If I am correct, the gentleman stated a little earlier in his remarks that the country was approaching a financial stringency, to put it mildly.

Mr. MOORE of Pennsylvania. By that I meant to throw out no scare. I am not authorized to do that, and would not do it. I said that very soon there will be a new issue of liberty loan bonds, that necessarily will call in a great deal of money, and make those bankers who prefer liquid assets move about rapidly to get the necessary funds to do ordinary business, and especially war business.

Mr. WINSLOW. Accepting that as the gentleman has stated, in view of the great amount of liberty bonds now in the banks of the country on loans, and in view of the new issue about to be sold, would it not be to the advantage of the country if payment of this tax money, due next June, could be made in partial payments?

Mr. MOORE of Pennsylvania. I have just answered that question. I do not see how that can be done easily. There would have to be legislation on the part of Congress, and I see no indication on the part of the Ways and Means Committee to amend the revenue law for the present. My personal judgment is that it might be well to permit the payment, at least of the heavy taxes soon to be due, in installments, spreading them over a period of time, rather than have them all come together at one time.

Mr. WINSLOW. Now, to go a step further, and based on the gentleman's remark, would he feel that the fact that the Ways and Means Committee had not yet considered it and that it needed legislation to bring about such a result would be any considerable hindrance, in view of the way we take up legislation these days?

Mr. MOORE of Pennsylvania. As one member of the Committee on Ways and Means I have no objection to taking it up. Bills have been presented to the House, and there is quite a propaganda now favoring the passage of a bill permitting the payment of taxes in installments.

The CHAIRMAN. The gentleman has consumed 30 minutes.

Mr. MOORE of Pennsylvania. I yield to myself 10 minutes more.

Mr. JOHNSON of Washington. Will the gentleman state why when these bonds are issued by this great corporation they should not have the absolute O. K. and guaranty of the United States Government.

Mr. MOORE of Pennsylvania. Yes; I will tell the gentleman why they ought not to have it. This is a new and separate financial enterprise, in which the Government invests $500,000,000. The Government thus does its part in starting the enterprise. It should not be responsible for these corporation bonds any more than it should be responsible for the bonds of the Philippine Railroad. And the purchasers of the bonds, who get a higher rate of interest than is paid for liberty-loan bonds, should be so informed.

Mr. JOHNSON of Washington. It is a Government enterprise, however.

Mr. MOORE of Pennsylvania. It is not a Government enterprise except as the Government appropriates $500,000,000, which is all it should be called upon to lose, if it loses anything. I will say to the gentleman that in the judgment of the Secretary of the Treasury the Government will not only not lose anything, but will actually make money through its investment in the War Finance Corporation. He so expressed himself to the committee.

Mr. JOHNSON of Washington. One more question. The gentleman has mentioned a certain railroad likely to be in need of financial assistance by this corporation, and there will be other railroads. Why is not this great corporation likely in a short time to become the holding company for the railroads now in the hands of the United States and to stay that way?

Mr. MOORE of Pennsylvania. I think not. This new corporation is to have a temporary existence, and I give notice that at the proper time I shall offer an amendment cutting down the life of it from 10 years to 8 years. Its bonds are to mature in five years.

Mr. JOHNSON of Washington. Is not that the blind part of this bill?

Mr. MOORE of Pennsylvania. I do not think so. If I get time, I will show just how far it is proposed to go in this matter.

Mr. WINSLOW. May I interrupt the gentleman for one question?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. WINSLOW. I want to ask if in the gentleman's judgment the sale of the next issue of liberty bonds would not be enhanced if the people of the country who have to pay these taxes next June felt that they could pay them in installments rather than in a lump sum?

Mr. MOORE of Pennsylvania. I would commend that suggestion to the Secretary of the Treasury. If he has the power to permit the payment of these taxes in installments it might be a good thing for him to do it; that is my individual judgment.

Mr. WINSLOW. And if he has not the power, would it not be a suitable subject for legislation?

Mr. MOORE of Pennsylvania. It would be a suitable matter for legislation.

Mr. MADDEN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Illinois.

Mr. MADDEN. Does not the gentleman think we could easily pass the legislation sufficiently early to avoid the necessity of paying all the taxes in a lump sum on the 15th of June?

Mr. MOORE of Pennsylvania. That might be. I commend the suggestion to the Secretary of the Treasury.

Mr. WATSON of Pennsylvania. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. WATSON of Pennsylvania. The gentleman says this corporation has the power to take care of the railroad notes. Does the gentleman think that the corporation has the power to take care of the railroad bonds that will soon mature?

Mr. MOORE of Pennsylvania. Yes; this, and the railroad-control bill.

Mr. WATSON of Pennsylvania. Would it come under the terms of this bill?

Mr. MOORE of Pennsylvania. Such relief could be granted. Yes.

Mr. WALSH. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. WALSH. I want to ask the gentleman if he does not think that Congress might pass legislation providing for the installment payment of taxes without having the bill drawn by the Secretary of the Treasury.

Mr. MOORE of Pennsylvania. The fact that this bill has been so broadly amended is an indication that Congress is passing this legislation on its own account. I do not know of a single measure that has come before the Ways and Means Committee, since I have been a member of that committee, that has been so cut up and modified.

Mr. WALSH. It could be done by the passage of a joint resolution.

Mr. MOORE of Pennsylvania. That might be. I commend to the gentleman the suggestion that he offer such a resolution.

Mr. MORGAN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. MORGAN. I have a question I would like to ask the gentleman for information. I notice in reading the hearings that the remark was made several times that in Europe through the central banks they are doing just what it is proposed that this War Finance Corporation should do. I do not know what these central banks in Europe are. In England, as I understand, there is no central bank except the Bank of England, and the Bank of England does all of this kind of business, and so in France.

Mr. MOORE of Pennsylvania. They do it there.

Mr. MORGAN. But if the gentleman will yield.

Mr. MOORE of Pennsylvania. I get the gentleman's point, I want to get along. I will answer the gentleman. In England they have a capital issues committee, and that committee practically controls the situation. This bill provides for such a committee except that this particular bill, as amended, takes away the compulsory power to issue licenses and makes licensing voluntary, as it really is now under the Federal Reserve System.

Mr. MORGAN. Does the Bank of England discount notes secured by collateral——

Mr. MOORE of Pennsylvania. I refer the gentleman to the experts on foreign banking.

Mr. MORGAN. I thought the gentleman from Pennsylvania was an expert.

Mr. MOORE of Pennsylvania. I am not. If I was I would be better able to answer the gentleman's questions. The gentleman from Oklahoma is an expert on farm credits and if he examines it closely he may find a look-in in this bill.

Mr. MORGAN. It may come along, but I have read all the hearings.

Mr. MOORE of Pennsylvania. If the gentleman had asked the gentleman from Tennessee, Judge HULL, who is an expert on foreign banking, he would doubtless have received an answer. As I said, this business is done in England through what they call a capital issues committee, which restricts the issue of securities and practically dominates the capital situation as to essentials and nonessentials.

I desire now to quote what the Secretary of the Treasury said with regard to the loan of money to railroads. This colloquy is from the printed hearings:

Mr. MOORE. Railroads will not be covered by this bill?
Mr. MCADOO. Well, the licensing feature does not apply to them at all. But this corporation is designed to help them if necessary. I say to you gentlemen frankly that one reason why the appropriation in the railroad bill is only $500,000,000 is because I expect this corporation to help railroads as well. Of course, $500,000,000 is not going to take care of the needs of the railroads even during this coming year.
Mr. MOORE. That's important. I wanted to get at a possible misuse of the power conferred upon the proposed War Finance Corporation. It is only fair and right for a legislator to make such inquiry.
Mr. MCADOO. Certainly; I thing such inquiry is proper. It is my judgment that one effect of the existence of this corporation would be to make it possible for such concerns to get aid from the War Finance Corporation in case of necessity—that is, in an exceptional case. Such exceptional cases would probably not arise to a great extent as long as bankers know if they furnish credit to such concerns—they can rediscount the paper with the War Finance Corporation. Therefore I think the fears of some gentlemen are not well founded, unless they fear that the existence of the corporation will have the effect of cutting down excessive interest charges, and I think that very necessary.
Mr. MOORE. Electrical companies would come within the scope of the activities of the War Finance Corporation?
Mr. MCADOO. Oh, yes.
Mr. MOORE. And water-power companies?
Mr. MCADOO. Yes.
Mr. MOORE. And public-utility companies generally, including trolley lines?
Mr. MCADOO. Yes.
Mr. MOORE. They would all be considered contributory to the war?
Mr. MCADOO. I should say directly contributory.
Mr. MOORE. And they may properly apply to the War Finance Corporation for relief in case the banks do not help them in the usual way?
Mr. MCADOO. Yes. But my theory of this War Finance Corporation is, as this bill provides, that direct assistance would only be extended in exceptional cases. I think such applications would have to be accompanied by a showing that the applicants were not able to get credit through the ordinary channels in the usual way and upon the usual terms.
Mr. MOORE. Exactly. Munition plants would be included, quite naturally?
Mr. MCADOO. Yes.
Mr. MOORE. And those plants contributing parts for munitions of war, such as ordnance and things of that kind?
Mr. MCADOO. Precisely.
Mr. MOORE. Would those independent concerns that I referred to a little while ago be considered if they should present a good case?
Mr. MCADOO. Certainly.

Then the questions take up the farm-loan proposition and the possibility of the farmer obtaining assistance in addition to that already extended to him, and the Secretary admits that in exceptional cases he also must be considered as eligible. It is a long story and intensely interesting and requires careful handling.

Mr. DARROW. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. DARROW. I notice that my colleague has quoted from the Secretary of the Treasury frequently in his remarks here. Do I understand that he agrees with all that the Secretary has said about this corporation?

Mr. MOORE of Pennsylvania. I simply accept as truthful the statements made by so high an official as the Secretary of the Treasury. He tells us that the business interests of the country are in such shape in regard to their ability to obtain loans and transact war business as to make this War Finance Corporation expedient; that many of them can not obtain sufficient money from the banks to continue their war business in this crisis. That statement deserves our attention. I am legislatively affected by the Secretary's statement of fact that corporations and railroads needing money are unable to obtain it for war purposes. That statement comes from the Secretary of the Treasury, who ought to be informed, and it is backed up by the vice governor of the Federal Reserve Board, the very institution that is supposed to be complaining. It has great weight with me at this time.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. MOORE of Pennsylvania. I yield to myself five minutes more. Answering generally these gentlemen who have put questions, and very properly so, I wish to say that I had very grave doubts as to the propriety of this bill. In committee I offered suggestions and joined with others in making suggestions calculated to perfect and modify its provisions. I think we have greatly improved it. We required in this bill what the original bill did not require, namely, that the appointments of these responsible heads who were to be put in charge of the War Finance Corporation should be made by the President and confirmed by the Senate. We provided that the Capital Issues Committee, which was originally to have compulsory power with regard to the issues of securities, should also be nominated by the President and confirmed by the Senate. From my point of view that was exceedingly important, because it assured publicity so far as it could properly be had in this transaction. I did not want a wheel within a financial wheel here which would give to five men in the Federal Reserve Board the power to dominate all the industries of this country and to tie up all of its finances. I preferred that the names of these men should be emblazoned out yonder in the spot light, where we could see them and know who they were, and understand they were not working for their own ends, but were working for the Government of the United States or for this corporation which the United States is sponsoring. I preferred that that Capital Issues Committee of seven men—and originally it was proposed that it should be composed of but five, some of them to be members of the Federal Reserve Board—should be nominated by the President in the open, and that their names should come before the Senate, so that we could know who these men were who were to dispense favors on the one hand, if they dared to do it, or to crush industry on the other, if they dared to do it. I wanted to know whether this great corporation which could tie up the industries of the country, on the pretext of conserving capital for war purposes, if we conferred this power upon them, was to be appointed in the open or in secret, and I believe the bill now guards against the possibility of its being done in secret. I do not charge that there is anything which would be done in secret, but some great financiers of this country do not always agree with Congress, and they prefer not to make reports of all their transactions. In a matter so vital to the welfare of the Nation as this, it seems to me they should.

In closing, I wish to say that this bill is in much better form than it was when it came to the committee. It has been modified; it has been vastly improved; but even so, I still desired to know that a bill of this importance, fraught with such danger to the welfare of the Nation on the one hand, or capable of doing so much good on the other, was actually supported by the President of the United States. That seemed to me to be signally important.

Mr. LA FOLLETTE. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. LA FOLLETTE. I know the gentleman is well posted upon this bill, and I would like to have him explain why it was thought necessary to take out of this corporation's capital the right to purchase Government bonds. We are loaning $500,000,000 to ourselves——

Mr. MOORE of Pennsylvania. I would say to the gentleman that I have taken more time than I am entitled to, and I know that we are going to get into a controversy if I undertake to answer his question. I can not do it in the time that is left and shall have to proceed.

I wanted to know if the President of the United States stood for this measure. The people of the United States have placed their confidence in the Executive. Congress has gone far out of its way to bestow power upon the President of the United States because of the people's confidence. We have voted him almost absolute direction of our affairs. We have created commission after commission, some of which may not be coming up to our expectations, though they seem to be coming up to his. But the people have confidence in him as the Commander in Chief of our Army and Navy, and I wanted to know if the President of the United States stood for this measure, whether in view of all of the things said about it and against it he believed it to be a measure that ought to pass as a necessary measure of war. I wrote to him the following letter:

"MARCH 6, 1918.

"Hon. WOODROW WILSON,
"*President United States,*
"*The White House.*

"DEAR MR. PRESIDENT: So far as I have observed, no Democrat has stated with authority that you approve the war finance corporation bill as a war measure.

"I do not know whether you would care to make a statement to me upon this subject, but I am frank to say I would not want to vote for the transferrence of such tremendous powers over securities and the business affected by them unless I knew that such a recourse was, in the judgment of the President, essential for war purposes.

"If you feel justified in writing me upon this point, I will appreciate it. Or if this suggestion does not meet with your approval will you not authorize some one to make a positive declaration as to the war urgency of this bill?

"The Ways and Means Committee is now preparing to report the bill, but I have heard many Members of the House inquire as to the President's attitude thereon.

"Very truly, yours,

"J. HAMPTON MOORE."

To that letter promptly came the following reply:

"THE WHITE HOUSE,
"*Washington, 7 March, 1918.*

"MY DEAR MR. MOORE: I am very happy to answer the question contained in your letter of March 6.

"I am entirely in favor of the adoption of the war finance corporation bill. I deem it, in fact, a necessary war measure.

"Very sincerely, yours,

"WOODROW WILSON."

"Hon. J. HAMPTON MOORE,
"*House of Representatives.*"

So the President stands for the bill.

The question, then, that confronts me, as one Member of Congress, is this: The President of the United States, backing up the Secretary of the Treasury and the vice governor of the Federal Reserve Board, indicates his desire to have this bill passed. He regards this war-finance corporation as a necessary war measure. He makes this declaration in the midst of a war which, so far as the United States is concerned, has barely begun. We have spent vast sums of money, we have entered into large transactions the wisdom of which some of us may have questioned, but we have gone along with the President in all essentials thus far. After taking over the railroads, which was authorized by this Congress, after conferring these vast powers upon the President of the United States, we are confronted with this new war measure. The President tells us, in effect, that it is necessary to complete the great war work that we have intrusted to him. He tells us this new corporation is needed. We are told we must provide these additional resources for purposes of war. What are we to do? Shall we grant this request that comes from the administration itself, that comes from the Commander in Chief of the Army and the Navy of the United States, or shall we defeat it and risk setting the Nation back? It is a question of confidence in the President. Therefore I shall vote for this bill. [Applause.]

Mr. KITCHIN. I yield 15 minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Chairman, I regret that the gentleman from Ohio [Mr. LONGWORTH] is not in the House. I looked in the Republican cloakroom for the purpose of inviting him to be present while I made a few remarks with reference to his speech of last Saturday. The gentleman from Ohio made the first partisan political speech made during this session of Congress during the consideration of a war measure. It is true that during the entire speech he waved the flag, but while he energetically waved the flag with one hand he skillfully wielded the stiletto with the other hand. Not content with criticizing the President of the United States and the Secretary of the Treasury, not content with attempting to discredit them in the eyes of the American people as autocrats seeking for vast autocratic powers at the expense of the people, he sought to reflect upon the patriotism and membership of this House on the Democratic side. Realizing it was unfair and improper, he endeavored to justify his conduct by asserting that the gentleman from Oklahoma [Mr. FERRIS] had inserted in the RECORD an editorial by ex-Gov. Glynn charging that Republicans in this House have put politics above patriotism. The gentleman from North Carolina [Mr. POU] challenged the statement. In reply to him the gentleman from Ohio said it was contained in that editorial. I have that editorial. I challenge any man to show a single sentence or a single word mentioning either the Republican membership of this House as a whole or an individual Member of it. Nowhere was it mentioned, nowhere could it be mentioned, for up to the time the gentleman from Ohio [Mr. LONGWORTH] made that speech no partisan political speech had been made during this session of Congress.

That editorial referred to WADSWORTH, to CHAMBERLAIN, to LODGE, and certainly they are not Members of this House. It made reference to Theodore Roosevelt, and Mr. Roosevelt is not a Member of this House. No charge was made there or anywhere else that a Republican Member of this House was endeavoring to put partisanship above patriotism. The gentleman from Ohio contrasted the conduct of Fitzgerald, of New York, and Adamson, of Georgia, in resigning, one to return to the practice of the law and the other to accept an appointment in the Government service, with that of LAGUARDIA, of New York, and with ROYAL JOHNSON, of South Dakota, who entered the military service. Who would have our good old friend, Judge Adamson, 64 years old, enter the National Army? Who would have Fitzgerald, with his wife and eight children, and at his age, enter the National Army? Does it reflect upon their patriotism that they have not enlisted in the military service? No man criticizes or could ever criticize the conduct of Gussie Gardner, of JOHNSON, or LAGUARDIA. I knew Gardner before I came to the House. I loved him. No man grieved more to learn of his death than I did. The gentleman from Ohio said he had "gone west," and I think Gussie Gardner would have preferred a thousand times to have "gone west" than to have stood on this floor and had his military service used as the basis for reflection upon Democratic Members of the House. [Applause.] LAGUARDIA, HEINTZ, JOHNSON, all deserve credit. In this hour a man can do only that which his conscience dictates it is his duty to do. They were impelled by patriotic motives, I know, and yet I dare say the gentleman from Ohio will never admit that they are more patriotic than he is, and he has not enlisted in the military service. If perchance duty led them to go into the service and retain their membership here, does the gentleman mean to say we should all follow their example? I respect their patriotism, but I do not agree with their judgment, for if this Congress is the important branch of this Government that the gentleman from Ohio would have us believe it is, what would happen if we all resigned, or rather did not resign, but entered the service and retained our membership here?

Mr. DENISON. Will the gentleman yield?

Mr. BYRNES of South Carolina. I can not. I have only 15 minutes, and I want to say something further.

This reference to the Democratic Members who have resigned was a mere diversion from an attack aimed at the Secretary of the Treasury. How startling it was to the American people to learn that this bill as it was presented to the Committee on Ways and Means authorized the Secretary of the Treasury, an ambitious man, as the gentleman from Ohio calls him, to gather unto himself autocratic powers greater than any kaiser or war lord ever sought. That was the language he used. Then he assured us that he succeeded in having eliminated from the bill those features that constituted a menace to the Republic. He saved the Republic, which was about to be wrecked. Saved it how? By taking from the Secretary of the Treasury the power to name the directors of this War Finance Corporation and giving that power to the President of the United States. Did the gentleman believe that the President of the United States would appoint directors who would not work in harmony with the Secretary of the Treasury? What justification is there for the belief that either the President or Secretary of the Treasury would abuse the powers conferred in this bill? If we can give to the President of the United States and to the Secretary of War, acting for him, the power to send our boys over the top and into the trenches of the enemy, must we now hesitate to give to the President or to the Secretary of the Treasury the power to direct this War Finance Corporation, which is nothing but an emergency corporation, to exist only during the war? What power has Mr. McAdoo abused? What abuse of power has he been guilty of that justifies this criticism? Why, as Director of Railroads he has more power than is given him in this bill.

As the Secretary of the Treasury he has powers greater than are proposed in this bill. The Aldrich-Vreeland bill, which the Republican Party presented some years ago, proposed to give to the Secretary of the Treasury far greater powers than were ever contemplated in this bill. Is it fear of incompetency? No; for no man would say so. Six years ago it might have been said by his critics, but during these six years he has so demonstrated his ability that the financial and commercial world, that was then told by the prophets of evil in the Republican Party that he was incompetent, now realize and appreciate his incomparable executive ability. But the fear of the gentleman from Ohio is not that he will NOT make good. His fear is that he WILL make good. The gentleman from Ohio said that he saved the Republic by eliminating this feature that was a menace to our free institutions, and gave to the President of the United States the power to appoint the directors to be associated with Mr. McAdoo. Well, what does he say of the President? He says:

> I repeat that this incessant reaching out for legislative functions on the part of the Executive, this inordinate greed for autocratic power is a menace to the very foundations of our system of Government.

So the gentleman from Ohio transfers the power from the Secretary of the Treasury, whose ambition he thinks a menace to the foundations of the Government, to the President of the United States, who according to the gentleman from Ohio possesses a greed for autocratic powers. Was he sincere? I think not, and the same insincerity runs all through his speech. The gentleman says that "there are men in our party who could help to win if you gave them positions on the regular team instead of keeping them on the side lines." Is there any justification for that statement? Can a man go into the departments of the Government without finding there Republican after Republican appointed by this administration to aid in the prosecution of this war? Go down into the Council of National Defense and you could ring a bell and hold a Republican con-

vention in an hour. Go to the Food Administration or the Fuel Administration and see the list of appointees there, and it will read like a list of delegates to a Republican convention. You know that no inquiry was made as to their political affiliations.

Has there been any complaint of being kept on the side lines by ex-President Taft? Has he not gone from one end of the country to the other, forming the public sentiment of the Nation, doing such work as to cause the American people to think more of him to-day than they ever did before? History will record that he loyally supported the Government in its hour of peril, and every Democrat as well as every Republican joins in paying tribute to his unselfish and patriotic service. [Applause.]

But that, my friends, is not the trouble. The trouble with the gentleman from Ohio is that our other ex-President, Mr. Roosevelt, was told by the people of America six years ago to stay on the side lines for a while. Two years ago he was told by the Republican Party to stay on the side lines for still another while. The gentleman from Ohio knows, as all men know, that Theodore Roosevelt would never play on any team unless you made him pitcher, catcher, infielder, and outfielder, and then let him umpire the game.

Mr. MEEKER. Will the gentleman yield for a question?

Mr. BRYNES of South Carolina. I can not.

Mr. MEEKER. Are you not mighty glad he did not stay on the side lines?

Mr. BYRNES of South Carolina. He has to stay on the side lines, so far as captaining this team is concerned. He wants to take charge of the team and oust the man who is captaining the team—Woodrow Wilson. But until the end of his term President Wilson is going to be captain of the team, and no set of men can remove him from that position. You never went to a baseball game in your life that there was not in the grand stand a man of the type of the gentleman from Ohio, who wanted to run the team and yelled to the captain to take the pitcher out of the box. That kind of man never goes to a fire that he does not want to discharge the chief of the fire department and run affairs himself. But the chief of the fire department at this time is Woodrow Wilson. The world is on fire. We must fight our enemy as though we were fighting fire. The people of America are in favor of our thus fighting, and they do not intend to let any set of men hobble-skirt or tie the hands of the chief of the fire department while this fire is on. [Applause.]

The gentleman denounced the Overman bill, and when he referred to it he talked like a United States Senator. The Republic was about to crumble if the President is authorized to reorganize the executive departments. The Constitution was to be set aside. In his opinion all power ought to be placed in the hands of a director of munitions and in a war council. But the President says he wants no director of munitions and he wants no war cabinet. The Commander in Chief of the Army and Navy calls for the passage of the Overman bill, and the Congress is going to pass it.

This is no time for politics, and the people are not going to stand for it. They understand and will follow the issue from now until the end of this war. A man who gets in the way, a man who seeks to play petty politics to promote his own personal political ambitions or the interests of a political party will find when he returns to his home that he is discredited in the eyes of his people and in the eyes of all Americans. We are going to uphold the hands of the President, not as the gentleman from Ohio did on Saturday when he declared the President was "like a Mikado of ancient Japan in his isolation from the common people," not by having the Secretary of the Treasury held up to the people as a seeker after autocratic powers, but we are going to uphold his hands by giving to him those legislative weapons which he believes essential for the successful conduct of this war. [Applause.]

In order to thus loyally support the President it is not necessary that a man be a blind hero worshiper, as the gentleman from Ohio would have us believe. The President does not ask nor does he expect that Congress shall blindly accept, without amendment, the bills submitted to it by the various departments with his approval, but he has the right to ask and to expect that his motives shall not be questioned. With open eyes and without indulging in hero worship I have been able to follow him in his conduct of our international affairs, and to-day we find that his followers are not confined to this country, but that the leaders of thought in all the allied nations acquiesce in his judgment and look to him for an expression of the thought and ideals of the liberty-loving people of the world. He has appealed not only to the intellectual but, with an accuracy almost uncanny, he has read the hearts and expressed the sentiment of the common people of the country. He claims no infallibility and asks no blind submission to his will, but he has demonstrated his unselfish devotion to his country and his unsurpassed capacity for leadership, and he has the right to ask and to expect that in this hour partisan politics shall be laid aside and that all Americans shall support him in bringing this war to a speedy and successful conclusion.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GREEN], a member of the committee.

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from Tennessee [Mr. HULL] last Saturday made a speech on the bill that was so able, showed such a grasp of the whole situation, and made such a careful analysis of its provisions, that, in view of the fact that there were a very few Members in attendance when the speech was delivered, I want to commend it to the attention of every Member who was not present at the time. I say this partly because I am not able to agree with all the views expressed by the gentleman in that speech. In what little I could say in 10 minutes in reference to the bill, I shall confine my remarks solely and entirely to the measure itself.

As has been stated by every member of the committee who has discussed this bill, it is emergency legislation, pure and simple, and yet there seems to have been a disposition in some quarters to question the fact that an emergency has arisen which should make it necessary that legislation of this character should be passed. It is true that in most respects the financial sky at present is clear. We have had no bank failures and no rumors of bank failures. When I last investigated the number of business failures, they were fewer than usual. Money can still be obtained on the market by certain institutions. I noticed, for example, the other day that the Procter & Gamble Co. was able to obtain $25,000,000. So that at this particular time it would hardly be correct to say that a crisis in our financial affairs is upon us. But it is necessary at this time that we should look into the future and to consider what has already occurred which might be a sign of portending danger.

The first thing that we observe is that all through last year there was a steady fall in the price of bonds, accompanied also by nearly the same decline in the prices of stocks. The reason for this is perfectly plain. It is a result of what you might call either the universal rise in prices or inflation. The man that gets 6 per cent as the earnings of his dollar during the year finds that it buys for him in fact only what 4 per cent would have bought before the war, or even less. The result of this decline in prices is a great shrinkage in the assets of savings bank, insurance companies, and similar institutions. The aggregate amount is tremendous, running into the billions.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman let me ask him a question?

Mr. GREEN of Iowa. Yes.

Mr. GRAHAM of Illinois. Do you mean all kinds of bonds? Do you include municipals in that?

Mr. GREEN of Iowa. Yes. They have all fallen in very nearly the same ratio. I am not able to go into the details at this time. Money rates are rising day by day. This large loan that I spoke of that was made to the Procter & Gamble Co. was made at a rate exceeding 7 per cent, whereas this company could probably have borrowed before the war at a rate less than 5 per cent. All bonds have shared in the decline. Government bonds and the bonds of the big cities have not lost so much as others, but their market quotations have fallen off heavily.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield there?

Mr. GREEN of Iowa. Yes.

Mr. COOPER of Wisconsin. Can the gentleman tell where Procter & Gamble got the $25,000,000?

Mr. GREEN of Iowa. I have forgotten from whom it was obtained.

Mr. COOPER of Wisconsin. Where was it procured?

Mr. GREEN of Iowa. It was procured in New York City.

A very serious situation prevails with reference to the railroads and the public utilities. It is perfectly obvious that any concern that finds its costs of operation mounting day after day and its income fixed by law must necessarily experience a stringency with reference to its financial affairs, and must also find difficulty in negotiating its securities. The enactment of the bill for railroad control will, I think, sufficiently provide for the railroads; but every public utility finds its needs greater and its borrowing power less.

I shall explain later on, will not have time now, why I think the railroads will be taken care of without the provisions of this bill, but I shall not discuss that now. I will only say that I hope that none of the capital or bonds provided in this bill will be used for that purpose.

There is another matter which we ought to notice at this time, which has its portent for the future, and that is the slow but

steady shrinkage in the amount of deposits in the savings banks in several localities. This shrinkage in deposits and depreciation of securities of these banks constitutes a distinct menace to these banks which unfortunately is sure to be accentuated in the future. All these changes which have taken place have been caused by the large demands for money made by the Government. The enormous amounts which have been taken have been unprecedented in our history and in the history of the financial world. Our appropriations for this year will nearly equal the whole amount appropriated for England during the war, and additional demands are to be made. It therefore behooves us at this time to take account of the future, to observe closely what it has in store for us, and if we do so we must come to the inevitable conclusion that some legislation must be enacted to guard against the perils that threaten our financial system.

Now, what kind of legislation shall it be? I am not prepared to entirely approve this bill. I had thought that it would have been better if a subsidiary corporation had been formed to the Federal reserve bank, private in its nature, not so likely to be influenced by politics or controlled by personal preference. But it is obvious that no such plan would be successful unless it met with the approval of the administration and the assistance of the Treasury. So we must lay anything of the kind aside. What other plans are offered? Only one, so far as I know.

The gentleman from California [Mr. HAYES], in a very able argument which he presented this afternoon, advocated giving the reserve banks the power to loan on that class of security not known as liquid security; in other words, on long-time security, which he thought would remedy the difficulty and enable sufficient funds to be acquired. I am not satisfied that this ought to be done.

We have in the Federal Reserve System a tower of strength at this time. Its solidity is unquestioned. Its power to sustain the banks in all ordinary commercial transactions has never for a moment been doubted, and I believe we ought to keep it in that condition and not have it loaded down and its stability, if not impaired, at least made subject to question or doubt by empowering it to loan money upon a class of securities which must be handled by this institution which is provided for in this bill.

But obviously, gentlemen, whatever is to be done must be done soon. We can not stand here arguing at this time. We must not wait until the foundations of our financial system are shaken, until our savings banks and great financial corporations are tottering on the verge of ruin. It is a time for action. Important and great as these measures are, far-reaching as they are, we must to some extent take our chances on the issue. The administration says that it wants this kind of a measure; that it wants this bill passed. We have taken it in our committee, given it study and preparation and care, and have pruned here and trimmed there, modified here and restricted there, until we believe we have safeguarded both the Government and the public as far as is possible and retain the bill in its essential features. When once we set out upon this untried and uncharted sea no one can entirely predict what results will follow, but we have undertaken to lay the course as safe as we could and adopt this bill at all.

I can not in my limited time explain the changes in the bill from its original form, but I want to speak of some. Gentlemen have asked why we have limited the amount involved in the bill, for example. We did that because we could plainly see that it would take considerable time, at least, to absorb $2,000,000,000, and if the necessity comes upon us further on requiring a greater amount, then it can be provided. We had hoped by some of its provisions to eliminate anything of a political nature or political bias in its action. We had hoped that its benefits, such as they are, would be fairly distributed among all portions of the community. It is perfectly obvious that the success or failure of this plan must depend on the good faith and ability of those who have it in charge, and of necessity we are compelled, in the first instance, to commit any plan of this kind to the guidance of the administration, and it must ask for its support. The administration must work out any plan that is successful, and I am willing to a large degree to subordinate my own views to those of the Government.

Now, I would like to have taken up another topic, but as I have only a minute left I can not do so.

Mr. JOHNSON of Washington. Will not the gentleman explain, as he promised, his views to the effect that the railroads can be handled in some other way than by this legislation?

Mr. GREEN of Iowa. I will undertake to do that under the five-minute rule.

Mr. JOHNSON of Washington. I believe some gentlemen have another view.

Mr. GREEN of Iowa. Yes. There is one other phase, for which I would like to have three minutes more.

Mr. MOORE of Pennsylvania. I yield to the gentleman three minutes.

The CHAIRMAN. The gentleman from Iowa is recognized for three minutes more.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes; I yield to my friend from Illinois.

Mr. GRAHAM of Illinois. Is it not true that this measure, like all other measures that we pass, if honestly and carefully administered, will result in good, and if wrongly administered it will result in the opposite?

Mr. GREEN of Iowa. The gentleman is correct. It is especially true of this measure, which, if wrongly administered will wreck the country, if properly managed protect it from disaster.

Mr. GRAHAM of Illinois. After all, it is very largely a question of administration?

Mr. GREEN of Iowa. Yes. It is very largely a question of administration.

Now, the gentleman from Tennessee [Mr. HULL], by inference, somewhat criticized the remarks of the gentleman from Ohio [Mr. LONGWORTH], which were also still more severely criticized by the gentleman [Mr. BYRNES of South Carolina] who just preceded me. I shall not review the remarks of the gentleman from South Carolina, as I think they were purely political. But there was an intimation contained in the remarks of the gentleman from Tennessee, however kindly it was made, that did not seem to me to be completely justified. The intimation was that in discussing the concentration of power which is created by this bill, the gentleman from Ohio was not really discussing the terms of the bill. If it was intended, I think it was not justified.

One of the most serious questions in this bill arises over the power that it confers to make or break anyone who is engaged in business anywhere in this broad land. For that reason I would have been much more favorably disposed to some plan that came out of and through the Federal Reserve System, controlled and operated in the first instance by those who manage that system and who represent every portion of the country and are supposed to represent every kind of business.

Now, it is a fact that one of the great dangers in this country has been this concentration of power and control over credits. In the discussion in the British Parliament with reference to the British Trade Corporation, which was intended to have a purpose somewhat similar to this one, although much smaller and less far-reaching, a member of Parliament, Mr. Lough, quoted President Wilson as follows:

> The great monopoly in this country is the monopoly of big credits. The financial resources of the country are not at the command of those who do not submit to the direction and domination of a small group of capitalists. When a small group of men approach Congress in order to induce the committee to concur in certain legislation nobody knows the ramifications of the interests which those men represent. I merely say that there has come about an extraordinary and very sinister concentration in the control of business in the country.

Those are the words of President Wilson. Now, this measure fairly administered will tend to disrupt and break down that control by these sinister forces, or, if the law was wrongly or improperly administered, it might set up a control that was a thousand times more dangerous.

Mr. GLASS. May I suggest to the gentleman that that control no longer exists and has not existed since the Federal reserve act went into effect, and the words of the President which the gentleman has quoted were uttered before the Federal reserve act was passed.

Mr. GREEN of Iowa. Let me suggest to the gentleman from Virginia that his remarks only apply to commercial credits and not to funding operations. The statement has been made on this floor and has been uncontradicted that a large public utility corporation was obliged to pay in New York City 13½ per cent interest in order to obtain the necessary funds to carry on its business. That statement shows first that it could not get the money at the banks. We find, first, that the banks told it that they did not have the money to loan; second, that somebody else, presumably the gentlemen who were controlling the banks, took the money either out of the banks or obtained it in some other place, and then told them they might have it at 13½ per cent. I am inclined to think that that control over the funds of this country still exist, and I believe, as Mr. Warburg stated in the hearing, that one great object of this bill is to control the rates of interest, to make them more equitable, more fair, and more reasonable. It ought to destroy profiteering in interest rates, which is as dangerous to the safety of the country as any other kind of profiteering at this time.

Mr. GLASS. I suggest to the gentleman that the incident he has mentioned was in the nature of an investment in a refunding scheme and not in current commerce. Current com-

merce is absolutely unrestricted since the passage of the Federal reserve act.

Mr. GREEN of Iowa. That is quite true, but this bill is intended to apply to refunding operations which are so necessary at this time, and provide for loans which the reserve banks could not make—in fact, are not permitted to make.

Mr. MOORE of Pennsylvania. I yield one hour to the gentleman from Pennsylvania [Mr. McFADDEN].

Mr. McFADDEN. The American people are largely responsible for the present condition which prompts the suggestion for such legislation as is now proposed by this measure.

As individuals we have been thriftless in our public duties and exactions. We have been content to go along from time to to time in a false sense of security, and have been wasteful, with no regard for the future. The future has now arrived, and we are about to see the folly of the past.

Thrift is now a national necessity, and the quicker the American people realize that the quicker will the war be won. Our production must be increased, but we are taxing increased production and asking people to economize, but no tax is levied on over consumption. The great losses occasioned by this war, such as loss of property, productive power, and disorganization of business can only be met by thrift and conservation of our remaining resources, and by more efficient methods in all lines and vocations, including operation of the Government and our war machine.

I have seen no proof as yet that the paper to be issued by this proposed War Finance Corporation and made eligible for rediscount with the Federal reserve banks would be a different kind of paper than would be created by broadening the basis of eligible paper to include outstanding corporate securities, except the fact the United States will subscribe $500,000,000 to the stock of the corporation.

I contend that the main source of relief lies solely in the Federal reserve banks, who will continue to carry the burden of relief supposed to be afforded by this new corporation.

The operation of this new system will be to clog the Federal Reserve System. The enacting of this legislation means that the Federal Reserve System has failed to stand the very test that its advocates said it was intended to serve and would serve, and the men who were the most responsible for the enacting of the Federal reserve law, which law bears their names, Owen-Glass, and who are still chairmen of the Banking and Currency Committees of the Senate and House, are both fearful of this legislation and the resulting effect it will have on the Federal Reserve System.

I do not hesitate to say that if this legislation had been considered by the Banking and Currency Committees of the two Houses of Congress a very different bill would have been reported than the bill we are now considering.

Mr. MOORE of Pennsylvania. Does the gentleman intend during the course of his remarks to show how the Banking and Currency Committee would have improved it?

Mr. McFADDEN. I may do that.

Mr. MOORE of Pennsylvania. If the gentleman has any improvement to suggest upon the action taken, I wish he would offer it.

Mr. McFADDEN. I think the gentleman will be satisfied when I have finished.

Mr. GREEN of Iowa. I hope he does not mean that the Banking and Currency Committee would not have done anything.

Mr. McFADDEN. I did not intend to cast any reflection on the Ways and Means Committee. I raised the question of the proper reference of this bill when it was referred to another committee, both on the floor of the House and in the Banking and Currency Committee, but without avail. This bill as drawn still has in it unheard-of powers, and places those powers in the hands of five men, a majority of whom I feel satisfied are now overburdened with other governmental responsibilities and duties, but will be named to serve upon this board to further concentrate the power and control in the hands of a few. Oh, your Pujo investigation of the Money Trust! Where are you now?

THE SHERMAN LAW AND PUBLIC-SERVICE COMMISSIONS.

A great deal of our present trouble is due to the enforcement during the past few years of the Sherman law, the creation of the Interstate Commerce Commission and their narrow vision of the needs of the railroads "looking to the future," and the failure to make the railroads make the necessary economies, and give them an increase of rates which would have permitted the railroads to meet the demands upon them occasioned by the growth of our industries and the country generally. The creation and almost similar action of the public-service commissions in the various States, to say nothing as regards price-fixing by the Government of 90 per cent of their requirements for extensions and improvements, has affected seriously the public utilities of the country. The railroads, with a capitalization of nearly $17,000,000,000, and the public utilities, with over $10,000,000,000 capitalization, form a most vital part of our wealth at this time, and should now be a source of great strength, but are both appealing for aid from our already overburdened Government, due almost entirely to the reasons I have just given. Now, in addition to this, the savings banks, State banks, and trust companies are appealing, fearing withdrawals because of the fact that the United States is monopolizing the money market in the sale of liberty bonds to bear an increasing rate of interest. My answer to these institutions is, come into the Federal Reserve System and help this system carry this burden which is upon them, but they say we do not like the management of the Federal Reserve System. We do not like the Comptroller of the Currency and his attitude toward the member banks. I say to such it is your patriotic duty to join this system, and if the officers of the system fail to function properly public opinion will be so strong against them that they will be removed. If all the banks were under this Federal Reserve System now, no legislation of this kind would be here.

THE CAPITAL ISSUES COMMITTEE.

The power to be invested in the capital issues committee are very great and might, if manipulated by designing men, be the means of utter disaster and ruin to many business concerns in this country who are capable of rendering aid to the Government by diverting from the manufacture of nonessentials to help win the war and thus save the Government a vast amount of capital outlay by converting many of these factories and utilizing their complete existing organizations. We, of course, must assume that this committee will function honestly and capably. Their greatest work will be first to cut down unnecessary public expenditures, including that of anything but for temporary use in the war, and then all other State and municipal town and township improvements not immediately necessary to win the war and then pass upon all capital issues and renewals. This is a power that must not be passed over lightly because it has strangulation powers to any business or interest that is not in favor with this board.

ADDITIONAL POWERS.

I would not pass over the authority given to the board to buy and sell any class of securities, including stocks and bonds or bonds of the United States. I would have you consider the vast and unheard of power that this right conveys on five men, and the fact that they will have a fund at their disposal of two and a half billion dollars and four and a half billion dollars under the Senate bill. Think what this power means coupled with the powers conveyed to the capital issues committee, and the power given under the railroad bill, including that of placing embargoes on concerns that can not be reached by the other two powers. You have in these bills, this bill and the railroad-control bill, complete power and domination over all finance and industry in this country, and you can count the men in control on the fingers of one hand.

OUR FAVORABLE TRADE BALANCE.

We have a trade balance now of over $3,000,000,000 in our favor, and we are loaning our allies over $7,000,000,000 more. Is this going to be paid back to us in money at the close of the war? No; it is not. These countries then will have no money to spare, but will pay us back in goods that they will sell us so cheap that we can not afford to resist. This opens a very interesting subject, upon which I will not enter at this time.

FALLACY OF INFLATION.

The argument is made that it will be necessary to inflate because of the vast needs of the country at this time. I would ask you what becomes of the money that the United States is using? It is not leaving the country nor is our credit being used to any great extent abroad. Why, it all goes right back into our financial system to aid business or industry to function. And as our wealth is shot away the Government fills the gap in our balance sheet by bonds which the future must pay or carry the resultant burden. A surplus of credit always causes extravagance and lessens the purchasing power of the dollar, evidenced by an increase in the cost of living.

I quote from John Stuart Mill as proof of this, "and no better authority exists":

> Other things being the same, an increase of the money in circulation raises prices; a diminution lowers them. If more money is thrown into circulation than the quantity which can circulate at a value conformable to its cost of production, the value of money, so long as the excess lasts, will remain below the standard of cost of production and general prices will be sustained above the natural rate.
>
> But we have now found that there are other things, such as bank notes, bills of exchange, and checks, which circulate as money and

performs all the functions of it, and the question arises, Do these various substitutes operate on prices in the same manner as money itself?

I apprehend that bank notes, bills, or checks as such do not act on prices at all. What does act on prices is credit, in whatever shape given, and whether it gives rise to any transferable instruments capable of passing into circulation or not.

REPORT OF THE SELECT COMMITTEE OF THE BRITISH TREASURY.

I want to call your attention also to the report made last December of the select committee of the British Treasury as to the cause of high prices in England, which has just recently been made public in this country:

The chief causes are (par. 17, p. 4):

"The expansion of credits during the war.

"The demand for commodities exceeding the supply and the inadequacy of Government action to control prices.

"Increase of wages and consequent increase of the cost of production.

"Increase in the rates of profit.

"Unfavorable rates of exchange in some of the countries from which supplies are imported."

Mr. JOHNSON of Washington. The gentleman is not quoting now, is he? He is drawing an inference from the quotation.

Mr. McFADDEN. No; I am still quoting.

On the first of these factors the committee has this to say (par. 18, p. 4):

"The Government, through the Bank of England and the joint-stock banks, has created large new credits to enable its contractors to expand their production. It has also borrowed from the Bank of England large sums on ways and means advances, and in so far as these advances have not been offset by equivalent borrowings from the market on the part of the banks, which has always been the case, this operation has been a pure creation of credit. * * * These measures may not in any way affect the soundness and stability of our financial institutions, but they have had the result of creating new purchasing power on a large scale. The new purchasing power, distributed over the greater part of the nation, in so far as it spends itself in investment in Government loans, does not take the form of additional demands for goods and does not send up prices. But in so far as the new purchasing power comes into the market for commodities and takes the form of additional demands for goods it does send up prices."

So when the committee makes its recommendations as to what may be done to keep the cost of living from going higher and higher what is the very first of its proposals? It is this:

"1. Whatever measures are possible should be taken by the Government to avoid the creation of new credits in financing the war."

For "new credits" read for America "credit and currency expansion," and the conclusions would perfectly fit the situation here.

Mr. FESS. Will the gentleman state the recommendations of the committee?

Mr. McFADDEN. I have not them here with me.

Mr. FESS. The first and foremost recommendation was that credits should be contracted instead of expanded.

Mr. McFADDEN. The gentleman is correct in that. That was the main recommendation of that committee. Their report made special mention of the fact that in England early in the war credits were permitted to become inflated, which now was becoming a serious menace—and the committee urged in the strongest terms that a contraction should be had at once—as such expansion was a very serious matter and should be stopped. We should certainly profit by their experience.

Mr. JOHNSON of Washington. The gentleman wishes the House to infer that something similar to that would have happened here under the tremendous issues of this corporation?

Mr. McFADDEN. That is the idea; yes.

PREMATURE REGULATION DETRIMENTAL.

I believe that the administration has by its premature attempt to regulate prices and take over practically the entire management of our industries, finances, food, coal, and other necessities impaired the greatest source of our strength—individual initiative—and that our greatest ability to produce and increase production necessary to meet the demands upon industry by war laid in the increase of these facilities in the hands of the men patriotically inspired to greater effort who have made the United States industrially what it is to-day.

INFLATION AND EXPANSION.

Any person who starts out to study finance with the belief that a piece of paper is money must do his share of rambling until he gets that false theory out of his mind. Money must possess a value of and in itself. The same thing is true respecting the quantitative money theorist. It is not the quantity of money in the country which causes an advance of prices, but the use to which money is placed—that is the telling factor. Prices of commodities are governed by the inexorable law of supply and demand. The great philosophers of credit have always contended that gold and credit have precisely the same influence on values, and MacLeod also says that "it has been shown by authentic statistics that in modern times gold only forms about 1 per cent of the circulating medium of currency; and to suppose that a variation to the small extent of a fraction of 1 per cent in the amount of the circulating medium, or measure of value, could produce the effect so popularly attributed to it is wholly beyond reason." The German credit system, as I shall proceed to show, is based on the quantitative theory of money. One of the best illustrations combating this theory I gave before the Ways and Means Committee the other day on this bill, and I ask your indulgence while I repeat it:

A good illustration combating the quantitative theory of money could be taken from this country in 1914, at the outbreak of the war. At that time the cotton spindles of Germany, Belgium, and northern France were in the control of the German Army, the allies controlling the seas and establishing an embargo which prevented the importation into Germany of our raw cotton. Consequently we found the cotton farmers here ruined, as cotton was selling below the cost of production. The amount of money and credit in this country was abundant at that time. It was a question of a large cotton crop—16,000,000 bales—which could not be utilized during that year on account of the spindles in the territory controlled by the German Army being rendered idle, and as that commodity could not be placed in a commercial state without the use of those spindles, the supply was so much greater than the demand the price fell below the cost of production.

At the present time we find cotton selling four or five hundred per cent above the 1914 price, due to decreased production and increased demand for its use in the manufacture of munitions of war. Profiting by their experience in 1914, the cotton planters began to diversify their crops, and now they can not procure the labor to produce the yield of 1914.

In the parlance of finance there are two words which pretty accurately characterize the contrast between the German and British systems of credit. I refer to the words "inflation" and "expansion," the former applying to the German system and the latter to the British system.

I want to define the meaning of these words. "Inflation" is the act of advancing the price of an article already created without doing anything to increase its productive power. Credit or gold used to purchase a permanent investment produces inflation. In a speech before this body on January 4 last I made this plain by calling your attention to the inflation in the land values in the West from 1900 to 1910. The land values of Iowa, Illinois, and Indiana increased during that decade from $3,458,504,310 to $7,209,582,325, or 108 per cent, whereas the land values of the district I represent in this body, a strictly agricultural district, decreased during the same time from $26,228,240 to $22,909,425, or 12 per cent. But the census reports give the yield of those lands for 1909, which for those three States aggregated $891,146,580, or 12 per cent of their 1910 values, as against an aggregate yield of $8,786,903 for the four counties of my district, which was 38 per cent of the 1910 values.

The correct standard of arriving at the worth of a permanent investment is its net income-producing ability, for under that standard we can ascertain the amount of labor required to become its owner and possessor. So by deducting 50 per cent of the gross yield of those lands we find that the farm lands of those three Western States are nearly a 17-year purchase, whereas those of my district are a 5-year purchase. The important question is, Why such a disparity between two sections of the same country? To my mind the answer is easy. The inflation in the land values of those Western States is due to the activity of the "blue-sky" operators, or real estate agents, and the easy facilities afforded by the banks of that section for mortgage loans. That is the combination which caused the inflation in the lands of those States, and the lack of such a condition in my district is due to the absence of such forces therein.

Every real estate agent is an inflationist. Every investment banker is an inflationist. Every German banker is an inflationist, for their principal business is dealing in permanent investments. No industry of Germany can obtain capital without going to one of the five "great banks" of Berlin. Some of those banks have representation on as many as 250 of the great industrial enterprises of Germany. The British banks have nothing to do with the promotion of industries or selling of investment securities, but confine their activities to the sale of "productive" credit, as distinguished from "consumptive" or speculative credit. "Productive" credit is a self-liquidating asset, and the bank which confines its activities to the exclusive sale of such credit becomes an important factor in increasing the wealth of the country, whereas the bank which sells "consumptive" or speculative credit not only produces inflation but will cause the whole credit system of his country to collapse. To illustrate the meaning of "productive" credit I will take the case of a farmer who has a quantity of corn and roughage but no cattle to feed it to, and that is the only way he can economically convert those farm products into a commercial state, for the people of the world could not consume the 3,000,000,000 bushels of corn produced by us last year. Now, he goes to a bank and buys credit with which to pay for those cattle or "stockers." It will require about four or five months' time for those "stockers" to be placed in a finished state for the market, so he obtains the credit for that length of time.

That is termed a self-liquidating credit transaction, because the farmer must sell the cattle which consumed his products to liquidate that transaction, for if he keeps them after they are finished they will eat their heads off and consume the farmer's profit in the transaction. Let us observe the different ways in which that farmer has been benefited by that credit transaction. In the first place he converted those farm products into fertilizer, thus enabling him to enrich his lands, and experts claim that only 20 per cent of the fertilizer value of such products are lost by feeding them to stock. In the second place he has converted raw materials into finished and salable articles of commerce, commerce which will bring gold from any hiding place, for all beef-eating countries must have it to sustain themselves.

When those cattle are finished that farmer sells them to the packer, who in turn goes to his bank and buys its credit and pays the farmer. Now, that is also a "productive" credit transaction, as the people of that farming community can not consume all that beef. The packer in turn sells it to the retail dealer or butcher and that is also a "productive" credit transaction, and it continues to be a "productive" credit transaction until finally a person comes along and buys a piece of that beef to eat, then it becomes a "consumptive" transaction. Where "consumptive" credit is sold, as is the case in this country, people will overconsume and waste, and every economist knows that we are the most wasteful people in the world, and it is due to the fact that too many of our banks sell "consumptive" credit.

Bear with me while I give an illustration of speculative credit. Suppose that the farmer, instead of buying cattle to eat his corn, should buy land, even improved farm land. If it be located in one of those three Western States it will require something like 17 years for it to liquidate itself, and 5 years if it be located in my district, according to the census statistics which I have given you. But those are not liquid transactions, for that is too long a time for any sound bank to lock up its borrowed capital, besides the bank which becomes a party to such a transaction is guilty of fostering an act of inflation, as I have shown you. So that farmer when pay day arrives must either sell that farm or some other security to raise the money with which to pay off that bank debt. And it is the use of the borrowed capital of a bank, its deposits, which causes the whole credit system to break down. In proof of that I cite to you the testimony of Mr. George M. Reynolds—one of the foremost bankers of this country—before the Senate committee when the Federal reserve bill was under consideration. He said:

The man who borrows money on stock-exchange collaterals in New York, and who wants to realize on them quickly, must depend on the ability of the borrower to reborrow that money immediately elsewhere or upon the sale of the same. Now, if the condition is so bad that the banks in the city of New York are unable to extend accommodations the result is that there is a very violent break in the values of securities and we are in the midst of a panic.

As Mr. Reynolds said, that was just what happened in 1907 when our credit system broke down, and there is no safer banker in this country than he, and I quite agree with the conclusion of his, just quoted. If Mr. Paul M. Warburg, deputy governor of the Federal Reserve Board, is not the author of this bill presented to Congress by the Treasury Department he has been put forward to furnish the testimony to support it. I must therefore ask your indulgence while I quote from the testimony before the Senate Finance Committee. I give the answers and questions:

Senator LODGE. Could you take these bonds to the Federal reserve banks as security and have currency issued on them?

Mr. WARBURG. A bank could. A bank having made a loan on it, it could. The Finance Corporation could not.

Senator GORE. I wish you would describe how that could be done.

Mr. WARBURG. How that could be done?

Senator GORE. Yes; what the process would be.

Mr. WARBURG. Well, let us take the public-utility corporation again, that has received these bonds. They might go to the City Bank and say, "I need $250,000. Here is my 90-day note secured by these bonds." The City Bank would indorse this $250,000 90-day paper to the Federal reserve bank and the Federal reserve bank would take it; it might put it up with the Federal reserve agent as collateral for notes, and it might not. In the latter case the note issue would not increase in the least through the transaction. Again, the City Bank might draw the equivalent by check and may not take out any currency at all.

Senator GORE. It could only be used by the Federal reserve banks as collateral?

Mr. WARBURG. Yes, sir.

Senator SMOOT. Let me cite a case to you which I think is going to happen after the organization of this corporation with a capital of $500,000,000. There is authorized an issue not to exceed eight times the capital stock of that corporation, which is $4,000,000,000. Then you issue a billion dollars of notes and obligations to this corporation. Now, they go onto the market, and we will say that half of them go into the hands of the investing public and the other half goes into the banks.

Mr. WARBURG. Yes, sir.

Senator SMOOT. Now, when the banks take $500,000,000 of those bonds they no doubt will go to the Federal reserve bank and get the currency on that $500,000,000.

Mr. WARBURG. They might not get currency. They might want credit.

Senator SMOOT. Suppose they get it?

Mr. WARBURG. Yes.

Senator SMOOT. Suppose they do get it. Then, when issued, there is that much inflation of the currency.

Mr. WARBURG. Expansion.

Senator JONES. Mr. Warburg, a while ago you used a term "expansion," and, if I understood Senator SMOOT, he rather thought it was a distinction without a difference; and I wanted to ask you if there is not a vast and substantial difference between expansion and inflation? In other words, is all expansion properly designated as inflation?

Mr. WARBURG. When expansion becomes extreme and unhealthy we term it inflation. I should say that, as far as the world's general banking and credit situation is concerned and the price level of things, we are on an inflated basis. So far as our currency situation is concerned, we are far from inflated. It is about the most conservative the world has ever seen.

Senator LODGE. It is not yet inflated?

Mr. WARBURG. Not yet. That is the point. The Federal reserve banks have still a gold reserve of 65 per cent of notes and deposits, which is more than the Bank of England had in its palmiest days.

Before attempting to reply to Mr. Warburg's distinction between inflation and expansion, I wish to call attention to another statement made by him at the hearings before the Senate committee. I again quote the questions and answers:

The CHAIRMAN. Mr. Warburg, I notice one or two cases in which a rather vigorous statement was made on the part of certain national banks, and I believe the National City Bank of New York, against the section which authorizes the Secretary, through the corporation, to issue notes.

Mr. WARBURG. I do not agree with that statement at all. I think it is utterly unwarranted. The writer of it appears to indicate that he considers it the better way to go back to the other method of putting out Aldrich-Vreeland notes rather than securities. Now, this war corporation will issue securities, not notes. That expression "notes" ought to come out.

Senator LODGE. "Notes" should come out entirely?

Mr. WARBURG. It ought to come out entirely. It ought to be "short-term bonds." They must be at least one year long. As far as these bonds go to the public, they are not at all going to tend to what you would call inflation, because they would not go into the hands of member banks or the reserve banks, and no notes therefore issued against them by the Federal reserve banks. Only when the investment market is filled and when the banks are full, then the banks may come to the Federal reserve banks for relief; and then, along with their commercial paper, they may rediscount some 15-day or 90-day paper, which would be secured by these short-time bonds of the corporation to the extent and at the rates at which Federal reserve banks may be prepared to discount that paper. Now, to say that this is going to create inflation is true only to that extent as every issue of Government bonds create in itself inflation, because if the Government, instead of the corporation, would itself issue these long and short time bonds the effect would be just the same as that produced by the issue of these short-time bonds. Now liberty loan bonds have no circulating privilege. No more have these short-term bonds. They can only be used as collateral for member banks' notes or paper, which may be rediscounted when the banks get into a position where they have to take recourse to the Federal reserve banks.

I might discuss this question until the close of this session and I could not possibly produce evidence more convincing than that of Mr. Warburg himself before the Senate committee which proves that he is an inflationist of the highest type. He tells the committee that the "notes" should come out. "It ought to come out entirely," he says. "It ought to be short-time bonds," he continues. If that testimony is worth anything, it proves that he believes that name counts for everything and the nature of the credit instrument counts for nothing.

Inflation does not result from the issuance of bank notes or any other kind of paper, but the use to which it is placed. It would be just as silly to contend that a person dies of poison because the prescription from which he obtained poison from a drug store was written with red ink instead of black ink. The prescription is only one of the evidences that the person died of poison, but it is not the best evidence; the best evidence in that case would result from a chemical analysis of the contents of the stomach. And so it is with the paper of this proposed corporation. It matters not what you call that paper, "short-time notes," "short-time bonds," currency, or whatnot, because if they, or either of them, be used to purchase a permanent investment or the production of waste they will produce inflation, whereas if they be used for the production of essential articles of commerce or agriculture the effect would be just the opposite. And the effect would be just the same whether the war material, the production of which is to be the essential business of this corporation, be paid for with the "short-time bonds" of this corporation or gold realized by the Government from the sale of its long-time bonds, but if the Government pays for that war material in the latter way and such long-time bonds are not made eligible for rediscount at the banks, that would be the end of the inflation through that credit instrument. But if you clothe the credit paper of this corporation with a special privilege, as is proposed, and to which it is not entitled, then you create an endless chain for many other acts of inflation which will encourage extravagance and waste, and thereby defeat the very purposes of the bill—that is, the use of capital and credit for essential purposes only.

Let me show you just how this corporation will become the instrumentality of the worst sort of inflation, if the corporation is to enjoy the special privilege of issuing two or four billions of credit paper. In the first place the corporations would pay the munitions factories or other industries in that paper. Now, the banks of the reserve and financial centers of the country will virtually be forced to carry a large line of that paper and they can get it only from the munition factories or industries necessary to war. So the banks of these centers will exchange some of their gilt-edged long-time investments, which are far superior intrinsically to the paper of this corporation, but which do not enjoy such special privileges as will the paper of this corporation. Take the National City Bank of New York for example. And I take it simply because it is the largest in the country and is located in the financial center of the Western Hemisphere. Its management would be foolish not to buy a large line of the credit paper of this war finance corporation, a line running into the tens of millions. The National City Bank is the exchange agent for thousands of banks scattered all over the country, State banks and trust companies as well as members of the Federal Reserve System. Every bank in the country must carry a balance with some New York City bank so as to be able to sell exchange in that great financial center, and the New York City bank which can furnish the greatest accommodations to the banks all over the country would naturally get established the largest line of exchange balances.

What will be the result of that? Naturally it would ease up the credit at the banks all over the country, and whenever credit is easy at the banks the public will overconsume and contract extravagant habits which they would not contract if they had to pay the gold for them, especially so when the banks were telling them money was tight, and those people would know that they should hold on to that gold, and thereby be in a position to aid the Government in financing the war. And this would be the result whether one dollar of currency was ever issued by the Federal reserve banks against the credit paper of the proposed corporation, for the National City Bank could use that paper to maintain its large legal reserve at the Federal reserve bank and with its reserve intact it could accommodate with loans its correspondents throughout the country, which use it as their exchange agent in that financial center. Mr. Warburg said in the Senate Finance Committee hearing, in reply to a question propounded by Senator SMOOT, which I have quoted, and I now repeat his reply: "They," meaning the banks which collected the paper of the war finance corporation and presented it to the Federal reserve banks for rediscount, "might not get currency. They might want credit." Very few of the banks would get currency. They would prefer credit at the reserve banks, and with such credit they could accommodate their customers in the gratification of their extravagant desires.

That is the way the inflation will occur, and that is the way the expected purposes of the bill will be defeated. For the man who uses $6,000 of bank credit for the purchase of an automobile to give his family a vacation will have $6,000 less to invest in liberty bonds. The only way we can win this war is to economize and invest every dollar of our savings in Government bonds. This country must start a publicity campaign against extravagance of every sort. Make the patches on trousers badges of honor. That is the way the British are financing this war.

TRADE CONDITIONS IN ENGLAND.

I want to call your attention to an article appearing in one of our leading journals of recent date by the owner of the largest department store in London, England, in which he says that business is good in London, but the war has revolutionized it; that it is no longer stylish for people, however wealthy, to dress elegantly. We must do the same thing and adopt the same style. The Government should spend several millions yearly for advertising, for it must be borne in mind that it is the retail merchant who supports the daily and weekly press, and it is unreasonable that those papers should go to work and revolutionize the customs of the people when by so doing they would be fighting some of their best customers—the retail merchants. The British banks are aiding in that campaign of economy. It should be borne well in mind that the British and French banks have learned by sad experience the curse of selling "consumptive" credit. They learned that lesson generations ago in times of peace, a lesson we have never learned, and a very bad practice which has cost us much. The facilities for speculation and "consumptive" credit are too easy. Remember that the bank deposits "guaranteed cash-surrender values" of policies of our life insurance companies and similar cash-surrender values of our building and loan associations aggregate the stupendous sum of about $32,000,000,000, as compared with only about $3,000,000,000 for the same institutions of England and Wales. Furthermore, there are but 29 banks in England and Wales—banks with large capital and numerous branches and able and experienced managers in control—whereas we have some 30,000 banks with small capital and controlled by men who have not learned the science of credit and the danger of selling "consumptive" credit.

As proof of this fact, I desire to call your attention to the fact that at the present time 70 per cent of the capital of the banks is invested in long-time securities of the public-service corporations in the United States, and in addition to this the banks are carrying at the present time short-time notes of these same companies to the extent of $300,000,000, secured by the deposit of bonds of this same class at a margin, I suppose, of about 75 to 80 cents on the dollar.

A PARADOX.

Give me your attention while I state a paradox; and the reason I ask your undivided attention is that this paradox is the crux of the whole proposition. Listen! This paradox proves that a war machine controlled by an autocrat may be made so effective that it thwarts the operation of all other laws, and that includes the law of finance and credit. Brute force ruthlessly exercised always has and always will surpass moral suasion, supported by reason, in the immediate accomplishment of its purpose. All that saves Germany from financial ruin is her war machine, and none know that better than the great financial thinkers of Germany. But woe unto German credit when the German people begin to exercise some authority. Germany has violated the teachings of all the philosophers of credit and finance, and such violation includes the creation of the identical corporation proposed to be created by this bill, while our great democratic ally, Great Britain, has observed those teachings, yet the price of many of the essentials of life are as low in Germany as they are in Great Britain, according to the most reliable reports we have from those two countries. That is a paradox easily explained when conditions are understood in both countries.

GERMANY AND SLAVERY.

Another situation might be used to illustrate this situation—the condition of the black in the South before the War; and I make this illustration not for any inviduous purpose or any spirit of sectionalism. Housed in hovels, fed on rough, simple food, clothed in shoddy and denim, worked from sunup to sundown, and the products of their labor sold and utilized by an all-powerful owner for the particular benefit of the owner. Generally speaking, the only regard for the black was to keep him fit for his toil and to see that he was commercially profitable. Considering the investment and the cost of operation, there was utilization of man power to the highest efficiency in so far as conditions prevailing at that time would permit.

It is true that the German people to-day are the slaves of the German war lord, and that they will be made to sacrifice practically all that life holds dear, in order that the will of the Government may be carried out. For a time it will prevail, for a time it will be an apparent success, but in the end they must reap absolute disaster and ruin.

Germany, with her financial system violating all the laws of finance, does not crack because of the strength of her Government, which is now dominated by her war machine. But woe to Germany when the day of reckoning comes. How does Germany's war machine prevent her from cracking under the strain? First, she has taken into the State all the material wealth of the people and given a receipt for the same—a mere scrap of paper—redeemable after the war, and you know how Germany regards scraps of paper. Second, she has mobilized every man, woman, and child above the age of 14 or 15 years into the service of the State for war—the State is everything and the individual is nothing. After having mobilized all the population for war, the strong arm of the war machine is thrust out, and the word goes forth not for any purpose whatsoever shall you work or consume except for the purposes of war, and that you may be fit for war. I, the war god, will feed you like animals, will house, warm, and clothe you like animals, and you shall work to the utmost of your strength for the glory of the Government and the god of war. That is the reason why Germany does not crack; that is the power that permits Germany for a time to violate all economic laws, all credit laws, all laws of money and finance, and for a time escapes the reaping of the whirlwind.

Germany, you will notice, has kept down the prices of the essentials of life in two ways: First, by putting every living creature to work as hard as they could stand it, and that is especially true respecting her prisoners of war, in the working

of whom she has surpassed any acts of savagery known to history. In the second place, she has accomplished this by conservation, by enforcing her bread and fat card system, and from reliable reports there can be no question but that card system has been effective. Why should not it be effective, with her system of spies, whose barbarity is a disgrace to civilization? Money is worthless in a country where you can not buy what you want and what your heart craves. There is no obstacle in Germany on the use of credit for production, but for consumption it is "verboten"—forbidden. It is worthy of mention here that Germany has a rural-credit system through which the poorest farmer in that country may obtain funds at low rates of interest, but every mark of it must be used for production. That was the cardinal principle of the system when founded 56 years ago, and that principle has been religiously observed ever since. It is the soundest thing in the whole German credit system, and without it the German Army never could have been sustained as long as it has been. There is still another method of conservation adopted by the German war machine since the war began, and it is the most inhuman method ever adopted by a civilized people. That is her system of murdering the old and very young by starvation—those who consume and can not help the war machine at this time. The last statement, while illustrative of my proposition showing how monetary laws have been arrested in Germany through her effective and brutal war machine, is too grave a charge to be made against a supposed civilized people without some proof to sustain it. I have read many accounts in the press of such practices in Germany, but my attention was specially attracted to it by an article which appeared in the Washington Post of last Sunday, which was written by Ignatius Kinast, who, the Post says, is "a German socialist who has just returned to Zurich after six months' travel throughout Germany."

I wish you would bear with me while I read an excerpt from that article. The writer says:

"In the district of Munchen during the period of 1917 the death rate between the ages of 55 to 75 was 21 per 1,000. I was authoritatively informed by a Bavarian official that this was nearly 9 per 1,000 more than the peace-time average death rate during the past 10 years, allotting to Munchen district a population of 1,000,000 souls; this death rate means that during the year of 1917 9,000 more people died between the ages of 55 and 75 than did in the years before the war. Judging from this rate and assuming that Germany has a population of 80,000,000 souls, it must be concluded that 720,000 more people between the ages of 55 and 75 died in the year 1917 than died during the years before the war. It made my heart sad, and I tried to refute it. But these were not my own speculations. These were the findings of a well-known Bavarian scientific investigator, and the conclusions were the result of anxious searchings after the truth. Some time later, when I broached this painful subject to a high health official, I became struck with surprise when that dignitary smiled reassuringly and informed me that the authorities were well aware of the fact. 'Then, you admit, Excellency, that we are in a process of extermination?' I inquired agitatedly. Once more he smiled serenely and assured me that there was no cause for alarm. And this was the way he reasoned. Admitting that the 720,000 abnormal death rate is correct, it proves that every day the German power is increasing. Men between the ages of 55 and 75 do not create food or any other commodities. If it is true that during the year of 1917, 720,000 more people died than in the year of 1913 or 1914, it is an incontrovertible proof that in 1918 the food reserve of the Empire will be that much more. He went on to prove to me by the 'gramme' that in 1918 the food ration of the German people would be so much increased. The more people upward from 55 and below 10 years of age died the more invincible would become the fatherland. I had to admit that his heathenish and cynical reasonings were too true. If the life and happiness of a nation must be judged from its power of resistance during a blockade, then he was right. The extermination of the nonproductive ages would leave the remaining population unimpeded in the unhampered conduct of destructive warfare. Nevertheless these are the reasonings of a desperate and defeated race. Germany is defeated, but can not be persuaded to acknowledge it."

GERMAN AND BRITISH SYSTEM CONTRASTED.

I must not comment on that terrible arraignment of the German rulers by a German writer, though I believe every word of it, for I must stick to my proposition of contrasting the differences between Germany and Great Britain in financing the war. As I have already said, Great Britain in financing the war has pursued the only effective policy which a democratic country can carry out, namely, by refusing to issue credit instruments which may be used for consumption and inaugurating a campaign for the people to economize in all essentials and save every penny and invest them in long-time Government securities. Let me call your attention to some of the important items in the German Reichsbank statements of July 23, 1914, and December 31, 1917. During those periods the circulating notes of that bank increased from $472,725,000 to $2,866,935,000, or more than 500 per cent. Its deposits during the same period increased from $236,000,000 to $2,012,600,000, or more than 754 per cent, and the notes of the Darlehnskassen—the German War Finance Corporation—held by it increased from nothing to $326,125,000, while the gold increased only from $339,225,000 to $601,645,000, or less than 100 per cent.

Contrast those statements of the German Reichsbank with the statement of the Bank of England from July 22, 1914, to January 16, 1918. During those periods the Bank of England's circulating notes increased from $146,585,000 to $226,625,000, or less than 55 per cent; its deposits increased from $279,600,000 to $815,025,000, or less than 200 per cent. The British Government did not create a Darlehnskassen or German War Finance Corporation, and consequently the Bank of England holds no such paper. During that period the gold in the Bank of England increased from $200,815,000 to $293,840,000, or 46 per cent.

Observe what a small gold reserve the Bank of England holds. That institution is the reserve agent for all the British banks, but those banks do not sell "consumptive" and speculative credit as do the German and United States banks. She could come here any day and get enough gold to increase her reserve money by 100 per cent if she needed it. John D. Rockefeller owns more wealth than the Bank of England; but does anyone think for a moment that he carries a gold reserve of $293,000,000? No; for the simple reason that he has no demand obligations to meet. It is expensive to carry idle gold, and that is why it does not carry it. But it has short-time bills of exchange representing "productive" credit, transactions which will always bring the gold when needed. Mr. George M. Reynolds at the Senate hearings on the Federal reserve bill said that the average maturity of the Bank of England paper was from 7 to 8 days, and that of the Bank of France 14 days, and yet Mr. Warburg would have us believe that the five-year "short-time bonds" of the American Darlehnskassen should be made eligible for rediscounts at the Federal reserve banks.

Are we the only people who can not learn from experience? I direct attention to the war-savings stamps experience. The Secretary of the Treasury has issued an appeal through the press for the people not to sell these stamps, for the simple reason they are producing inflation. Many people not accustomed to the saving habit denied themselves for a few days some luxuries in order to get one of the liberty-bond buttons, and afterwards sold the bonds or stamps to some merchant. Few merchants are capitalists, so they in turn sold them to the banks or procured loans on them as collateral. A man who denies himself one meal and acts the glutton at the next is not going to win the war. It is only by persistent effort by all in economizing foodstuffs and denying themselves the luxuries of life and investing their savings in Government securities that will win the war. I want to call your attention to the experience of the banks of Paris, France, during the Revolution of 1848, when every bank in that city, except the Bank of France, failed. And their failure was due to no other cause than that they were practicing the German system of finance. That is, they were loaded down with investment securities. Like the German banks, those French banks were financing the railroad industry. Commerce was at a standstill, and the distress was so great, due to those bank failures, that the French Parliament created a bank charter and the French Government supplied all the capital, and that new bank enabled the commercial and industrial enterprises to resume business. Suppose the French Parliament had organized a German Darlehnskassen, as is proposed by this bill, and had the Bank of France rediscount its paper, as Mr. Warburg says the Federal reserve banks are going to do, then the Bank of France would have failed also. You can not make a sheep out of a goat by a mere declaration of Congress, and if you do you will find your congressionally created sheep walking the fences and eating tin cans. And so it is with the paper of the proposed American Darlehnskassen. That paper represents consumption and should never go into the credit system, and the only way it can be made eligible for rediscounts at the Federal reserve banks is for Congress to make it so by a solemn declaration to that effect, and I am one who refuses to stultify myself, because I know it will mean ruin to the country.

THE FEDERAL RESERVE BOARD STATEMENT.

Since the officials of the Federal Reserve Board appeared before the committees holding hearings on this bill they have completely reversed themselves and condemned a transaction which was not near so bad as that which they ask us now to enact into law. Last November a banking syndicate disposed of $25,000,000 American Tobacco Co. 90-day 6 per cent acceptances, renewable up to two years. And that is the transaction I refer to and which the board has condemned so severely in a lengthy statement given to the press last week. Let me quote some of those criticisms which sustain my argument in every particular. They say:

Ninety-day notes made under a definite renewal agreement at a fixed rate is a camouflage for the convenience of the banker to enable him to finance himself by using the 90-day form as a mask to conceal what is in effect an ineligible note. When a credit is required for two years it should be regarded as an unsound basis for commercial borrowings on 90-day paper.

The board's statement continues thus:

Without a guaranty for renewals it would be dangerous for the borrower. With such a guaranty it would be an unsound banking credit. A demand for one or two year money, except for special contracts, indicates a need for greater working capital, which ought to be obtained by increase of capital or by sale of obligations in the investment market.

I seek no stronger argument than advanced by the board to support the whole trend of my own argument against authorizing the proposed corporation. Let us contrast that tobacco transaction and the business which this corporation is to do. There is no sort of question but that the tobacco transaction involved a real productive transaction. The only question was the time involved. The tobacco company doubtless believed it was a favorable time to buy raw tobacco and it could have raised the necessary money by selling stocks or bonds. The lowest point its common stock touched last year was $168.50 per share and the highest $220. But those in control of the corporation did not wish to sell some of that stock, as the market for stocks was depressed, and they would have to pay too high a rate for money, so it induced the banking syndicate to "camouflage" the public by floating its "short-time notes" in the credit stream, and that is precisely what the advocates of this bill propose to do, "camouflage" the public, just as the German Government has been doing all through the war, until they have now reached the breaking point, for I do not believe it possible for the German credit system to hold up another year, notwithstanding the effectiveness of their war machine.

Instead of having our own Government go to the capital market and sell its long-time bonds, the advocates of this American "Darlehnskassen" propose to issue its "short-time bonds" in payment of war materials and give them a special privilege to "camouflage" the banks and general public into the belief that they are not what they are.

But listen, while I quote further from the board's criticism of that tobacco transaction. They say:

It may be argued that there is at present no investment market, and that therefore these renewal transactions are necessary. But does the abrogation of the investment market afford a reason for the destruction of the commercial-paper market also? Some plan must and will be developed to restore to a certain extent, at least, the security market. But even if this restoration can not be effected, should we not look upon credit as a commodity of which only a limited supply is available? If we have approached the limit, would it not be wise to conserve credit and apply it only in those directions where its use will most benefit the country? In the case of the tobacco company, if it had not secured the full credit it sought it would have bought less tobacco and might have advanced its selling price. What if it had reduced its inventories and the consumption of tobacco? Would not this have been just what is at present required?

HEARINGS BEFORE THE WAYS AND MEANS COMMITTEE.

I ask those of you who read the hearings before the Ways and Means Committee on this bill to bear witness to the fact that that is precisely the same argument I advanced against this corporation issuing any sort of credit instruments. But I wish to repeat that there is absolutely no comparison between the paper which the board was criticizing and that paper which the proposed "Darlehnskassen" will create, for the former represented production, while the latter will represent waste. The board in the last-quoted paragraph of its long criticism states the very gist of my argument, namely, that when you make credit cheap or easy you will cause overconsumption. This American "Darlehnskassen" paper will make credit easy at the banks, and that will allow them to accommodate their customers in the gratification of their luxurious desires. If that criticism could be published in every paper in this country it would do more good than any statement issued by the Federal Reserve Board during the past year. It would teach both the banks and the public to conserve credit, and that would mean that we would have less waste and more money with which to aid the Government in winning the war, and thus preserve our civilization.

THE SUGGESTED REMEDY.

I say, let the United States make such loans as are absolutely necessary to win this war direct to the public utilities, railroads, and industry—supervised by the best brains that this country affords, and thus instill into the public mind an air of confidence instead of suspicion. This confidence when thus acquired by the people will respond in a patriotic manner in the payment of an equitable amount of taxes and subscribe for bonds of the United States on long time, bearing a proper rate of interest. Stop the profiteering and the 10 per cent plus contracts. Convince the public that the billions are being used wisely, honestly, and efficiently to win the war and the best people on the face of this earth, the American people, will respond in the granting of all the credit that is necessary to win this war, if it takes the last dollar that America possesses.

ANSWER TO THE HOLDEN ARGUMENT.

In conclusion, I desire to observe the ingenious argument advanced by the gentleman from Tennessee [Mr. HULL] on this floor on Saturday in advocacy of this bill. He starts out by quoting from Sir Edward Holden, who, for years, has been the most pronounced and persistent advocate of the German credit system among the London bankers, but he has made no headway either with the London bankers or the British Parliament. The sum and substance of the gentleman's argument may be found in Sir Edward Holden's report of this year to his board of directors of the Midland Bank.

Like Mr. Warburg, Sir Edward Holden and every other advocate of the German system, the gentleman from Tennessee compares the strongest point of our system with the supposedly weakest point of the British system, namely, the gold reserves. But none of them ever make mention in such comparisons with the weak points of our system or the strong points of the British system, and everyone will agree that any comparison which does not include the whole is fallacious and misleading.

Let me quote from the gentleman's speech. He said:

The credit-lending and note-issuing power of the Federal reserve banks is still more than two billions.

He arrives at that conclusion by taking as a basis our legal reserve arbitrarily fixed by Congress in creating the Federal Reserve System. That legal reserve is pure guesswork and grossly misleading, as no two economists have ever been able to agree as to the amount of gold required under a credit system which violates well-recognized scientific law. But Congress may next week reduce the reserve requirements of the Federal Reserve System by 50 per cent, and then the gentleman would contend that we were much stronger than we were the week before. Germany has done that ever since the war began, but she did it only to have the people believe she was sound, when in fact she was unsound.

If we refuse to profit by the experience of such countries as Great Britain and France, we should turn to the experience of one of our neighbors. Conant, in his "Banking in Mexico" written for the Monetary Commission, says that the Monte de Piedad, the largest bank of Mexico, had a specie reserve of more than 50 per cent a week before its failure, but the other 50 per cent of its borrowed capital was covered with permanent investments on which it could not realize.

You may call the proposed "Darlehnskassen" the war-finance corporation or any other name you choose, but if you give it the power to issue credit instruments and clothe such instruments with a special privilege, which similar instruments do not possess, you will thereby increase the facilities for inflation, and if our credit system does not break down during the war we will be years in getting to a position where we can push out for foreign commerce after peace is declared. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield three minutes to the gentleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman, I shall support this measure as a war measure, as I have supported every measure in the seven years I have been in this House, to prepare this Nation for such a crisis as we now find ourselves to be in. I shall support it for the same reason that I have voted for every other war measure that has been considered regularly by the proper committees and recommended as important for the prosecution of the war since its declaration. I shall support it as I have supported every proposition, having an opportunity to deliver myself upon, for the protection of American life and rights on land and sea under all circumstances [applause]; and when both were not being or could not be protected I have voted to protect one.

This measure comes before us with the indorsement of the Ways and Means Committee. It comes at a time when a somewhat similar measure has passed the other House. Whatever argument may be submitted, it will not be upon the bases of urging support of the bill generally, because the membership of the House generally expects to vote for this measure.

But I do desire to present a few facts which appeal strongly to me why this bill in its present condition should pass and why the changes appearing in the bill showing difference from the first draft handed by the Secretary of the Treasury to the chairman of the Ways and Means Committee, and introduced by him on the 4th of February, should be supported and retained. Every safeguard that we have agreed upon, every brace that we can possibly bring ought to be maintained in this bill to make it strong, if strong it can be made.

This bill comes as a mighty corporation bill. It is, as I view it in its large sense, the organization of a central banking corporation. I have been at times a critic, although I supported it, of the National Reserve Bank System, because I thought, organized as it was, it was liable to fall short of the expectations of its enthusiastic supporters. I voted for it and called attention at different times on the floor of the House to its apparent

nonworking in times of peace. We hoped that when the crisis came to this Nation it would be given an opportunity to do that which its advocates insisted it could do, if the opportunity was ever presented.

Prior to our entering into the war the Reserve Bank System as a factor in our national finances was almost negligible. About the 1st of March, 1917, before the declaration of war, the total earning assets of the 12 reserve banks were only $209,000,000. Now, after war has been running nearly a year the total earning assets of the Federal Reserve System are only $1,097,000,000. I hoped that when this measure was first considered it would take such form in the House that the reserve system which had become the law of the land would be given an opportunity to perform the functions which its supporters believed it would perform and which, with some doubt, I thought it might perform, that it should have the opportunity. It was with great regret that I found the bill has not taken the form of expansion of the functions of the Reserve Bank System.

But the bill is here with present purpose and form. My principal proposition is this, that what we have here is of such a colossal nature and stupendous in its proportions that it is impossible to give it all of the safeguards necessary both in the law granting power and in its administration.

I here present a copy of the bill as handed to Chairman KITCHIN.

A bill (H. R. 9499) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

Be it enacted, etc., That for the purpose of affording financial assistance, either directly or indirectly, to persons, firms, corporations, and associations whose operations are necessary or contributory to the prosecution of the war, in cases where such persons, firms, corporations, or associations shall be unable to procure funds on reasonable or practicable terms from the general public, or through the regular banking channels, and for the purpose of regulating and controlling the sale and offering for sale or subscription of securities hereafter issued, and for other purposes in aid of the prosecution of the war, the Secretary of the Treasury, together with four additional persons (who shall be the directors first appointed as hereinafter provided), are hereby created a body corporate and politic in deed and in law by the name, style, and title of the "War Finance Corporation" (herein called the corporation), and shall have succession for a period of 10 years: *Provided,* That in no event shall the corporation exercise any of the powers conferred by this act, except such as are incidental to the successful liquidation of its assets and the successful winding up of its affairs after six months after the termination of the war, the date of such termination to be fixed by proclamation of the President of the United States.

SEC. 2. The capital stock of the corporation shall be $500,000,000, all of which shall be subscribed by the United States of America, and such subscription shall, upon the approval of the Secretary of the Treasury, be subject to call upon the vote of three-fifths of the board of directors of the corporation at such time or times as may be deemed advisable; and there is hereby appropriated out of any money in the Treasury, not otherwise appropriated, the sum of $500,000,000, or so much thereof as may be necessary for the purpose of making payment upon such subscription when and as called. Receipts for payments by the United States of America for, or on account of, such stock shall be issued by the corporation to the Secretary of the Treasury, and shall be evidence of stock ownership.

SEC. 3. The management of the corporation shall be vested in a board of directors, consisting of the Secretary of the Treasury, who shall be chairman of the board, and four other persons, to be appointed by the Secretary of the Treasury, with the approval of the President of the United States. And director or directors so appointed may be removed by the Secretary of the Treasury, with the approval of the President, and vacancies however arising may be filled by the Secretary of the Treasury, with the approval of the President. Whenever a vacancy shall occur among the directors so appointed, the person appointed director to fill any such vacancy shall hold office for the unexpired term of the member whose place he is selected to fill. Three members of the board of directors shall constitute a quorum for the transaction of business.

SEC. 4. The principal office of the corporation shall be located in the District of Columbia, but there may be established agencies or branch offices in any city or cities of the United States under rules and regulations prescribed by the board of directors, with the approval of the Secretary of the Treasury.

SEC. 5. That the four directors of the corporation appointed as hereinbefore provided shall devote their entire time to the business of the corporation (except such part of their time, if any, as shall be devoted to other governmental business) and shall receive annual salaries, payable monthly, the amount of which shall be fixed by the Secretary of the Treasury, with the approval of the President of the United States, not, however, exceeding the annual salary of the principal officer of an executive department of the United States. Any director receiving from the United States any salary or compensation for services shall not receive as salary from the corporation any amount which, together with any salary or compensation received from the United States, would make the total amount paid to him by the United States and by the corporation exceed the amount fixed as the annual salary of a director of the corporation, as hereinbefore provided. Of the four directors appointed, as hereinbefore provided, the Secretary of the Treasury shall designate two to serve for two years, and two for four years; and thereafter each director so appointed shall serve for a term of four years. No director or officer of the corporation shall continue to be an officer, director, or trustee of any other corporation or member of any firm of bankers; and, before entering upon his duties, each director and officer shall certify under oath to the Secretary of the Treasury that he has complied with this requirement, and shall also take an oath faithfully to discharge the duties of his office. But nothing contained in this act or in the Federal reserve act shall be construed to prevent the appointment of a member of the Federal Reserve Board or of any other governmental administrative body or of a director of a Federal reserve bank as a director of the corporation.

SEC. 6. The corporation shall be empowered and authorized: (a) To adopt, alter, and use a corporate seal; to make contracts; to purchase or lease and hold or dispose of such real estate as may be necessary for the prosecution of its business; to sue and be sued; complain and defend in any court of law or equity, including courts of the United States; to appoint, by its board of directors, and fix the compensation of such officers, employees, attorneys, and agents as are not otherwise provided for in this act, to define their duties, require bonds of them and fix the penalties thereof, and to dismiss at pleasure such officers, employees, attorneys, and agents; and to prescribe, amend, and repeal, by its board of directors, subject to the approval of the Secretary of the Treasury, by-laws regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised and enjoyed, and prescribing the powers and duties of its officers and agents.

(b) To make advances upon such terms, not inconsistent herewith, as it may prescribe for periods not exceeding five years from the respective dates of such advances (1) to any bank, bankers, or trust company which has made and which has outstanding any loan or loans to any person, firm, corporation, or association whose operations shall be necessary or contributory to the prosecution of the war, and evidenced by a note or notes; or (2) to any bank, banker, or trust company which has rendered financial assistance, directly or indirectly, to any such person, firm, corporation, or association by the purchase of its bonds or other obligations: *Provided,* That advances so made by the corporation on the basis of any such loan or loans shall not exceed 75 per cent of the face value thereof: *And provided,* That any advances so made by the corporation in cases where such financial assistance shall have been rendered by the purchase of such bonds or other obligations shall not exceed 75 per cent of the market value of such bonds or other obligations at the time of such advance, as estimated and determined by the board of directors of the corporation: *And provided further,* That all such advances shall be made upon the promissory note or notes of such bank, banker, or trust company, secured by the notes, bonds, or other obligations, which are the basis of any such advance by the corporation, together with all the securities, if any, which such bank, banker, or trust company may hold as collateral for such notes, bonds, or other obligations. The corporation shall, however, have power to make advances (a) up to 100 per cent of the face value of any such loan or loans made by any such bank, banker, or trust company to any such person, firm, corporation, or association; or (b) up to 100 per cent of the market value at the time of such advances (as estimated and determined by the board of directors of the corporation) of such bonds or other obligations by the purchase of which financial assistance shall have been rendered to such person, firm, corporation, or association, provided every such advance shall be secured in the manner described in the preceding part of this paragraph, and in addition thereto by collateral security, to be furnished by the bank, banker, or trust company, of such character as shall be prescribed by the board of directors, with the approval of the Secretary of the Treasury, of a market value at the time of such advance (as estimated and determined by the board of directors of the corporation) equal to at least 25 per cent of the amount advanced by the corporation. The corporation shall retain power to require additional collateral security at any time.

(c) To make advances from time to time, upon such terms not inconsistent herewith, as it may prescribe, for periods not exceeding 90 days, to any savings bank or other banking institution which receives savings deposits, on the promissory note or notes of the borrowing institution, whenever the corporation shall deem such advances to be necessary or contributary to the prosecution of the war or important to the public interest: *Provided,* That such note or notes shall be secured by the pledge of securities of such character as shall be prescribed by the board of directors of the corporation with the approval of the Secretary of the Treasury, the market value of which, at the time of such advance (as estimated and determined by the board of directors of the corporation) shall be equal in amount to at least 125 per cent of the amount of such advance: *And provided further,* That the rate of interest charged on any such advance shall not be less than 1 per cent in excess of the rate of discount for 90-day commercial paper prevailing at the time of such advance at the Federal reserve bank of the district in which the borrowing institution is located. The corporation shall retain power to require additional collateral security at any time.

(d) In exceptional cases, to make advances directly to any person, firm, corporation, or association whose operations shall be necessary or contributory to the prosecution of the war, for periods not exceeding five years from the respective dates of such advances, upon such terms and upon the security of such bonds, notes, or other obligations, and subject to such rules and regulations as may be prescribed by the board of directors of the corporation, with the approval of the Secretary of the Treasury. The corporation shall retain power to require additional collateral security at any time.

(e) To subscribe for, acquire, and own, buy, sell, and deal in bonds and obligations of the United States to such extent as the Secretary of the Treasury may from time to time determine.

(f) To issue and have outstanding at any one time its notes or obligations in an amount aggregating not more than eight times its paid-in capital, such notes or obligations to mature not less than one year nor more than five years from the respective dates of issue, and to bear such rate or rates of interest, and may be redeemable before maturity at the option of the corporation, as may be determined by the board of directors, subject to the approval of the Secretary of the Treasury. Such notes or obligations shall have a first and paramount floating charge on all the assets of the corporation, and the corporation shall not at any time mortgage or pledge any of its assets. Such notes or obligations may be issued at par in payment of any advances authorized by this act, or, for any of the purposes of this act, may be offered for sale publicly or to any individual, firm, association, or corporation, at such price or prices as the board of directors may determine, subject to the approval of the Secretary of the Treasury. Such notes or obligations may be dealt in by Federal reserve banks in the same manner and to the same extent as bonds or notes of the United States not bearing the circulation privilege, and Federal reserve banks shall be authorized, subject to the regulations of the Federal Reserve Board, to rediscount and purchase paper and make advances secured by such notes or obligations in the same manner and to the same extent, and at the same rates, or at such higher

rates as the Federal Reserve Board may approve, as they may purchase or rediscount paper or make advances secured by such bonds or notes of the United States, under authority of the Federal reserve act. Any Federal reserve bank acquiring by purchase or rediscount such paper secured by the notes or obligations of the corporation may, with the approval of the Federal Reserve Board, use such paper so acquired for any purpose for which it is authorized to use paper secured by such bonds or notes of the United States: *Provided, however,* That whenever Federal reserve notes are issued against the security of such paper the Federal Reserve Board may make a special interest charge on such notes, which, in the discretion of the Federal Reserve Board, need not be applicable to other Federal reserve notes which may from time to time be issued and outstanding. All provisions of law, not inconsistent herewith, in respect to the purchase or rediscount by any Federal reserve bank of paper secured by such bonds or notes of the United States, and in respect to Federal reserve notes issued against the security of such paper, shall extend, in so far as applicable, to the purchase or rediscount of paper secured by the notes or obligations of the corporation and to the Federal reserve notes issued against the security of such paper.

(g) To exercise by its board of directors and its duly authorized officers or agents, all powers specifically granted by the provisions of this act, and such incidental powers as shall be necessary or proper to carry out the purposes of this act: *Provided,* That the powers specifically enumerated herein shall be deemed additional to, and not in limitation of, any implied powers granted by this act: *And provided further,* That it shall not exercise any of those powers or perform any business except such as is incidental and necessarily preliminary to its organization until it has been authorized by the President of the United States to commence business under the provisions of this act.

SEC. 7. For the purpose of assisting in the prosecution of the war and providing for the public security and defense, through the restriction of unnecessary capital expenditures, the corporation may, under rules and regulations to be prescribed by the corporation, with the approval of the Secretary of the Treasury, investigate and license, or refuse to license, the sale, or offering for sale or for subscription, of securities, as hereinafter provided. No person, firm, corporation, or association shall sell, or offer for sale or for subscription, any issue, or any part of any issue, of securities hereafter issued, the par or face value of which issue shall be in excess of $100,000, except in accordance with such rules and regulations as the corporation, with the approval of the Secretary of the Treasury, shall prescribe, nor, when required by such rules and regulations, except as permitted by licenses granted by the corporation. The corporation shall, however, grant licenses for any such sale, or any such offer for sale, or for subscription, which it shall determine to be consistent with the foregoing purposes. Shares of stock of any corporation or association without nominal or par value shall for the purposes of this act be deemed to be of the par value of $100 each. Any securities which upon the date of the approval of this act are in the possession or control of, or have been hypothecated by, the corporation, association, or obligor issuing the same, shall not be deemed to have been issued prior to the date of the approval of this act, within the meaning hereof. Nothing in this act shall be construed to prohibit, or to require any license from the corporation in respect of, any borrowing by any person, firm, corporation, or association in the ordinary course of business as distinguished from borrowing for capital purposes. This section shall not be construed to apply to any securities issued by any railroad corporation the property of which may be in the possession and control of the President of the United States. This section shall not take effect until rules and regulations shall have been prescribed by the corporation, as hereinbefore provided, and may continue in effect until the expiration of six months after the termination of the war, the date of such termination to be determined by a proclamation of the President of the United States. Nothing done or omitted by the corporation hereunder shall be construed as carrying the approval of the corporation or of the United States of the legality, validity, worth, or security of any securities.

SEC. 8. That whoever shall willfully violate any of the provisions of this act or of any license, order, rule, or regulation issued hereunder, or whoever shall willfully violate, neglect, or refuse to comply with any such license, order, rule, or regulation issued hereunder, shall, upon conviction in any court of the United States of competent jurisdiction, be fined not more than $5,000, or, if a natural person, imprisoned for more than four years, or both; and any officer, director, or agent of any corporation or association, or member of any firm, who shall knowingly participate in any such violation, neglect, or refusal shall be punished by a like fine or imprisonment or both.

SEC. 9. That all net earnings of the corporation not required for its operations shall be accumulated as a reserve fund until such time as the corporation liquidates under the terms of this act. Such reserve fund shall, upon direction of the Secretary of the Treasury, be invested in bonds, notes, or certificates of indebtedness of the United States, or upon like direction may be deposited in member banks of the Federal Reserve System, or may upon like direction be deposited in any of the Federal reserve banks. The Federal reserve banks are hereby authorized to act as depositaries for and as fiscal agents of the corporation in the general performance of the powers conferred by this act. Beginning six months after the termination of the war, the date of such termination to be fixed by a proclamation of the President of the United States, the directors of the corporation shall proceed to liquidate its assets and to wind up its affairs. Any balance remaining after the payment of all its debts shall be paid to and become the property of the United States, and thereupon the corporation shall be dissolved.

SEC. 10. That any and all notes and obligations issued by the corporation shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States upon the income or profits of individuals, partnerships, associations, or corporations. The interest on an amount of such notes and obligations the principal of which does not exceed in the aggregate $5,000 owned by any individual, partnership, association, or corporation shall be exempt from the taxes provided for in subdivision (b) of this clause. The corporation, including its franchise and the capital and reserve or surplus thereof, and the income derived therefrom, shall be exempt from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except that any real property of the corporation shall be subject to State, county, or municipal taxes to the same extent, according to its value, as other real property is taxed.

SEC. 11. That if any clause, sentence, paragraph, or part of this act shall, for any reason, be adjudged by any court of competent jurisdiction to be invalid, or in case any court of competent jurisdiction shall adjudge to be invalid any provisions hereof in respect of any class or classes of securities, such judgment shall not affect, impair, or invalidate the remainder of this act, but shall be confined in its operation to the clause, sentence, paragraph, part, or subject matter of this act directly involved in the controversy in which judgment shall have been rendered.

SEC. 12. That the term securities, as used in this act, includes stocks, bonds, notes, certificates of indebtedness, and other obligations.

SEC. 13. That the right to amend, alter, or repeal this act is hereby expressly reserved.

I herewith present that portion of the committee's report showing radical departure from the department's draft:

ESSENTIAL DIFFERENCES BETWEEN THIS BILL AND THE WAR FINANCE CORPORATION BILL AS ORIGINALLY INTRODUCED.

The essential differences between this bill (H. R. 10608) and the bill H. R. 9499 are as follows:

1. This bill provides that not more than three directors of the corporatiton shall be members of the same political party. The original bill did not contain such a provision.

2. This bill specifies that no director or officer of the corporation shall participate in the determination of any question affecting his personal interests or the interest of any corporation, partnership, or association in which he is interested. The original bill did not contain this provision.

3. Under this bill the directors of the corporation will be appointed by the President, by and with the advice and consent of the Senate. The original bill provided for the appointment of the directors by the Secretary of the Treasury, with the approval of the President.

4. This bill limits the advances to be made to banks, bankers, or trust companies to loans made by such banks, bankers, or trust companies on securities or obligations acquired since the declaration of war (Apr. 6, 1917) and outstanding at the time of the advance, and to loans made to persons, firms, corporations, or associations conducting an established and going business in the United States. The original bill did not contain any limitation of this nature.

5. This bill permits the corporation to make advances to savings banks, banking institutions, or trust companies which receive savings deposits and to building and loan associations for not to exceed one year. The original bill limited the time for which an advance could be made to 90 days and did not give this privilege to trust companies receiving deposits or building and loan associations.

6. This bill requires the security for advances made to savings banks and similar institutions to be equal to at least 133 per cent of the amount of the advance. The original bill specified that the security should be equal to 125 per cent of the amount of the advance. This change is made in order to make the ratio between the advance and the security the same in all the provisions of the bill.

7. This bill provides that when the corporation makes advances direct—that is, without the advance going through the banking channels—that the corporation must require security equal to at least 133 per cent of the amount advanced by the corporation, and also that the rate of interest charged on such advances shall not be less than 1 per cent per annum in excess of the rate of discount for 90-day commercial paper in the Federal reserve district in which the borrower is located. This bill also contains a limitation as to the amount of advances that can be made under this section at any one time to an amount equal to 16⅔ per cent of (1) the paid-in capital stock of the corporation at such time plus (2) the aggregate amount of the bonds of the corporation authorized to be outstanding at such time. The original bill contained no such limitations. It is believed that these limitations will afford a very valuable safeguard to the corporation and will result in requiring a greater portion of the business of the corporation to be transacted through regular banking channels.

8. This bill limits the aggregate amount of advances that can be made and outstanding under this act at any one time to any person, firm, corporation, or association to an amount not to exceed 10 per cent of the authorized capital stock of the corporation, or $50,000,000. The original bill contained no such limitations. This provision is also believed to be a very valuable safeguard.

9. This bill requires the corporation to file quarterly reports with the Secretary of the Senate and Clerk of the House of Representatives, giving the name and place of business of each person, firm, corporation, or association receiving advances direct from the corporation, the amount advanced, the terms, and the security accepted therefor. The original bill contained no such provision.

10. This bill limits the power of the corporation to deal in bonds and obligations of the United States to those issued or converted since September 24, 1917 (the time the last bond act became a law). The original bill would have permitted the corporation to deal in any bonds or obligations of the United States.

11. This bill authorizes the corporation to issue $2,000,000,000 of bonds to mature in not less than one year nor more than five years. The original bill authorized the corporation to issue $4,000,000,000 worth of bonds.

12. This bill provides that whenever a Federal reserve bank discounts or rediscounts paper secured by the bonds of the corporation that it shall not discount or rediscount such paper at a less interest charge than 1 per cent above the prevailing rates for eligible commercial paper of corresponding maturity. The original bill left the interest rate to the discretion of the Federal Reserve Board. It is believed that this provision will afford a very valuable safeguard to the Federal Reserve System.

13. This bill provides that before paper secured by the bonds of the corporation can be discounted or rediscounted by a Federal reserve bank that the member bank must satisfy the Federal reserve bank that it does not have in its possession for the purpose of discount sufficient commercial paper eligible for discount or rediscount under the regulations of the Federal Reserve Board made under authority of the Federal reserve act. The original bill contained no such provision.

14. This bill contains no provision, as did the original bill, permitting member banks of the Federal Reserve System to deal in the bonds of the corporation.

15. This bill creates a Capital Issues Committee, to be composed of seven members, to be appointed by the President of the United States, by and with the advice and consent of the Senate, to investigate, pass upon, and determine whether or not it is compatible with the public interest that there shall be sold or offered for sale or for subscription any issue or part of an issue of securities the total or aggregate par or face value of which is in excess of $100,000. The original bill

authorized the corporation to investigate and license or refuse to license the sale or offering for sale or subscription of securities the par or face value of which were in excess of $100,000. It is believed that the issuance of new securities will be limited, in most cases, under the provisions of this bill, to those compatible with the public interest, as effectively as would have been possible under the original bill which was much more drastic.

16. This bill contains no criminal penalty provision for any sale or offering for sale of any securities issued when the Capital Issue Committee has found the issue of such securities incompatible with the public interest. The original bill provided a penalty of $5,000 or imprisonment for not more than four years, or both, for any violation of any of the provisions of the act or of any license, order, rule, or regulation issued thereunder.

17. This bill provides that the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation. The original bill made no reference to the liability of the United States for the payment of the obligations of the corporation.

18. This bill makes anyone who (1) forges or counterfeits any bond, coupon, or paper in imitation of or purporting to be in imitation of a bond or coupon issued by the corporation, etc.; or (2) embezzles, abstracts, or willfully misapplies any money, funds, or credits of the corporation, etc.; or (3) with intent to deceive any officer of the corporation, makes any false entry in any book, report, or statement of the corporation, etc., liable to a penalty of $5,000 or to imprisonment for not more than five years, or both.

The original bill contained no similar penalty provision.

I shall discuss the measure on the basis of the large scope of the original bill and the Senate measure, each of which provides a capital of $500,000,000 and an authorized loaning power beyond that of the capital of $4,000,000,000. I would impress, by way of comparison, because all things in this world are relative, the magnitude of this corporate creature which we are calling into being.

First. It has the stupendous capital of $500,000,000. That is seven times the amount of the capital of the 12 regional banks of the United States. A recent statement shows their capital $73,624,000. It has an authorized loaning power of four and one-half billions of dollars. That is more than four times the amount of the loans and discounts, of whatever character they may be, including all earning assets of the reserve banking system at this time, which are $1,097,322,000.

Second. The capital of this corporation, $500,000,000, lacks very little of being one-half of the total capital of all the national banks of the United States combined. The figures, which probably should be raised a little as they are the figures for 1916, are $1,066,000,000. So the capitalization of this corporation, $500,000,000, lacks little of being one-half of that.

Third. Five hundred million dollars capitalization is greater than that of any 200 national banks in the United States.

Fourth. The loans of four and one-half billion are more than one-half the loans and discounts of all of the national banks of the United States, stated to be $8,818,312,000.

Fifth. This authorized loaning power amounts to nearly twice the amount of the loans and discounts in the mutual savings banks of the United States, stated at $2,368,691,357.

Sixth. It amounts to more than all of the loans and discounts in all of the State banks of the United States, which are $4,111,555,000.

Seventh. The loans and discounts now in all the national, State, private, mutual savings, and stock saving banks, combined with those of the loan and trust companies of the United States, amount to $20,000,000,000. So the loans authorized by this gigantic corporation are 22 per cent of all of the loans and discounts in all the banks and related institutions in the United States. It seems to me that, large as that is, it should be safeguarded in every possible way, both in the grant of power and in the matter of administration.

Eighth. I call attention to another fact. The loans authorized by the original bill is a larger sum than all of the deposits in all the following great national and international banking concerns combined:

The Imperial Bank of Germany	$1,131,771,750
The Bank of England	867,495,250
The National City Bank, of New York	735,104,800
The Bank of France	436,339,950
The Credit Bank of Austria	388,310,700
The National Bank of Argentina	319,954,500
The Bank of Montreal	295,432,900
The Commercial Bank of Italy	235,768,200

They had a total of deposits, on the 1st of January, 1917, of $4,408,178,000, nearly $100,000,000 less than the authorized loaning power of this great corporation, which was sought to be brought into being through the bill as introduced, which we, of course, have reduced from a basis of 45 to a basis of 25. That is, capital, $500,000,000, and additional loaning power, $2,000,000,000.

Ninth. If all these loans were made, and the interest had to be paid in gold, the production of gold in the United States—$92,000,000 in 1916, the latest figures I could obtain—would pay only 2 per cent on the loan authorized.

Tenth. The loaning power of this corporation or bank, whatever you may call it, is twice as great as the assets of the 22 leading industrial corporations of the United States, hereafter named in the prewar period, use as a basis for war-taxing purposes:

The Bethlehem Steel Co., the Colorado Fuel & Iron Co., the United States Steel Corporation, the American Car & Foundry Co., the American Locomotive Works, the Baldwin Locomotive Works, the American Smelting & Refining Co., the Anaconda Copper Co., the American Sugar Refining Co., the American Telegraph & Telephone Co., the American Tobacco Co., Central Leather Co., Corn Products Co., General Electric, Mexican Petroleum, Pittsburgh Coal, Sears-Roebuck, and United States Rubber companies. Their combined assets amounted to $2,130,000,000. That is less than one-half the amount of the loaning power of this great corporation.

Eleventh. The loaning power of this corporation perhaps equals one-half of the gold in the world outside of the arts, estimated at $9,000,000,000.

Twelfth. It would build 12 Panama Canals and buy their respective sites.

Thirteenth. It would buy the United States corn crop of 1917, with millions to spare.

Fourteenth. It would pay practically all of the public debt of this country—National, State, county, school, and municipal—before the war began.

Fifteenth. It would buy, with half a billion dollars to spare, the property of all kinds and character in the State of Nebraska.

Such is the bill that was first proposed in the House, has come from the Senate, and may be urged in conference. The foregoing figures and staggering comparisons suggest potent reasons why we should retain all the changes made by the Ways and Means Committee.

Mr. MOORE of Pennsylvania. Mr. Chairman, may I ask the gentleman a question?

Mr. SLOAN. Yes.

Mr. MOORE of Pennsylvania. I did not get the reference to the State which the gentleman represents. What was the relationship of Nebraska to this national corporation?

Mr. SLOAN. All of the property of Nebraska, estimated at $4,000,000,000, would be half a billion dollars less than the authorized loaning power of this great corporation.

Mr. MOORE of Pennsylvania. Then, as a matter of fact, the organization of this system would be a mere bagatelle to that great State.

Mr. SLOAN. Oh, no; I should be pleased to say that our State could swallow up a corporation of this kind, but, standing in front of Washington's picture and in the city bearing his name, I can not tell it that way. This corporation has a loaning power of $4,500,000,000, while the property of Nebraska amounts to only $4,000,000,000. This corporation overshadows great coal, steel, and oil corporations in the old Keystone State—a State that is honored by the representation of the distinguished gentleman now acting as chairman of the Committee on Ways and Means for the minority.

Mr. MOORE of Pennsylvania. I had intended to say that the State of Nebraska has been so well represented by the gentleman in this House that I assumed its general assets had mounted up so high that the organization of a war finance corporation would be a mere bagatelle to the Commonwealth.

Mr. SLOAN. I have been endeavoring to represent merely a portion of the State, but unfortunately it has not been able to increase in wealth to keep pace with the fiat of a Government creating corporations. But in per capita wealth it stands fourth in the Union, which, of course, sets it ahead of Pennsylvania.

Mr. MOORE of Pennsylvania. That is a tribute to the gentleman's faithful service here; he certainly has not enriched himself in this representative capacity, except in the friendship of his colleagues.

Mr. SLOAN. I trust the committee will refuse to take notice of this blush of mine.

Mr. MADDEN. Will the gentleman yield?

Mr. SLOAN. With pleasure.

Mr. MADDEN. I notice the gentleman from Pennsylvania——

Mr. SLOAN. Always truthful.

Mr. MADDEN (continuing). Who sits close to the head of the Republican side in the Ways and Means Committee, on which the gentleman from Nebraska serves with great distinction, seems to be in doubt as to what State the gentleman who is now speaking is from. To what does the gentleman attribute the ignorance of the gentleman from Pennsylvania when he asks such a question as that?

Mr. SLOAN. I refuse even to consider that the gentleman from Pennsylvania is ignorant on any subject. It would be a reflection upon the subject to say that he knew nothing about it.

Mr. MOORE of Pennsylvania. The gentleman is quite right about that and the statement of the gentleman from Illinois upon this occasion is unaccountable. There is no reason for it except to afford an excuse for joining in the compliment which the gentleman from Pennsylvania was endeavoring to pay to the gentleman from Nebraska.

Mr. WALSH. Will the gentleman yield?

Mr. SLOAN. After Illinois and Pennsylvania I yield to the great Commonwealth of Massachusetts with a great deal of pleasure.

Mr. WALSH. I want to ask the gentleman if outside of all this that has been brought out by the gentleman from Illinois and the gentleman from Pennsylvania, he thinks this is quite a worthy measure?

Mr. SLOAN. Notwithstanding anything the gentlemen may have said, it is a measure that will probably obtain the support of nearly every Member of the House, not only those Members who usually vote in a body, but those of independent purpose and character who do not fear to be in the minority if right and might seem not well paired.

Mr. MOORE of Pennsylvania. All of which goes to show that the gentleman from Illinois, the gentleman from Massachusetts, and the gentleman from Pennsylvania agree that while they should very much regret to lose the membership here and the association of the gentleman from Nebraska, they hope he will continue to rise higher and higher until he sits in another body of this Congress, though not quite so distinguished as this.

Mr. SLOAN. To which proposition I do not even reserve the right to object.

Mr. MOORE of Pennsylvania. The gentleman is always modest, but too modest on this occasion for his own good.

Mr. SLOAN. Whatever my good may suffer from whatever cause I know I have friends in this House who will become my champions should occasion ever require.

Mr. WATSON of Pennsylvania. May I call the attention of the gentleman to the fact that a number of the corporations he mentioned with great capital had homes in the great State of Pennsylvania.

Mr. SLOAN. The gentleman from Pennsylvania who has just spoken is always loyal to the Keystone State. It is a great State. I think it is the greatest State on earth for one to have his parents married in. The fact is I selected it for the matrimonial contract of my parents. But, of course, great as it is, whoever having the opportunity to come to Illinois, Iowa, or Nebraska would certainly be derelict to their duty if they did not leave Pennsylvania. [Laughter.]

Mr. MADDEN. Will the gentleman allow me to interrupt him for a moment?

Mr. SLOAN. I am always glad to yield to the gentleman from Illinois.

Mr. MADDEN. I have watched the distinguished statesman from the State of Nebraska during his membership in the House with a great deal of interest, and I recognize in him one of the leading men of the Nation, who would reflect credit upon any State, to say nothing about Nebraska, one who will perform any function that will devolve upon him with ability and distinction. The people of Nebraska have reason to be proud that such a man speaks for them upon the floor of this House.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. MADDEN. They will be still prouder if they shall take the first opportunity to select him to speak for them on the floor of the Senate. [Applause.]

Mr. MOORE of Pennsylvania. Now will the gentleman yield?

Mr. MADDEN. Yes.

Mr. MOORE of Pennsylvania. In the statement the gentleman has just made on behalf of the great Commonwealth of Illinois he at last agrees with the greater Commonwealth of Pennsylvania.

Mr. MADDEN. It is a great pleasure to know that occasionally Pennsylvania gets into the right line, that it sees straight, that it can recognize good in a man coming from an agricultural region such as that from which the gentleman from Nebraska hails.

Mr. MOORE of Pennsylvania. All of which I take it means SLOAN, of Nebraska.

Mr. MADDEN. And so I want to assure the people of Nebraska that I regret exceedingly to learn that they have commandeered our friend to enter the race for another body, and, having commandeered him, we sincerely hope that they will use the wisdom which they have thus far displayed to the extent of selecting him and commission him to speak for them in the future. [Applause.]

Mr. SLOAN. One thing I am greatly interested in is to know whether any of my distinguished friends who have "spoken my praise" happens to be the seventh son of a seventh son, because only to them is true prophecy granted.

Mr. WALSH. Will the gentleman yield for a question?

Mr. SLOAN. I yield to the gentleman from Massachusetts with the same readiness that I would to any other delightful temptation.

Mr. WALSH. The gentleman, in making inquiry with reference to prophecy, will recall that some time ago he did me the great honor of asking me to make a speech in his district. I want to assure him that at that time I took occasion to indulge in a prophecy which I find is being substantiated by my colleagues, the gentleman from Pennsylvania [Mr. MOORE] and the gentleman from Illinois [Mr. MADDEN]; and that if I should have occasion to revisit that section of the gentleman's great State it would afford me great pleasure to tell the people of his district, or to say to them when the gentleman shall have been selected for a higher station in the legislative branch of the Government, "I told you so."

Mr. SLOAN. I thank the gentleman from Massachusetts for what he says here and what he said on that occasion. Do you know it is true that he spoke in the heart of my district, and that at the election following my majority was largely increased over what it was at the preceding election.

Much has been said and may be properly said about legislation suggested by heads of departments and by the executive branch. Some good, perhaps, can sometimes be done in that way. I do not here and now join in any particular criticism of that kind of legislation. This is true, that wherever there has been an Executive there has always been a desire to increase his power. It would be unnatural for a man in power not to ask for its increase. This fact was long dwelt upon by the framers of our Constitution. It was as strongly guarded against as seemed possible. But it was left largely with the representatives of each branch to zealously defend its own jurisdiction. The fault lies as fully with those who permit this invasion as those who would invade. We, as a great legislative body, perhaps should not be too seriously critical of those who would ask for grants of power. The criticism should come to us if we unduly grant it.

The bill that has been prepared by an executive department has been adverted to frequently. In order that history may be kept on straight, I shall ask that that bill be made a part of my remarks, so that it will be easy to compare what is finally granted in this bill with that which was originally asked. And I shall also offer the report of the committee showing the important lines of departure from the original bill.

And in addition to that I call your attention to one of the most important State papers issued during this war period. It was written by the Secretary of Agriculture, the Hon. David F. Houston, in which he discussed, and I trust the Members of this House will take occasion to read it at length when the opportunity presents, a system of legislation in a country with which we are now at war. He discusses the Reichstag, and says, among other things:

THE REICHSTAG NOT REPRESENTATIVE.

"But," it may be asked, "how can this be? The Reichstag is the popular house of the imperial parliament, and its members are elected by universal suffrage. Is this not conclusive evidence of popular participation and control?"

* * * * * * *

The Reichstag is little more than a debating society. It was intended to be nothing more—to be a "sop" to the progressives. Its powers are great on paper but exceedingly small in reality. It has the constitutional function of passing on the budget, but the principal revenue laws are permanent. The Reichstag can neither increase nor decrease the schedules nor make any change in the existing situation unless the King of Prussia wishes it. This comes about in this way: The Bundesrath is the upper house of the imperial parliament. Its members are delegates from the various States, representing several State governments, and not the people. They vote according to instructions, and one member may cast the vote for any delegation. Fourteen members can defeat any measure, and the Government of Prussia—that is, the King of Prussia—controls 20 votes.

The Reichstag does not really initiate legislation. Important measures are first discussed in the Bundesrath; then they go to the Reichstag and back to the Bundesrath for approval. The initiative, for the most part, comes from the chancellor, who is also prime minister of Prussia. The ruler, as Emperor, may instruct the chancellor to prepare a measure; as King he may order him to introduce it and may direct amendments to be made and prevent changes.

I suggest these three documents as important for the consideration of every Member of the House of Representatives. In saying that I do not reflect upon any executive department or upon any executive, but I wish to call to the attention of the Members of the House that if criticism ever does come it will not be

more upon those who may demand undue power than upon the Members of the body whose duty it is to preserve to the people that power and who supinely grant that which was unduly asked. I think our highest duty is to preserve intact the functions and jurisdictions of this, the greatest and freest deliberative body anywhere throughout the world. [Applause.]

I think, perhaps, gentlemen, my time is nearly up, but I desire to say in closing as a final reason for supporting this measure that when the battle line established by Hindenburg the Hun, under the combined might of America and the seasoned strength of those who fight with us, has been smashed; when the arrogant Hohenzollern whose savagery added to civilization makes him the satanic personification of the century in his mad emulation of the mighty Macedonian, the imperial Roman, and the powerful Corsican, shall fall short of universal dominion; when his degenerate son, crazed by the ghosts of Verdun, shall desperately cling to the crown of a diminished Germany; when the allied powers shall take up the greatest burden of all time in the rehabilitation of continental Europe; and when the statesmen of our own great country shall be solving the problems of our post-war period, there will come a clamorous demand upon us as to why we enacted this colossal legislation. Its proportions, judged by its apparent effects, will be better reviewed and understood then than now. Our only answer in that day will be "We surveyed our circumstances; we considered our national needs; and acting in part upon the advice of those to whom the American people gave executive control, guided by our best judgment and the highest dictates of patriotism, created this weapon of war."

May we hope that it shall be placed in the hands of those who will so wield it that instead of an excuse or defense we may submit a modest boast? [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 15 minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, the present paramount purpose of the American people is the winning of the war. To the fulfillment of that purpose within reason all else must for the time be subordinated. The first and compelling duty of the Congress is to enact such legislation, grant such authority, and make such appropriations as in the opinion of those charged with responsibility, in position to know conditions and qualified to judge of them believe to be essential in the carrying out of the Nation's purpose—that of strengthening the Nation's arm abroad and maintaining the best possible conditions at home.

It is from this point of view that I shall consider the legislation now before us. That it is radical, almost revolutionary, there can be no question. That it proposes a grant of power and authority which might be abused none who have carefully considered it can doubt. That under normal conditions it would not be seriously considered no thoughtful person will deny.

In this situation the one vital and controlling question is, Is legislation of this character necessary? Must some such legislation be enacted in order to so support and strengthen the financial and economic structure of the Nation as to enable our people to effectively bring to bear all of the Nation's mighty resources in the prosecution of the war? Must it be enacted in order to maintain the sound and safe industrial and economic conditions necessary to the winning of the war?

On this proposition I confess that after most careful and thoughtful consideration I am by no means free from doubt. The measure as presented to the Committee on Ways and Means was beyond question very objectionable and highly dangerous from any reasonable and legitimate standpoint. The measure as presented to us, after careful and painstaking scrutiny and consideration of the committee, is greatly improved, and I think it susceptible of further improvement when the House shall consider it under the five-minute rule.

It is true that the existence of certain conditions among the industrial and financial institutions of our country, as pointed out and suggested by the Secretary of the Treasury and others who appeared before the House committee, comes to us as something of a shock. It is true that the conditions thus outlined and portrayed raise a question as to the soundness of administration policies. It is true they constitute a serious reflection on the Federal Reserve System, which was purposed and promised to be so adaptable and elastic as to successfully tide us over times and conditions of stress and emergency.

It is true that it ought to be possible to so extend and simplify the provisions of the Federal Reserve System as to care and provide for a situation even as trying as that of the present emergency.

Were the expansion and extension of credit claimed to be necessary attempted or provided through the Federal Reserve System rather than through a new corporation and a new committee, all the machinery and organization of the Federal Reserve System could be utilized. It is proposed instead to establish what amounts to a new temporary Federal banking system, appoint a lot of new officers, and go to all the expense of building up a new enterprise of vast proportions. This seems like a rather roundabout and expensive way to secure the desired result.

While all these things are true, and the dangers of credit expansion, of unwise or ill-advised administration, of favoritism, or even worse must be admitted to be ever present in legislation of the scope and character of that proposed, we can not evade or safely disregard the evidence presented on behalf of the measure. Those largely responsible for the conduct of our financial system during the war, those who should be qualified to judge as to the financial, industrial, and economic situation in the country as affected by the war insist that there is a condition demanding the strengthening of industry and the sustaining of credit through some Federal agency. There is an equal insistence that it is not wise or practical at this time to so modify and adjust the Federal Reserve System as to meet the situation.

In view of these facts and argument I feel it my duty to resolve the doubts I entertain in favor of the legislation and support it, reserving the right to carefully consider such amendments as may be offered.

After all is said and done, the success or failure, the good or ill, which flows from a measure like this, largely depends on the character of the men called upon to administer it. That they should be men of sound integrity goes without saying. It is equally true that they should be men of ripe and mature judgment and wide experience. It is of the highest importance that the War Finance Corporation and the capital issues committee, provided for in this legislation, shall be so constituted that the people of the country shall have confidence that their action shall not be colored or tinctured by partisanship, favoritism, or local interest. It is in the hope of such wise appointments and of fair and faithful administration that I give my support to the measure, trusting it may aid to sustain the institutions, the labor and the industry of our country to the successful winning of the war, which is the present paramount purpose of the Nation.

Mr. MEEKER. Will the gentleman yield?

Mr. MONDELL. I yield.

Mr. MEEKER. We understand that the original bill was sent in by the Treasury Department?

Mr. MONDELL. I think that was stated by the chairman of the committee in his opening speech.

Mr. MEEKER. And that bill was so absolutely unsound that it could not be considered for a minute?

Mr. MONDELL. Well, I think perhaps that is not entirely a fair statement of it. The committee did, however, change the bill quite radically.

Mr. MEEKER. And we propose to give that same gentleman jurisdiction over the finances of the country in this bill?

Mr. MONDELL. You mean in this bill the gentleman who proposed or suggested the original measure is at the head of the institution proposed to be established?

Mr. MEEKER. Yes, sir.

Mr. MONDELL. Well, that is true, but I do not know that it follows that a man, having sought more authority and jurisdiction than he ought to have, can not be trusted to wisely administer such limited authority and jurisdiction as the Congress sees fit to give him.

Mr. MEEKER. The point is this: Here is the financial representative of the administration. He comes to the committee asking for more with a bill which none of his own party will permit to be brought to the floor of this House, and yet it is proposed to hand everything over to that same man carte blanche under this bill.

Mr. MONDELL. The gentleman refers to Mr. McAdoo, Secretary of the Treasury. All men are human and all seek power and authority and control, sometimes in excess of what they should be given, and it is the duty of the Congress, and that duty has been exercised in this case, to restrict and control in the grant of power. Congress has wisely exercised its authority in that regard in this case, and even then it is granting an authority so broad that it might easily be abused. But in all human affairs we must trust some one, and in this particular crisis we must trust those who have been placed in posts of power and authority. Most people seem to think we need some additional financial legislation. Whether we provide it in this way or through the Federal reserve banks, Mr. McAdoo, as Secretary of the Treasury, will have large influence.

Mr. MOORE of Pennsylvania. Will the gentleman yield before he takes his seat?

Mr. MONDELL. I will.

Mr. MOORE of Pennsylvania. The gentleman has read the bill as reported?

Mr. MONDELL. I have read it very carefully.

Mr. MOORE of Pennsylvania. And he observed, in answer to the question just put to him by the gentleman from Missouri [Mr. MEEKER], that the powers of the Secretary of the Treasury have been somewhat curtailed.

Mr. MONDELL. Very greatly curtailed, I should say.

Mr. MOORE of Pennsylvania. And that extension of power which the gentleman from Missouri referred to is not so extensive in the bill as it might have been?

Mr. MONDELL. Not nearly so extensive and all-pervading as it would have been under the legislation as first proposed. No man should have so wide a control over the affairs of the people, even in time of war, as the original bill gave the Secretary of the Treasury.

Mr. MOORE of Pennsylvania. I think it fair that that statement should go into the RECORD.

Mr. MONDELL. The bill has been very greatly improved. In the form in which it was introduced I could not have supported it. In the form into which the committee moulded it, after careful consideration I am glad to give it my support, though I have some doubts and some fears. I am depending somewhat upon the judgment of those who ought to know and who spoke before the committee, and still more on the good judgment of the members of the committee.

We are doing many things in this time of stress and war which we would not think of doing under other conditions. We are confronted by the anomalous situation that, engaged in a war to promote and strengthen and establish and sustain democracy, we are adopting temporarily the methods of autocracy. But we are not doing it because we love autocracy. We are doing it because we believe that only in this way can we bring the mighty forces of the Nation into effective coordination, in order that we may win the war. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. PLATT].

The CHAIRMAN. The gentleman from New York is recognized for 15 minutes.

Mr. PLATT. Mr. Chairman, this bill, apart from the provisions of section 200 to 205, which create and define the powers of the Capital Issues Committee, creates practically a new bank of gigantic proportions, to some extent an independent bank, and, generally speaking, an intermediary between the present commercial banks and the Federal Reserve System.

Now, the Federal reserve banks have a capital, all told, of $73,000,000; yet this corporation is given a capital of $500,000,000. I have heard that it was given a capitalization of $50,000,000 as the bill was originally drawn, but then an extra cipher was stuck on for good measure before it was introduced. It ought to be understood, it seems to me, that there are other ways of doing what this corporation expects to do, and that they would probably be much less expensive. The Federal Reserve System, I believe, could handle this situation, as my friend the gentleman from from California [Mr. HAYES] has said. I have seen no direct testimony from the Secretary of the Treasury or from Mr. Warburg, or from anybody connected with the Federal Reserve System, to the effect that it would be unequal to the task of handling the matter, of taking care of the securities and credits that are contemplated to be taken care of under this bill; and, in fact, the only real relief provided by it that I can see, apart from the loaning of the $500,000,000 of capital, is that the credit issues—the bonds, so-called—of this corporation can be taken by the banks to which they will go as collateral and can be used as a basis for discount in the Federal reserve banks and for issues of Federal reserve notes.

Now, the Federal reserve banks are thoroughly sound. They had combined reserves over both notes and deposits on the 1st of February, 65.2 per cent. At the end of the month they were 66, and on Saturday last, according to the statement published in the New York newspapers, they were 64.5 per cent. A year ago they were 87.6. Gold reserves last Saturday were 62.5 per cent, and a year ago 86.1 per cent. That shows a pretty good-sized drain on the financial system during the year, but a year ago the Federal Reserve System was hardly at all used. The banks had hardly begun to make rediscounts, had not begun to ask relief, except a very few banks in some sections of the country. Of course, now they are seeking loans from the Federal reserve banks, and largely with bonds—Government bonds—as collateral for their notes. It would be a mere extension of power to allow them to loan, under certain conditions, on notes secured by other good bonds.

Mr. GARNER. Will the gentleman yield?

Mr. PLATT. Yes; I yield to the gentleman from Texas.

Mr. GARNER. The gentleman comes from the great State of New York. I want to ask him the question if there is a necessity for some legislation of this character?

Mr. PLATT. I think there is.

Mr. GARNER. The only difference the gentleman has with the committee that reported this bill is that the believes the relief could be given under the Federal Reserve System?

Mr. PLATT. Not the only difference with the committee; but the relief asked for under this bill could be given by the Federal Reserve System. Nobody connected with the Federal Reserve System has said that it could not be. It would be very much simpler and less expensive if it could be given in that way. I am not necessarily contending that it should be so given, but that it could be.

Mr. GARNER. Is it not necessary to pass legislation of this character giving relief to the Federal Reserve System?

Mr. PLATT. I believe some legislation is necessary, but not necessarily this legislation.

Mr. GARNER. You say you would not undertake to give it to the Federal Reserve System at this time, but that if it was necessary you would do it?

Mr. PLATT. I feel, with the chairman of the Banking and Currency Committee, Mr. GLASS, and with gentlemen who are connected with the Federal Reserve Board, that the Federal Reserve System ought to be kept on the basis of handling commercial short-term paper. But you must all admit that the central banks in Europe handle this kind of paper—that is, paper secured by bonds or stocks—and the Federal Reserve System could do it, and I believe with safety.

Mr. GARNER. The gentleman says that he believes that some relief is necessary. The gentleman comes from the great State of New York. I ask him the question whether he did not believe some relief should be had. I ask him now how he would give the relief.

Mr. PLATT. The gentleman does not give me a chance to develop any argument. With one section out of this bill, I do not know that I am greatly opposed to the plan here proposed. But I want to point out that it is a very cumbersome and very expensive system of doing something that could be done in another and much simpler way.

This bill creates another great new institution, another set of commissioners or trustees at $12,000 a year each. It will be annother addition to the tremendous bureaucracy already established, with elaborate offices, and many clerks and stenographers, and it is to do something that present institutions could do with some amendment to the Federal reserve act.

Our national banks all make loans on stock and bond collateral. The big banks, like the National City, the Chase National, the First National Bank of New York, and the Bank of Commerce make a large part of their loans on such collateral. Very often short-time loans are made on stock and bond collateral. Some of those notes are really commercial notes. The merchant puts up collateral that he happens to have because it is handy, and he can get a low rate of interest, perhaps; but those notes can not be taken to the Federal reserve bank and be rediscounted. Consequently the banks are chary in such times as these about making these loans and about furnishing money to be used for the capital requirements of any large corporation. They have done it in large amounts heretofore, and they could do it now if the Federal reserve act were so amended as to allow rediscounts under proper restrictions, such as are provided in this bill, directly through the Federal Reserve System. I share with my friend from Virginia [Mr. GLASS], as I have said, his doubts as to the expediency of doing that. This proposition has the one advantage, and the only advantage, of being a separate thing; it is limited to a certain period and will then go out of existence, while if we allow the relief to be given through direct rediscounts in the Federal Reserve System I am not so sure that you could limit it to any period, certainly not so easily.

Mr. GLASS. I was going to suggest to my colleague that the fact that the National City Bank and other large commercial banks do make extensive loans on stock-exchange collateral does not justify the practice for reserve banks. My friend knows very well that that was the curse of the old banking system. The very fact that these loans were made on stock collateral prevented these banks in times of emergency from responding to the commercial necessities of the business communities of the United States, and their failure to respond was reflected in smaller communities of the United States, and that very thing brought on panics. It was to relieve that situation that the Federal Reserve System was established—to cut the banking community of the United States away from that system.

Mr. PLATT. That is true, generally speaking, but, nevertheless, it is absolutely essential that some banks shall make loans on stock and bond collateral security. At that time the National City Bank and the big banks of New York City were the real reserve banks of the country. They were at the bottom of the

whole system. Now they are not. The Federal reserve banks stand back of them.

Mr. GLASS. I am not opposed to banks making loans on these securities to a limited extent, but what we had before was all the reserve funds of the country thrown into that vortex, and we broke that thing up. I am utterly opposed to an approach to anything like a resumption of that kind of thing.

Mr. PLATT. And I am myself, but I do not feel so sure as the gentleman that we could not authorize some loans from Federal reserve banks on such security with proper safeguards for the period of the war.

Mr. HAYES. I should like to ask the gentleman if he can see any difference between allowing the Federal Reserve System to take care of these obligations direct—that is, through the business channels now provided, with a little amendment—and permitting them to do it through the bonds or obligations of this proposed corporation? Is there any difference?

Mr. PLATT. I really think that there is no fundamental difference, and the only advantage of this thing is that it is self-limiting, and when the war is over it will stop.

Mr. GLASS. Is not that an immense difference?

Mr. PLATT. It is an immense difference, but at a tremendous expense.

Mr. GLASS. We recognize that this is an unprecedented emergency, and we establish an auxiliary method of doing the thing, having it understood, however, that it is not to be regarded as at all normal or as at all permanent. And then I call the attention of the gentleman from California [Mr. HAYES] to the fact that we penalize the privilege here.

Mr. PLATT. That is true.

Mr. GLASS. We do not permit rediscounting, except under penalty, and a pretty stiff minimum penalty of 1 per cent.

Mr. PLATT. Of course we could put that same penalty on for similar direct rediscounts.

Mr. HAYES. Sure.

Mr. PLATT. And have direct loans made from the Federal reserve banks to the member banks on the same kind of paper.

Mr. GLASS. That was not the question asked. The question was if we could not go right along in the usual, normal way and do this thing. I am opposed to doing it at all; but if you have got to do it, I want it done under a penalty. I want it distinctly understood that it is an unprecedented emergency, and that the only justification of it is that it is an emergency.

Mr. PLATT. We have got to do it, and we have got to find some way for the Federal Reserve System to help out, and that is what we are doing. We are putting another institution in between the Federal reserve banks and the business of the country, so that its paper can be substituted for ordinary stocks and bonds and put into the Federal Reserve System. The advantage of it is that it will stop after the war without much difficulty, but it is an enormously expensive way to do it. It would cost much less to do it directly, and I am not sure but that the capital of the Federal reserve banks could be added to by the Government, and in that way let the thing be done directly instead of in this indirect way.

Mr. HAYES. Will the gentleman allow me to interrupt him again? I do not want to annoy him, but I should like to ask him a question.

Mr. PLATT. I am glad to yield to the gentleman from California for a brief question.

Mr. HAYES. I want to ask if we could not put that limitation in an amendment just as well, that would make it apply to the Federal Reserve System, as to put it into this bill?

Mr. PLATT. I am not sure that you could not.

Mr. HAYES. So that automatically it would end with the end of the war.

Mr. PLATT. It seems to me possible to do that, but I think there are certain advantages in doing it this way, apart from section 9 of the bill, which provides for direct loans not going through the banks. I do not believe there is any necessity for that section.

Secretary McAdoo spoke of it as being put in there to take care of "those rare cases" where a corporation could not get capital accommodations from the banks, and certain instances of power companies, and so forth, were mentioned in the hearings, and I understand certain other cases were mentioned in executive hearings that were not published. But I want to call attention to the fact that the greatest matter of refunding corporation notes, that of the New York, New Haven & Hartford, $43,000,000 of one-year notes, that fall due in April, the largest amount of corporation notes falling due on any one day during the year 1918, has already been taken care of without this act, and taken care of by selling new 7 per cent preferred stock, and by some help from the railroad $500,000,000 revolving fund. Now, so far as this matter applies to public utilities and railroads—and they were made much of in the hearings—they can all be taken care of by simply treating them in a common sense way. Their rates have been held down while all their expenses have gone up. Their purchasing power has been decreased and they have been starved. All you have got to do is to give them for the service they render the same purchasing power that they had before the war, and that is the common sense, fair, decent way to do it. Then they will take care of their own obligations. The confidence of the investing public will be restored, and that has got to be done. Already the Interstate Commerce Commission, which is about the slowest body on the face of the earth to move, has given the eastern railroads a 15 per cent increase on commodity rates. Why they limited it to commodity rates I do not know, but they did. But that is a good deal, and if they had done it six months ago it might not have been necessary for the Government to take over the railroads. They always fish behind the light. They are always late in doing everything. Now, if public utilities everywhere are treated in the same way, they will not need to be helped by the Government or by any such corporation as this.

The largest flotation of the year has already been taken care of, and unquestionably all these things can be taken care of through the banks if they are treated by common-sense methods. There will not be any necessity of direct loans from this corporation to any industry or corporation, if this corporation can occasionally help out the banks which finance the necessary war industries by rediscounting notes based on bonds or collateral. Neither Mr. McAdoo nor Mr. Warburg made out a very good case for the direct loans provided for in section 9.

Mr. GLASS. May I ask what assurance have we that the 15 per cent advance to the railroads is going to amount to anything? Suppose the demand from the railroad employees should absorb the 15 per cent, then you have got to give them 15 per cent more.

Mr. PLATT. If we are going on to grant every demand that comes along, that is what ought to be done. It ought to be known that the people are going to have to pay for these continued advances and demands by increased rates.

Mr. Chairman, I had intended to say something about the necessity of providing some relief for the savings banks, but that was sufficiently covered on Saturday by the gentleman from Tennessee [Mr. HULL], and my own statement in the hearings also covers it. I repeat that my chief objection to this bill is to section 9, which I think unnecessary and dangerous. If it can be stricken out, I should vote for the bill with no very serious misgivings, though without feeling entirely sure that it offers the best solution of the problems at hand.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield to the gentleman from North Carolina [Mr. KITCHIN].

Mr. KITCHIN. Mr. Chairman, I want to make a statement of about a minute. I think we will all agree that at least at 4.30 we ought to adjourn in honor of our deceased colleague. Now, in order to do that, suppose the debate goes along until 4.25, and then I ask unanimous consent, when the committee rises and goes back into the House, that we meet at 11 to-morrow, and that general debate proceed until 10 minutes after 12, and then go into the consideration of the bill under the five-minute rule. I ask if that will be satisfactory.

Mr. MOORE of Pennsylvania. And the remaining debate will be adjusted between those hours?

Mr. KITCHIN. Yes; and your side can have all except five minutes to-morrow.

Mr. STAFFORD. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. STAFFORD. Of course there is much demand for time under general debate that will not be accommodated. If we agree to that plan, will the gentleman have it tacitly understood that in the consideration of the bill under the five-minute rule there will be some latitude for debate?

Mr. KITCHIN. If there is to be any hope in that that we can get through to-morrow——

Mr. STAFFORD. We can not forecast the length of time that will be occupied under the five-minutes rule on this very important bill.

Mr. KITCHIN. It is a very important bill, and we have given two days of general debate to it.

Mr. STAFFORD. The most of the debate has been taken up by the committee.

Mr. KITCHIN. The opposition had all the time it asked for. It was understood between us all that the opposition would have two and one-half hours and that that was satisfactory, although they wanted more. We agreed yesterday afternoon that general debate should close when we adjourned this evening at not later

than 5.30. So if we adjourn at 4.30 and have an hour and ten minutes to-morrow it will be what we agreed upon Saturday.

Mr. HAYES. The arrangement was made that those opposing the bill should have two hours and a half or one-third of the time whatever it was.

Mr. MOORE of Pennsylvania. Will the gentleman yield for a moment? With respect to what the gentleman from California has just stated, I want to say that on Saturday night tender of time was made to the gentleman from California and his colleagues opposed to the bill. This morning the first opportunity was afforded them. The gentleman from California [Mr. HAYES] took one full hour. Subsequently another hour was given to the gentleman from Pennsylvania. That made two hours. Then 15 minutes to the gentleman from New York [Mr. PLATT], so that there has been as fair an arrangement as could possibly be made. Now, 15 minutes more are assured to the gentleman in opposition.

Mr. KITCHIN. I will say, too, that I have cut out eight Members who wanted to speak, so that we could give you gentlemen on that side all the time that was possible and adjourn early this afternoon.

Mr. HAYES. We had an understanding that we were to have one-third of the time, and that would take care of us all right.

Mr. KITCHIN. I asked the gentleman if two and a half hours would be sufficient, and I understood him to say that would be satisfactory. I tried to guarantee him that two hours and a half.

Mr. HAYES. Can not we continue general debate to 1 o'clock to-morrow? There are others who will have something to say.

Mr. KITCHIN. That would be all right if we could hurry up and not ask for extensions under the five-minute rule.

Mr. HAYES. This is an important bill and many amendments are going to be offered.

Mr. MONDELL. It does not seem to me that it will be possible to conclude the bill to-morrow.

Mr. KITCHIN. Let us do the best we can. I will say to the gentleman and to the committee that I am not going to cut off bona fide debate on fair amendments to perfect the bill.

Mr. MONDELL. I thought we could reach an agreement better if we realized how impossible it is to conclude the bill to-morrow night.

Mr. GILLETT. Let me suggest that a good many Members who could not get time in general debate wish to state briefly their position on the bill.

Mr. KITCHIN. That would be under the five-minute rule; yes.

Mr. GILLETT. That will take some little time, I am sure.

Mr. KITCHIN. Let us make this arrangement that I suggested, and I will say to the gentleman from Wisconsin [Mr. STAFFORD] and all others that we will not have any disposition to cut it off.

Mr. STAFFORD. That was the purpose of my making that suggestion.

Mr. KITCHIN. This is a very important matter and we should, if possible, quicken the passage of the bill. There are other bills to come after this which should be disposed of as early as possible. We must have another bond-issue act, and we ought to get that through by at least March 26, for the reason that they hope the Treasury Department can start another liberty-loan campaign on April 6, a very psychological time, as we declared war on April 6 a year ago. It will take a week, or about two weeks, to get the advertisements in shape and the machinery going to put this campaign over, and they can not do that until they know exactly the authorization of the bill. That is the reason I am pushing this as much as possible. Will there be any objection to the request I made awhile ago when we get into the House?

Mr. HAYES. I would suggest that the gentleman make it 1 o'clock.

Mr. KITCHIN. Oh, the gentleman will get his half hour.

Mr. HAYES. If the gentleman says that, all right.

Mr. KITCHIN. The gentleman will get it if we have to give it to him under the five-minute rule.

Mr. CANNON. Mr. Chairman, if the gentleman will yield, I have heard two principal speeches and a part of a third one to-day. I have been very busy about other matters. I could not be here constantly, but when I have dropped in for a few minutes at a time there has been present only about the number that is present here now, so that the real consideration of this bill before the House will be under the five-minute rule. If I am here, as I shall probably not be, most of to-morrow, for I shall have to be in conference, I am going to ask that there be a quorum present.

Mr. KITCHIN. The gentleman means when we get into consideration of the bill under the five-minute rule?

Mr. CANNON. Yes; that is the real debate, and I do not believe that you can close this thing or ought to close it to-morrow.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, this measure, known as the War Finance Corporation bill, is so completely at variance with all previous methods of loans on business transactions and with normal methods of doing business that opposition to it from men experienced in banking matters was perfectly natural. I think I am breaking no committee confidences when I say that my personal idea, gathered from various members of the committee in informal conversation, was that when the original bill was introduced the Committee on Ways and Means was not disposed to favor the legislation. To-day the committee is unanimous for its passage, and two things have brought this result. One, an explanation by the Secretary of the Treasury and by Mr. Warburg of the absolute need of the bill, and, second, various changes that the committee has made from the original form.

That the bill is purely within the scope of a war measure was made very plain in Mr. Warburg's testimony, as was stated by the gentleman from Michigan on Saturday. In answer to a question as to how he regarded this kind of legislation in normal times, Mr. Warburg replied it would be "absolutely rotten." The fact that it is war legislation is recognized in the life of the corporation it establishes, whereby the affairs of the corporation cease within a limited period after the close of the war.

The proposed legislation is extremely drastic, but I for one am convinced that it is thoroughly needed. I agree with criticisms that have recently been made on the floor of the House against accepting every piece of legislation desired or proposed by anyone of the executive departments on the plea that forms in which offered carry with them the only possible correct method.

In a recent issue of the Springfield (Mass.) Union appears a striking cartoon showing Mr. McAdoo starting out for work in the morning. He has seven different jobs, and the final one is the general manager of the $500,000,000 United States corportation. This is further illustrated by the following squib from a Philadelphia newspaper:

Poor Mr. McAdoo!
Think of the jobs he's hitched up to—
The Treasury, the railroad crew,
The income tax, and then a few.
Each week they hand him something new
To tax his time and temper, too.
He has to know when loans are due,
What source to get his billions through,
What fund to pass each dollar to,
Which tax is what, and who is who;
What bonds to sell and what renew,
Which "trust" to coax and which to sue.
He stretches out each day to two
To do the things he has to do.
The job would flounder me or you,
But its a cinch for McAdoo!

[Laughter.]

In the formation of the War Finance Corporation, Mr. McAdoo desired complete authority in the appointment both of the board and of the capital issues committee. This power has been, in name at least, taken away from him in that the appointments must be made by the President and confirmed by the Senate. We have also very much abbreviated the powers of the capital issues committee. Briefly the situation is this. The original bill would not be recognized by its own father. The idea of its need came from the Secretary of the Treasury. The bill giving the necessary machinery to the administration has been framed by the Ways and Means Committee. We recognize that it carries with it huge possibilities of inflation of credits, but this is not the time when normal objections hold good.

Capital must be provided for carrying on the industries necessary in the conduct of the war, and, as the Government is requiring practically the entire business of the country, it is proper that it should furnish the capital with which to carry on the business. All large business requires extension of credit, and that is exactly the foundation of this legislation. The Government is engaged in a stupendous business proposition requiring unlimited capital, and is asking assistance of the going business concerns of the country in carrying on its business. In order to have such business successfully carried on, it must provide the capital through a system of loans and credits. That is what this bill does. It establishes a Government board able to extend cash credit to the banks to the amount of $500,000,000, with an additional loan of two billions through bonds or notes. It not only puts this amount into cir-

culation, but the amount that this will offer as credit when this is itself loaned through the various channels.

The opponents of the bill argue that an extension of the power of the Federal Reserve Board could provide extension of credits to business. The Federal Reserve Board is recognized as a great success in general methods of banking. One of the basic principles of the organization is it handles only liquid paper, whereas in this bill long-time collateral in the issuing of bonds and stock will be accepted. The marked difference between the two is readily recognized and the two kinds of collateral ought not to be handled under the same auspices.

The willingness shown to pass this bill is another illustration of absolute harmony in the management of the war and the desire of all parties to work together to the one aim of its satisfactory conduct and conclusion. [Applause.]

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10608, and had come to no resolution thereon.

HOUR OF MEETING TO-MORROW.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

There was no objection.

ORDER OF BUSINESS.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that the former order closing debate this afternoon be rescinded, and that general debate upon the War Finance Corporation bill close to-morrow at 10 minutes after 12 o'clock.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the former order touching the general debate upon this bill be rescinded, and the general debate proceed until 10 minutes after 12 o'clock to-morrow. Is there objection?

Mr. LONGWORTH. Will the gentleman yield? Suppose somebody should make a point of no quorum, thereby cutting out a portion of the time?

Mr. SISSON. We will not let them do it.

Mr. FESS. Suppose there is some order or——

Mr. KITCHIN. Then, we will make some other arrangement.

Mr. GILLETT. Why not say an hour and 10 minutes for general debate?

Mr. KITCHIN. In order that we may have a certain time? I will ask unanimous consent again if anybody makes the point of no quorum.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

EXTENSION OF REMARKS.

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to extend and revise my remarks.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks on the pending bill. Is there objection? [After a pause.] The Chair hears none.

THE LATE REPRESENTATIVE JOHN H. CAPSTICK.

Mr. BROWNING. Mr. Speaker, it is my painful duty to announce to this House the death of my colleague, the Hon. JOHN H. CAPSTICK, late a Representative from the fifth district for the State of New Jersey. Mr. CAPSTICK died yesterday morning at his home, Montville, N. J., shortly after 10 o'clock. I shall not attempt at this time to say anything regarding his good qualities or eulogize him in any way, but I shall at a future date ask that a day be set aside on which to pay tribute to his character and valuable public services. I send to the Clerk's desk the following resolutions:

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 286.

Resolved, That the House has heard with profound sorrow of the death of Hon. JOHN H. CAPSTICK, late a Representative from the State of New Jersey.

Resolved, That a committee of 16 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was unanimously agreed to.

The SPEAKER. The Clerk will announce the committee.

The Clerk read as follows:

Messrs. EAGAN, GLASS, HAYES, PARKER of New Jersey, PHELAN, WOODS of Iowa, SCULLY, BROWNING, HAMILL, DRUKKER, BACHARACH, HUTCHINSON, RAMSEY, GRAY of New Jersey, LEHLBACH, and LINTHICUM.

The SPEAKER. The Clerk will report the additional resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect this House do now adjourn.

The resolution was agreed to.

ADJOURNMENT.

Accordingly (at 4 o'clock and 32 minutes p. m.) the House, under its previous order, adjourned until to-morrow, Tuesday, March 19, 1918, at 11 o'clock.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of Labor, transmitting a list of useless papers in the Department of Labor (H. Doc. No. 977); to the Committee on Disposition of Useless Executive Papers and ordered to be printed.

2. A letter from the Acting Secretary of the Navy, transmitting a proposed draft of a bill to establish certain new ratings in the Navy (H. Doc. No. 978); to the Committee on Naval Affairs and ordered to be printed.

3. A letter from the Secretary of the Treasury, transmitting copy of communication from the Secretary of the Navy submitting a supplemental estimate of appropriation required by the Naval Establishment for the fiscal year ending June 30, 1919 (H. Doc. No. 979); to the Committee on Naval Affairs and ordered to be printed.

4. A letter from the Acting Secretary of War, transmitting an itemized report of audit of accounts of American National Red Cross for the year 1916, made by the Inspector General of the Army (H. Doc. No. 980); to the Committee on Expenditures in the War Department and ordered to be printed.

5. A letter from the Secretary of the Treasury, transmitting copy of communication of the Postmaster General submitting an urgent estimate of deficiency in the appropriation for public printing and binding for the Post Office Department for the fiscal year ending June 30, 1918 (H. Doc. No. 981); to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 10818) to authorize the county of Loudon, in the State of Tennessee, to construct a bridge across the Tennessee River near London, Tenn.; to the Committee on Interstate and Foreign Commerce.

By Mr. NICHOLLS of South Carolina: A bill (H. R. 10819) to amend an act entitled "An act to amend an act entitled 'An act to provide for the appointment of a district judge, district attorney, and marshal for the western district of South Carolina, and for other purposes,' approved September 1, 1916," so as to change the time of holding courts in the western district of South Carolina; to the Committee on the Judiciary.

By Mr. STEENERSON: Resolution (H. Res. 283) requesting the Secretary of the Navy to furnish information regarding the conduct of the crew of the *Tuscania* at the time of the sinking thereof; to the Committee on Naval Affairs.

By Mr. MASON: Resolution (H. Res. 284) requesting the State Department to make an investigation as to the alleged arrest of Jeremiah Lynch, an American citizen, and the circumstances connected therewith and make a report to Congress; to the Committee on Foreign Affairs.

By the SPEAKER: Memorial from the State of Wisconsin, relating to the loyalty and war work of the State of Wisconsin; to the Committee on Military Affairs.

By Mr. DAVIDSON: Memorial from the Legislature of the State of Wisconsin, in reference to excess profits and war revenue; to the Committee on Ways and Means.

Also, memorial from the Legislature of the State of Wisconsin, in reference to the privilege of sending mail without the payment of postage; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10820) granting an increase of pension to Tyler D. Park; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10821) granting an increase of pension to Isaac Hawk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10822) granting an increase of pension to Sylvester Peters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10823) granting an increase of pension to Cornelius Albertson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10824) granting an increase of pension to Francis McCoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10825) granting an increase of pension to Oliver M. Remington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10826) granting an increase of pension to Asa C. Leach; to the Committee on Invalid Pensions.

By Mr. AUSTIN: A bill (H. R. 10827) granting a pension to James C. Lynch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10828) granting a pension to John H. Smith; to the Committee on Pensions.

Also, a bill (H. R. 10829) granting an increase of pension to Jacob Hamon; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 10830) granting an increase of pension to Daniel L. B. Downey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10831) granting an increase of pension to William L. Stephenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10832) granting an increase of pension to William D. Daniels; to the Committee on Pensions.

By Mr. CRAMTON: A bill (H. R. 10833) granting an increase of pension to Amenzo Hoard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10834) granting an increase of pension to Benjamin A. Sturtevant; to the Committee on Invalid Pensions.

By Mr. HULL of Tennessee: A bill (H. R. 10835) granting a pension to Lafayette York; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 10836) granting a pension to Connell O. Jennings; to the Committee on Pensions.

By Mr. KNUTSON: A bill (H. R. 10837) granting an increase of pension to Alonzo Green; to the Committee on Invalid Pensions.

By Mr. SLEMP: A bill (H. R. 10838) granting an increase of pension to Mary A. Lawson; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H. R. 10839) granting an increase of pension to Aaron McEndre; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10840) granting an increase of pension to Pleasant Crissip; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10841) granting an increase of pension to William Frailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10842) granting a pension to David M. Allen; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ASHBROOK: Evidence to accompany House bill 5256, for special relief for Corline O. Beum; also evidence to accompany House bill 1775, for special relief of Ezra L. Eckis; to the Committee on Pensions.

By Mr. BLAND: Evidence in the case of William D. Daniels, special pension bill; to the Committee on Pensions.

Also, evidence in the case of Daniel L. B. Downey; to the Committee on Invalid Pensions.

By Mr. CAREW: Resolution of the Chamber of Commerce of the State of New York, favoring the payment of the excess-profits tax in installments; to the Committee on Ways and Means.

By Mr. CARY: Resolution of the Wisconsin Daily League, proposing an amendment on the subject of second-class postage rates; to the Committee on Ways and Means.

By Mr. DALE of New York: Resolution of the Central Federated Union of Greater New York and Vicinity, recommending certain action if the Government takes charge of the railroad land; to the Committee on the Public Lands.

Also, petition of Alan R. Hawley, president of the Aero Club of America, protesting against the proposed reduction of pay of aviators; to the Committee on Appropriations.

Also, memorial of the Bohemian National Alliance of America, showing the attitude of the Bohemian people toward Austria and the future peace; to the Committee on Foreign Affairs.

Also, petitions and resolutions of Travelers' Club of Western Pennsylvania; Kinsley Wowan's Club, Kinsley, Kans.; Travelers' Club, Newark, N. J.; Ida Grove (Iowa) Civic Club; Civic Club of Philadelphia; Delta Shakespeare Club, Lake Village, Ark.; America Wood-Preservers' Association; Woman's Civic Club of Radford, Va.; Tuesday Club, River Falls, Wis.; Kappa Alpha Theta Alumnae Club, Greencastle, Ind.; Widmodansis Club, Gordon, Ga.; Luverne Tourist Club, Luverne, Minn.; De Laval Separator Co.; Woman's Press Club, Cincinnati, Ohio; Woman's Council, Akron, Ohio; General Federation Magazine; and Association of National Advertisers, all urging the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. ESCH: Memorial of the Association of National Advertisers, favoring the repeal of the second-class postage provisions of the war-revenue act; also, a resolution of the Wisconsin Daily League, proposing a definite amendment to this part of that law; to the Committee on Ways and Means.

By Mr. FULLER of Illinois: Petitions of Agricultural Publishing Association of Chicago; Ida Grove Civic Club, of Ida Grove, Iowa; Woman's Shakespeare Club, of Fort Worth, Tex.; Kinsley Woman's Club, of Kinsley, Kans.; Pen and Brush Club of New York; Amboy Woman's Club, of Amboy, Ill.; General Federation of Woman's Clubs; Monday Club, of Marshall, Mich.; Dr. A. H. Churchill, of Oswego, Ill.; Mrs. Thomas E. Goode, of Morris, Ill.; Illinois Fireman's Association; Cedar Falls (Iowa) Chapter of Daughters of the American Revolution; and Pierien Club, of Trinidad, Colo., urging the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. HILLIARD: Petition of Nella E. Bradbury, Mrs. V. M. Elston, Helen M. Ames, Mary Sedgley, Mrs. Minnie B. Wade, Miss Sallie Barriger, Mrs. Emma Lane, Mrs. M. L. Parks, Mrs. S. L. McLeese, Mrs. F. M. Montgomery, Guy Cox, Mabel C. Payne, Florentin Ehret, Iris V. Heath, May McCoy, E. E. Shepherd, E. B. Jencks, W. G. Hardy, C. A. Robinson, Mrs. W. A. Whitmeyer, and 46 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, resolutions adopted by the Tuesday Club, of River Falls, Wis.; American Wood Preservers' Association; Kinsley Woman's Club, of Kinsley, Kans.; Woman's Civic Club of Radford, Va.; Thursday Literary Club, of St. Albans, W. Va.; Woman's Century Club, of Nampa, Idaho; Travelers' Club of Western Pennsylvania; Somerset Chautauqua Circle, of Somerset, Ky.; Ida Grove Civic Club, of Ida Grove, Iowa; Peripatetic Club of Brookhave, Miss.; Civic Club of Philadelphia, Pa.; the Luverne Club, of Luverne, Minn.; Association of National Advertisers (Inc.); Delta Shakespeare Club, of Lake Village, Ark.; Minot Art Club, of Minot, N. Dak.; Seattle Class Journal Publishers' Association; and Woman's Press Club, of Cincinnati, Ohio, protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

By Mr. KENNEDY of Rhode Island: Resolution of Army and Navy Committee of Newport, R. I., urging acquisition of Coddington Point, R. I., for Newport Naval Training Station; to the Committee on Naval Affairs.

Also, petitions of A. J. Loepsinger, of Providence, R. I.; R. W. Reid, of Woonsocket, R. I.; and L. D. Burlingame, of Providence, R. I., protesting against withdrawal of House bill 2878 from Committee on Coinage, Weights, and Measures; to the Committee on Coinage, Weights, and Measures.

By Mr. LINTHICUM: Petition of Clayton E. Willard and 236 other employees of the Government Printing Office, urging that the compensation of compositors in the Government Printing Office be increased; to the Committee on Appropriations.

Also, petition of Rev. Charles W. Baldwin, of Baltimore, Md., urging the appointment of an Army chaplain for each 1,200 soldiers; to the Committee on Military Affairs.

Also, memorial and resolutions of Woman's Literary Club of Baltimore; Wednesday Club, Fort Smith, Ark.; Daughters of the American Revolution, Cedar Falls, Iowa; General Federation of Women's Clubs; Monday Club, Marshall, Mich.; Thursday Literary Club, St. Albans, W. Va.; Woman's Civic Betterment Club, Roanoke, Va.; Sorosis Club, Chillicothe, Mo.; Wednesday Morning Club, Cranford, N. J.; Penelope Club, Fort Worth, Tex.; and Pen and Brush, all opposing the zone system for second-class postage; to the Committee on Ways and Means.

By Mr. O'SHAUNESSY: Petition of Dr. Roland Hammond, editor Rhode Island Medical Journal, and resolution of the Providence Medical Association, favoring the Dyer bill (H. R. 9563) and the Owen bill (S. 3748); to the Committee on Military Affairs.

By Mr. REED: Papers to accompany House bill 10809, granting a pension to Isaac Lunham; to the Committee on Pensions.

By Mr. ROSE: Memorial of the Chamber of Commerce of Johnstown, Cambria County, Pa., recommending that the existing revenue law be so amended as to authorize the payment of the total excess-profits taxes in four installments, on the 15th of June, August, October, and December of the year 1918, and each year thereafter; to the Committee on Ways and Means.

Also, memorial of the Chamber of Commerce of Roaring Spring, Blair County, Pa., recommending that the existing revenue law be so amended as to authorize the payment of the total excess-profits taxes in four installments, on the 15th of June, August, October, and December of the year 1918, and each year thereafter; to the Committee on Ways and Means.

By Mr. TEMPLE: Petition of the United Presbyterian Congregation of New Bedford, Pa., to prohibit the manufacture and sale of all intoxicating liquors to conserve food, fuel, shipping space, and men needed in useful employments; to the Committee on the Judiciary.

Also, evidence in support of House bill 10056, increasing the pension of Henry F. Sager; to the Committee on Invalid Pensions.

By Mr. STINESS: Petition of Providence Medical Association, favoring the passage of legislation creating advanced rank for officers of the Medical Corps of the Army; to the Committee on Military Affairs.

Also, petition of Shawmut Lodge, No. 1297, Loyal Order of Moose, favoring passage of the act to incorporate the Supreme Lodge of the World, Loyal Order of Moose; to the Committee on Interstate and Foreign Commerce.

Also, petition of L. D. Burlingame, of Providence, R. I., protesting against the withdrawal of House bill 2878 from the Committee on Coinage, Weights, and Measures; to the Committee on Coinage, Weights, and Measures.

Also, petition of A. J. Loepsinger, of Providence, R. I., protesting against withdrawal of House bill 2878 from the Committee on Coinage, Weights, and Measures; to the Committee on Coinage, Weights, and Measures.

By Mr. YOUNG of North Dakota: Resolutions adopted by the American Society of Equity, favoring Government control of railroads as a war measure; to the Committee on Interstate and Foreign Commerce.

Also, resolution of the American Society of Equity, urging modifications in grain-grading act; to the Committee on Agriculture.

Also, resolution adopted by Farm Managers' Association of Fargo, N. Dak., asking that if deferred classification can not be obtained that the call be postponed until after the crop is planted, owing to necessity of retaining skilled farm labor; to the Committee on Military Affairs.

SENATE.

TUESDAY, *March 19, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we have come to the tragic time when patriotism means death, when the challenge of our devotion to our country puts in the balance the lives of many men, if not our own death the death of our boys whom we love better than our own lives. O God, grant us wisdom and grace as we make every preparation for the test that has been brought to us, that with clear judgment, with conscience void of offense, and with a consecration to the great purpose to which we are committed, we may be led on of God to the complete victory for the ideals for which we stand in the world. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

Mr. MYERS. I present a joint memorial of the Legislature of Montana for the submission of a constitutional amendment to give women the right of suffrage, which I ask may be printed in the RECORD.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

House joint memorial No. 2.

Memorial to the Senate in Congress of the United States to pass an amendment to the Federal Constitution and submit the same to the several States for ratification, extending and giving throughout the United States the right of suffrage to women.

To the honorable Senate in Congress of the United States of America:

Your memorialists, the members of the Fifteenth Legislative Assembly of the State of Montana, the senate and house concurring, respectfully represent:

Whereas the State of Montana has granted the franchise for the ballot to the women of this State and accorded to them equal political rights; and

Whereas the woman's suffrage in this State has been conducive to good government, has purified our politics, made better homes, and the ennobling influence of Montana's womanhood, exerted at the polls, has been for the best interests of this young and prosperous Commonwealth; and

Whereas there is now pending in the Senate in Congress of the United States a measure known as the "Susan B. Anthony amendment to the Constitution of the United States," the purpose of which measure is to propose an amendment to the Constitution of the United States extending and giving throughout the United States the right of suffrage to women, and which measure has been passed by the House of Representatives, and is now pending in the Senate: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That we, the members of the Fifteenth Legislative Assembly of the State of Montana, in extraordinary session assembled, do hereby petition and earnestly pray the Senate of the United States that such measure so proposing an amendment to the Constitution of the United States extending and giving throughout the United States the right of suffrage to women, be passed and submitted to the several States for ratification; and

Resolved further, That a copy of this memorial be forwarded by the secretary of the State of Montana to the Senate of the United States; and that copies hereof be transmitted to the Senators in Congress of the United States from the State of Montana.

JAMES F. O'CONNOR,
Speaker of the House.
W. W. MCDOWELL,
President of the Senate.

Approved February 23, 1918.

S. V. STEWART,
Governor.

Filed February 23, 1918, at 2.30 o'clock p. m.

C. T. STEWART,
Secretary of State.

UNITED STATES OF AMERICA,
State of Montana, ss:

I, C. T. Stewart, secretary of state of the State of Montana, do hereby certify that the foregoing is a true and correct copy of house joint memorial No. 2, petitioning the Senate in Congress of the United States to pass an amendment to the Federal Constitution and submit the same to the several States for ratification, extending and giving throughout the United States the right of suffrage to women, enacted by the extraordinary session of the Fifteenth Legislative Assembly of the State of Montana, and approved by S. V. Stewart, governor of said State, this 23d day of February, 1918.

In testimony whereof, I have hereunto set my hand and affixed the great seal of said State. Done at the city of Helena, the capital of said State, this 12th day of March, A. D. 1918.

[SEAL.]

C. T. STEWART,
Secretary of State.

Mr. MYERS presented a petition of the live-stock division of the National Food Administration for Montana, of Missoula, Mont., praying for the opening of certain withdrawn areas for the purpose of grazing, which was referred to the Committee on Public Lands.

He also presented a petition of the live-stock division of the Food Administration for Montana, praying for the enactment of legislation giving homesteaders credit for certain work performed on the homestead, which was referred to the Committee on Public Lands.

He also presented a petition of the live-stock division of the Food Administration for Montana, praying for the suspension of the operation of the 640-acre homestead act during the war and for one year thereafter, which was referred to the Committee on Public Lands.

Mr. KNOX presented a petition of sundry citizens of Altoona, Pa., praying for the adoption of an amendment to the Constitution to prohibit polygamy, which was referred to the Committee on the Judiciary.

He also presented petitions of sundry citizens of Philadelphia, of Local Branch No. 47, Glass Bottle Blowers' Association, of Sheffield, and of the National Woman's Party of Chambersburg, all in the State of Pennsylvania, praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

He also presented a petition of Typographical Union No. 77, of Erie, Pa., praying for an increase of pensions to veterans of the Civil War, which was referred to the Committee on Pensions.

He also presented a petition of the Newspaper Publishers' Association, of Pittsburgh, Pa., praying for the recoinage of the 2-cent piece, which was referred to the Committee on Banking and Currency.

Mr. THOMPSON. I have here resolutions passed by the Kansas State Live Stock Association at the annual convention in Wichita February 28, which I ask may be printed in the RECORD without reading. They are very short.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Whereas the President of the United States has declared that our present and immediate task is to win the war; and

Whereas he has set forth that the chief aim of the war is to secure a permanent peace guaranteed by a partnership of free nations: Therefore be it

Resolved, That the Kansas State Live Stock Association pledge its loyal support to the Government of the United States in the prosecution of the war; and further be it

Resolved, That the members of the Kansas State Live Stock Association, individually and as a body, in every available manner make known the high purpose and object of the war, to the end that at its conclusion a league of nations to safeguard an enduring peace may be established; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, the Senators representing the State of Kansas at Washington, and to the Hon. William H. Taft, president of the League to Enforce Peace, 70 Fifth Avenue, New York City.

Mr. GRONNA. I have a brief telegram from citizens of my State, which I ask to have printed in the RECORD, and also a letter in regard to Federal prohibition and conservation of food, which I ask to have printed in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

HATTON, N. DAK., *March 16, 1918.*

Senator ASLE GRONNA,
Washington, D. C.:

Three hundred citizens of Hatton and vicinity, North Dakota, respectfully request Congress prohibiting during war and reconstruction period the manufacture, sale, and transportation of all intoxicating liquors and nonessential beverages consuming large quantities of cereals, foodstuffs, man power, and transportation facilities now needed for winning of war.

T. T. JORNHOM.
T. E. TUFTE.
E. G. KERR.

NORTH DAKOTA WOMAN'S CHRISTIAN TEMPERANCE UNION,
Fargo, N. Dak., February 15, 1918.

Hon. ASLE J. GRONNA,
Washington, D. C.

DEAR SENATOR: The executive committee of the Woman's Christian Temperance Union of North Dakota, in session at Fargo, February 13, 1918, by a unanimous vote extend to you the thanks of the 3,000 women whom they represent for your work and vote for the Federal prohibition amendment.

We also most respectfully urge and petition you to use your influence and vote for the enactment of a law prohibiting the manufacture and sale of any intoxicating beverages during the war and the period of demobilization. We also urge that Congress request England and France to forbid their people to sell or give any intoxicating liquors to our soldiers.

Yours, sincerely,

ELIZABETH PRESTON ANDERSON,
President.
BARBARA H. WYLIE,
Corresponding Secretary.

REPORTS FROM COMMITTEE ON MILITARY AFFAIRS.

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred the bill (S. 3874) providing medals for certain persons, reported it with amendments and submitted a report (No. 317) thereon.

Mr. HITCHCOCK. From the Committee on Military Affairs I report back favorably, without amendment, the bill (H. R. 9571) to authorize the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands drafted into the service of the United States, and for other purposes, and I submit a report (No. 319) thereon. I ask that the bill take the place on the calendar of the Senate bill 3780, of a similar title, and that the Senate bill be postponed indefinitely.

The VICE PRESIDENT. Without objection, that action will be taken.

Mr. HITCHCOCK. From the Committee on Military Affairs I report back favorably, without amendment, the bill (H. R. 9903) to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes, and I submit a report (No. 320) thereon. I ask that the bill just reported by me take the place of Senate bill 3800, of a similar title, now on the calendar, and that the Senate bill be postponed indefinitely.

The VICE PRESIDENT. Without objection, that action will be taken.

NATIONAL DEFENSE.

Mr. FLETCHER. Some weeks ago I introduced the bill (S. 4013) to amend certain sections of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and for other purposes, which was referred to the Committee on Military Affairs. The committee has had that bill under consideration, and the action taken was to report an original bill, which I now do. The precedent, I believe, in similar instances where a bill was reported by the Senator from Oregon [Mr. CHAMBERLAIN] from the Committee on Military Affairs was that the bill was twice read and placed on the calendar. I therefore report this bill and ask that it take that course.

The bill (S. 4138) to amend certain sections of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and for other purposes, was read twice by its title.

The VICE PRESIDENT. The bill will be placed on the calendar.

STATUE OF JAMES BUCHANAN.

Mr. KNOX. From the Committee on the Library I report back favorably, without amendment, the joint resolution (H. J. Res. 70) authorizing the erection on the public grounds in the city of Washington, D. C., of a statue of James Buchanan, a former President of the United States, and I submit a report (No. 318) thereon. I ask unanimous consent for the present consideration of the joint resolution.

The VICE PRESIDENT. Is there any objection?

Mr. SMOOT. What was the request of the Senator?

Mr. KNOX. I ask unanimous consent for the present consideration of the joint resolution.

Mr. SMOOT. I object, Mr. President.

The VICE PRESIDENT. The joint resolution will be placed on the calendar.

DEVICES FOR PROTECTION OF TELEGRAPH AND TELEPHONE WIRES.

Mr. OWEN. On March 13 I introduced Senate resolution 214, calling for certain information, and I ask that leave be granted to dispose of it. It is a very short resolution. I will ask the Secretary to read it, if there be no objection.

The VICE PRESIDENT. It will be read.

The Secretary read Senate resolution 214 submitted by Mr. OWEN on the 13th instant, as follows:

Resolved, That the Secretary of War is hereby requested to immediately advise the Senate as to the available devices known to the War Department to prevent spies from tapping telegraph or telephone wires over which messages are sent by the War Department and to what extent such devices are employed.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

CASUALTY LISTS OF AMERICAN EXPEDITIONARY FORCES.

Mr. NEW. On March 9 I submitted a resolution, Senate resolution 211, and on March 11, at my request, it was referred to the Committee on Military Affairs, and it has been favorably reported from the committee. I should like to ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution is not on the calendar. It is in the committee.

Mr. NEW. I will ask unanimous consent to present it at this time with a favorable report from the committee. I was under the impression that it had been reported. It has had favorable action by the Committee on Military Affairs.

Mr. SMOOT. Let it be read.

The VICE PRESIDENT. The Senator from Indiana assumes the responsibility of reporting the resolution?

Mr. NEW. I do.

The VICE PRESIDENT. The Senator from Indiana, from the Committee on Military Affairs, reports the resolution which will be read.

The Secretary read Senate resolution 211 submitted by Mr. NEW on the 9th instant, as follows:

Whereas it has been stated in the public press of this date that the War Department in publishing the casualty lists of the American Expeditionary Forces now abroad will hereafter give names of soldiers only, withholding anouncement of their residence and next of kin: Therefore be it

Resolved, That the War Department be requested to inform the Senate if such an order has been issued, together with the reasons for it, if not inconsistent with the interest of the service.

The VICE PRESIDENT. The Senator from Indiana asks unanimous consent for the present consideration of the resolution.

Mr. FLETCHER. May I inquire if the resolution was referred to the Committee on Military Affairs?

Mr. NEW. It was.

Mr. FLETCHER. And is now reported by the committee?

Mr. NEW. Yes, sir.

Mr MYERS. Is there a request for immediate consideration?

The VICE PRESIDENT. There is.

Mr. MYERS. I object, and I will state to the Senator from Indiana why, with all due respect to him. My reason for objecting is that I am opposed to the resolution, and I shall oppose it whenever it comes up for action.

Mr. TOWNSEND. I trust the Senator will not object to the information being given to the Senate. That is all it asks for, and it is a serious matter with every Senator. Correspondence is constantly coming to us and we have no way of answering it. Would there be any possible reason why the department should not give us this information?

Mr. MYERS. I am opposed to the resolution. The information has already been given. A statement has already been given out by the War Department to the public press of this

city, which we can read as well as others, that it is done at the request of Gen. Pershing; and for me that is sufficient. When our commander in chief on foreign soil says he wants this done I think that is enough, and it would seem to me that it was time that the War Department was doing something or other that is not subject to criticism by this body and by the Senate Committee on Military Affairs.

Mr. TOWNSEND. Does the Senator know that Gen. Pershing wants this information suppressed? That is one of the things the Senate would like to understand.

Mr. MYERS. It was given out by the War Department in an authorized statement to the press of the city, and if the Senate Committee on Military Affairs wants any further information I think the proper source would be for the committee to ask the Secretary of War or some representative of the War Department to come before the committee and give the reasons for it.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. MYERS. For the reasons I have stated, I will object.

The VICE PRESIDENT. Then it goes to the calendar.

COAL OUTPUT IN COLORADO.

Mr. THOMAS. Mr. President, I have the honor to submit the last information from the seat of fuel activities in Colorado. It is conveyed by telegram, from which I quote:

Herewith report on tonnage loss by mines, being down to Saturday: Fifty-five mines, total 21,200 tons; men at mines out of employment that day, 4,335. Normal output of all mines in State per day is about 40,000, or 1,000,000 tons a month. Saturday's loss, therefore, shows loss of over 50 per cent.

Mr. SMITH of Michigan. Over what period?

Mr. THOMAS. Fifty-one per cent of last year's output. Twenty-one thousand two hundred tons a day, Mr. President, are the equivalent of 636,000 tons a month, 7,622,000 tons per year. Four thousand three hundred and thirty-five men out of employment at $5 a day is the equivalent of $21,675 a day, or $650,250 a month.

Mr. BANKHEAD. May I ask the Senator from Colorado if he is informed of any reason for this? I should like to have the reason stated.

Mr. THOMAS. Yes; on the 8th day of March the Fuel Commissioner issued an order reducing the price of coal to the operators at about the equivalent of cost, together with a further reduction to take effect beginning with the summer month of April, which at our altitude of more than a mile above sea level is a month quite as rigorous and disagreeable as are December and January.

I regret, Mr. President, to make these constant reports to the Senate, but I have exhausted every other means to secure redress and publicity is consequently my last alternative.

Mr. OWEN. Mr. President, I observe in the morning press, I would like to say to the Senator, that Great Britain is actively employed in keeping up her export business in order that she can carry on her business after the war ends and not disintegrate her industries. I think the Fuel Administrator might be better advised if he would not take the steps necessary to close down American industries but to keep American industries active.

Mr. THOMAS. I think the Fuel Administrator is discharging the duties of his office as he thinks he should. I make no reflection either upon his good intentions or upon his desire to comply with the law. But unfortunately there is a certain place mentioned in holy writ which is paved with good intentions.

Mr. OWEN. I should like to say to the Senate that recently the glass factories of Oklahoma that use natural gas were closed down under the influence of this branch of the Government, and that gas will be in a measure dissipated through the layers of earth because those wells are now plugged up and the material will be wasted. The men in those glass factories are thrown out of employment, and the only effect of it was to permit those who had the glass already made to raise the price of glass upon the American people while these laborers were thrown out of employment.

Mr. THOMAS. I think it was Rochefoucauld who said that we derive some pleasure from the misfortunes of our friends.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 4139) repealing certain provisions contained in the urgent deficiency act approved December 22, 1911; to the Committee on Claims.

By Mr. TILLMAN:

A bill (S. 4140) to establish certain new ratings in the United States Navy (with accompanying paper); and

A bill (S. 4141) providing for the better administration of justice in the Navy (with accompanying paper); to the Committee on Naval Affairs.

By Mr. FRELINGHUYSEN:

A bill (S. 4142) for the relief of Mary A. Sutton; to the Committee on Military Affairs.

EXCESS RENTALS IN THE DISTRICT OF COLUMBIA.

Mr. GALLINGER submitted an amendment intended to be proposed by him to the bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, which was ordered to be printed and, with the accompanying papers, referred to the Committee on the District of Columbia.

AGRICULTURAL APPROPRIATIONS.

The VICE PRESIDENT. The morning business is closed.

Mr. GORE. I move that the Senate proceed to the consideration of House bill 9054, being the Agricultural appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

Mr. NORRIS. Mr. President, when the producer fails to produce, the consumer will not be able to consume. We are told, and we are told truly, that one of the essential elements in this great war is the question of food, of production. There never has been a time, Mr. President, in the history of the world when the question of the production of food was of as great importance as it is now. There never was a time before in the history of the world when the production of food was absolutely vital to success. In all other contests there have been enough neutral nations, enough neutral people, to supply food for the armies and the belligerents, even though the production of food in the belligerent nations had absolutely ceased. But, Mr. President, in this war, with practically every civilized nation of the entire world engaged as a belligerent on one side or the other, there is an absolute necessity for the production and the conservation of food that never before existed in history. Of all those articles of food necessary for our Army, for our people, for the armies and the people of our allies, and for the people of some of the neutral nations, perhaps the most important one is wheat.

There is a shortage of wheat in the world. There is not enough wheat to go around. The people of the world will not be able in the next year to eat all the flour that under ordinary circumstances they would consume; and regardless of the price, regardless of what it costs, unless we are to run great risk of collapse, there must be a production of wheat greater than under ordinary conditions. We must have bread. The world must have bread. It must have wheat. We want to conserve every kernel of it. Therefore any system that will encourage the production of wheat is a step in the right direction, and a necessary step. A corollary to it all is that the man who produces wheat must receive a financial return that will pay him at least a reasonable profit for its production compared with the profit growing out of the production of other things that can be produced on the same soil.

Congress had that in view, Mr. President, when in the act of August 10, 1917, known as the food-control act, it gave to the President the right and the authority to fix a minimum price on wheat; and I want to clear away now a misunderstanding that exists to some extent in the country, and I think to a small extent even in Congress, that Congress by legislative act fixed a minimum price, or a price of wheat for the 1917 crop. In the food act, after giving the President the authority to fix the price of wheat for 1918 and subsequent years if the war should last, Congress fixed the minimum price of wheat of the 1918 crop—that is, the crop that will be harvested in 1918—at not less than $2 a bushel.

Mr. REED. Mr. President——

Mr. NORRIS. I yield to the Senator from Missouri.

Mr. REED. I think the Senator has made a statement that he would not want to let go without attention being called to it. If I understood him correctly, he said that the food act had given the President the authority to fix the price of wheat. It gives authority to fix a minimum price.

Mr. NORRIS. I meant a minimum price. I thank the Senator.

Mr. REED. I want to say, and I want to keep on saying it until I have impressed it on every man in the Senate, that there is not in the food bill the authority to fix the price of a single foodstuff.

Mr. NORRIS. No.

Mr. REED. And any man who has undertaken it has been a usurper, and just to the extent that he has succeeded he has been a lawbreaker.

Mr. NORRIS. Mr. President, when Congress said that the price of wheat for the 1918 crop should not be less than $2 per bushel, it had no idea, it had no intention, of interfering with the ordinary law of supply and demand for any price that might exceed that figure. There was no idea of interfering with the law of supply and demand except to say to those who would plant wheat for the 1918 harvest that they should be paid at least $2 a bushel for it. No one here or elsewhere, as far as I know, had any idea that anyone thought for a moment that we were delegating to anybody the power to fix, or that we were fixing by statute, an absolute price for that crop. We passed the statute because some thought that the war might end before the 1918 crop could be harvested, and therefore there would be danger that people would not expand their wheat-planting operations as they otherwise would, for fear that if before their crop was harvested the war should end and the price should go down they would not be able to get enough to pay the actual expenses of putting in the crop, even the seed of which at that time was very high.

I want to call attention now to that particular phase of this question so that we may get what I believe to be the true perspective.

There was no intention of interfering with the law of supply and demand. There was no attempt even to fix a minimum price for the crop of 1917. But in the same law we gave to the President the power to license the elevators and mills, and so forth; and our Government being one of the largest buyers of wheat for our Army and our Navy, for the armies and the navies of our allies, for the people in all the allied countries, and even for the people in neutral countries, having power to buy that wheat, to license elevators and millers absolutely, it had the power to fix the price—indirectly though it may be, but effectively, without any question, the absolute price—of the 1917 crop, which had been produced and was in existence on the 10th of August, when that law became effective. So that the price which has been fixed by the President for the 1917 crop has been by virtue of those indirect powers, and on account of no direct statute of Congress, and Congress in no way undertook to fix by statute the price of the 1917 crop.

When we had that bill up, Mr. President, I voted against the provision fixing the price. That was before the Food Administration had gone into operation, although, if I remember rightly, I called attention to the fact that the other powers that were in the bill might enable the President to make the minimum price the maximum price. That is, in substance, what has been done. As I said, it was the theory of Congress to let the law of supply and demand take its course, if the war did not stop in the meantime. The day we passed the law wheat was selling at $2.50 to $3 a bushel in different parts of the country, although the market then was uncertain because of the uncertainty of the provisions of the pending food bill. Later on, before I close, I shall read some of the testimony of Mr. Hoover, given before the Agricultural Committee, in which he fully bears out the statement I have just made—that no one favoring the food bill had any idea that the powers conferred by it would be used to depress the price to the producer.

As I said, I voted against fixing that price at that time. I did not want to interfere in any way with the powers that we had given to the President in the matter, and it seemed better not to fix the price by statute. Since that time the Food Administration has been in active operation and the President has fixed the price of wheat of the 1917 crop and the 1918 crop, in both instances much lower than the crop would have sold for if the law of supply and demand had been allowed to take its course; and that is absolutely contrary to the very intention of Congress in the legislation. Every man who had wheat of the 1917 crop in the United States when the price was fixed practically donated $1 for every bushel he owned.

I think the farmers would have been willing to do that without complaint if at the same time the things they had to buy were likewise cut down in the same proportion; but this was not done, although the same law gave the President the power to do it. The wheat producer of the crop of 1917 had the price of every bushel cut down practically $1, while he saw the price of nearly everything he had to buy go soaring to the skies.

The result of fixing the price of wheat at a much lower figure than it otherwise would receive and sell for in the open unrestrained market has been to increase the demand and therefore the price of all wheat substitutes. That means that the consumer must pay a higher price for all those substitutes.

Mr. REED. For an inferior article.

Mr. NORRIS. Yes; for an inferior article.

Mr. REED. They make him buy it.

Mr. NORRIS. Yes; as the Senator from Missouri says, they make him buy it. They make him buy it even when he can not use it.

The object in getting the price of wheat down was to help our allies, to whom we must ship a large quantity of wheat, and who use the wheat rather than the corn and some other substitutes that we can use here. So that for the sake of getting a lower price of wheat for the allies we increased the price of corn and barley and rye and oatmeal and rice and almost every other article of food to all the American people, even conceding that we lowered the price of wheat to them. The amount of wheat that each individual eats in a year is a comparatively small matter when taken in dollars and cents. Now, Mr. President, I concede that we ought to get the wheat to the allies as cheaply as we can without doing an injustice to anybody else; but we are under no obligations to compel the American farmer to produce that wheat at a less profit than the same soil can be used to produce a substitute for wheat. That is unfair, unjust, and ought not to be required.

But that is speaking, you might say, just from the selfish standpoint. That is speaking just from the standpoint of profit. We ought to take, also, a broader view. As I said in the beginning, if the producer ceases his operations the consumer can not eat. In the end, Mr. President, it will be found that the consumer will suffer more than anyone else where the producer must produce at a loss, because he ceases to produce, and if the food is not produced, all the price fixing under heaven can not get it to the consumer. If it is produced in abundance, the effect will be to get it to the consumer at a lower price.

Now, there are three views to take of this matter. I have gone over them all briefly.

First, without regard to cost or anything else, we must have the wheat. If there were nothing else in it, no matter what it would cost, we must have the wheat produced. It is better to have wheat even at a high price than not to have wheat at all.

Second, it is unjust and unfair, even an injury to the consumer, that the wheat should be produced at less than cost and without a profit to the man who produced it when he can put his land to other uses and produce the substitutes at a profit.

Third, that kind of price fixing interferes with production and lessens it, and, on the broad world basis, if you lessen the production of a staple article like wheat, that we must have all over the world, to the extent of making it less profitable than the production of other cereals on the same soil, you have in the end increased the cost of living of everybody and made victory for our cause more remote and difficult.

Mr. SHERMAN. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. SHERMAN. It is not alone the production of wheat, which, I think, is exaggerated somewhat in its necessity, but it is a fact that we do not conserve its substitutes that we have. I read from an unusual authority in the Senate, from the sixth chapter of John, of the New Testament:

> When Jesus then lifted up His eyes and saw a great company come unto Him, He saith unto Philip, Whence shall we buy bread, that these may eat?
>
> * * * * * * *
>
> Philip answered Him, Two hundred pennyworth of bread is not sufficient for them, that every one of them may take a little.
>
> One of His disciples, Andrew, Simon Peter's brother, saith unto Him, There is a lad here which hath five barley loaves and two small fishes, but what are they among so many?

I have just been reading from the Statistical Abstract of the United States where more than 2,000,000,000 gallons of beer were brewed out of this same barley that might have been wasted for bread. We will never learn to fight an autocracy on this plan, because the American people are not a beer-drinking population. The authority given in the food act, commonly known as the Hoover act, says that "whenever the President shall find that limitation, regulation, or prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes," is necessary to conserve other resources, he may prohibit the use of them.

I am ready to testify that not only in Biblical times, when the new dispensation began, barley loaves were nutritious but that they are fit to eat now. I eat partly barley bread. If the Senator will permit me trespassing upon his time a little, it is as nutritious for a person engaged in physical exercise as wheat bread and much healthier for persons engaged in a sedentary occupation. But that is one of our resources that there is no conservation of. The price-fixing problem is not one of my institution; it came by other authority than by my vote. Like the junior Senator from Missouri, I had a pair, and did not vote. I would have voted against it if the Senator with whom I was paired had been present. We have engaged in

this enterprise, which I think is an endless task. Having embarked in it, we must pursue it to its logical conclusion. While we are doing that, instead of taking all these untoward means to increase the consumption, we had better save what we have now. If our allies can not eat corn bread, we can. If they can not eat barley loaves, as they did in Galilee, we can send them the wheat, and save the barley and the corn and the rice used in brewing beer and its imitations in this country, so that we may have an increased quantity for our home consumption.

Mr. NORRIS. Mr. President, I had not intended to talk about the conservation of food, because the particular motion before the Senate is not one of conservation, it is one of production; but since the Senator from Illinois [Mr. SHERMAN] mentioned it, I will say that, as far as I am concerned, I am ready to discuss here in the Senate the question of beer. I do not believe a bushel of wheat or any other food product in America ought to be used to make beer while we are in this war and trying so hard to conserve food. They not only use millions of bushels of grain but they use thousands of tons of coal and thousands of cars in the manufacture and transportation of beer. Since the 10th day of August when that act was passed it has been in the power of the President to suspend every brewery and close every saloon in the United States. I am sorry he has not suspended them. I voted when we had that bill up here for a provision that would have suspended them without the intervention of any act of the Executive, but from that time on every brewery and every saloon in the United States has been operating at the mercy and with the consent of the President, who has had the power at any moment by a stroke of the pen to conserve all the food that they put into beer.

Mr. President, as a fundamental proposition I do not believe in legislative price fixing or in governmental price fixing. I can see where it is necessary, where there is a combination or a monopoly which unduly enhances the price to the consumer; and that was the main object, as I understood it, of the food administration bill, so as to prevent between the producer and the consumer, by those who must necessarily or unnecessarily handle the product an undue and an unfair and an unjust enhancement of the price. Nobody ever contended that in the production of foodstuffs on the farm there was a combination or a monopoly of those who produced them. There are too many of them and they are too widely separated, even if they had the inclination. So there was no necessity for the Government to step in and set the price that the producer should get. There might be in the travel of this food from the producer to the consumer many places where governmental interference might be justified and ought to be undertaken. As an illustration of the necessity of such an instance I might mention the packers. However, the administration, while regulating them, permits them to make a profit of from 9 to 15 per cent under rules which will result in many instances in a much higher rate of profit on the actual money invested in the business while the feeder is actually losing money on every head he fattens. The idea of the law was to regulate monopoly—to prevent profiteering, not to drive the producer out of business by compelling him to produce at a loss.

But, Mr. President, contrary to that theory, contrary to the very intent of that law and of Congress when it passed it the price of wheat to the producer has been fixed by the President and fixed at a price that is lower, as every man who has studied the subject must admit, than he would otherwise have obtained under the law of supply and demand uncontrolled and uninterfered with.

Now what is the condition? The proposition now is to make that price $2.50 for the 1918 crop, and Senators object to it because they say it is a legislative fixing of the price. It is a legislative attempt to remedy a situation that as the Senator from Illinois says we are already into; we can not get out of it. This price has been fixed by Executive order so low that the law of supply and demand with the producer of wheat all over this country has been nullified, and this is an attempt in reality to come somewhere near putting that law back into force and effect.

I wish to read a little of the testimony from some of the witnesses.

Mr. REED. Mr. President, the Senator is probably going to read some testimony to show the necessity for doing something, but he has just made a statement in regard to the law of supply and demand having been interfered with that was very forcibly and clearly put. However, he did not state how it had been interfered with. I desire merely for the sake of illustrating the Senator's statement to call attention to the fact that the proposition we now have before us is to fix a price by law or to permit a price to be fixed by monopoly agreements which have been made for the purpose of controlling the price, and if the Senator will permit me——

Mr. NORRIS. I yield.

Mr. REED. I will read from a speech of Mr. Julius H. Barnes, who is the head of the Food Administration wheat section. Mr. Barnes is a great board of trade man, thoroughly familiar with the wheat business, and in his speech, which he made January 17 at the La Salle Hotel, in Chicago, he relates how the food bill came into conference, and he uses this language:

> And the food bill finally passed, declaring its purposes to be to prevent private control and establish public control of necessities—and then without a single effective weapon in it—

Now, notice—

> except an obscure clause which permitted voluntary agreements. And this bill, which came out of conference curtailed, robbed, and shorn of its power, was the only bill on which we had to build, and almost in 48 hours a plan had to be constructed to take control of the wheat crop of America, and to so fairly control it that it could be apportioned not only to satisfy our needs but to discharge obligations to our allies, which we were beginning to recognize as pressing and sacred. And it was only through the clause of voluntary agreements that any effective control was possible under the food bill as it passed—

Now, notice this language—

> that we sought to create a price monopoly in this country by that weapon of voluntary agreements, when by enlisting so many of the mills with us, enlisting them to aid us by working under our direction, and, through the grain corporation, securing in our hands the agreement of the allies that all of their needs should be provided through that channel, taking advantage of the fact that the embargo had shut the neutral from our market. It was on that basis that a public control was proposed of this most vital crop. And when we had established by voluntary agreements a practical monopoly, the responsibility to make the price on the chief crop of America almost appalled us. Then a price commission was evolved, and after considerable hesitation they recommended to the President of the United States that a fair price, all things considered, was $2.20 per bushel for the No. 1 grades at Chicago; and in response to the obligation laid upon the grain corporation by the President, we have endeavored from that day to this to fairly reflect that Chicago basis into every grade and every market.
>
> It was on September 4 that that price was put into effect as a buying basis by the grain corporation, and from September 4 to this time there has been no fluctuation even of minor wheat in the wheat price of America.

Will the Senator let me say here, just in addition to this remarkable statement, that these so-called voluntary agreements are not voluntary agreements?

Mr. NORRIS. Of course they are not.

Mr. REED. The miller is brought in. He is told by the law he must take out a license, and he is in effect, if not in words, told that as a condition of that license he must comply with all the orders that come down to him, and among those orders that have been issued to him, and I have some of them, has been an absolute command that he shall pay only a certain amount for his wheat. In addition to that, he has been forced to sign agreements which compelled him to pay to the grain corporation 1 per cent on all the wheat handled by him. As I stated the other day, that will amount to over $12,000,000 this year.

Tuesday, March 19, 1918.

Mr. NORRIS. Mr. President, when the Senate adjourned last night I was about to take up a brief consideration of some of the evidence that has been introduced before the Committee on Agriculture and Forestry on the question of wheat and wheat prices. Before I take up that evidence I want to read an extract from the testimony given by Mr. Hoover, the Food Administrator, before the passage of the food-administration bill last summer. His testimony was given before that committee on the 19th day of June last. Mr. Hoover was speaking in reference to the food-administration bill, which was then pending before the committee, and among several other statements he testified as follows:

> From a number of current illusions about the legislation proposed, the first is the illusion in some quarters that the bill is directed against the producer. It would not be necessary to traverse this statement to anyone that had read the bill. It specifically excepts the producer from every one of its provisions, with the exception of one section, and that is the provision for a guaranty, and this section is designed to entirely benefit and secure the producer. The savings of the American consumer ought not and should not be made by a sacrifice on the part of the producer. They should be made by the exclusion of speculative profits from the handling of our foodstuffs.
>
> The second illusion is that there is price fixing by this bill. There is no provision for price fixing, and no such thing can be carried out under the bill. What we hope to do is to stabilize prices by various devices and to regulate the profits and speculation out of handling commodities.

Mr. President, I agreed most fully with Mr. Hoover at that time, and I agree now, that that was the intention of Congress when it passed that legislation. Had nothing been done in the administration of the law contrary to the ideas outlined by Mr. Hoover, I do not believe we should be surrounded by many of the difficulties which now confront us so far as production is concerned. Under that statement, which was made by the man who was going to be, as everybody knew, in charge of the administration of the law, I think every producer of every character everywhere in the country had a right to assume that if,

in answer to the request of his fellow citizens and of the Government, of the President, and of the Food Administration, he went ahead in the production of food products, he would be rewarded at least fairly for the outlay and the effort. The patriotic farmers of our country manfully responded to that appeal, only to discover later that the wheat producer and the meat producer were to be recompensed under the very law that was intended for their protection, by an arbitrary fixing of their prices that brought to them a loss as compared to other products where the law of supply and demand was permitted to have its usual sway.

Mr. SHAFROTH. Mr. President, I desire to ask the Senator from Nebraska from what pamphlet he is reading?

Mr. NORRIS. I am reading from the hearings before the Committee on Agriculture and Forestry, and specifically from part 2, page 92, of the testimony of Mr. Simpson, who quotes the testimony which was given by Mr. Hoover on the 19th of June, 1917, before the committee.

Mr. SHAFROTH. Have we a report of the testimony of Mr. Hoover on the day referred to?

Mr. NORRIS. Yes, sir; I assume that we have. I have no doubt of that. I was present and heard the testimony. I can not quote it literally, but I assume this is a correct and literal quotation of Mr. Hoover's testimony.

Mr. SHAFROTH. It is a most significant statement and one that ought to be placed beyond question.

Mr. NORRIS. There is not any question about it.

Mr. GORE. Mr. President, I may say that I have on my desk an official copy of Mr. Hoover's testimony from which the quotation read by the Senator from Nebraska was taken.

Mr. NORRIS. Mr. President, I am not going to repeat my statements of yesterday in regard to wheat conditions, but I am going to read just a small portion of the testimony of one or two of the witnesses who appeared before the Committee on Agriculture and Forestry, and the testimony will illustrate the general rule. Testimony to the same tenor has come to the committee from practically all over the United States; I do not know of any exception to it. There appeared before the committee a Mr. Simpson, of Oklahoma. Mr. Simpson is known by the Senators from Oklahoma, and particularly by the chairman of the committee [Mr. GORE]. He would impress anyone who heard him and listened to his statement as being a fair-minded, honest, patriotic, intelligent citizen. He was and is an actual farmer; he is president of the Farmers' Union of Oklahoma; he is also the president of the Association of Presidents of Farmers' Unions. In speaking of the condition of wheat in Oklahoma, he testified as follows:

In Oklahoma we make around 3,000,000 acres of wheat, or better, and I believe there is at least a third of that wheat that can not possibly make more than from 4 to 6 or 7 bushels to the acre right now. It would not make any difference how favorable the weather is from now on, it could not make more than from 4 to 6 or 7 bushels to the acre, and with the $2 price on wheat at Chicago, as it is now for 1918 crop, it would not be worth while to let that wheat stand; we would have to use the ground for something else. If the price was made sufficiently high so that we could afford to let that wheat stand and harvest it, it would save probably several million bushels of wheat.

Mr. President, Mr. Simpson has given the condition of a large part of the winter wheat in the winter-wheat belt. I know it can be said—and ordinarily that would control my vote and settle the question with me—that we are under no obligation to pay a high price for wheat when the yield of the wheat is small and when the ground would be worth more if put into something else. Under ordinary circumstances I would not offer this as one of the reasons why we ought to increase the price of wheat, but confronted, as we are, with a shortage of wheat, with a shortage of bread, and with a necessity for a large production of wheat with which to feed ourselves, our Army, the allies, and the neutrals, knowing that the crop of 1918, under the most favorable conditions which can exist from now on, is going to be short—under those circumstances we ought to make it within reasonable bounds an object to men who have wheat now standing not to plow it under this spring in order to put the land in corn or some other crop. I submit that that is one of the things we ought to consider. If we can save five or six million bushel of wheat by increasing the price it is our duty to do it, because it is absolutely necessary to have more wheat to insure victory to our arms. If we can not have bread hunger and perhaps disaster stare us and our allies in the face. Wheat is essential to victory, and to a great extent the responsibility for its production is now on us.

I am not going to discuss conditions in other localities, because that is a fair sample of the conditions that exist in the entire wheat belt.

Mr. GORE. Mr. President——

Mr. NORRIS. I yield to the Senator.

Mr. GORE. I should like to say to the Senator that it came to my attention last Saturday that one farmer who has 800 acres sown to winter wheat intends to turn all of it under, if he can get the labor, and plant the land to a more profitable crop.

Mr. NORRIS. Why, Mr. President, it is a simple proposition as I look at it. The farmer goes out and looks at his wheat and sees its condition. He says, "That wheat will, if the weather is ordinarily favorable from now on, yield 5, 6, 7, 8, or 9 bushels an acre, as the case may be. I had better put that into corn; I can not afford to let that ground lie idle and raise a crop that will bring a loss when I can make money by putting it into something else."

Mr. THOMPSON. Mr. President——

Mr. NORRIS. I will yield in just a moment. The farmer decides the question then and there. If the value of the wheat is going to be increased, then it will have a tendency to keep the land in wheat and to let it go to harvest. It is only a question as a financial proposition, whether it is good business to plow it or leave it stand, and that question is decided to a great extent by the value of the crop. I now yield to the Senator from Kansas.

Mr. THOMPSON. Mr. President, in that connection I desire to state that in my State, where we planted nearly 10,000,000 acres of wheat last year, the latest reports I have from the State board of agriculture show that approximately 5,000,000 acres are to be plowed up and put into oats, corn, sorghum, and other crops.

Mr. NORRIS. I thank the Senator. As I said, it is the same everywhere in the wheat belt.

Mr. GORE. Mr. President——

Mr. NORRIS. I yield to the Senator from Oklahoma.

Mr. GORE. I should like to say to the Senator that the wheat grown in ordinary years in the semiarid sections of the country, where the yield per acre is low, is essential to constitute our surplus for export. Eliminate that, and we fall below our own consumption.

Mr. NORRIS. Mr. Simpson says:

I work largely at organizing the farmers' unions in my State, and I am with the farmers day and night in that work—organizing the locals. Some one in the neighborhood will take me in a car during the day around where we are going to meet at a schoolhouse that night. I frequently see 25 or 30 farmers in a day on their farms, and invariably when you talk to them about hogs they say, "Well, I am just keeping enough for my own meat." I am on their farms and know what they are doing. That is about the hog situation in Oklahoma.

Mr. President, I did not intend to discuss the hog situation or the cattle situation or the sheep situation at this time, because the question before the Senate is purely one of wheat. At a later date, on the proper occasion, I expect to go somewhat into details in regard to the production of food animals, and I think the facts in that respect are as startling as they are in regard to wheat. I wish to read what Mr. Simpson says about the feeding of wheat to hogs:

Mr. SIMPSON. One of the worst effects of the fixing of a price on wheat is that it has not conserved the little bit we raised this last year. Now, I am giving you what I would be willing to go before any court and swear to, that in going around to these farms—and I am frequently on 25 different farms every day in the week—nine times out of ten they will tell me they have fed some wheat. I remember seeing not long ago in the little town of Rocky, in Washita County, a farmer come in with 24 head of hogs in 3 wagons that he said he had fattened on wheat. They weighed 240 pounds apiece, and that certainly took not less than 300 bushels of wheat. I have been on lots of farms where they told me they were feeding from 4 to 5 bushels a day. The reason for that is plain, they could not haul off a load of wheat and with the money bring back as many pounds of corn.

There was a Mr. Hyde who came to Washington from Oklahoma, sent here by the State council of national defense to see the Food Administration and the President and lay before them the condition which existed there in regard to wheat. He came before the Committee on Agriculture, and, speaking of the price of wheat, testified as follows:

The effect is this: They made wheat so much cheaper than the other cereals that a great deal of wheat was fed. Mr. BARNES—

He is president of the wheat corporation and one of the officials under Mr. Hoover in the Food Administration—

wired Mr. Sykes and myself that he would come to Oklahoma City, and that he wanted to get information at first-hand. He is president of the wheat corporation. I wired him the condition. He wanted to know the "conditions at first-hand"—that is, in his wire. I wired to farmers all over the State to come in and see him. I also wired to the county demonstration agents, and here I have a synopsis of the telegrams I received, telling whether the wheat was being fed or not. I have not all of them here. These are just what I showed Mr. Barnes that day.

Then Mr. Hyde goes through the list, and from every county that produces wheat in the State of Oklahoma came the same report. I will just read a few as samples:

Wheat fed in Comanche County, 100 bushels per day.

Guthrie—Logan County, 50 bushels of wheat per day being fed; 2,500 bushels will be estimate for amount fed this fall.

Anadarko, 55,000 acres; from 200 to 300 bushels of wheat being fed each day.

Mangum, 200 bushels of wheat fed daily; 20,000 bushels will be fed this fall.
Clinton, 400 bushels of wheat fed daily; 30,000 bushels will be fed this fall.
Alva, 300 bushels fed per day—

And so on through the list of counties.

Mr. President, that is not only true of Oklahoma, but that is true in the State of New York; it is true practically everywhere in the United States; it is true, says the Senator from Indiana [Mr. NEW], in his State. It is bound to be true wherever corn is worth more than wheat.

That is an item that we ought to consider in raising the price of wheat. Do we want to conserve wheat for human food? Then we ought to make the price so that the farmer will be able to feed corn or other grain instead of wheat to the hogs. If this price is raised, it will be in ample time to increase the acreage of the spring-wheat States. The same rule that is working in all the winter-wheat belt of the country, resulting in the plowing up of the wheat and the feeding of wheat to hogs, will decrease the acreage of wheat this spring in every spring-wheat section of our country; so that when we want a large yield we are going to cut down the yield away below normal. To my mind it is a fatal blunder. Regardless of theories and of everything else, we must pay the producer of foodstuffs a sufficient amount so that he can afford to produce.

Mr. President, I leave off as I began. If the producer does not produce, the consumer can not consume. The first essential of all is production. Conservation will not amount to anything when there is not enough food to go around to conserve. The idea that Congress had, I think, was the same that Mr. Hoover outlined when we passed the Food Administration act—that nothing should be done to take the profit away from production; that the operations of the Food Administration should be confined between the consumer and the producer, to see that from the time the food left the producer until it reached the consumer it was not unduly enhanced by monopoly or any unfair practice. But we are killing the goose that lays the golden egg when we make it unprofitable for the producer to produce the very thing that we all know we must have.

Food will win the war. We can not win the war without food. Therefore we should do everything and bend every effort to bring about the maximum amount of production. The producers are not in a monopoly. Nobody brings that charge. From the very nature of things they can not organize into a monopoly, and we ought not to repeal the law of supply and demand as to the producer of any product that is good for human food or that will sustain our armies or the armies of our allies.

Mr. President, to my mind it is a war necessity that we should take some step similar to the one proposed in regard to wheat. I think we ought to take it in regard to other things, perhaps. There ought to be something done in regard to the stock proposition, because nearly every hog producer and every man who feeds sheep and every man who feeds cattle in the United States to-day is losing money on every head. But, as I said, I am not going to discuss that now. It is a war necessity. If there ever was one, there is a war necessity before us now—increased production—and, regardless of disagreements that may have existed in the past, we must win this war at all hazards.

Before war was declared there was a disagreement. There were those who thought we ought to stay out. I was one of them. But when, by the legally constituted authority of our country, war was declared, it became my war as much as yours, and I do not want to see anything left undone that if done will bring victory to our armies. And, Mr. President, as the war progresses there are other things developing. The Civil War was commenced on the theory that the Federal Government would not permit a State to secede from the Union, and yet before that war was half fought out the real cause for its origin was forgotten, and even the ordinary citizen who looks back through the pages of history now does not think of its real cause, but remembers only that its result was the abolition of slavery. A race that had been held in bondage for centuries was made free, and that was the result, the outcome of that great catastrophe.

Mr. President, if the war in which we are now engaged, notwithstanding that we went into it for the announced purpose of protecting our citizens on the high seas, shall result in the disarmament of nations, in the abolition of secret treaties, and in the promulgation of the principle that no conquest of one people by another shall be recognized by civilization, and in the establishment of a court of international scope to settle international disputes in the future—in other words, in the death of militarism and in the establishment of a permanent peace—then the sacrifices made will not have been made in vain. Then there will be some recompense for the thousands, the countless thousands of American boys who must lie in nameless graves on a foreign soil across the sea. We must unite our people by seeing to it that the millions of our loyal citizens who bend their backs in honest toil to produce the food necessary to make this great victory for humanity sure and certain are fairly recompensed for their patriotic efforts. We must not only be united, but we must be united in a purpose to leave nothing undone that will bring victory to our efforts and that will establish for the generations that shall follow us a peace that will be enduring and everlasting.

Mr. THOMPSON. Mr. President, I am favorable to the amendment offered by the Senator from Oklahoma [Mr. GORE] providing $2.50 as a price for wheat at the local markets, and I shall therefore vote for his motion to suspend the rules in order that this provision may be in order as a part of this appropriation bill. I do this because I believe that it is only fair, just, and right to the farmer, and within the spirit of the legislation heretofore enacted, known as the food-control bill.

I desire briefly to refer to that act and its objects and purposes so far as the producer is concerned, and the treatment he was to receive under this legislation.

In section 14 it is provided:

That whenever the President shall find that an emergency exists requiring stimulation of the production of wheat and that it is essential that the producers of wheat produced within the United States shall have the benefits of the guaranty provided for in this section, he is authorized, from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit.

Mr. President, the farmers of the country, and particularly in my State, of which I have the best knowledge, do not feel that in the administration of this law they have been fairly dealt with, for several reasons.

When this bill was before the Agricultural Committee, of which I am a member, three propositions were presented.

One pertained to the voluntary association under this act for the purpose of extending production and controlling prices, and leaving the price proposition largely to the economic law of supply and demand. No one objected to this.

The second proposition related to the minimum price. The farmer did not object to the fixing of a minimum price, as I understand, providing it was fixed at such a figure as would enable him to receive, within the spirit of this law, a reasonable profit—all that he has ever asked and all that he requires. This, it was argued, would increase production. The fixing of a minimum price was for the purpose of guaranteeing to the farmer a price sufficient to give him a reasonable profit, so that he would plant more wheat; and within the spirit of the law and this promise by legislation the farmers of Kansas responded in every particular to the requirements of the Government by sowing the maximum proportion of area, 10,000,000 acres, in wheat. But they met with considerable misfortune. On account of the lack of moisture and insufficient labor there were some 5,000,000 acres—one-half of the entire crop—that had to be plowed up and put into other production.

I have a report from the Kansas State Board of Agriculture, dated December 21, 1917, in which it is stated:

Farmers of Kansas, responding nobly to their country's call for maximum operations, devoted a larger area to crops this year than at any previous time in the State's history. The total acreage in field crops in Kansas in 1917 amounted to 22,252,920 acres, as against 21,861,985 acres in 1916 and 19,359,663 acres in 1915. In fact, the more than 22,000,000 acres reported this year does not represent in full the area actually seeded, for the reason that approximately 5,000,000 acres of land on which wheat failed were replanted to oats, corn, the sorghums, and other crops.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Kansas yield to the Senator from Missouri?

Mr. THOMPSON. I yield to the Senator from Missouri.

Mr. REED. If it will not interrupt the Senator, if I have understood him correctly—and I simply want to be sure that I have understood him—5,000,000 acres of the wheat which was sowed last fall has already been plowed up?

Mr. THOMPSON. Yes, sir; of the 10,000,000 acres.

Mr. REED. So that we will be that much short in the crop that is to come this year?

Mr. THOMPSON. Yes; this is a report on the 1917 crop, which, as I understand, includes the winter wheat.

The third proposition presented for our consideration in connection with the food bill was the fixing of a maximum price. The farmer objected to the fixing of a maximum price, as did everyone else, except as a last resort. Mr. Hoover himself testified that he did not contemplate fixing a maximum price; and in his statement before the committee, which has already been referred to by the Senator from Nebraska [Mr. NORRIS], he said:

The second illusion is that there is price fixing by this bill. There is no provision for price fixing, and no such thing can be carried out under the bill. What we hope to do is to stabilize prices by various devices and to regulate the profits and speculation out of handling commodities.

He also stated in his testimony that the fixing of a maximum price had proved a failure wherever tried, and that it was only used as a last resort. Of course, if it is a last resort in this instance, I presume under his testimony it would be justified; but the farmers of Kansas do not think, and I believe they are right, that the situation is such at the present time as to demand it.

Mr. Hoover was asked the following question:

Senator NORRIS. Has the minimum price been successful there?—

That is, in Europe.

Mr. HOOVER. Yes; it has been used as an effective agent to stimulation.

Senator NORRIS. The maximum price has proved a failure?

Mr. HOOVER. The maximum price has proved a failure in all cases, except where the Government controlled enough of the commodity. * * * I might tell you why it fails. The establishment of a maximum price is, in itself, the result of a shortage of supply; otherwise we do not do it. You have less foodstuffs than will go around to the whole of the consumers' demand, and therefore you put on a maximum price.

But as to this, Mr. President, the farmers are not so particular, providing a price is fixed on other production, and particularly upon the things that the farmer is required to purchase. This is the complaint that he has made, and it is a justifiable one. He has demanded, and the bill which we have passed authorized, I think, the fixing of prices on agricultural implements and on the things he uses in bringing about production, and if this were done there would be no complaint. The farmer now feels that he has been unfairly and unjustly dealt with, and from the bill itself and from the representations made at the hearings when the bill was considered and written I feel that he is justified in making the complaint.

When the bill was before the Senate I voted for the fixing of a price on every article that the farmer was obliged to use in production. I am favorable to doing that now, and I think it should be done. I feel that with the high price of farming implements, the high price of labor, the high price of seed, and the insufficient labor, and all the conditions which have changed since the passage of this law, if $2 was reasonable when the bill was passed certainly $2.50 is not unreasonable now. This increase in price would give the farmer at last a chance to break even and would not necessarily increase the cost of flour to the consumer, for the profits of the middleman could be limited to prevent any rise in price to the consumer. For instance, the grain dealers, the millers, the wholesale dealers, and retailers could all be properly regulated and some of them cut out entirely, if necessary, to prevent any higher price to the consumer. In any event, it has been shown by figures to be only a fraction of a cent to a loaf of bread, and even if it had to be paid would be better than no loaf at all, which will be the result if the producer is required to operate at a loss. This he can not continue to do long, no matter how patriotic he is. The farmer is as patriotic as any other person, and by his great increased production, and much of it at a financial loss, he is doing as great a patriotic duty as can possibly be performed.

I desire to call attention to a few letters which represent the sentiment expressed in a large number of other letters received as illustrative of how the farmers feel about this matter. I have a letter, dated February 26, 1918, from a farmer of Norton, Kans., which says:

The people are dissatisfied about this food proposition—wheat $2 per bushel and the Government allowing millers to advance the price of flour so the merchants can sell it for $2.85 per sack, while a short time ago it was sold for $2.65 per sack. Bran was advanced from $1.65 to $1.90 per sack and wheat at the same price. All kinds of feed going up, and so soon as a few cases of eggs arrive, down goes the price of eggs. Why not fix the price of all commodities and food supplies on a fair basis to consumer and producer alike?

I have here a letter relative to the price of farm implements, dated March 2, 1918, from a representative in the State legislature from Hays, Kans., where the farmers passed resolutions asking Congress to increase the price of wheat. He states:

As the increased cost of production is very large, and will be larger yet by the increased cost of machinery and labor, the wheat in western Kansas last year was a total failure, and hundreds of our farmers had to pay $2.50 per bushel for their seed wheat without the cost of preparing the land.

As further evidence of the increased cost of machinery, headers that cost the farmers three years ago $125 are now quoted on our local market from $350 to $375.

I have here a statement from a farmer at Hartford, Kans., dated February 20, 1918, relative to the price of farm implements, as follows:

Implements and hardware have advanced over 100 per cent. This was told by a traveling salesman of a large hardware firm. I have bought a disk gang plow, and my local dealer charged me just $100. This is just $50 more than it was three years ago. I asked one of our hardware dealers what they will sell twine for, and he told me that it would sell right around 22 cents per pound, and everything is in proportion.

In this connection I desire to call attention to the testimony of Mr. Simpson before the Agricultural Committee, given on February 16 last. Mr. John A. Simpson, president of the Farmers' Union of Oklahoma, Weatherford, Okla., states:

When I came down here at wheat-pricing time I looked up all my old receipts for machinery that I bought when I moved to Oklahoma. I paid $55 for my wagon and got two spring seats with it, because that was going to be my buggy as well as wagon. I went and priced the same thing 15 minutes before I took the train to Washington at wheat-pricing time, and that wagon then would have cost me $135. My drill cost me $50; it was then $165. A lister that I bought for $40 was then $105. The barbed wire that went around my place that I paid $2.10 for—and it had gone up just before I bought it—is now $8. There were some other articles, but those are enough.

Mr. President, these are some of the reasons why I feel that the price, in all fairness and justice to the farmers, if we are going to fix a price, should be at least $2.50 per bushel, as provided in the amendment of the Senator from Oklahoma. The testimony before the Agricultural Committee shows that $2.75 would be about the fair market value under all existing conditions. I introduced an amendment fixing the price at $2.65, but the committee seemed unwilling to report a bill for a higher price than $2.50, and I shall therefore content myself by voting for this as the best we can do.

The War Department recognizes the importance of agriculture in connection with the winning of the war, and in the drafting of the soldiers, as is shown in the latest order made by the Provost Marshal General, on the 12th of March, 1918, pertaining to this subject, I wish to read the following:

There are difficulties confronting the Nation in the supply of labor appurtenant to agriculture. Class I, from which new levies are to be withdrawn, will contain many more men than are at present required for the Army. It would be a most unscientific and fatuous step if the men in Class I were called indiscriminately, without regard to the labor situation in agriculture. Therefore the local boards will be directed to fill their quotas in the order of liability of men in Class I as determined by the national drawing, except that where it is shown that a registrant is completely and assiduously engaged in the planting, cultivation, or reaping of a crop his call to the colors shall be deferred to the foot of the quota of his board as long as he continues to be so engaged.

* * * * * * *

As to further means to protect agriculture a new regulation has been promulgated authorizing agricultural students in their senior year in land-grant colleges to enlist in the Enlisted Reserve Corps of the Quartermaster Department, provided their class standing is such as to place them in the upper third of their class. By this means it will be possible to defer the draft call of such young men in order to enable them to perfect themselves as agriculturists and thereafter to protect them in such services as it may seem that they should perform in the best interests of the Nation.

The whole industrial and agricultural situation is being subjected to very comprehensive study in order to discover any means that may be taken to protect and augment the labor supply appurtenant to industry and agriculture without precluding the prompt and orderly progress of our military plans. It is confidently believed that great progress can be made along this line and that more effective measures than any yet devised can be put into operation to attain the desired end.

There are other references to the farmer in the order, which I shall ask to be made a part of my remarks without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

There are difficulties confronting the Nation in the supply of labor appurtenant to agriculture. Class I, from which new levies are to be withdrawn, will contain many more men than are at present required for the Army. It would be a most unscientific and fatuous step if the men in Class I were called indiscriminately, without regard to the labor situation in agriculture. Therefore the local boards will be directed to fill their quotas in the order of liability of men in Class I as determined by the national drawing, except that where it is shown that a registrant is completely and assiduously engaged in the planting, cultivation, or reaping of a crop his call to the colors shall be deferred to the foot of the quota of his board as long as he continues to be so engaged. Whenever any registrant whose call to the colors has been deferred by reason of his engagement in agriculture is shown to have been idle on the farm on which he is engaged or to have trifled with the deferment that has been accorded him, the boards will forthwith induct him into military service if his order number has been reached in the meantime. The effect of this expedient is to grant furloughs from service prior to actual call to the colors to the men so greatly needed in the production of this year's crop.

This is not, however, the only expedient that is to be adopted to conserve the supply of labor appurtenant to agriculture and to mobilize all means for increasing the harvest for the agricultural season of 1918.

There is now pending before Congress a bill authorizing the Secretary of War to grant furloughs, with or without pay, to men in the Army to enable them to engage in industrial and agricultural pursuits. The purpose of this bill is to relieve serious situations in particular instances in which men who are the mainstays of farms have been inducted into the service either through voluntary enlistment or selection, and whose services during the present emergency in agriculture are needed. These furloughs will be granted after consideration of the circumstances of the individual case in which they arise and when the military situation is such that they can be granted without too great disruption and disorganization of the Army or of any particular organization of the Army.

As to further means to protect agriculture, a new regulation has been promulgated authorizing agricultural students in their senior year in land-grant colleges to enlist in the Enlisted Reserve Corps of the Quartermaster's Department, provided their class standing is such

as to place them in the upper third of their class. By this means it will be possible to defer the draft call of such young men in order to enable them to perfect themselves as agriculturalists, and thereafter to protect them in such services as it may seem that they should perform in the best interests of the Nation.

The whole industrial and agricultural situation is being subjected to very comprehensive study, in order to discover any means that may be taken to protect and augment the labor supply appurtenant to industry and agriculture, without precluding the prompt and orderly progress of our military plans. It is confidently believed that great progress can be made along this line, and that more effective measures than any yet devised can be put into operation to attain the desired end.

To sum up, it may be said that there will be no sudden withdrawal of great numbers of men from the ranks of industry and agriculture during the coming summer, but that men will be drawn in relatively small groups throughout the year in such a way as to create the least possible interference with industry and agriculture. Men in deferred classes, as well as men in Class I, will be selected in small numbers, either on account of their special technical qualifications or for the purpose of sending them to schools where they will be given an opportunity to acquire such qualifications.

Mr. THOMPSON. Mr. President, there are three things essential to the winning of this war—the men, the money, and the food. We have already demonstrated that we have the men—volunteers 10,000,000 strong under the selective-draft system. We have already demonstrated that we have the money, the last Congress appropriating something over $20,000,000,000, the greater portion of it going to the prosecution of the war. The people have generally all over the country responded freely to every liberty-loan call, the subscriptions so far being more than the amount required by the Government, and I believe that will be the result of the third call and of every call necessary to be made. The people have responded liberally and willingly to the Red Cross, contributing over $100,000,000 in cash, and to every financial call necessary to the winning of the war.

The next and most important proposition is food, for without food it is conceded by all that the war will be a failure; for we must provide food not only for the people at home, but for our soldiers at the front as well as our allies and our allies' soldiers, and in order to do this we must have the production. The farmer of this country is producer of the things required for food at home and required for the sustenance of the Army, and he certainly in this emergency is entitled to at least fair treatment, which is all that he has ever asked. He is not objecting to fixing a price provided the price upon the things which he is obliged to use in order to produce the food is also fixed, even to the extent of a maximum price. And he does not object to the minimum price, and did not at the time of the passage of the act, if it assured him a reasonable profit, as indicated in the language of the bill itself and as fairly contemplated by the act.

For these reasons, Mr. President, I shall vote for the motion of the Senator from Oklahoma to suspend the rules in order that we may make this measure a part of this appropriation bill and have it enacted into law now. If that fails simply on account of a two-thirds vote, which has been held necessary in order to suspend the rules, we shall then have to introduce some other measure or proceed in some other way in order to secure that justice and fairness for the farmer which he is entitled to in the present emergency. The farmer knows no eight-hour day, but works hard from before daylight in the morning until long after dark at night. He is making every sacrifice possible to aid in the war. He is buying liberty bonds, savings stamps, and contributing to the Red Cross. He is giving up his sons to go to the front, and in many cases the women of the household are taking their places. No greater patriots can be found among our citizens. Let the Government, which demands and accepts so much from the farmer, give him at least what it promised him by law—a reasonable profit on the things he produces.

Mr. STERLING. Mr. President, much argument has been given in the course of this discussion in favor of the amendment of the Senator from Oklahoma. Letters have been read from farmers and grain dealers in the great wheat-growing States of the country showing the need of legislation that will stimulate the production of wheat. But, Mr. President, I clipped from the Washington Post of this morning an editorial inspired by the address of M. Andre Tardieu, the French high commissioner, delivered at Baltimore last night. It portrays the conditions in France. It shows the need not only of the civilians of France, but the soldiers of France themselves, who are now being rationed from the food products of America, and the principal one, of course, is wheat.

I send this editorial to the desk, with the request that it may be read by the Secretary.

The VICE PRESIDENT. Is there objection? The Chair hears none.

The Secretary read as follows:

[From the Washington Post, March 19, 1918.]

FOOD CONDITIONS IN FRANCE.

In his address at Baltimore last night, M. Andre Tardieu, French high commissioner, revealed many important facts which Americans should know. Whether the enemy is comforted by these facts or not, it is absolutely necessary that the people of the United States should not deceive themselves as to conditions in France. The first step toward giving effective aid is to know that aid is imperatively needed.

France has always been a heavy consumer of wheat. The consumption before the war was about 700,000 tons per month. It has now been cut to about 530,000 tons, a reduction of about 25 per cent. The ration of soldiers at the front has actually been cut down, although the heaviest cut has been made, of course, in the civilian ration. The French soldier now gets 21 ounces of bread instead of the 25 ounces he received at the beginning of the year. The civilian ration has been cut from the normal consumption of about 30 ounces to only 10 ounces.

In order to make even these rations available, France has been compelled to stop brewing in order to save barley, and to stop feeding of cereals to animals. This has resulted in a loss of 50 per cent of the horses and a large reduction in the number of cattle. Pastry making, fancy bread, confectionery, sandwiches, and all fancy uses of cereals have been absolutely suppressed.

Because of the shortage of cereals the French people have been compelled to kill off their cattle, and this has forced the consumption of meat instead of wheat to a large extent. In the meantime the consumption of other foods, such as sugar, rice, vegetables, oils, and fats has been reduced by dire necessity.

This drastic food regime has been borne with fortitude by the French people at a time when they have mobilized 7,000,000 men out of a population of 35,000,000, and have suffered the loss of nearly 1,000,000 men killed and 1,000,000 maimed.

Do Americans realize the full force of this information from the French commissioner? Do the citizens of this country individually feel that they are doing everything that in their duty lies to aid the lion-hearted ally that now holds two-thirds of the western front? Is each American thinking of the help that he might be giving to some heroic French soldier at the front, or an equally heroic French woman doing a man's work in France?

France needs no cargoes of faith or courage from the New World. She needs no messages telling her to do her duty. She is not in need of sermons on patriotism. But she does need food. If Americans are heart and soul in this war they will not see the army and people of France go hungry while there is food in the United States to share with them.

There must be fresh efforts in producing, saving, and transporting food to France. Americans must strive to picture the real conditions. They must sweep aside imaginary visions of easy victories over an intimidated and broken-down foe, and face the brutal fact that America and France, with their allies, are fighting for life against a terrible enemy. France is on the burning line, side by side with the British nation, fighting with dauntless courage. American soldiers are joining them in rapidly increasing numbers. All of these fighters must be fed and equipped. The civilian populations that supply the armies must be fed.

The United States is not doing its full duty in the production and delivery of food to the allies. More acres should be planted and more strict methods of saving should be adopted forthwith. By the convoy system fewer vessels laden with food are lost than heretofore, which is a most encouraging factor. There is fair assurance that every vessel carrying food will arrive in France or England.

There must be more vessels carrying food. It is the vital necessity of the situation, the trumpet call to every individual citizen of the United States. Every person can help, either by planting or by saving. Not to help is to incur terrible risk now and hereafter.

Mr. SHEPPARD. Mr. President, if I understand the situation correctly, the President, under the authority given him by the food-control act has already fixed the price of wheat for this year's crop at $2.20, continuing last year's price for standard wheat at Chicago, with perhaps some changes in differentials as between Chicago and other points.

In his proclamation fixing the price of wheat this year the President said:

To increase the price of wheat above the present figure, or to agitate any increase of price, would have the effect of very seriously hampering the large operations of the Nation and of the allies by causing the wheat of last year's crop to be withheld from the market.

It would, moreover, dislocate all the present wage levels that have been established after much anxious discussion and would therefore create an industrial unrest which would be harmful to every industry of the country.

The President said in this proclamation that the price of $2.20 would assure the farmer a reasonable profit, even if the war should end within the year.

Mr. President, that is sufficient for me. I would not knowingly vote for any measure that would hamper the operations of this Nation or of the allies in connection with the war.

I shall therefore vote against the motion of the Senator from Oklahoma.

Mr. GRONNA. Mr. President, it is with a good deal of reluctance that I shall take any time of the Senate at all, especially to discuss the question of wheat. It is pretty well known that I have a personal interest in the growing of wheat. It is pretty well known that I farm on a rather large scale. For that reason I dislike to discuss the question.

But, Mr. President, I think it can be truthfully said that at no time in the history of our country have the producers been able to combine, and at no time have they been able to fix the price of wheat or of any other of the products which they grow. So I regard it as somewhat different from an industry that can

be controlled by a combination of a few men. There are in this country, as we know, some 7,000,000 farms and farmers. There are in this country some 40,000,000 people depending upon this great industry.

Mr. President, I hope the Senate will pardon me for alluding to myself, but I said on the floor of the Senate nearly a year ago that if the Government of the United States wanted my farm during the period of the war it would be welcome to it. I said then that all I would ask in return would be that the Government should pay the taxes during the time it might operate the farm.

Were it not for the fact that the question of food is as important as is the question of munitions, and almost as important as is the question of men, I might not take the time of the Senate for a single moment to discuss this subject. I am going to eliminate the question of whether or not the farmer of the United States has made a profit during this last year. Let us eliminate that; let us say, for the sake of the argument, that he has made a profit, which would not apply to many of the States. It would not apply to the spring-wheat States—at least not for the year 1917.

It may be said that the result may be due to a partial failure of the crop in the spring-wheat States, but the average production for the five years previous to the war, however, was about 233,500,000 bushels of spring wheat, and we produced last year 232,758,000 bushels. The shortage was not so great in the spring wheat as it was in the winter wheat.

This is an important problem, and I feel that we ought to do everything in our power in order to induce the farmers of the country to plant as much wheat as practicable, so as to produce as much food as possible.

Mr. President, the press of the country realizes the importance of raising food. I shall read only one sentence from an editorial appearing in the Washington Post, dated February 27, 1918, under the heading of "Increased food production necessary." I read as follows:

It is a serious question whether the United States Government is not neglecting one of the most important precautions that could be taken by a nation at war—the adequate production of food.

Mr. President, the producers in this country can not afford, of course, to have it said that they are refusing to produce food; the farmers of the country can not afford to have it said that they are unpatriotic; that they will not produce wheat and other foods, because there is no profit connected with their production. The people of my own State showed their patriotism in that respect last year. Last year we increased our acreage by more than 2,000,000 acres. We had an acreage of all cereals of nearly 15,000,000 acres. We sowed to wheat during last year more than 2,000,000 acres above what we devoted to that crop the year before; and yet, due to climatic conditions, we raised but a small crop. Our average yield of wheat was not to exceed 6 or 7 bushels per acre for the entire State. While we ought to have produced 160,000,000 bushels of wheat, we produced less than 60,000,000 bushels. That can not be said to have been the fault of the farmer, because he did increase his acreage. He borrowed money very extensively; he went to large expense in harvesting his crop, which, in many instances, would not have been harvested, would not have been garnered if it had not been for the fact that those farmers considered that the food question was an important one and that they must conserve every bushel of grain, whether it paid them to do so or not.

These are questions, Senators, which you and I must consider. It is undoubtedly true that in some of the States—perhaps in many States—where the farmers produced a large crop of wheat they made a profit, but I repeat, that it is not true that the farmers made a profit, so far as the spring-wheat States are concerned. I see before me the distinguished Senator from Ohio [Mr. POMERENE] and I want to read what a distinguished gentleman from his State said with regard to price fixing. I read from pages 76 and 77 of the hearings before the Committee on Agriculture and Forestry for June, 1917.

He was ask by Representative MCLAUGHLIN of Michigan why he did not discuss price fixing, and I will give you his reply:

Mr. MCLAUGHLIN. I regret that you did not discuss the price-fixing proposition. We appreciate to some extent, but not as fully as you do, perhaps, the labor problem and the other difficulties confronting the farmers, but it may be up to us to do some legislating on the question of price fixing or to enact some regulatory measure in that regard, and I was hoping that you would give us your opinion.

Dr. THOMPSON. We recognize the seriousness of the situation. I think we all agree that the time has not yet arrived when we should fix prices for farm products.

That is the testimony of the eminent educator from the great State of Ohio. There are many other statements here which bear upon this subject which I might read, but I shall not now take the time of the Senate to do so.

Mr. POMERENE. Mr. President, did I understand the Senator from North Dakota to say that the testimony which he read was given in June, 1917?

Mr. GRONNA. Yes, sir. It was given in June, 1917.

I desire to say further, Mr. President, that the Committee on Agriculture and Forestry has held extended hearings, lasting for five or six weeks, and yet not one of the witnesses who have appeared before that committee has advocated the fixing of prices of any of the food products. I have in mind now the distinguished gentleman from Iowa, Mr. Wallace, the editor of the Wallace Farmer, who is regarded as a great authority upon the subject of agriculture. When he was asked the question the other day if he believed in price fixing, he said, "Absolutely no."

He made the further statement—I shall not attempt to quote him verbatim now, although what I stated a moment ago was exactly his language—that last summer when the food bill was before the Senate he wrote the Senators from Iowa that he thought $2 for wheat was too high, but, he says, "I have revised my opinion; I know now that I was absolutely wrong." That is the statement of Mr. Wallace.

I wish to read from the testimony of a distinguished gentleman from the city of Minneapolis, whom the Senator from Minnesota [Mr. NELSON] knows better than I do. I refer to Mr. H. N. Owen, who is publisher of an agricultural paper, I believe, in the city of Minneapolis. Mr. President, I ask leave to print some of the testimony, as I do not wish to take time of the Senate to read it all.

The PRESIDING OFFICER (Mr. NEW in the chair). Without objection, permission is granted.

Mr. GRONNA. Mr. Owen says:

Of course, you argue that a farmer should be perfectly satisfied with $2.20 wheat, because it is so much more than he ever got before. Theoretically he should be, but, unfortunately for that argument, the farmer is not operating on a large surplus. He has not a great big surplus in the bank that he can afford to do business on for patriotic motives for two or three years. Here are just a few figures. They are taken from the 1916 Yearbook of the Department of Agriculture. We find that in Montana 50.9 per cent of the farms are mortgaged, and that the average mortgage is $2,943; in North Dakota we find that 46.3 per cent of the farms are mortgaged, and the average mortgage is $1,864; in South Dakota the farms mortgaged number about 38.2 per cent, with an average of $2,897 per mortgage; in Minnesota 21.1 per cent of the farms are mortgaged, and the average mortgage is $2,612.

We find for those four spring-wheat States 49.1 per cent of the farms are mortgaged. Then, on top of that, we find the average rented farms for those States is 18½ per cent. That makes 67.6 per cent of our farms are either rented or mortgaged, so that we practically have only 32.4 per cent of our farmers as free agents. The man who has got a mortgage, got interest to meet of $100 or $150, as the case may be, or if he is on a rented farm, has got to do as the owner says.

Mr. President, I think it is important to show the actual condition of the farmers. The Senator from New Hampshire [Mr. GALLINGER] yesterday asked some questions with reference to the prosperity of the farmers. I know that the farmers of the United States have no better friend than the Senator from New Hampshire, and I know that he would be the last man on earth to do an injustice either to the farmers or to any other body of citizens engaged in industry, but there has been so much confusion and there is so much ignorance about the condition of the farmers that I am not surprised at all that they are not getting justice.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. GRONNA. I yield.

Mr. GALLINGER. I will ask the Senator if a good many of these mortgages do not grow out of the fact that when the ambitious farmer in the great agricultural States gets a quarter section of land paid for he wants another quarter section, and he is not fully satisfied until he gets a full section of 640 acres, and, as he adds to his farm, of course he mortgages it to a greater or less extent? I will ask the Senator if that is not a very common occurrence?

Mr. GRONNA. Well, Mr. President, I want to say that in some instances the reason the farmer has mortgaged his land is that he buys more land. There are perhaps many such instances. When a farmer is prosperous and is able to pay off the mortgage on the land he owns he may buy more; but I wish to say to the Senator from New Hampshire—and I say it with a fair knowledge of the situation—that I think the farmers in my State—and I think my colleague will corroborate my statement—know that it does not pay to farm on a large scale. Instead of the farms growing larger, in many instances they are growing smaller, and they would be much smaller than they are to-day were it not for the fact that immigration has

been stopped, that capital has not flowed into our State as it should, and that many of our people have gone across the border into Canada. Some 200,000 people have gone from this country into Canada in order to get free homes.

That of itself shows that those farmers were not prosperous, because the farmer, like every other American citizen, loves his home, and he will not abandon it if it is possible for him to make a decent living. He will remain on the farm.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to his colleague?

Mr. GRONNA. I yield to my colleague.

Mr. McCUMBER. If my colleague will allow me, I think there are wrong impressions concerning the mortgages and also concerning the dealing especially in the Northwest, which ought to be corrected.

I have heard the reports which my colleague read, from the Agricultural Department, I assume, showing the percentage of mortgages upon farms; and the Senator from New Hampshire asked if these mortgages are not due to purchases of additional land. In the first instance, let me say that these mortgages as given by the Agricultural Department do not represent anywhere near the amount of indebtedness against the farm. My colleague will agree with me that in the State of North Dakota nearly all lands are sold to the farmer under what is called a crop-contract sale. If you sell a quarter section of land for $5,000, the owner of the land may hold it clear, and there is no mortgage of record against it; and yet the farmer will not own it until he has paid, generally by giving a percentage of the crops each year. He is just as much indebted in that way as though it had been a trust deed, and just as much as though it had been a mortgage. It represents an indebtedness against the land, and yet that does not appear in the reports. In the case of most of this land that is sold, as I suggested, instead of being represented by mortgages, when a farmer in my State buys an additional quarter section he enters into a contract whereby the title will not pass to him until he has paid whatever indebtedness there is against it; and that does not appear of record.

Mr. GRONNA. I thank my colleague for calling my attention to that. It is true, as he has stated, that there are thousands and thousands of cases where that is being done; and while there is more indebtedness, it is not a matter of record, because the farmer or the man who buys the farm does not get a deed to it. He gets a contract, as my colleague has stated.

Mr. GALLINGER. Mr. President, if the Senator will permit me——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. GRONNA. I yield.

Mr. GALLINGER. I thank the Senator for his suggestion that I would be one of the last men to take action that would be harmful to the agricultural interests of the country.

Mr. GRONNA. Or any other.

Mr. GALLINGER. Or any other. I thank the Senator again, and that is precisely my attitude on this question; but I regret to have it represented that the farmer is in sad straits in these great agricultural States.

The Senator has repeated what has been said so often before, that the farmers have left Iowa and the Dakotas and perhaps Minnesota and gone over to Canada because they could do better. Now, there is a reason for that. They had taken up land in Iowa, as an illustration, at $1.25 an acre. It had come to be worth $100 or $150 an acre. There was virgin land in Saskatchewan and Alberta, in western Canada, that could be bought for $8 or $10 an acre, equally as good land, and they went over there as the Yankee goes from New England to the West, to better his condition. I think that explains to a very large extent why farmers from those great States are going into Canada.

Again, I recall the time when the savings banks of New Hampshire held thousands of mortgages on the farms in the great agricultural States of the Northwest. There was a panic, and very large losses were sustained by our banks. They, however, had been loaning money at an inordinate rate of interest, and we did not so much sympathize with them because of those losses. But time went on, and those mortgages were canceled to a very large extent, and I think the loans now are trifling in the matter of mortgages on Western lands. It was said at this time, when prosperity returned to the agricultural interests of those States, that they were sending their money even to the eastern banks; they had so much money that they did not know what to do with it; their own banks were filled with money. That was heralded all over this country as an illustration of the great prosperity of the farmers, and I believe it, and I hope now that it was true.

Of course there are many farmers who are in distress, as there are many people of every other vocation in life, but I still believe that the farmers are more prosperous than has been represented by Senators on this floor; and yet the testimony of the Senator from North Dakota, himself interested in agriculture, would have great weight with me.

I assure the Senator that whatever action I take, whatever vote I may cast, will be a conscientious vote; and if I can bring myself conscientiously to vote with the Senator on any proposition I certainly shall do it, because I do not want to do any harm to the agricultural interests of our country, especially at the present time, when the morning paper calls in a loud voice for more food for France; and I presume that is true of all the warring nations.

Mr. GRONNA. Mr. President, whatever may be the action of the Senator from New Hampshire, I know he will be actuated purely by patriotic motives, and I shall accept the result as it may come.

Mr. NORRIS. Mr. President, the mention by the Senator from New Hampshire of the prosperity of the farmer calls my attention to what the Senator from North Dakota heard this morning at the hearing before the Agricultural Committee in regard to the profits made and allowed under the regulation of the Food Administration to the great packing institutions of the country, which was a profit of 9 per cent on all of their investment, no matter where it was from, and without any question about it, and 15 per cent on all their investment in the by-products. The Senator remembers that in reaching a conclusion as to the profits, everyone connected with the business who did anything in regard to any of the packing establishments drew a salary. Every item was counted in, and then the dividend was allowed on the total; so, if no dividend had been allowed, the men who own it, if they had done the work as the farmer does, would have been getting a good salary.

I want to ask the Senator if he knows of a single instance in a single year where any farmer anywhere in the United States in the most prosperous days, if he had been allowed a salary for himself and all his family and everybody who worked, and interest on all the value of his farm machinery and everything connected with the business, would have had such a thing as a return. While, speaking in a general way, the prosperity of the farmer has been as the Senator from New Hampshire has stated, yet we are so apt to fail to consider—we always do, I think—that in bringing about that prosperity there never is an item allowed for the farmer's salary, the salary of his wife and his children; there is no percentage basis of any kind allowed on his investment. So that while he is prosperous, he brings about that prosperity by his own labor and the labor of his family. If they were paid a salary, there would not be anything left with which to declare a dividend on the value of the property.

Mr. GRONNA. Mr. President, I agree with what the Senator from Nebraska says. My colleague [Mr. McCUMBER] and I have so often explained that on the floor of the Senate that I do not think it is necessary for me to amplify it. I want to say, however, that we had Mr. Cotton before our Committee on Agriculture and Forestry this morning, and he stated that the method of dealing with the packers was this: Allow the packer 9 per cent on all the money that may be used in his business. Now, remember that that is not simply on the capital stock and the surplus, but 9 per cent upon the amount of money that may be borrowed. One of these concerns has a capitalization of one hundred and fifty millions. I presume it borrows into the billions. Yet, Mr. President, under this admission and under his own statement, they are allowed a profit not alone upon the capitalization, upon the bonds, and upon the surplus that this corporation may have, but they are allowed to figure a profit upon all the money borrowed. That was Mr. Cotton's statement. Oh, Mr. President, if the farmers of the country were dealt with as generously as that, do you think a single Senator on this floor would take the time of the Senate to delay these proceedings and to demand legislation that might encourage the farmers to produce?

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Kansas?

Mr. GRONNA. I do.

Mr. CURTIS. If the farmers were allowed such profits they would not ask any Senator to help them.

Mr. GRONNA. I thank the Senator. That is what I intended to say—that in that event the farmers would never think of such a thing as asking any Senator to ask for any legislation that might be helpful or beneficial to them. We have had farmers before the committee who have stated: "You allow us 6 per

cent and we will be glad to turn our farms over to you, and, besides, we will work for the Government without any pay."

My colleague [Mr. MCCUMBER] has often called attention to the fact that the farmer and his family are never allowed any wages. My colleague has called attention to the fact that if the farmer can pay his obligations, pay interest on his debts, pay his taxes, and then have a little left, regardless of whether he is paid any wages or not, he is satisfied, and he ought to be satisfied during the period of the war. There is no reason why the farmer should make any more money during the war than he did before the war, and he should not complain, providing all the industries are treated alike. It would be just as unpatriotic, I say, for the farmers of the United States to ask for a larger profit during this war as it is for men engaged in other industries. But, Mr. President, touching upon that question, we made the mistake of our lives when we enacted the revenue law. When we had the taxing bill before us I said that I had no objection to letting people in the various industries make profits. I have none now; and if the farmers make unduly large profits, let us amend the law and increase the rates on the farmer who makes excessive profits and also increase the rates of the profiteers who are engaged in the manufacturing industries. If the farmers are profiteers, let us take the excessive profits away from them by taxation to help carry on this war. That is the only sound system. I am not asking for a special privilege for the farmer. But when I think of the hundreds of thousands of boys who have crossed the ocean, who are over in France, or the boys who are still here and are ready to go on the field of battle, these young men who have signified a willingness to sacrifice their all in defense of their country, and who are not asking for any profits—when I think of those boys and think of the possibility that we shall be unable to supply a sufficient amount of food for them, I feel that we are shirking our responsibilities. I want to say to you, Senators, this is a serious proposition. It is at least a question which deserves the most careful consideration by us here.

There is no question in my mind but that the farmers will produce. There ought not to be any question about it. So, speaking for the State which I in part have the honor to represent, I know that the farmers are willing to produce, but they feel that they are entitled to the same treatment as those engaged in other industries. In some portions of my State the crops last year were almost a failure, but in spite of that the farmers had enough interest in our country and in the boys who have gone to the front to try the experiment another year. And although many have to ask the State to help them out with seed wheat, because they did not raise enough for seed and feed for another year, this, I think, will answer the statement of the Senator from New Hampshire as to whether all our farmers are prosperous or not.

I hold in my hand a document entitled "Seed and feed bonding act. House bill No. 1, passed by the special session of the Fifteenth Legislative Assembly of North Dakota, January 29, 1918." That, I think, answers the Senator's question. The legislature was called together for the purpose of enacting a law enabling counties to bond themselves and furnish seed and feed to the farmers. That was a patriotic purpose.

We have heard a great deal said about legislation in the other House, asking for an appropriation of $50,000,000 to furnish the farmers of the country with seed and feed. I understand that that measure was not favorably considered. Another bill is now pending before that body providing for seven and one-half million dollars for this same purpose and two and one-half million dollars to provide for the transportation of what is called migratory labor, and labor is a very serious question with the farmer. I am not going to enter into it. I could, if I wanted to, have a good deal to say on that subject, but I shall not do so now.

Mr. MCCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to his colleague?

Mr. GRONNA. Certainly.

Mr. MCCUMBER. If my colleague will allow me, I should like to interpose a suggestion right here in response to a statement made by the Senator from New Hampshire [Mr. GALLINGER] yesterday, I think, in which he said that grain was very high in his State; that the farmers who had to buy grain and feed for chickens could not buy it; and that they were compelled to sell off their chickens, which would naturally create a dearth of eggs and poultry next year, but at the same time they had any quantity of hay, which they could not dispose of. He should have added to that that the farmers in eastern Montana and western North Dakota last year, on account of the drought and no hay and feed, were compelled to ship the calves and lambs and everything else they produced in the shape of food animals, because they did not have the hay to feed them and did not have the feed for them. I know there was an order made by the railway passing through our State that no cattle could be shipped within a given length of time whatever. They refused to take them. Why? Because they said, "Montana is worse off than you are; the Montana farmers have got to get their cattle to market immediately or they will starve." So we could not ship any and were compelled to wait until they could get rid of the cattle that were for sale in Montana, where the farmers had nothing to feed them. The Senator will see that we are just as badly off in the western part of our State and in eastern Montana, where we raise cattle, as he is in New Hampshire, where the farmers can not get feed for their chickens.

Mr. GRONNA. I thank my colleague. What he has stated is absolutely true. I want to add to what he has said that much immature stock was shipped out of the State because there was a scarcity of feed, both hay and grain. There were hundreds of thousands of immature animals shipped to the stockyards which never ought to have been shipped out, due to the fact that there was a shortage of feed and grain.

Mr. SHERMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Illinois?

Mr. GRONNA. I yield to the Senator.

Mr. SHERMAN. Before the Senator leaves that subject, I should like to have his views on an order of the Food Department prohibiting the sale of hens for a while this spring. I have many inquiries and communications from housewives in my part of the country. They are unable to sell their hens without any regard to whether they are now producers or merely consumers and cumberers of the barnyard. A laying hen, I admit, ought to be conserved, but what about the one that has passed that period or has never been productive? That order has no discriminating features in it; it gets them all.

Mr. GRONNA. Mr. President, I confess that I can not go into the mysteries of the question propounded by the Senator from Illinois. It is possible, and I think it is true, that Mr. Hoover has made mistakes. I think he has made some very serious mistakes, not intentionally, of course.

Mr. GALLINGER. If the Senator will permit me, he has not made any mistakes in expending money. That has been a great success.

Mr. GRONNA. It is very true that he has caused the expenditure of a large amount of money, but I was not going into that at this time. However, since my distinguished friend from Illinois has called attention to it, I can only say to him what a friend of mine said to me some years ago. He was a man who would occasionally buy wheat or grain off the board of trade. It seems that he had been unfortunate, and instead of making profits he had made a loss. In a crowd of young men I asked him if he did not at one time try his luck on the board of trade. He came over to me and whispered to me: "I thought you were a friend of mine and that you were going to help me forget it." [Laughter.] I am going to try to help the Senator from Illinois to forget some of these unpleasant experiences if I can.

Mr. GALLINGER. Mr. President, if the Senator will permit me just a word more——

Mr. GRONNA. I yield gladly.

Mr. GALLINGER. I did call attention to the very circumstance that the senior Senator from North Dakota [Mr. MCCUMBER] has alluded to, and it is a fact. The cost of grain to the people of New England, where they do not raise much, is at the present time a very great burden, and it was very natural that I should interpose the suggestion at least that by increasing the price of wheat it would increase the price of flour to the consumers of the East. That is true.

Now, as to hay, we have done our best in New England to teach the automobile to eat hay, and it will not do it. The result is that we have had a very large crop the past two years, and our barns are groaning with hay that is not salable. But the farmer is trying to be philosophical notwithstanding that fact, and some time he may get a market for hay, because there may be a shortage of the crop this year or next year or some other year, just as there has been a shortage of wheat in certain years.

The banks of New England are loaning the farmers money at 5 per cent, and hence we have no use for the new institution that has been created to loan money to farmers. Not a bond of that institution has been purchased in the State of New Hampshire, and I think the example that the banks of New Hampshire has set in that respect of loaning money to farmers at 5 per cent might well be copied by the banks of the West

that are loaning money to the farmers at a higher rate of interest.

We are trying all we can to encourage agriculture. We can not raise corn to much advantage; we can not raise wheat to much advantage. We might raise some oats and some barley in New England, but we are dependent upon the great agricultural States of the West for our grain and for our flour almost exclusively. I know a good many years ago I made a little investigation and found that six little New England States consumed between five and six million dollars' worth of flour, most of which came from the great State of Minnesota.

Of course, we have to look out for our own interests, as the great West has to look out for its interests. I have a great deal of sympathy with the view that has been suggested by the two Senators from North Dakota, that the farmer does not get wages, and his wife does not get wages, and, as a rule, his children do not get wages; in other words, there are no overhead charges on the farm as there are in manufacturing establishments.

I am very glad indeed to be instructed by these Senators and to get a broader vision of this question than I entertained a little while ago, because it was thoroughly well understood in the East not many years ago that the West did not need any money from the East to invest in farm mortgages as they used to do; that their banks were full of money, and it was being sent to the eastern banks to be taken care of. Likely that is a very great exaggeration. I have no question but the farmer is struggling for his living as every other class is struggling for a living, and we ought not to do anything, and I ought not to say anything, that would in any way lead to the conclusion that I was antagonizing the efforts that are being made to produce more wheat in this country, because I think it is a very important matter, and it may be almost a deciding matter in the conduct of the war sooner or later.

Mr. GRONNA. Mr. President, there is no disagreement between the distinguished Senator from New Hampshire and myself. I know that conditions are somewhat different in the East from what they are in the West, but the fundamental principle of production is the same. The fact that the United States ought to produce not only enough food for itself but for the allies, I think, is not a mooted question at this time. I think we all realize the necessity of producing not only enough for our own people but for the people who are allied with us in this war.

Now, Mr. President, if I may be permitted to read from Mr. Owen's testimony—Mr. Owen states:

> The farmer is just as patriotic as anybody; he is willing to go the limit, and he is uncomplaining. But he does not like to be asked to grow wheat without a profit and then be damned because he does not buy liberty loan bonds when they come around to make the drive, when, in point of fact, he may have made sacrifices for the good of the country that means more to him than the $50,000 bond subscription does to a man of the $50,000 kind.
>
> The cost of production has gone up very materially. Let us just take the items of machinery.

I want the Senator from Ohio [Mr. POMERENE] to hear this because I know he is very much interested in it—

> I have these prices from a town in the Red River Valley, in the northern part of Minnesota.

This is the testimony of Mr. Owen:

> I think they would be a fair reflection of what the farmer in our big wheat-growing country must pay, compared to 1914. In 1914 a 7-foot self-binder retailed for $150. In 1917 that binder retailed for $185 and in 1918 for $250. A 20 double-disk drill was $130 in 1914 and $145 in 1917, and this year it costs $200. A 14-inch gang plow was $65 in 1914, $85 in 1917, and now it is $140. A lumber wagon, complete, just the ordinary farm wagon, cost in 1914, $75; in 1917 it cost $95; and in 1918 it cost $150. You see the jump from 1915 to 1918 has been enormous. Binding twine has gone up from 9 cents in 1914 to 20 cents in 1917 and 26 cents in 1918. Harness is up about 200 per cent.

Mr. President, that seems to me to tell the story. Is it possible, I ask, to hold the farmer down and to restrict his price, willing though he may be, patriotic as he is? How long I ask you will he be able to go on and produce. There is not one farmer out of fifty who does not borrow money from the bank during his farming operations. How long will the bank be able, I ask you, to go on and extend credit to the farmer, willing though he may be from patriotic purposes and no other to go on and produce? It is exactly as I said here last year. It is not a question of willingness, it is not a question of patriotism, it is a question of being able to do it.

Mr. President, I do not feel that I hold any brief for farmers any more than any other Member of this body, but I know their condition; I know their difficulties; I know the farm is their home and they love it as much as the people in the cities love their homes. They will not stop producing things that they possibly can produce, and with their sons in a foreign land willing to die for this country, willing to die for democracy, for liberty, and freedom, do not think that the farmers are unwilling to go on and produce. They are not.

Mr. President, I want to read an excerpt from a letter from Col. C. H. March, vice chairman of the Minnesota Commission of Public Safety. We have in North Dakota a farmers' organization known as the Nonpartisan League. The membership of this organization is composed of farmers. I know that the farmers of North Dakota are patriotic and loyal, and so far as it has reference to the farmers, I want to say from my own personal knowledge that this association has been scandalously misrepresented as to its patriotism and loyalty. I have been among them since I was a boy, and I know that they are patriotic. However, this letter comes from a man who is not a member of that organization, but one who I understand has strenously opposed it in the State of Minnesota, so I suppose it is safe to quote him. I have met Col. March but once. I understand he is a splendid citizen and his patriotism and loyalty are not questioned. Of course, they have only good citizens in the State of Minnesota, the same as we have in North Dakota. Here is what Mr. March says. He writes this letter from Litchfield, Minn., under date of February 16, 1918, addressed to myself:

> MINNESOTA COMMISSION OF PUBLIC SAFETY,
> *Litchfield, Minn., February 16, 1918.*
>
> Hon. Senator GRONNA,
> *Washington, D. C.*
>
> MY DEAR SENATOR: I arrived home yesterday and find the farmers of this State aroused over the present wheat prices and prices of other grains. I also found a number of letters on my desk from different parts of the State saying that the farmers would not sow wheat unless the price was higher. That would be a very foolish thing to do from a patriotic standpoint of view. I trust the bill for grading and fixing a higher price will be passed very soon, as it means a great deal to our country at this time.
>
> Sincerely, yours, C. H. MARCH.

As I said, this does not come from one who is tinged with what you might call bolshevikism, but one who represents the other side, or one, rather, who has been opposed to the farm organization.

Mr. President, I shall not ask a single farmer in my State to testify, because it might be said that you can not get anyone from North Dakota who is not personally interested in growing wheat, and therefore might be a prejudiced witness. I shall not offer here the testimony of a single farmer of my State, but I do intend to offer the testimony of educators of the highest standing from some of the larger Eastern States.

Mr. President, it must not be said that these men are prejudiced in the interest of the farmer. They have told cold facts; they have stated the truth; they have given the Committee on Agriculture facts which can not be controverted by anybody.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Oklahoma?

Mr. GRONNA. Yes; I gladly yield.

Mr. GORE. I merely wish to say I am sorry the Senator intends to omit from his list of witnesses the name of Dr. Ladd, president of the Agricultural College of North Dakota. He is one of the highest authorities on this subject in the United States, and his name would command the respect of every one who is at liberty to speak for himself upon this subject.

Mr. GRONNA. I am very glad the Senator called my attention to that. Of course, Dr. Ladd is not a farmer. He is president of the agricultural college of our State and also a great chemist. Since the Senator from Oklahoma, the chairman of the committee, has called my attention to it, I want to read a brief letter written by Dr. Ladd on this question. This letter is written to Hugh J. Hughes, care of Farm, Stock, and Home, Minneapolis, Minn., under date of March 8, 1918.

> AGRICULTURAL COLLEGE, N. DAK., *March 8, 1918.*
>
> HUGH J. HUGHES,
> *Care of Farm, Stock, and Home, Minneapolis, Minn.*
>
> DEAR MR. HUGHES: Replying to your letter of February 22, I have gone over carefully the article submitted by you and can indorse the same. The price for wheat, $2.20, is too low—

Now, remember this same Dr. Ladd is one of the members of the price-fixing committee. He has been a member of that committee since its organization—

> with conditions as they are at the present time for the terminal markets. It is out of proportion to that of the price of other cereal crops that can be grown in this part of the country; and if the farmer is not wholly disposed to ignore the question of profits and grow the crop as a patriot, there will certainly be a considerable reduction in the acreage.
>
> The conditions are not wholly favorable in North Dakota at this time for a large acreage of wheat, and to meet obstacles in the price will tend further to discourage; and I see no reason why the farmer should be expected to disregard the question of profitable crops, for I have not been able to see where any manufacturers or producers outside of the farmer have been taking such a course.

I am sure the farmers of North Dakota are ready to do their share, but with the exceedingly high price of feed at the present time and profiteering that has been done with wheat-mill products, will have a tendency to induce the farmer to provide for his own stock for the coming year, as the first step, and then to do what he can with unnourished animals and the shortage of labor, to grow spring wheat; and there is bound to be a decrease rather than an increase in the acreage, if I can judge rightly.

Yours, very truly, E. F. LADD, *President.*

Mr. President, that letter is in accordance with all the testimony that the members of the Committee on Agriculture have heard. I want to read now from a very distinguished gentleman——

Mr. GALLINGER. Mr. President, if the Senator will permit me——

Mr. GRONNA. I yield.

Mr. GALLINGER. Before he reads further, doubtless I have asked many questions in this debate that have not been highly intelligent, and very likely I am going to ask another along that line. At any rate, I am going to ask another.

Mr. GRONNA. I do not think the Senator could ask a question that is not intelligent.

Mr. GALLINGER. I am somewhat confused about this proposed legislation. As I understand the matter, Mr. Hoover, in virtue of a power conferred upon him through the President, fixed the price of wheat at $2 a bushel.

Mr. GRONNA. May I correct the Senator? Not Mr. Hoover, but a committee.

Mr. GALLINGER. A committee fixed the price of wheat at $2 a bushel originally.

Mr. GORE. A committee of which Dr. Garfield is chairman.

Mr. GALLINGER. It was $2 a bushel originally, was it not?

Mr. GRONNA. No; Congress passed a bill guaranteeing a minimum of $2 to the farmer for the 1918 crop. The committee fixed it on the basis of the Chicago market at $2.20.

Mr. GORE. The crop of 1918.

Mr. GRONNA. Yes.

Mr. GALLINGER. I knew it was fixed at $2.20. What is suggested to me just at this point in the discussion is this: If we pay by statute law $2.50 for wheat, and then the next crop is a bumper crop, such as I believe you had in 1915—am I right?

Mr. GRONNA. Yes; in 1915.

Mr. GALLINGER. And the war comes to a conclusion and the demand for food abroad lessens, can we change the price of wheat by legislation? We have fixed it by legislation and can we change it by legislation if conditions change both as to the product in this country and as to the necessity for the product abroad?

Mr. GRONNA. If Congress should fix a price at $2.50 as a minimum, of course, that would mean that the Government would guarantee the farmers a price not less than $2.50. That is exactly what Congress did for the crop of 1918; it guaranteed to the farmers of the country a minimum price of $2, but Congress did not pass legislation fixing any kind of a price for the farmer's product for the season of 1917.

Mr. GALLINGER. But we are proposing to fix by statute law—at least it is the proposition of the Senator from Oklahoma—$2.50 as the price.

Mr. GORE. Mr. President——

Mr. GRONNA. I yield to the Senator from Oklahoma.

Mr. GORE. I wish to reinforce what the Senator from North Dakota has said in answer to the Senator's question by saying that all the authorities agree, including our Secretary of Agriculture and others, that the scarcity of wheat in Europe, with her 400,000,000 people, will constitute a sufficient demand for wheat, even though the war should terminate now, to keep and insure a reasonable price for the crop grown in America as well as the crop throughout the world. But if those authorities are in error—and all human authorities may be in error—it would leave us only in this situation.

Should the war end now we shall have hundreds of millions of dollars worth of heavy ordnance, of light arms, of shot and shell and munitions that would be unnecessary and of no service, and would constitute a dead loss on our hands; and yet the United States and the world would be glad to take that loss and see the war terminate now. The wheat situation would not be so bad as that, because even if the war should end and we should have vast supplies of wheat on our hands the wheat would still be serviceable; it would still be fit for human food; it would still be requisitioned; it would not be a dead loss, as the hundreds of millions of military supplies would be.

Mr. GALLINGER. Yes; but, Mr. President, notwithstanding that if we had this surplus of wheat on hand it could be consumed, there would not be very much justice in asking the consumers of the East to use that wheat at $2.50 per bushel if it were not worth that.

Mr. GORE. Mr. President, the taxpayers of this country, including the consumers of New Hampshire, would be glad to pay for war munitions, even if they should be allowed to rust, to deteriorate, and to become worthless, the consumers of New England would be glad to take that loss. Now, I think that we all ought to pray for a short war, but we ought to prepare for a long one.

Mr. GALLINGER. Yes.

Mr. GORE. It is eminently better for us to prepare for a long war and have it turn out to be a short war than it is to prepare for a short war and have it turn out to be a long war. It is merely a matter of providence and foresight. It is better to err on the side of abundance in respect to wheat, as it is better to err on the side of abundance with respect to munitions than to err on the other side; for an error on the other side might be fatal, and an error on the side of abundance will not be fatal.

Mr. GALLINGER. The Senator from Oklahoma is right in his general statement. Beyond a question when this war closes—and we all hope it will be before long, although some of us can hardly bring our minds to believe that possible—we shall have ships on our hands; we shall have munitions of war on our hands; we shall have cantonments on our hands; we shall have this job lot of buildings in Washington that disfigure the landscape on our hands and there will be very little value in them. The taxpayers will have to foot the bills; there is no doubt about that; but my question was of a little different character from that. I simply wanted to have my mind satisfied on the point suggested. If we fix the price of wheat by statute law, we can only unfix it by statute law; and if we have a surplus of wheat and no war on our hands, is it right that we should require our people to pay an abnormal price for that commodity and await the slow process of legislation to give relief? That is the point I have in mind.

Mr. GRONNA. Mr. President, I do not know that an unsupported statement from me would be sufficient to convince any Senator, but I want to read the testimony of Prof. G. F. Warren, of Cornell University, and I think his statement will satisfy any of us that there is no danger—I ought rather to say that there is no possibility of either the allies or of the United States having a surplus either of wheat or of other grain. I desire to say most emphatically that the best-informed men in our country agree—and I want the Senator from Ohio [Mr. POMERENE] to hear this—that we to-day are short 350,000,000 bushels of wheat; so there is not much chance of having a surplus; at any rate, not inside of a year; for it takes a whole year to grow a crop. We have never but once had in the United States—and that was in 1915—a wheat crop of more than approximately a little over a billion bushels.

We shall not produce this year to exceed 600,000,000 bushels, and at the utmost 700,000,000 bushels of wheat. In the United States 4½ bushels of wheat are consumed per capita, and it requires at least a bushel an acre for the 60,000,000 acres that must be reseeded next year, which means more than 500,000,000 bushels which we ourselves consume. We should not use that much wheat during the coming year. We must find a substitute; we must use other cereals and save the wheat for our soldiers on the field of battle, and for our allies and for their soldiers.

Mr. President, I want to read from a statement of Prof. Warren.

Mr. GORE rose.

Mr. GRONNA. Does the Senator from Oklahoma desire to interrupt me?

Mr. GORE. It may be that what the Senator from North Dakota is about to read will cover the matter, but I wanted to show the expectation for this year's crop of wheat based on the experience of the last 20 years.

Mr. GRONNA. I should be glad to have the Senator from Oklahoma state it.

Mr. GORE. Mr. President, it goes directly to answer the question of the Senator from New Hampshire [Mr. GALLINGER].

The vicissitudes of the weather can be reduced by the law of averages to an approach to certainty, or at least to a basis upon which human foresight may calculate. It is a good deal like life insurance. The statement issued by the Department of Agriculture on December 1 last showed that the winter wheat crop was in worse condition than it had ever been at the same time of the season since the department has kept a record upon the subject. It was seventy-nine and a fraction per cent, taking 100 as the measure. The nearest approach to that was in 1895, when the showing was 81 per cent. So the

probabilities are that this year's crop—the crop of 1918—will be one of the worst in our experience.

Taking the last 20 years upon which to calculate the expectation for the harvest of 1918, the showing is that there is one chance in 20 that the crop of 1918 will be 25 per cent less than the crop for 1917, which was itself an extremely short crop. The chances are 10 out of 20 that the crop for 1918 will be more than 6 per cent less than the crop of 1917, which, I repeat, was a short crop. There are only 5 chances in 20 that the crop of 1918 will be as good as the crop of 1917. In other words, the chances are 4 to 1 that the wheat crop of 1918—which may be the crop indispensable to our success in this war—will not be as good a crop as that of 1917.

Mr. President, this result is ascertained by the same methods practically employed in life insurance computations, which may be denominated a science. Weather is a factor in our crops; it must be taken into account; and unfortunately the odds are all against a generous crop in 1918, particularly when we consider the fact that the showing in December last for wheat was the worst in all our history since a record has been kept.

I say this because it tends to minimize the danger if not to remove the possibility of finding upon our hands an enormous and uncalled-for supply of wheat should the world be blessed by an early termination of this war. I think our calculations ought to be made on the other side. I think that providence and prudence alike would constrain us to do everything possible to encourage an increase in the spring sowing of wheat, which it is still possible for us to do. We ought to do everything possible to maintain the winter sowing already in the ground and to prevent it from being turned under and the land sown to a more profitable crop; a thing that is being done and that will continue to be done if the farmer realizes that other crops will pay him a more generous profit than will wheat.

Senators are sometimes misled by this fact; they insist that wheat at $2.20 a bushel will return a profit. It may or it may not, but that is not the pivotal point in this controversy. The question is, Will wheat at $2.20 per bushel, according to the law of averages and probabilities, promise as generous a profit as will other crops which the farmer is at liberty to sow? That is the controlling factor; and we ought not to ignore the factors which are to control this situation and which are to direct the future.

Mr. GRONNA. Mr. President, I thank the Senator from Oklahoma for his contribution. It is very valuable, and I desire to say that his statement is absolutely in accordance with the opinion of the great men who have made a study of agriculture.

Mr. NORRIS. Mr. President——

Mr. GRONNA. I yield to the Senator from Nebraska.

Mr. NORRIS. If the Senator will permit me, I desire the attention of the Senator from New Hampshire [Mr. GALLINGER] to the suggestion which I want to make. I listened to the Senator's question, and I wondered if I understood this amendment as he does, and if he might not be mistaken in the basis upon which he has been led to ask the question. It is only for the purpose of clearing up a possible misunderstanding of the Senator that I have asked permission to interrupt the Senator from North Dakota.

The Senator from New Hampshire asked if we fixed the price of wheat by statute and then the war ceases and we want to change it, shall we not have to change it by statute? Of course I take it that the Senator from New Hampshire, as well as every other Member of this body, would under no circumstances, after we had fixed the price of wheat, refuse to abide by our action. After we have given our word, we shall keep it. The same rule would apply if the President should fix a different price, as it does apply to the price which the President has fixed at $2.20 a bushel on a certain grade. I wondered if the Senator from New Hampshire, when he asked his question, forgot for the time being that this amendment applies only to the crop of 1918; that it is not a permanent guaranty, but applies only to the crop of one year? Of course, if we adopt the amendment and the war ends, we shall carry out the guaranty. There can not be any doubt about that. But the guaranty ends by its own terms after that crop is disposed of. In other words, one of the things which the producer must show, if such a thing should come about as that the war should cease and the price of wheat should go down, would be that the wheat was produced in the United States and was produced in the year 1918.

Mr. GALLINGER. Mr. President——

Mr. NORRIS. I yield to the Senator from New Hampshire.

Mr. GALLINGER. I thank the Senator from Nebraska for calling my attention to the fact which he has stated. In the multiplicity of work that is thrown upon us in these days, I had failed to observe what he has stated, and I had an impression that this was a permanent price which would have to be repealed by statute.

Mr. NORRIS. I thought probably the Senator from New Hampshire was under that impression.

Mr. GALLINGER. I thank the Senator from Nebraska for correcting me.

Mr. GORE. Mr. President, it would be no doubt interesting to the Senator from New Hampshire to be informed in this connection that in England they have actually guaranteed the price of wheat up to and including the year 1922, on a sliding scale, however, from last year or this year.

Mr. NORRIS. Mr. President, will the Senator from North Dakota be kind enough to yield to me again?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nebraska?

Mr. GRONNA. I yield.

Mr. NORRIS. I may be mistaken about this, and if I am I should like to be corrected. The Senator from Oklahoma [Mr. GORE] has given us the statistics and the chances under the law of averages, upon which he bases the statement, in regard to the coming crop of wheat. As I remember, the hearings before the Committee on Agriculture disclosed the fact that the census taken, notably in the great State of New York, showed that the figures of the Agricultural Department were in reality too liberal and that the prospects were not as good as those figures indicated. In the State of New York, where they had made an estimate during the preceding fall, they are taking a new census, and evidence was given to us that, with the figures for one or two counties yet to be completed, but applying the result to those counties which had been obtained in the other counties of the State, the actual census of the wheat acreage demonstrated that there were several hundred thousand acres less planted to wheat than indicated by the figures of the Agricultural Department. I have forgotten the exact number of acres.

Mr. GRONNA. The difference in percentage, I will say to the Senator, was very large.

Mr. NORRIS. Yes. So that the statement of the Senator from Oklahoma, as interesting as it is——

Mr. GRONNA. Is very conservative?

Mr. NORRIS. Is very conservative, and the actual facts would probably make the condition appear worse than the picture of the Senator from Oklahoma would show.

Mr. GORE. Mr. President, the figures are these: The department in its statement of December last estimated the winter wheat sowing in New York at 512,000 acres. The census to which the Senator from Nebraska has referred, which is 90 per cent complete, if the figures hold true for the other 10 per cent, shows 361,000 acres, a falling off, I believe, of something more than 25 per cent—approximately 30 per cent.

Mr. GRONNA. I think I have stated, Mr. President, that the statement of the Senator from Oklahoma, with reference to the decrease in the production of wheat is in accordance with the testimony of the best-informed men of this country who have studied the agricultural problems. Now, for the information of the Senator from New Hampshire and other Senators who favor me with their presence, I want to read a short statement from Prof. G. F. Warren, who is professor of farm management at Cornell University. I think I am safe in saying that Prof. Warren is one of the leading scientists in his particular work not only of his State but of the entire country. Prof. Warren; Prof. E. F. Ladd, of North Dakota; Mr. Wallace, of the Wallace Farmer, of Iowa; and Mr. Owen, of Minneapolis, editor of a farm paper, have all testified—and they are all men who have spent years and years in the study of agricultural questions and have made it their exclusive business to study the problems of agriculture and the problems of farm work—in confirmation of the statement I have made. I read from the testimony of Mr. Warren:

WHEAT ON HAND.

Statistics given out by the Government indicate the present wheat situation to be as given in Table 1. There seems to be enough wheat, but it is too far away. There is a shortage of about 350,000,000 bushels for our allies and ourselves. The thing to do, and the thing that the Food Administration promises to do, is to see that our allies get enough wheat to keep up their fighting spirits. We can eat something else. After we have eaten our share, which we are eating much too rapidly, there will doubtless be pressure to have wheat held for us. When that time comes, there should be a stronger pressure to see that our allies get all the wheat they need.

The estimated surplus of 540,000,000 bushels in countries too far away to make shipment has been cited as evidence that if the war should stop the price of wheat would drop below the price now fixed by the Government. There are millions of Poles, Belgians, Armenians, Turks, Austrians, and Germans who will need wheat when the war closes. Because of this great demand there will then be a greater shortage of food in America than now exists.

That bears out the statement made by the distinguished Senator from Oklahoma.

WINTER WHEAT PLANTED.

The comparative acreage of winter wheat and rye planted in different years are given in Table 2. This year there is a marked increase in rye, but only a small increase in wheat. The present wheat acreage is about the same as in 1914. The 1914 crop was planted without "advice" or "campaigns" or fixed prices. It was planted in anticipation of war prices that did not materialize until last year. The reason why prices did not rise in 1915 is shown in Table 6. Had prices of wheat not been regulated, the area planted this fall would probably have been much more. The acreage of winter wheat recommended for this fall by the United States Department of Agriculture was 47,337,000 and the rye acreage 5,131,000. The rye acreage is greater than that recommended by nearly one-fifth, but the acreage of wheat, with its fixed prices, is about the same as that of 1914.

Mr. President, this shows the foolishness of a great government, like the United States, or for any government, making any attempt to fix prices. If I wanted to delay the Senate, I could recite instances thousands of years before the birth of Christ where attempts were made to fix prices. It was tried in ancient Greece and in Rome, and in every instance it has been a failure. Senators, of course, know of the Diocletian edict. In that edict the penalty for not producing and for asking a higher price than a given price was death. What was the result? The result was that the people had to go hungry; and that, I am afraid, will be the result of the foolishness in which we have engaged.

Do not understand that I am asking Congress or that I have at any time asked Congress to fix prices for the farmer more than for anybody else, for I do not believe in the fixing of prices for any commodity. I believe in leaving prices to the law of supply and demand. During this war let those who are engaged in industries make profits, if they can, and then, by taxation, let us take away from them what the Government needs to prosecute the war.

Mr. GORE. And take it from all alike.

Mr. GRONNA. And take it from all alike, as the Senator from Oklahoma suggests. That is the only sound way of proceeding. You can not regulate these matters by fixing the prices of the products of either the farmer or manufacturer. It would be just as unfair to single out any other great industry of this country and say that we will fix a particular price, no matter how unjust or unfair it might be.

Now, Mr. President, let us hear what this great professor has to say about the fixing of prices; but, before I forget it, may I ask to have printed in the RECORD without reading a few tables submitted by Prof. Warren?

The PRESIDING OFFICER. Without objection, permission is granted.

The matter referred to is as follows:

TABLE 1.—*Millions of bushels of wheat.*

France, Italy, United Kingdom, Belgium:		
Average imports, wheat, three years before war		381
Average production		591
Total used		972
Production, 1917		394
Short		578
Estimated export surplus:		
United States	80	
Canada	150	
		230
Australia, on hand	120	
Australia, new crop	120	
India, on hand	50	
India, new crop	70	
Argentina, new crop	180	
		540

TABLE 2.—*Thousands of acres planted to winter wheat and to rye.*

Year planted.	Winter wheat.	Rye.
1908[1]	29,301	2,324
1909[1]	31,656	2,413
1910[1]	32,648	2,415
1911[2]	33,215	2,478
1912[3]	33,618	2,731
1913[4]	37,128	2,773
1914[5]	42,012	3,153
1915[6]	39,203	3,474
1916[7]	40,534	4,480
1917[7]	42,170	6,119

[1] U. S. Dept. of Agr.—The Crop Reporter, December, 1911, p. 90.
[2] U. S. Dept. of Agr.—The Crop Reporter, December, 1912, p. 96.
[3] U. S. Dept. of Agr.—Farmers' Bulletin 570, p. 35.
[4] U. S. Dept. of Agr.—Farmers' Bulletin 645, p. 37.
[5] U. S. Dept. of Agr.—Monthly Crop Report, December, 1915, p. 84.
[6] U. S. Dept. of Agr.—Monthly Crop Report, December, 1916, p. 122.
[7] U. S. Dept. of Agr.—Monthly Crop Report, December, 1917, p. 134.

The corn crop: This year's corn crop is estimated at 3,159,000,000 bushels. The average for the preceding five years is estimated at 2,754,000,000 bushels, but this year's crop includes a large amount of badly damaged corn. At the time when killed by frosts 18 per cent was in the dough stage as compared with 4 per cent in a usual year, 11 per cent was in the milk stage or earlier compared with 1 per cent in a usual year. (U. S. Dept. of Agr., Monthly Crop Report, November, 1917, pp. 105, 110.) Probably that in the dough stage is included in the estimated yield, but it is probable that farmers did not include that in the milk stage in their estimates of yield. Considering the inflated currency and the large amount of soft corn, it is to be expected that corn will sell for much more than the present prices of new corn.

Animals: The approximate efficiency of different animals as producers of human food is shown in Table 3. Dairy cattle are by far the most efficient animals for converting vegetable matter into animal food. Hogs and poultry are efficient, but they use a very high class of food that a cow could also get more out of. Cows also furnish hides.

TABLE 3.—*Proportion of food eaten returned for human use.*[1]

	Per cent of protein returned.		Per cent of energy returned.		
	Of total food.	Of digestible protein.	Of total food.	Of digestible food.	Of production value of food.
Dairy herds	14.5	22.9	10.0	15.1	33.8
Steer	6.4	11.8	4.7	6.9	14.8
Poultry flock	14.5	18.6	6.4	7.5	12.6
Hog	10.2	13.2	15.1	17.5	29.9

[1] Eckles and Warren, Dairy Farming, p. 8.

The results for hogs are estimates. The results for both hogs and steers are too high, as no allowance is made for deaths and for maintenance of breeding stock. Accurate comparisons require that the feed for the entire industry be compared with the returns of the entire industry. Comparisons for mature animals alone are not sufficient.

The relation of population to animals before the war is shown in Table 4. When population becomes very dense men are forced to become the beasts of burden. They are then willing to do the work of a horse to get the horse's food.

TABLE 4.—*Relation of population to animals.*[1]

[Live stock per 100 persons.]

	Animal units of cattle, reindeer, sheep, goats, hogs.	Horses, mules, asses.
Argentina	443	135
Australia	395	43
Canada	82	36
United States:		
1850	92	.....
1860	89	.....
1870	67	.....
1880	87	.....
1890	93	.....
1900	73	.....
1910	69	30
Roumania	38	11
France	37	19
Netherlands	33	6
Denmark	33	20
Germany	31	7
Russia	29	20
British Isles	29	4
Belgium	23	4
Japan	2	2
Iowa	219	75

[1] An animal unit is one head of grown cattle, or equivalent in other stock. For the United States from 1850 to 1900 the figures are a little low as some young animals are omitted.

The changes in numbers of live stock in various countries since the war began are given in Table 5. The number before the war is compared with the latest figures published by the International Institute of Agriculture. Live stock has decidedly decreased in some countries since these figures were obtained.

TABLE 5.—*Changes in numbers of live stock since the beginning of the war.*

	Percentage increase or decrease.				
	Cattle.	Sheep.	Hogs.	Poultry.	Horses.
Germany	− 3	− 8	−33	.....	+ 4
France	−16	−34	−40	.....	−20
Great Britain	+ 5	+ 3	−12	.....	+21
Denmark	.....	− 7	−34	−19	+ 1
Norway	− 2	− 3	− 3	.....	+ 4
Netherlands	+10	−38	−12	.....	.....
Canada	− 1	− 2	−27	.....	+ 3
United States	+12	− 2	+14	− 1	+ 1
United States, Civil War period, 1860-1870	− 7	+27	−25	.....	+14

The results of this war agree well with the effects of the Civil War except in the case of sheep. In that war the impossibility of getting cotton made sheep increase. The hogs and poultry that consume food

fit for human use are decreasing most. A limited number of hogs and poultry can be kept as scavengers, but larger numbers consume grains fit for human use. When men are hungry enough they prefer 7 pounds of corn to 1 pound of dressed pork. There may be some question whether it is desirable for America to materially increase its hogs or poultry, since such an increase comes out of the grain supply. One advantage in increasing hogs now is that it will mean the holding over of corn in the form of pork. If we are not to hold it over as corn, it is certainly well to have it held in some form. Probably it is best to make every effort to keep up the supply of live stock. It will decrease rapidly enough in spite of all efforts. Live stock always tends to decrease in times of food shortage.

THE OUTLOOK FOR NEXT YEAR.

What crops may be expected: Weather and labor are the great factors in crop production and, of these, weather is the dominating one. How variable the seasons are in America is shown in Table 6. On the basis of average yields the area planted for 1915 should have given 838,000,000 bushels of wheat. It did give 1,026,000,000. The production in 1917 was 20 per cent less than that expected from the area planted. Nearly all of our land is subject to severe droughts. In times of peace this was not realized, because a drought merely meant decreased exports or possible imports.

TABLE 6.—*Wheat in the United States.*

[All figures are millions.]

Crop year.	Acres planted.	Acres harvested.	Expected production from acreage planted.	Raised.
			Bushels.	*Bushels.*
1910–1914	53	49	.....	728
1915	61	60	838	1,026
1916	57	53	783	640
1917	60	46	824	651

Average yield per acre: The average yields per acre in pounds of grain calculated from the estimates of the Department of Agriculture are given in Table 7.

TABLE 7.—*Pounds of grain per acre.*

[Total pounds of corn, oats, wheat, barley, rye, and buckwheat divided by total acres of these crops in the United States from Yearbooks of the United States Department of Agriculture.]

Year:	Pounds per acre.
1866	1,120
1867	1,050
1868	1,134
1869	1,112
1870	1,241
1871	1,233
1872	1,280
1873	1,086
1874	957
1875	1,221
1876	1,097
1877	1,217
Average 12 years	1,146
Year:	
1878	1,191
1879	1,263
1880	1,188
1881	866
1882	1,114
1883	1,032
1884	1,138
1885	1,138
1886	1,025
1887	948
1888	1,121
1889	1,184
1890	920
1891	1,231
1892	1,046
1893	1,002
1894	934
1895	1,209
1896	1,221
1897	1,105
Average 20 years	1,094
Year:	
1898	1,157
1899	1,138
1900	1,135
1901	913
1902	1,260
1903	1,143
1904	1,215
1905	1,310
1906	1,358
1907	1,167
1908	1,181
1909	1,221
1910	1,256
1911	1,074
1912	1,380
1913	1,122
1914	1,222
1915	1,342
1916	1,109
1917	1,259
Average 20 years	1,198

Judging by the past 20 years there is 1 chance in 20 that next year's yield per acre will be less than three-quarters of this year's. In that event, a large part of the live stock would have to be eaten. There are 10 chances in 20 that the yield will be more than 6 per cent below this year's production, and only 5 chances in 20 that the yield will be as good as this year. Or, the chances are 4 to 1 against a crop as good as this year's and 1 to 1 of a crop more than 6 per cent below this year's.

A yield per acre of 10 per cent below this year's production is so common that we should make plans for a year at least this unfavorable. In other words, if we desire reasonable assurance of being able to live as well next year as this year and at the same time export as much as this year, plans should be made to do man's part for a total production of 10 per cent more than was planned for last year. Considering the present condition of the winter wheat, even this is taking enough risk.

Total production of grain: The total production of the six grains, in pounds, is given in Table 8. The crop of 1915 was the largest ever produced and 1917 was the next largest.

TABLE 8.—*Total pounds of corn, oats, wheat, barley, rye, and buckwheat produced in the United States.*

Year:	Pounds.
1898	176,000,000,000
1899	180,000,000,000
1900	180,000,000,000
1901	161,000,000,000
1902	222,000,000,000
1903	198,000,000,000
1904	209,000,000,000
1905	233,000,000,000
1906	250,000,000,000
1907	217,000,000,000
1908	226,000,000,000
1909	243,000,000,000
1910	249,000,000,000
1911	219,000,000,000
1912	278,000,000,000
1913	230,000,000,000
1914	252,000,000,000
1915	294,000,000,000
1916	235,000,000,000
1917	281,000,000,000

Mr. GRONNA. This portion of Prof. Warren's statement which I now desire to read is headed "Some proposed remedies." That is what Senators are waiting for—some proposed remedies—and Prof. Warren gives them:

Price control: One of the important problems of the war is whether to attempt to arbitrarily keep down prices and wages in spite of an inflated currency, or let the cheaper dollar do part service by letting prices and wages rise. Thus far the public agitation has been in the direction of price control. The public seems to have decided to repeal the law of supply and demand. Unfortunately, the repeal applies to supply as well as to demand. Some persons believe that since we are at war, the law of supply and demand fails to operate. It would be as logical to say that a heavy weight repeals the law of gravitation. We should not make the mistake of assuming that man can repeal either law.

When the consumer is in power the goose that lays the golden egg is in danger. We have regulated our railroads for the past decade so completely to the satisfaction of the public that the investor has put his money elsewhere. We are now beginning the same experiment with farming. Much of the agitation for price control fails to distinguish between large corporations that are more or less monopolistic and farming that is made up of millions of small independent units.

The motives for price control are numerous. Business interests want food regulated so that wages will not rise. In effect this means that the farmer's wage is to be reduced so that city wages need not rise. The employer who hopes for cheaper food is in a mood to cause industrial disturbances. The vain hope that food can be made cheap when the supply is decreasing and when its price is measured by a shrinking dollar, leads employers to delay giving inevitable wage increases and thus favors industrial disturbances. Wage demands that may be high at the moment may be amply justified in the near future because of the further decrease in the purchasing power of money. The employer who faces the facts squarely is the one who is in a mood to meet the situation wisely.

Mr. President, there is the whole situation. I agree absolutely with Prof. Warren, and I believe he is right. Prof. Warren further said:

Increased production means more labor: There is no solution of the food problem except more food, and the only way to get more food is either to get out of the way and let it be produced or else do the things that will cause it to be produced. We can not get it by wishing or by editorials or by reducing prices.

I am going to read a letter from a newspaper man in my State, the owner of the largest newspaper in North Dakota. His paper has "roasted" me, and I might say misquoted me, more frequently than any other paper in the State, but I am going to read his letter just the same, because it touches upon the question of production and fair prices. The letter is not addressed to me, but to Mr. H. M. Owen, who testified before our committee, and as he offered it for record I feel at liberty to use it. The letter is as follows:

GRAND FORKS, N. DAK., *March 8, 1918.*

Mr. H. M. OWEN,
Minneapolis, Minn.

DEAR MR. OWEN: I have your wire and note you ask my judgment as to the feeling of our people in regard to the wheat-acreage situation. Replying, will say most of our people really want to be patriotic and conform to the wishes of the Government regarding crops, but you realize what human selfishness is, and there is no question whatever but that a great many people will seed the kind of grain they believe they can make the most money out of.

We have felt ever since the price was fixed last fall, that the spring-wheat grower was discriminated against in that the price made by supply and demand, which was $3.06 per bushel the day Mr. Hoover made his statement, and it dropped down to below $2 per bushel at the point of loading, especially so in the face of the fact that wheat was the only food commodity on which we were short, and the further fact that the winter-wheat growers had an opportunity to deliver their wheat at the supply-and-demand price, and we were just beginning to deliver ours.

At the present price of corn, oats, barley, etc., wheat is the cheapest food product, even for live stock. A good many of our people will sow the wheat anyway, but you realize that when wheat is lower than other commodities, and the facts are that it is cheaper to feed, even to live stock, and the further fact that at present prices barley or oats, either one, would be more profitable to grow, it will certainly have a tendency to increase consumption and decrease acreage, when the opposite is just what we want. All real loyal citizens are using every opportunity to urge increased acreage of wheat, but you know the results of selfishness and can judge as well as I.

I do not understand why the Government does not either lift the restrictions and let supply and demand govern all these products or else put them all in the list, fix all prices, and that would be comparatively fair to everyone concerned. The Government experts at Washington, I am sure, will agree with us along the line of cost and production.

I am inclosing you copy of brief I furnished the price-fixing committee last fall, and in this schedule there could be added some extra amounts for wages, as they are going to be much higher this year.

Trusting that this may be of some service to you, I am,

Yours, very truly.

J. D. BACON.

Mr. President, I agree with this gentleman in what he says, that if we fix the price of one commodity we ought to fix the price of all commodities. That is the position that the Committee on Agriculture and Forestry took when it had the food bill before it last year. You will all remember that that bill included everything—steel, iron, oil, and their products; timber, hides, wool, and their products, and do not forget cotton and its products. That was also in the bill.

When the Senator from Mississippi [Mr. WILLIAMS] said the other day, "We do not need to eat your wheat," I could respond, "We do not need your cotton." Sir, we can produce more flax on 1 acre of land, and spin it into linen, than you can produce on 10 acres of cotton; but that is not the spirit that should prevail among citizens of the United States. Mr. President, we do not need, either, to sow wheat. We have in my State other resources. We have some 20,000,000 acres underlaid with lignite coal; but up to the present time it has not been marketed, because it contains too large a percentage of moisture. But now machinery has been invented for manufacturing coal into briquettes, to take out of the coal the 40 or 50 per cent of moisture and manufacture it into coal briquettes, and I say here that it is as good as the best bituminous coal you can find anywhere. We have 20,000,000 acres underlaid with this coal in my own State. We have more than seven thousand billions of tons of this coal, and we have a vast area of pottery clay. We do not need to raise wheat. So I hope that the Senator from Mississippi, upon reflection, will not contend that he meant his statement seriously when he said: "We do not need to eat your wheat." We do not need to wear your cotton. We can raise sheep, any amount of sheep, in my State. It is the best sheep country in the world, because the air is pure and dry. We can take the fleeces from the sheep's back and manufacture them into cloth, which, I think, even the Members from the cotton States will admit is as good as cotton cloth.

But, Mr. President, I do not want to hear, nor do I want to discuss, the question of North and South, of cotton and wheat. We are a united country. We must be a united country. The amity and good feeling which for years and years has existed between the North and the South ought to and will exist in the future. No man, whether he is from the North or the South, can justly accuse me of discriminating against legislation that has favored the South. There never has been a bill before this body or the other body when I was a Member of it but that I have as willingly voted for appropriations that would benefit the South as for appropriations that would benefit the North.

Mr. President, I want to say that my personal interest in the production of wheat is a secondary and small matter. I want to say that if it had not been for the fact that after hearing these men, patriotic men, coming as they did from all over the United States and testifying to the fact that there will be a shortage of food, I should not have taken a single moment to express any opinion upon this amendment. But I do feel, and I know that every Member of this body, whether he is from a grain-raising State or not, realizes that it is of just as much importance to produce food as it is to manufacture powder, to manufacture guns and munitions of all kinds, and of just as much importance as it is to furnish men.

Mr. President, there were those of us who were not willing, at the particular time the declaration was made, to enter into this war; but I hope that at least no Senator will challenge the patriotism of any of those of us who were in the minority at that time. We are as much interested in the outcome of this war as those of you who were in the majority. We have as willingly given our sons, and many of us have given sons who did not have to go on the field of battle under the law; but after war had been declared, speaking for myself, I knew it to be my patriotic duty to do everything in my power to successfully prosecute the war. Mr. President, we have contributed as liberally as we have been able to contribute to every fund necessary to successfully prosecute the war. It is no longer a mooted question. We are facing a powerful enemy. Every true American must realize that it is his duty as a citizen of this Government to see that a victory with honor is won. Our faces must be turned to the future. We are not living in the past. Autocracy and oligarchy must be crushed wherever found in the interest of people's governments, in the interest of liberty and freedom.

Mr. JONES of Washington. Mr. President, I am not going to discuss the question of price-fixing. That policy has been a failure from the earliest recorded history, and I am afraid it will be a failure in this country. We hope for the best from it, however, because we have started upon it; but it is bound to be unjust where the cost of the article the price of which we try to fix is not also fixed and determined. But what I rose to do was to call attention to a paragraph in a letter which I have received from a farmer who calls attention to what I think is really the most serious situation that confronts the farmer in connection with the production of his crop.

I do not minimize the effect of the increased cost of farm machinery, to which the Senator from North Dakota has referred; but many farmers may not need to buy machinery this year. They can make the old machinery do the work of this year. They may not have to pay these increased costs. But there is one element that the farmer can not escape, and that is the labor proposition.

I want to read just a paragraph of a letter from this farmer that is illustrative of the conditions throughout the country. I do not know; it may be worse in our State than in other States, because of the governmental demands for labor; but this shows about the situation all over the country. He says:

Another matter, Senator, of very great importance to farmers is the matter of extreme high wages. In the first place, the country is being robbed of its young men and that depletes the supply of labor.

I want to say that the writer is not condemning the taking of young men for war purposes, because he was a soldier in the Civil War, and he is for this war; but he simply states the fact in those terms.

We had to pay much more for labor on the farm last year than in former years, and this year it will be still more. My ranch, 40 acres, is just north of "Camp 4" on Cowiche Ridge. Mr. Clarence Livergood has charge of it. He says the Government at Camp 4—

That is an irrigation camp—

is paying $3.30 per day this year for 8 hours, and that at "Rimrock," where the big dam is being built, the Government pays $3.30 for 8 hours, and that we on the farms will have to pay the same. I notice by the papers that the Government has agreed to a schedule of 45 cents and 50 cents per hour in all the lumber regions of Oregon and Washington, and I am expecting the men who work on the farms will make that a clue for demanding the same from us. We are straining every nerve to raise stuff to feed the millions of Europe.

What does that mean to the farmer, Mr. President? That means $100 or more a month for farm labor, for farm help; and he can not escape it. Not only is what he has said here true, but the shipyards of our State are taking men from the farms and men from the shops in the small country towns, men from every line of business, and they are making from six to eight or ten or twelve or fifteen dollars a day. These wages will have to be reflected upon the farm, or else the farmer will not get any help. That is all there is to it. So that must be taken into account in the consideration of this proposition.

While I have the floor, I am going to read another letter. It does not bear particularly upon this point, but it simply shows the effect of this constant touch of some governmental bureau or governmental agency upon the industries of our country.

We authorized the President to place an embargo upon exports of our products from this country. Of course it was expected that that power would be exercised wisely We have a War Export Board here in Washington City. They have an agent out in Seattle; and I have here a letter from the chairman of one of our county councils of national defense giving one instance of his experience in connection with this matter. He says:

We have a hard time preaching patience, when we can not give a valid reason for delay. Seems to me the machinery of the Government is cumbersome in the extreme; there does not seem to be the adaptability and tact on the part of some of these bureaus which would inspire confidence.

Those of us down here who are brought in touch with these bureaus can sympathize, I think, pretty strongly with this gentleman's experience in one or two particular instances.

Have before me an application to the War Trade Board for license to ship 20 dressed hogs across the line into Canada. It was flatly denied without any reason whatever being assigned.

He sent me the slip. It was a regular printed form, with blanks to be filled out—one blank for the number of hogs, another blank for the number of the application, and then it had printed on it "This application is denied," with no reason given, no excuse for the action, nor anything of the sort. Now, the application for the shipment of these hogs was to have permission to send them to Grand Forks, in British Columbia. He says:

Grand Forks, British Columbia, is the location of the Granby smelter. It is as much of an employer of American labor as any other, making copper for war purposes. The country is one of our allies. Farmers are feeding these hogs on wheat. There is nothing else to feed them on.

I know that in that section of the country they raise wheat very largely—

What are they to do, eat the pork themselves, or feed seed wheat, which they do not have to spare, until the hogs are fat enough and large enough to sell to the packing houses? They do not want them now, for they are not large enough. I can not explain such actions; I can not satisfy my people, for I do not know what to say.

It is not any wonder that this chairman of the county council of national defense does not know what to say to the farmers whom he has been asking to subscribe to liberty bonds and for Red Cross work and all that sort of thing. It is no wonder that he does not know what to say to them when they make an application to send 20 dressed hogs over to British Columbia, just across the line, to the smelter that is employing American labor as well as Canadian labor, whose product is copper, so necessary in the conduct of the war, and the application is denied without any reason whatever being given for it; yet that is the situation. It does not bear particularly on this wheat proposition, and yet it shows that the wheat is being used for the fattening of these hogs that the Government officials will not permit to be sent where they are especially needed.

Mr. POMERENE obtained the floor.

Mr. TRAMMELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Baird	Hitchcock	New	Sterling
Bankhead	Johnson, Cal.	Norris	Stone
Beckham	Johnson, S. Dak.	Nugent	Sutherland
Calder	Jones, N. Mex.	Owen	Swanson
Curtis	Jones, Wash.	Page	Thomas
Dillingham	Kellogg	Pomerene	Tillman
Fall	Knox	Ransdell	Trammell
Fletcher	Lewis	Reed	Vardaman
France	Lodge	Shafroth	Wadsworth
Gallinger	McCumber	Sheppard	Warren
Gore	McKellar	Sherman	Watson
Gronna	McLean	Simmons	Weeks
Hale	McNary	Smith, Ga.	Williams
Harding	Myers	Smith, Mich.	
Hardwick	Nelson	Smoot	

Mr. CURTIS. I have been requested to announce the unavoidable absence of the Senator from New Jersey [Mr. FRELINGHUYSEN].

Mr. REED. I take this opportunity to announce that the Senator from Utah [Mr. KING] and the Senator from Delaware [Mr. WOLCOTT] are engaged in work of the Judiciary Committee.

Mr. LEWIS. I announce the absence of the Senator from Maryland [Mr. SMITH], caused by illness, and at this time beg to announce the absence of the Senator from Kentucky [Mr. JAMES], by reason of illness, and the Senator from Nevada [Mr. HENDERSON], upon official business.

Mr. GORE. I announce the unavoidable absence of the senior Senator from Kansas [Mr. THOMPSON].

Mr. WARREN. I wish to announce the absence from the city of my colleague [Mr. KENDRICK] on public business. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Fifty-eight Senators have answered to the roll call. There is a quorum present.

Mr. McCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from North Dakota?

Mr. POMERENE. I yield to the Senator from North Dakota.

Mr. McCUMBER. As the Senator from Ohio is about to discuss the subject under consideration I am asking him to allow me to put into the RECORD at this time a table which will not only partially explain what my colleague [Mr. GRONNA] has said with reference to farming conditions at the present time but will also answer some of the queries made by the Senator from New Hampshire [Mr. GALLINGER]. I am placing it in the RECORD at this time so that the Senator from Ohio may, if he will do me the honor, make such comments upon it as he may desire and criticize it if I am wrong.

I am going to ask to take a family of five persons as the basis of my calculation. Those five persons will consist of the husband and father, the wife, and, we will say, two sons and one daughter. That will give the most favorable conditions to start out in farming, because, under my computation, there will be three laborers capable of performing the labor of a man upon the farm, and two women for the house. Now, we will suppose that this family want to buy a farm and go into the farming business, and I will direct them to go to Ohio and buy a farm there. I asked the Senator from Ohio privately what the general average value of good farm lands in his State was, outside of those tracts which are in close proximity to the great cities and which would be used for gardening rather than farming, and I judge from his statement that in the good sections of Ohio the average value of a farm would be about $125 an acre. The Senator from Illinois [Mr. SHERMAN] informs me that it would average about $175 an acre in the State of Illinois, so I will take the cheaper land of Ohio; and this farmer proceeds to buy that land.

Here is my table: I will take 160 acres. At $125 an acre it will cost him $20,000. He will need, in the way of stock and machinery and cows and pigs and the other things that are necessary to start farming on 160 acres, at the present prices, about $5,000. That will be an initial cost of $25,000. Now, I am going to compute this the same as you would if you went into the mercantile business.

Six per cent interest on $25,000 would be an annual interest payment of $1,500. This 160 acres must be fertilized. I think it will cost the farmer nearly $2 an acre to keep it well fertilized, but I will try to be very careful not to overstate the figure, and I will place it at $1 an acre. That will make $160 for fertilizing. This farmer will undoubtedly pay taxes on that farm of 160 acres and all of the personal property which he uses in connection with it to the amount of about $100.

He will also be compelled to buy new machinery and new stock, or his horses may die, and it is a fair and reasonable estimate that you must allow for depreciation, loss in machinery and in horses about $200 per year. Now, he must buy his coal and his fuel. It is safe to say that he can not buy his coal and his fuel for a year for less than $100 at the very least.

Mr. SMITH of Michigan. He can not get coal at all.

Mr. McCUMBER. But if he bought cordwood and used that instead it would cost him at least $100. It is safe to say that he will have to pay out at least $75 in insurance on all this property—fire insurance and insurance of his stock, and so forth. Then there will be, under my estimate, miscellaneous expenses upon that farm of about $125 to buy the hundreds of little things that have to be bought on the farm outside of what is necessary for clothing and for what we call ordinary living expenses. Now, you will see that that will immediately amount to $2,200. That man, even with those two boys, will have to hire two men about a month and a half during the busy season—that is, from the time the harvest begins until the grain is thrashed. That would be equivalent to three months for one man. He must pay to-day about $80 a month and board. If you hire for the entire year, of course it will be less than $80 a month, as probably in Ohio; but where he hires probably for only a month and a half he will have either to hire by the day or, at the very least, it would cost him $80 a month and board. Now, putting the board at only $20 a month per man, you would have $100 per man, and for the three months you would have $300. So you have now paid out $2,500 during that time.

Remember, if he has 160 acres he must have horses, he must have cattle, he must raise pigs, he must have a portion of that 160 acres to put his buildings on, and he must have pasturage for his cows, he must raise potatoes and garden truck, and he must raise oats for his horses or other feed and hay, and altogether he would have to take at least 60 acres out of the 160 acres for that purpose. That would leave him only 100 acres, then, to raise his wheat on. Now, let us take the average yield, both in Ohio and other places in the United States, at 14 bushels per acre. At 14 bushels per acre, on 100 acres he will have raised 1,400 bushels of wheat. One thousand four hundred bushels of wheat at the present price as fixed by the Food Commissioner would yield him about $2 per bushel. Remember that I have not taken out anything for thrashing this wheat, which would be about 6 or 7 per cent. Remember also that the $2.20 a bushel is for the highest grade of grain, and not one-fifth of the grain in the United States measures up to the highest standard.

So, when you take his distance from the principal interior market and the cost of shipping, the cost of just the thrashing

that he will have to pay per bushel, after he furnishes the men himself and his own work, if he gets $2 a bushel at his own elevator he will be doing well. But I will compute it at $2 a bushel, and he would have $2,800.

Now, it has already cost him $2,500. That would give him $300 for one year's work for five adults, and probably there will be children to support and take care of besides those that are working. Dividing that $300 among five people, you have $60 for each one for his year's work. You have $5 a month, or 20 cents a day. That is the estimate that I made some years ago, and it will hold good even at $2 a bushel with the cost of everything that the farmer has to purchase. Now, just stop and think of that for a single moment.

Mr. FLETCHER. Mr. President——

Mr. McCUMBER. I will yield in just a minute. He must purchase all his groceries; he must buy all his medicines; he must pay all his doctor bills; and he must buy everything that is needed in the shape of the ordinary things that enter into the life of an individual for $60 a year, or $5 a month, and he will not have a great deal left for the Red Cross unless he cuts out his tobacco and other little comforts of that kind. I simply give that table to show that his year's labor will not give him a sufficient additional sum to buy two suits of clothes a year, and it will not give him as much as your ordinary laborer in the steel mills in Ohio and Indiana will earn in two weeks.

Therefore, you can draw your own conclusion. I have not given anything but the most moderate figures here. With wheat at $2 a bushel, and with the number of acres that must be taken out of the total of 160 to raise his other cereals, his hay, his corn for his pigs, his pasture for his cow, and his oats for his horses, 100 acres would be as much as he could possibly put in wheat, and that would be all he would get his money for.

Mr. President, I think that table demonstrates rather conclusively that under present conditions, even with $2 wheat, the farmer will not and can not raise wheat, especially when he buys land at $125 an acre. I now yield to the Senator from Florida.

Mr. FLETCHER. I merely wish to say that my sympathies are with the farmer, and I will not enter into any details regarding the calculation made by the Senator. I simply wish to suggest that his man made a mistake in the beginning. He ought to have gone down to Florida and bought land at $10 an acre, cleared it, put it in cultivable condition for about $30 an acre, and grown four full crops a year.

Mr. McCUMBER. But the Senator will remember that all our Florida people are protectionists, and he gets a pretty good protection upon the oranges and citrus fruits and all that, while wheat, which we raise up North, is on the free list. So the farmer down there would have a distinct advantage.

Mr. FLETCHER. I do not think there is any protection on the orange crop.

Mr. POMERENE. Mr. President, I am not going to discuss the statement made by the distinguished Senator from North Dakota [Mr. McCUMBER], save and except to say that I neither agree with his premises, his conclusions, nor his process of reasoning. If the Standard Oil Co. would employ him as an accountant, I am sure there would be no income tax to pay by that company.

I only want to allude to one particular fact. When he speaks of the average crop of wheat in Ohio as being 14 bushels to the acre, I hope my friend knows more about farming in North Dakota than he does about farming in Ohio. The average production in Ohio is, I believe, about 23 to 25 bushels to the acre. I do not have exact figures before me. Last year in many sections 40 bushels to the acre was not an uncommon yield. I have been told in one township in Wayne County the entire township averaged 40 bushels to the acre.

But I do not intend to discuss the question of the yield. Suffice it to say that in my judgment the price fixed by the President of $2.20 per bushel is ample as a minimum price, and I can neither find it in my conscience nor in my heart to attempt to place a minimum price of $2.50 upon wheat at this particular time.

I am not here to challenge the loyalty of North Dakota's farmers. I am not here to question their good citizenship. In my judgment the vast majority of all the people in all the States are absolutely loyal to America and to America's cause. But I want to point out one or two facts which seem to have been overlooked by the distinguished Senator from North Dakota [Mr. GRONNA]. I was touched by his eloquent words when he referred to the farmer boy from North Dakota who had gone to the trenches, and I indorse everything he has said about that boy, but when it comes to the fixing of prices to be charged for wheat I want to ask him this question:

There are hundreds of thousands of boys from all over the States of the Union who are going to the trenches, giving their all, placing their very lives upon the altar of their country, and while they are there fighting this battle for you and for me there is an effort made on behalf of certain farmers to enable them to charge their wives and babies at the rate of $2.50 per bushel for the wheat out of which their bread is made. Let us pause and think whether that is right or not.

I yield to no man in my love for the farmer. I do not question his loyalty or his patriotism, neither do I question the loyalty or the patriotism of the workingman or the working woman who must buy bread in order to sustain life. I believe in the loyalty of the washerwoman and the seamstress who must pay these excessive prices for wheat and for flour and for bread.

Now, Mr. President, I happen to know a little bit about farming myself.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Oklahoma?

Mr. POMERENE. Only for a question.

Mr. GORE. Not for a question; but I wish to cite an instance where a young man in my State had been drafted and is now in the service. I will divert it into a question. He raised 2,700 bushels of wheat last year, enough to feed 550 soldiers. He has a wife and children. He is now in the service, and his Government, in behalf of which he is now imperiling his life, compelled him to take $2,000 less for his wheat than it was worth in the markets of the country, and his family must subsist in his absence, and they lack the $2,000 and probably need the $2,000 that they would otherwise have received.

Mr. POMERENE. Mr. President——

Mr. GORE. Does not that appeal to the Senator's sympathies as well as to his sense of justice?

Mr. POMERENE. Oh, it does appeal to my sympathy to think that any man is going abroad; but the man who has 2,700 bushels of wheat is not a pauper by any means.

Mr. President, up until two years ago, I dare say, there was not a farmer in either North Dakota or Ohio who would not have been glad to have contracted his entire crop at $1 per bushel. Make it $2 and you still have room for doubling his cost, and a handsome profit besides.

Our friends in North Dakota speak of the poor crop they have had there, and I have a good deal of sympathy with them because of the partial failure of the crop in North Dakota and other States, particularly in the arid regions. But let us talk seriously about this matter. Assuming that it was a total failure, is that a reason why we should place an exorbitant price upon wheat? They are not in the habit of having failures in North Dakota. In 1915 they raised 151,000,000 bushels of wheat. Last year, I believe, according to the figures presented by the junior Senator from North Dakota they raised 60,000,000 bushels. The minimum price fixed in the law which we passed last year was $2. The minimum price provided for in this bill is $2.50. If they should have a crop equal to the crop in 1915 of 151,000,000, the 50 cents a bushel means just $75,500,000 to the one State of North Dakota. In my own State of Ohio last year we raised over 41,000,000 bushels of wheat. Fifty cents a bushel means just $20,500,000 to the farmers of my State.

I am glad to say for one, speaking for the farmers of Ohio generally, I thank God they are not here asking for this increase in price.

Mr. President, this subject matter was before the Congress last year—in September, I think. Out in my own State we have a Mr. A. P. Sanders, who for years was secretary and later president of our agricultural board. He is one of the most wide-awake and well posted men I know of on the subject of farming and farm products. He took it upon himself to make an independent investigation as to what should be the minimum and maximum prices fixed for wheat. He sat down and sent out a questionnaire to 210 citizens of Ohio scattered throughout the State. He tells me that among them were institute lecturers, leading farmers, a few grain-elevator men, leading stockmen, and officials of the State grange. He got replies from 149. He subdivided them as follows:

The farmers from northwestern Ohio sent in their report and the average maximum price by those farmers was $1.9921. The average minimum price they fixed was $1.4732.

In northeastern Ohio the average maximum price was $2.2317; the minimum price, $1.528.

In southeastern Ohio the average maximum price which they fixed was $2.0311; the average minimum was $1.50.

In southwestern Ohio the average maximum was $2.2211; the average minimum, $1.563.

The average throughout the States was as follows:

Average maximum, $2.119.

Average minimum, $1.5162.

Mr. WADSWORTH. Will the Senator yield?

Mr. POMERENE. For a question only.

Mr. WADSWORTH. May I ask what the date of that estimate was?

Mr. POMERENE. It was some time in August of last year, as I recall the statement in the letter to me.

Mr. WADSWORTH. Has the Senator made any effort to get an estimate for the present time?

Mr. POMERENE. I have not.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Missouri?

Mr. POMERENE. I yield for a question.

Mr. REED. Does the Senator have the general average?

Mr. POMERENE. That is what I gave a moment ago. The Senator overlooked it. Those were the last figures I gave. The average minimum throughout the State was $1.5162, and the average maximum $2.119.

Mr. REED. My question is not as to the general average, but the two smallest numbers give the average minimum, and you get the average maximum by taking the two largest. What I am trying to get at is how these figures show an average.

Mr. POMERENE. I hope the Senator will do me the credit of believing that I would not intentionally deceive the Senate in a statement of facts.

Mr. REED. Certainly not. I have not intimated anything of that sort.

Mr. POMERENE. I am sure of that; but the suggestion would indicate that my figures might be misleading, and in view of that statement I propose to explain them.

Mr. REED. If the Senator will pardon me, since he takes that view of it, I understood he was giving all the figures, and I was merely asking for light as to how he arrived at the average. I hope the Senator will not construe anything I have said as anything more than an effort to get at just what the facts are.

Mr. POMERENE. I do not so construe it, but in view of the question I wanted to make my position perfectly clear. While this investigation was going on some 94, as I remember, of these reports were sent to my own office. The returns were then not all in, and I had the clerks in my office add together all the minimum prices and divide them by the number of minimum prices, and add together all the maximum prices and divide them by the number of maximum prices which were given, and the minimum price at that time on the ninety-odd reports we had was $1.49, the maximum was $2.10½. The figures I have just given are from memory, but I am certain I am not out of the way 1 cent a bushel. The averages I give to-day are based upon 149 answers, and they raise the minimum slightly and the maximum slightly.

Mr. GRONNA. May I ask the Senator a question?

Mr. POMERENE. Yes.

Mr. GRONNA. I ask the Senator if the figures he is now presenting were the figures he presented about a year ago?

Mr. POMERENE. Not exactly, as they were presented at that time. At that time the conclusions I gave were based upon figures contained in about 94 reports, as I remember. They are included in the averages I have given here to-day.

Mr. GRONNA. I thank the Senator.

Mr. POMERENE. Mr. President, I know some of these farmers, and I know some of the men who answered this questionnaire, and they are intelligent men. They are prosperous farmers; they are patriotic citizens. There were several who put the prices high. I remember of one man who placed a maximum price of $3.50, but when I investigated his pedigree I found he had some official position connected with agriculture, catering to the farmer element, himself a political farmer, one of that type of farmers who farm farmers and not farms.

Mr. President, looking at this from the standpoint of a Senator from Ohio, when the farmers of the State fix a minimum of $1.5162 and a maximum of $2.119, would I be justified in asking all the people of Ohio and all the breadeaters everywhere to pay for their wheat at the rate of $2.50 a bushel?

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Oklahoma?

Mr. POMERENE. For a question.

Mr. GORE. I wish to ask the Senator a question, and I wish to eliminate one point on which we two agree first. There can not be any possible doubt that the farmer can produce wheat in Ohio at a profit. Where the yield is 40 bushels to the acre $2 is a splendid remuneration. The Senator says last year the average in Ohio was 23 bushels per acre. In the United States there were 60,000,000 acres sown last year and there were 651,000,000 bushels.

Mr. POMERENE. I am yielding for a question.

Mr. GORE. I am basing it on this statement——

Mr. POMERENE. I want to get through with this argument, not that I care to avoid a controversy at all, but I do not care to consume too much time.

Mr. GORE. The point is this: The average in the United States was 10 bushels to the acre. There must have been millions of acres which produced less than 10 bushels to the acre to bring the splendid crop of Ohio down to the average of 10 bushels. Does not the Senator think in a crisis like that the problem which we must solve is to devise ways and means to enable the man who produces below the average to produce near the margin of profit?

Mr. POMERENE. Mr. President, I will answer the question and I will answer, "Yes." My answer is that when the people of my State say that $1.51 is a good average minimum price for wheat, then it is my judgment that $2.20 ought to be a good minimum elsewhere.

Mr. McCUMBER. Mr. President, will the Senator from Ohio allow me merely to ask him a question?

Mr. POMERENE. I will.

Mr. McCUMBER. My first question was simply whether or not I understood the Senator correctly to say that the average yield of wheat in Ohio is 23 bushels per acre?

Mr. POMERENE. It is 23 bushels per acre; I think I put it from 23 to 25 bushels per acre; something like that. I have not looked at the figures recently.

Mr. McCUMBER. I know the Senator wants to be accurate. I sent for the Agricultural Department report, and I find that for the past 10 years the average yield of wheat in Ohio has been 15.9 bushels per acre.

Mr. POMERENE. Mr. President, it has been some time since I looked at the figures relative to the yield of wheat in Ohio, but I think it will be found that the Senator is in error. It may be that in certain years the yield would be as low as that stated by him.

Mr. McCUMBER. I have taken the average yield for the last 10 years, I will state to the Senator.

Mr. HARDING. Mr. President——

Mr. POMERENE. I yield to my colleague.

Mr. HARDING. I think the statement as to average yield in 1917 is correct when it is placed at 23 bushels per acre, and the lower average yield, as stated by the Senator from North Dakota, must cover a period of years when we, along with others, had our crop failures.

Mr. POMERENE. That may be so.

Mr. President, the plea has been made here for higher prices for wheat because of a crop failure in certain States. I ask my friends everywhere, is it fair to base an average price upon the fact that there has been a partial failure or a total failure of the crop in certain sections of the country? The proposition needs only to be stated to fall.

Mr. GORE. Mr. President, was the Senator from Ohio asking me a question?

Mr. POMERENE. No; I was just putting a question generally.

Mr. GORE. I beg pardon.

Mr. POMERENE. Last year the yield of wheat in the United States was 650,828,000 bushels Assuming that the yield this year will be the same, an additional 50 cents per bushel to the price of wheat means $325,414,000. In these days, when the prices of foodstuffs are going skyward, what answer can I make to the poor and the laboring classes everywhere when I seek to do that?

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Oklahoma?

Mr. POMERENE. I yield for a question.

Mr. GORE. The Senator, I believe, voted to give the railroads the right to go into court to determine whether or not the standard return to be fixed by the President was just compensation. Is the Senator willing to let the farmers go into court when the Government arbitrarily fixes the price of their wheat and have the question determined as to whether or not it is just compensation under the Constitution?

Mr. POMERENE. Mr. President, when we take the wheat, yes; but we are called upon here to fix a minimum price for wheat for the purpose of encouraging production; that is the reason for fixing a price.

Mr. GORE. Mr. President, another question. Does the Senator understand that the price of $2.20 recently fixed by the President is the minimum and that the farmer will be allowed to receive whatever price above that amount he may be able to obtain?

Mr. POMERENE. It is a guaranteed price, as I understand.

Mr. GORE. Does the Senator understand that the farmer will be allowed to take for his wheat any price over and above $2.20 a bushel?

Mr. POMERENE. I do not know; I have not gone into that.

Mr. GORE. But is not that vital?

Mr. POMERENE. It may be so, but I want to say that $2.20 a bushel, with an average crop, is all that any man ought to ask for his crop.

Mr. GORE. Is that a legislative or a judicial question? Who ought to decide that, and who is to decide it under the railroad bill?

Mr. POMERENE. In the case of the railroad legislation, we are taking their property whether they are willing or not.

Mr. GORE. So we are that of the farmers.

Mr. POMERENE. No; we are not taking over their property; we are trying to encourage their production. That is why we have this legislation. The Senator asked me whether it is a legislative problem? My answer is, "No"; it ought to be an executive problem under reasonable and proper regulations.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Missouri?

Mr. POMERENE. I yield for a question.

Mr. REED. Does the Senator from Ohio not understand that, whether we call this price a minimum price or a price given for encouragement or by whatsoever name we call it, as a matter of fact it is the only price that the farmer is permitted to receive?

Mr. POMERENE. I do not know that.

Mr. REED. Does the Senator not know that, through the medium of the licensing power, through the medium of the voluntary agreement between the board of trade men and also between the millers, and by virtue of the fact also that all wheat for foreign shipment is purchsed through the wheat corporation, there is but one price possible to be received by the farmer and that price is the price which has been fixed?

Mr. POMERENE. Mr. President, that has affected the price; there can not be any question about it.

Mr. REED. To be frank, has it not absolutely fixed the price?

Mr. POMERENE. In the main, perhaps, it has.

Mr. REED. Well, not in the main, but altogether?

Mr. POMERENE. Well, I have gone as far as I care to go with that. I know that the Senator's views on this subject and mine are diametrically opposed.

Mr. REED. But they are not diametrically opposed on this fact, I hope.

Mr. POMERENE. Perhaps not on the fact. It has been deemed wise to have but one buying agency for the purpose of supplying our allies and ourselves.

Mr. REED. Very well. Now, the only question I am asking is, whether that one buying agency does not have one price; and with one buying agency with one price, if that does not fix the price for the seller?

Mr. POMERENE. Mr. President, I have made the statement that it was a controlling factor, but it does not control all of the prices; it is not the whole element. I do not care, however, to go into that question very much further except to point out, if I can, the position the Congress ought to take.

I recognize the fact that we can not put a dollar into the pocket of the farmer without taking it out of the pocket of the washerwoman or other consumer, and that when we are fixing the price of foodstuffs proper regard should be had for the encouragement of production; but ought we not also to pay a proper regard to those who must eat? The other day something like this was said facetiously, that $3 per bushel wheat was better than no wheat at $2 a bushel; but, like all half truths, it is the worst kind of a falsehood. What does $5 a bushel wheat mean if the consumer has not the money to pay for it?

Mr. WADSWORTH. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from New York?

Mr. POMERENE. I do, for a question.

Mr. WADSWORTH. Would the Senator from Ohio contend that when the consumer has not the money to pay for it, wheat would stay at $5 a bushel?

Mr. POMERENE. Well, Mr. President, here comes our old friend, supply and demand; the rule which is invoked upon every occasion; and there never was a worse abused rule in the world than just that one. The great economists, who pored over their books dreaming, long years ago announced the rule, and, as a general proposition, it is sound; but when the law of supply and demand is not permitted to operate, it does not control the price. It never did and it never will.

Mr. GORE. Then, who does and what does in that case?

Mr. POMERENE. I will answer the Senator, if he will be a little patient.

Mr. GORE. I am perfectly patient, and I shall wait a long time for an answer.

Mr. POMERENE. Well, if it is to get an answer that will satisfy the Senator, he will, perhaps, never get it, because his ideas are fixed upon that proposition.

Mr. President, last year in the course of a few weeks the price of wheat went skyward, until in some localities it was sold for $3 a bushel and $3.25, and even as high, if my memory serves me aright, as $3.50 a bushel.

Mr. GRONNA. Mr. President, I know the Senator wants to be correct. I desire to inform him that the highest price which was paid for wheat in the foremost terminal market in the country was $3.06.

Mr. POMERENE. I am trusting to my memory, but I think the Senator from North Dakota is wrong about that. However, I will accept his statement.

Mr. GRONNA. Mr. President, may I ask the Senator a question while I am on my feet?

Mr. POMERENE. Yes.

Mr. GRONNA. The Senator from Ohio is complaining because the washerwoman will have to pay for wheat or flour the increased price provided by the amendment offered by the Senator from Oklahoma [Mr. GORE]. That increase is 30 cents a bushel, is it not?

Mr. POMERENE. Yes.

Mr. GRONNA. The Senator from Ohio knows as well as I do that per capita we do not consume more than one barrel of flour per year, which never exceeds 4½ bushels.

Mr. POMERENE. I have heard that statement made before, and I trust the Senator from North Dakota will not encroach upon my time in that matter.

Mr. GRONNA. I hope the Senator will permit me to finish the question. The increased cost of the flour will be from $1.25 to $1.35 per capita, possibly, for the entire year. Is it not a fact right now that the Senator from Ohio is compelling the same washerwoman to eat something else than wheat, which is costing her more and which is not so valuable for food?

Mr. POMERENE. My answer is "no." Every Senator knows that the very minute that we add 25 cents to the price of a bushel of wheat by the time it gets around to the consumer there will be several times 25 cents added to the flour produced from that bushel of wheat.

Mr. REED. Will the Senator from Ohio make the assertion that that is the case when Mr. Hoover is in control and regulating it from the farmer to the consumer?

Mr. POMERENE. The Senator from Missouri is "still harping" on my daughter.

Mr. REED. Oh, the Senator ought to set that up in quotation marks.

Mr. POMERENE. I realize that very fully.

Mr. REED. I want to ask the Senator from Ohio if it is true now—and we can not get away from these things by any fulminations—I want to know if the Senator means that since Mr. Hoover has taken control conditions are still so bad that 25 cents added to a bushel of wheat will mean three or four or five times that amount added to the flour that the consumer buys?

Mr. POMERENE. Mr. President, I have made no such statement, and the Senator from Missouri has no right to draw any such inference from any statement that I have made on the subject.

Mr. REED. I trust the Senator will read the notes of his speech.

Mr. POMERENE. I recognize the fact that when it comes to the question of Hoover the Senator from Missouri and I can not agree. I have no doubt that Mr. Hoover has done some things that he perhaps ought not to have done, but on the whole he has done a great service to the people of this country and to the allies generally. If it had not been for what we have been doing on this subject, legislatively as well as through the Food Administration, the price of flour to-day would be from $20 to $25 per barrel. It did get to $18 per barrel in this city just before he took charge.

Now, Mr. President, I want to call the attention of the Senate, if I may do so briefly, to another proposition. On March 1, according to the report of the Agricultural Department, there was a wheat supply on the farms amounting to 111,272,000 bushels; on that day there were in the country mills and elevators 68,972,000 bushels; or, in round numbers, about 180,000,000 bushels. Note that about two-thirds of this wheat was then in the possession of the farmers. I have letters from leading farmers in Ohio in which they estimate that from one-fourth to one-third of the crop of last year is still in the bins on their

farms waiting for higher prices. Certain legislation was proposed in the Senate, one bill suggesting a minimum of $2.50 per bushel and another bill suggesting $2.75 per bushel; and partly in anticipation of the higher prices suggested by this legislation this wheat is still kept on the farms and in the bins, and the allies are suffering for the want of it to-day.

Mr. GORE. Mr. President, the Senator, of course, is aware that the proposed increase to $2.50 applies only to wheat harvested in 1918, and does not apply to a single bushel of wheat harvested in 1917? So this bill would not have any effect on the wheat that has already been harvested.

Mr. POMERENE. Mr. President, I understand that suggestion is made; but I suspect we would have to send the Senator from Oklahoma and some others out to tag all the 1917 crop of wheat so as to be able to distinguish between the products of 1917 and that of the year 1918.

Mr. GORE. In Ohio?

Mr. POMERENE. No; not in Ohio; we are not asking for this increase.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Missouri?

Mr. POMERENE. I yield for a question.

Mr. REED. The Senator states that, by virtue of this proposed price, wheat has been held up and the allies are suffering for wheat. That statement ought not to go to the country unless the Senator knows it to be true.

Mr. POMERENE. Well, Mr. President——

Mr. REED. I want to ask the Senator if it is not true that there are millions of bushels of wheat in the ports of America to-day waiting for bottoms to transport them to Europe?

Mr. POMERENE. Mr. President, I have stated that there were 68,972,000 bushels of wheat in the country mills and elevators; that is, there were on March 1. I have not anything later on the subject. It may be that a part of this wheat was in the ports.

Mr. REED. Then, how can the Senator say that by virtue of this bill the allies are to-day suffering for the wheat when he admits there are 68,000,000 bushels in the market to-day, practically every bushel of which is under the control of the Food Administration?

Mr. POMERENE. Well, Mr. President, I can not refer to every fact in connection with this subject at one time. One of the distinguished Senators—I think, the Senator from South Dakota [Mr. STERLING], perhaps—this morning offered a report of a speech made by M. Tardieu, the French commissioner, bearing upon this subject, showing the decrease in the allowance of bread to the French people during the last few months, due to the fact they could not get the usual supply. They are not getting enough to meet their requirements. It may be that they are not suffering, as I have suggested; I hope they are not——

Mr. GORE. Mr. President——

Mr. POMERENE. Just one moment, please; but it seems to me it ought to occur to Senators that while we are trying to boost prices in this kind of a way the men who still have wheat in their bins will probably continue to hold it. I can read some letters on the subject, if it is required.

Mr. GORE. Mr. President——

Mr. POMERENE. I yield for a question.

Mr. GORE. Does not the Senator know that, under section 4 of the food-control act, the Government of the United States can commandeer every bushel of wheat in the United States?

Mr. POMERENE. I suspect it can.

Mr. GORE. In the hands of the farmer or anybody else, except what he needs for feed and domestic use?

Mr. POMERENE. The Government no doubt can commandeer it at any time.

Mr. GORE. Will the Government of the United States permit its allies to suffer when it has the power to commandeer wheat in the hands of the people who are hoarding it and withholding holding it from them?

Mr. POMERENE. Mr. President, I do not care to take the time to answer a question like that.

I will read part of a letter which I received from one of the most intelligent business men in Ohio, whom I have known personally for many years. He is a patriotic man and is in constant touch with farmers, and among other things he makes this statement:

> There have been offered lately in the Senate two bills proposing to raise the price of wheat to $2.50 or $2.75—the best means I know of to withdraw wheat from the market—

I will not read the whole of the letter—

> This eternal tinkering with measures has done more to retard preparations for the war than all other causes combined. When the price of wheat was fixed some time ago they ought to have had enough data at hand to have known whether the price was right or not. If the price is not high enough, the change ought to be made without a moment's unnecessary delay and settle the question so that the wheat would again come from its hiding. There is more wheat over the country than is generally believed, if our observations amount to anything, and I am in pretty close touch with the farmers. The great complaint of the farmers is that there is no market for their wheat. I was talking to one farmer in an adjoining county not long ago, and he said he had 300 bushels of wheat, but could find no market for it. He said that another neighbor had 400 bushels in the same shape. He told me that one of his neighbors last fall had to sack and haul his old crop to a neighbor for storage before he could thrash his new crop. A man in our office stated just this morning that he saw a man the other day who had 900 bushels of wheat and could not find a market, as the Alliance Mills would not buy it on account of restrictions—

And so forth.

Mr. GORE. Mr. President, is that letter from Ohio?

Mr. POMERENE. That letter is from Ohio.

Mr. WADSWORTH. Will the Senator yield to me for a moment?

Mr. POMERENE. For a question.

Mr. WADSWORTH. Does the Senator know why it was that those farmers could not sell their wheat? I happen to know, and if the Senator will permit me two or three sentences I will be glad to tell him.

Mr. POMERENE. I think I understand. There was some question of transportation——

Mr. WADSWORTH. Not at all.

Mr. POMERENE. There was some question of regulation about it, which affected the situation. Suffice it to say that the wheat has not yet been sold.

Mr. WADSWORTH. Mr. President, the reason is that the Food Administration issued an order which in effect prevented mills purchasing wheat. I know of many mills now closed down, and the farmer drawing his wheat to those mills has had to draw it home again. That is just what has happened.

Mr. POMERENE. I think that is true in certain sections.

Mr. WADSWORTH. It is true all over the country, in many sections.

Mr. POMERENE. But we are discussing now the question as to the price of wheat, and everything else is incidental to it. I have a number of other letters here bearing upon the same subject, but I do not believe I will take the time to read them. Many of these farmers are holding for higher prices, and this legislation is just the kind of legislation that encourages that practice.

Mr. GORE. Mr. President, the Senator stated a moment ago that the wheat has not been sold because the farmers could not find any buyers, and now he states it is because they are holding it for higher prices.

Mr. POMERENE. I state both facts, and there is nothing inconsistent between them, in my judgment.

Mr. GORE. Well, of course, the Senator may himself be able to reconcile contradictory statements of that sort, but they do not seem consistent with each other.

Mr. POMERENE. I think they are thoroughly reconcilable. Mr. President, it has been suggested that the price of wheat ought to be raised because wheat is now being fed to stock, due to present low prices. There has been wheat fed to stock, but my judgment is, from a report made by the Agricultural Department, that it is not more than usually is so fed. I have before me the monthly crop report for March. The statistician made a special telegraphic inquiry, under date of March 2, in 15 of the leading wheat-producing States concerning the amount of 1917 wheat crop fed to live stock.

> The responses show that the amount of wheat fed to live stock is less than in former years, except in a few States or sections where there was difficulty in obtaining other feed stuffs.
>
> The highest figure reported, 7 per cent, was from Montana, where in some sections feeding of wheat was necessary to prevent live stock from starving. In Oregon 6 per cent was fed. These two States together account for about 2,000,000 bushels thus fed. Washington reports 4.5 per cent, being 1,500,000 bushels, against 2,300,000 usually fed. Moderately heavy feeding in western and west central Texas and Oklahoma in sections where other crops were almost a total failure, in order to save live stock, has required about 800,000 bushels in the former State and 900,000 in the latter, being 5 per cent and 2½ per cent of the total crops of those States. Something over 1,000,000 bushels have been fed in North Dakota, about 2 per cent of the crop. Ohio has fed less than a million bushels, and less than 2 per cent of its crop.
>
> Pennsylvania reports almost 1,500,000 bushels, or about 6 per cent of the crop.
>
> The remaining States report very small quantities of wheat being fed. It appears that the total quantity of wheat fed to live stock will not exceed 2 per cent, and that the sound wheat fed is probably within 1 per cent of the crop. A large part of the wheat fed is inferior or musty grain unfit for milling. A considerable amount of it represents the screenings from seed wheat. In Ohio it is reported that 49 per cent of the wheat fed was of grades 1 and 2, 15 per cent of grade 3, and 36 per cent of grade 4, screenings and spoiled wheat. Sixty-four per cent of that was fed to poultry, 26 per cent to hogs, and 10 per cent to other animals.
>
> Except in some of the Western States named, the principal consumption of wheat fed has been by poultry.

Mr. President, I regret exceedingly that there is in any locality a necessity for feeding wheat to stock, if there is a necessity; and I doubt not that there is a necessity in some places to do it. That is one of the things which will happen in a great country like this; but I do not believe that there is going to be very much $2 or $2.20 wheat fed to stock.

I realize that it has been said that barley and rye and oats and corn have reached abnormally high prices. That is true; but is it not due to the general rule of supply and demand? The fact is, as I was informed on yesterday, that within the last few days the price of corn has fallen 30 cents per bushel. The reason for these high prices for other cereals, as I have been informed by students who have investigated the subject, is that because of the great car shortage during the last three or four months it has been impossible to get the necessary transportation to move the corn and the barley, the rye, and the oats from the producer to the consumer. Perhaps two weeks ago one of the leading farmers in my own State said that 60 per cent of his corn was still in the shock.

The transportation situation has greatly improved within the last few weeks, and last week I was informed at the office of the Director General of Railroads they were then moving the corn at the rate of 3,000,000 bushels per day; and we have had the resultant fall in the price of corn as it gets to the market.

Mr. President, perhaps I am wrong in my economic theories. In normal times I have no sympathy with price-fixing legislation. I have so expressed myself repeatedly; and if the law of supply and demand were permitted to operate I would not advocate price fixing. But when it is not permitted to operate, when prices are out of all reason compared with the cost of production, when we know that the supply is in the country, then are we to have these prices mounting higher and higher, and is Congress simply to sit here and say: "The law of supply and demand shall control"? It is true that, covering a period of years, it may be said, generally speaking, that supply and demand will control prices; but I should dislike to think of the suffering that would have occurred in this country if it had not been for price fixing in connection with wheat and sugar. We knew last year that the prices were going higher than they had ever been before, and it was only the drastic methods adopted by the Congress and the Food Administration that kept them within bounds.

I think there has been one mistake made in this legislation. In my judgment, when we sought to fix the price of wheat the price within reasonable limits should have been fixed upon the cereals competing with wheat. Of course, some one asks me: "Well, how far would you go?" Mr. President, that is a difficult question to answer. I wish it were not necessary to take the first step; but when it comes to the basic articles it does not hurt my conscience in the least to say that the producer shall be satisfied with a reasonable price. I have no sympathy with profiteering, whether it is by a banker, by a steelmonger, by a copper producer, by a wheat raiser, or by a cotton grower.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Missouri?

Mr. POMERENE. For a question.

Mr. REED. I asked the Senator the other day a question to which I hope he will now give us a direct answer. Is he in favor now of regulating the other cereals produced upon the farm and reducing their prices so that they will be in proportion to the present price of wheat?

Mr. POMERENE. I just answered that question a moment ago, and said that I was in favor of legislation of that character.

Mr. REED. I did not understand the Senator's statement to have gone as far as that; but I now understand his statement to mean just that—that he is in favor of reducing the prices of the other grains so that they will correspond and bear their proportion to the wheat price. Now, I want to ask him another question: Is he willing to carry the price regulation to the point of regulating the wages of farm hands, so that they will be in proportion?

Mr. POMERENE. I am not.

Mr. REED. Is the Senator willing to carry it so far as to regulate the price of the harness which the farmer has to buy and the shoes which he has to buy?

Mr. POMERENE. Mr. President, I recognize the Senator's viewpoint on the subject. I have said before that he and I could not agree, and I emphasize that now. I voted for the legislation to place agricultural implements under the price-fixing powers of the Government, and I favor it now.

Mr. REED. I am asking about harness, and shoes, and clothing, and hats, and caps, and shirts—the things that the farmer has to consume.

Mr. POMERENE. Mr. President, I understand the Senator's question, and I think he understands my position.

I have said in substance that so far as the basic articles are concerned I am willing to fix those prices. When it comes to the details of the manufactured articles, I would go step by step as conditions might seem to justify.

Mr. REED. If the Senator will be patient with me, I am simply trying to get his viewpoint. I think he is entirely willing to give it to us, and I think the country is interested in it.

Mr. POMERENE. I think I have made myself perfectly clear to anyone who wants to understand me.

Mr. REED. I wanted to ask the Senator this question—well, I will not ask it, for I think the Senator is out of patience with me.

Mr. POMERENE. Mr. President, I think the Senator realizes that that line of questioning has gone about as far as it ought to go. I think he understands my position, as I understand his position.

Mr. President, I have some further information on the cost of wheat production which I intended to submit earlier in my remarks.

I desire to say in advance that I have made an effort to find out from the Agricultural Department the cost of wheat production in the various sections of the country. My messenger was informed that there has been no general investigation of this subject since 1910, and of course figures as of that date would give us very little light now. I have, however, some other data. There has been some investigation made by a part of the Agricultural Department, or some bureau in it. They decline to give such information as they have, realizing that there are many uncertain elements about it. I make that explanation because I want to be perfectly fair about the statement that I am about to read.

I have a letter from a grain dealer in Indiana, under date of March 9. He incloses to me a circular which was issued by the agricultural extension department of Purdue University. This article deals with wheat and several other farm products, and I am going to read that part of the statement which relates to wheat:

Last August this office secured for the Department of Farm Management at Washington an itemized statement of the cost of producing the 1917 crop of wheat on four farms in this county. The average cost of growing a bushel of wheat on these four farms, including its delivery to market, was found to be $1.11.

That was last year—

A summary of similar data collected from 207 farms in Indiana, Ohio, and Michigan shows that the average cost of producing a bushel of wheat in 1917 was $1.20. Twenty-five men in this county are now cooperating in keeping records on the cost of producing the wheat crop sown last fall.

I know the high reputation of the University of Purdue. I took pains to inquire of my friend the distinguished Senator from Indiana, and he advises me that the investigations made by this university are of a high order. I do not know that I quote him accurately, but he said that in substance; and I have no doubt that this price of $1.20 per bushel is an outside figure in those States. The President saw fit the other day to fix a price of $2.20 per bushel, and we are now asked to add 30 cents a bushel more to that price.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from Oklahoma?

Mr. POMERENE. I yield for a question.

Mr. GORE. Is the Senator aware that the president of the Agricultural and Mechanical College of North Dakota made a study as to the cost of production in North Dakota for the season of 1917 and found that the price was $2.19 per bushel, and that in Minnesota a study was made and it was found to be $3.01 a bushel? I may add, if the Senator will pardon me, that I do not know whether it was the Agricultural Department or not; I assume that it was; but somebody has caused the county demonstrators in my State to make a survey, taking 10 typical farms in the wheat counties. I say, I presume it was the Department of Agriculture. Several of their answers have been sent to me, clippings from newspapers and otherwise; and when I saw their statements I was satisfied that whoever it was that was gathering the data was going to make it public.

Mr. POMERENE. The Senator from Oklahoma must find himself in the same predicament that everyone else does when he quotes the cost of wheat production or the cost of farm products. We must have a whole lot of other facts and details before we can fix an average figure for the whole country. I recognize the fact that in the State of Oklahoma, in its semi-arid regions, last year there was a partial failure of the wheat crop, but that partial failure does not occur every year. It is an exception when it occurs there, as it is an exception when it occurs elsewhere. The same may be said of certain sections

of Minnesota and North Dakota and South Dakota and the Intermountain States. But I submit that no business man would attempt to estimate the cost of production upon his knowledge of what the cost of production was upon a farm when the crop was a complete failure or a partial failure. That is why I was so anxious to get a statement of the average cost. If I knew the average cost in Ohio and North Dakota and South Dakota and Oklahoma and all the wheat-producing States, then I would be better able to determine within reasonable bounds what the price should be. I do not lose sight of the fact, when we are discussing cost prices, that the advantage, generally speaking, is all with the Western and the Northwestern farmer, because he has cheaper land, and it is more easily farmed.

Mr. President, a word further about the cost of labor.

I have some figures here before me. They do not bear out the inference that there is a general increase in farm labor to $5 per man per day. I have no doubt that there are occasions when and places where some men make some demands of that character. We were told the other day, in the course of this debate, that an I. W. W. in the State of North Dakota had been employed at $4 a day, and later wanted $5, and quit work because he could not get it. I have no doubt that that is so, but I would demand more evidence before I could be made to believe that the people of North Dakota who work upon the fields are, generally speaking, I. W. W.'s. I do not believe they are.

Mr. McCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from North Dakota?

Mr. POMERENE. I yield for a question.

Mr. McCUMBER. I should like to ask the Senator if he believes that the figures which I gave for a month and a half of work in the busy season, we will say, or what will be the busy season in 1918 in Ohio, would be less than at the rate of $80 a month and board?

Mr. POMERENE. I did not catch the first part of the Senator's question.

Mr. McCUMBER. I want to ask the Senator if he believes that the farmer in Ohio during the harvest season can expect to hire men for less than $80 a month and board for just a month and a half, when they are not hired by the season?

Mr. POMERENE. For $80 a month?

Mr. McCUMBER. Yes.

Mr. POMERENE. Unquestionably, he can.

Mr. McCUMBER. Those are the figures that I gave a short time ago, and it would be worth $20 a month to board that man, would it not?

Mr. POMERENE. Mr. President, I will say to the Senator that there are mighty few men in Ohio who are getting $80 per month on the farm.

Mr. McCUMBER. Mighty few farmers; yes.

Mr. POMERENE. Mighty few men on the farm—I mean, farm hands.

Mr. McCUMBER. Possibly the Senator misunderstood me, or I misunderstood him.

Mr. POMERENE. Possibly I did.

Mr. McCUMBER. What I am asking the Senator is whether or not, in his opinion, during the busiest season of the year, while the farmer is harvesting his crop of wheat, he could this year engage men to work for a month and a half during harvest season for less than $80 a month and board?

Mr. POMERENE. Mr. President, in the first place, the wheat harvest season does not last in Ohio on any farm for a month. If it lasts two weeks on a given farm, that is the extreme.

Mr. McCUMBER. Does that include the thrashing?

Mr. POMERENE. Oh, no.

Mr. McCUMBER. Well, harvesting as it is generally understood consists not only in cutting the grain, but in caring for it and thrashing it. I include in my question the time during the harvesting and the thrashing seasons.

Mr. POMERENE. I must say—and I want to be perfectly frank with the Senator—that I think he has his figures entirely too high. I am not able to give him the exact figures, because I have not lately inquired.

Mr. President, just one other observation.

Mr. GRONNA. Mr. President, will the Senator allow me to say to him that I know, as a matter of fact, that we have to pay our men $90 a month now, and we are unable to get all the men we want at that price.

Mr. POMERENE. I accept the Senator's statement. If he makes that statement, I accept it as correct.

Now, Mr. President, there is another proposition to which I want to refer for just a minute.

It has been stated that unless the price of wheat is raised farmers will sow barley or rye or oats instead. I suppose some of them will, but that does not alarm me very much, assuming it to be so, because all those cereals are now used for food purposes, and, so, if we did lose some wheat, we would perhaps gain in oats and rye and barley. The winter wheat, of course, is sown. The spring wheat is to be sown. I can speculate quite as well as other Senators as to whether or not there is going to be a substantial shrinkage in the amount of acreage which will be sown because of the fact that the price is only $2.20 a bushel; but that is guesswork.

I am informed by a gentleman whom I believe to be well posted upon this subject that an analysis of the spring planting of wheat would show that the only expansion in area which would be obtained by a higher price would be in the arid regions, and that the area of expansion has a maximum of probably not over 4,000,000 acres.

Mr. REED. Mr. President, those figures are interesting; but I want to ask the Senator now——

Mr. POMERENE. Will not the Senator wait until I finish reading this paragraph, please?

Mr. REED. Oh, certainly.

Mr. POMERENE. At its average yield this would be, at the outside, 60,000,000 bushels of wheat—that is, the average of 15 bushels per acre. For this quantity of wheat it is proposed that the country should pay 50 cents a bushel bonus on the entire crop of, say, 750,000,000 bushels.

In other words, to encourage the raising of 60,000,000 bushels we want the consumer to be taxed at the rate of 50 cents per bushel on the entire crop of 750,000,000 bushels, or we would pay $375,000,000 in order to encourage the production of 60,000,000 bushels of wheat.

Mr. REED. Mr. President, now will the Senator yield for a question?

Mr. POMERENE. Yes.

Mr. REED. I wanted to ask who is the author of that statement that the only place where you can expand spring-wheat production is in the arid regions?

Mr. POMERENE. I may say that he is one of the best-informed men in this city on this subject. I am not at liberty to give his name now. I should be very glad to give it if I were.

Mr. REED. Mr. President, will the Senator permit me to say that Iowa is a spring-wheat State, and that the contest in Iowa is between corn and wheat and hay and oats. I wonder if the author of these figures means to say that if wheat was a more profitable crop than corn or rye there would not be room for plenty of expansion in a State like Iowa, or a State like Minnesota, or a State like Missouri, or a State like Ohio?

It seems to me that the statement that there is no place for an expansion of the spring-wheat crop except in the arid regions could only have been made by a man who never saw a farm.

Mr. POMERENE. I assume that this is a general statement, and I do not assume that he has gone to the very acre. He has given this as the outside of expansion which would be encouraged by this increase in price. He does not say that there would not be other wheat in the arid regions, but he says the outside maximum of expansion would be 4,000,000 acres.

Mr. GORE. Mr. President, does not the Senator think it is just as important to keep in the winter-wheat acreage already sown where the yield threatens to be low and unprofitable on a basis of $2.20 a bushel?

Mr. POMERENE. Mr. President, that is one of those questions which can not be answered unless you have some further facts. If the acreage would promise a 5 per cent yield, the answer would be one thing; if it promises a 10 per cent yield, the answer might be another thing; if it promises a 25 or 50 per cent yield, another.

Mr. GORE. Mr. President, just one further point. Whoever prepared the figures for the Senator seems to proceed on the theory that this bill proposes an increase of 50 cents a bushel. The Senator is aware, is he not, that the President has already issued a proposition——

Mr. POMERENE. Oh, Mr. President, that is being contrasted with the present law on the subject, and not with the present Executive order.

Mr. GORE. The President found it necessary to raise the price 20 cents a bushel.

Mr. POMERENE. He did.

Mr. GORE. And this proposal is to raise it only 30 cents more.

Mr. POMERENE. As between the price fixed by the President and the price fixed by this amendment, if it should be adopted, there is only a difference of 30 cents a bushel.

Mr. GORE. Yes, sir.

Mr. POMERENE. That, of course, must be taken into consideration.

Mr. President, I have taken very much more time than I intended to take; but I feel that I would be doing a thing which

is not asked by the farmers of my State, and which is contrary to the interests of the public generally, if I were to vote in favor of this increase of the minimum price.

Mr. GORE. Mr. President, the Senator is, of course, aware that rye is now selling at $3 and as high as $3.38?

Mr. POMERENE. Well, it has advanced in price. I do not know what the present figure is; but it seems to me it simply demonstrates the correctness of my position, that when we are fixing the price of the one cereal we ought to fix the price of the competing cereals.

Mr. GORE. Does not the Senator think if you reduce the market price of rye the Government ought to take the loss instead of obliging the producer to take the loss?

Mr. POMERENE. We are talking about the future now. We are speaking about fixing the minimum price. If we are to fix the minimum price for rye, are you taking anything from the farmer?

Mr. GORE. There would not be any controversy between the Senator and myself or anyone who thinks as I think if this was a minimum price. It is not a minimum price, and I ask the Senator to take the judgment of farmers in Nebraska and the Dakotas and in Kansas last year who were obliged to sell their wheat for 80 cents less than it was worth in the market, and out of the diminished proceeds we propose to make those farmers stand guarantor, and we guarantee the Burlington Railroad 26 per cent return on its capital stock, and if the Burlington is not satisfied with that 26 per cent it has a right to go into the courts. If the Senator thinks that is just and equal rights to all——

Mr. POMERENE. Mr. President, there are certain people who think they have a right to charge for any of the necessities of life what they can get. I do not.

Mr. GORE. What does the Senator think the farmer has a right to get for what he raises?

Mr. POMERENE. In a time of war a man has a right to a reasonable price, and has not any right to charge the public these enormous prices. I care not whether he is an iron producer, a copper man, a cotton planter, or a wheat farmer.

Mr. GORE. Does the Senator think you can stimulate production by fixing the price on an article at less than the law of supply and demand would award?

Mr. POMERENE. Well, there comes supply and demand again. We always get back to that.

Mr. GORE. The Senator is in favor of repealing that law?

Mr. POMERENE. That is a very learned question to ask.

Mr. GORE. It ought to be very easily answered.

Mr. POMERENE. If you will so adjust conditions here in this country that the law of supply and demand will operate, I am in favor of the law of supply and demand, but in these products it has not been operating for more than a year, many economists to the contrary notwithstanding.

Mr. GORE. Do I understand the Senator to say if the law of supply and demand would oblige the farmer to take less than $2.20 a bushel for his wheat he would be in favor of the law, but if the law would give more than $2.20 he is opposed to its operation?

Mr. POMERENE. The law of supply and demand is not controlling this situation.

Mr. GORE. I ask the Senator, then, what is controlling rye and corn and barley?

Mr. POMERENE. Because it is largely in the hands of those who can boost prices, and they are boosting prices, and because of failure to get needed transportation.

Mr. GORE. Is the Senator aware that corn is largely in the hands of the farmers; that it has not been moving even normally; that according to the normal movement there ought to have been during the last few weeks 80,000,000 bushels of corn in the elevators, and there are only about 4,000,000 bushels?

Mr. POMERENE. I got through discussing that a while ago. I made the statement that the increased price of corn, as I had been reliably informed, was due to lack of transportation. The supply was not where it could be had. The supply was not at the point of consumption; the supply was still in the hands of the producer, and he could not get it to market. Now, does the Senator think that when the product is in the hands of the producer and he can not get it to the consumer it is still the law of supply and demand that regulates it generally throughout the country?

Mr. GORE. I remember distinctly the statement of the Senator to that effect, and I was tempted to bring up against it his later statement that the reason why the price of corn and rye is so high is that they are in the hands of people who are trying to boost the price. I could not reconcile the two statements.

Mr. REED. In this connection I wish to ask the Senator if he thinks that corn and rye and barley in Canada are in the hands of those who are trying to boost prices?

Mr. POMERENE. It so happens that they do not raise very much corn in Canada.

Mr. REED. But corn has a market in Canada and rye and barley have a market there, and the prices of corn and rye and barley in Canada are the identical prices in the United States, subject to the differences which naturally occur in the matter of freight.

Mr. POMERENE. I have not looked into the question of the price of barley and rye in Canada, and I know nothing about it.

Mr. REED. I have. I have looked it up.

Mr. POMERENE. Very well; then I suppose we will hear about it.

Mr. McCUMBER. Mr. President, I want the attention of the Senator from Ohio [Mr. POMERENE] for just a moment. I have listened to the patriotic sentiments of the Senator from Ohio. I have always been struck by the fairness of his utterances, and my admiration for his courage in dealing with all matters has been very great indeed. I confess I was somewhat abashed and chagrined when I listened to the first statement made by the Senator from Ohio, after having given him some figures which I asked if he would kindly reply to. I left my seat and went over to see the Senator, just before giving my figures, and asked him the average price of good farm lands in the State of Ohio, and he told me they would run from $100 to $150 an acre. I asked him if $125 per acre would be a fair estimate, and he said he thought it would in the good grain-raising section of Ohio. I then based my estimates upon the figures that were given by the Senator from Ohio, and the Senator from Ohio, when he started to reply, used this language:

> Mr. POMERENE. Mr. President, I am not going to discuss the statement made by the distinguished Senator from North Dakota [Mr. MCCUMBER] save and except to say that I neither agree with his premises, his conclusions, nor his process of reasoning.

Upon any ordinary question of fact, Mr. President, I could have the Senator from Ohio make that statement without any feeling upon my part, if it was a question on which minds might naturally differ, but I dislike to have the Senator say he does not agree with my premises after I have received my premises from his own lips. I dislike to have the Senator——

Mr. POMERENE. Mr. President——

Mr. McCUMBER. I yield to the Senator, because I want to be perfectly fair with him.

Mr. POMERENE. I certainly did not mean any offense. The only premise that the Senator got from my lips was the one as to the price of land. Is not that right?

Mr. McCUMBER. That is true, and that is the premise upon which I based all the other calculations which the Senator from Ohio challenged.

Mr. President, the Senator also disagreed with my conclusions. I regret that my probity is such that the Senator will deny, if the expression comes from my lips, the natural rules of mathematics. When I conclude that 160 acres of land at $125 an acre will amount to $20,000 I am more than surprised to have the Senator question it, because it is one of mathematical deduction only, and when I also compute 6 per cent interest on $25,000——

Mr. GORE. Mr. President——

Mr. McCUMBER. Just a moment—and arrive at the conclusion that that means $1,500. I am confounded when I listen to the Senator's statement that he denies my conclusion. I thought 6 per cent upon $25,000 did really amount to $1,500 per annum. I yield to the Senator from Oklahoma.

Mr. GORE. Has not the Senator overlooked the possibility that the principles and axioms and rules of mathematics have gone glimmering with the law of supply and demand like a schoolboy's dream?

Mr. McCUMBER. They have gone somewhere. I have not been able to chase them down, and I am not assisted very much by my genial friend from Ohio.

Now, that is not the only conclusion. The Senator says:

> If the Standard Oil Co. would employ him as an accountant, I am sure there would be no income tax to pay by that company.

My colleague a short time ago gave a little of the method of accounting which I suppose would be adopted by the Standard Oil Co. in arriving at what was a reasonable profit for those who convert our cattle into food products. After allowing them what we would call most fabulous salaries upon the farm, after allowing them all expenses, they were allowed, I think, 9 or 10 per cent profit above that upon everything that they had made in all the years, and which they had added to their original plant in the shape of surplus; and when it came to the by-products they were allowed 15 per cent upon the capital invested in the by-products.

Mr. REED. Mr. President——

Mr. McCUMBER. I yield to the Senator.

Mr. REED. The Senator is speaking of packing houses?

Mr. McCUMBER. I am speaking of packing houses.

Mr. REED. The Senator is for once slightly in error.

Mr. McCUMBER. I do not want to exaggerate. I am very careful about it.

Mr. REED. The Senator is not exaggerating.

Mr. McCUMBER. I am keeping within conservative lines.

Mr. REED. Will the Senator pardon me if I call his attention to the rule that is laid down in the circular sent out by the Food Administration under the date of November 24?

Mr. McCUMBER. I will yield for a question, if the Senator can put it in that form. I do not wish to lose the floor, because I desire to close in just a few minutes.

Mr. REED. I know the Senator will want this. The statement is:

After investigation and consideration, it has been determined to permit the packers (except the five large packers, whom we shall speak of in a moment) to earn an annual profit equal to 2.5 per cent of their total annual sales. This profit is to be net after expenses are paid; interest on money borrowed will be treated as an expense, but not Federal taxes, which the packer must pay himself out of his profits. Regulations will be so drawn.

That is, as to the smaller packers. Now, coming to the larger ones:

The five large packers stand in a different class. They have important and vital service to perform for the National Government in this war. Upon them rests the burden of preparing the bulk of the meat-food products which our allies and our armies require. They must become national agencies for war service. They are, with such help as we will require from the smaller packers, to be called on, month by month, for whatever meat products may be required at prices and in quantities approved by this division. For the reasons thus stated, and no others, it has been determined to treat these five concerns as a separate class.

Now I give the Senator the rule as to them:

After full consideration it has been determined that the meat business of the large packers will be subject, first, to the same restriction as the small packers—that is, 2½ per cent on sales—and, second, to a further and additional restriction: That the total annual earnings of the large packer from his "meat business" shall be limited to 9 per cent on his average capital necessarily used by him in that business, including borrowed capital. This profit is to be net after expenses are paid, but United States taxes, interest on bonds and borrowed money, and dividends may not be treated as expenses, but must be paid by the packer out of this profit. If, however, the rate paid on borrowed money be over 5 per cent, such excess will be treated as an expense.

What I am calling the Senator's attention to is this, that the 9 per cent is not figured upon the bonded indebtedness plus the capital stock, but it is figured upon all the money which may be invested in the business, including borrowed money—and most concerns have invested in their business several times their capital stock. So they get 9 per cent upon all of it, and if their interest is 5 per cent they are bound to make 4 per cent the difference between that and 9 per cent. As I estimate roughly they will probably make from 20 to 40 per cent. In addition to that, when the companies make a by-product, they get a larger amount, being allowed 15 per cent upon that capital.

Mr. McCUMBER. I thank the Senator for his contribution. I simply wish to say to my friend from Ohio that the farmers are not receiving the treatment that was suggested by him would be given to them by an accountant for the Standard Oil Co.

Mr. President, I do not think the Senator from Ohio will deny that it requires about $1 an acre per year for fertilizer in Ohio. I thought I was overly conservative, because I had asked some one else and they had stated it at about $2 per acre per year. Then I think he will not say that I exaggerate the figures when I say that the taxes on all the property owned by a farmer on a farm of 160 acres in the State of Ohio, with all the farm machinery upon it, would probably be about $100 a year. I would rather the Senator would have corrected me and shown wherein I was in error rather than to make the sweeping charge that he had no confidence in any of the figures that I might see fit to present on the subject.

Mr. POMERENE. Now, the Senator ought to be fair with me. I did not say that I did not accept any of the figures. I said I did not agree with his conclusion, and what I intended by the conclusion was that he had a family on a 160-acre farm not making any money, and, as I remember, if they were not in debt, at least they had nothing on the profit side of the ledger. That is what I intended.

Mr. McCUMBER. No, Mr. President; I gave my figures, and if the figures were in error I think the Senator should have attempted to correct the figures, because I desired to be absolutely accurate. I showed that at $2 a bushel, allowing the farmer 6 per cent interest on his investment and giving him farm labor very much cheaper than my colleague says can possibly be obtained in our State, he would have at the end of the year, for his whole family about $300, which would be equivalent in a family of five to $60 a year, $5 a month, or an average earning capacity of 20 cents a day, on $2 wheat.

Mr. POMERENE. Mr. President, I do not care to get into any controversy with the Senator on this subject. I am simply going to refer to a fact or two to show how manifestly unfair his premises are. In Ohio, for instance, on farms that are valued at $125 an acre it is a very rare case where land of that kind produces only 14 bushels to the acre. There is another thing.

Mr. McCUMBER. I want to touch on that in just a minute.

Mr. POMERENE. I simply want to add this: There are many other things. We rotate our crops in Ohio constantly. After the wheat crop is sown we sow timothy or clover in the wheat. Usually in the fall the farmers pasture the growing clover for a month or two. The Senator takes no account of that.

When it comes to the fertilizers, a large part of the fertilizers is produced upon the farm. The Senator takes no account of that. We have our corn, our oats, sometimes our rye, and our potatoes; we raise our stock, and so forth. Wheat is not the only crop; it is only one of three or four principal crops that are raised. So no man can take the figures, with all due respect to the Senator—and I meant no reflection upon him—which are presented by the Senator and get any exact estimate as to the amount which will be earned upon one of these farms.

Mr. McCUMBER. Mr. President, the Senator from Ohio is mistaken when he says I do not take into account all of those things—I do take them into account—but I am now particularly taking into account the question of raising wheat, because that is the only thing we are discussing in this bill.

Mr. POMERENE. No, Mr. President——

Mr. McCUMBER. Just a moment. When the farmer sows his land to timothy he is not raising wheat that year; when he is raising corn he is not raising wheat that year. After all, no matter whether in the Senator's State the farmers rotate the crops or not, they can raise but one crop a year upon the land. We will allow those other crops to take care of themselves, and we will allow them to take care of the fertilization for the next year, but this year we are asked to sow wheat, irrespective of what was on the land last year.

The Senator from Ohio has been so led astray by his enthusiasm in defense of the washerwoman of whom he has spoken so pathetically that he has not given us a fair statement of the average yield of wheat in Ohio. Let me again quote what the Senator said. He said:

I want only to allude to one particular fact. When he—

Referring to me—

speaks of the average crop of wheat in Ohio as being 14 bushels an acre, I hope my friend knows more about farming in North Dakota than he does about farming in Ohio. The average production in Ohio is ordinarily about 23 to 25 bushels an acre. Last year in many sections 40 bushels an acre was not an uncommon yield—

And so forth.

Mr. President, I am afraid either that the Senator from Ohio is in error in his statement or else that I really do not know more about farming both in Ohio and in North Dakota than does the Senator from Ohio. When he made the statement concerning the yield of wheat in Ohio, I confess I was startled, because, representing an agricultural State, I generally keep pretty accurate information of the yield of wheat in every State in the Union, and the figures that I gave were those of the average yield for 10 years throughout the United States. The average yield in the United States is about 14 bushels per acre. Therefore I took that as my basis. In North Dakota, taking the last 10 years, the average yield was 12.2 bushels per acre. The Senator stated that in Ohio the yield is from 23 to 25 bushels an acre. I immediately sent over to my office for the Yearbook of Agriculture for 1916, and taking the average in Ohio for 10 years—from 1907 to 1916, inclusive—the yield was shown to be 15.9 bushels per acre. Very little, indeed, over what my estimate was for the entire United States. I am surprised to have the Senator from Ohio, who has lived in Ohio so many years, and who so ably represents that State, criticize my estimate of the yield of wheat for the United States and claim that Ohio raises from 23 to 25 bushels per acre, when the agricultural statistics show that she raises on an average but 15.9 bushels an acre. If Ohio averages in her yield of wheat what the Senator says she averages, I would not be surprised if he should think that $2 a bushel would be an exorbitant price for wheat, but she does not raise that amount of wheat, and the figures that I have given in my estimate are substantially correct.

Mr. GORE. Mr. President, I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 27 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, March 20, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *March 19, 1918.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Eternal God, our heavenly Father, strengthen every fiber of our being and help us to concentrate our thought and energy on the successful prosecution of the war which we have entered in behalf of human liberty and human rights. Encourage us by the great truth that right reenforced by wisdom, integrity, courage, and imperishable faith in Thee, the living God, is the greatest force vouchsafed to man.

Hear us, O God our Father, and grant speedy success to our arms, for the sake of humanity, in His Name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. LONERGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on House joint resolution No. 154.

The SPEAKER. The gentleman from Connecticut asks unanimous consent to extend his remarks on House joint resolution No. 154. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE.

Mr. JOHNSON of Kentucky. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman from Kentucky [Mr. JOHNSON] asks unanimous consent to address the House for three minutes.

Mr. GILLETT. Mr. Speaker, inasmuch as it was agreed that we should have an hour's debate this morning, I do not think it is fair to curtail that.

The SPEAKER. The gentleman from Massachusetts objects.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed the following resolutions:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JOHN H. CAPSTICK, late a Representative from the State of New Jersey.

Resolved, That a committee of eight Senators be appointed by the Vice President to join a committee appointed by the House of Representatives to take order for superintending the funeral of the deceased.

Resolved, That the Secretary communicate a copy of these resolutions to the House of Representatives.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

And that in compliance with the foregoing resolution the Vice President had appointed the senior Senator from New Jersey [Mr. FRELINGHUYSEN], the junior Senator from New Jersey [Mr. BAIRD], the Senator from West Virginia [Mr. SUTHERLAND], the Senator from Indiana [Mr. NEW], the Senator from Idaho [Mr. NUGENT], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Arizona [Mr. ASHURST], and the Senator from Georgia [Mr. HARDWICK] as the committee on the part of the Senate.

The message also announced that the Vice President had appointed Mr. FRANCE and Mr. HOLLIS members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Labor.

The message also announced that the President had, on March 18, 1918, approved and signed bill of the following title:

S. 3471. An act to authorize the Secretary of War to grant furloughs without pay and allowances to enlisted men of the Army of the United States.

LEAVE OF ABSENCE.

Mr. THOMAS F. SMITH, by unanimous consent, was granted leave of absence for two weeks, on account of illness.

INDUSTRIAL CREDITS.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 10608) known as the war corporation finance bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10608, with Mr. GARRETT of Tennessee in the chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read the bill, as follows:

A bill (H. R. 10608) to provide further for the national security and defense and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, I really ought not to undertake to speak, for I have not been very well and my throat is bothering me a lot, yet I feel I ought to say a word about the pending bill.

We are living in an extraordinary period, and we are required to do extraordinary things. The pending bill, known as the war-finance corporation bill, is one of the radical pieces of legislation that has been submitted to the consideration of Congress, and I confess when it was first submitted it amazed me. But I realize, after careful study of the problems involved, that we are called upon to do many things during this war period that we would not even have stopped to consider for a moment in times of peace.

Mr. GARNER. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. GARNER. I venture the suggestion, if the gentleman will permit, that when this bill was first submitted nine men out of ten were astounded at the suggestion of such legislation, and that if they had been called upon right at that moment nine out of ten would have voted against it, and I think to-day probably nine out of ten are in favor of the bill.

Mr. MADDEN. I agree with the gentleman from Texas. It is a radical departure from the ordinary movements of Government in times of peace. But we are in a period of war, and everything we do is radical and must of necessity be radical. And the main object of the Government and the people of the United States during this war period must be the winning of the war, and anything that will aid in the accomplishment of that purpose must be done.

There ought not to be any hesitation about it. This bill, when it first came to the light, proposed, as it does to-day, the organization of a corporation with $500,000,000 of capital, to be furnished from the Treasury of the United States, and the right to issue securities amounting to $4,000,000,000 more, to be managed by the Secretary of the Treasury in fact, although in name it was proposed to associate with him four other gentlemen, called a board, over which board he was to preside. He was to have the power to name the board, to discharge it, and to veto anything that it might do. That seemed to be radical. I was pleasantly surprised upon consultation with the chairman of the Ways and Means Committee and other members of the committee, both Democrat and Republican, to find that they did not agree that such a radical course should be pursued. In the course of the consideration of the bill before the Committee on Ways and Means I had the privilege of appearing, and I made two or three suggestions which I may reiterate.

I thought that instead of the Secretary of the Treasury having the power to name a board to manage this great corporation, the Federal reserve banks, the regional banks, ought to have the power to either name or nominate to the President the men who were to act as the board of directors, and the reason why I thought that should be so is that the capital of the regional banks, amounting to $72,000,000, is all furnished by the member banks, and the members furnishing the directors of the regional banks, and that these national banks have on deposit in the regional banks about $1,500,000,000, on which they draw no interest; and they, it seemed to me, would be sufficiently interested in the proper management of the corporation provided for in this bill to see that no improper loans were made.

I feared that with the enormous weight of duty imposed upon the Secretary of the Treasury through the manifold positions that he occupies he would not be able to give the consideration to the problems involved in the operations of this corporation that their importance entitle them to. And I also thought, and still think, that there should be advisory boards elected by the regional banks, to pass upon the applications for loans through this corporation, originating within the region, and that the board itself should be limited in its power to make such loans as might be recommended by the regional boards—the advisory boards. The purpose of my suggestion was to furnish the board that takes final action the specific information as to the validity and the justice of the claims for assistance. I realize that some such legislation as this must be enacted, and I also realize that it should be surrounded by every safeguard possible.

The Ways and Means Committee entered upon the consideration of this bill with the determination so to amend it that it would, when reported to the House, come as nearly as possible

to meeting the expectations of the business public. The only justification, the real justification, for the enactment of the law is that the Government itself has absorbed all of the financial life of the country, if I may so speak, in the sale of its liberty bonds, and that has made it almost, if not quite, impossible for the banks themselves to furnish the needed help to industrial enterprises. And so the Government having taken the place of the financial institutions of the country and absorbed all the loaning power of the country, it seemed that there might be danger of destroying a great many business activities unless the Government itself came to the rescue. And so the thought was suggested that this corporation might fill that place.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. MEEKER. I would like to know the gentleman's opinion, as a practical business man, as to the wisdom of having the Secretary of the Treasury a part of this board at all.

Mr. MADDEN. Well, it seems to me you could not permit any board to be organized to manage a great corporation like this, where its activities must in a large sense coordinate with the Treasury of the United States, without the Secretary of the Treasury in a sense being the guiding spirit. Everything that this corporation does must be done in harmony with the policy of the Treasury of the United States, and the Secretary of the Treasury, being the responsible Government official to direct the movements of the Treasury, he must of necessity be a member of this board, not having the veto power over the actions of the board except in cases where their action might conflict with the policy of the department. In that case he ought to have the veto power.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. JOHNSON of Washington. Does not that mean, in essence, that the board will be simply advisory to the Secretary of the Treasury?

Mr. MADDEN. Not necessarily. The board, as I proposed it, should either have been elected by the regional banks, or nominated by such banks to the President for submission to the Senate for confirmation, and I suggested that there should be 12 members of the board, or 13 including the Secretary of the Treasury.

Mr. JOHNSON of Washington. Will the gentleman offer that amendment?

Mr. MADDEN. I think the committee has fairly met that suggestion.

Mr. JOHNSON of Washington. Then that suggestion is out of the question?

Mr. MADDEN. No. I think they have met the suggestion under the circumstances fairly. I suggested that they ought to have a board of 12, with the Secretary as ex officio chairman; that the 12 members should be elected by the regional bank directors, or that they should be nominated by the President to the Senate and confirmed by the Senate. That would make the board absolutely independent of the Secretary of the Treasury. But I believe, from the way in which the Ways and Means Committee have provided for the selection of the board, they will be independent of the Secretary of the Treasury except in cases where the Secretary of the Treasury should decide whether what they do conflicts with the policy of the Treasury Department.

Mr. LONGWORTH. Mr. Chairman, if the gentleman will pardon me, for instance, the interest rate of these securities—the Secretary of the Treasury ought to supervise that. Otherwise it might be dangerous competition with the bonds.

Mr. MADDEN. Yes.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. MEEKER. Take this situation: The Secretary of the Treasury is chairman of the board. All well and good. Everything that is to be done can be done by the three of the five members with the approval of the Secretary.

Mr. LONGWORTH. No; the gentleman is quite wrong. That applies only to one particular section of the bill. In every other part of the bill it is a majority of the board, without the approval of the Secretary of the Treasury.

Mr. MEEKER. Well, then, on the issuance of this stock the president of the board, the Secretary of the Treasury, must act on that, must he not?

Mr. MADDEN. There will be only one certificate of stock.

Mr. MEEKER. On the amount of money paid in. The Secretary of the Treasury, who is chairman of the board, passes on that, and then reports back to himself as to the amount paid in.

Mr. MADDEN. He reports to the board. The board is an independent entity. The Secretary of the Treasury, as such, has nothing to do with this board except to veto any action taken by the board that will conflict with the policy of the department, as in the case suggested by the gentleman from Ohio [Mr. LONGWORTH].

Mr. MEEKER. While acting on the board he is Secretary of the Treasury.

Mr. MADDEN. That is true; but the two functions are distinct and apart, and the obligations of the Secretary of the Treasury, as such, have no relation whatever to the chairman of this board, as such. One of the great dangers in the organization of this corporation, as I saw at the beginning—and it still may exist—is that when the corporation commences to do business it will find itself compelled to issue securities, perhaps bonds—short-time bonds. These bonds, perhaps, will be handed over to those who need financial help.

They in turn will go to the banks, member banks of the Federal reserve, and they will borrow money on the bonds, and later on these member banks will be obliged to go to the regional banks to borrow money, and they will make their own paper, no doubt, and they will furnish the bonds of this corporation as security for the paper which they themselves make, and upon that paper, rediscounted, backed up by the collateral of this corporation, the Federal reserve banks of the United States may find themselves issuing new notes. Now, to guard against the possibility of issuing too large a number of notes on the security which this corporation will supply, the Ways and Means Committee have provided that there shall be a 1 per cent additional charge for any loan made or currency issued by the regional banks upon the security of this corporation.

Mr. STERLING of Illinois. Mr. Chairman, on that point will the gentleman yield to me?

Mr. MADDEN. Yes.

Mr. STERLING of Illinois. Does the gentleman think that 1 per cent is too high?

Mr. MADDEN. No.

Mr. STERLING of Illinois. There has been some controversy about that.

Mr. MADDEN. The important thing is to protect the integrity of the Federal reserve banks, and the charge of 1 per cent interest over that prevailing on ordinary rediscounts will help to do that.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I would like to ask for five minutes more.

Mr. MOORE of Pennsylvania. I regret that I will not have the time to extend the gentleman's time.

Mr. MADDEN. All right.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent that an additional five minutes be taken out of no one's time and given to the gentleman from Illinois.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADDEN. It will no doubt be argued that the creation of this corporation, with authority to issue securities and make loans amounting to $4,500,000,000, will result in an expansion of credit which must prove dangerous to the business structure of the country. But when we consider the fact that the Government is monopolizing the finances of the country by the sale of liberty bonds, it will be apparent that since it has closed the doors of the banks to many deserving enterprises needing financial assistance it must in justice to these enterprises come to their aid if they are to continue to do business, and this is especially true if the business is one producing war material. We must not forget that the war is now the most important activity of the Government, to win which all our energies, financial and otherwise, must be exerted.

The savings banks find their deposits falling by the withdrawal of funds for the purchase of liberty bonds. These banks have good securities in their vaults for which there is now no market, and this corporation will have authority to loan them its bonds, taking the notes of the banks secured by such collateral as they have, on the basis of $1.33 of value for every dollar advanced. The savings banks would thus be able to go to the national banks, members of the Federal reserve banks, and borrow on the bonds of this corporation. The national banks could, in turn, go to the regional reserve banks and rediscount their notes with the corporation bonds as collateral and secure regional notes to meet the demands of business. But why not give the Federal reserve banks authority to do

what it is proposed to do through this corporation, since it seems the Federal reserve banks are to be permitted to issue notes for circulation against the nonliquid paper of the war-finance corporation.

The answer must be obvious. This corporation is authorized to make direct loans to needy, deserving business concerns whose activities are essential to the successful prosecution of the war. That relief could not be granted through the Federal Reserve System. It is proposed that the war finance corporation shall make advances to banks or bankers who have loans outstanding to corporations doing a war business—that is, a business which is being conducted for the purpose of aiding in the prosecution of the war. But advances made to such banks can not exceed 75 per cent of the face value of such loans, and must be secured by the note of the bank, supplemented by such security as the bank holds as the basis for the advance. The war finance corporation is authorized to buy, sell, and deal in bonds of the United States—the purpose being to stabalize the market on liberty bonds and other obligations of the United States.

There are many important phases of this bill which I should like to discuss, but the time allotted me will not permit. I shall, therefore, conclude by calling the attention of the House to the fact that the first draft of the bill conferred the power on the board to license every business in the country and prevented the issue of securities in excess of $100,000 by any corporation without express authority of this board. That has been changed to provide for the creation of a capital-issues committee, whose duty it will be to pass on the question of whether security issues by private corporations in excess of $100,000 is compatible with the public interest during the war.

The committee has no power, however, to prevent such security issues, but it is believed its advice and counsel will have great weight in preventing the use of capital in industries that have not part in fighting the war. Extraordinary as the legislation is, so far afield from what one would consider sane and safe finance in times of peace, I am bound to believe that conditions created by the war may call for just such financial assistance as this legislation is intended to afford, and I give it my sanction because I wish nothing to be left undone to insure the success of our armies and the preservation of the country's business integrity. I hope the President will select men of ability and experience to administer the law, and that each man selected will do his best to meet the needs of the hour by devoting himself to his task with an eye single to the country's prestige at home and abroad.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. FESS].

The CHAIRMAN. The gentleman from Ohio is recognized for 15 minutes.

Mr. FESS. Mr. Chairman, I am persuaded that the question asked by the gentleman from Missouri [Mr. MEEKER] as to the power of the Secretary of the Treasury in the administration of this law was inspired by his desire, as expressed in the hearings, in which the Secretary of the Treasury made this quite remarkable statement——

Mr. JOHNSON of Washington. On what page?

Mr. FESS. On page 76. He said:

> I have great respect for boards and commissions. In peace times I think they are very desirable things. In war times I do not know of anything that is less desirable.

Further down on the same page, in illustrating his desire to be not interrupted by having a divided responsibility, he uses his own position as Secretary of the Treasury to illustrate it. He says:

> Now, take the Assistant Secretaries of the Treasury to illustrate the point. There are five splendid men who are Assistant Secretaries of the Treasury. I do not know of a finer spirit than those men exhibit. They will work all night and all day and go no limit to help out and do the job. There is perfect harmony, and we all get along splendidly. I have my conferences with them, and we sit down and talk things over, and we decide upon a policy, and everybody gets busy and puts it through. I imagine, though, that if the Assistant Secretaries of the Treasury were not my subordinates, so that they would have to accept my decision, I might find it very much more difficult to get quick action, because very frequently when men all have an equal vote they are more tenacious of opinion and more willing to assert it.

An opinion of the necessity of absolute control of this proposed corporation by the Secretary of the Treasury could not be more clearly expressed. It leaves no doubt in any mind on that point.

That evidently was the thing that was in the minds of those who have been concerned over the question of control.

Mr. SHERWOOD. Is that the testimony before the Ways and Means Committee?

Mr. FESS. I will say to my friend that it is. I have read from the hearings the Secretary's own words.

Mr. MOORE of Pennsylvaina. Does the gentleman object to my reading in that connection the reply paragraph of the bill which pertains to that point?

Mr. FESS. I will ask my friend not to insist on it now, since my time is so limited.

Mr. MOORE of Pennsylvania. I think the committee have corrected it.

Mr. FESS. I will state frankly that the committee have corrected that. And may I say this, too——

Mr. JOHNSON of Washington. We depended on these hearings for information.

Mr. FESS. May I say that I felicitate this House upon the position of the Committee on Ways and Means in refusing to follow the sickly, sickening servility that has been manifested in so many committees in the House in the last few years? [Applause.]

Mr. LONGWORTH. May I add in that connection that in the original bill the words "with the approval of the Secretary of the Treasury" appeared seventeen times? The committee cut out those words in all except three cases, where we thought they were necessary on account of the broad governmental policy that ought to be pursued as between the two functions of the Government.

Mr. FESS. The committee has displayed a healthful attitude in respect to its function as a committee of a legislative body. The tendency in recent years to await the orders of a department, organically coordinate but rapidly becoming the head of legislation, as well as the executive, can have but one result if allowed to run its course uninterrupted.

The bill as it appears now, compared with what it was when it came from the Treasury Department, bears the mark of a real legislative committee. It is shorn of many symptoms of bureaucratic government.

The observation of my colleague, Mr. LONGWORTH, a member of the committee, is another evidence of the independence of the committee in doing their own thinking and not taking orders. I am intent on this, that the House is in danger of a state of atrophy if it does not exercise its right to initiate legislation and leave it to the Executive to sign or to veto it, which is his proper function, and not to initiate it. This is a splendid display of that independence, and I congratulate the committee. As I said before, I am in hearty sympathy with the purpose of this legislation.

Mr. JOHNSON of Washington. One question.

Mr. FESS. I have only a little time, and I had hoped to have an hour on this subject. Some of the statements made by the Secretary of the Treasury and also by Mr. Warburg when they officially informed the committee of the needs of this legislation have aroused tremendous suspicion in my mind; and I admit that although recognizing the emergent condition that faces us in war, I was greatly disturbed as to what this legislation might mean in the minds of the men who proposed it. I do not refer to the committee but to the Treasury officials. When we raise the question, as it has been raised throughout the country, of the danger of inflation, I do not mean expansion of the currency but inflation of credit which is identical with inflation of the currency in its effect. We are assured that no danger can come from that source. If you inflate credit you have an abnormal price of goods on sale just as you would have if you inflate the currency of the country. Such movement is an increase in price but not an increase in value, and in the nature of the case such artificial price current must be a serious condition financially when the country goes upon an inflated basis, whether you express it in currency or in credit. There must not be a confusion here by attempting to differentiate where there is no distinction. When the question was asked in the Committee on Ways and Means, the Secretary of the Treasury made the statement that there would not be any inflation. He said:

> There has been some criticism of the bill on the idea that in some way or other there will be currency inflation. Any idea of currency inflation must result from a misconception as to the bonds issued by the corporation, for there is no danger that such securities will cause inflation through an undue expansion of the circulating medium of the country.

Here is his assurance against the inflation of the circulating medium which is no assurance against the same result under another terminology.

In another place the Secretary of the Treasury says that this proposed legislation is to prevent inflation that otherwise would come if we did not have some legislation of this sort. The Secretary of the Treasury may be correct to the letter when he says it will not inflate the currency. Technically that may be true, but certainly no such assurance can come from the bill itself. I do not believe that there will be any surer results than a great expansion of the currency. While he says that you

can not take these bonds and directly convert them into Treasury notes or Federal reserve notes, he does not say that you can not do it indirectly by allowing the banks to take the bonds, and then take the credit of the bank to the Federal reserve, and thereby convert it into Federal reserve notes. Now, that is an inflation of the currency. We are assured that the corporation bonds have no circulatory function. True, but the credit represented by them can indirectly be converted into circulating notes.

This is conceded by the requirement to charge a penalty of an additional 1 per cent to discourage the transaction and also to hasten their retirement.

I am confident in my own mind that this proposal will furnish the basis for a vast increase of our circulation.

It is not enough to say they will not be issued. The supreme question is, Can they be issued? They can be and in war time they will be issued.

Mr. SLOAN. If the gentleman from Ohio will yield, I have an important statement to make. Is the gentleman aware that he is specially favored, not only by the attendance here in the Chamber but an audience in the gallery the superior of which seldom appears in an American auditorium. [Applause.] I refer to several hundred splendid young American engineers of the One hundred and twenty-third who have come from Laurel this morning to visit the House of Representatives, to honor the gentleman who is addressing us, and to honor this body with their presence. It is especially fitting that the gentleman from Ohio [Mr. FESS], one of America's leading educators and statesmen, should speak in the hearing of the young militant manhood of whom all are school men and 75 per cent are college men.

To the young men of the One hundred and twenty-third United States Engineers, many of whom "have come out of the West," permit me to say that the debate to which you have listened was upon the most gigantic financial war measure ever considered by Congress or Parliament. It is designed to aid the business of the country so that your arms and those of your million comrades may be sustained in the mighty world conflict. Your technical learning and skill will be a great factor in the fight. We know you will do your part. We are trying to do ours. Your purposes and ours merge into a unit to inspire friends and dismay all who would stand against our national will. You are all clean, brave, estimable, gallant young Americans, who will prepare the way for the boys in the multiplied thousands to go over the top in France, where many of you soon expect to be. We wish you Godspeed. We bespeak victory. [Applause.]

Mr. FESS. It is fitting that Mr. SLOAN, a distinguished member of the committee which has charge of this measure, has called attention to the presence of these sons who have come to the colors. It but intensifies the country's situation which calls upon the Congress to enact war legislation such as we are now considering and such as has held this Congress for more than a year of intensive preparation. To you young men we give a Nation's devotion, for we well know you are offering a costly sacrifice if necessary for her honor, and safety.

Now, if I may have the attention of the committee, I had hoped to have something to say that would invite the closest attention of the Members of this House. While it may be true—which I will not admit—that there is no inflation of the currency in this bill, nobody would think of saying that there is no inflation of credits in the bill. And in the last analysis inflation of credits is inflation of the currency, for you can not separate them. The truth about the matter is that any attempt to finance this war outside of the income of the Nation as measured in the savings of her people represents inflation. We have only two ways to utilize the income in the prosecution of the war. Our income is variously estimated at from $40,000,000,000 to $50,000,000,000 annually. Probably our savings will not reach more than $6,000,000,000, but that is because we are wasteful.

Mr. MADDEN. Our average savings are $4,000,000,000.

Mr. FESS. They ought to reach many times that.

Mr. MADDEN. No; they could not do that.

Mr. FESS. And what we should do is to finance the war through the real wealth of the country as it is found in the hands of the citizens of the country. One way is to do it by taxation. All will admit that such a war as we now face can not be financed by taxation alone. Another way is to do it by taking the earnings of the people through the form of loans in the issuance of Government bonds. Taxation has reached the annual sum of $2,500,000,000, which is pretty high. Loans probably will reach $6,000,000,000 or $7,000,000,000. The cost of the war, on the other hand, will reach a figure double the sum of the two sources—tax and loans—and the difference between the cost of the war and the money that is raised either by taxation or loans must measure the amount of credit that we must create, and which is proposed to be extended when this bill becomes a law. Here is the danger: When you undertake to do business by borrowing from banks instead of borrowing from individuals, just in that degree you undertake to lend by borrowing, and that is always a dangerous proposition unless within paying ability. It is precisely what we do if I go to the bank and say to my bank, "I want $1,000 of a loan that I wish to invest in liberty bonds." The Government lets me have the bonds. I turn the bonds over to the bank as collateral security for the money I borrow from the bank. I, of course, give my note to the bank. Here are two credits. The one is the Government giving its credit to me because I give it the money that I borrow from the bank, and the other is the bank loaning me the money which I must some day pay out of my earnings. Now, if I do not save and pay the bank, you have still got two sources of credit there piling one on the other. Is it possible?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Since the gentleman's speech was interrupted, I yield to him two minutes more.

Mr. FESS. This transaction by which I borrow in order to lend is one of the chief incidents of expanded credit. If bonds are purchased by the banks instead of by the individuals, it is expanding credit.

I am persuaded much of this was done in the last liberty loan campaign. Many of these bank notes remain still unpaid, which of itself will prove a deterrent in the next loan campaign.

I want to announce one or two principles as principles of sound finance which must not be lost sight of even in time of war. If the production of the country runs behind the credit of the country, then you have inflation. If the service and the goods that are sold in the form of labor and products of labor keep pace with the credit of the country, there is no inflation. But if credit runs ahead of that stage to that degree, it is inflated. I admit that in war times it is probably impossible to keep the two things together, and therefore inflation of credit is almost inevitable in a time of war. That being the case there is bound to be abnormal prices, as is so apparent to us all. To-day we are in an inflated era. People speak about the amount of interest demanded. People are demanding more interest, which is invariably the case in war times, and that is only a measure of inflation, and whenever you disturb the relationship between the circulating medium and the goods to be exchanged in the market by increasing the volume of the purchasing power without increasing the real purchasing power, you thereby decrease the net purchasing power, and in that case you have inflation. By increasing the volume of the measuring units, you decrease the purchasing power of the unit.

Mr. Chairman, we here propose a bill the ostensible and openly avowed purpose of which is to expand our credits. We do it at the end of the first year of the war.

England did the same thing, only in a different way. It is true all Europe has long ago gone on a paper basis, which took off all restraints of expansion.

On December 13, 1917, a special committee of the Treasury appointed to report on the cause of the cost of living in England made its report public.

I here insert a brief abstract of that report:

Your committee have consequently found themselves obliged to extend their inquiry into the causes of the increase in prices and the possible checks that may be applied.

The chief causes are:

The expansion of credits during the war.

The demand of commodities exceeding the supply and the inadequacy of Government action to control prices.

Increase of wages and consequent increase in the cost of production.

Increase in the rates of profits.

Unfavorable rates of exchange in some of the countries from which supplies are imported.

Some of these are at once effects of the increase of prices and causes of further increases.

It would be difficult, and it is also unnecessary, to determine what is the order of importance of these various factors. But it is certain that among the most important is the expansion of credits.

If it had been possible to finance the war from day to day by means entirely of the process of taxation and of loans of money drawn from the savings of the people, there can be no doubt that the general increase of prices would have been considerably less than it has been; the result would have been to transfer purchasing power from the hands of individuals to the hands of the Government. But the Government, through the Bank of England and the joint-stock banks, has created large new credits to enable its contractors to expand their production. It has also borrowed from the Bank of England large sums on ways-and-means advances, and, in so far as these advances have not been offset by equivalent borrowings from the market on the part of the bank, which has not always been the case, this operation has been a pure creation of credit.

The recommendations for remedial legislation to correct the errors were as follows:

Our recommendations in respect of those aspects of the question of prices which are dealt with in this report are as follows:

1. Whatever measures are possible should be taken by the Government to avoid the creation of new credits in financing the war.

2. An inquiry should be set on foot to ascertain what has been the actual increase in the cost of living to the working classes and how far it has been counterbalanced by advances apart from wage advances due to war conditions.

3. The measures for the limitation of profits should be continued and stronger and should be made more widely known to the people.

4. The strongest case should be required to be established before any advance in wages is conceded on any grounds other than the rise in the cost of living. Nor should it be regarded as a rule—and we have no reason to think that labor in general would wish that it should—that wage earners in receipt of not inadequate pay before the war should be exempted from the share in the economic sacrifices involved by a state of war.

5. A single policy under the general direction of one authority should be adopted in all industries in the determination of wage questions.

These recommendations are in line with the American Economic Association.

Mr. Chairman, while I recognize the serious state of affairs produced by the war and note the reason urged by the committee that we have no other recourse, we can not saddle this on the Federal Reserve System, and war commands this relief as here proposed, I can not help but also observe that the statement the Federal Reserve System can not carry it is an admission of the danger of the proposal.

The statement that war demands it and we must grant it leads all thoughtful Members here to inquire what will be our attitude when before long almost inevitably a measure will come in here demanding a lowering of the gold reserve. When we are told that we must go on a paper basis because of the war, what then will be our answer?

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Chairman and gentlemen, since the members of the Ways and Means Committee are coming, one by one, before this House, which is sitting in Committee of the Whole for consideration of the war-finance bill, are confessing that when they first looked at this proposition, this bill that passed the Senate of the United States, they were astounded and thought it preposterous, they can not blame the membership of the House for going through a hard mental process in trying to arrive at a determination to support the revised bill of the Ways and Means Committee, which is the Senate bill cut in half.

It was stated here a moment ago that the words "subject to the approval of the Secretary of the Treasury" had appeared in the bill as it first came to the House seventeen times. The members of the Ways and Means Committee point with much pride to the fact that they reduced the number of times that expression appeared in the bill to three.

Now, Members like myself, who have served only five years or less, and who are not in position to demand much time for debate, will find themselves in the course of a short time compelled to accept whatever comes out of conference between House and Senate. Nobody can say whether that expression will be found in the final bill three times or any number of times up to seventeen.

Mr. HELVERING. Will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. HELVERING. The gentleman realizes that when the matter involved directly affects the Treasury and the amount of money in the Treasury, undoubtedly it should be subject to the approval of the Secretary of the Treasury.

Mr. JOHNSON of Washington. I agree to that, of course.

Mr. HELVERING. And the gentleman will find in the bill that there are no things left to the final decision of the Secretary of the Treasury except where it affects the Treasury itself.

Mr. JOHNSON of Washington. Nor do I object to that. I am calling attention to the work the committee congratulates itself on having done. Further, I am doing everything I can to follow the debate to the point where I can vote for the bill. But I can not bring myself to think that the Federal corporation bonds are not to bear the absolute approval of the United States. If we must have a central bank, why not have a full-fledged central bank?

I can not relieve myself of a conviction that the new War Finance Corporation, with its $500,000,000 of capital stock, paid for out of the United States Treasury, and its $2,000,000,000 of bonds of the corporation's own issue, is to become a great holding company for the railroads and the public-service corporations—even the water-power corporations. The War Finance Corporation will give its bonds for the bonds of the railroads and these corporations.

In course of time the railroads will find that they are unable to take back their bonds. The physical property of the railroads is the security. Your War Finance Corporation is then the real owner of the railroads. We do not seem to be able to come out in the open. We do not discuss whether, in voting for this bill, we are voting for Government ownership of railroads. The railroads are now scrambled, and I doubt if they can ever be unscrambled. How will the unscrambling take place if this War Finance Corporation holds and can not rid itself of the railroads' bonds? This is, in my opinion, the big problem which the bill presents, aside from the immediate necessities of extending credits. These might be cared for through an extenson of the Federal Reserve System.

I regret that during the debate on this bill, which, I think, the most important measure in Congress since the declaration of war itself, that some of the great committees of the House are obliged to sit in the committee rooms outside of the Chamber while the House is in session. Hearings of the special committee on water power are on, the hearings before the Military Affairs Committee are on, the hearings before the Naval Affairs Committee are on—all attended by distinguished and far-sighted Members of this House—and so the attendance here, both yesterday and to-day, is limited—limited during discussion of a measure which will cause more discussion and controversy than any law enacted in connection with the war. This is a radical and revolutionary bill. In spite of the statement of the great Ways and Means Committee that they have harmonized it and cut it down and have done the best they could, it is still radical and revolutionary. I am inclined at this time to follow the position taken by the gentleman from California [Mr. HAYES] and by the gentleman from Pennsylvania [Mr. MCFADDEN]. I regret that the bill was not referred to the Committee on Banking and Currency.

Mr. Chairman, I hope that a vote will not be reached on this bill to-day, so that gentlemen who have spoken may be able to place their speeches in the RECORD. The debate has run two days. The statement has been made that it is hoped to reach a vote to-night. In endeavoring to read in the RECORD the speeches made on the floor, I find that in quite a number of instances remarks have been withheld. I think the membership of the House should have the benefit of all the remarks in addition to the printed hearings. From time to time recently I have spoken of the bill as a bill to incorporate Mr. McAdoo. But the bill has been revised. Now it is a bill to incorporate Mr. McAdoo and four others, the chief of whom is likely to be Mr. Warburg. Now, we might just as well come out in the open. If it is necessary to do this thing, let us take off the camouflage and do it. Let the tail go with the hide. We are in the war game to the end. I doubt if many will pretend to a belief that the war will be over in less than four or five years, and it is my belief that this War Finance Corporation, once authorized, will not come to an end in 50 years. [Applause.]

I desire to emphasize and call attention to the statement made yesterday by the gentleman from Pennsylvania [Mr. MCFADDEN], as follows:

> Let the United States make such loans as are absolutely necessary to win this war direct to the public utilities, railroads, and industry—supervised by the best brains that this country affords, and thus instill into the public mind an air of confidence instead of suspicion. This confidence when thus acquired by the people will respond in a patriotic manner in the payment of an equitable amount of taxes and subscribe for bonds of the United States on long time, bearing a proper rate of interest. Stop the profiteering and the 10 per cent plus contracts. Convince the public that the billions are being used wisely, honestly, and efficiently to win the war and the best people on the face of this earth, the American people, will respond in the granting of all the credit that is necessary to win this war, if it takes the last dollar that America possesses.

Mr. Chairman, I reserve the right to vote for or against the measure. It has room for much amendment. Some proposed amendments should be adopted. Time for the debate should be extended. I do not criticize the Ways and Means Committee. I presume the members reached a harmonious report by the same processes that brought out the last fearful and wonderful war-revenue bill, for which we all voted, most of us under protest.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from New Jersey [Mr. PARKER].

Mr. PARKER of New Jersey. Mr. Chairman, the time limit allows only a general statement as to the principles of this bill. It creates a corporation greater than the former United States Bank, one charged with the same kind of powers but immeasurably greater, and to be exercised with much more liberty in time of war. In war our trouble is generally inflation by the issue of United States bonds and money and, most of all during the Civil War, by the issue of greenbacks. The Federal reserve notes are in their nature greenbacks. They have a reserve of 40 per cent only. Their increase is something to look at with fear when we see that there are—I think I am right—already sixteen hundred and sixty-five million dollars of Federal reserve notes.

They are issued to bolster credits in the banks. Those credits originally were intended to be commercial paper, which means paper issued on a transaction, a bargain, and a sale. They are now intended openly under this bill to be permanent loans for the industries of this country, whether it be factories, farms, transportation, or shipbuilding or for general purposes, for work only must win this war. I share the views of the gentleman from Ohio [Mr. FESS], so well stated by him. I believe that income only can finance this war, and I shall ask permission, by way of showing how income can be derived, to insert as an appendix to my remarks section 75 of the internal-revenue act of 1862–63, whereby every industry, as the goods went over the counter of the manufacturers, paid 2 or 3 per cent or a specific tax, so that money came in and was paid every month. Ancillary to internal revenue there were, of course, tariff duties.

Our present scheme of collecting by a yearly accounting up to the 1st of January is becoming very onerous and dangerous. It is upsetting our money market, because it is all paid at one time. Now that the income-tax limit has been reduced to $1,000 for exemption it is offending great masses of the people of the country who are not used to going into a careful accounting every year. We must have something that will give us real power to get revenue.

I want now to point out one or two other matters. Neither credit nor money will produce labor if it does not exist. During the Civil War, when we had not the labor, immigrants flocked from all over the world and filled not only our armies but our railroads, our factories, and our farms. We get none now. We must send to the war or to occupations connected with the war a very large proportion of our able-bodied men, and we must make the rest do much more than they ever did before in order to do the necessary work of the war. In order to do that we may have to "dilute" our labor, as the phrase is abroad, by educating even women to work in the iron mills and run the lathes, the planes, the punch, and the crane. We must get away from all rules, as Europe has done, which prevented apprentices of any kind going into work. We must get rid of the idea that an employer can discharge his men or that the men can leave their work. They must stay at that work, the work of the war. We must come to that; but just at the present time I enter my protest against the immense waste of labor that is taking place. It is said we want to put 30,000 or 80,000 or 100,000 new people as clerks into this city. Perhaps there are too many clerks, but if there were 200,000 a city of 300,000 could double up and the clerks could be billeted in the various houses and quartered there, according to the Constitution, in time of war, according to law, and then there would not be waste of the labor of carpenters and mechanics who ought to be employed now in building ships if we are going to win this war. We are wasting labor.

I fear that this great corporation may be used to encourage something other than mere war work. If this corporation is used to encourage in the United States work in the erection of buildings when we can use what we already have, it will waste labor. If it be used only to encourage and control the enormous quantities of things which must be produced for the war, and will take care of our soldiers, then that is proper labor. We will have to trust the Executive, and probably, therefore, we shall all vote for this bill; but we almost have to look above for aid to see that labor is not wasted.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. PARKER of New Jersey. Yes.

Mr. FESS. We are inclined to vote for the bill because of necessity that faces us. What will be our attitude when the necessity comes that we must reduce our gold reserve?

Mr. PARKER of New Jersey. I do not know. These new notes will drive the gold out of the country. We all know that. I want to say one thing more: That I am worried by the provision in our bonds that the interest on the old bonds shall go up to the rate of the new, so that we will have to pay the same rate on the old bonds if we have to borrow at high rates.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PARKER of New Jersey. Mr. Chairman, under leave to extend my remarks, I add the following:

That interest will not have to be raised to that of the corporation bonds authorized by this act. But they will raise the current rate in the money market.

Our real trouble is with the issue of Federal reserve notes. During the Civil War we provided that greenbacks would be redeemable at any time by a five-twenty bond, and the repeal of that provision caused great needless expense. Perhaps we might well provide that Federal reserve notes could be exchanged at will for a Liberty bond. In the Civil War we had to make customs payable in gold. I hope that measure will not be necessary now. All Europe prohibits the export of gold, except by Government license. We may have to follow their example.

But our real financial strength must be in revenue—direct, certain, and continuous. I append a letter from a friend in New Jersey as to the working of our war-revenue act, as well as a copy of the section of the acts of 1862–63, which taxed manufactures other than cigars and tobacco. The details of this taxation have been forgotten by most of us.

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[Phineas Jones & Co. (Inc.), manufacturers of wheels.]

NEWARK, N. J., *February 6, 1918.*

Hon. R. WAYNE PARKER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: A matter of taxation has interested me quite a bit. Both of us go back to the War of Rebellion, when manufacturers were taxed on sales and not on profits.

We have in our firm the old original receipts that show when the Government first began taxation, to pay the war debt, of 2 per cent, increasing it 1 per cent at a time until they reached as high as 6 per cent. Then when they began to get money enough, they dropped down in the same ratio. When they got back to 2 per cent they gave up taxation.

This method did not tax brains, but taxed the sales. If any concern was foolish enough to do business without a profit, they had to pay tax just the same. To illustrate:

As you know our firm started business in 1855. We have been in it ever since and have always paid 100 cents on the dollar. Now, suppose three of our foremen in different departments should get together and say, "Let us raise a little money, go into business, and buck the old house. We can afford to sell 10 per cent cheaper than they do." They run along four or five years or more, being a thorn in the sides of ourselves, or the man who has brains and does make money, all these years paying no tax whatever for profit as per the present taxation plan, and then quit business.

The need of money was great, to pay the war debt, which was about $4,000,000,000, and the rate of 6 per cent we gave the Government, was plenty of money, and they were soon out of debt.

Why would not this be a better plan now? The United States Government with their taxation plan now makes it so complicated that not one business man out of a thousand hardly understands it. We have even read in the papers that the Attorney General of the United States does not quite understand what the law means. Then, again, the expense of collecting the tax is enormous. The old way, the tax was due and payable the 10th of the month following shipment with the advantage of a very little expense of collecting the money, twelve times a year, and the Government in so short a time had first chance at the party's business to get their money, and at that time we remember that no one seemed to object to it. The plan was so simple that a boy going through common school could understand it. No cash discounts, no rebates, or freights, or anything was allowed. Why couldn't our beloved country follow this plan, which did have the benefit of the previous trial during our War of Rebellion?

Your mind will readily understand many more advantages of this plan as now the Government with its citizens causes a good bit of trouble and annoyance to the same, thereby antagonizing the business of the country rather than fostering the same.

Yours, very truly,

(Signed) HENRY P. JONES.

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[July 1, 1862, 37th Cong., 2d sess., ch. 119.]

An act to provide internal revenue to support the Government and to pay interest on the public debt.

SEC. 75. *And be it further enacted*, That from and after the said 1st day of August, 1862, upon the articles, goods, wares, and merchandise hereinafter mentioned, which shall thereafter be produced and sold, or be manufactured or made and sold, or removed for consumption, or for delivery to others than agents of the manufacturer or producer within the United States or Territories thereof, there shall be levied, collected, and paid the following duties, to be paid by the producer or manufacturer thereof, that is to say:

On candles, of whatever material made, 3 per cent ad valorem.

On all mineral coals, except such as are known in the trade as pea coal and dust coal, 3½ cents per ton: *Provided*, That for all contracts of lease lands made before the 1st day of April, 1862, the lessees shall pay the tax.

On lard oil, mustard-seed oil, linseed oil, and on all animal or vegetable oils not exempted nor provided for elsewhere, whether pure or adulterated, 2 cents per gallon: *Provided*, That red oil, or oleic acid, produced in the manufacture of candles, and used as a material in the manufacture of soap, paraffin, whale and fish oil, shall be exempted from this duty.

On gas, illuminating, made of coal, wholly or in part, or any other material, when the product shall be not above 500,000 cubic feet per month, 5 cents per 1,000 cubic feet; when the product shall be above 500,000 and not exceeding 5,000,000 cubic feet per month, 10 cents per 1,000 cubic feet; when the product shall be above 5,000,000, 15 cents per 1,000 cubic feet; and the general average of the monthly product for the year preceding the return required by this act shall regulate the rate of duty herein imposed; and where any gas company shall not have been in operation for the year next preceeding the return as aforesaid, then the rate shall be regulated upon the estimated average of the monthly product: *Provided*, That the product required to be returned by this act shall be understood to be the product charged in the bill actually rendered by any gas company during the month preceding the return, and all gas companies are hereby authorized to add the duty or tax imposed by this act to the price per thousand cubic feet on gas sold: *Provided further*, That all gas furnished for lighting street lamps, and not measured, and all gas made for and used by any hotel, inn, tavern, and private dwelling house, shall be subject to duty and may be estimated; and if the returns in any case shall be understated or underestimated, it shall be the duty of the assistant assessor of the district to increase the same as he shall deem just and proper: *And provided further*, That coal-tar produced in the manufacture of illuminating gas, and the products of the redistillation of coal tar thus produced, shall be exempt from duty: *And provided further*, That gas companies so located as to compete with each other shall pay the rate imposed by this act upon the company having the largest production.

On coal illuminating oil, refined, produced by the distillation of coal, asphaltum, shale, peat, petroleum, or rock oil, and all other bituminous substances, used for like purposes, 10 cents per gallon: *Provided*, That such oil refined and produced by the distillation of coal exclusively shall be subject to pay a duty of 8 cents per gallon, anything in this act to the contrary notwithstanding: *And provided further*, That distillers of coal oil shall be subject to all the provisions of this act, hereinbefore set forth and specified, applicable to distillers of spirituous liquors with regard to licenses, bonds, returns, and all other provisions designed for the purpose of ascertaining the quantity distilled and securing the payment of duties, so far as the same may, in the judgment of the Commissioner of Internal Revenue, and under regulations prescribed by him, be necessary for that purpose.

On ground coffee and all preparations of which coffee forms a part, or which is prepared for sale as a substitute for coffee, 3 mills per pound.

On ground pepper, ground mustard, ground pimento, ground cloves, ground cassia, and ground ginger, and all imitations of the same, 1 cent per pound.

On sugar, refined, whether loaf, lump, granulated, or pulverized, 2 mills per pound.

On sugar, refined or made from molasses, sirup of molasses, melado, or concentrated melado, 2 mills per pound.

On all brown, muscovado, or clarified sugars produced directly from the sugar cane, and not from sorghum or imphee, other than those produced by the refiner, 1 cent per pound.

On sugar candy and all confectionery made wholly or in part of sugar, 1 cent per pound.

On chocolate and cocoa prepared, 1 cent per pound.

On saleratus and bicarbonate of soda, 5 mills per pound.

On starch made of potatoes, 1 mill per pound; made of corn or wheat, 1½ mills per pound; made of rice or any other material, 4 mills per pound.

On tobacco, cavendish, plug, twist, fine cut, and manufactured of all descriptions (not including snuff, cigars, and smoking tobacco prepared with all the stems in or made exclusively of stems), valued at more than 30 cents per pound, 15 cents per pound; valued at any sum not exceeding 30 cents per pound, 10 cents per pound.

On smoking tobacco prepared with all the stems in, 5 cents per pound.

On smoking tobacco made exclusively of stems, 2 cents per pound.

On snuff manufactured of tobacco, ground dry or damp, of all descriptions, 20 cents per pound.

On cigars valued at not over $5 per thousand, $1.50 per thousand.

On cigars valued at over $5 and not over $10 per thousand, $2 per thousand.

On cigars valued at over $10 and not over $20 per thousand, $2.50 per thousand.

On cigars valued at over $20 per thousand, $3.50 per thousand.

On gunpowder and all explosive substances used for mining, blasting, artillery, or sporting purposes, when valued at 18 cents per pound or less, 5 mills per pound; when valued at above 18 cents per pound and not exceeding 30 cents per pound, 1 cent per pound; and when valued at above 30 cents per pound, 6 cents per pound.

On white lead, 25 cents per 100 pounds.

On oxide of zinc, 25 cents per 100 pounds.

On sulphate of barytes, 10 cents per 100 pounds: *Provided*, That white lead, oxide of zinc, and sulphate of barytes, or any one of them, shall not be subject to any additional duty in consequence of being mixed or ground shall have been previously actually paid.

On all paints and painters' colors, dry or ground in oil, or in paste with water, not otherwise provided for, 5 per cent ad valorem.

On clock movements made to run one day, 5 cents each; made to run more than one day, 10 cents each.

On pins, solid head or other, 5 per cent ad valorem.

On umbrellas and parasols made of cotton, silk, or other material, 5 per cent ad valorem.

On screws, commonly called wood screws, 1½ cents per pound.

On railroad iron and all other iron advanced beyond slabs, blooms, or loops and not advanced beyond bars or rods, and band, hoop, and sheet iron, not thinner than No. 18 wire gauge, and plate iron not less than one-eighth of an inch in thickness, $1.50 per ton; on railroad iron, rerolled, 75 cents per ton; on band hoop and sheet iron thinner than No. 18 wire gauge, plate iron less than one-eighth of an inch in thickness, and cut nails and spikes, $2 per ton: *Provided*, That bars, rods, bands, hoops, sheets, plates, nails, and spikes manufactured from iron upon which the duty of $1.50 has been levied and paid shall be subject only to a duty of 50 cents per ton in addition thereto, anything in this act to the contrary notwithstanding; on stoves and hollow ware, $1.50 per ton of 2,000 pounds; cast iron used for bridges, buildings, or other permanent structures, $1 per ton: *Provided*, That bar iron used for like purposes shall be charged no additional duty beyond the specific duty imposed by this act; on steel in ingots, bars, sheets, or wire not less than one-fourth of an inch in thickness, valued at 7 cents per pound or less, $4 per ton; valued at above 7 cents per pound or less, $4 per ton; valued at above 7 cents per pound and not above 11 cents per pound, $8 per ton; valued above 11 cents per pound, $10 per ton.

On paper of all descriptions, including pasteboard and binders' boards, 3 per cent ad valorem.

On soap, castile, palm-oil, erasive, and soap of all other descriptions, white or colored, except soft soap and soap otherwise provided for, valued not above 3½ cents per pound, 1 mill per pound; valued at above 3½ cents per pound, 5 mills per pound.

On soap, fancy, scented, honey, cream, transparent, and all descriptions of toilet and shaving soap, 2 cents per pound.

On salt, 4 cents per 100 pounds.

On pickles and preserved fruits, and on all preserved meats, fish, and shellfish in cans or air-tight packages, 5 per cent ad valorem.

On glue and gelatine of all descriptions in the solid state, 5 mills per pound.

On glue and cement, made wholly or in part of glue, to be sold in the liquid state, 25 cents per gallon.

On patent or enameled leather, 5 mills per square foot.

On patent japanned split, used for dasher leather, 4 mills per square foot.

On patent or enameled skirting leather, 1½ cents per square foot.

On all sole and rough or harness leather, made from hides, imported east of the Cape of Good Hope, and all damaged leather, 5 mills per pound.

On all other sole or rough leather, hemlock tanned, and harness leather, 7 mills per pound.

On all sole or rough leather, tanned in whole or in part with oak, 1 cent per pound.

On all finished or curried upper leather, made from leather tanned in the interest of the parties finishing or currying such leather not previously taxed in the rough, except calfskin, 1 cent per pound.

On bend and butt leather, 1 cent per pound.

On offal leather, 5 mills per pound.

On oil-dressed leather, and deerskins dressed or smoked, 2 cents per pound.

On tanned calfskins, 6 cent each.

On morocco, goat, kid, or sheep skins, curried, manufactured, or finished, 4 per cent ad valorem: *Provided*, That the price at which such skins are usually sold shall determine their value.

On horse and hog skins, tanned and dressed, 4 per cent ad valorem.

On American patent calfskins, 5 per cent ad valorem.

On conducting hose of all kinds for conducting water or other fluids, a duty of 3 per cent ad valorem.

On wine, made of grapes, 5 cents per gallon.

On varnish, made wholly or in part of gum copal or other gums or substances, 5 per cent ad valorem.

On furs of all descriptions, when made up or manufactured, 3 per cent ad valorem.

On cloth and all textile or knitted or felted fabrics of cotton, wool, or other materials, before the same has been dyed, printed, bleached, or prepared in any other manner, a duty of 3 per cent ad valorem: *Provided*, That thread or yarn manufactured and sold or delivered exclusively for knitted fabrics, or for weaving, when the spinning and weaving for the manufacture of cloth of any kind is carried on separately, shall not be regarded as manufactures within the meaning of this act; but all fabrics of cotton, wool, or other material, whether woven, knit, or felted, shall be regarded as manufactures, and be subject to the duty, as above, of 3 per cent ad valorem.

On all diamonds, emeralds, and all other jewelry, a tax of 3 per cent ad valorem.

On and after the 1st day of October, 1862, there shall be levied, collected, and paid, a tax of one and one-half of 1 cent per pound on all cotton held or owned by any person or person, corporation, or association of persons; and such tax shall be a lien thereon in the possession of any person whomsoever. And further, if any person or persons, corporations, or associations of persons, shall remove, carry, or transport the same from the place of its production before said tax shall have been paid, such person or persons, corporation or association of persons shall forfeit and pay to the United States double the amount of such tax, to be recovered in any court having jurisdiction thereof: *Provided, however*, That the Commissioner of Internal Revenue is hereby authorized to make such rules and regulations as he may deem proper for the payment of said tax at places different from that of the production of said cotton: *And provided further*, That all cotton owned and held by any manufacturer of cotton fabrics on the 1st day of October, 1862, and prior thereto, shall be exempt from the tax hereby imposed.

On all manufactures of cotton, wool, silk, worsted, flax, hemp, jute, india rubber, gutta-percha, wood, willow, glass, pottery ware, leather, paper, iron, steel, lead, tin, copper, zinc, brass, gold, silver, horn, ivory, bone, bristles, wholly or in part, or of other materials not in this act otherwise provided for a duty of 3 per cent ad valorem: *Provided*, That on all clothes dyed, printed, bleached, manufactured into other fabrics, or otherwise prepared, on which a duty or tax shall have been paid before the same were so dyed, printed, bleached, manufactured, or prepared, the said duty or tax of 3 per cent shall be assessed only upon the increase value thereof: *And provided further*, That on all oil-dressed leather, and deer skins dressed or smoked, manufactured into gloves, mittens, or other articles on which a duty or tax shall have been paid before the same were so manufactured, the said duty or tax of 3 per cent shall be assessed only upon the increased valuation thereof: *And provided further*, That in estimating the duties upon articles manufactured when removed and sold at any other place than the place of manufacture there shall be deducted from the gross amount of sales the freight, commission, and expenses of sale actually paid, and the duty shall be assessed and paid upon the net amount after the deductions as aforesaid: *And provided further*, That printed books, magazines, pamphlets, newspapers, reviews, and all other similar printed publications; boards, shingles, and all other lumber and timber; staves, hoops, headings, and timber only partially wrought and unfinished for chairs, tubs, pails, snathes, lasts, shovel and fork handles; umbrella stretchers, pig iron, and iron not advanced beyond slabs, blooms, or loops; maps and charts; charcoal; alcohol made or manufactured of spirits or materials upon which the duties imposed by this act shall have been paid; plaster or gypsum; malt; burning fluid; printer's ink; flax prepared for textile or felting purposes until actually woven or fitted into fabrics for consumption; all flour and meal made from grain; bread and breadstuffs; pearl barley and split peas; butter; cheese; concentrated milk; bullion, in the manufacture of silverware; brick; lime; Roman cement; draining tiles; marble; slate; building stone; copper, in ingots or pigs; and lead, in pigs or bars, shall not be regarded as manufactures within the meaning of this act: *Provided*, That whenever, by the provisions of this act, a duty is imposed upon any article removed for consumption or sale, it shall apply only to such articles as are manufactured on or after the 1st day of August, 1862, and to such as are manufactured and not removed from the place of manufacture prior to that date.

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[Mar. 3, 1863. 37th Cong., 3d sess. Chapter 74.]

An act to amend an act entitled "An act to provide internal revenue to support the Government and pay interest on the public debt," approved July 1, 1862, and for other purposes.

That section 75 be, and hereby is, amended by inserting, after the words "*Provided*, That white lead, oxide of zinc, and sulphate of barytes," the words "and paints and painters' colors"; by inserting, before the words "on lard oil," and attached to the next preceding sentence, as follows: "and all duties or taxes on coal mined and delivered by coal operators at the mines on contracts made prior to July 1, 1862, shall be paid by the purchaser thereof"; by striking out the following words: "on sugar, refined, whether loaf, lump, granulated, or pulverized, 2 mills per pound; on sugar, refined, or made from molasses, sirup of molasses, melado, or concentrated melado, 2 mills per pound," and inserting in lieu thereof as follows: "Sugar refiners shall pay 1 and one-half of 1 per cent on the gross amount of the sales of all the products of their manufactories: *Provided*, That every person shall be regarded as a sugar refiner under this act whose business it is to advance the quality and value of sugar by melting and recrystallization or by liquoring, claying, or other washing process, or by any other chemical or mechanical means; or who shall advance the quality or value of molasses and concentrated molasses, melado, or concentrated melado, by boiling or other process"; and by inserting therein, in lieu

of any other duties or rates of duty on the articles hereinafter enumerated in this section, or provisions existing in relation thereto, the following:

"On marine engines, 3 per cent ad valorem.

"On rivets exceeding one-fourth of 1 inch in diameter, nuts, wrought railroad chairs, bolts, and horseshoes, $2 per ton: *Provided*, That where a duty upon the iron from which said articles shall have been made has been actually paid, an additional duty only shall be paid of 50 cents per ton.

"On rolled brass, copper, and yellow sheathing metal, in rods or sheets, 1 per cent ad valorem.

"On sails, tents, shades, awnings, and bags made of cotton, flax, or hemp, or part of either, or other materials, 3 per cent ad valorem: *Provided*, That the sewing of sails, tents, shades, awnings, carpets, and bags, the materials whereof belonged to the employer, shall be exempt from duty where the cloth or material from which they are made was imported or has been subject to and paid a duty.

"On tobacco, cavendish, plug, twist, fine-cut, and manufactured of all descriptions (not including snuff, cigars, and smoking tobacco prepared with all the stems in or made exclusively of stems), 15 cents per pound.

"On smoking tobacco prepared with all the stems in and on smoking tobacco made exclusively of stems, 5 cents per pound.

"On snuff manufactured of tobacco, on (or) stems, or of any substitute for tobacco, ground, dry, or damp, of all descriptions, 20 cents per pound.

"On mineral or medicinal waters or waters from springs impregnated with minerals, 1 cent for each bottle containing not more than 1 quart; when containing more than 1 quart, 2 cents for each bottle.

"Tailors, boot and shoe makers, milliners, and dressmakers making clothing or articles of dress for men's, women's, or children's wear to order as custom work, and not for sale generally, shall to the amount of $1,000 be exempt from duty, and for any excess beyond the amount of $1,000 shall pay a duty of 1 per cent ad valorem.

"On umbrellas and parasols made of cotton, silk, or other material, 3 per cent ad valorem.

"On all ships, barques, brigs, schooners, sloops, sailboats, steamboats (not including the engine), canal boats, and all other vessels or water craft hereafter built, made, or constructed, 2 per cent.

"On sugar candy and all confectionery made wholly or in part of sugar valued at 14 cents per pound or less, 2 cents per pound; when valued at exceeding 14 cents and not exceeding 40 cents per pound, 3 cents per pound; when valued at exceeding 40 cents per pound or when sold otherwise than by the pound, 5 per cent ad valorem.

"On all gold leaf, 15 cents per pack containing not more than 20 books of 25 leaves each.

"On castings of iron exceeding 10 pounds in weight for each casting, not otherwise provided for in this act or in the act to which this act is an amendment, $1.50 per ton: *Provided*, That there shall be deducted from duties assessed upon railroad cars any duties which may have been assessed and paid upon car wheels under the provisions of this act.

"On clocks and timepieces and on clock movements when sold without being cased, 3 per cent ad valorem."

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield three minutes to the gentleman from Ohio [Mr. SWITZER].

Mr. SWITZER. Mr. Chairman, while I think the Committee on Ways and Means are to be congratulated because of the changes and modifications made in the bill, yet I can not concur in that high compliment paid by my colleague from Ohio [Mr. FESS] a few moments ago. While the power of appointment of these four members of the board is removed from the Secretary of the Treasury and given to the President, yet does anyone believe that the father-in-law will appoint a member of this board who is not approved by the son-in-law?

But I rose chiefly to call the attention of the Ways and Means Committee to what I consider to be a discrimination or unfairness in this matter. This bill appropriates $500,000,000 of the people's tax money or the money from sale of liberty bonds to prosecute the war to aid big business. You say to the small taxpayer, to the small business concern, "Come across on the 15th of June next with your money"; and when they petition you for a few days' relief through paying in installments, the Ways and Means Committee so far has given no heed and the ear of the Secretary of the Treasury can not be reached; but in the hearings, and it has been intimated on the floor in the speeches, it is said that by appropriating the five hundred millions of the tax money of the people you can aid certain big business concerns of the country to pay their taxes. That is to be found in the hearings or somewhere along the line. That is, the big business concern that can get the ear of the Secretary will receive help, but the small business concern out in my district in southeastern Ohio, in the coal and iron industry, or whatever manufacturing enterprise it may be, can not get his ear. At least they have not been able apparently to get his ear up to the present time or the ear of the Ways and Means Committee, to get an extension of time for the payment of these excess war taxes, which is to go to make up this $500,000,000 to help big business. Suppose there are some street railways up in the State of Michigan, and suppose some Wall Street gentlemen have started a great corporation up there and have loaded up with more street railways than they can carry and now they want to come to the United States Government and have it get back of it and give them credit. I do not know but if we had a list of these concerns I could vote more intelligently.

Many industries and business concerns of my district desire an extension of time for the payment of the excess-profits tax. I have a score of letters from representative concerns stating that the requirement to pay the whole tax in June will work a great hardship and likely interfere seriously with the coming sale of liberty bonds. These industries have had to carry heavy stocks and shipping conditions have been so abnormal as to prevent them from realizing on their manufactured product and required an additional borrowing. It seems to me that if Congress passes legislation to assist big business through this great crisis it should not fail to pass an act granting the temporary relief so generally petitioned for by the medium-sized and small industries of the country. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SWITZER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield eight minutes to the gentleman from Missouri [Mr. MEEKER].

Mr. MEEKER. Mr. Chairman and gentlemen, I have not been a Member of this House very long, but I will say to you that in private conference with men whom I consider the level-headed Members of the House I have never heard as universal private condemnation of anything that has been proposed as there has been of this bill. Men say both publicly and privately that in time of peace this thing would be nothing short of rotten and criminal, and the thing I can not figure out is, why adopt a program that would be in time of peace rotten and depend upon it in an hour of the greatest financial strain?

It seems to me we are saying: "There is an old boat I would not trust my family in on a picnic, but if we are going into war I will put them into it." Here is a financial program that is privately denounced by the men on the committee and by men on other committees of this House, and yet they are saying under their breath: "We do not know of anything else that can be done." Now, I am going to move when we come to consider the bill—I will not have time to discuss all the features of the bill that seem to be objectionable and are—I am going to move to strike out section 9. I want to say now that since war was declared I have gone beyond what seemed to be good judgment in supporting some of the administration measures. I hope to be able to vote for this bill; but with section 9 in it I do not see how any man can vote for it, and I desire the committee, when the time shall come, to devote its time to clearing up as to why it permitted section 9 to remain in the bill. Look at that section for a moment, especially lines 22 down to 25. The secretary of this corporation shall be permitted to loan directly 16⅔ per cent of all of the capital stock and the bonds sold to corporations only for the purpose of conducting said business in the United States—that is, war business—and only when such firm, corporation, or association is unable to obtain funds through banking associations or from the general public. Now, what does that mean in plain terms? It means that just about $400,000,000 of this money, if we were up to the total of our stock and our bonds, which can be done on the advice of the Secretary and two members of this board, and we would get out the two and a half billion dollars, $400,000,000 of the money is available at the choice of three men on this board to give out to bankrupt concerns that will have machinery—and that is all they do have—whose business is so rotten that they can not get accommodation either from the banks or from private loans.

Mr. MADDEN. Will the gentleman yield?

Mr. MEEKER. I will yield.

Mr. MADDEN. What about the savings banks who may be in very great trouble?

Mr. MEEKER. If the gentleman would take out the manufacturing concerns, that is another proposition; but here, gentlemen, now, when you think for a moment of the possibility on the other side, let us take some great corporation, whether transportation or otherwise. A gentleman's agreement is always possible. Suppose that great corporation is hard pressed for money or for whom and over whom a certain other concern wishes to get control, all the banks need to do is to say to that concern, "We can not let you have the money. We have no money to loan to you." And the great private loaning institutions can say, "At this time we have no money to turn over to you." Then these men are upon the Government because of this relief that is being offered. Now, then, whenever you put the United States Government into the category of a three-gold-ball concern, as section 9 puts it, when you demand 133⅓ per cent of security for the loan for a man, a public utility, or a railroad who can not get money elsewhere, it is nothing more than the game of a man who holds out the three balls in front of his store, and we convert our corporation and our Secretary of the Treasury into a Shylock, as he holds

this threat over these men, and then their business is to be turned over to whoever can take that loan off their hands because the railroads and all public utilities have not the securities to put up the extra margin.

Mr. MADDEN. Will the gentleman yield?

Mr. MEEKER. I will.

Mr. MADDEN. Does the gentleman think that is a fair statement of the case?

Mr. MEEKER. Will the gentleman state it fairly? I will say to you, of all the vicious things in it that is the worst.

Mr. MADDEN. I thought the purpose of this provision was to enable a concern, which needed money and could not get it, but which had collateral that it could not sell, to get the money from the corporation that we are about to organize by putting up the collateral. That is the purpose.

Mr. MEEKER. Yes; but think of the unthinkable situation to the gentleman himself, to say that here is a concern that has collateral, a going concern, which can not get money either from banks or from the general public—the very thing points at fraud and the possibilities of fraud, and you can not get away from it when you say here is a man who has got collateral and everything, but he can not get a little money from the bank or from some private institution, nobody will furnish him money, and then turn to the Government, and it says, "Put up 133 per cent, and we will take over your institution, and what will be done with it——

The CHAIRMAN. The time of the gentleman has expired.

Mr. MEEKER. Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri. [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield eight minutes to the gentleman from New Hampshire [Mr. BURROUGHS].

The CHAIRMAN. The time for general debate expires at 12 o'clock and 10 minutes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I think the agreement was that there would be an hour and 10 minutes of debate.

The CHAIRMAN. No; it expires at 12.10.

Mr. MOORE of Pennsylvania. I ask the attention, then, of the gentleman from North Carolina [Mr. KITCHIN], and say, if the gentleman will agree to permit us to run by unanimous consent to the conclusion of this speech, and five minutes more for the other side, that will conclude all debate.

Mr. KITCHIN. We want to start reading the bill at 10 minutes after 12. I will yield my time.

The CHAIRMAN. The time expires at 12 o'clock and 10 minutes.

Mr. KITCHIN. There are four minutes due now for general debate.

Mr. MOORE of Pennsylvania. I wanted to keep the agreement with the gentleman from New Hampshire [Mr. BURROUGHS]. I yield so much of the time as is remaining to the gentleman from New Hampshire.

Mr. BURROUGHS. Mr. Chairman, it seems to be generally conceded by all those to whom I have had the pleasure of listening in the course of this debate, and I have, I think, heard practically all of those who have spoken on the bill on both sides so far, that this would not be considered wise legislation in ordinary peace times and under ordinary circumstances. I take it that perhaps no man in this House would think for a moment of voting for this bill under such circumstances. I think that no committee of this House would think for a moment of seriously proposing this legislation under ordinary circumstances in times of peace. But, gentlemen, these are not ordinary circumstances, and these are not times of peace. This legislation is frankly presented here to the House as emergency legislation, and for that reason only are we asked to vote for it. It is a condition and not a theory, to quote the language of a former Chief Executive of this Nation, that confronts us at this time.

The CHAIRMAN. The Clerk will read the bill.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to proceed for four minutes.

Mr. GARNER. You can not do that. Let them read a section and then let the gentleman continue.

Mr. BURROUGHS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the bill,

The Clerk read as follows:

Be it enacted, etc.,

TITLE I.—WAR FINANCE CORPORATION.

That the Secretary of the Treasury and four additional persons (who shall be the directors first appointed as hereinafter provided) are hereby created a body corporate and politic in deed and in law by the name, style, and title of the "War Finance Corporation" (herein called the corporation), and shall have succession for a period of 10 years: *Provided*, That in no event shall the corporation exercise any of the powers conferred by this act, except such as are incidental to the liquidation of its assets and the winding up of its affairs, after six months after the termination of the war, the date of such termination to be fixed by proclamation of the President of the United States.

Mr. BURROUGHS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen, I wish to ask the attention of the committee for a few moments to the condition of the savings banks of the country as they are related to this war-emergency legislation. Now, I sympathize with much that has been said here by those who are opposed to this legislation. I sympathize with much that has been said by the gentleman from California [Mr. HAYES] and the gentleman from Pennsylvania [Mr. MCFADDEN], but I note that the gentleman from California in the course of his remarks took occasion to state that he saw no particular reason why this legislation was necessary in the interests of the savings banks.

Now, Mr. Chairman, I do not agree with the gentleman on that proposition. I believe that the legislation is necessary, and vitally necessary, to the savings bank institutions of this country at this time.

Why is it necessary? It is necessary because the great credit facilities of the country have been preempted, as the Secretary of the Treasury said in the hearings before the Ways and Means Committee, by the Government; and, in view of the enormous borrowings of the Government in the great liberty loans which we have had and those which are forthcoming, it is inevitable that there will be great withdrawals from the savings banks of the country. In fact, those withdrawals have already begun.

Now, let me for just a moment call attention to the magnitude of these interests. The mutual savings banks in my section of the country are of greater importance and of greater magnitude, even, than the national banking interests. You take New England and the Middle States, and the total deposits in the mutual savings banks of those States amount to more than four and a half billions of dollars, while deposits of all kinds in national banks in those same States amount to a little more than four billions of dollars. So that the deposits in the mutual savings banks of New England and the Middle States to-day exceed the deposits in the national banks in those same States by practically $500,000,000. Now, these mutual savings banks, gentlemen, are restricted in the investments which they can make. They do not make what they call liquid investments. Their investments are in long-term bonds and securities, running over a considerable length of time. They are restricted by the laws of these several States in the matter of the investments that they can make, and they are held down by a strict supervisory power in the hands of the bank commissions in the several States.

In my own State of New Hampshire, a small State as compared with the larger States of the Union, the total mutual savings bank deposits amount to $126,000,000. Now, that is more than three times the assessed valuation of all the railroad property in our State. It is practically three times the assessed value of the manufacturing plants in the State of New Hampshire. It is about one-half of the assessed valuation of all improved and unimproved land and buildings in the State of New Hampshire. There are $50,000,000 of deposits that are loaned out to residents of our own State, and there are $76,000,000 of those deposits that are loaned beyond the limits of the State of New Hampshire.

Hon. James O. Lyford, of Concord, N. H., chairman of our State board of bank commissioners, and one of the most accomplished and able officials in the country, in testifying before the Senate Finance Committee, said:

> Of the $126,000,000 of accumulations of the savings banks of New Hampshire nearly $50,000,000 are loaned or invested in the State; nearly $26,000,000 are loaned on real estate mortgages at a rate not exceeding 5 per cent. Thirteen millions are loaned to the business interests of the State, loans that could not be collected without disastrous results to business and employment. One million dollars is loaned to New Hampshire municipalities at a low rate of interest, besides the amount invested in the bonds of these municipalities. These bonds bear interest rates of from 3 to 4 per cent. Another $10,000,000 is invested in securities of New Hampshire industrial and transportation companies, and in the bonds of cities, towns, and districts of the State. These investments within the State would be larger if our demands were larger.
>
> Seventy-six millions of our accumulations, or three-fifths, are invested in other States and contribute to the growth and prosperity of those States. In round numbers $17,000,000 are loaned to farmers of

the West and South at an average rate to the savings banks of not over 5½ per cent. Eleven millions are invested in municipal bonds, of which amount probably $8,000,000 are in municipal bonds of the West and South. Thirty-three millions are invested in railroad securities, of which amount probably one-half are in the securities of railroads west of the Mississippi and south of the Potomac. Eleven millions are invested in the securities of public utilities, of which amount probably one-third is invested in the securities of public utilities of the West and South. Nearly $3,000,000 are invested in the stock of manufacturing companies of New England and other States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five minutes further.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the gentleman from New Hampshire may proceed for five minutes further. Is there objection? [After a pause.] The Chair hears none.

Mr. BURROUGHS. I thank the committee for this extension of time.

As I was saying, $76,000,000 of our deposits are loaned beyond the limits of our own State, to residents and people in the western country. Now, while in general I shall support this bill and believe in it as being absolutely necessary in this war emergency, and for that reason only, I am very much opposed to one provision in the bill relating to the savings banks, and I am going to call attention to that in the few minutes remaining of my time.

If you will refer to section 8, I think it is, of the bill, relating to the loans to savings banks, you will note that the savings banks, when they go to this war-finance corporation for aid to meet the withdrawals which are bound to come and which have already begun, let me say, in my State. In the last six months of the year we lost a little more than $2,500,000 of our deposits and also, in addition to that, lost the normal increase amounting to about $3,500,000, which has been the normal increase for a number of years, making a total loss of about $6,000,000 in our savings banks deposits in the last six months of the last year. I say when these savings banks go to this war-finance corporation for aid to meet these withdrawals that are bound to come, and especially bound to come if another liberty loan goes up to 4½ per cent, which is a greater per cent, let me say, than any of our savings banks pay, under those circumstances what does the savings bank have to do?

They have not only got to put up this gilt-edged collateral which they now hold—the best collateral in the world—to the extent of 133 per cent of the market value at the time of the loan, but they are also subject to a discriminating interest rate of 1 per cent—not less than 1 per cent, the bill states, over and above the rate of the Federal reserve bank in the district in which the borrowing institution is located.

Now, gentlemen, I maintain that that is wrong, so far as it relates to the mutual savings banks, and I will tell you why it is wrong. It is wrong for this reason: The mutual savings bank is the people's institution. It is the institution that contains the savings of the common man—the common, everyday worker. These savings-bank deposits in my own State average less than $500 to a man, and that is true throughout New England and the Middle States. There are over eight and one-half millions of these depositors in that section of the country, and these depositors are very largely made up of the common, everyday working people. These savings-bank deposits are made up of their little savings. They are trying to save their money to build a home, many of them. They are ordinarily wage earners.

Now, I say it is wrong to charge this discriminating interest rate of 1 per cent for that reason, and also for the reason that these banks are not money-making institutions, as an ordinary State bank is. In the case of the mutual savings banks, whatever money they make goes to the credit of the depositors. Every dollar of it goes to the credit of these small depositors. It is not, I repeat, an ordinary money-making institution like your State bank. It has no stock. It has no expense of any account except what it pays to its treasurer and the few assistants that he has, and the tax that it pays to the State. The institution is run with little expense, and all for the benefit of the depositors. Now, why should the Government of the United States, which is responsible for this condition, charge a discriminating rate of 1 per cent interest over and above the reserve rate? I say that it is wrong, and I shall move to amend the bill in that particular when the time comes. [Applause.]

The CHAIRMAN. The time of the gentleman from New Hampshire has again expired.

Mr. WELLING. Mr. Chairman, I ask unanimous consent to address the House in opposition to the pro forma amendment for 15 minutes.

The CHAIRMAN. The gentleman from Utah is recognized.

Mr. WELLING. I ask that by unanimous consent I may proceed for 15 minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. WELLING. Mr. Chairman, the war-finance bill for industrial credits was presented to the House last Saturday, March 16, by the Committee on Ways and Means. It was debated all day Saturday and Monday by distinguished members of that committee. I listened to every word of that debate.

MR. KITCHIN SUPPORTS THE PRESIDENT.

The presentation of the bill by the chairman of the committee [Mr. KITCHIN] was at once candid and illuminating. There was no evasion and not the least disposition to deceive the House as to the sweeping powers conveyed to the executive branch of the Government under the proposed measure. His presentation not only showed a brilliant intellect loyally supporting the President and his advisers but fearlessness in criticizing the provisions of the original administration draft of what is now the pending war-finance bill for industrial credits. I think every member of the committee who discussed the bill in general debate, and many of those who will discuss it under the five-minute rule, have paid or will pay generous tribute to Mr. KITCHIN's patriotic service in perfecting the bill in committee and to his ability in advocating its passage upon the floor of the House. We have been advised repeatedly by those who have followed him that not much remained to be said in general explanation of the measure.

MR. FORDNEY SUPPORTS THE PRESIDENT.

The chairman of the committee was followed by the ranking Republican member of the committee, Mr. FORDNEY, of Michigan. He, like the chairman, contributed helpful and valuable information upon which the membership of the House were expected to base their judgment of the wisdom of this legislation. To those of us who had formed our impressions of the warfare of party government from reading the proceedings of former fiscal legislation in this body it was and has been for a year past an inspiring lesson in self-forgetting, patriotic service to see these old veterans of former wars come in here together and advocate with equal zeal a measure which in normal peace times would provoke the most bitter and violent controversy.

Of course no responsible party would bring into this House a measure so sweeping in its grant of executive power in time of peace, and if they did, even those of us whose chief function has been for a year past to sit at your feet and absorb some of your political wisdom would have rejected such leadership and done what was possible, however little that might be, to defeat such a measure.

Both of the great leaders of the Ways and Means Committee here referred to spoke without notes. Out of the abundance of a lifetime of thoughtful service devoted to their country's welfare, both with the same measure of patriotism and intelligence gave equal service to the country and to the House.

MR. HULL SUPPORTS THE PRESIDENT.

Two additional speeches were made upon this bill in general debate on Saturday—one by the gentleman from Ohio [Mr. LONGWORTH]; one by the gentleman from Tennessee [Mr. HULL]. These latter speeches were entirely and absolutely dissimilar, except in one particular—both were carefully prepared set speeches. Both were evidently the matured and settled convictions of these gentlemen. It is proper to assume that both represented what each of these gentlemen conceived to be his most helpful contribution to the debate on the bill before the House. I said that these speeches of the gentleman from Ohio and the gentleman from Tennessee were alike in their careful preparation and formal presentation. They do not admit of any further analysis together, except to say that both represent the author's individual estimate of what constitutes support of the President of the United States.

They went in opposite directions and were intended to accomplish entirely different purposes. The contribution from the gentleman from Tennessee was perhaps the most illuminating technical presentation the bill will receive in its entire progress from the committee-room draft to the finished product of Congress which will receive presidential approval. He had but one purpose in making his speech, and that was to bring within the reach of all the ripened wisdom of his own thought. He gave intelligent direction to the thought of his associates here, and contributed much to the enlightened public opinion of his countrymen elsewhere.

MR. LONGWORTH'S ATTITUDE.

The gentleman from Ohio [Mr. LONGWORTH] likewise, I assume, brought to this discussion his most helpful contribution to assist us to understand the measure. The result of his effort was a cleverly contrived and pleasantly expressed political utterance. It could not, by any stretch of the imagination, be said to serve a useful purpose in adding to our fund of informa-

tion on the merits of the bill itself. I hope that some of our faces, at least, have grown familiar to the gentleman from Ohio. I want to give him my respectful assurance that I am personally grateful for his genial good humor. I shall appreciate any scrap of helpful information he may contribute to my legislative experience while I am here. But what he said on Saturday was not intended to assist even the humblest of us to arrive at a just conclusion upon this great and sweeping measure.

He merely used the House of Representatives to punctuate his clever partisan harangue with desultory and single-handed applause, culminating at the end with what some fiction writer has set down as "prolonged applause." I like to read that sort of a speech, and, of course, the gentleman from Ohio knows that his constituents, for whom it was built, will also like to read it. I undertake to say, however, that those of you who put in the applause added more to the readability and effectiveness of the thing than the author himself contributed between those perfunctory performances.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield for a brief question?

The CHAIRMAN (Mr. WINGO). Does the gentleman yield?

Mr. WELLING. I can not yield very well, but I will yield to the gentleman.

Mr. LONGWORTH. I really want to ask only one question, and that is whether the speech that the gentleman is reading is a prepared speech? [Laughter.]

Mr. WELLING. Yes; I submit cheerfully that it is.

Mr. STAFFORD. It is on the war corporation bill?

Mr. WELLING. Yes, sir. [Laughter.]

It will look well, however, as a campaign document, and having succeeded in that, I cheerfully congratulate the gentleman from Ohio upon his self-appointed contribution to this debate.

It is a rather sad commentary, however, upon the generosity of the House to applaud the support (?) which the gentleman from Ohio in his speech gave to the President, and accept with stolid indifference the reasoned analysis of the bill and the splendid support to the President given by the gentleman from Tennessee. The speech of the gentleman from Ohio shows that we like to be amused. It proves that Mr. Barnum was right when he said, "The American people love to be humbugged." [Laughter.]

The debate of last Saturday was illuminating, and characteristic of the best and the worst of that which is heard in this Hall. Three-fourths of it was wholly self-forgetting and dedicated to the public welfare. One-fourth of it was purely partisan and dedicated to Cincinnati, Ohio. [Applause.]

Three-fourths of it was a conscientious effort to support the President of this Republic and help him bear the heavy burden of this unprecedented hour. One-fourth of it was conceived with the thought—to use the gentleman's own words—that it would help to put some one else where Woodrow Wilson now stands, "whether within or without the family circle."

Three-fourths of these men did not find it at all necessary to proclaim their support of the President in his great war policies. They suspected, and rightly, too, that every right-thinking man in America would take their support for granted, as a mere matter of routine. One-fourth of these men found it necessary to assert loudly, in every paragraph, that he was most valiant in supporting the President. After each protestation of affection and support, he characterized the President as an isolated autocrat, asking for, if not exercising, despotic power.

It is entirely in keeping with the eccentricities of human nature that he who most loudly proclaims his support conceals beneath a smiling self-complacency a stiletto thrust intended to wound and to destroy. [Applause.] I challenge any man to read the RECORD of last Saturday and come away from it with the honest impression that the gentleman from Ohio was supporting the President or his war policy in his contribution to that debate.

THE PRESIDENT'S DUTY TO CONGRESS.

The gentleman is an able critic of what he denounces as executive usurpation of legislative functions. He does not want any Cabinet officer to come to his committee with a prepared bill, but the gentleman comes empty handed to the deliberation of this committee without a bill of his own to meet the crisis. [Applause.] Of course, the bill presented by the administration was imperfect. It was, I dare say, merely intended to guide the judgment of Congress in meeting an issue first seen by these "watchmen upon the tower." [Applause.]

The President presents the skeleton of a great piece of emergency legislation to the House and asks this Congress to build the completed body and breathe into it the breath of life. [Applause.]

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Utah yield to the gentleman from Minnesota?

Mr. WELLING. I can not yield to my good friend until I get through.

ALL SERVE IN HONOR.

Now, gentlemen of the committee, I think no American would feel satisfied if the President had done less than he has done. For the thing which he has done every patriot has reason to be grateful for his constructive genius and far-seeing statesmanship. [Applause.] They appreciate the courage which meets these great problems fearlessly as they arise, alike indifferent to the opposition of the demagogue and the disappointed wail of partisan politicians who secretly wish that they had invented the idea themselves. [Applause.]

The gentleman from Ohio indulged in the cheapest sort of partisanship in exalting Republican volunteers who have resigned from this House to enter the Army and denouncing Democratic Members as mercenary who have resigned to serve their country in civil life. We all share with the gentleman his admiration and affection for the lamented Augustus P. Gardner. [Applause.] His tribute to Maj. Gardner would have been more effective if unenforced with a veiled criticism of John J. Fitzgerald, than whom this House has never known a more useful or devoted servant. [Applause.] The appearance upon this floor of Capt. HEINTZ in uniform would cause this House to rise in pride to his service in the Army; but the House would not greet him with more affection or with greater pride than it would greet that grizzled old statesman, Judge Adamson, of Georgia, if he were to appear here in the despised habiliments of civil life. [Applause.] It was mere bunk of the cheapest sort to say these soldiers are serving without pay. The gentleman must know and does know that this salary question is wholly a matter of law and that no man in this Congress would wish to deprive these men of a single cent of it.

PARTISANSHIP INDEFENSIBLE.

Gentlemen of the committee, partisan politics and partisan action can not be defended during this world conflict. The life of the Nation is at stake, and it is as much my Nation as yours. I have said with pride, many times, that Republicans were as loyal as Democrats to the Nation, to the flag, and to the President. No man ought to stand here unrebuked and seem to arraign Democrats, as a class, against Republicans, as a class. The gentleman labored painfully to show that Democrats gave less loyal support to the President in the vote on the selective-draft law than did the members of his own party. I voted with the gentleman from Ohio for the draft law, but better men than he or I, on both sides of this isle, believed the volunteer plan of raising an army the better plan. I should feel a certain contempt for myself if I intimated, here or elsewhere, that they are less loyal to the President than I am solely because of that vote. [Applause.]

It has been repeatedly said that executive officers of the Government were partisan in their appointments to positions in the civil branch of the Government. I deny the truth of the charge. I welcome whatever strength the President can obtain by surrounding himself with trusted men who can harmonize their viewpoint with his lofty conceptions of this Nation's mission and its ideals. I care not what the political convictions of these men may be. The men who are demanding a reconstruction of the Cabinet ought to come to us with proof of their wisdom by showing just how the proposed changes would benefit the situation. [Applause.] If gentlemen really know just how to manage the problem of this colossal conflict let some one rise in his place, before a policy has been decided upon or proposed elsewhere, and give proof of his wisdom by offering a saner and a better plan. [Applause.]

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. WELLING. It will take me only three minutes to finish, Mr. Chairman. I ask unanimous consent for time in which to close.

The CHAIRMAN. The gentleman from Utah asks unanimous consent to proceed for three minutes additional. Is there objection?

Mr. MOORE of Pennsylvania. What additional time, Mr. Chairman?

The CHAIRMAN. Three minutes.

Mr. GREEN of Iowa. Reserving the right to object, Mr. Chairman, I would like to know if any more time is to be asked under the five-minute rule for political speeches on the other side? If so, I want to object now.

Mr. WELLING. I want to say in reply to that that I disclaim any intention of speaking for the Democratic side. I did not mention this talk to any human being before I stood up

on my legs here to deliver it. I am not in collusion with leaders on either side. What I say here is my own, and I am personally responsible for it.

The CHAIRMAN. Is there objection?

Mr. GREEN of Iowa. Well, I think the gentleman is doing no harm. Let him go ahead.

The CHAIRMAN. Without objection, the gentleman is recognized for three minutes more.

THE CALAMITY HOWLER DISAPPOINTED.

Mr. WELLING. It was stated boldly in the beginning that the Navy Department should be reorganized. No man to-day has the temerity to stand up in his place and demand a change in that great, alert, and increasingly powerful Army of our fighting strength. [Applause.]

A few months ago it was the fashion in some quarters to assert that our war policy and our War Department were in inefficient hands. It is the growing and deliberate judgment of the country to-day that no mistake was made either in policy or personnel. [Applause.]

A few months ago men said that the selective-draft law could not be superimposed upon our military structure. It has been accepted to-day by every loyal and thoughtful American. There is not one word of criticism. It has succeeded better than its best friends predicted it would succeed.

Not long ago men criticized the manner of floating our first and second liberty loans. Every candid man to-day will acknowledge they were brilliantly conducted and wisely managed.

Some months ago, without a word of criticism, we enacted the great soldiers and sailors' insurance law. It is universally conceded to be the just and generous action of a great, free people to care for our soldiers in the field and to provide for their relatives and loved ones at home. Unable to find a flaw in the law itself, the critics say it has been put in operation by Democratic officials, employing Democratic clerks, under the direction of the Bureau of War-Risk Insurance. That would be unimportant even if it were true, but it is not true. The thing I am proud of to-day is that no gentleman has ever said upon this floor that the work of the Bureau of War-Risk Insurance was not effectively, efficiently, and courteously administered. [Applause.]

I am glad to say that the criticism here pointed out has not been chiefly political. I assert here again that it is bipartisan. It is equally true that every great constructive measure since the beginning of the war has received loyal and helpful support from both great political parties.

It has pleased God, in His infinite wisdom, to place at the head of this Nation a great Democratic President during this war. No criticism yet aimed at him has been potent enough to shake the faith of the American people in the lofty patriotism and masterful statesmanship of Woodrow Wilson. [Applause.]

He has of necessity exposed himself to every form of criticism and abuse. But he stands to-day where he has stood for years past, the best loved and most honored Executive this Nation has ever had since martyred Lincoln died. [Applause.]

The CHAIRMAN. The time of the gentleman from Utah has again expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will report the amendment offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Pennsylvania: Page 2, line 3, before the word "years," strike out the word "ten" and insert "eight."

Mr. MOORE of Pennsylvania. Mr. Chairman, if this amendment should be adopted, it would mean that the life of the War Finance Corporation as such would be reduced from 10 to 8 years. The moral effect of cutting down the life of this corporation at this time would be good.

The public is in no frame of mind to continue indefinitely the life of a corporation such as this. So much doubt has been expressed as to the wisdom of establishing this corporation at all that it seems advisable we should say to the people that this is not a permanent organization, is not intended to be permanent, but is a temporary organization called into life and being solely because of the exigencies of the war.

Mr. GARNER. May I interrupt the gentleman?

Mr. MOORE of Pennsylvania. Yes.

Mr. GARNER. I wish to direct the attention of the gentleman to the remainder of that section, the latter portion of it, in which its active work is limited to six months after the war is over.

Mr. MOORE of Pennsylvania. That is correct. Six months after the termination of the war, and the bill provides that also in the case of the Capital Issues Committee; but no one can tell how long the war will last. I am speaking of the effect of informing the public at this time of the propriety of limiting the life of the corporation. The affairs of the corporation can not be closed up within six months after the close of the war, no matter when that is, if the business of the corporation continues during the period of the war.

Mr. GARNER. But its active life ceases six months after the President's proclamation of peace.

Mr. MOORE of Pennsylvania. It does; but I question whether the members of the corporation will not continue to receive their $12,000 per annum. The business will have to be continued. Somebody will be obliged to go on for the purposes of liquidation.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman yield for a question?

Mr. MOORE of Pennsylvania. Yes.

Mr. STERLING of Illinois. Does the gentleman think that the salaries would go on after the affairs of the corporation were wound up?

Mr. MOORE of Pennsylvania. Yes; unless we have some new legislation, because somebody must carry on this business.

Mr. STERLING of Illinois. It seems to me that the business of the corporation must stop when its affairs are wound up, and the corporation ends at that time. It may end sooner than 10 years, it may end sooner than 8 years, and certainly the salaries of these officers would cease at that time.

Mr. MOORE of Pennsylvania. I addressed myself to this matter for the purpose of calling attention to the fact that the obligations of this corporation are to be made for a period of five years. If the war continues three years and obligations are made up to the expiration of three years for a five-year period, that means that the business of the corporation necessarily will cover a period of three years plus five years, or eight years.

Mr. STERLING of Illinois. And six months in addition to that.

Mr. MOORE of Pennsylvania. Yes; and six months in addition to that. If the war lasts for 10 years, plus the six months for closing up the affairs of the corporation, and obligations are made for five years, it will mean that 15 years plus 6 months will be the life of this corporation. I am in favor of giving notice to the corporation itself and to the banking interests and to the Treasury Department that we do not desire a permanent corporation here, but wish it to limit its business, to get through as speedily as possible, and then quit. There can be no harm in reducing the period of the life of the corporation. If necessary the corporation can come to Congress and ask for an extension of its life. It should be made to understand that it is not supreme, but that it must come to Congress to ask for a continuance of its life or for any extension of its powers. That is the whole point of the argument. I want Congress to retain its hold upon this corporation. If at the end of eight years it is necessary for the corporation to prolong its life it can come here and ask Congress for such an extension as may be necessary.

Mr. McFADDEN. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment of the gentleman from Pennsylvania [Mr. MOORE].

The question being taken, on a division (demanded by Mr. MOORE of Pennsylvania) there were—ayes 22, noes 41.

Accordingly the amendment was rejected.

Mr. GILLETT. Mr. Chairman, I have hesitated a good deal whether I should say anything at all upon this bill, because my feelings about it are very mixed. Up to this time I have voted willingly and cheerfully to give the administration all the powers it has asked, I think, but in this instance I confess I have serious misgivings. I think I shall vote for the bill, though I am still going to listen to the debate; but I should like to say a word as to the way I look upon it. A great many men on both sides of the House have said that when they first read this bill it shocked them, and I admit I sympathize with that experience. It is an old adage of philosophy that the possession of power begets the greed for power. I am inclined to think this administration is illustrating that old adage, and I know of no instance that to my mind illustrates it more forcibly and clearly than this bill, as it was originally presented to this House. The Secretary of the Treasury has never, to my knowledge, been charged with shrinking modesty, but if he has it he certainly did not betray it in the drafting and presenting of this bill, because I can not conceive of more assurance than was required to ask the power proposed in this bill as it originally was presented. It gave to the Secretary of the Treasury,

subject to the approval of the President—and that was to the reigning family—absolute power to appoint the five directors, to discharge at will the five directors, and to fix the salaries of the five directors. So that as this bill was originally presented to this House it gave power to the Secretary of the Treasury to control absolutely through a board of dependent directors the business life of this country and to force upon corporations either bankruptcy or prosperity at his pleasure. And I am sure that is a power which very few would think any administration could safely be trusted with. The gentleman from Texas this morning said that nine-tenths of the Members of this House when they first read the bill were opposed to it, and nine-tenths of the Members now are in favor of it. Very likely that is true, but I think that the distinction is not that the nine-tenths of the Members have changed their minds, but the bill has been changed, and while we could not approve it as it first came to the House, improved as it has been by the Ways and Means Committee, we probably can now give it our assent.

But to me the fundamental danger about the bill is that it establishes this great corporation, which is really a banking corporation, which can exercise absolute favoritism over the business community. We have all boasted that the Federal Reserve System—I certainly have boasted—was prepared to meet emergencies, and that it has splendidly met emergencies. I hoped that it could meet every emergency. This is a great banking proposition, and I am not at all sure that this can not be met best not by such a corporation as this but by ordinary banking facilities, improved and assisted by legislation.

It might be necessary to proclaim a moratorium. I suppose that the most crying necessity for such a corporation is that there are falling due enormous quantities of bonds and other obligations which can not be met or renewed because the United States is floating bonds and absorbing the savings which would naturally flow into these bonds, and therefore the bonds can not be floated. That probably is true. But it seems to me that a remedy even safer than this might be to apply a moratorium with a fair readjustment of interest so that these great issues of bonds which are coming due might be compelled to be continued and held and renewed, not by loans of the United States, for that is practically what this bill provides, but by the present holders. There would occasionally, of course, be individual instances of suffering under that, but after all it would not generally be unfair to compel people to continue their investments with more favorable interest, and if that were done, it seems to me, our present banking system could rise to the emergency and in that way we would not be obliged to go into this new field of finance and establish this new corporation, which after all is founded on the same old principle that the Greenbackers always indorsed, that the Government should furnish money for the people, and is subject to the charge if not to the accomplishment of favoritism and discrimination and graft. The most of us agree that that is a very unfortunate idea to place in the minds of people. Here we are doing it for the big business of the country, because it is said that that is the only way it can be met. It may be true. I recognize that the committee have studied the bill and its necessity far more deeply than I and I am disposed to defer to their opinion; but I have great misgivings, a fundamental antagonism to allowing such an opportunity for favoritism and control over the business of the country to any man or corporation. [Applause.]

Mr. GLASS. Mr. Chairman, the Federal reserve banking system was not intended to meet war emergencies of this description. No strictly commercial banking system could possibly meet emergencies such as the refunding of the indebtedness of great private corporations. If we were to do as England did, and as the gentleman from Massachusetts [Mr. GILLETT] has suggested we might do; that is, declare a moratorium in matters of that kind, we might appreciably get over our difficulties and the Federal reserve banking system might, in circumstances of that sort, meet every requirement. But it was not intended to meet emergencies in the investment securities system of the country, and was not devised of it, and ought not to be preverted to that use.

I do not think, Mr. Chairman, that we should obscure the meaning or prejudice the intent of this proposed legislation by constantly adverting to one particular phase of it, as has been done in all the discussion so far had. Gentlemen talk about the extraordinary power that this bill confers on the Secretary of the Treasury. One gentleman this morning congratulated the Ways and Means Committee on the fact that it had not manifested abject servility to suggestions from the executive branch of the Government. Well, I admit that we are improving in that respect; but, singularly enough, when the gentleman from Ohio [Mr. LONGWORTH] interposed the statement that the original draft of this bill contained 17 instances in which the approval of the Secretary of the Treasury was required, I took my copy of the national banking act, then in my hand, and in about two minutes of cursory reference to the Vreeland-Aldrich Act I found 16 provisions requiring the approval and the exercise of the discretion of the Secretary of the Treasury. That act was about one-third as long as this proposed bill.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GLASS. Yes.

Mr. LONGWORTH. That is an entirely different thing. The trouble with this bill is that it gives an opportunity for discrimination in favor of certain interests.

Mr. GLASS. In answer to that I may say that if the gentleman will take the pains to examine the Vreeland-Aldrich currency act, he will find that the act afforded unprecedented authority to the Secretary of the Treasury of the United States to exercise discrimination, to exhibit whim and prejudice in the matter of granting credit and the issuance of currency in this country.

That act gave the Secretary of the Treasury absolute dominion over the credits and currency of this country in time of emergency. Care was not even had to surround him with a "dummy directorate," as has been suggested here that this bill does; but he was the whole thing. He was "It." He could even determine in his discretion what banks should become members of the credit associations.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARNER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 10 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GLASS. Mr. Chairman, the Secretary of the Treasury was expressly charged with the power to admit banks to these loan associations, and could deny them admission. See what tremendous power was there vested in one single officer of this Government! The Secretary of the Treasury, under that act, was charged with the duty of determining all credits that might be granted in time of emergency both as to their nature or volume. He was charged with the extraordinary discretion of determining whether any section of this country, whether any State of the 48 States of the American Union, was entitled to the credit for which it might apply in time of panic or emergency.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. GLASS. Yes.

Mr. SNYDER. Is it not a fact, however, that all those loans that were presented to the Secretary of the Treasury at that time were passed upon by local banking committees?

Mr. GLASS. Certainly.

Mr. SNYDER. And did they not have to be accompanied by the usual collateral?

Mr. GLASS. I am talking about the ultimate power of the Secretary of the Treasury. The Secretary of the Treasury was clothed with the ultimate power, no matter what had been the banking judgment of the local committees, to decline to permit a loan to be made.

Mr. SNYDER. That is true. He had the right to decline, but they were first presented by the local committees.

Mr. GLASS. Oh, yes; and the loans applied for under this bill have to go through the process of examination by local committees and receive the indorsement of the local banks. Nobody raised any objection when that was done. I was a member of the Banking and Currency Committee of the House at the time. I do not recall that anybody suggested that the Secretary of the Treasury would so far forget his duty to his country as to exercise that unusual power in a way that would prejudice the private or public interests of the United States. When it comes to the exercise of power in an emergency you have got to trust somebody in the last analysis. Take the banking business from its foundation up to its capstone. You see all along the line that the power of discretion and quick action is vested in a few men. Your local bank has its small committee, composed usually of not more than three directors, to pass on loans. Power is delegated to a single cashier of a bank in time of emergency calling for quick action to pass definitely on an application for a loan, without reference to the loan committee or the action of the board of directors. See what has been done for 50 years under your national banking system. The autocrat of the banking and currency system of the country is the Comptroller of the Currency. He has the most extraordinary powers of any man who is brought into relationship with the banking and currency system. He can destroy a bank by a word. The Comptroller of the Currency can alone thrust a bank into receivership. And yet now, in time of war, facing a situation such as the world never dreamed of before, gentlemen attempt to obscure the intent and the real

necessities of legislation proposed by constantly adverting to the power it confers on the Secretary of the Treasury. I congratulate the Committee on Ways and Means that it did not fall a servile victim to executive suggestion, and that, as the gentleman from Ohio [Mr. LONGWORTH] says, it struck out 14 of the 17 phrases in the bill that gave power to the Secretary of the Treasury. The Banking and Currency Committee of the House of Representatives and the Finance Committee of the United States Senate 12 years ago fell a victim to that sort of "subserviency," if it may be called "subserviency," which I very much doubt. We have got to trust the patriotism and the wisdom and the courage of men whom we have put in power; and if he were a Republican rather than a Democrat, I would stand here and say that well may we trust to the wisdom and the courage and the discretion of the occupant of the office of Secretary of the Treasury of the United States. [Applause.] I would despise myself if I complaisantly could conceive of the appointment by the President, and the confirmation by the United States Senate, of any man as Secretary of the Treasury who in this time of all other times could not implicitly be trusted to use the power of his office in behalf of the public weal and with an intent to win this war for the United States and the allies. [Applause.]

Mr. STAFFORD. Mr. Chairman, I move to strike out the word "four," in line 4, page 1, and insert the word "eight."

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 1, line 4, strike out the word "four" and insert in lieu thereof the word "eight."

Mr. STAFFORD. Mr. Chairman, the purpose of this amendment is to increase the membership of the board of directors from five to nine. I am not in favor of vesting these great powers, unheard of in the history of our country since its foundation, unheard of in any of the foreign belligerent powers, to meet the emergencies occasioned by this world war, in a close corporation consisting of the Secretary of the Treasury and four directors, even though those four directors are to be appointed by the President and confirmed by the Senate of the United States. If this were money of our own, we would be loath indeed to charge any five members with the powers that this bill seeks to vest in this board of directors. We all know that in numbers there is security and safety; that the consummate judgment of many is better than the judgment of one. I do not believe that four members, as this bill provides, should be vested with this great power, even though the Secretary of the Treasury has the right to determine the general policy. Rather would I lodge the power in a larger board of directors. There is no bank in the country to-day that has the capital or approaches the capital and resources that this bank will have. The distinguished chairman of the Committee on Banking and Currency cited the autocratic power of the Comptroller of the Currency. Yes, the present Comptroller of the Currency is vested with great power and has used that great power at times autocratically against the banks that did not yield to his individual opinion; but this bank is not to be subject to the supervision of the Comptroller of the Currency. It is to be supreme in itself, and business men whom I expect to be appointed to this board of directors should be in such number that they would be able to give their individual judgment to the questions of policy that will be presented to this bank for its decision. It was hinted that the Secretary of the Treasury, when he first went before the Committee on Ways and Means in advocacy of the original bill, cited the railway system of Detroit—the D. U. R.—as an instance of funds being needed to rehabilitate that rather bankrupt street-railway corporation.

Why is that street railway system in need of support? Because it has no franchise. The municipality of Detroit is unwilling to grant it a franchise, and yet this bank, this national bank is to be called upon out of the people's funds to advance money to bolster up some local institution that has not standing enough to get support from their own local bankers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. Mr. Chairman, I ask to proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin? [After a pause.] The Chair hears none.

Mr. STAFFORD. If it is the purpose of this bill to bring succor and relief to these corporations that have not financial standing in their local communities to get support, and I believe that is one of the main reasons advanced for it, if you will look into the bill closely, then those powers should be lodged in a larger directorate than provided in the bill. The directors should be so large in number—I have proposed eight, nine with the Secretary of the Treasury acting as chairman ex officio—so that a director could go and give it his personal investigation as to whether there is warrant for the advance of the Government's money to support the loan. The gentleman from Virginia [Mr. GLASS] grew eloquent in citing the autocratic power that was lodged in the Secretary of the Treasury under the Vreeland-Aldrich Act, and he rose in his perioration in grand style, saying that even if it were a Republican Secretary of the Treasury he would not in this emergency do aught to withhold those powers. But I want to call his attention to the fact that when the Republicans were in control of the administration of this Chamber, at the time of the passage of the Vreeland-Aldrich bill, when we had had a stringency of the money market occasioned by the failure of some local banks in New York City, which spread its influence over the whole country, and the leaders on the Republican side believed it was necessary to prevent a recurrence of such a condition again if it would develop before we could take up and enact a permanent measure for the relief of the financial institutions of the country, that Democrats as a unit, in that patriotic hour and to meet such a condition, voted solidly against the Vreeland-Aldrich bill. They lived to eat their own words, because in the Federal reserve act that they themselves brought into the House, because they happened to be in power at that time, they incorporated and adopted the Vreeland-Aldrich currency act in substance in the Federal reserve bank act until the new system could be established.

Mr. GLASS. Will the gentleman permit an interruption?

Mr. STAFFORD. I shall be very glad to do so.

Mr. GLASS. I will say to the gentleman that nobody on this side voted against the Vreeland-Aldrich bill or the principle embodied in that bill on account of the power which was conferred upon the Secretary of the Treasury, and the gentleman is totally mistaken if he thinks the Federal reserve act embodied the Aldrich-Vreeland bill in its provisions. It embodied a very much changed Vreeland-Aldrich bill.

Mr. STAFFORD. Oh, yes; but the fundamental principle, notwithstanding, was there and they were obliged to have it retained in the Federal reserve act until that system was established; and the gentleman does not controvert the statement that I made that the Democrats unitedly voted against that entire measure or system for the relief and amelioration of the financial condition of the country to meet a crucial emergency that might confront the country because of the stringency of the money market.

Mr. SWITZER. Will the gentleman yield?

Mr. STAFFORD. I will.

Mr. SWITZER. Have not they still adopted the fundamental principles of the Aldrich bill in allowing them to take all the bonds and notes by Federal reserve banks——

Mr. STAFFORD. This goes way beyond the Vreeland-Aldrich bill, and I am seeking in all seriousness to submit to the attention of this committee the need and the value of having this directorate increased. You gentlemen here, if you were advancing your individual funds for the purpose of stock of this $500,000,000 corporation, would not be willing as stockholders in that corporation to lodge this great power in a directorate of four. You would necessarily say that if that money was to be voted as this is going to be voted and advanced throughout the country it should be lodged in a larger directorate. I offer this amendment in all seriousness, realizing the many duties that the present Secretary of the Treasury has and the need of this great power and authority being lodged in a larger board of directors.

Mr. DEWALT. Will the gentleman yield?

Mr. STAFFORD. I will.

Mr. DEWALT. I ask for information. Can the gentleman cite any instance, or is there any recorded instance, of the abuse of power granted to the Secretary of the Treasury under the Aldrich-Vreeland bill?

Mr. STAFFORD. Oh, the Secretary of the Treasury did not have much occasion to use the privileges contained in the Aldrich-Vreeland currency bill. That was an emergency measure, and that was passed in case the same condition would arise following its enactment as during the year 1907–8, when we had a financial stringency.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. KITCHIN. Mr. Chairman, I hope the amendment of the gentleman from Wisconsin will not prevail. Your committee discussed and considered well the question whether the number of directors of this corporation should be increased. It was the thought of the committee, I believe it was the unanimous thought of the committee, that in this emergency measure a directorate of five, the Secretary of the Treasury and four

others, could render more harmonious, cooperative, and efficient service than a larger directorate. Outside of the ex officio officers of the Government there are only five directors of the Federal Reserve Board; there are only five members of the Federal Trade Commission; there are only six members of the Tariff Board; and, according to the provisions of this bill, this creates a directorate of five.

Your committee is of the opinion that five directors will be sufficient. It gives a majority of these five the right of action, with one or two or three possible exceptions where the approval of the Secretary must be obtained. But we all agree that it is wise that his approval in those instances should be had, because they relate to bonds and obligations of the United States and the money in the Treasury. The Secretary of the Treasury is given the power and authority and responsibility of offering for sale and selling the bonds of the United States Government. It is important that the Secretary of the Treasury have some say-so as to how many bonds this corporation should buy or sell and when these bonds should be bought or sold. He should have some say-so, which we gave him when we appropriated the amount of $500,000,000 to be paid in, when and as called by the corporation, because he is in a position to know whether the Treasury condition at the time the directors may call for any particular amount would justify taking that amount from the Treasury at the particular time. Suppose they did not have in the Treasury $500,000,000, and the board of directors should call for $500,000,000, the full amount of this authorized capital stock? Why should not the Secretary of the Treasury, who is responsible for paying out of the appropriation that Congress makes, have some say-so as to when and how much of this capital stock should be called for and when it should be paid? Now, the directors must act with respect to the payment of the capital stock, with the approval of the Secretary of the Treasury.

Gentlemen, I do not think you need to fear that with these four outside directors, with the Secretary of the Treasury as chairman, that there is going to be any autocratic power or that there can be any autocratic power used. And, as I said at the beginning, we believe, and I believe the judgment of the business men of this House will agree with us, that a directorate of five, in enforcing a great emergency act like this, would be more harmonious and more efficient than a larger directorate.

And I hope the gentleman's amendment will not carry.

Mr. MONDELL. Mr. Chairman, I desire to be heard on the amendment.

I have a great deal of sympathy with the amendment of the gentleman from Wisconsin [Mr. STAFFORD]. I presume that it is his hope, in offering his amendment providing for a larger number of directors for the corporation to be created, that there will be more chance, at least, of having the directorate reasonably and fairly represent the country—all sections, all views, economic, industrial, and political. If I believed his amendment would accomplish that purpose, which I think the gentleman must have in his mind, I should support his amendment. But if we are not to have four men of the proper sort and kind appointed, we could scarcely hope that out of eight we would secure a better selection. It is true, and it is profoundly regrettable that it is true, that up to this time the country has had reason to be disappointed in the matter of many appointments made to places of high trust and great responsibility. I have no special criticism of the gentlemen who have been appointed, but I do believe that I am justified in saying that they have not always represented the highest character and ability that the majority party has within its ranks. Appointments have failed utterly to fairly represent the differing political views of the country, even in the cases where Congress has provided for such appointments. That has been true in the past, and yet we are compelled under these circumstances to paraphrase the statement of the old patriarch Job, in his affliction, of, "Though He slays me, yet will I trust in Him," by saying, "Though the Chief Executive continue to disappoint us in the matter of appointments, still we must trust him."

The appointing power is his under the Constitution. We have no disposition to take it away from him. But we do hope that inasmuch as men of all parties in all parts of the country are supporting those things believed to be necessary for the conduct of the war, for the maintenance of good conditions in the country, supporting propositions with regard to which they have serious doubts and misgivings—we do hope that in the future, at least, these appointments shall be made of the men best qualified, men with the widest and broadest experience, the men most likely to command the respect of all the people and the confidence of all the people. It also is our hope that where Congress in good faith provides, as in this case, that the appointments shall represent not only the majority but the minority, that provision shall be carried out in good faith, so that the appointments will represent the different and divergent political views held by the American people.

The CHAIRMAN. Without objection, the pro forma amendment of the gentleman from Wyoming will be withdrawn. The question is on the amendment of the gentleman from Wisconsin [Mr. STAFFORD].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That the capital stock of the corporation shall be $500,000,000, all of which shall be subscribed by the United States of America, and such subscription shall be subject to call upon the vote of three-fifths of the board of directors of the corporation, with the approval of the Secretary of the Treasury, at such time or times as may be deemed advisable; and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $500,000,000, or so much thereof as may be necessary, for the purpose of making payment upon such subscription when and as called. Receipts for payments by the United States of America for or on account of such stock shall be issued by the corporation to the Secretary of the Treasury, and shall be evidence of stock ownership.

Mr. FESS. Mr. Chairman, I move to strike out the last word.

I would like to ask the chairman of the committee as to the statement made by the head of another committee in a responsible body in the country, that last September this bill was framed and provided for $50,000,000 capitalization, with the permission to issue $500,000,000 of bonds. That statement was made in the last few days.

Mr. KITCHIN. I will say in answer to the question that I never heard of this bill or this scheme until some time between the 20th and the 25th of January. The first information I had in connection with the bill was given me in the presence of the gentleman from Michigan [Mr. FORDNEY] and two or three Senators, including Senator LODGE, of Massachusetts. I do not think there is anything in the statement suggested by the gentleman from Ohio. No doubt the authors of the bill themselves, who thought of this scheme, had been working on it for months before I saw it.

Mr. FESS. I simply wanted to make the observation that the difference between $50,000,000 and $500,000,000 is only a difference of 1,000 per cent, and if the suggestion was made six months ago by a very responsible man in a very responsible position in our financial organization, and he thought that $50,000,000 six months ago was sufficient and now this $500,000,000 is necessary, it might be a suggestion as to what we would be asked to do later on. And it is another item in this general condition of mind that the country is in to jump at conclusions, to make great leaps, and it causes me considerable bewilderment.

I think that the chairman of the committee will agree with me that if that was suggested, as was stated in another body a short time ago, and that then in this short time we have discovered that that has fallen so far short, and this later suggestion comes, that it is a ground for all of us, desirous of doing the right thing, to take pains to be quite certain of our grounds before we take the step, because finance is such an abstract proposition, and there seems to be such a variety of opinion on it, that a little difference between $50,000,000 and $500,000,000 is rather bewildering, particularly when it comes from the head of the financial institutions of the country.

Mr. LONGWORTH. Mr. Chairman, will my colleague yield to me there?

Mr. FESS. I yield to my friend.

Mr. LONGWORTH. In that connection I have been informed that the proposition as finally submitted to the Secretary of the Treasury from the Federal Reserve Board called for a capitalization of $250,000,000 and the right to issue in excess of eight times that, so that the amount thereby authorized would be exactly what is authorized in this bill, a total of $2,500,000,000.

Mr. FESS. Was that the suggestion made originally?

Mr. LONGWORTH. I am told that that was the suggestion made by the Federal reserve officers to the Secretary of the Treasury. I have only been told that.

Mr. KITCHIN. I have never heard of that before, but if it be true that the original design was $50,000,000, they did not at that time contemplate such extensive powers and such extensive loans. Perhaps only $50,000,000 was the first limit of the capital stock. If that was so, no doubt they only intended at that time to simply include loans to the banks that were loaning direct to war industries.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. FESS. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN (Mr. GARRETT of Tennessee). The gentleman from Ohio asks unanimous consent for five minutes more. Is there objection?

There was no objection.

Mr. KITCHIN. I can see how the $50,000,000 of capital stock proposed could have been contemplated when they were simply going to confine the advances to certain institutions. But now this bill contemplates advances to all banking institutions that are making loans to industries necessary or contributory to the war, for instance, railroads or public utilities that are contributing or are necessary to the prosecution of the war. This bill also contemplates the making of advances to savings banks and trust companies that receive deposits.

Mr. FESS. That was probably not in it, then?

Mr. KITCHIN. No. That was probably not in it, then. And if it was confined to $50,000,000, it was not contemplated to loan to the banks that had taken securities of war industries.

Mr. FESS. Would the chairman mean by the statement a moment ago that originally that might have contemplated only loaning to banks, and then later on taking in the larger field?

Would I understand from that that these exceptional cases, where the corporation will loan money directly, will measure the additional amount that was not originally considered?

Mr. KITCHIN. No. What I intend to convey is that while I never heard of this original limit of $50,000,000, if any intelligent man in or outside of the Treasury Department contemplated the vast advances and the vast aid to be rendered to industries contributory or necessary to the prosecution of the war and thought they could do that with only $50,000,000 as the limit, he was a financial idiot, almost. It could not be done.

Mr. FESS. What had the committee in mind when they reduced the issue from $4,000,000,000 to $2,000,000,000?

Mr. KITCHIN. We thought it would be a safer proposition; that the corporation would be better protected; and that in many ways it would be better. For instance, we thought if we left the limit at $4,000,000,000 there would be a hundred times more applicants for those loans. If it was left at $4,000,000,000 many would think that we had piled up a mountain of greenbacks and money down in Washington and would say, "We will come in and get our part."

Mr. FESS. Have you any assurance that that will not come about anyway?

Mr. KITCHIN. And another thing: We thought that with bonds of $2,000,000,000, with $500,000,000 to back it, it would be better than to authorize an issue of $4,000,000,000. For instance, say I was worth $100,000. My note for $10,000 could be more easily sold and at a less rate of discount than if I were to give a note of $50,000 or $75,000. We thought the bonds of the corporation would be more salable and would come less in competition with the sale of Government bonds under a $2,000,000,000 limit than under a $4,000,000,000 limit. It occurred to us, too, that if it became necessary at a later time for the Treasury Department or for this corporation to issue more than $2,000,000,000 to aid industries requiring aid, after the corporation had loaned out or advanced, say, $1,500,000,000 they could come back to Congress, and after Congress had looked over the reports and had seen that this $1,500,000,000 had been wisely conserved and expended in accordance with the provisions of the act, that Congress would, if necessary, grant authority to issue additional bonds.

Mr. FESS. I think this change that the committee made is one of the most important that was made, and the reason why I asked the ground for your cutting it down was that I wanted to know whether you thought $2,000,000,000 would be sufficient when they asked for $4,000,000,000?

Mr. KITCHIN. Entirely so.

Mr. LONGWORTH. Mr. Warburg stated that the Secretary of the Treasury expected that at no time would there be more than $2,000,000,000 outstanding.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last two words.

Mr. GREEN of Iowa. Mr. Chairman, with reference to the matter that the gentleman from Ohio [Mr. FESS] has just mentioned I would say that in my judgment from the beginning the amount of capital provided for this corporation has been altogether too large. In England provision was made under the name of the "British Trade Corporation" for the creation of a corporation for somewhat similar purposes. The total capital of that corporation is only $50,000,000.

Mr. FESS. Mr. Chairman, will the gentleman yield there?

Mr. GREEN of Iowa. Yes.

Mr. FESS. Will not the Member sometimes get an idea of confusion of lack of discrimination between the war-trade bill in England and this particular bill? There is a very wide difference, is there not?

Mr. GREEN of Iowa. Yes; there is a very wide difference. That was made practically for the purpose of advancing overseas transactions, but I am unable to go into those details at this time. I intended to call the attention of the committee more particularly to another matter.

I want to say, Mr. Chairman and gentlemen of the committee, that I am frightened at these enormous appropriations that are being made for corporations to be carried on under the direction of the Government at this time. We appropriated $500,000,000 for the purpose of carrying on the railroads. We appropriate in this bill $500,000,000 more, a total of $1,000,000,000. One-fourteenth of the highest amount that I have heard fixed for the next liberty loan is to go into these two items alone. Where is this thing to stop, gentlemen, and how is this Nation, with all of its enormous resources, to provide these prodigious sums that are being continually called for? I say we can not go on in this manner. In my judgment the amount of capital provided in this bill should have been much smaller. It is entirely unnecessary that we should have this amount.

Mr. McFADDEN. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. McFADDEN. I should like to call the attention of the gentleman to the statement made by the gentleman from North Carolina [Mr. KITCHIN] the other day when he said that the almost immediate demands upon this corporation would be for $4,000,000,000.

Mr. GREEN of Iowa. The gentleman has stated the reason why this bill has been expanded, I have no doubt, but he has also stated one of the chief objections that can be made against the bill. The moment you start with Uncle Sam paying expenses, then the whole country descends upon you and wants to have money for all conceivable purposes. I have said before, and I say it now, that instead of this corporation being a national one, and one carried on by the Government, it ought to have been a subsidiary corporation to the Federal reserve bank—a private corporation—then it would not be expected that the Government would furnish the money for every project that had become in some way involved and was having difficulty in obtaining credit.

Mr. McFADDEN. Will the gentleman yield further?

Mr. GREEN of Iowa. Yes.

Mr. McFADDEN. Will the gentleman explain how a demand for $4,000,000,000 is to be taken care of by the organization of a corporation with only $2,500,000,000?

Mr. GREEN of Iowa. I have not undertaken to explain that. I say these demands are too much, that they ought not to be made, that the Government ought not to undertake to provide any such sum, and undertake to supply every demand that may be made for funds.

Now, Mr. Chairman, I want to mention at this time another matter. The gentleman from Pennsylvania on yesterday, as I remember, said that this bill was a species of camouflage. Some one remarked at that time that the word "camouflage" has been somewhat overworked of late, and I entirely agree with that statement so far as this bill is concerned. Whatever may be the objections to this bill, whatever may be its faults, its defects, or its merits, they are perfectly apparent. The Ways and Means Committee have taken every pains in the world to make all of its provisions as clear as possible, and the purpose and intent of the bill shines out in every paragraph as clear as a star on a winter night. There is no reason for anyone mistaking the purpose of this bill or misunderstanding it. The purpose for which it may be used is there, the appropriation is there, and the object is perfectly plain and clear.

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn.

Mr. DILLON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from South Dakota offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DILLON: Page 2, line 11, after the word "subscription," insert "by installments."

Mr. DILLON. Mr. Chairman, the subscription is made at one time, and I take it that the intent is to call this subscription by installments or by percentages, and that is the purpose of my amendment. If you will examine the language of the bill you will see that it refers to one act of subscription, and then it says subject to a call or calls at such time or times as may be deemed advisable.

That is all I desire to say. I trust my amendment will be agreed to.

Mr. STERLING of Illinois. The gentleman's amendment proposes that the subscription may be paid in installments?

Mr. DILLON. That is what I propose.

Mr. STERLING of Illinois. They can call for it in installments now, as they need it.

Mr. DILLON. The subscription is one act, and I want to put in the words "by installments," so that they may be paid in that way as called for.

Mr. KITCHIN. If the gentleman will permit me, his amendment would clarify the section if further on in the same section it was not perfectly plain, and so stated, that—

Such subscription shall be subject to call * * * at such time or times as may be deemed advisable.

That means in such amounts, from time to time, as the Secretary of the Treasury and the board of directors may determine. The gentleman's amendment mystifies it. It says "in installments." That might mean that they must make a rule that the installments should be in certain fixed amounts. As it is, they may call for it as the condition of the finances of the Treasury may justify. Evidently the gentleman overlooked lines 17, 18, and 19, which make it perfectly clear that they can call for it in such amounts at such times as they think proper. After making the appropriation, this is the language:

the sum of $500,000,000, or so much thereof as may be necessary, for the purpose of making payment upon such subscription when and as called.

Mr. DILLON. I think the gentleman is correct in regard to that. I had not noticed those lines.

Mr. KITCHIN. I think the gentleman's amendment is unnecessary.

Mr. DILLON. I withdraw my amendment.

The CHAIRMAN. The amendment of the gentleman from South Dakota is withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 3. That the management of the corporation shall be vested in a board of directors, consisting of the Secretary of the Treasury, who shall be chairman of the board, and four other persons, to be appointed by the President of the United States, by and with the advice and consent of the Senate. Not more than three of the five directors shall be members of the same political party. No director or officer of the corporation shall in any manner, directly or indirectly, participate in the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association, in which he is directly or indirectly interested; and each director shall devote to the business of the corporation all of his time not devoted to the business of the United States. Before entering upon his duties, each of the four directors so appointed, and each officer, shall certify under oath to the Secretary of the Treasury that he will comply with the provisions aforesaid, and he shall also take an oath faithfully to discharge the duties of his office. Nothing contained in this or any other act shall be construed to prevent the appointment as a director of the corporation of any officer or employee under the United States or of a director of a Federal reserve bank.

Mr. GREEN of Iowa. Mr. Chairman, as this section was originally presented to the committee it provided, as every one will remember, for the appointment of the other directors by the Secretary of the Treasury, and their dismissal at his pleasure. I think that the change in this provision has greatly improved the bill, and I think it will be found, with reference to this change, as with reference to the other changes made by the members of the committee, that in no case has the efficiency of the bill or its power for good been limited or decreased in the least by these changes. If it be so found, I assume that those changes will be approved.

In discussing this matter a short time ago the gentleman from Virginia [Mr. GLASS] referred to the powers which were conferred upon the Secretary of the Treasury under the Vreeland-Aldrich Act, and stated that in his opinion the powers which were given to the Secretary of the Treasury under that statute were much larger than those sought to be conferred by the bill under consideration. I do not so view it. The powers that were conferred on the Secretary of the Treasury under the Vreeland-Aldrich Act were more in the nature of a limitation on the acts of others. The gentleman from Virginia gave the impression to the House, although perhaps he did not so intend, that the Secretary of the Treasury under the Vreeland-Aldrich Act could determine just which banks should belong to the association which might obtain the benefits of this act. Such is not the case. The Vreeland-Aldrich Act provided in the first section thereof that certain banks, specifying them, might form credit associations; and the approval of the Secretary of the Treasury applied only where some bank had been excluded from these associations and wished to join them, in which event, with the approval of the Secretary of the Treasury and upon proper application, it might be permitted to join. So in various parts of the bill it provided for the action of the Secretary of the Treasury, and for control by him where privileges had been abused by some other party.

It was not so much the conferring of power upon the Secretary of the Treasury as it was the limiting of the powers of others and preventing the abuse of those powers under the provisions of the act. So far as I know, no objection was ever made against the Vreeland-Aldrich Act that it conferred too great power on the Secretary of the Treasury. The bill we are now considering confers extraordinary powers on the corporation thereby created and its directors, even as it stands. In this particular case, under the section we are now considering, if the Secretary had been given the power not only to appoint co-directors but to remove them at his pleasure, it is obvious that these men would have been but dummies; there would have been in fact one sole director, because the others would be absolutely surservient to his wish. No such power as that was ever conferred on a director of a great institution, and ought not to be conferred in this case.

The Clerk read as follows:

Of the four directors so appointed, the President of the United States shall designate two to serve for two years, and two for four years; and thereafter each director so appointed shall serve for four years. Whenever a vacancy shall occur among the directors so appointed, the person appointed director to fill any such vacancy shall hold office for the unexpired term of the member whose place he is selected to fill. Any director shall be subject to removal by the President of the United States. Three members of the board of directors shall constitute a quorum for the transaction of business.

Mr. McFADDEN. Mr. Chairman, I move to strike out the last word. I want to call the attention of the chairman to the fact that in the appointment of the members of this board the Secretary of the Treasury will be one, the Comptroller of the Currency the second one, and the vice governor of the Federal reserve bank the third one. That leaves two men to be appointed. I do not intend to suggest or dictate as a Member of Congress, but I want to call attention to the fact that in the selection of these other two men that they ought to be representatives of the great business interests of this country.

Mr. GILLETT. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. GILLETT. Does the gentleman think that the Comptroller of the Currency can be one? He has been appointed chairman of the purchasing board of railroad supplies. Does not the gentleman think that would be enough in addition to his other duties?

Mr. McFADDEN. I do.

Mr. KITCHIN. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. KITCHIN. I have never heard anyone suggest that the Comptroller of the Currency would be appointed; in fact, I have not heard but one man suggested. I am pretty certain that the Secretary of the Treasury and the President are going to try to find the best qualified men to have on this directorate that can be found in this country. If they do not find well-qualified men the Senate will not confirm them. The President will have to pass on them, and perhaps the Secretary of the Treasury would naturally have some suggestion to make, but the nominations must pass in review of the committee of the Senate, and then in executive session the Senate will confirm or reject the appointments.

Mr. McFADDEN. I am glad the gentleman from North Carolina has made that statement. I hope his prediction will be proven. I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 4. That the four directors of the corporation appointed as hereinbefore provided shall receive annual salaries, payable monthly, the amount of which shall be fixed by the Secretary of the Treasury, with the approval of the President of the United States, not exceeding $12,000. Any director receiving from the United States any salary or compensation for services shall not receive as salary from the corporation any amount which, together with any salary or compensation received from the United States, would make the total amount paid to him by the United States and by the corporation exceed the amount fixed as the annual salary of a director of the corporation, as hereinbefore provided.

Mr. SLOAN. Mr. Chairman, I offer the following amendment, which I send to the Clerks' desk.

The Clerk read as follows:

Page 4, line 9, strike out after the word "monthly," all down to and including the word "exceeding" in line 11, and insert in lieu thereof the word "of."

Mr. KITCHIN. How will it then read?

The Clerk read as follows:

SEC. 4. That the four directors of the corporation appointed as hereinbefore provided shall receive annual salaries, payable monthly, of $12,000.

Mr. KITCHIN. Mr. Chairman, I see no objection to that amendment. I think we will accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 5. That the principal office of the corporation shall be located in the District of Columbia, but there may be established agencies or branch offices in any city or cities of the United States under rules and regulations prescribed by the board of directors.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 4, lines 22 and 23, after the word "offices," strike out the words "in any city or cities of the United States" and insert the following: "such cities as have been designated as Federal reserve cities," so that the section as amended would read as follows:

"SEC. 5. That the principal office of the corporation shall be located in the District of Columbia, but there may be established agencies or branch offices in such cities as have been designated as Federal reserve cities under rules and regulations prescribed by the board of directors."

Mr. MOORE of Pennsylvania. Mr. Chairman, the disposition to create offices has grown upon us. I believe we should not indulge it too much in this bill. If the paragraph is permitted to stand as it reads, it would be within the power of the corporation to establish a large number, an unlimited number, of branch offices and agencies throughout the United States. I hesitate to say it, but it is a fact that during the last two or three years, since we have been creating commissions of one kind or another, a large number of cities, boroughs, hamlets, and villages have been designated in one way or another as Government agencies, and that carries with it the employment of a vast number of men and women. Take the Food Administration, for instance, and the Fuel Administration, which are doing more or less useful work just now. It developed that they, while intended for useful purposes, have from necessity or otherwise employed substantially 5,000 men and women in all the cities of the Union, covering all sorts of places, byways, and highways. If commissions we create are to continue and we are to employ people by the thousand under the present auspices, it will not be long before almost every man, woman, and child in the United States will be a Government employee. I question whether that is a good thing, economically or politically.

Mr. McKENZIE. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. McKENZIE. I would like to have the gentleman, a member of the committee, explain the necessity for any branch office under a bill of this kind.

Mr. MOORE of Pennsylvania. I question whether all the business done by the corporation could not be done in the city of Washington; but it may be that some corporation out in Oregon or Washington may desire to present a claim to some agency nearby rather than to come to Washington and present its claim here.

Of course any corporation that needs help from this war finance corporation ought to be ready to bear the expense of a trip to Washington to get it, but local conditions and local environment will have their influence with regard to these loans. I have contended right along that the Federal reserve bank ought not to be so far dissociated from the operations of this corporation that it can not advise the local banks or that the local banks can not advise the Federal reserve banks or that in turn they may not advise the board here in Washington as to the financial standing of the people away back yonder who want to borrow money. The amendment I have offered proposes that the number of agencies to be created by this war finance corporation shall be limited to 12, just as the agencies of the Federal Reserve Board are limited to 12. We gave the reserve board the option of creating from 8 to 12, and they at once seized the opportunity to create 12. That was supposed to contribute to the convenience of the people having to do business with the banks. If we limit the number of agencies of this war finance corporation and put them in the same cities in which the Federal Reserve Board has located its agencies, then we will really work an economy, because the Federal reserve bank is best posted as to the financial standing of the man who desires to borrow money. If he is a man unable to get money from the banks, the banks ought to at least be consulted as to whether it is wise to make that loan. It seems to me the machinery would move smoother, it would be more economical, to have these war finance corporation agencies located alongside of or within the existing agency cities of the Federal reserve banks. The two are going to work together anyway, and probably they ought to work together for consultation purposes and to exchange information.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. STAFFORD. I wish to inquire what the gentleman includes in the term "Federal reserve cities"? Does he limit that to the original 12 cities where the Federal reserve banks are located?

Mr. MOORE of Pennsylvania. Yes. I think that would add to the convenience of all sections of the country.

Mr. STAFFORD. The gentleman in his remarks in favor of this amendment referred not only to the cities where Federal reserve banks are located, but also where branch banks of the Federal reserve banks are located.

Mr. MOORE of Pennsylvania. If I said branches I meant those cities designated as Federal reserve cities.

Mr. STAFFORD. Of course, under the law there is nothing known as a Federal reserve city.

Mr. MOORE of Pennsylvania. Yes. I am pleased for once in my long legislative experience here to be able to correct the gentleman from Wisconsin. I hold in my hand the Federal reserve act, which, in section 2, provides that the Federal reserve bank organization committee shall designate "not less than 8 nor more than 12 cities to be known as Federal reserve cities."

Mr. STAFFORD. The gentleman from Wisconsin stands corrected.

Mr. MOORE of Pennsylvania. That is the finest tribute——

Mr. STAFFORD. That has ever been paid to the gentleman from Pennsylvania. [Laughter.]

Mr. MOORE of Pennsylvania. No; to the fairness of the gentleman from Wisconsin.

Mr. Chairman, this is a business proposition, and it seems to me wise and in the line of efficiency and economy.

Mr. STERLING of Illinois. Mr. Chairman, personally I do not pretend to know whether this corporation would need more or less than 12 branch agencies. I do not think that the gentleman from Pennsylvania [Mr. MOORE] knows, and I do not think anybody in this House at this time can form any definite judgment as to how many branch agencies the corporation may need to carry on its business properly. I presume the Secretary of the Treasury does not know now how many branch agencies are needed, and he does not know now where they will be most needed; and I can see no reason why Congress should limit the number of agencies at this time. It is purely an administrative feature of the bill as to how many branch agencies will be established, and I certainly think that we ought to assume that the corporation would establish no more branch agencies than are necessary to carry on its business and that they would put them where they would best facilitate the business of the corporation. It does seem to me that branch agencies will be necessary. It would be a great hardship for people to come from long distances in this country to Washington to negotiate loans from the corporation.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. In just a minute. It is true, if they are in great need of money, they would be willing to pay the expense of coming to Washington for the purpose of securing a loan; but if there are no agencies throughout the country, necessarily the corporation must then be at the expense, which I dare say would be greater than the maintenance of branch agencies, of sending inspectors and investigators throughout the country to see whether loans ought to be made and determine the value of securities offered. I yield to the gentleman.

Mr. MOORE of Pennsylvania. Would not all this be simplified if we accepted these Federal reserve cities as locations for the new war corporation branches and used the machinery of the Federal reserve, which is to be a part of this system, to ferret out and acquire information?

Mr. STERLING of Illinois. It might be that that would be a very good plan, as far as it goes. It might be determined that it does not go far enough. It might turn out to be very important that there should be an agency in some of the other larger cities of the country, and certainly agencies established in large cities where there are no Federal reserve banks could better ascertain the necessity of the loan or the value of the securities offered than the Federal reserve bank could. Many important industrial cities have no such bank. Many war industries are located in these cities, and an agency of this corporation would be of great help to those industries.

Mr. GLASS. Is not that demonstrated by the fact itself that the Federal Reserve Board has established agencies in such great cities as Detroit? Would not an agency of this corporation be very apt to do very much more business in Detroit than in Atlanta or in Dallas or in Richmond?

Mr. STERLING of Illinois. I should think so. It seems to me that the needs of this corporation can not be fully understood at this time. It seems to me, further, that if a branch could be established at some great city where there would be possibilities of loans being made by the corporation, the mere fact that

there is an agency in that city where the war industries know and understand they can go for relief would give confidence to the financial situation, that would steady business, to the end that it might relieve this corporation of a great deal of business that it would otherwise be called upon to transact. It being an administrative feature, it seems to me it will be wholly unwise for the House to undertake to limit the operation of the corporation by prescribing in the law where it shall have its corporate representatives.

Mr. SMITH of Michigan. Mr. Chairman, I rise to oppose the amendment. I think this bill is an emergency measure. I think it is a war measure. I think it is necessary to have a corporation or some other kind of an organization in order to furnish the means to properly conduct and carry on this great war. I think the terms of the bill in relation to establishing these agencies provide a better means than is provided by the amendment of the gentleman from Pennsylvania. The purpose of furnishing this money is to supply and aid our war industries with means to manufacture and furnish ammunition to win the war. It seems to me that the corporation board of directors itself is the one to determine the places where that money is most needed and can be used and utilized to the best purposes, and that should be where these great war industries are being carried on. At the centers of these great war industries are the places where the branch corporation should be established. For that reason I think the amendment offered by the gentleman from Pennsylvania [Mr. MOORE] ought not to prevail. Now, I want to answer another question. It was asked here this morning about how much money will be needed. Some one has suggested that we should have not only $2,000,000,000, but it should be increased to $4,000,000,000. Well, I will tell you just how much money we should have. We should have enough money to whip Germany.

Mr. BURNETT. How are we going to get it?

Mr. SMITH of Michigan. How does Germany get it? Earn it. We are worth twice as much as Germany. We produce and add to our national wealth forty billions each year. I, for one, stood here and I voted all the resources of my country for the purpose of bringing Germany to her senses. That has proven to be no small undertaking, but before I would submit to the yoke that Germany has put upon Belgium I would be willing to forfeit not only everything I possess but I would subscribe to the principle of our forefathers and pledge my life, my fortune, and my sacred honor. This war is a war of principle which we are fighting. We are fighting the most delusive, the most unfair, the most barbarous enemy that ever conducted a warfare. While we are trying to observe some of the principles of international law and decency, they are not reciprocating or observing either international law or the laws of humanity. We can not trust our enemy. He boasts about his agreements being worthless, mere scraps of paper. If Germany wins, the world is at her feet; we lose our Republic and civilization is turned back to the olden days of the feudal lords. I think the amendment of the gentleman ought not to prevail, and this corporation that has to furnish these funds ought to be the one to determine the places for establishing these loaning institutions. [Applause.]

Mr. SWITZER. Mr. Chairman, while I, with other Members of this body, voted to mobilize the resources of this country to prosecute this war waged against Germany to a successful termination, I have to submit that the question at this time is not so much the question of mobilizing of these resources as it is the question now of distributing some of these resources that we are mobilizing by taxation and through the sale of liberty bonds. And when it comes to that matter this body ought to have a little something to say about it, and we ought to throw about this distribution and this system of favoritism that we are creating here all the possible limitations that we can possibly devise. It is rather amusing to me to note how difficult it is for some gentlemen to maintain their consistency here in the support of this measure who, on January 4 last, when the proposition was up here to divert $200,000,000 of the money in the United States Treasury raised by taxation or by the sale of bonds to the farm-loan banks of this country it was then argued in another body of this Congress and upon the floor of this House that the offering for sale of the farm-loan bonds at that time, when we were offering to sell liberty bonds, would be an unpatriotic act. It was stated that it would prevent the sale of liberty bonds; that it would increase the interest upon those bonds to allow these farm-loan bonds to be offered, especially at a higher rate of interest; and yet we find the same gentlemen to-day say that if you only give this corporation $500,000,000 of the people's money it can throw upon the market $2,000,000,000 of bonds other than liberty loan bonds, and I believe it is argued now it will stimulate the sale of liberty bonds, even though bearing a higher rate of interest. When the gentleman from California [Mr. HAYES] made the statement that it would increase the interest of liberty bonds and cost this Government millions and millions of dollars more, these same gentlemen who made the argument January 4 last before this House scoffed at the remark. However, I will admit that something should be done possibly in this critical moment, but I rather agree with the gentleman from California. The gentleman from Pennsylvania [Mr. MOORE] said that these agencies ought to be where the Federal reserve banks are located so that they could advise one another. The truth of the matter is you do not expect those $2,000,000,000 of bonds to be sold to the general public. You expect this Federal Reserve System to raise this money. You have merely in an indirect way adopted the principle of the Aldrich-Vreeland Act. If I understand, you are going to allow men who can get enough credit to procure these bonds to bring all the old junk in the country to the extent of 133 per cent to go to a Federal reserve bank and receive currency on it. If that is what you wanted, why not amend the Federal reserve act? What is the use of having all this camouflage and these other agencies provided and this great expense upon the Treasury?

Mr. MADDEN. Will the gentleman yield?

Mr. SWITZER. I will.

Mr. MADDEN. Does the gentleman think that a thing worth 133 per cent would be classed as old junk?

Mr. SWITZER. No; if it is worth that, but it is just simply a question of value that is put upon it. It developed in the hearings that a railway system in Michigan—the matter was brought out before the Ways and Means Committee in the hearing that it did not have a franchise, and that is brought in here as evidence that this bill should become a law.

Mr. McCORMICK. Will the gentleman yield?

Mr. SWITZER. I will.

Mr. McCORMICK. Does the gentleman think these $2,000,000,000 are going to be placed on the market at one time—all of them—as the gentleman indicated a moment ago?

Mr. SWITZER. I do not.

Mr. McCORMICK. That was the inference to be drawn from the gentleman's remarks.

Mr. SWITZER. If the report of the hearings is correct, as it has been stated here during the consideration of this bill, the danger is imminent that the bonds are going to be put out in large amounts; millions and millions of dollars will be thrown upon the market soon, and will be thrown upon the market at a time when we are trying to raise money by the sale of liberty bonds in order to prosecute the war.

Mr. BURNETT. Will the gentleman yield?

Mr. SWITZER. I will.

Mr. BURNETT. Is the gentleman going to vote for or against the bill?

Mr. SWITZER. I am not right sure. [Laughter.] I possibly may vote for the bill, but I would rather vote for a proposition that would so amend the Federal Reserve System as to allow this agency we created some years ago and which has now had a wide and broad experience to administer this act. I think it is better capable of doing it. I see no reason why these gentlemen should not administer it justly as wisely, and more wisely, than some new corporation you create here to meet the exigencies of the Government on the spur of the moment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SWITZER. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

Mr. KITCHIN. Mr. Chairman, reserving the right to object, and I am not going to object, I hope the gentleman, since he has been speaking on section 12 and we are on section 6, and five or six pages will have to be read before we reach that subject on which he is talking, that he will not talk any more than that time on it now.

Mr. SWITZER. I wish to say to the chairman of the Ways and Means Committee——

Mr. KITCHIN. The real point that I want to make is that just as soon as the gentleman finishes, let us get through with the vote on the amendment of the gentleman from Pennsylvania [Mr. MOORE].

The CHAIRMAN. Is there objection to the gentleman from Ohio proceeding for two minutes more? [After a pause.] The Chair hears none.

Mr. SWITZER. I wish to say to the chairman of the Ways and Means Committee that I have been detained in my home on account of trouble with a tooth for the last 8 or 10 days, and I was not able to be here during the general debate except for a short time yesterday, and I had scarcely any time in general debate. And I was following a course of procedure for which a precedent had been set for me, and was delivering myself

of a few observations that I thought I would like to make to this body.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. SWITZER. Yes.

Mr. SMITH of Michigan. I have heard it stated here once or twice, and I heard you make a remark to that effect, that there is a railroad up in Michigan that has not any franchise. I wish to know whether or not you know about that?

Mr. STAFFORD. The gentleman from Michigan apparently is not acquainted with the franchise of the Detroit United Railways that controls the railway systems in the city of Detroit.

Mr. SMITH of Michigan. I deny that there is any railroad operating in Michigan without a franchise.

Mr. STAFFORD. The gentleman is not acquainted with conditions in his own State.

Mr. SWITZER. Now, while I am on my feet, I desire to recur to that old hobby that I have advanced here two or three times, and I want to ask the chairman of the Ways and Means Committee whether or not his committee is going to give any consideration to these people who are petitioning his committee to have the time extended for the payment of the excess-profit tax? I have people in my district who state to me, and they are just as loyal as the people in any district and are not seeking to avoid payment of the tax, that they want temporary relief.

Mr. SMITH of Michigan. We all have them.

Mr. KITCHIN. That is not pertinent to this bill. I will write the gentleman a letter about that. [Laughter.]

Mr. SWITZER. All right.

Mr. TREADWAY. Mr. Chairman, in view of the statement made by the gentleman from Ohio [Mr. SWITZER] in reference to the throwing of $2,000,000,000 of bonds, or $4,000,000,000, if that is the amount that will eventually be agreed upon—this bill calls for $2,000,000,000 of bonds—upon the market, and floating subscriptions, and that sort of thing, it seems to me wise that the House should understand exactly what is expected to be done with those bonds. They are not to be sold in the general market in the ordinary sense that a man goes into an exchange and invests $1,000 or $2,000 in a bond. It is not the intention to have this bond a general marketable bond. As I understand it, the bond is to be used solely as collateral. It will have a marketable value not less than par as provided in the bill.

If a company or a bank comes to this newly established board and endeavors to secure a loan, that loan, not being in the form of cash, can be in the form of a bond, which later on the borrower can use as collateral to secure cash from, not a business transaction in the sense of the purchase or sale of a bond, as such is known in the general market.

Mr. SWITZER. Mr. Chairman, will the gentleman yield there?

Mr. TREADWAY. Yes.

Mr. SWITZER. The truth of the matter, then, is that you expect to raise this money from the Federal Reserve System by using these bonds as collateral?

Mr. TREADWAY. Not at all. The gentleman considers that that represents $2,000,000,000 of cash. It does not. It simply represents $2,000,000,000 of credit, which further can be used to a greater extent for credit through loans in the various banking channels of the country. It will not, as the gentleman conceives, tend to concentrate cash when we want to subscribe cash for liberty bonds, but it will make more credit and release money that can be used for liberty bonds, actual cash, whereas this is solely collateral. I think there is a very marked distinction between the idea that the gentleman has of this bond in the general bond market and the actual use that this bond will be put to.

Mr. SNELL. As I understand it, these bonds are not to be sold to individual investors?

Mr. TREADWAY. That is my understanding of it. I think the chairman of the committee will confirm it. They are not expected to be in the ordinary sense, as I endeavored to explain, a purchasable, marketable bond. It is, of course, expected that the bonds will be negotiable, and undoubtedly there will be sales from time to time.

Mr. SNELL. What, then, does the Secretary mean in his statement before the committee, when he says?—

> The intervention of a corporation of this character, with its large capital, will provide the class of security which will appeal to the minds of even the most timid investors, and will naturally assist in converting what might become a dangerous bank expansion into a legitimate investment of free capital. Even though the corporation were not called upon to make any considerable advances itself, so that the issue of its own securities to a large extent might not be required, it has been the experience in Great Britain, and I believe it will be our experience also, that the restraint imposed upon unnecessary capital borrowings, through Government intervention such as is proposed, not only allays the fears of timid investors but stimulates a demand generally for issues of licensed securities. Such securities sell promptly and their distribution is general and effective. This again provides a check to unwise expansion of bank credits.

Mr. TREADWAY. That confirms exactly the idea I have of it—that the bonds can be used as collateral security for further loans in the local home banks by borrowers through this banking corporation.

Mr. SNELL. He further says, in substance, "This will stimulate a demand for general issues"—of this corporation, as I understand it.

Mr. TREADWAY. There is a difference between the bonds and the cash. Cash can be secured to the extent of $500,000,000. That is the capital of this corporation. Then the bonds, as the gentleman of course understands, are an entirely separate thing.

Mr. SNELL. I would like to understand whether or not these bonds can be sold on the market.

Mr. TREADWAY. That is my understanding of it. I will be glad if the chairman will explain it, if I am in error. While the bonds will be negotiable, as I have stated, it is not expected they will be largely dealt in on the various exchanges.

Mr. KITCHIN. Mr. Chairman, if I understand the modus operandi of these bonds it is this: The borrowing institution will come to the corporation and say it wants a million dollars. The corporation has not the money, but it advances to this borrower a million dollars of its bonds and takes a secured note for the direct loan. Then this borrower takes the bonds to a bank and gets money on them. If the borrowing institution desires to do it, it can sell the bonds of the corporation to the investor and get the money in that way. Most of the loans will be made by advancing bonds of the corporation, and at the same time if the corporation desires money, and has use for actual money, it will sell to investors or to the banks.

Mr. McCORMICK. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. McCORMICK. Some of us are not clear on that. The corporation will issue bonds for what—the unsecured note?

Mr. KITCHIN. For the note with security.

Mr. McCORMICK. Then, the financial corporation lends its superior credit to the private corporation?

Mr. KITCHIN. Yes; that is right. And you must understand always that when the corporation makes a direct loan, such as the gentleman mentions—as the gentleman must comprehend the object of the bill clearly, and no doubt he does as clearly as I do—it means that under the provisions of the bill the borrower must put up its note, and, in addition, security amounting to 133 per cent of the amount advanced. For instance, if the Dupont Powder Co., for example, wanted to borrow $10,000,000, and the corporation did not have the money, the corporation would issue $10,000,000 worth of its bonds. The Duponts would give the corporation their note for $10,000,000, and, in addition to that, security amounting in value to 133 per cent of the amount advanced.

Mr. McCORMICK. The chairman of the committee has made very clear that operation. Will he not make equally plain, in as few words, the operation when the private corporation applies through the bank?

Mr. KITCHIN. When the private firm or individual applies through the bank, one of the methods of procedure under section 7 will be as follows: The bank will make a loan to the industry contributing to the prosecution of the war. The bank will then bring the note of the borrower to the War Finance Corporation, together with all the security which the bank holds as collateral for such note. The bank will give its note to the War Finance Corporation, secured by the note and security of the borrower, and receive from the corporation an advance equal to 75 per cent of the loan made by the bank to the borrower. The advance may be in money or in the bonds of the corporation.

Mr. SNELL. Is it understood that these bonds will be listed and dealt in as are liberty bonds and other bonds?

Mr. KITCHIN. Oh, no.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. STERLING of Illinois. If the gentleman has correctly stated the modus operandi, as he puts it, it is a little different from my standpoint. I do think the business will be carried on largely as the gentleman suggests, but this corporation can go on the market and sell these bonds wherever it can find purchasers?

Mr. KITCHIN. Yes. The corporation has got the power under this bill to sell its bonds or to dispose of them in any way it sees fit.

Mr. STERLING of Illinois. That is what I was trying to get at.

Mr. KITCHIN. When the corporation needs money it can put the bonds on the market, or sell them to an investor. But I think it was illustrated by Mr. Warburg in his testimony by practically the illustration I gave a while ago, without men-

tioning his name, that the large part of the business is contemplated to be done by advancing the bonds of the corporation.

Mr. SNELL. Then if it is possible to sell them, they will probably be listed on the stock exchange?

Mr. KITCHIN. Yes. They have that power.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent for two minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. KITCHIN. I imagine that they are going to sell some on the market, because they must have some money in addition to the $500,000,000 of capital stock after they are in operation a year or two.

They may sell bonds either publicly or privately, but it is provided that they must sell them for not less than par.

Mr. SNELL. He says:

Such securities sell promptly and their distribution is general and effective.

I should think from that that he intended to distribute them among general investors.

Mr. GARNER. Oh, surely.

Mr. KITCHIN. In every way.

Mr. SNELL. Then Mr. TREADWAY's position that they are not for sale is incorrect?

Mr. KITCHIN. Mr. TREADWAY, as I understood him to intend to convey to the House, said it is contemplated that the larger part of their business will not be selling the bonds and getting the money and loaning the money direct, but in advancing these bonds. Mr. Warburg said that, too. But they can do just exactly what the gentleman says, and sometimes they will do it. Whichever way they think is necessary or wiser to take care of the war industries they will pursue. They have the power to do it in either way.

Mr. PLATT. Since we are talking about section 12, that provision in section 12 that they may be offered for sale publicly, and so forth, does the gentleman regard that as vital to the bill? Why not strike it out?

Mr. KITCHIN. I think they ought to have authority to sell privately or publicly, just so they are sold not below par.

Mr. PLATT. They can put the rate of interest high enough to sell them at par.

Mr. KITCHIN. I expect that many individual investors will buy them, just like they buy liberty bonds.

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The pro forma amendment is withdrawn. The question is on the amendment proposed by the gentleman from Pennsylvania [Mr. MOORE].

Mr. MOORE of Pennsylvania. I ask that the amendment be read again, since the discussion has taken a different range.

The CHAIRMAN. Without objection, the amendment will be reported again.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Pennsylvania: Page 4, lines 22 and 23, after the words "offices in," in line 22, strike out the words "any city or cities of the United States" and insert the words "such cities as have been designated as Federal reserve cities."

Mr. MOORE of Pennsylvania. So that it will read——

The Clerk read as follows:

So that the section as amended will read:

"SEC. 5. That the principal offices of the corporation shall be located in the District of Columbia, but there may be established agencies or branch offices in such cities as have been designated as Federal reserve cities, under rules and regulations prescribed by the board of directors."

The CHAIRMAN. The question is on the amendment proposed by the gentleman from Pennsylvania [Mr. MOORE].

The question was taken; and on a division (demanded by Mr. MOORE of Pennsylvania) there were—ayes 8, noes 41.

Accordingly the amendment was rejected.

Mr. PLATT. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PLATT: Page 4, line 21, strike out the words "District of Columbia" and insert "city of New York."

Mr. PLATT. Mr. Chairman, this is a great financial institution, a tremendous bank of banks. There is no good reason why it should be located in the city of Washington, which is already overcrowded, and which is not nearly as accessible a place as the city of New York. It should be located at the financial center of the country, where all great financial enterprises obtain their capital. There is no reason why it should be in the District of Columbia, except that the Secretary of the Treasury is chairman of the board of directors, and he is in New York almost as much as he is in Washington. When the directors meet he could just as well attend a meeting in New York as here. Business men from all over the United States will be coming here and overcrowding the hotels, trying to get accommodations from this corporation, which ought to be located in the financial center of the country, New York City. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. PLATT].

The question being taken, the amendment was rejected.

The Clerk read as follows:

SEC. 6. That the corporation shall be empowered and authorized to adopt, alter, and use a corporate seal; to make contracts; to purchase or lease and hold or dispose of such real estate as may be necessary for the prosecution of its business; to sue and be sued; to complain and defend in any court of competent jurisdiction; to appoint, by its board of directors, and fix the compensation of such officers, employees, attorneys, and agents as are necessary for the transaction of the business of the corporation, to define their duties, require bonds of them and fix the penalties thereof, and to dismiss at pleasure such officers, employees, attorneys, and agents; and to prescribe, amend, and repeal, by its board of directors, subject to the approval of the Secretary of the Treasury, by-laws regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised and enjoyed, and prescribing the powers and duties of its officers and agents.

Mr. WOOD of Indiana. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: Page 5, line 13, after the word "directors," strike out the words "subject to the approval of the Secretary of the Treasury."

Mr. WOOD of Indiana. Mr. Chairman, if this section is permitted to remain in this bill not a single by-law can be framed, adopted, amended, or repealed without the sanction of the Secretary of the Treasury. Not a single duty can be prescribed for any officer or agent without the sanction of the Secretary of the Treasury. I do not believe it is essential that this language should remain in this section. I believe it would be infinitely better to leave out this language, for there is nothing peculiarly within the knowledge of the Secretary of the Treasury that warrants him in having any more to do with the framing and prescribing of the by-laws, or under the by-laws prescribing the powers and duties of the officers or agents, than of the other four men who are on this directorate with him. The gentleman from Ohio this morning stated that there were but three places in this bill now remaining where it provided that such and such action should be taken with the approval of the Secretary of the Treasury. There are four places, this being the first one. In my opinion these words should be eliminated, for there is no reason why these other gentlemen who are selected as members of this directorate should not have as much voice in framing and prescribing or in amending or repealing the by-laws for the conduct of the prudential affairs of this corporation as the Secretary of the Treasury himself. There is no more reason why the Secretary of the Treasury should have supreme power in prescribing and declaring what shall be the duties of the individual officer than any other director should have, and it occurs to me that if this corporation is in fact to be conducted as other corporations are conducted in the United States, this language should be eliminated, for it destroys the very character of a corporation when you are placing all the power with reference to the formation of it and the conduct of its prudential affairs, with reference to the finding and prescribing the duties that its agents are to perform, in the hands of one man. I think it would be infinitely better if this language were stricken out, and it would tend to strengthen rather than weaken the bill.

Mr. SMITH of Michigan. If this amendment is adopted and those words are stricken out, the Secretary of the Treasury will still be on the board of directors and will have a voice.

Mr. WOOD of Indiana. Absolutely; and he will bring to the board all the peculiar knowledge that he has by reason of his office. Further, all the other directors, who will be selected by reason of their business prominence and vast experience, should have a voice in the determination of these matters. If they do not, of what consequence are they as directors? What will all their ability and business experience avail if they are permitted to have no voice in framing the by-laws for the control of the prudential affairs of this corporation?

Mr. FESS. Will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. FESS. In the creation of the board the principle was that each member should be coordinate; that the Secretary of the Treasury should not be superior to any member of the board, but equal to him. Does not this make them in a sense subordinate to the Secretary of the Treasury, if your amendment is not adopted?

Mr. WOOD of Indiana. Absolutely; it occurs to me that it takes the virtue out of the bill so far as having the combined

experience of men who are to act for the good and common weal of the Nation is concerned. So I say if this is to be a representative corporation, as corporations are supposed to be representative, then this language should go out.

Mr. STERLING of Illinois. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. STERLING of Illinois. I want to ask the gentleman a question and submit a suggestion. I agree with the gentleman in this proposition. It seems to me that if the Secretary of the Treasury has the approval of the by-laws he has absolute domination over the corporation. If he can make the by-laws, he can control the corporation. It seems to me that way, and I presume it does to the gentleman from Indiana.

Mr. WOOD of Indiana. That is my idea. I am offering it for the good of the bill, for I believe that gentlemen are trying to get the best possible bill to do this emergency work, and especially, if it is to inspire confidence in the people, it is because of the fact that it is made up of a number of gentlemen whose combined wisdom they are looking to instead of one man. I care not how wise that one man may be, he may lack in the special knowledge that would be of consequence to the framing of by-laws or prescribing the duties of men, which peculiar knowledge another director may have. There should be no dummies on this board, and no one should have autocratic power over it.

Mr. MOORE of Pennsylvania. Mr. Chairman, I rise in opposition to the amendment. This is a case in which I can not agree with my colleague from Indiana. The committee did what it could to limit the power of the Secretary of the Treasury over this board. It limited his power with respect to financial transactions generally, but in this instance the committee felt that it was proper that the Secretary of the Treasury should be consulted. For instance, it is provided that the Secretary of the Treasury shall be consulted as to "by-laws regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised and enjoyed, and prescribing the powers and duties of its officers and agents."

Why not? Why should not the Secretary of the Treasury have submitted to him for approval, he being the representative of the United States, the by-laws governing the corporation in which we are placing $500,000,000 of the people's money?

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. WOOD of Indiana. Would not the by-laws be submitted to the Secretary of the Treasury as a member of this board?

Mr. MOORE of Pennsylvania. Yes; and as such he would have a voice in them, but as Secretary of the Treasury of the United States, the direct representative of the Government on this board, he should have the right to say whether the rules and regulations of this corporation conflict with the interests of the United States, which has $500,000,000 invested here.

Mr. WOOD of Indiana. Another question. What purpose would the other four directors serve?

Mr. MOORE of Pennsylvania. They can prepare the by-laws, work under them, and agree with the Secretary as to the business to be done. [Laughter.]

Mr. GORDON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GORDON. Is it not a fact that the Government of the United States is the only person or corporation financially interested in this corporation?

Mr. MOORE of Pennsylvania. Up to date; yes.

Mr. GORDON. Is not the Secretary of the Treasury the only official on the board that is in any way responsible?

Mr. MOORE of Pennsylvania. That is true, as to Treasury money; but all will be responsible.

Mr. STERLING of Illinois. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. STERLING of Illinois. I submit to the gentleman whether it is true that the Secretary of the Treasury is the only official that has any responsibility for this corporation. If we left the bill as it originally came to us, he would be the only man that had any responsibility in connection with it. But let me submit this in reference to the gentleman's amendment: It would be a proper subject of the by-laws to determine where these branch offices should go, what cities they should be placed in, how many cities should have branch offices—would it be better to leave that to the Secretary of the Treasury alone, and if we do leave the by-laws subject to the approval of the Secretary of the Treasury he can determine just where these branch agencies shall go? As an illustration, would the gentleman say that the Secretary of the Treasury alone and not other members of the board should have the decision of determining where they should go?

Mr. MOORE of Pennsylvania. I will answer by asking the gentleman this question: Would the gentleman vote for a provision in the bill to give the four men on this board the right to adopt and put into effect regulations for the expenditure of this money in spite of the Secretary of the Treasury; would the gentleman do that?

Mr. STERLING of Illinois. The gentleman in his statement goes right back——

Mr. MOORE of Pennsylvania. To the very marrow of the matter.

Mr. STERLING of Illinois. Goes back to the question of whether you are going to make the Secretary of the Treasury the whole thing in this corporation. I say no; that the Secretary of the Treasury should not have the sole voice in it.

Mr. MOORE of Pennsylvania. I realize that there are some gentlemen who do not want the Secretary to have too much power. I am one of them. There are many gentlemen on this side who do not approve of the great grant of power thus far given to the present Secretary of the Treasury. But I am looking at this proposition as one who penetrates the future. There may be other Secretaries of the Treasury. There is no political meaning in that. But no matter who the Secretary of the Treasury is, he is the custodian of the funds of the Government. He holds the purse strings; he is the man whom we hold responsible for the money which we collect and which we appropriate, and I do not care to put it in the power of five men, of whom he is one only, to enact rules and regulations for the expenditure of money appropriated to an independent corporation that may run counter to the United States Treasury.

Mr. ROBBINS. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. ROBBINS. Will the gentleman cite any corporation, private or public, where the power to make by-laws is vested in one man, when there is a directorate of five men, all of whom are appointed with equal power, but with no power to make by-laws?

Mr. MOORE of Pennsylvania. Yes.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. I can point to J. P. Morgan & Co. I suggest that nobody in that corporation would appropriate large sums of money or make any large contracts without the approval of J. P. Morgan, the head of the concern. I will point to the great Pennsylvania Railroad Co., and suggest that the board of directors, nor any combination of the board of directors, would undertake to do vital business of that road without the approval of Samuel Rea, president of the company. I will point to various other institutions where big business would not be done without the approval of the head of the concern.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. LITTLE. Is it not a fact that the Secretary of the Treasury has so many duties that he never in the world would be able to have anything to do with the making of these by-laws, and that somebody else would make them?

Mr. MOORE of Pennsylvania. That is a popular impression with respect to the Secretary of the Treasury.

Mr. LITTLE. If that is true, why had we not better designate the person who is going to do it instead of putting it up to a dummy figure?

Mr. MOORE of Pennsylvania. Mr. McAdoo is not a dummy.

Mr. LITTLE. Is he not in this?

Mr. MOORE of Pennsylvania. I am not boosting Mr. McAdoo, but I would admonish the gentleman that Secretary McAdoo is no dummy. Anybody who picks up Mr. McAdoo for a dummy will drop him like a red-hot poker.

Mr. LITTLE. Is it not a fact that in this business he will be a mere figurehead?

Mr. MOORE of Pennsylvania. I do not think the Secretary of the Treasury could be regarded as a figurehead; he is a pretty live wire.

Mr. LITTLE. I am asking the question for information.

Mr. MOORE of Pennsylvania. And I am not boosting the Secretary of the Treasury, either.

Mr. LITTLE. I concede that he is, as you say, a wise man. I was not looking for information on that. I am posted on that myself. [Laughter.]

Mr. MOORE of Pennsylvania. The gentleman led up to it unconsciously; that is all.

Mr. LITTLE. What I am trying to get at is this: Is it not a fact that he has so many other duties that when it comes to writing these by-laws he will not have more to do with it than you or I?

Mr. MOORE of Pennsylvania. Even so, he is still the Secretary of the Treasury of the United States.

Mr. LITTLE. Is not that job enough for any man on earth, anyway?

Mr. MOORE of Pennsylvania. It certainly is. The Secretary has plenty to do, and I am not sure he is hunting trouble. He has plenty to do, but he is not disassociated from the Treasury of the United States. He is still in control there.

Mr. SNYDER. I would like to say to the gentleman that the Secretary of the Treasury is the healthiest looking overworked man that I ever saw.

Mr. MOORE of Pennsylvania. That was verified by a critical observation of the gentleman before the Committee on Ways and Means.

Mr. GORDON. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GORDON. Who is the sole and only stockholder in this corporation that you are talking about?

Mr. MOORE of Pennsylvania. Does the gentleman mean the Morgan concern?

Mr. GORDON. No; I mean the War Finance Corporation.

Mr. MOORE of Pennsylvania. I was thinking of the great law firm of Gordon & Black, of Cleveland, Ohio, and I was wondering whether, Mr. Black being dead, Mr. Gordon would not have to be consulted before any business is done. [Laughter.]

Mr. GORDON. Is it not a fact that the Government of the United States is the sole stockholder in this corporation?

Mr. MOORE of Pennsylvania. Exactly. The gentleman is right, as the gentleman frequently is. The United States has an investment of $500,000,000 in this corporation, and that is all the money there is in it at the present time. There is to be no more money except such money as is raised upon the strength and credit of that $500,000,000, and that money has got to come out of the Treasury—not all at once. I want Mr. McAdoo, the Secretary of the Treasury, to check that out carefully. I do not care to have four other men dictate to him that they shall have $500,000,000 all at once, when they may not need more than $100,000,000.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. MEEKER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one minute more in order to ask him a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MEEKER. I would like to ask the gentleman a question: That being the case, why the other four directors?

Mr. MOORE of Pennsylvania. Because Mr. McAdoo could not attend to the details of this business, and the judgment of the four other directors will be highly important and extremely valuable in the conduct of the business. They are to be experienced men to advise with the Secretary of the Treasury, if need be. They will give hearings to individuals and concerns desiring loans and attend to other matters. The whole thing is this: Do you propose to give $500,000,000 of public money in a lump sum to four gentlemen constituting an independent corporation and say they shall not consult the Secretary of the Treasury? And if the Secretary of the Treasury says they do not need $500,000,000 in a lump sum, but only $100,000,000, so far as the Treasury interests are concerned, do you mean to say you will vote to give $400,000,000 additional to this corporation, a private corporation, in spite of the recommendation of the Secretary of the Treasury? I do not propose to do it. I would put this additional check upon the Treasury of the United States——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. LITTLE. Mr. Chairman, I ask that the gentleman be given one minute. I would like to ask him a question. I will ask for a minute myself in order to ask the question.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. The gentleman from Pennsylvania is on the Committee on Ways and Means, and, of course, he is posted as to this bill. He has just said that Mr. McAdoo would not attend to the details of this business. Just what is he actually going to attend to in reference to this business?

Mr. MOORE of Pennsylvania. If the gentleman will read the bill carefully——

Mr. LITTLE. I have.

Mr. MOORE of Pennsylvania. The gentleman will observe that, as a member of the corporation, Mr. McAdoo will be required to join with his fellow incorporators in the conduct of this business. It is patent that he can not attend to all the details; but, from my point of view, they are going to transact big business, and the Secretary of the Treasury should know about it.

Mr. LITTLE. Just what is he going to do?

Mr. MOORE of Pennsylvania. If the gentleman will read the bill——

Mr. LITTLE. I have read it. But he is not going to attend to it in detail. The gentleman has dismissed him from attending to a large part of such details——

Mr. MOORE of Pennsylvania. If somebody comes from Kansas City, Kans., desiring a loan, and the board is in session, they will consult with the board without it being necessary for Mr. McAdoo to be present. And——

Mr. LITTLE. That is the information I want to get.

Mr. MOORE of Pennsylvania. And, I presume, that board, if it proposed to lend a city like Kansas City, Kans., so large an amount as $100,000,000, would first consult Mr. McAdoo before making him pay over the money.

Mr. LITTLE. I do not know; they borrow a great many millions there—the big packers and millers.

Mr. MOORE of Pennsylvania. It is a great city, and they are great borrowers. We will admit that.

Mr. LONGWORTH. Mr. Chairman, just a word in opposition to the amendment offered by the gentleman from Indiana. As I stated this morning, the bill as originally submitted to the committee contained the words "with the approval of the Secretary of the Treasury," as I recollect it, about 17 times. Thus this board could do absolutely nothing except with the approval of the Secretary of the Treasury; in other words, he had the absolute veto over any action this board might take.

Mr. STERLING of Illinois. Will the gentleman yield for one question?

Mr. LONGWORTH. I will.

Mr. STERLING of Illinois. Now, this gives him power to approve or disapprove the by-laws. Does not the gentleman from Ohio think that the striking out of that clause in this bill in the other 16 places is of very little importance unless we strike it out in this?

Mr. LONGWORTH. No.

Mr. STERLING of Illinois. Because this gives him absolute control over this corporation. He can approve the by-laws under this provision, and when he has done that he has determined the entire policy and the entire method under which this corporation shall operate.

Mr. LONGWORTH. Well, I can not quite agree with my colleague. My mind has been running in this way: I do not believe that any human being—I have the highest regard for Mr. McAdoo; if it had been a Republican Secretary of the Treasury with this new machinery to be given into his charge I would have thought the same—I do not believe that any human being ought to have the power of absolute veto, particularly in cases where it involves the use of his judgment as to the advance of credit to this man or the withholding it from that man. So, after much consultation in the committee, we came to this sort of general understanding, that where it was a case of determining a fixed line of policy the Secretary of the Treasury ought to lend his approval to that policy. This machine, while apart theoretically from the Treasury Department, is nevertheless intimately interwoven with it in its various functions. In the question, for instance, of determination of interest on these bonds to be issued by the corporation, it seemed to us that the Secretary of the Treasury ought to lend his approval to the rate of interest in order that the issues of those bonds might not conflict or be in competition with issues of liberty bonds and other obligations of the United States. For that reason we left it as it is. Now, this particular section simply applies to by-laws laying down a general policy to be pursued by this corporation.

Mr. GREEN of Iowa. Will the gentleman yield right there?

Mr. LONGWORTH. Yes.

Mr. GREEN of Iowa. I think right there my friend inadvertently misquotes. The by-laws hardly go so far as to confer any power; in fact, on the contrary, they do not relate to powers at all, hence it would be somewhat doubtful whether they would really pertain to the policy of this corporation. They would regulate the manner of the meeting and the calling of the meeting, the time and places when they should act and the manner of bringing up motions and all that referred to the manner of carrying on the business, but not to powers conferred or powers to be exercised.

Mr. LONGWORTH. Well, I can not read this provision in any other way than merely a provision determining the general policy to be pursued by these directors. Here is the provision:

And to prescribe, amend, and repeal, by its board of directors, subject to the approval of the Secretary of the Treasury, by-laws regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised and enjoyed, and prescribing the powers and duties of its officers and agents.

I can see no danger in giving the Secretary of the Treasury the power of veto over any set of by-laws which, in his judgment, might be prejudicial to the interests of the Treasury of the United States.

Mr. SLOAN. Mr. Chairman, this provision was one of the provisions that was left open for the free action of the members of the committee to oppose on the floor of the House. I think probably a large majority of the Members of this House or this committee at different times have drafted by-laws for corporations. I think it is very simple here to see just what we are doing. We have organized, if this becomes a law, a great corporation, and the first thing to do is to say who will manage the corporation. Now, the management is vested by this law, which will be the charter of the corporation, as provided in section 3, and is as follows:

That the management of the corporation shall be vested in a board of directors—

Consisting of whom?—

consisting of the Secretary of the Treasury, who shall be chairman of the board, and four other persons.

The only difference in the grant of power to control is that one of those five is especially designated as chairman. Now, then, if we intend to say that this shall be given to the control of one man, and that four individuals shall be granted unto him as mere company and as a matter of entertainment during the meetings of the board of directors, it ought to be left as it is. But the management is given to these five men with apparent coordinate and equal powers, except the chairmanship being given to one. We come to section 6, where it says:

That the corporation shall be empowered—

And so on, and down to where the amendment of the gentleman from Indiana comes in, where it says:

and to prescribe, amend, and repeal, by its board of directors.

In other words, when this corporation is organized, before it can do any business, before it can hold a meeting, before the meeeting can be conducted, before any determination can be taken with reference to any business whatever, the by-laws must be presented, must be prescribed, as it were. These four men, each a $12,000 man, equal in salary to the Secretary of the Treasury, equal in integrity, equal in ability, as managers of that bank, come in and agree that they shall hold their regular meeting on Wednesdays. The Secretary of the Treasury says, "No. Wednesday is 'meetless' day; we will not meet on that day." They say, "Then we will meet on Saturday." "No," says the Secretary; "we will not meet on Saturday, as that is also 'meetless.'" And so for the whole week. And it is within his power to say that there shall not be a meeting day fixed by this corporation. Then, coming to the question of when they should pass upon their loans, there ought to be rules and regulations for that. They present the most reasonable rules, and four of them say, "It is reasonable that the loans should be considered; lay them over for one week and investigate them by the committee." No; that can not be done, because the Secretary of the Treasury under this says you shall not consider loans.

Mr. McCORMICK. Then, what is the purpose of making the Secretary a member of the board?

Mr. SLOAN. So that he may be one member of the board, and not the board.

Mr. McCORMICK. And regularly in attendance at meetings.

Mr. SLOAN. The difference is simply this: We want to make him a member of the board. The gentleman from Pennsylvania [Mr. MOORE] wants to make him the board. I think that distinction is clear.

Mr. PLATT. Would the gentleman say no loans could be made on porkless day?

Mr. SLOAN. No. I will simply confine myself to "meating" the question. This corporation is to be at Washington, not at Hog Island. The section says, "subject to the approval of the Secretary of the Treasury." That means now, for instance, if they would start out, all in good humor, and agree upon a set of by-laws under which they would be permitted to dispose of the $500,000,000 of capital of this corporation, and suppose things should go not so well, and they find they ought to amend it. They could meet on another day and adopt another order of business, and a rule for shorter terms, better security, and greater care of securities. However imperative the necessity for amendment, the four members would be powerless over the objection of one member who happened to be chairman under the law.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLOAN. Mr. Chairman, I ask unanimous consent that I may have five minutes longer.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GORDON. May I interrupt the gentleman at that point?

Mr. SLOAN. The gentleman may.

Mr. GORDON. I wanted to ask the gentleman if he were to invest $500,000,000 in a corporation such as this, and nobody else was putting in the money, would he not feel that he would like to have the final say as to by-laws?

Mr. SLOAN. But this is not the money of the Secretary of the Treasury. This is the money of the people of the United States.

Mr. GORDON. Oh, no; the Government of the United States.

Mr. SLOAN. And the Congress of the United States, acting for the people of the United States, takes this $500,000,000 and places it not under the control of the Secretary of the Treasury but under the control of five men, every one of them as good a man as the Secretary of the Treasury, and each one with the same authority. And those five men, with equal responsibility, should be allowed to be coequal in the conduct of affairs.

Mr. MOORE of Pensylvania. Will the gentleman yield?

Mr. SLOAN. I will be pleased to do so.

Mr. MOORE of Pennsylvania. I think the gentleman misinterpreted me a moment ago when he said that I wanted the Secretary to be the board. And I call the gentleman's attention to section 2, where it is provided that this appropriation of $500,000,000 shall be available at such time or times as may be deemed advisable, and only with the approval of the Secretary of the Treasury. Does not that illustrate what I was trying to say, that the Secretary of the Treasury should be consulted as to the rules. Because the appropriation is not to be available at once, and should not be available in lump until the Secretary of the Treasury approves.

Mr. SLOAN. I agree that the Secretary of the Treasury should be consulted. Each of the other four should be equally consulted. But it is not a consultation that is granted to him. It is giving him absolute, arbitrary power instead of a consultation. If these by-laws for any reason need amending, four members are absolutely powerless.

Mr. LONGWORTH. Will the gentleman yield?

Mr. SLOAN. I will.

Mr. LONGWORTH. Does not my colleague draw any distinction between the power of approval of a set of regulations that have been drafted and the power of the original draft of those regulations? The gentleman states that the Secretary of the Treasury is so powerful; that therefore he prescribes the rules and regulations, whereas all this does is to require his approval of a set of regulations drafted by the others.

Mr. SLOAN. Why, the law says one of five managers, when a proposition is presented to him by a majority, will have the power to say, "I will not accept it." We grant this power to these five men. You practically take it away from four entirely and invest it in the fifth man. I quite agree with the gentleman—I have forgotten who it was—that it was practically bootless to have taken away the discretion of the Secretary of the Treasury in these 14 or 15 places and leave it here from the beginning in his power and discretion to say, first, that there should or should not be any by-laws adopted. That if he should consent to the adoption of a set of by-laws they would become as the laws of the Medes and Persians, which change not. And if a by-law controlling the business of the corporation were adopted, however obnoxious it might be to the business of the country, or however much it might obstruct the business of this corporation, four members of that directorate could not compel its amendment. It gives absolute power to the Secretary of the Treasury to lay down the manner and plan of conducting the business.

Gentlemen seem to confuse this with the idea that the Secretary of the Treasury is the one person who is in control of this $500,000,000 because it is the property of the United States. The Secretary of the Treasury is not in control nor is he entitled to the custody of the property of the United States. The large majority of the property of the United States he never saw. A large majority of the property of the United States he never will see and will never have possession or control of. As Secretary of the Treasury he has no more control of the money placed in this corporation than he would have of a United States battleship paid for out of the United States Treasury or of the Virgin Islands for which the Treasury paid $25,000,000.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. GREEN of Iowa. Mr. Chairman, with all deference to my friend from Nebraska [Mr. SLOAN], with whom I usually agree, it seems to me that this is a case of "much ado about nothing," and arises entirely from a mistake as to what these particular provisions apply. These provisions have nothing to do with what loans shall be made or who shall receive the loans. Those are covered by other paragraphs of the bill. They do not pertain to the amount which shall be approved. All these matters are to be determined by the whole board of directors, without the approval of the Secretary of the Treasury. In short it has nothing to do with the powers which are to be exercised by this board. It does not in any way limit them or expand them, and the only power it confers on the Secretary of the Treasury is to say, as my friend indicated—he might desire that the board should not meet on Wednesday, or he prefer that they should meet on Saturday.

What extraordinary power is that? What does that amount to? He might say that the order of procedure of business should be such and such. What difference does that make? It pertains only to the manner in which the business shall be transacted, the plans for which must be presented to him for his approval.

My own idea is, as suggested by the gentleman from Kansas [Mr. LITTLE] in this connection, that he probably never will draft these regulations at all; that they will be submitted to him for the purpose of ascertaining whether they agree with his convenience or with the convenience of his office in connection with the other business that he must transact. These additional powers here amount to nothing except as they relate to the manner of the transaction of the business.

Mr. FESS. Mr. Chairman, will the gentleman yield there?

Mr. GREEN of Iowa. Yes.

Mr. FESS. In reading section 6 I thought originally that the approval of the Secretary had to go to all the orders included in the paragraph. In rereading it it seems to apply to lines 12 and 13.

Mr. GREEN of Iowa. I think the gentleman has on the rereading come to the correct conclusion and the only conclusion that can properly be drawn. Of course, if it applied to all the powers and privileges that are covered by this paragraph, it would be very different, but I can not see how that construction can possibly be put upon it.

Mr. FESS. If it is limited to that, it would not give to the Secretary the power to dominate the board in all matters.

Mr. GREEN of Iowa. No; it would not.

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. WINSLOW. I would like to ask the gentleman if my interpretation, as I shall state it, is correct?

Mr. GREEN of Iowa. Very well.

Mr. WINSLOW. Assuming that the five directors adopt by-laws, and so forth, is it not a fact that, at a later time, if four of them should feel that the by-laws were insufficient and ought to be modified, regardless of their unanimous opinion, the one member could check the amendment or repeal of the whole or a part of the by-laws?

Mr. GREEN of Iowa. The gentleman is correct about that. But, as I said before, that relates only to the time and manner in which the business shall be transacted and not to the business itself.

Mr. WINSLOW. To stick to the point at issue, is it not a fact that the by-laws, when once adopted, can never be amended or repealed unless one man against the other four, if he happens to feel that way, agrees to it?

Mr. GREEN of Iowa. Yes. They could not even be adopted without his assent, but that does not show that the matter is of any importance.

Mr. WINSLOW. Now, under section 3, if this bill passes and that section stands, we shall have five men designated by this act to run the affairs of that $500,000,000 corporation, and has not every one of those five as much responsibility and as much accountability to the Government of this country as any other one?

Mr. GREEN of Iowa. That is perfectly true. But what responsibility attaches to the question of whether or not the board shall meet on Wednesday or Friday? Or what responsibility attaches to it as to whether the order of business shall be, first, the reading of the minutes, or something else?

Mr. WINSLOW. I do not think there is any responsibility as to that.

Mr. GREEN of Iowa. That is all that this provision pertains to. The matter is of no importance except that it makes the transaction of business subject to the convenience of the Secretary and the other demands on his time.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SLOAN. Mr. Chairman, I ask that the gentleman be given three minutes more. I want to ask him a question.

Mr. CANNON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. CANNON. Mr. Chairman, it seems to me that there is no trouble about this bill, if I understand it. I read from section 3:

The management shall be vested in a board of directors.

Who are the directors? The Secretary of the Treasury is one and four are to be appointed.

Now, if you will turn clear through the bill, you will see under section 7 that "the corporation shall be empowered and authorized to make advances on such terms, not inconsistent herewith, as it may prescribe." The Secretary of the Treasury can not make any advances.

Mr. WOOD of Indiana. Read section 6, the last half of it.

Mr. CANNON. I will read section 6, page 5:

That the corporation shall be empowered and authorized to adopt, alter, and use a corporate seal; to make contracts; to purchase or lease and hold or dispose of such real estate as may be necessary for the prosecution of its business; to sue and be sued; to complain and defend in any court of competent jurisdiction; to appoint, by its board of directors, and fix the compensation of such officers, employees, attorneys, and agents as are necessary for the transaction of the business of the corporation, to define their duties, require bonds of them and fix the penalties thereof, and to dismiss at pleasure such officers, employees, attorneys, and agents; and to prescribe, amend, and repeal, by its board of directors, subject to the approval of the Secretary of the Treasury, by-laws regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised and enjoyed, and prescribing the powers and duties of its officers and agents.

Now, that is merely to provide as to its general business, its days of meeting, and so forth. Does the gentleman claim that you can make a by-law that will nullify the corporation? If you can, then one of two things ought to be done, or there is but one thing that ought to be done: If the by-laws can overcome all these different sections where the corporation has power to turn down the Secretary of the Treasury, then you had better, if you want to give supreme power to the Secretary of the Treasury, discharge and cut out of the bill these four unnecessary people.

Mr. WOOD of Indiana. Mr. Chairman, will the gentleman submit to a question?

Mr. CANNON. Certainly.

Mr. WOOD of Indiana. If that is all the purpose, then why should the approval of the Secretary of the Treasury be so important with reference to the adoption of the by-laws?

Mr. CANNON. I do not think it is of the slightest importance whether he approves them or not.

There are to be five directors. So far as the by-laws are concerned, they can not be made to conflict with the law, and the law declares all through it that the corporation shall tell when and to whom advances shall be made. It seems to me that we are quarreling about a thing here that does not amount to anything.

Mr. WOOD of Indiana. Does not the gentleman think it is of some importance, when this very section provides that these by-laws shall prescribe the powers and duties of the officers?

Mr. CANNON. As against a positive provision of the law?

Mr. WOOD of Indiana. You must read these different sections together. This section is the one that limits the other sections with reference to fixing the powers of the agents and officers; and under the by-laws that can only be done with the approval of the Secretary of the Treasury, and not a single duty of a single officer can be delegated to him without the approval of the Secretary of the Treasury.

Mr. CANNON. Why, the law itself——

Mr. WOOD of Indiana. That section is the law.

Mr. CANNON. The law itself determines what the corporation shall do.

Mr. WOOD of Indiana. That section is the law with reference to that.

Mr. CANNON. Even if the gentleman were correct, the whole act would be construed together.

Mr. WOOD of Indiana. That is what I am asking the gentleman to do.

Mr. CANNON. The whole act must be construed together, and I would be glad to know what members of the committee intended when they said that the corporation shall be empowered and authorized to make advances from time to time, and that the corporation shall be empowered and authorized in exceptional cases to make advances directly to any person, and so on, clear through.

Mr. HELM. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes.

Mr. HELM. It is an old saying, and I think it has its applicability in this case, that a stream can not rise higher than its source. In other words, no by-law that this board can pass can be of superior force or repeal or affect in any way the powers conferred on anyone by an act of Congress.

Mr. CANNON. I quite agree with the gentleman in that. If the Secretary of the Treasury, without action by the corporation, which means three of the directors for a quorum, should authorize an advance you could go into any court and enjoin the advance. I have no doubt about that as a legal proposition.

Mr. HELM. In other words, the by-laws can not exceed the powers conferred by this act.

Mr. CANNON. Precisely. That is the way it seems to me.

Mr. EMERSON. Mr. Chairman and gentlemen of the committee, I intend to vote for this bill, and I do not intend to vote for any amendments unless the same are recommended by the committee reporting this bill.

I have voted for all the war measures recommended by the administration, and intend to do so until this war is fought through to a successful conclusion. It is the only way to win this war. I consider this bill a part of a scheme for the successful prosecution of this war, and it should be supported and will be supported by a great majority of the Members of this House.

This bill is recommended by the great Ways and Means Committee of this House, and I must confess that some of the ablest Members of this House are on that committee. It is their judgment as to what is best under the circumstances.

We will hold the President responsible if this war ends disasterously to this country. We look to him as our constitutional leader in this great conflict.

We should give such power, authority, and means as are necessary to carry on this war efficiently and successfully.

There have been some measures before this House that I did not feel were necessary, but I felt that perhaps those higher up, who were in possession of more information than I, knew better what to do and what was best for the country.

As a Member of this House, I want to do what is best for my country in this crisis, and I am not here to set up my opinions against the combined opinion of any committee that recommends legislation here. I might feel that my ideas were better, but I am willing to yield my personal views on many matters to the combined judgment of this House, or to the President and his Cabinet.

I have on numerous occasions paid my respects to the distinguished chairman of the committee, Mr. KITCHIN, and alongside of him I place the gentleman from Pennsylvania [Mr. MOORE] and the gentleman from my own State [Mr. LONGWORTH]. [Applause.] As I have said, I have voted for all war measures and intend to do so, and I am not going to go through each bill with a fine-tooth comb to see if I can find fault with some part of the bill. All measures depend upon the honest and wise administration of such measures when enacted into law.

We hold this administration responsible, and we will hold it responsible for what is done in this war. We should not hamper the administration in trying to do the things which it deems essential for the successful conclusion of this war, and if this administration fails to so properly advise us, then we will hold the administration responsible. But to growl and whine about this part of a bill or that line or some other word, or this clause is no part of the duty of a Member of this House in this crisis. [Applause.]

Mr. STERLING of Illinois. Mr. Chairman, it is useless for gentlemen to undertake to minimize the importance of the by-laws of a corporation. If what the gentleman from Iowa [Mr. GREEN] has said about the functions of the by-laws of this corporation is true, of course this clause ought to go out. If they simply determine the question of when the board shall hold their meetings and similar questions, the Secretary of the Treasury ought not to be annoyed by it, and the gentleman's remarks answer his own argument. There can not be any serious question about the functions of the by-laws——

Mr. GREEN of Iowa. Does the gentleman think that the Secretary of the Treasury will have no interest in the time when these meetings shall be held?

Mr. STERLING of Illinois. There will not be any dispute on that. Any one of them would agree they should be held when it is convenient for all. These men will be too big to quarrel about that.

Mr. GREEN of Iowa. There will not be any dispute about anything.

Mr. STERLING of Illinois. If the Secretary has the power to make the by-laws, it would be useless for other members of the board to dispute anything.

I have no doubt that all five will agree as to when they shall have their meetings. It is idle for Congress to spend any time on that. The functions of the by-laws of a corporation are well known. They are important. They are the absolute authority for the action of the corporation within the law that creates it. They control the corporation. They are its rule of conduct. Under the by-laws of this corporation the entire scope of their action within this law will be determined. The by-laws will determine the manner in which they shall exercise the power given them by this law. The law provides that the by-laws shall determine the manner in which they shall exercise their powers. This bill expressly says that the by-laws, which must be approved by the Secretary of the Treasury, shall determine the manner in which the corporation shall exercise its privileges under the law.

Mr. SNYDER. Would it not be possible under this grant of power for the board of directors in making up their by-laws to say that the Secretary of the Treasury should have full power to determine who should have loans?

Mr. STERLING of Illinois. I think so. I think they could determine the character of the loans they will make and the character of the securities they will take. I think they could determine those things by their by-laws within the scope of the law.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. GRAHAM of Illinois. In verification of what the gentleman says, section 7 provides that the corporation may be authorized to make advances on such terms as the board may prescribe. Could not the Secretary of the Treasury absolutely dictate that matter?

Mr. STERLING of Illinois. They could prescribe that in the by-laws, and the only limitation would be this law.

Mr. GRAHAM of Illinois. Yes.

Mr. O'SHAUNESSY. Will the gentleman yield?

Mr. STERLING of Illinois. In a moment, please. The gentleman talked about the Secretary of the Treasury being the representative of the Government on this board. He is no more the representative of the Government than every other man on the board.

Mr. SMITH of Michigan. That is correct.

Mr. STERLING of Illinois. The other four men ought to have the same interest in the success of the corporation and the same interest in the relief that it is proposed to offer to the business interests of the country. They will be appointed by the President and confirmed by the Senate, and they will be officers of this corporation. Certainly the President of the United States will undertake to appoint men whom we can trust, and on whom we can rely, just as much as on the Secretary of the Treasury.

I agree with what gentlemen say about Mr. McAdoo. I have a very high estimate of his ability, but he is not the depository of all the wisdom in the country. I dare say that many men can be found and men will be found to go on this board who are just as wise and who have just as much knowledge of the financial needs of the country as has Mr. McAdoo.

Mr. O'SHAUNESSY. Will the gentleman yield now?

Mr. STERLING of Illinois. I will yield to the gentleman from Rhode Island.

Mr. O'SHAUNESSY. Does the gentleman consider the fact that Mr. McAdoo, in addition to being a member of that board, would also be Secretary of the Treasury, and does he consider the duties and responsibilities laid upon Mr. McAdoo as Secretary of the Treasury?

Mr. STERLING of Illinois. As director of this corporation he has no duties to perform as Secretary of the Treasury.

Mr. O'SHAUNESSY. Does he not go in there as Secretary of the Treasury?

Mr. STERLING of Illinois. He is Secretary of the Treasury, and these other gentlemen, or some of them, may have official positions in connection with the Government. But as directors of this corporation they all have duties to perform which are wholly apart from other official duties. It is certainly wise to have the Secretary on the board, because of his superior opportunity to know the condition of the Treasury. He can advise them on that point, but that is no reason he should dominate them.

Mr. SNYDER. Is there anything in the law we are now considering that would made it impossible for the makers of the by-laws to fix it so that one member of that board could not be made the disbursing officer of the corporation?

Mr. STERLING of Illinois. That is a matter that would come within the scope of the by-laws.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. STAFFORD. I ask unanimous consent that the time of the gentleman be extended five minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that the time of the gentleman from Illinois be extended five minutes. Is there objection?

There was no objection.

Mr. LONGWORTH. Will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. LONGWORTH. I think the gentleman's answer to this question will settle the whole discussion. Would the gentleman approve of the adoption of a set of by-laws relating to this corporation which Mr. McAdoo, in the capacity of Secretary of the Treasury, would not approve?

Mr. STERLING of Illinois. Probably not.

Mr. LONGWORTH. That is all there is in this question.

Mr. STERLING of Illinois. No; it is not all there is in this question; because I would probably agree with the Secretary is no reason at all why I should be denied the right to differ with him if my judgment so prompted me. And we must not forget that it is not Mr. McAdoo to whom this relates. It is the Secretary of the Treasury on whom we are conferring power. That is Mr. McAdoo to-day, but who will it be to-morrow? We may be giving to some person, unknown to us all, practical dominion over this corporation which is to control the destiny of the business world. There will probably be no dispute between the other directors of the corporation and Mr. McAdoo as to what the by-laws should be. But the danger is to give this unnecessary power to anybody. If you have four men there, why is not the combined wisdom of all better than the wisdom of one man?

Mr. MOORE of Pennsylvania. The Secretary of the Treasury, whoever he may be, proposes to issue a liberty loan and make a heavy draft upon the public for that purpose. The board of four directors, not including the Secretary of the Treasury, make up their minds to make a large issue of corporation bonds about the same time, at a different rate of interest; does not the gentleman think it is important that the Secretary of the Treasury should be consulted in a matter of that kind?

Mr. STERLING of Illinois. Before I answer let me suggest this question to the gentleman from Pennsylvania. The gentleman agrees that that would be a subject matter to be covered by the by-laws?

Mr. MOORE of Pennsylvania. Not necessarily.

Mr. STERLING of Illinois. I think he asumes that, or his question is not pertinent. I think it would, and it shows the importance of the by-laws. It disposes of the arguments of gentlemen who undertake to minimize the importance of the by-laws.

Mr. MOORE of Pennsylvania. The clause we are discussing is this: "Subject to the approval of the Secretary of the Treasury, by-laws regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised and enjoyed." I submit to the gentleman that in the rate of interest, if there are two conflicting issues of bonds, the rights of the Government, through the Secretary of the Treasury, ought first to be considered.

Mr. STERLING of Illinois. I agree with the gentleman from Pennsylvania, and I desire to say that the four men—the members of the directorate—will have the interests of the Government just as much at heart as will Mr. McAdoo. [Applause.] Gentlemen assume that the four men on the board with Mr. McAdoo are going to be irresponsible men, not men accountable for their conduct, men not faithful to the trust imposed upon them. You have got to assume that when you undertake to say that Mr. McAdoo should control absolutely the methods of the corporation.

Mr. LONGWORTH. Assume that you have got the four ideal men, this is an entirely new proposition, one never before tried; it is a new machine in the history of American legislation. Is it not conceivable that these four men might agree on a set of by-laws which for some reason or other might be very disadvantageous to the interests of the Treasury Department?

Mr. STERLING of Illinois. They might.

Mr. LONGWORTH. All we are providing for is that in that event the Secretary of the Treasury may have the approval of it.

Mr. STERLING of Illinois. Ah, these four men might agree on a set of by-laws that would be very detrimental to the Treasury of the United States, but these four men are just one-fourth as liable to agree on such by-laws as is the Secretary of the Treasury, because they are just as wise as he is; they will know just as well what ought to be done as will Mr. McAdoo. The mere fact that they stand on one side of the proposition and Mr. McAdoo on the other, it does not necessarily follow that they are against the interests of the Government. I am going to assume that the President will appoint four strong, loyal men, and the combined wisdom of all of them should be made available for the success of this law. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MEEKER. I ask unanimous consent that the gentleman have one more minute.

The CHAIRMAN. The gentleman from Missouri asks that the gentleman from Illinois have one more minute. Is there objection?

There was no objection.

Mr. MEEKER. Does not the gentleman think that the argument of the committee all the time is that it is discussing personal legislation, that inasmuch as it happens to be Mr. McAdoo just now, they are willing to go ahead, but to trust four other men not named, they hesitate? What would become of us if Mr. McAdoo died?

The CHAIRMAN. The pro forma amendment is withdrawn and the question is on the amendment offered by the gentleman from Indiana [Mr. WOOD].

The question was taken, and on a division (demanded by Mr. WOOD of Indiana), there were 36 ayes and 73 noes.

Mr. WOOD of Indiana. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers the gentleman from North Carolina [Mr. KITCHIN] and the gentleman from Indiana [Mr. WOOD].

The committee again divided; and the tellers reported—ayes 33, noes 83.

So the amendment was rejected.

Mr. DILLON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. DILLON: Page 5, line 3, strike out the words "purchase or" and also the words "and hold or dispose of."

Mr. DILLON. Mr. Chairman, this amendment seeks to eliminate the power to buy and purchase real estate, but it retains the right to lease property for the purposes of the bill. This being an emergency measure and the corporation may commence liquidation within a few months, I think we ought not to grant the power, because there is no need of buying real estate.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DILLON. Yes.

Mr. MOORE of Pennsylvania. Has it occurred to the gentleman that in the course of its business, some of which will undoubtedly include the acquisition of real estate, some of which may have to be purchased in the course of the business, it would be wise to keep that purchase clause in the bill? For instance, a loan is made to a concern which is unable to make good and a sheriff's sale may result. The property would have to be turned over.

Mr. DILLON. Yes; but that does not reach the point that I am making. The point that I am urging is that it is for the purpose of conducting the business. The point the gentleman refers to would be a mere incident that would grow out of the loan-making power. I do not seek to reach that question, but why should this Congress grant power for this temporary purpose and allow the corporation to purchase real estate all over the country? They can rent the real estate. They can rent whatever may be necessary for conducting the business, but there is no necessity to go out and buy real estate for the conduct of this corporation business, and this power ought to be eliminated.

Mr. MADDEN. Mr. Chairman, I rise in opposition to the amendment. It seems to me that to own real estate may be one of the vital things in connection with the conduct of this organization. It may advance money and be compelled to take real estate to satisfy the loan. If it should take it, it ought to have the power to lease that real estate while it conducts the business of the corporation. Then it ought to have the power to dispose of the real estate that it takes, and to eliminate this language from the section now under consideration would be to restrict the right of the corporation to protect the interests of the country whose money it is using in the conduct of the corporation's business. What we should do is to broaden the power of the corporation rather than to restrict it. We ought to give the corporation every power necessary to recoup on any loans that it may make. It will have undoubtedly the right to foreclose if it should take a mortgage.

Mr. DILLON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. DILLON. My amendment does not seek to reach the question of foreclosure. That is a mere incident. It follows that the Government would have the right, the corporation would have the right, to take over the titles, but I have

reference to purchases for the purpose of conducting this business.

Mr. MADDEN. This language does not mean that at all, in my judgment. The purchase may mean the right to acquire title. That would be classed as a purchase, and the acquisition of the title would be to protect the interests of the Government against loss on any loan that the corporation may make.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. McKENZIE. If the stories that we have been hearing about rents in the District are true, does the gentleman not think, in order to protect the Government, that we ought to give them the power to condemn as well as to purchase?

Mr. MADDEN. We ought to give them any power that may be necessary to conduct this business without loss. While I am on my feet talking about purchase I hope I shall not be considered as going outside the field of discussion when I say that I do not think we would have any such trouble as we have now in the District if we should make the headquarters of the Food Administration and several other administrations elsewhere than in the District of Columbia.

We ought to have established the headquarters of a lot of these bureaus in other sections of the United States where rents are cheap, where people can be found to work, and not center all of the activities of the Government in the city of Washington, where there is no place to house those that come and where rents are exorbitant, and where there is a disposition on the part of the people of the city of Washington to impose upon the Government. Men and women are idle everywhere else in the United States; buildings are idle, easy to obtain at normal rents, and the people everywhere in the United States would be glad of an opportunity to work, and I commend to the executive authorities of the Government the suggestion of dividing these activities of the Government among the great cities of the country, so that all sections of the country will have an opportunity to contribute to the war and to its success and not impose these unusual burdens on the people of Washington, who seem to take affront at having them here.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. MEEKER. If we should scatter these around, the chief job would be for the poor people to haul the bonds, and that would give labor to the common laborer.

Mr. MADDEN. I can not quite grasp the purpose of the gentleman's question, but I am sincere in my suggestion that we ought to distribute the activities of the Government throughout the country and not try to center them all in the city of Washington. There are a great many bureaus here that are not needed here. They might just as well be anywhere else. They would perform better work somewhere else and we would get better results.

Mr. MOORE of Pennsylvania. Does not the gentleman think we could actually reduce rents in Washington if we distributed some of the governmental work now centered here somewhere else?

Mr. MADDEN. We would reduce the rents and find opportunity for housing people here on reasonable terms. We would reduce the cost of food; we would find employment in other sections of the country for people who are now idle; and we would prevent the necessity for transporting people from every section of the country to Washington, and we could transact our business by mail with the headquarters of these different bureaus distributed all over the United States.

Mr. ROBBINS. Will the gentleman yield?

Mr. MADDEN. And that is where they ought to be. If an activity is one that can carry on its work successfully in New York City, that is where the bureau ought to be; if it is in Chicago, that is where the bureau should be; if it is in Denver, that is where the bureau should be, and so on all over the United States, and what I am saying now is said with the hope that those who are in the responsible charge of the Government will take notice of it and try to so distribute the war activities of the country as to impose the least possible burden upon the Government, facilitate the transaction of the Government's business, and at the same time lighten the burden upon the people.

Mr. ROBBINS. Will the gentleman now yield for a question?

Mr. MADDEN. I will.

Mr. ROBBINS. Does not the gentleman know in the city of Pittsburgh there is a large building devoted to the Bureau of Mines that could well house the Mining Department?

Mr. MADDEN. Yes.

Mr. ROBBINS. And in the city of Chicago there is a building for the Food Administration——

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. I would ask for two minutes additional.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. I know there are buildings everywhere throughout the United States except in Washington. Here there seems to be a combination of owners of property who are imposing upon the Treasury of the United States by charging exorbitant rents; and while we have to build temporary buildings here we might just as well put them somewhere else. We are expending millions of dollars for the construction of those buildings, not one dollar of which would need to be expended if we would give proper consideration to the questions involved. We will have a bill here in a few days—a housing bill for the city of Washington, to accommodate those who have come here. We would not need to expend that money and make that charge against the people of the United States if we used wisdom in distributing the activities throughout the United States. I call the attention of the House to this because I believe it is important. It should have been done from the start, but it is not too late, for we are going to have more and more people called from every section of the country into these activities, and we ought to put them at work where they live rather than bring them here where they will not have a chance to live on what they get. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. KITCHIN. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment proposed by the gentleman from South Dakota.

The question was taken, and the amendment was rejected.

The Clerk began the reading of section 7.

Mr. ROBBINS. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. ROBBINS. To offer an amendment to this section.

The CHAIRMAN. The gentleman will wait until the section has been concluded.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONGWORTH. Is this bill being read by paragraph or section?

The CHAIRMAN. By section.

Mr. LONGWORTH. Then we have not yet concluded the reading of the section.

Mr. KITCHIN. The gentleman can offer his amendment after the completion of the reading of the section.

Mr. LONGWORTH. But we have not read the section.

The CHAIRMAN. The Chair so held.

The Clerk read as follows:

SEC. 7. That the corporation shall be empowered and authorized to make advances, upon such terms, not inconsistent herewith, as it may prescribe, for periods not exceeding five years from the respective dates of such advances:

(1) To any bank, banker, or trust company, which shall have made since April 6, 1917, and which shall have outstanding, any loan or loans to any person, firm, corporation, or association, conducting an established and going business in the United States, whose operations shall be necessary or contributory to the prosecution of the war, and evidenced by a note or notes, but no such advance shall exceed 75 per cent of the face value of such loan or loans; and

(2) To any bank, banker, or trust company, which shall have rendered financial assistance, directly or indirectly, to any such person, firm, corporation, or association by the purchase since April 6, 1917, of its bonds or other obligations, but no such advance shall exceed 75 per cent of the market value of such bonds or other obligations at the time of such advance, as estimated and determined by the board of directors of the corporation.

All advances shall be made upon the promissory note or notes of such bank, banker, or trust company, secured by the notes, bonds, or other obligations, which are the basis of any such advance by the corporation, together with all the securities, if any, which such bank, banker, or trust company may hold as collateral for such notes, bonds, or other obligations.

The corporation shall, however, have power to make advances (a) up to 100 per cent of the face value of any such loan made by any such bank, banker, or trust company to any such person, firm, corporation, or association, and (b) up to 100 per cent of the market value at the time of any such advance (as estimated and determined by the board of directors of the corporation) of such bonds or other obligations by the purchase of which financial assistance shall have been rendered to such person, firm, corporation, or association: *Provided*, That every such advance shall be secured in the manner described in the preceding part of this section, and in addition thereto by collateral security, to be furnished by the bank, banker, or trust company, of such character as shall be prescribed by the board of directors, of a market value, at the time of such advance (as estimated and determined by the board of directors of the corporation), equal to at least 33 per cent of the amount advanced by the corporation. The corporation shall retain power to require additional security at any time.

Mr. ROBBINS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 6, line 2, after the word "business," insert "or a business about to be established."

Mr. ROBBINS. Mr. Chairman and gentlemen of the committee, the purpose of this amendment is quite obvious, because the way the bill reads there are but two classes of corporations that can have the benefit of it. The first are the corporations that have an established business and corporations that have a going business; in fact, it is really one class of corporations. If this war has developed anything more prominently than another it is the new inventions that have been brought forth; as for instance, the Browning gun, the explosive shell, the deadly gas, the improvements of undersea craft, improvements of the aeroplane, and so forth. Now, if an improvement of that kind is brought forth and patented, a genuine invention that it is believed will be to the benefit of this Nation in the war, this War Finance Corporation can not advance the money to a bank or trust company that has taken the paper or notes of the proposed corporation that is to be organized to put that new invention on the market, because it must be a "going business," it must be an "established corporation" before any advances can be made to it. Now, I do not know that there ought to be any objection to that provision being in this bill. It surely should not be limited, because it is a war measure, it is for the purpose of helping us to win this war, and why should we limit and restrict it to that class of inventions that are already established and not allow its benefits to be used for inventions that may be developed during the war for the use and benefit of the war.

Mr. JOHNSON of Washington. Will the gentleman yield for a question?

Mr. ROBBINS. I will.

Mr. JOHNSON of Washington. There is some business man out in the district I have the honor to represent who would like to put up and can whale meat, which is quite common. Would he be entitled to come in if the gentleman's amendment is added to the bill?

Mr. ROBBINS. Well, this corporation is to be handled by a board of five directors, four appointed by the President and one is the Secretary of the Treasury, and all of these inventions that present their paper for discount or ask credit are to be passed on by this board of directors. I think that is the purpose of the amendment. We can not legislate here as to what character of paper is to be taken. That is the business of the board of directors. The bill authorizes its directors to make by-laws and rules to govern its proceedings.

Mr. McKENZIE. Will the gentleman yield?

Mr. ROBBINS. I will.

Mr. McKENZIE. Does not the gentleman believe that if his amendment were adopted that it will absolutely destroy the very purpose of this bill?

Mr. ROBBINS. Why, no; it will only add to it another class of business, namely, new inventions that are about to be manufactured to the list that may be aided. It is to develop a new kind of enterprise that is not now established and a new product not now being made. Now, I do not quite agree with the chairman of this committee as to the operation of this bill. This bill is going to work inflation. If you will turn to the testimony that was given before the committee you will find, on page 64, the evidence of Mr. Warburg as to how this corporation is going to work. The purpose of this corporation is to advance bonds in exchange for the paper and bonds that are taken by this Federal aid corporation in helping companies that are engaged in making war munitions or connected with furnishing activities of war.

These bonds will be taken by banks, but no bank can take and invest all its money in bonds. It would have to close its doors. It would be compelled to suspend payment. What do they do? They take the bonds of these banks and trust companies that received them from war industries and take them for discount to the Federal reserve banks, and receive therefore Federal reserve notes and put them into circulation.

Mr. MADDEN. Not on the bonds.

Mr. ROBBINS. On the bonds or the paper of the banks together, no matter what it is. The thing that I inveigh against here, and the danger I see in enacting this law, is the great inflation that is going to result by the large increase of Federal reserve bank notes in actual circulation.

Mr. STAFFORD. Will the gentleman yield?

Mr. ROBBINS. I have not much time to yield in five minutes. But I do not want to be discourteous to the gentleman, and therefore I will yield.

Mr. STAFFORD. I understand the argument of the gentleman to be that if these inventors who are seeking to have their inventions floated by local capital can not secure support from the local banks they should come to this national bank?

Mr. ROBBINS. Under this clause of the bill they must go to local banks.

Mr. STAFFORD. As I understand the gentleman's argument, he would come to the relief of such noted inventors as Mr. Giragossian?

Mr. ROBBINS. I do not consider him a noted inventor. I do not know what he has invented. I mean by the amendment I offer only inventions of merit, the actual manufacture of which has not been begun on a large scale.

Mr. STAFFORD. Nobody else does.

Mr. MOORE of Pennsylvania. Has the gentleman read section 9?

Mr. ROBBINS. Yes.

Mr. MOORE of Pennsylvania. That relates to exceptional cases that I think would cover his point.

Mr. ROBBINS. I did not so understand it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ROBBINS. Mr. Chairman, may I have two minutes more?

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent for two minutes more. Is there objection?

There was no objection.

Mr. ROBBINS. In the hearings this was a question that was asked about the expansion. Senator GORE asked:

It could only be used by the Federal reserve bank as collateral?

Mr. Warburg answered:

Yes, sir.

Then Senator SMOOT asked this question:

Now, when these banks take $500,000,000 of those bonds they, no doubt, will go to the Federal bank and get currency on that $500,000,000?

To which Mr. Warburg replied:

They might not get currency. They might want credit.
Senator SMOOT. Suppose they do get it?

To which Mr. Warburg replied:

Yes.
Senator SMOOT. Suppose they do get it; then, when issued, there is that much inflation of the currency.
Mr. WARBURG. Expansion.

They would get this $500,000,000 in these reserve notes, which would be added to the circulating medium of the United States. In the last statement of the Comptroller of the Currency, which I have in my hand, under date of March 2, 1918, as compared with March 1, 1917, we find that these Federal reserve notes have this year expanded to $1,442,088,335 in this country. On the 1st of March, 1917, there was only $338,934,225, and on the 1st of March, 1918, there was $1,442,088,335, or over a billion of expansion of our credit during the past year. Just think of this! If this wild inflation goes on—and somebody has well said that the printing presses are still running down at the other end of Maryland Avenue—and we adopt the scheme proposed in this bill, as Mr. SMOOT and Mr. Warburg say in their testimony, we would have "inflation" of the wildest kind. We are by this bill proposing to allow borrowers to take these bonds from the Federal aid corporation, take them around to the Federal reserve bank, and get Federal reserve notes for them, and put these notes in circulation. Therefore, gentlemen, we are going to have "expansion" here that may, unless restrained by the directors, bring on all the ills that expansion has always brought in this country—panic, financial distrust, and financial ruin.

But in explaining the fact that this corporation may lead to "inflation and expansion," as Mr. Warburg characterizes it, it must be understood that it is essentially a piece of war legislation and therefore must be enacted into a law. This, then, is war legislation and is to remain in force during the war only.

On page 64 of the hearings before the House committee Mr. Warburg makes this statement:

We are just now in a terrific state of inflation, worst that the world has ever seen, taking the world as a whole—not the United States, but the world as a whole.

Therefore the situation that confronts the United States is not different from that which confronts other commercial nations.

This bill is being enacted to meet a crisis that now confronts us.

In the first place, we have a large number of banks that are carrying the paper of corporations engaged in the manufacture of war materials. These corporations are solvent, but they are not able to pay their maturing debts as they fall due. Under the operation of the War Finance Corporation these banks carrying company loans can apply for relief to the War Finance Corporation and secure from that corporation against the pledge of utility or corporation bonds and notes of the member bank

an equal amount of short-term bonds of the War Finance Corporation. The utility corporation would turn over its bonds for each of the maturing obligations delivered by the borrowing bank. In that way either the holder of the maturing obligation would receive in the form of securities guaranteed by the bank or the bank would receive the War Corporation bonds for the bonds of the borrowing companies that it had deposited. The banks could take these War Corporation bonds in turn and deposit them with a Federal reserve bank and get securities or Federal reserve notes, which are a circulating medium, in exchange therefor.

The Federal reserve notes are based on 40 per cent gold reserve and 60 per cent commercial paper, or, in this case, the notes of the borrowing bank would be perfectly secure. The safeguard against this inflation would be that the reserve notes could only be issued to the extent of the gold reserve held by the Federal banks; and while it is true the free gold is constantly diminishing, yet the limit at this time is two and one-half billion dollars, and beyond that there could be no inflation. The strict compliance with the law under which the Federal reserve banks operate is our only safeguard against inflation.

Inflation to that extent at this time of business activity would be about what the country could stand without overstraining our credit system.

The second class of borrowers, of course, are the savings banks, which are provided for in section 8 of the bill, and this provision is a very salutary one, because the liberty bond sales have caused large withdrawals of the deposits in these institutions, and if the next loan is to be floated at 4½ per cent the depositors in savings banks who receive but 4 per cent for their money will quickly convert their savings into liberty loan bonds, and this will drain the savings banks of their deposits.

Savings banks, to preserve their liquid capital, can take securities that they have to the Federal War Corporation and quickly obtain from it bonds, which they could in turn deposit in the Federal reserve bank and secure Federal reserve circulating bank notes therefor. In this way the solvency of our savings banks, which are very extensive, and all other institutions operating like them, will be preserved, and their capital, surplus, and deposits practically guaranteed.

This second great benefit to be derived from this corporation far overbalances any danger from "inflation and expansion." We have come to a time in this war when every step necessary, financially and otherwise, must be taken to prepare our Nation, equip our Army, and sustain our gallant soldiers who are fighting in Europe.

No one can halt now to speculate on events that may never happen. We are in the presence of a foe that menaces our liberties and our entire fabric of government and also organized society. Our soldiers have gone forth and are going forward to offer their lives in our defense and in the defense of our flag.

I have voted since the declaration of war for every measure that would protect our troops and assist in any way toward winning the victory over the Germans and the central powers. The administration wants this bill and deems it necessary to that end.

The President has asked its enactment by a letter to one of the members of the committee, and I shall zealously and earnestly support it, believing, as I do, that I am sustaining the President and the Government in taking another step forward in the direction of a complete victory for our boys in the trenches and for our flag on land and sea.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, it may be that I do not have a clear conception of the purpose of this bill, but, if I do, then surely the amendment proposed by the gentleman from Pennsylvania [Mr. ROBBINS] will absolutely destroy every particle of virtue there is in this proposed law.

He speaks about inflation. If his amendment is adopted and every new concern in the country that may be organized by a lot of promoters shall be permitted to come to the Government of the United States to get their project financed, God knows where the end would be of a proposition of that kind.

Mr. Chairman, I want to say that I am for the policy underlying this bill from, the very bottom of my heart. It may be that the bill is not properly drawn in every particular. There is no doubt but that the committee has amended it very wisely. I think they have acted judiciously when they have undertaken to throw around the financial institutions of this country, or, rather, the finances of the people, every safeguard that is possible. It is perfectly right and proper that the minority at all times should be jealous of the rights of the people when the majority undertakes to legislate, and should not spare criticism when justified by the facts. This bill is simply an emergency measure to tide the Government through this great crisis of war. How tide it through? By controlling the credit of the country, as proposed in the bill, by organizing a corporation into which shall be put $500,000,000 capital stock and authority to sell bonds of the corporation to the amount of $2,000,000,000 to replenish from time to time the fund of $500,000,000; to incidentally take care of the industries, the lines of business, that are necessary to help win this war, but primarily to control credits and absolutely prevent the diverting of the finances of the country in every direction into the hands of men and corporations who are not so patriotic but that they would exploit their Government and the people in time of war.

And again the purpose of this legislation is to invite the money of the people into this one great channel flowing toward the Treasury of the United States whereby the President and those under him, provided for in this legislation, may control the finances of the country in such a way that we can sell our bonds and furnish all necessary material and equipment and pay the soldiers who are fighting the battles of our country. [Applause.] And I as a Republican, forgetting all partisanship, feel that we must at this time trust the men that are at the head of the Government to administer this legislation wisely If they do not, if they fail in this hour of the Nation's great trial, then they will be overthrown the first time the people have an opportunity to get at them. For the time being we must trust them. I shall vote for the bill cheerfully, because I believe it is one of the necessary things we must have to safeguard the very liberty of our country in this hour. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment proposed by the gentleman from Pennsylvania.

The question was taken, and the amendment was rejected.

Mr. PHELAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. PHELAN offers to amend by striking out line 23, page 5, and inserting in place thereof the following: "(1) To any bank or trust company established under the laws of the United States or any State thereof, or to any banker who is a citizen of or is doing business in the United States."

Mr. PHELAN. Mr. Chairman, the purpose of this amendment is to limit the banks and bankers who can get accommodations from the Finance Corporation to those doing business in the United States and those established under the laws of the United States or any State. As the bill is written, if I interpret it correctly, there is no limitation. The War Finance Corporation could loan money to a Canadian bank or to a bank in any other country in the world. That ought to be amended.

Mr. FESS. Why do you say "banker," using the term "banker"?

Mr. PHELAN. I am coming to that in a moment.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. PHELAN. Yes.

Mr. GARNER. Has the gentleman read the entire paragraph?

Mr. PHELAN. I have; but I may have missed something about it.

Mr. GARNER. I call the gentleman's attention to line 4, page 6, "conducting an established and going business in the United States, whose operations shall be necessary or contributory to the prosecution of the war." That would confine it to the United States.

Mr. PHELAN. That refers to firms, corporations, or associations. Those are war industries, the public-utilities companies, or something of that sort; but there is nothing in this bill, so far as I know, to limit the banks that can get accommodations under this proposed law to the banks of this country. I think there ought to be that limitation.

Mr. GARNER. The description of this banker is very plain. It is to "any bank, banker, or trust company, which shall have made since April 6, 1917, and which shall have outstanding any loan or loans to any person, firm, corporation, or association, conducting an established and going business in the United States."

Mr. PHELAN. Yes. It is possible that the Canadian banks might have loaned a good deal of money up in Detroit, for example, or some place like that.

Mr. GARNER. I do not know of any bankers making loans to the United States.

Mr. PHELAN. Well, since we do not know, it is only safe to put in this limitation.

Now, there is another item, however, that I would like to ask the committee about. You have the word "banker" there

now. If the word "banker" there means what it seems to mean, it means that J. P. Morgan & Co., or Kuhn, Loeb & Co. can get accommodation from this corporation. In other words, while you put a restriction around the corporation and say that only in such exceptional cases can the banking organization get accommodation from the War Corporation, a bank or banker can get the same terms as a national bank or State bank. Probably the committee has good reason for putting in the word "banker," but if the committee intends that the private bankers shall have the same accommodations as the banking associations and trust companies, we ought to say "banking firm, partnership, or bankers," because as the bill reads, I believe it would be construed to refer to a single individual. Is it intended to give this accommodation to private individuals?

Mr. KITCHIN. Yes; if they have made loans.

Mr. PHELAN. Should you not insert "banker or concern"?

Mr. KITCHIN. No; "banker or trust company." If you will notice the testimony of Mr. Warburg, we went into that and raised that very question that the gentleman raises. We concluded that this would cover all private bankers and banks and banking institutions not organized as associations. We looked into that.

Mr. PHELAN. I think that ought to be put in.

Mr. KITCHIN. I have no objection, and I do not think the committee has, to adopting substantially the suggestion of the gentleman from Massachusetts by putting in on line 23, on page 5, after the word "company," the words "organized or established under the laws of the United States or any State thereof."

Mr. PHELAN. The same amendment ought to be made on page 6, line 7.

Mr. KITCHIN. "Any bank, banker, or trust company, established under the laws of the United States or any State."

Mr. GLASS. It should not say "establish a banker" or "organize a banker." God Almighty established him.

Mr. GARNER. You say "in the United States"?

Mr. KITCHIN. Yes; say "in the United States." Of course, a foreign banker may doing business in the United States. Say "any bank, banker, or trust company in the United States."

Mr. STAFFORD. That would not cover the objection of the gentleman from Massachusetts [Mr. PHELAN]. It would allow these loans to be made to branches of Canadian banks.

Mr. KITCHIN. Such a bank might be doing business in the United States.

Mr. STAFFORD. The actual location would be in the United States, but their organization and capitalization would be in a foreign country. What objection has the gentleman to the language suggested by the gentleman from Massachusetts?

I ask unanimous consent, Mr. Chairman, that the amendment offered by the gentleman from Massachusetts may again be read.

Mr. KITCHIN. To "any bank, banker, or trust company in the United States which shall have made since," and so forth.

Another thing, while we do not intend it, when we really consider the proposition, why should we not accommodate the Canadian banks? What objection is there to it if a Canadian bank is willing to lend money to help a war industry in this country and put up its credit and its security and buy one of these corporation bonds? We are not going to limit the sale of corporation bonds to banks of the United States. We are willing to allow the Canadians to buy our bonds.

Mr. PHELAN. It is not a question of buying our bonds. It is a question of advancing money to them.

Mr. KITCHIN. They are advancing it. They must put up the security.

Mr. STAFFORD. As I understand this bill, we want to help the industries of this country that are necessary to carrying on the war. That is a big enough job of itself.

Mr. KITCHIN. Yes.

Mr. STAFFORD. We are not concerned in trying to advance the industries that are established in Canada or foreign countries.

Mr. KITCHIN. If the gentleman would just read the bill, he would see that there is no necessity of that, because this bill in two or three places specifically confines the war industries. They must be war industries whose operations are in the United States—existing in the United States, and not a foreign corporation.

Mr. STAFFORD. What objection has the gentleman to the language offered by the gentleman from Massachusetts [Mr. PHELAN]?

Mr. KITCHIN. I have no objection to the substance of it, and this provision will get the substance of it. The gentleman from Massachusetts [Mr. PHELAN], I believe, will agree that this is the substance of it, to put in after the words "trust company" the words "in the United States."

Mr. PHELAN. I think that will cover it, because I think no foreign banks can do business in the United States.

Mr. KITCHIN. Then, another thing: Adding the words "In the United States" will mean the same thing, because they will be doing business under the laws of the United States. If a Canadian bank were doing business in this country, it would have to get the privilege of doing business here from some State. They would have to be organized under the laws of the United States or some State, and it would be the same thing identically.

Mr. LONGWORTH. Mr. Chairman, I think the amendment is without merit. I see no possible objection to loaning money to a Canadian bank, a branch of which has loaned money to a going concern engaged in war industry in the United States.

Mr. KITCHIN. I really see no objection to it, because they are using their credit to help our war industries.

Mr. LONGWORTH. The cases will probably be very rare. I doubt whether there will be any such case, but if there is any such, what objection is there to our doing this?

Mr. KITCHIN. I am willing to accept that amendment, because cases of that kind are going to be very few and far between.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. PHELAN].

Mr. KITCHIN. I move to insert, in line 23, on page 5, after the word "company," the words "in the United States."

The CHAIRMAN. Is that offered as a substitute?

Mr. PHELAN. I am willing to withdraw my amendment.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Massachusetts will be withdrawn. The gentleman from North Carolina offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KITCHIN: Page 5, line 23, after the word "company," insert the words "in the United States."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The amendment was agreed to.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word, merely for the purpose of calling the attention of the gentleman from North Carolina to page 6, line 7.

Mr. KITCHIN. I have a note to offer the same amendment there, and if the committee will permit me I will make that motion now. I move on page 6, line 7, after the word "company" to insert the words "in the United States."

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KITCHIN: Page 6, line 7, after the word "company," insert the words "in the United States."

The amendment was agreed to.

Mr. STERLING of Illinois. Mr. Chairman, I want to ask the chairman of the Committee [Mr. KITCHIN] a question. Does he not think that the word "banker" in that same line should be changed to "banking house"? "Banker" means an individual.

Mr. KITCHIN. The gentleman will recall that we had this very matter up in the committee during the testimony of Mr. Warburg.

Mr. STERLING of Illinois. I remember it.

Mr. KITCHIN. In fact, the gentleman himself asked the question.

Mr. STERLING of Illinois. Yes; I remember it.

Mr. KITCHIN. And he said that "banker" would, of course, include a firm of bankers like J. Pierpont Morgan & Co., or would include one individual banker, and I should think, myself, that it would.

Mr. STERLING of Illinois. I remember what Mr. Warburg said about it, and I made just this point, that the word "banker" could apply to an individual. He might have acted in his individual capacity, not as a banker, and still the use of that word there would cover that act. As I further remember, I think Mr. Warburg said it might be better to substitute the words "banking house." I am not sure about that.

Mr. KITCHIN. If the gentleman will allow me——

Mr. STERLING of Illinois. I am not going to make any motion.

Mr. KITCHIN. I think the distinction is this: When you say "bank, banking institution, or trust company," you mean an organized, chartered company.

The word "bank" includes a private banker. I know that is so in my State, for I was at one time a bank examiner for State banks.

Mr. McFADDEN. Does the word "banker" include member banks of the Federal Reserve System?

Mr. KITCHIN. Yes; I think that would cover them.

Mr. McFADDEN. Cover the member banks?

Mr. KITCHIN. Sure; any bank or banker.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

Mr. MORGAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 6, line 5 after the word "notes," insert the following: "including short-term loans made for agricultural purposes, the proceeds of which have been used to purchase seed or otherwise directly to increase food production."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the amendment.

Mr. KITCHIN. I hope the gentleman from Wisconsin will withdraw that and let the gentleman have it out.

Mr. STAFFORD. Mr. Chairman, in deference to the chairman of the committee I withdraw the point of order.

Mr. MORGAN. Mr. Chairman, if there is one thing more important to the Nation at this time than any other, it is that we should be able to increase our food production that we may supply ourselves and our allies with sufficient food. I call attention to the fact that this amendment is restricted in its application. It only covers loans to banks that have made loans to aid in purchasing seeds, or for a purpose which has directly contributed to increased food production. I ask that the amendment be again read. I want you to clearly understand it. Then I want to know whether or not you will turn down this proposition.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection, and the Clerk again reported the amendment.

Mr. WINGO. Will the gentleman yield; I am in sympathy with the gentleman.

Mr. MORGAN. I want the gentleman's vote as well as his sympathy.

Mr. WINGO. I want to call the gentleman's attention to the fact that that class of paper is now eligible for rediscount by the Federal reserve bank under existing law. Why does the gentleman want to repeat the present law?

Mr. MORGAN. I am surprised that the gentleman from Arkansas should make such a statement because he certainly knows that the Federal reserve banks are not rediscounting the notes of the farmers made for such purposes.

Mr. WINGO. The gentleman does not want to let that statement stand. Will the gentleman name one single reserve bank that has refused to rediscount agricultural paper?

Mr. MORGAN. Can the gentleman tell me how many million dollars' worth of that kind of paper the entire reserve system has discounted?

Mr. WINGO. I am not interested in the statistics, but in practical relief.

Mr. MORGAN. While the Federal reserve act does make agricultural paper eligible for rediscount at the Federal reserve banks, as a matter of fact, if the gentleman had pursued his inquiry he would have found that the Federal reserve banks have rediscounted the notes of farmers only to a limited extent.

Mr. WINGO. Will the gentleman name a single one of the banks in Oklahoma that has had paper of that kind turned down by the Federal reserve bank?

Mr. SNYDER. Will the gentleman from Oklahoma allow me to ask the gentleman from Arkansas a question? Do I understand the gentleman from Arkansas to say that the Federal reserve banks are rediscounting unrated agricultural paper?

Mr. WINGO. Not unrated.

Mr. SNYDER. Where do they get the rates from?

Mr. WINGO. The Federal Reserve Board has made farmers' notes eligible for rediscount at the same rate as commercial paper for the same time, and they are now being rediscounted from Oklahoma in the Federal reserve bank at Kansas City.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. MORGAN. Mr. Chairman, I ask unanimous consent that I may proceed for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MORGAN. I have not the statistics at hand. I do know that the Federal reserve banks confine their discount business almost entirely to rediscounting what is known as commercial paper, and that term is well understood among bankers and the commercial world. The ordinary notes given by farmers to purchase seed, to buy implement and stock animals, or used to pay for improvements on land, or to employ labor, and to meet the household wants, covering 90 per cent of the loans obtained by farmers, are not commercial paper, and are not eligible for rediscount at the Federal reserve banks. The agricultural paper accepted by the Federal reserve banks for rediscount is paper based upon transactions where agricultural products are the basis of a commercial transaction. Exporters, grain buyers, shippers, and middlemen, dealing in agricultural products, no doubt make notes eligible to rediscount by the Federal reserve banks. But the note of the average farmer is not commercial paper, and banks holding such paper can not use it at the Federal reserve banks. Now, the purpose of this corporation is to create an institution that may make advances to banks which have made loans to persons and corporations whose notes are not commercial paper. The corporation is to rediscount paper like the bulk of notes given by farmers, which is not commercial paper. I do not want any misunderstanding about this matter. I want the law made definite, specific, and certain. I do not want the rights of the farmers or the opportunity to increase food production to depend upon a construction of the statute. I want to make it plain that this big corporation, endowed by the Government with $500,000,000 capital and given extraordinary powers, shall not confine its benefits to the big commercial and manufacturing corporations, to the railways, public-utility companies, and savings banks. If there is any way that this war-finance corporation can contribute to increased food production, I do not want to see it refraining from action by reason of doubtful authority.

Mr. Chairman, I hope no one will interrupt me.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. For just one question.

Mr. PLATT. The gentleman is a close student of finance and of rural questions, as his name indicates, for he is connected with the great Morgan family, but he has also introduced a very important bill for personal agricultural credits, and I want to know, if this amendment be adopted, whether or not it would not interfere with the passage, possibly, of his own bill to provide for personal credits.

Mr. MORGAN. I thank the distinguished gentleman from New York for his kind personal reference, but here is the point: Secretary McAdoo in the hearings—I can not give the page—was asked the question whether under the provisions of this bill agriculture could be given assistance, and, as I remember it, he expressed himself to the effect that it could. What is the condition to-day in North Dakota? The farmers are called upon to plant an incrased acreage of spring wheat. In certain sections they have not the money to purchase the seed, and, consequently, there will be a limitation on the amount of spring wheat sown. The local banks can not furnish the necessary seed. My colleagues from Oklahoma know well that in the western part of Oklahoma last year there were a number of counties in the same condition, when an increased acreage of wheat would have been sown if there had been some way whereby the local banks could have furnished the money to purchase seed. There is nothing improper about this amendment. It is confined simply to where banks have made loans for the purpose of purchasing seed or in a way that will directly increase food production. Oklahoma and North Dakota do not alone suffer occasionally from crop failures. Why is it that this great corporation which we are creating, and I think wisely, should not have the power, in its discretion, to help out the banks in any locality where it is necessary to have increased funds to purchase seeds or to do something else that will directly increase food production?

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. For a question.

Mr. MOORE of Pennsylvania. Does not the bill provide for that very thing?

Mr. MORGAN. Does it? Does the gentleman say that the bill provides that they can make loans to banks and to farmers?

Mr. MOORE of Pennsylvania. That is not specifically stated in the bill.

Mr. MORGAN. That is the point I want to make specific.

Mr. MOORE of Pennsylvania. The bill already gives you that.

Mr. MORGAN. It may be it does, but it does not specifically. I want the banks in agricultural districts to know that when they render financial aid to farmers for purposes which will contribute to larger food production that they can have the assistance of the war finance corporation.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma [Mr. MORGAN].

The question was taken; and on a division (demanded by Mr. MORGAN of Oklahoma) there were—ayes 20, noes 45.

So the amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. I do not want the opportunity to compli-

ment the gentleman from Oklahoma to go by. I know how dear to his heart is the farmer. I know how he labors to obtain seed for the farmer, loans for the farmer, and other things for the farmer that the farmer needs. It might as well be admitted now as at any other time that the farmer has no more devout or devoted friend in this House than the gentleman from Oklahoma, the Hon. DICK MORGAN. In sunshine and in storm he seeks for the farmer those things that an unrelenting Congress does not seemingly yield. He fights on valiantly, confident that the farmers have rights, some of which may be superior to the rights of others. And I predict he will continue his fight until the last drop of blood leaves the veins of his body. But the gentleman can not get away without hearing a few words from the Secretary of the Treasury on this point. The gentleman apparently did not accept my suggestion that this bill provides the very thing for which he contends. He continued his eloquent and earnest plea for seeds and was supported on the vote by dozens of the other farmers' friends, who rose to declare their undying faith in the proposition submitted by the gentleman from Oklahoma. And there are some splendid and stalwart farmers' friends in this House—even from Pennsylvania they joined the cohorts. The bill, I am persuaded, contains what the gentleman wanted—the chance to borrow money for the farmer, for the farmer's seed, for the farmer's machinery, for everything that the farmer needs. But the opportunity to offer an amendment was not to be resisted. See yon gallery filled with admiring farmers, horny-handed tillers of the soil, their plows and harrows idle in the ground, while they listen to this great discussion and see these splendid Representatives rise in their defense. [Laughter.]

But the Secretary of the Treasury was asked about this matter before the Committee on Ways and Means. After all these other institutions were considered, the Secretary was asked this:

Would farmers come in under the scope of this bill, or a farmers' association?

And he answered:

I think farmers would have the right, of course, to apply for relief if they could not get credit through the banks.

Think of it! If the farmer has nothing on which his bank will lend him money except his splendid reputation and his host of congressional friends, he can come in under this bill and still get money.

But—

Says the Secretary of the Treasury—

But farmers are now very well provided for in other ways.

Would you believe it, that the Secretary of the Treasury, also a devoted friend of the farmer, would make such an admission—that the farmer had been provided for in other ways? What if such damning evidence should penetrate the district of the gentleman from Oklahoma or those North Dakota or Pennsylvania districts so happily represented here by the farmers' friends?

The Secretary was asked:

You think farmers have already been provided for through farm-loan banks?

And the Secretary of the Treasury, the friend of the farmer, almost as much a friend as the gentleman from Oklahoma, I would say, said:

Yes. But in an exceptional case—

Think of it, farmers' banks, farmers' appropriations, farmers' agricultural bills. Even these are not sufficient to shut out this new loophole for the wretched, downtrodden farmer.

The Secretary of the Treasury says:

But in an exceptional case a farmer could apply to the War Finance Corporation for relief.

Mr. PLATT. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Is the gentleman a true farmer's friend?

Mr. PLATT. I am, sir. I want to know whether as a farmer I can borrow money from this corporation to buy an automobile? I need one badly.

Mr. MOORE of Pennsylvania. The gentleman can, if he is a friend of the farmer, on proof being made that he needs the automobile for war purposes or that his automobile adds anything to the production of food for our boys "over there." That is all you have got to prove. But it is a poor farmer, indeed, I would say to my friend, who has to ask for an automobile.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Does the gentleman qualify?

Mr. JOHNSON of Washington. Oh, I qualify as an old practical farmer. Does it not say somewhere else in this hearing that all one needs in order to get a loan is a postage stamp? Does not the Secretary say that?

Mr. MOORE of Pennsylvania. I can not say it goes that far.

Mr. JOHNSON of Washington. In the House hearings—I wish I had them here.

Mr. MOORE of Pennsylvania. If a postage stamp will carry proof in this corporation that there is some farmer in the gentleman's State who can not borrow money at a local bank because he has not got anything to offer by way of collateral, and he can prove up that he needs the money for the purpose of raising food for our allies, possibly he could get some of these funds. Now, what more does the gentleman from Oklahoma want? [Laughter.]

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

Mr. NORTON. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 60, line 2, after the word "business," insert "and including all agricultural industries."

Mr. NORTON. Mr. Chairman and gentlemen of the committee, we are always entertained when we listen to the gentleman from Pennsylvania [Mr. MOORE], especially when he discusses agricultural questions and particularly when he discusses the welfare of the farmer. If there is any friend of the farmer in this House, if there is any man in this House who is more deeply interested in the farmer in a way in which the farmer does not care to have men interested in his welfare, it is the gentleman from Pennsylvania. The gentleman says that this bill permits, as it is now written, that loans may be made to farmers. That is true. I think, however, that it is well to write in this bill in specific terms that it is the intent and purpose of this Congress to extend the benefits of this act to the agricultural industries of this country. I believe that it is wise that there be added to line 2, on page 7, after the word "business," the amendment which I have offered, "including all agricultural industries."

I say this from the experience I have had with the Treasury Department and from the experience I have had with other departments of the Government in my endeavors to get some fair consideration for the agricultural interests of the country. While during the past year millions of dollars have been loaned to commercial industries in this country to carry on business connected with the war, I ask you to show me where the Government has loaned any considerable amount of money to the agricultural industries of the country?

Mr. GLASS. Will the gentleman yield? The Government loaned $200,000,000 to them about three weeks ago.

Mr. NORTON. It is true that this Congress passed a bill providing an appropriation of $200,000,000 to be used by the Federal Farm Loan Board, to be loaned to the farmers during the next two years, on the very best security existent in this country. In doing that the Government did for the farmers of this country, for the agricultural interests of the country, for the production of food in this country, very little in comparison to what the Nation has done for the financial, commercial, manufacturing, and shipbuilding interests in the district and the section of the country represented by the gentleman from Pennsylvania [Mr. MOORE], who spoke so patronizingly concerning the farmers. One hundred million dollars or $200,000,000——

Mr. DOWELL. Will the gentleman yield for a question?

Mr. NORTON (continuing). Is simply a bagatelle to what has been spent and to what has been advanced by the Government to industries in the State of Pennsylvania.

Mr. DOWELL. May I ask how much the gentleman from Pennsylvania [Mr. MOORE] has secured from the Treasury of the United States in his district since he has been a Member of this body? Does the gentleman know?

Mr. NORTON. No. But I will say to the gentleman that $200,000,000 in comparison with the amount that has gone in the direction of Pennsylvania since the gentleman from Pennsylvania, who spoke so lightly about the needs of the farmer, has been in this House is a mere bagatelle.

Mr. MOORE of Pennsylvania. Does not the gentleman think it was worth it all?

Mr. NORTON. I think the Hog Island incident that we have heard so much about during the past six weeks——

Mr. MOORE of Pennsylvania. That will be your greatest shipyard.

Mr. NORTON (continuing). May be considered one of those beneficences of big business interests that have come from Pennsylvania to the Nation.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. WINGO. Mr. Chairman, I did not intend to say anything on this bill, but in some parts of the country, especially in the Southwest, there are efforts being made to embarrass the Government by leading the farmers to believe that they are being discriminated against in war activities, which is not true.

I believe that I have shown in a practical way that I am a friend of the farmer, and do not have to introduce bills and offer amendments in order to display that friendship. I should not speak now except that I do not want the farmers who may read the RECORD of to-day's proceedings and the statement of the gentleman from Oklahoma [Mr. MORGAN] to be misled into believing that the class of paper covered by his amendment is not taken care of, when as a matter of fact agricultural notes by existing law have a better privilege than that proposed by the amendment of the gentleman from Oklahoma.

Now, the gentleman says they are not doing it in Oklahoma. He is mistaken about that, and I think if he will investigate he will find the Federal reserve bank in Kansas City, the bank for the district in which Oklahoma is located, has accepted for rediscount all the agricultural notes presented to it from that State, and the long-term agricultural paper that has been accepted in that territory and is now held by the Federal reserve bank of Kansas City amounts to $2,337,000. And the reason they have not got more is because they have not asked for more. And if the farmer of Oklahoma is complaining that he has not been given the short-term credit, or even the long-term credit, up to the limit of the Federal reserve act his local banker is to blame, and he ought to go to him and insist that he take advantage of the law and procure for his farmers funds, which he may do, at 4½ and 5 per cent.

Mr. MORGAN. Does the gentleman understand that when a farmer uses his note for six months to purchase wheat and things of that kind that his paper is subject to rediscount by the Federal reserve bank?

Mr. WINGO. If properly secured and indorsed, it is. If you will read the law, you will find that agricultural paper was given a longer classification than any other class of paper.

Mr. MORGAN. I know the gentleman wants to be right, as I do. I have read these hearings on this bill, and they show, according to Mr. Warburg and Mr. McAdoo, that the Federal reserve banks confine themselves almost exclusively to what is called commercial paper, and they do not use anything else, and the note of the farmer is not commercial paper. The kind of commercial paper used by these reserve banks is the agricultural paper of the shipper. It is not that of the average farmer.

Mr. WINGO. I venture the assertion that not a note of an Oklahoma farmer has been rejected by the Federal reserve bank if it was in due form and properly indorsed and presented for rediscount. But, to the contrary, the bank at Kansas City now holds over $2,000,000 of agricultural notes which it has accepted and upon which Federal reserve notes were issued, or credit given, and at a rate of 5 per cent if due in more than 90 days and 4½ per cent if due in less time. And it does not charge any higher rate of interest upon the agricultural paper from Oklahoma under 90 days than it does on any other class of paper, such as the notes of the merchants and oil dealers. The increase of one-half of 1 per cent is controlled by the element of time, not the fact that it is agricultural paper. I repeat that if the farmers of Oklahoma have not had their notes rediscounted it is the fault of their local bankers, who can take their paper to the Federal bank at Kansas City and get the credit or Federal reserve notes they need.

The gentleman from Oklahoma overlooks the fact that the object of this bill is to take care of that class of securities that we excluded from the Federal Reserve System at the time it was created; that is, long-time investment paper. If the gentleman's amendment had been adopted it would not have added anything to the present law.

The bill as it is drawn now takes care of agricultural paper; and the Federal reserve banks are now under existing law taking care of all agricultural paper that is brought to them, and are taking care of it on the same terms that it gives commercial paper. As I said, the Kansas City bank now holds agricultural paper amounting to $2,337,000; another holds $4,124,000; and still another has $1,744,000; and another $1,217,000; and the reason why they do not hold more is because the farmers' notes in larger volume have not been presented to them. The Federal reserve bank can not go out and compel the farmers to take advantage of the provisions that have been made.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. MADDEN. That shows that the farmers do not need the class of credit the gentleman is talking about?

Mr. WINGO. They do need the class of credit the gentleman suggests, but we have already on short-term notes met their needs to the same extent as other classes. I agree with the gentleman that we ought to go further in establishing a system of short-term rural credits, but that proposition is not involved in this bill. We are dealing here with another proposition entirely.

By the Federal reserve act we provided for a note issue, called Federal reserve notes, against commercial paper running not longer than 90 days, and against agricultural paper due within six months, and such notes are now being issued at the rate of 4½ per cent on both classes of paper running not longer than 90 days, and at the rate of 5 per cent on farm paper running longer than 90 days. Later on, by the farm loan or rural credit act we provided long-time loans for the farmer at a low rate of interest. But under neither the Federal reserve act nor the farm loan act is any provision made for long-time industrial securities, and the object of this bill is to make some provision for such of this class of securities that have been issued by concerns engaged in war activities, but can not get relief because the Government by sale of war bonds has preempted the source of supply which was sufficient during times of peace, and it is to be done by a separate agency to be called the War Finance Corporation. In other words, we propose by this act to give the same relief during the war to long-time paper of war industries that by permanent law we have already given during both peace and war to commercial and agricultural paper. That is all there is to the proposition, and the farmer is not discriminated against by it.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. The question is on agreeing to the amendment offered by the gentleman from North Dakota.

The question was taken, and the amendment was rejected.

Mr. DILLON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DILLON: Page 5, strike out the word "bankers" wherever it appears in section 7.

Mr. DILLON. Mr. Chairman, this brings to the attention of the committee the question of whether the word "banker" should be retained in this bill or not. In section 7 the words "any bank, banker, or trust company" appear six times. It seems to me that the word "banker" ought to be eliminated from this phraseology in the six places where it occurs. The word "banker" means an individual. It is included in the words "bank or trust company." I see no good reason why we should make a special privileged class and allow the banker that special privilege when we deny it to other persons.

Section 9 in this bill allows loans to be made to individuals of every class. Let the banker take his place in section 9. There ought to be no objection to that. I hope my amendment may be adopted.

Mr. KITCHIN. Mr. Chairman, just a word. The gentleman must have stepped out momentarily a while ago, as I discussed this whole question.

Mr. DILLON. I know; but nothing was done with it. We left it in.

Mr. COOPER of Wisconsin. Mr. Chairman, I heard the last half of the explanation of the gentleman from North Carolina, which I could not quite comprehend as to why the word "banker" was left in there.

Mr. KITCHIN. It was done so that private bankers that are not chartered or incorporated, who loan money to these necessary war industries, should have the privilege of these advances. Why should they not?

Mr. COOPER of Wisconsin. Why do not you say it, so that it does not require a technical interpretation? Why not make the language of the statute express clearly and precisely what you mean, using apt language?

Mr. KITCHIN. Because I understand that every man in the banking business, the whole banking world, understands that the word "banker" implies a private banker or a firm of private bankers. That is the distinction made in the Virginia laws and in the North Carolina laws, and Mr. Warburg says that is what is understood in the banking world. He explains that very thoroughly in his testimony. That is the reason why the word "bankers" is put in.

Mr. COOPER of Wisconsin. I think the language should be such as would convey the proper meaning to the average reader. If you go into any town in the country and ask what is this

man's business they will say, "He is a banker." That is what they will say, "He is a banker."

Mr. KITCHIN. Take the Bethlehem Steel Works, and the question is asked, Who is Mr. Schwab? and the reply is that he is a steel manufacturer. Let me say to the gentleman that we are using the technical language, the intelligible language, the usual language that is used in all banking circles.

Mr. COOPER of Wisconsin. You say that a man is a merchant because he conducts a business of buying and selling goods. A man is a banker if he is president of a national bank—that is his business.

Mr. KITCHIN. He is in the banking business; he is an officer of the bank.

Mr. COOPER of Wisconsin. Then why do not you use the language in full in your statute which you referred to a moment ago and say "a person conducting the business of a private banker"?

Mr. KITCHIN. I do not think that it would add to it at all. I think it is so well understood by all who would deal with the concern, all who would construe the language, that there is no use of adding to it. I see what the gentleman is trying to get at.

Mr. O'SHAUNESSY. I think that the gentleman from Wisconsin is identifying the man in the banking business or corporation or firm engaged in a general banking business, while the gentleman from North Carolina refers to the man who would be a banker, although in a subordinate capacity; but the fact is he would not be loaning money.

Mr. KITCHIN. The gentleman from South Dakota wanted to strike out the word "bankers" because it would let in private bankers.

Mr. DILLON. Let me submit this proposition. Here is a banking institution which has a president, a vice president, and a cashier. Now, they are all bankers, and each one of these individuals could come in and get protection under this bill.

Mr. KITCHIN. Oh, no.

Mr. DILLON. Oh, yes; because they are bankers. The bank comes under the protection of the bill and the cashier can get protection and the vice president or the president can get protection.

Mr. KITCHIN. Oh, no; the gentleman is in error.

Mr. DILLON. Is not the president of a bank a banker?

Mr. KITCHIN. No; he is an officer of the bank.

Mr. MADDEN. I think what is meant by a banker is an investment banker, a man who places bonds, buys and sells them, and deals in mortgages; he is a banker.

Mr. KITCHIN. Yes. Investment bankers would be one class of bankers who would come within the classification of a banker.

Mr. JOHNSON of Washington. Mr. Chairman, for the purpose of calling the attention of the gentleman from Pennsylvania to the "postage-stamp" cost of application of getting a license, to which I referred in asking him a question, I want to read from page 77 of the hearings before the committee:

Mr. CRISP. Mr. Secretary, what expense would attach to a corporation or an individual seeking to put securities on the market for the licensing permit to offer such securities?

Secretary MCADOO. None whatever. It would involve the postage on their request or the payment of railroad fare to Washington to present their case, or, if they employed a lawyer, the payment of a fee to the lawyer to present the case for them. I think, however, that a lawyer would not be necessary.

So it will amount almost to an invitation. These hearings will be widely read. The cry will be, "On to Washington; on to Washington. Loans for everybody. Dig into the Treasury." Farmers will apply, regardless of their rights or what they think their rights are with the Federal reserve bank. Bring on your short-line railroads, bring on your old sawmills, your business propositions. Of course, they will not all get into the public chest, but they will try.

Mr. MOORE of Pennsylvania. The gentleman has recalled a very interesting piece of testimony. It is true that the Secretary did say that it would not be necessary for the applicant to employ a lawyer. Therefore, if the farmers in Oklahoma and North Dakota desired to apply, they could do it by means of a postal card.

Mr. JOHNSON of Washington. Yes; and the cry goes merrily on, "Let Uncle Sam do it." Let Uncle Sam raise the money, lend it, give it away, run the railroads, the telephones, the telegraph, build houses, build towns, do the work, run the farms, conduct the markets, carry on a high-grade brokerage business, and win the war.

Mr. MORGAN. The farmers will not get very far?

Mr. JOHNSON of Washington. It is not likely they will get very far.

Mr. MOORE of Pennsylvania. On the other hand, it will let the farmer in.

Mr. JOHNSON of Washington. Well, there is likely to be a grand rush, anyway. Another governmental corporation—another great bureau. Once started, how can it stop? I see by the Shipping Board News, the official newspaper of the Shipping Board Corporation, that that corporation is talking of commandeering four or five banking buildings in the city for additional space in which to do business. I see also that Congress is scolded for not giving the board a fine building of its own. And I saw in both of yesterday's local afternoon papers an inspired dig at Congress, criticizing this body because it is not more active in getting out the District housing bill. The attitude of the men who inspired these particular articles seems to be that the biggest war measure is the housing in the city of Washington.

There has come to Washington an army of publicity agents to represent the new activities of the Government. Each publicity expert contends that the particular activity which he represents is the only real governmental activity; that the agency for which he boosts is the one which will win the war. Confidentially, he will tell you that the other activities do not amount to much; that investigation is needed; that money is squandered, and so on. Why, it seems that official press agency publicity is running riot. And the great bureaus and governmental corporations encourage it. Give them an inch and they take an ell, war or no war. Their free Government newspapers and their advance notices swamp the mails. They will not stop. They have got the money and the power.

One great trouble with all these sort of bills is that Congress does not seem to retain enough control. A great bureau is established and started, and away it goes. The Food Administration went far. The Fuel Administration went further. And this money administration will go a little further and last longer than any other. No one can see its end. Few seem to care to tie any sort of string to this $500,000,000 in cash or to look into the future concerning a couple of billion dollars worth of a new kind of "near" Government bonds.

The bill is still unamended. But section 9 and other sections are still to be considered. I am glad the consideration goes over to another day.

I withdraw the pro forma amendment.

The CHAIRMAN (Mr. HUMPHREYS). The pro forma amendment is withdrawn. The question is on the amendment offered by the gentleman from South Dakota [Mr. NORTON].

The question being taken, the amendment was rejected.

The Clerk read as follows:

SEC. 8. That the corporation shall be empowered and authorized to make advances from time to time, upon such terms, not inconsistent herewith, as it may prescribe, for periods not exceeding one year, to any savings bank, banking institution or trust company, which receives savings deposits, or to any building and loan association, on the promissory note or notes of the borrowing institution, whenever the corporation shall deem such advances to be necessary or contributory to the prosecution of the war or important in the public interest: *Provided*, That such note or notes shall be secured by the pledge of securities of such character as shall be prescribed by the board of directors of the corporation, the market value of which, at the time of such advance (as estimated and determined by the board of directors of the corporation) shall be equal in amount to at least 133 per cent of the amount of such advance: *And provided further*, That the rate of interest charged on any such advance shall not be less than 1 per cent per annum in excess of the rate of discount for 90-day commercial paper prevailing at the time of such advance at the Federal reserve bank of the district in which the borrowing institution is located. The corporation shall retain power to require additional security at any time.

Mr. BURROUGHS. Mr. Chairman, I desire to offer an amendment.

Mr. KITCHIN. I should like to say that if we can finish section 8 by 5.30 we will rise and go on to section 9 to-morrow. I simply want to make that statement, so that we will not have a prolonged debate and go into other matters, but so that we can rise at 5.30.

The CHAIRMAN. The gentleman from New Hampshire offers an amendment, which the Clerk will read:

The Clerk read as follows:

Amendment offered by Mr. BURROUGHS: Page 8, line 10, after the word "advance," insert a comma and after the comma insert the following words: "except in the case of a mutual savings bank."

Mr. BURROUGHS. Mr. Chairman and gentlemen, I will take only a minute to explain what I have in mind by this amendment. I tried to cover it in my remarks this morning. Frankly, the effect of it will be to eliminate the mutual savings banks; I mean those savings banks that do not have any capital stock and whose whole profits go to the small depositors; it will exempt them from the terms of this proviso, so that the restrictive interest rate, the discriminatory interest rate of 1 per cent in addition to that imposed by the Federal Reserve Bank in that district, shall not apply in the case of a mutual savings bank. I see no reason why it should apply to them.

Mr. MADDEN. Will the gentleman yield?

Mr. BURROUGHS. With pleasure.

Mr. MADDEN. Will the gentleman state the reason why it should not apply?

Mr. BURROUGHS. My reason for offering this amendment, and the reason why this proviso should not apply to the mutual savings bank——

Mr. MADDEN. That is what I am interested in.

Mr. BURROUGHS. Is because the mutual savings bank is not a profit-making proposition to any stockholder. It has no capital stock whatever.

Mr. GLASS. Is it not a profit-making institution to its depositors?

Mr. BURROUGHS. Certainly.

Mr. MADDEN. Is not that merely a difference in terms?

Mr. BURROUGHS. It seems to me that the distinction is very clear and that we ought not to discriminate here in any way against these mutual savings banks.

Mr. GLASS. As I understand it, we are not discriminating against them, but what the gentleman is trying to do is to make of them a privileged class.

Mr. BURROUGHS. I understand we have just adopted a section which is for the benefit of all bankers, banks, and banking institutions, which does not contain this discriminating interest rate. I find nothing in that section which relates to it.

Mr. LONGWORTH. But that section relates to banks which have loaned money to war concerns.

Mr. BURROUGHS. This whole thing is in the interest of the war.

Mr. LONGWORTH. No; this applies only to matters of public interest.

Mr. BURROUGHS. What can be more a matter of national interest than the maintaining of deposits in the great savings banks of this country?

Mr. SMITH of Michigan. Will it not give the mutual savings banks an advantage over the other banks, if they are excepted from this proviso?

Mr. BURROUGHS. No; it will not give them any advantage so far as I can see, any more than they should have. I think a mutual savings bank, not being engaged in business for profit for any stockholder, should not be discriminated against.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. BURROUGHS. Yes.

Mr. HICKS. These mutual savings banks can not make loans to any corporation that is engaged in the manufacture of munitions. They are restricted in their loans, and therefore why should they get the benefit of this provision?

Mr. BURROUGHS. The mutual savings banks can make loans now, can they not, if they see fit to do so?

Mr. HICKS. They can not make outside commercial loans in the sense that these other banks can.

Mr. BURROUGHS. True enough; but I can not see why you should put a discriminating interest rate on the savings banks. I would strike it out as against all savings banks. Why should you put a discriminating rate of interest against savings banks, when you have not imposed such a rate on any of the other banks in the preceding section? You certainly seem to me to have made a discrimination here against the savings banks.

Mr. MADDEN. I will ask the gentleman to show where?

Mr. BURROUGHS. I say you have not put the provision in the preceding section, while you have put it in the section relating to the savings banks.

Mr. MADDEN. The conditions under which the banks in the preceding sections are treated are totally different from the conditions under which these banks are treated.

Mr. KITCHIN. Mr. Chairman, the first banking class provided for in section 7 is not to help the banks, but is to help the war industries. The War Finance Corporation gets a double security. It gets not only the war-industry notes as a security, but also the notes of the bank that loans the money to the war industry. The corporation makes no extra charge in such cases, because the advance is not made for the interest of the banks, but the corporation gets the bank's note and as additional security the note of the war industry and the assets behind the loan. Therefore we do not charge that bank anything additional, for the reason that if we charged that bank 1 per cent more than the prevailing rate, that bank would have to charge the war industry that we propose to help in that section 1 per cent more, and therefore it would not help the war industry, because it would not pay it. We provided the 1 per cent additional on savings banks for the reason that the money loaned to the savings bank is going to be loaned direct by this corporation and for the interest of the savings bank. We do not require the savings bank, before it can get any of this money, to loan the money to a war industry, but we simply require that the savings bank shall be important to the national interests, and it is to protect the savings bank, and it is doing it to protect its life for its interest. Therefore we put the savings bank upon the same terms as we do any other direct loan by the corporation.

If the corporation, under section 9, made a direct loan to the du Ponts or to the Bethlehem, it would charge the du Ponts and the Bethlehem that 1 per cent extra, just exactly as it would charge the savings bank. Why? Because nothing is added to the security of the du Pont or the Bethlehem for this direct loan, but if it makes the du Pont go through the bank channels, then it would have the security of the bank added to that of the du Pont Co., and it would not charge the 1 per cent extra.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. BURROUGHS. I ask for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BURROUGHS. In reply to the remarks of the gentleman from North Carolina I wish to quote from the testimony of Mr. Warburg before the House committee. It is found on pages 36 and 37 of the hearings. Mr. Warburg was questioned about this matter by Mr. FORDNEY, of the committee:

Mr. FORDNEY. What is the maximum rate of interest charged now by the Federal reserve banks for commercial loans? I ought to know, but I am not positive that I do know.

Mr. WARBURG. Five and a half per cent is the highest, and that is for six months.

Mr. FORDNEY. Then this law provides not to exceed 1 per cent above that amount?

Mr. WARBURG. I think that limit probably would drop out if you removed the 90-day limit.

You must remember that this bill as it was originally drawn provided that these loans to savings banks should not exceed 90 days. Now the bill is changed, and it is not limited to 90-day notes, but these loans may be made for the limit of a year, so that Mr. Warburg says:

I think that limit—

Meaning the 1 per cent limit of interest to which I have referred—

I think that limit probably would drop out if you would remove the 90-day limit, because that was only to serve as an index for 90-day loans. If you decide to make these savings banks loans up to one year, I think then you want to strike out the limit entirely and leave it to the board of directors.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURROUGHS. I would ask for one minute more.

The CHAIRMAN. Is there objection to the request of the gentleman? [After a pause.] The Chair hears none.

Mr. BURROUGHS. Mr. Warburg says further:

If you decide to make these savings-banks loans up to one year, I think then you want to strike out the limit entirely and leave it to the board of directors; and I think it is very important that the board of directors should have a free hand in fixing those rates of interest, because you can not put down any rule which would cover a one-year loan and a five-year loan at the same time.

Mr. KITCHIN. Will the gentleman yield for a question?

Mr. BURROUGHS. I will.

Mr. KITCHIN. Would not the gentleman's amendment at once practically destroy the stock savings banks? Is not the discrimination against them? If the mutual savings bank has four times more deposits than the stock savings bank and can get its money from this corporation at 1 per cent less rate of interest than the stock savings bank, would it not be very unfair and unjust and discriminatory?

Mr. BURROUGHS. It does not seem so to me; if I may be permitted to put my judgment against that of the distinguished chairman of the committee. But even if it is, it seems to me to be a justifiable discrimination because of the clear distinction between the mutual savings bank, which is in no sense engaged in a profit-making business for any stockholders, but whose whole profit goes to the benefit of its large number of small depositors who make up the working classes of the community, and the stock bank, which is engaged in the profit-making business and whose whole profits go to the benefit of its stockholders. I am entirely willing and I understand the mutual savings banks are entirely willing to trust their case to the directors of this corporation as to the rate of interest they shall pay. That is what my amendment contemplates. It would leave the fixing of the rate of interest entirely in the hands of the directors of this corporation. These directors might see fit to make the rate as great as the minimum rate prescribed by the bill. Why can you not trust them to exercise this power wisely? Why attempt to fix by law a minimum rate of interest that the mutual savings banks of this country must pay in order to protect themselves against the withdrawal of their deposits in this war emergency? Especially why do you do this when you have not done it in the case of advances to be made to banks, bankers, and trust companies under the preceding section of this bill? I think the savings bank, which is to a greater extent than any

other bank we have the people's bank, should be entitled at least to as fair treatment as you accord to other banking institutions of the country.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GLASS. Mr. Chairman, the distinction presented here of a bank that is not a money-making institution for its stockholders but is a money-making institution for its depositors and a bank that makes money for its stockholders and not its depositors is a distinction practically without a difference in the final analysis. No more dangerous or unreasonable proposition has been presented to this House than that presented by the gentleman from New Hampshire. He is proposing that banking institutions which have never borne one particle of the burden of the Federal Reserve System shall, so to speak, be made "God's chosen people," a privileged class unto itself, and granted loans at 1 per cent interest lower than that accorded banks which have borne the burden of the Federal Reserve System from the beginning. I think it is a misfortune—it is distressing—that it was found necessary at all to put this provision in the bill. I concede that perhaps it was essential to do so; but, as I understand it, it was put there to serve a more or less psychological purpose—to use a term that is somewhat threadbare—to prevent possible embarrassment to savings banks. There is some apprehension that persons desiring to invest in liberty-loan bonds bearing an inviting interest rate, as well as persons desiring, from purely patriotic promptings, to aid the war by investing in Government securities, might withdraw their deposits from the mutual savings banks. And in order to give assurance and stability to these banks this provision is put in, according them, upon the same terms that prevail as to all other banks, the right to obtain loans with which to replenish their vaults when deposits are withdrawn. The investment securities of mutual savings banks are not eligible to rediscount operations in the Federal Reserve System. This bill gives them a status. But to put them on a privileged basis, giving them rediscount at a less rate than is given commercial banks of the Federal Reserve System using the same class of securities, would be to clutter up the Federal reserve banks with long-time maturities. That would simply prove disastrous.

Mr. BURROUGHS. Will the gentleman yield?

Mr. GLASS. I will.

Mr. BURROUGHS. Is it the gentleman's idea that this legislation is for the purpose of relieving burdens that now rest upon the Federal Reserve System?

Mr. GLASS. I do not exactly comprehend the gentleman's question. The purpose of the proposed legislation is not simply to relieve burdens of the Federal Reserve System; that system can carry its own burdens easily. The purpose of this bill is to finance this war in general and in particular to finance those banking institutions that have loaned or shall loan money to concerns and corporations that are engaged in producing supplies whereby the war may successfully be conducted. Another purpose of the measure is to help the refunding operations of great corporations, the failure of which might embarrass the whole financial situation of the country.

But surely the bill is not designed to make a favored class of banking institutions that have not borne any of the burdens of the Federal Reserve System or to discriminate against banks that are taxed to maintain the system.

Mr. LONGWORTH. Does not the gentleman think that the only reason this section should be in the bill is that it would prevent a calamity that might come from the collapse of the saving institutions?

Mr. GLASS. Yes.

Mr. LONGWORTH. And that is the only reason it is in this bill.

Mr. KITCHIN. And not for the benefit of the war industries or the prosecution of the war.

Mr. MOORE of Pennsylvania. And this paragraph was put in here to meet just such an emergency as might arise in case of a raid on the savings funds.

Mr. ROWE. Mr. Chairman, I believe that this amendment is absolutely essential. In the first place, it is wrong to say that the mutual savings banks have no part in carrying the burden of this war. If you will look over the statistics you will find that they are the only banks that have lost in deposits during the sale of United States bonds. These bonds have been sold so extensively to people of small means that the money has been withdrawn from the savings banks of the country.

Now, with this provision in the bill the savings banks can not take advantage of it, and you might as well leave it out. The savings banks deal only in money at low rates. They can not talk of money at above 4 per cent. To-day in the city of New York, for instance, the Federal reserve banks are rediscounting paper at 4½ per cent. Add 1 per cent to that and you have 5½ per cent—a prohibitive rate. The savings banks can not pay it, for on the money that is deposited with them in the city of New York they pay 4 per cent. Over the entire country they are now paying 4 per cent, and this interest goes entirely to the poor man, for in the State of New York and in many of the New England States they are limited to the payment on deposits not to exceed $3,000. It is just the poor man's bank. The average deposits in the State of New York are $576.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROWE. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ROWE. The money is being taken very largely out of the savings banks to pay for the small bonds, and the savings banks are the very institutions that are going to suffer. All the State and national banks have to-day more money on deposit than they had when this Government began to sell Liberty bonds. It is time we were thinking of the common people and the people of small properties, to whom the savings banks have opened their doors. These savings banks have sold and are selling the bonds of the Government over their counters, knowing that the people were going to take deposits out of their banks to pay for them.

Mr. GLASS. Have not all banks done that?

The CHAIRMAN. Will the gentleman yield?

Mr. ROWE. I can not yield.

Now, this amendment does not change the law in reference to banking. For all commercial banks this board of directors is to fix the rate of interest. Why not fix it for the savings banks also?

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire [Mr. BURROUGHS].

Mr. HAYES. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, it will be again read.

The amendment was again read.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire [Mr. BURROUGHS].

The question was taken, and the amendment was rejected.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the committee the reason for the concluding sentence of this section:

The corporation shall retain power to require additional security at any time.

Does that mean in addition to the security the market value of which shall amount to at least 133 per cent they can come in the next day and say, "You must put up security to raise that to 175 per cent"?

Mr. KITCHIN. Of course, they will have that power, just like every bank does, and to have every loan it makes secured by collateral. I think that I have borrowed about as much money on little notes as anybody, and I do not think that I ever put up one that did not have that provision in it; and this is to give the corporation power to protect itself. If my security had depreciated, say, from 133 per cent down to 75 per cent, I would have to put up additional security.

Mr. WALSH. I appreciate that they should have that power, but here these directors would make a loan on being satisfied that the securities pledged were 133 per cent of the amount, and the next day, without any change, they might come in and require additional security.

Mr. KITCHIN. I would say that under that language they could do it, just like the banks can do it under the notes they take. Of course, this corporation would not do it, because the very object and purpose of the bill is to loan money to these concerns that are contributing to the war.

Mr. WALSH. Of course, I agree that the directors ought to have that power in the case of depreciation in the value of the securities; but by this very broad language here it is not limited to such instances as that.

Mr. KITCHIN. I think it is an additional safeguard. I am sure they will never use the power in the way the gentleman thinks.

Mr. WALSH. I simply wanted to get the idea of the committee. I withdraw the pro forma amendment.

Mr. MORGAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

Mr. KITCHIN. Mr. Chairman, I wish to offer an amendment. On page 7, section 8, line 22, after the word "company," insert "in the United States"; and in line 23, page 7, after the word "association," insert "in the United States." Then that harmonizes with the other.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 7, line 22, after the word "company," insert the words "in the United States"; and in line 23, after the word "association," insert the words "in the United States."

The CHAIRMAN. The question is on agreeing to the amendment proposed by the gentleman from North Carolina.

The amendment was agreed to.

Mr. KITCHIN. Is there any other amendment to be offered to section 8? If not, we will read section 9, and then I will move to rise.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 9. That the corporation shall be empowered and authorized, in exceptional cases, to make advances directly to any person, firm, corporation, or association conducting an established and going business in the United States whose operations shall be necessary or contributory to the prosecution of the war (but only for the purpose of conducting such business in the United States and only when such person, firm, corporation, or association is unable to obtain funds through banking channels or from the general public), for periods not exceeding five years from the respective dates of such advances, upon such terms and subject to such rules and regulations as may be prescribed by the board of directors of the corporation. In no case shall the aggregate amount of the advances made under this section exceed at any one time an amount equal to 16⅔ per cent of the sum of (1) the paid-in capital stock of the corporation at such time plus (2) the aggregate amount of bonds of the corporation authorized to be outstanding at such time. Every such advance shall be secured by adequate security of such character as shall be prescribed by the board of directors of a market value at the time of such advance (as estimated and determined by the board of directors), equal to at least 133 per cent of the amount advanced by the corporation. The corporation shall retain power to require additional security at any time. The rate of interest charged on any such advance shall not be less than 1 per cent per annum in excess of the rate of discount for 90-day commercial paper prevailing at the time of such advance at the Federal reserve bank of the district in which the borrower is located.

The corporation shall file quarterly reports with the Secretary of the Senate and Clerk of the House of Representatives, giving the name and place of business of each person, firm, corporation, or association receiving advances under this section, the amount advanced, the terms, and the security accepted therefor.

Mr. HAYES. Mr. Chairman, I move to strike out the section.

The Chairman. The gentleman from California moves to strike out the section.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 10608) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes, and had come to no resolution thereon.

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to extend his remarks in the RECORD.

Mr. KITCHIN. On this bill?

Mr. MORGAN. Yes.

The SPEAKER. On the pending bill.

Mr. ROBBINS. Mr. Speaker, I ask the same privilege.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that all gentlemen who participated in the debate on this bill, either in the general debate or under the five-minute rule, be given the privilege of extending their remarks in the RECORD within five days.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

LEAVE OF ABSENCE.

Mr. SMITH of Michigan. Mr. Speaker, I wish to ask a few days' leave of absence for my colleague, Mr. FORDNEY, on account of illness.

The SPEAKER. The gentleman from Michigan asks unanimous consent for leave of absence for his colleague, Mr. FORDNEY, indefinitely, on account of illness. Is there objection?

There was no objection.

COMMITTEE TO ATTEND FUNERAL OF THE LATE REPRESENTATIVE CAPSTICK.

The SPEAKER. The Chair wants to make an announcement before he forgets it. The gentleman from California [Mr. HAYES] can not go on the Capstick funeral party on account of public business, and the Chair appoints Mr. SWIFT, of New York, in his place.

NAVAL APPROPRIATION BILL.

Mr. PADGETT, by direction of the Committee on Naval Affairs, reported the bill (H. R. 10854) making appropriations for the naval service for the fiscal year ending June 30, 1919, and for other purposes, which, with the accompanying report (No. 393), was ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. BROWNING. Mr. Speaker, I reserve all points of order on the bill.

EXTENSION OF REMARKS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

Mr. KITCHIN. On what?

Mr. CRAMTON. On the censorship rule with reference to casualty lists—a brief statement.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD on the censorship rule with reference to the casualty list. Is there objection?

Mr. KITCHIN. Reserving the right to object, is it your remarks, or some newspaper, or what?

Mr. CRAMTON. It is some remarks that I hope to incorporate. It will all be a very brief statement. I will incorporate some data that I could not prepare otherwise.

Mr. KITCHIN. I wish the gentleman would withhold that to-night and ask for it some other time.

The SPEAKER. Does the gentleman from North Carolina object?

Mr. CRAMTON. It is a very brief statement.

Mr. KITCHIN. I suggest that the gentleman withdraw his request now and make the request later.

Mr. CRAMTON. I think I will let the gentleman object, if he prefers to. It is a very brief statement, however.

Mr. KITCHIN. I will object.

The SPEAKER. The gentleman from North Carolina objects.

CALENDAR WEDNESDAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday to-morrow be dispensed with.

The SPEAKER. The gentleman asks unanimous consent to dispense with Calendar Wednesday business to-morrow. Is there objection?

Mr. GILLETT. Is it the purpose to go on with this bill to-morrow?

Mr. KITCHIN. Yes; and I want to say that if Members will attend pretty well to-morrow we can finish this bill, and on Thursday we will be able to take up the Madden bill, the postal employees' bill, under the rule, and we hope to get through with that on Thursday. I am sure that absent Members on both sides have been notified that that bill will probably come up on Thursday. I hope the debate under the five-minute rule to-morrow will be confined to the amendments offered, so we can get along without so much outside debate.

Mr. BROWNING. Mr. Speaker, I reserve the right to object, although I shall not object eventually. Quite a number of the Members of the House will be absent to-morrow on official business, and I think most of them would like to have the privilege of voting on this bill, especially if there is to be a record vote.

The SPEAKER. If the Chair was going to guess about it, he would guess that they will have that chance.

Mr. KITCHIN. There will be no trouble about the statement being made in the RECORD that all those who are in favor of the bill would vote for it if they were present.

Mr. BROWNING. The gentleman knows as well as I do that there are some 16 Members of the House who are going to be absent to-morrow in attendance on the funeral of our late colleague, Mr. CAPSTICK, and if the vote were to be taken on Thursday we would all be back and have the opportunity to be recorded on this bill.

The SPEAKER. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent to do away with Calendar Wednesday business to-morrow. Is there objection?

There was no objection.

BOHEMIAN NATIONAL ALLIANCE.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to print in the RECORD a general resolution of the Bohemian National Alliance, which contains a great deal of valuable information that I know the Members of the House will be pleased to have.

The SPEAKER. The gentleman from Illinois [Mr. SABATH] asks unanimous consent to extend his remarks in the RECORD by printing certain data which he mentions. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

ADJOURNMENT.

Mr. KITCHIN. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Wednesday, March 20, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. CARTER of Oklahoma, from the Committee on Indian Affairs, to which was referred the bill (H. R. 10590) to provide for a determination of heirship in cases of deceased members of the Cherokee, Choctaw, Chickasaw, Creek, and Seminole Tribes of Indians in Oklahoma, conferring jurisdiction upon district courts to partition lands belonging to full-blood heirs of allottees of the Five Civilized Tribes, and for other purposes, reported the same with amendment, accompanied by a report (No. 392), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. LINTHICUM, from the Committee on Pensions, to which was referred the bill (H. R. 10843) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, reported the same without amendment, accompanied by a report (No. 390), which said bill and report were referred to the Private Calendar.

Mr. LONERGAN, from the Committee on Invalid Pensions, to which was referred the bill (H. R. 10850) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war reported the same without amendment, accompanied by a report (No. 391), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ROBBINS: A bill (H. R. 10844) authorizing the Postmaster General to cancel or readjust contracts entered into between the Post Office Department and contractors and carriers of mail over star routes or rural routes; to the Committee on the Post Office and Post Roads.

By Mr. CARY: A bill (H. R. 10845) to provide for the acquisition, ownership, and operation by the Commissioners of the District of Columbia of all gas and electric lighting systems in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MILLER of Minnesota: A bill (H. R. 10846) granting reduced rates on railroads within the United States to persons in the military and naval service of the United States; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 10847) to prohibit hotels and innkeepers in the District of Columbia from charging extortionate rates of persons in the military and naval service of the United States; to the Committee on the District of Columbia.

By Mr. DOREMUS: A bill (H. R. 10848) for improvements and alterations of the Federal building at Detroit, Mich.; to the Committee on Public Buildings and Grounds.

By Mr. PADGETT: A bill (H. R. 10849) to establish certain new ratings in the United States Navy; to the Committee on Naval Affairs.

By Mr. WEBB: A bill (H. R. 10851) to provide a method for disposing of intoxicating liquors now or hereafter in the possession of United States court officials; to the Committee on the Judiciary.

By Mr. TILSON: A bill (H. R. 10852) to provide for the appointment of a commission to standardize screw threads; to the Committee on Coinage, Weights, and Measures.

By Mr. NORTON: A bill (H. R. 10853) to provide further for the national security and defense by authorizing the President to take possession and assume control of packing plants and other enterprises engaged in the slaughtering of cattle, hogs, and sheep for food, or in curing, preserving, or packing beef, pork, or other meats, or in the manufacture of by-products therefrom; to the Committee on Agriculture.

By Mr. PADGETT: A bill (H. R. 10854) making appropriation for the naval service for the fiscal year ending June 30, 1919, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. SIEGEL: Resolution (H. Res. 285) expressing the hope that Representative LAGUARDIA may speedily recover and authorizing the expenditure of $1,000 from the House contingent fund to be paid to him; to the Committee on Accounts.

By Mr. MASON: Joint resolution (H. J. Res. 267) directing the Secretary of War to correct report on casualties; to the Committee on Military Affairs.

By the SPEAKER (by request): Memorial of the Legislature of the State of Montana to pass an amendment to the Federal Constitution, and submit the same to the several States for ratification, extending and giving throughout the United States the right of suffrage to women; to the Committee on Woman Suffrage.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LINTHICUM: A bill (H. R. 10843) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; to the Committee of the Whole House on the state of the Union.

By Mr. LONERGAN: A bill (H. R. 10850) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; to the Committee of the Whole House on the state of the Union.

By Mr. BRODBECK: A bill (H. R. 10855) granting a pension to Noah Stump; to the Committee on Pensions.

By Mr. CARAWAY: A bill (H. R. 10856) granting an increase of pension to John Small; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10857) granting an increase of pension to Horace B. Morgan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10858) granting an increase of pension to Clara J. Shoemaker; to the Committee on Invalid Pensions.

By Mr. CONNELLY of Kansas: A bill (H. R. 10859) granting an increase of pension to James Walton; to the Committee on Invalid Pensions.

By Mr. DAVIDSON: A bill (H. R. 10860) granting an increase of pension to Lawrence Miricle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10861) granting an increase of pension to John N. Stone; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10862) granting an increase of pension to William H. Chapin; to the Committee on Invalid Pensions.

By Mr. DEWALT: A bill (H. R. 10863) granting a pension to Emma Rogers; to the Committee on Pensions.

By Mr. DOREMUS: A bill (H. R. 10864) for the relief of William J. Nagel, postmaster, Detroit, Mich.; to the Committee on Claims.

By Mr. DOWELL: A bill (H. R. 10865) granting an increase of pension to James F. McLuen; to the Committee on Invalid Pensions.

By Mr. DRANE: A bill (H. R. 10866) granting a pension to Etta C. Bartholomew; to the Committee on Invalid Pensions.

By Mr. DYER: A bill (H. R. 10867) granting an increase of pension to William H. Thomas; to the Committee on Invalid Pensions.

By Mr. ELSTON: A bill (H. R. 10868) granting an increase of pension to De Witt W. Toll; to the Committee on Pensions.

By Mr. FRENCH: A bill (H. R. 10869) for the relief of Me-yone-yah; to the Committee on Indian Affairs.

By Mr. GODWIN of North Carolina: A bill (H. R. 10870) granting an increase of pension to John L. Skinner; to the Committee on Invalid Pensions.

By Mr. KEY of Ohio: A bill (H. R. 10871) granting an increase of pension to Moses Reeves, jr.; to the Committee on Invalid Pensions.

By Mr. LEA of California: A bill (H. R. 10872) granting an increase of pension to Walter J. Shelley; to the Committee on Pensions.

By Mr. MILLER of Minnesota: A bill (H. R. 10873) for the relief of Humphrey Jones; to the Committee on Claims.

By Mr. NEELY: A bill (H. R. 10874) granting an increase of pension to Inez M. Batson, etc.; to the Committee on Pensions.

Also, a bill (H. R. 10875) granting an increase of pension to Thaddeus Clark; to the Committee on Invalid Pensions.

By Mr. NORTON: A bill (H. R. 10876) granting a pension to Ella Sinclair; to the Committee on Invalid Pensions.

By Mr. OVERMYER: A bill (H. R. 10877) granting a pension to James Moore; to the Committee on Invalid Pensions.

By Mr. ROBBINS: A bill (H. R. 10878) authorizing the Postmaster General to cancel or readjust the mail contract of M. D. L. Brooks, of Jones Mills, Pa., contractor and carrier on star route

numbered , between Mount Pleasant and Jones Mills, Pa.; to the Committee on the Post Office and Post Roads.

By Mr. RUBEY: A bill (H. R. 10879) granting an increase of pension to John Clark; to the Committee on Invalid Pensions.

By Mr. SHOUSE: A bill (H. R. 10880) granting a pension to Nora Harris; to the Committee on Pensions.

Also, a bill (H. R. 10881) granting an increase of pension to Almeron D. Martin; to the Committee on Invalid Pensions.

By Mr. STRONG: A bill (H. R. 10882) granting an increase of pension to Robert Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10883) granting a pension to Lena Demozzi; to the Committee on Pensions.

By Mr. THOMAS: A bill (H. R. 10884) granting an increase of pension to Bradford P. Thornberry; to the Committee on Invalid Pensions.

By Mr. WEBB: A bill (H. R. 10885) for the relief of F. E. Taylor and B. C. Broom; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of Railway Technical Engineers, asking for increased compensation for the civil engineers in railroad work; to the Committee on Appropriations.

Also (by request), memorial of the Plastic Club, of Philadelphia, favoring military rank for nurses; to the Committee on Military Affairs.

Also (by request), petition of the members of the Campbellton Farm Club, of Washington, Mo., and a memorial of the Brunswick (Mo.) Farm Club, asking that prices for farm products be so fixed as to assure the farmers at least production cost plus a small profit; to the Committee on Agriculture.

Also (by request), a resolution of the Wholesale Coal Trade Association, asking that the order of the Fuel Administration concerning contracts be modified; to the Committee on Agriculture.

Also (by request), memorial of National Retail Dry Goods Association, favoring the payment of the excess-profits tax in installments; to the Committee on Ways and Means.

By Mr. DALE of New York: Petition of the Paris Literary Club, of Paris, Ky., against zone postal laws; to the Committee on Ways and Means.

By Mr. DOOLING: Petition of the Central Federated Union, relative to Government ownership of the railroad lands; to the Committee on the Public Lands.

Also, petition of Association of National Advertisers, against increase in second-class postage; to the Committee on Ways and Means.

By Mr. ESCH: Papers in support of House bill 10795, granting an increase of pension to William P. Visgar; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: Memorial of Illinois State Bankers' Association, favoring universal military training; to the Committee on Military Affairs.

Also, petition of the National Retail Dry Goods Association, for a measure to permit the payment of income and excess-profits taxes in installments; to the Committee on Ways and Means.

Also, petitions of the Woman's Civic Club, of Radford, Va.; the Penelope Club, of Fort Worth, Tex.; the Woman's Press Club, of Cincinnati, Ohio; and the Wednesday Club, of Fort Smith, Ark., urging the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

Also, resolution adopted by the U. S. Grant Post, No. 28, Department of Illinois, Grand Army of the Republic, favoring a bill granting a pension of $50 per month to all surviving veterans of the Civil War; to the Committee on Invalid Pensions.

By Mr. HILLIARD: Petition of Susette E. Pease, John Beaton, Z. M. Wright, C. W. Blake, J. Engle, Verne L. Capron, G. A. Yeager, Metta L. Bremmels, and 30 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary

Also, petition of Gertrude Blakesley, Lillian S. Fisher, Alice W. Andrews, Laura S. Brannan, Gertrude R. Scholasser, Grace O. Krout, Ida A. Gilland, Mrs. E. H. Mohrbacher, A. F. Culbertson, Gretchen Brecnermann-Smith, and 41 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

By Mr. McCLINTIC: Petition of sundry citizens of Jackson County and Custer, Okla., asking relief for farmers in manufactured articles they must buy; to the Committee on Agriculture.

Also, petition of sundry citizens of Olustee, Okla., favoring closing all breweries during the war; to the Committee on the Judiciary.

By Mr. MADDEN: Petition of Lithuanians of the State of Illinois, relative to independence for Lithuania; to the Committee on Foreign Affairs.

By Mr. O'SHAUNESSY: Resolution of the army and navy committee of the city of Newport, R. I., in re extension of the naval training station; to the Committee on Naval Affairs.

By Mr. RAINEY: Petition of E. F. Crane and other citizens of Mount Sterling, Ill., favoring universal military training; to the Committee on Military Affairs.

By Mr. TIMBERLAKE: Petition of Morgan County Federation of Farm Women's Clubs, Fort Morgan, Colo., against any increase in second-class postage; to the Committee on Ways and Means.

Also, petition of Walter M. Long, Boulder, Colo., relative to patent for 10 claims, Sugar Loaf mining district, Boulder County, Colo.; to the Committee on Mines and Mining.

SENATE.

WEDNESDAY, *March 20, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we worship Thee and hold in reverence and godly fear Thy holy name. We pray Thee to help us to see it through in these tragic times, that we may understand that God is working through men against blind force and hate and rage for the establishment of order and justice and peace in this world. Give us the inspiration of this noble and divine enterprise in all that we do in this Chamber. We ask for Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. VARDAMAN and by unanimous consent, the further reading was dispensed with and the Journal was approved.

SEACOAST FORTIFICATIONS (S. DOC. NO. 203).

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of War, stating that upon information the appropriation of $1,000,000 for contingent expenses incident to the construction of seacoast fortifications and other accessories carried in the law of June 15, 1917, does not apply to the insular possessions, the Panama Canal, or Porto Rico, and recommending that a proviso authorizing the extension of this appropriation be placed in the fortifications bill for 1919, which was referred to the Committee on Appropriations and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed a joint resolution (H. J. Res. 154) authorizing the erection of a memorial in Washington to the memory and in honor of the members of the various orders of sisters who gave their services as nurses on battle fields, in hospitals, and on floating hospitals during the Civil War, in which it requested the concurrence of the Senate.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. FLOOD, Mr. LINTHICUM, and Mr. COOPER of Wisconsin managers at the conference on the part of the House.

MEMORIAL TO CIVIL WAR NURSES.

Mr. WEEKS. Is it in order at this time to take up the joint resolution just received from the House of Representatives?

The VICE PRESIDENT. By unanimous consent.

Mr. WEEKS. I ask unanimous consent that immediate consideration be given to the joint resolution.

The VICE PRESIDENT. The Chair lays before the Senate the joint resolution, and it will be read at length.

The joint resolution (H. J. Res. 154) authorizing the erection of a memorial in Washington to the memory and in honor of the members of the various orders of sisters who gave their services as nurses on battle fields, in hospitals, and on floating hospitals during the Civil War was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the Chief of Engineers, United States Army, be, and he is hereby, authorized and directed to grant permission to the Ladies' Auxiliary, Ancient Order of Hibernians in America, for the erection on public grounds of the United States of America in the city of Washington, D. C., other than those of the Capitol, the Library of Congress, and the White House, of a memorial to the members of the various orders of sisters who gave their services as nurses

on battle fields, in hospitals, and on floating hospitals during the Civil War: *Provided*, That the site chosen and the design of the memorial shall be approved by the Commission of Fine Arts, and that the United States shall be put to no expense in or by the erection of the said memorial.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. SMOOT. I wish to ask the Senator from Massachusetts if a similar joint resolution has been referred to the committee of the Senate and favorably passed upon by that committee?

Mr. WEEKS. It has been referred to the Library Committee of the Senate and has been approved by that committee. Moreover, a similar joint resolution passed the Senate in the last Congress. The purpose is one which must appeal to every man who admires disinterested devotion to duty. No men or women have performed a finer service than that done by the sisters whose memory will be perpetuated by this memorial.

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PETITIONS AND MEMORIALS.

Mr. McLEAN presented petitions of sundry citizens of Bridgeport, of the Business Woman's Association, of Bridgeport, and of the Equal Franchise League, of Hamden, all in the State of Connecticut, praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

He also presented a petition of Local Branch, Connecticut State Association of Letter Carriers, of South Norwalk, Conn., praying for an increase in the salaries of letter carriers, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of the Central Medical Society, of Middletown, Conn., praying for the enactment of legislation to provide advanced rank for officers of the Medical Corps of the Army, which was referred to the Committee on Military Affairs.

He also presented a petition of the National Metal Trades Association, of New Haven, Conn., and a petition of the Employers' Association, of Hartford, Conn., praying for an extension of time in which to pay excess-profits taxes and income taxes, which were referred to the Committee on Finance.

Mr. SHEPPARD presented resolutions adopted by the Caldwell County Council of Defense of Texas, favoring the manufacturing of ammunition for war purposes only, which were referred to the Committee on Military Affairs.

He also presented resolutions adopted by the Home Guard, of Lockhart, Tex., relative to strikes and threats of strikes as a menace in the successful prosecution of the war, which were referred to the Committee on Military Affairs.

He also presented a resolution adopted by the Texas State Senate, favoring the enactment of legislation to substitute Federal for local credit in financing reclamation districts, which was ordered to lie on the table.

Mr. LODGE presented a memorial of the Agricultural Society of North Middlesex, Mass., remonstrating against war profiteering and favoring the establishment of minimum prices on all commodities, which was referred to the Committee on the Judiciary.

Mr. CHAMBERLAIN presented a petition of sundry citizens of Albany, Oreg., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. PHELAN presented a petition of the Manufacturers and Employers' Association, of San Diego, Cal., praying for an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

Mr. OWEN presented petitions of sundry citizens of Texanna, Tulsa, Britton, and Choctaw, all in the State of Oklahoma, praying for the enactment of legislation to provide punishment for persons or organizations responsible for pro-German activities or for interference with the Government in the prosecution of the war, which were referred to the Committee on the Judiciary.

Mr. CALDER. I ask to have printed in the RECORD a short letter from J. Henry Smythe, jr., relative to advertising the third liberty loan.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

209 WEST THIRTY-EIGHTH STREET,
New York, March 14, 1918.

Hon. WILLIAM M. CALDER,
Washington, D. C.

DEAR SENATOR CALDER: To win the war cooperation is necessary. Why not combine in part the advertising of liberty loan, war savings stamps, and United States Food Administration?

Third liberty loan posters will soon be blazoning their command of "Buy United States Government bonds." Campaign speakers will also spread their investment messages.

Bonds are not well sold unless they are later kept out of the market. Liberty loan posters were ordered torn down after the first and second drives. Why not let the 1918 issues remain where possible and later paste under the lithographed pictures: "Own and keep some liberty bonds"? To this slogan could wisely be added "And war savings stamps," or "And don't waste food."

If thrift and savings stamps publicity were featured even more just following the flotation of each liberty loan all patriotic propaganda would be strengthened. In England simultaneous soliciting has proved successful, so why not in our country? Thrift would be better inculcated.

Each Government publicity department has done excellent work, but "in union there is strength."

Yours, for victory, J. HENRY SMYTHE, Jr.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 4143) making it unlawful for any Member of Congress to serve on or solicit funds for any political committee, club, or organization; to the Committee on Privileges and Elections.

By Mr. WEEKS:

A bill (S. 4144) granting an honorable discharge to R. Derby Holmes; to the Committee on Naval Affairs.

By Mr. JOHNSON of California:

A bill (S. 4145) granting a pension to Abbie Pike; to the Committee on Pensions.

By Mr. JOHNSON of South Dakota:

A bill (S. 4146) conferring jurisdiction on the Court of Claims to determine and report upon the interest, title, ownership, and right of possession of the Yankton Tribe of Indians to the Red Pipestone Quarries, South Dakota; to the Committee on Indian Affairs.

By Mr. McLEAN:

A bill (S. 4147) granting an increase of pension to Jeanette Morrison (with accompanying papers); to the Committee on Pensions.

By Mr. SHERMAN:

A bill (S. 4148) for the relief of Catherine Grace; to the Committee on Claims.

A bill (S. 4149) granting a pension to Flora A. Nelson; to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 4150) granting an increase of pension to George W. Goodman (with accompanying papers); to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 4151) to provide for a determination of heirship in cases of deceased members of the Cherokee, Choctaw, Chickasaw, Creek, and Seminole Tribes of Indians in Oklahoma, conferring jurisdiction upon district courts to partition lands belonging to full-blood heirs of allottees of the Five Civilized Tribes, and for other purposes; to the Committee on Indian Affairs.

DIPLOMATIC AND CONSULAR APPROPRIATIONS.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. OVERMAN. I move that the Senate insist upon its amendments and agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. OVERMAN, Mr. SHAFROTH, and Mr. JONES of Washington conferees on the part of the Senate.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on the 19th instant, approved and signed the act (S. 1854) to save daylight and to provide standard time for the United States.

AGRICULTURAL APPROPRIATIONS.

The VICE PRESIDENT. The morning business is closed.

Mr. SMOOT. I move that the Senate proceed to the consideration of House bill 9054, the Agricultural appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, S. Dak.	Martin	Swanson
Calder	Jones, Wash.	Myers	Thomas
Chamberlain	Kellogg	New	Tillman
Curtis	King	Page	Townsend
Fall	Kirby	Shafroth	Trammell
Hale	Lodge	Sheppard	Vardaman
Hardwick	McCumber	Sherman	Wadsworth
Henderson	McLean	Smith, Ariz.	Watson
Johnson, Cal.	McNary	Smoot	Weeks

Mr. ASHURST. I wish to announce that the senior Senator from Texas [Mr. CULBERSON] is necessarily absent in connection with the duties of the Judiciary Committee.

The VICE PRESIDENT. Thirty-six Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. THOMPSON and Mr. WILLIAMS answered to their names when called.

Mr. BECKHAM, Mr. GALLINGER, Mr. MCKELLAR, Mr. SIMMONS, and Mr. BANKHEAD entered the Chamber and answered to their names.

Mr. CURTIS. I desire to announce the absence of the junior Senator from West Virginia [Mr. SUTHERLAND] on official business, and I also make the same announcement in reference to the senior Senator from New Jersey [Mr. FRELINGHUYSEN] and the junior Senator from New Jersey [Mr. BAIRD].

Mr. MARTIN. I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will carry out the instruction of the Senate.

Mr. GRONNA and Mr. FRANCE entered the Chamber and answered to their names.

Mr. TOWNSEND. I wish to announce the necessary absence of the Senator from Idaho [Mr. NUGENT], who is attending the funeral of the late Representative CAPSTICK.

Mr. OWEN, Mr. SMITH of Michigan, Mr. UNDERWOOD, Mr. POINDEXTER, Mr. ROBINSON, Mr. HOLLIS, and Mr. WARREN entered the Chamber and answered to their names.

Mr. WARREN. I wish to announce the absence of my colleague [Mr. KENDRICK] on public business.

Mr. CHAMBERLAIN. I have been requested to announce that the Senator from Mississippi [Mr. VARDAMAN] is detained on official business.

Mr. SHEPPARD. I wish to announce that my colleague, the senior Senator from Texas [Mr. CULBERSON], and the senior Senator from California [Mr. PHELAN] are detained on official business.

Mr. BECKHAM. I desire to announce that my colleague, the senior Senator from Kentucky [Mr. JAMES], is detained by illness.

The VICE PRESIDENT. Fifty-two Senators have answered to the roll call. There is a quorum present.

Mr. OVERMAN, Mr. FLETCHER, Mr. REED, Mr. SHIELDS, Mr. SMITH of Georgia, Mr. WOLCOTT, Mr. NELSON, Mr. DILLINGHAM, Mr. BORAH, Mr. CUMMINS, and Mr. STERLING entered the Chamber, and

Mr. OVERMAN said: I wish to state that the Committee on the Judiciary has been engaged on a very important matter and I ask that the members be recorded.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. MARTIN. I move that further proceedings under the call be dispensed with.

The motion was agreed to.

Mr. FALL. Mr. President, we have been discussing for two or three days, under the motion to suspend the rules, our reasons for supporting or opposing the amendment proposed by the Senator from Oklahoma [Mr. GORE]. I shall not occupy the attention of the Senate, except to explain why I shall vote for the amendment.

Mr. President, I should like to have order for a moment. I am not making this explanation simply for my constituents, as I am not a candidate for reelection.

The VICE PRESIDENT. The Senate will be in order.

Mr. FALL. We have heard a great deal about the law of supply and demand, Mr. President, as being applicable in the minds of the speakers to the question before the Senate at this time. I do not agree with some of the Senators that the prior action of the Congress of the United States in placing a minimum price upon wheat for this year was not technically legislative interference with the ordinary or natural law of supply and demand. I think that it was intended to stimulate the supply of wheat, and to that extent it was an interference, and an intentional interference with the law.

I think, further, that vesting the power in the Food Administration to fix the maximum price or to purchase for the Government and to restrict the consumption of flour—the product of wheat—was an interference with the law of supply and demand.

The intention, first, was to stimulate the supply by guaranteeing the farmers a minimum price. There was no attempt to fix the price by the Congress, but there was a legislative declaration that the farmers should receive at least $2 per bushel for their wheat. The operation, Mr. President, under the law vesting that power in the Food Administration has been this: The price at which the Government of the United States would purchase wheat and the price at which it should be sold was fixed at $2.20 per bushel. The Food Administration then notified the millers of the United States that they should only purchase and consume in their mills a certain amount of wheat. Of course that action restricted the domestic demand for flour, the product of wheat.

So there has been by this legislation, first, the attempt to stimulate the supply, to increase the amount of wheat produced, and, second, the administrative or executive action intended to decrease and resulting in decreasing the domestic demand for wheat or for flour. Under the rule of the Food Administration Department allotments were made for certain cities of the amount of wheat which might be ground there. In turn, allotments were made to different mills in those cities, and they were not allowed to go out into the market and purchase wheat in competition with others; they could only purchase their allotted amount. That action necessarily not only tended to result but resulted in the restriction of the home demand for wheat.

Then, again, the people of the United States, as patriots, have been urged to consume less wheat and less flour and more of the substitutes for wheat and flour. Corn, barley, oats, and other cereals were left by the legislature, and have been left by the Food Administration, to be sold and produced, under the ordinary law of supply and demand, without legislative or executive or administrative action either tending to or intended to increase the supply or to restrict the domestic consumption, but the action with reference to wheat and the use of wheat substitutes has necessarily tended to increase the demand for wheat substitutes themselves, and particularly for corn and corn products—corn meal, and so forth.

So we have to-day the price of wheat fixed absolutely by law, and by administrative acts following it, at $2.20 a bushel; we have the price of corn and corn meal and other corn products subject simply to the demand which the action with reference to wheat has very greatly increased. The consequence is that, while the result with reference to wheat has given to our allies in France and in England and the other countries to which we are shipping wheat, wheat at a less price than they would have paid and did pay just before this legislative demand—for they were then paying $3.20 per bushel for wheat instead of as now, $2.20—while it has tended to result in giving them their foodstuffs very much more cheaply, its natural result has been to increase the price of those substitutes which the people of the United States are compelled to consume.

In my State of New Mexico, for instance, I am sorry to say that, not being a great agricultural State, we have not been able to produce as much of the cereals—corn and wheat—as we consume; in fact, we have been producing only about 40 per cent of the amount which we consume. Our specialty is meat. We produce much more meat in the shape of beef and mutton than we consume; and, with that, we purchase the other 60 per cent of the wheat, corn, and so forth, which we consume. So that while we are self-supporting we are not self-supporting in the matter of production of the necessary wheat and corn for our own consumption in our population.

To-day we find the people of New Mexico paying from $6 to $6.50 for 100 pounds of flour, and we find them compelled for every 25 pounds of flour which they purchase to purchase 25 pounds of corn meal or other wheat substitute, and the corn meal is sold to them at $7.50 per 100 pounds. The allies—French, English, and others—are obtaining the benefit of what is practically a maximum fixed price for wheat, and the people of the United States are paying the difference in their maximum cost of living upon wheat substitutes. I think that the facts which I have related with reference to conditions in New Mexico are true over the entire United States.

In my judgment, the fixing of the price of wheat by the Food Administration was an error. I think that if wheat had been left as corn was left, the price possibly of the two—wheat and corn—would have been more nearly equalized. I think that the allies would cheerfully pay almost any price, as they were paying before the action of the Food Administration, to secure the necessary wheat.

As a matter of fact, Mr. President, the people of the United States are paying for the wheat consumed by their allies, and are taxing themselves for it. We are loaning to France, England, and the other countries consuming our wheat by taxing the people of the United States and issuing bonds to obtain the funds with which they pay for the wheat; and I am frank to say, sir, that, in my judgment, it makes but little difference to those people what they pay, provided they get the supply.

But the cost of farm machinery has gone up; the cost of everything which the farmer is using has gone up, not out of proportion to the ordinary cost at all, not through the selfish desire of the manufacturers of implements or others to profiteer—because, in my judgment, there has been no profiteering—but because the cost of their material and particularly the cost of their labor has gone up. Farm labor, which we could formerly secure at $30 per month and board, is now costing $90 per month and board the year around. Harvest labor last year cost 40 cents an hour in many of our wheat fields. The cost of labor in all factories and in every line of business in the United States has gone up, and the cost of material has increased. So the farmer is paying more for his machinery; he is paying more for his labor; and it is costing him more to produce his crops.

The average wheat crop of the United States is only about 12 bushels to the acre. Where the yield exceeds 12 bushels and runs to the maximum of, say, 30 bushels in localities, the price of $2 per bushel may be remunerative to the farmer in those particular localities; but where it runs down, as it does in various sections of this country, to 7 bushels or to 8 or 10 bushels per acre, the price is not remunerative, and the consequence is that the farmer will not plant the wheat; so that the very object of the legislation which we have enacted, as I understand it and as I construed it when I voted for it, namely, to stimulate production, has not been obtained because of the administrative or executive action, not in simply guaranteeing a minimum price and allowing the law of demand to operate to increase the price above the minimum, but by fixing a price beyond which the law of demand should not operate at all.

It has been suggested during the course of this debate that the proper method would be to fix the price of corn, rye, oats, and barley so that the price of wheat and the price of the other cereals might not be so far apart but might be equalized. The only possible method by which that result could be achieved would be by legislation to fix a maximum price for corn, barley, oats, and rye and leave the price of wheat as it is now. You can not bring down corn by fixing a minimum price for corn. You have brought down wheat not by legislative action fixing the price of wheat—you only guaranteed a minimum price and left the maximum to operate under the law of demand—but by the action of the Food Administration—conscientiously taken, undoubtedly—both to conserve the supply of wheat and to supply our allies at a reasonable price, we have, as I have said, curtailed the demand for the one here. Now, how do you propose to curtail the demand for the others, or do you propose to do it?

We must have some substitute. If we are not to eat wheat, then we will eat corn, and we are eating it. The Congress has and the Food Administration by its action has created an enormous legislative demand for corn.

We have interfered with the law of supply and demand by our action in creating an excessive demand, I might say, for corn or for wheat substitutes, because we have taken from the domestic market the wheat which we are sending abroad.

I am inclined to justify the action of the Food Administration in calling upon the people of the United States to use wheat substitutes and in sending our wheat and our flour abroad, because we can here in our homes use corn meal and other wheat substitutes; but in the trenches the soldiers must have a bread prepared possibly days beforehand and which will keep for weeks. Corn bread will not keep for weeks. If we were fighting a civil war, as was suggested by the Senator from Mississippi [Mr. WILLIAMS] a few days ago, or fighting entirely within our own country, our soldiers, in easy access to the corn fields, as were the soldiers of the South, could live and fight upon corn bread; but our soldiers in the trenches can not do so. We must supply them with a bread which will keep for days or for weeks if they are cut off by the enemy's barrage and are not in access to their supplies behind the trenches; and even when the access to such supplies is open the bread must be prepared beforehand. So corn bread can not possibly be supplied to the troops in the trenches.

Of course we all know that the people of Europe have not been accustomed to eating corn bread. We know further that we in the United States depend very largely upon our kitchens in our homes, while the people of Europe depend upon the bakeries, and the bakers can not provide corn bread for consumption beyond 24 hours.

For these reasons it has undoubtedly been proper that the effort should be made to send every possible pound of flour and other wheat products abroad. I think the error that has been committed—and I do think it was an error—was in undertaking to fix the price of wheat for the benefit of the allies and then compelling the people of the United States to subsist upon substitutes for which they must pay more than double the amount which they have been accustomed to pay. Wheat in New Mexico, based upon a $2.20 price for No. 1 in Chicago, brings $1.65, or 2.08 cents per pound, while corn in New Mexico brings 5 cents a pound. Those are the conditions; and to have the farmers grow wheat you must allow them either to make a profit out of wheat or you must allow them to make a profit out of corn. To-day they are not making a profit out of wheat, and the allies are benefited; but they are making a profit out of corn, and the farmers are benefited. Now, if you undertake to fix the price of corn, you will lose both the supply of wheat and the supply of corn; the farmer will simply retire to the boundaries of his own farm and raise enough to feed himself and his family. He is just as patriotic as any man engaged in any other enterprise, but with him, as with any officeholder or any Senator, the comfort of his own family is his first consideration. Charity begins at home. When it is necessary that his family should subsist, as it is, and when he can raise upon his farm the products upon which they can subsist, he will raise them; but he will not raise at a loss, at the cost of the subsistence of his own family, products to go to the allies or products to go to the people of the United States. In other words, it is not fair to call upon the farmer of the United States to run the only charitable institution which we inaugurate, aside from the Red Cross or some similar benevolent society; but you must let the farmer make a profit or you will not have your supply.

I shall vote to increase the minimum price of wheat to $2.50, because I believe that it is justice to the farmer, because I believe that it may have a tendency to reduce the price of corn or of wheat substitutes, and because I believe that it may operate, as the original legislation was intended to operate, to increase the supply by legislative demand.

Mr. WADSWORTH. Mr. President, I would not inject observations of my own into this discussion were I not convinced that this is perhaps one of the most important proposals that has reached the Congress during this session.

Mr. President, I think we are in for a long, hard, grueling contest. I have no doubt of its outcome, but I feel convinced that before it is over this country will be called upon to put forth every ounce of its energy, a great portion of its man power, and all its resources. Convinced as I am to this effect, the thing that causes me concern at this particular stage of the proceedings is whether or not we are properly conserving our resources and marshaling them in such a way as to make sure the victory for which all of us hope.

The situation which confronts the world and the situation which confronts our allies to-day is serious. We might just as well understand it. There is a distinct shortage of food in England, in France, and in Italy. The public statement of the French high commissioner day before yesterday is very frank in that declaration so far as France is concerned, and we have read in the press dispatches recently of the institution in England of a rationing system for the entire population. We all know that one of the greatest difficulties in feeding those countries is the lack of transportation. We hope to overcome that lack by building a tremendous fleet of merchant ships and at the same time improving our methods of combating the submarine; but it will do no particular good to build a great fleet of merchant vessels or to wipe out the submarine if the resources of the United States, particularly wheat, are not conserved, and, if possible, increased.

Most of the addresses that have been made thus far upon this amendment have been made by Senators from the so-called wheat States. While I represent in part a State which is one of the leading agricultural States of the Union, nevertheless I can not assert that it is a great wheat State. What I shall say this morning will be based upon what I hope is a national view rather than a provincial view.

We are discussing now whether we are to produce enough wheat during the coming year and, inferentially, whether we shall continue to produce enough wheat in the years to come. Some rosy statements were made upon the floor of the Senate last year and upon the public platforms of the country about what could be done to reduce the cost of living and at the same time increase production. A great many people—I think, perhaps, the majority of our people—were led to believe that we could suspend the law of supply and demand or repeal economic laws for the time being because a state of war existed and because the legislative power or the executive power so de-

creed. Much was said about profiteering and much about gamblers and speculators. In fact, those terms were the most frequently used upon the floor of the Senate last August. Even the President of the United States, in a message which the Senator from Idaho [Mr. BORAH] read in part day before yesterday, expressed his opinion that the law of supply and demand had been displaced by unrestrained selfishness and was no longer in operation.

With due respect to that high Executive, I beg leave to differ from him and from all those who contend that the law of supply and demand has been suspended or can be suspended. We have tried it, and I venture the assertion that the facts to-day show that we have failed. We have accomplished certain things, but in accomplishing those certain things we have brought about other and unexpected things, and those other and unexpected conditions are the very conditions that, I may say, are bedeviling public psychology to-day. We can take a sensitive rubber ball and press our thumb into it and declare to the expectant onlooker that we have reduced the cubic contents of the rubber ball, but it is not so. The ball has bulged out in some other direction. We can enact a law of Congress fixing a price, or one of our commissions can issue a decree fixing a price upon a certain article, but that article is only one element of the entire problem; when we press down upon that article, as the Senator from New Mexico [Mr. FALL] has indicated, we make some other article or articles bulge up. That is what has occurred with the grains produced in the United States.

This matter of control of supply and control of demand is a pretty delicate problem, and we make it all the more delicate and difficult when we attempt unduly to interfere in it. We can coax people to do a good many things through appealing to public sentiment. They are willing to do a great many things if they are shown that those things are necessary and will help in winning the war; and I am free to admit that the Food Administration, in more than one particular, has accomplished an excellent work in pointing out to the public at large certain things which we must accomplish in the way of economy. I regret, however, that an attempt has been made to reduce the price of an article and in the same moment to increase the quantity produced, for down through thousands of years of history such attempts have proved unavailing.

Much has been said as to the guaranty which we can give to the farmer that he shall get a profitable price for what he produces. I doubt if any legislative decree or Executive order can guarantee an absolutely certain profit to a farmer on any product, particularly when we remember that this country is 3,000 miles wide in one direction and something like 1,500 miles wide in the other, and that no two sections of the country produce the same crop in the same way, or at the same cost. When we propose to go ahead and say that $2.20 a bushel will guarantee a reasonable profit to the man who raises wheat, we forget that the men of North Dakota do not raise wheat in the same way or in the same quantity as the men in New York, and that they can not be forced to do so. It is utterly impossible for them to do it. Local conditions prevent.

The Senator from North Dakota [Mr. MCCUMBER] yesterday, during the address of the Senator from Ohio [Mr. POMERENE], brought forth some figures as to the production of wheat. It turns out that for the 10-year period 1907 to 1916, inclusive, the average production of wheat in Ohio per acre was 15.9 bushels. In Maine during the same period it was 25 bushels per acre. Of course, $2.20 is a profitable price for the man who can raise, on the average, 25 bushels per acre. It becomes a question whether it is a profitable price at the present time if he can only raise 15.9 bushels per acre. When we come to North Dakota, with 11 bushels per acre, $2.20 per bushel does not seem quite rosy.

The vice of this situation is that no man can tell when he sows his wheat, and no government can tell before the wheat is sown or while it is growing, how much is going to be produced; and the whole secret of the cost of production lies in how many bushels you are going to get out of your acre. Last year it seemed wise, it seemed within reason, that $2 or $2.20 per bushel would give a reasonable profit to all the men who raised wheat; but it did not turn out to be the fact, for in a large section of the country they only raised 4 bushels per acre. In the State of New York it was profitable, because we raised over 20 bushels per acre. But while the State of New York prospered so far as its wheat producers were concerned, the States of North and South Dakota did not prosper, and just to that extent the production of wheat is discouraged.

Reverting again, Mr. President, to the talk about gamblers and speculators, may I point out another phase of this question which I think should have some consideration if we are to draw any lessons from the present situation?

Prior to the installation of the Food Administration there were no regulations governing the methods or the profits of the so-called middleman, who was so often dubbed a gambler or a profiteer. He was permitted to do business to the best of his ability, just as the farmer was permitted to do business. The middleman, of course, bought wheat as cheaply as he could, and he sold it as high as he could. He took his chances, and not all middlemen became rich. In fact hundreds, yes, thousands of them occasionally lost money. The farmer, of course, took his chances. When he planted wheat, he gambled. He could not help himself; and he gambled with an element over which he had no control whatsoever, and that was the weather.

The risk of a business operating under economic law should be distributed as evenly as may be over all the groups who are engaged in it. It should not under any circumstances rest upon the shoulders of any one particular group of people engaged in that business. When there was no interference or regulation over the middlemen or the millers in their purchase of wheat or their sale of flour, a part of the risk of the business rested upon their shoulders, and a part of the risk of the business rested upon the farmer who produced the wheat. Many, many times the farmer sold wheat to the elevator man, to the middleman, or to the miller at a certain price. After the miller had purchased it, it sometimes went down in price, and the miller or the middleman did the losing. In that way part of the risk was taken away from the farmer. Oftentimes the farmer sold wheat to the miller, and, after the miller got hold of it, it went up in price. That was to the miller's advantage; and whether it was to the farmer's disadvantage or not depends upon whether the farmer's price was one which paid him for his costs and gave him a little profit. Sometimes it did, sometimes it did not.

The condition to-day, however, artificial as it is, has utterly changed that situation. To-day, under the regulations of the Food Administration—and I am not contending that there should not be such regulations—the middleman bears no risk whatsoever. It is true that he is prevented from making an exorbitant profit, but he can not lose. He is guaranteed, in effect, a reasonable profit upon every bushel of wheat that he purchases from the farmer. He no longer bears any risk of the business; and it is not strange, Senators, that when that proposal was first made—the proposal that the middlemen and the millers should all be licensed and confined to a reasonable profit during the uncertain times of war—all the middlemen and millers were delighted. Of course, they were delighted, because they knew that the Government of the United States would always see to it, as a matter of good faith, that they secured a reasonable profit.

With all risk being taken from their shoulders, the entire risk of the business is now thrown down upon the farmer alone. His price is fixed. He can get $2.20 a bushel, no more and no less. If his crop is short, his market will not respond in the slightest degree in an upward tendency of the price of wheat. It makes no difference how few bushels per acre he raises; he can only get so much per bushel. Therefore he is completely at the mercy of the weather and the labor and other costs, which he has to endure in order to run his business.

The condition is utterly different from that which existed prior to these regulations going into effect. I hope that out of it will come a proper conception of the function normally to be performed by the middle man. I know in years gone by many farmers, a good many farmers' associations, agitated in favor of the elimination of the middle man, that he was an incubus pressing down upon the entire agricultural business, that he was the leech sucking it dry of all profit. Now that the middle man has been in effect eliminated the farmer must find as he is finding to-day that he has no one else in the world to share the risk of the business with him, and the quicker the middle man is brought back into the situation and permitted to assume some of the risks of the business the better it will be for the men who raise wheat.

Last August or September this would have been considered an unorthodox utterance in the Senate. I did not object to the regulation being imposed upon the middle man at that time, because I had no idea, neither had the Congress, that a price was to be fixed by the Food Administration on the farmer's wheat; but having fixed the price, saying to him, "You can get no more than that fixed figure," and at the same moment closing the grain exchange regulating all the practices of the miller and the middle man and the elevator man, the farmer is the only man to-day who takes any chances.

Mr. NELSON. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Minnesota.

Mr. NELSON. Does the Senator wish to convey the idea that the farmer has been getting $2.23 for his wheat?

Mr. WADSWORTH. Oh, no.

Mr. NELSON. As a matter of fact the average price to the farmer has hardly been equal to $2—I mean the real farmer. Two dollars and twenty cents was fixed at the terminal market at Chicago, and when you subtract the railroad freight and the commission and the grading of the wheat, I do not think the farmer on an average got $2 a bushel.

Mr. BORAH. Mr. President, I wish to state that in my part of the country it did not amount to over $1.80 to $1.90.

Mr. WADSWORTH. By the use of the figure $2.20 I simply meant to give that as an example. I know, of course, that $2.20 was the Chicago price.

Mr. WARREN. Not only that, but the price of wheat where 11 bushels of wheat to the acre was raised would be common wheat; it would not grade up.

Mr. WADSWORTH. Whatever the price was in the particular district of the country, it was no more and no less than a certain figure; no matter what the weather has been in Idaho, no matter how many bushels per acre a farmer has raised in that State, he could not get more than $1.85. He took all the chances and the middle man took none, neither did the miller.

Mr. GORE. If the Senator from New York will permit me, it sold as low as $1.65, the red wheat, the large wheat.

Mr. WADSWORTH. For the purpose of my argument it makes no difference what the price was.

Mr. McCUMBER. I think, if the Senator will allow me, it ought to be made clear at this time that not one-fifth of the grain actually sold measured up to the standard which would give even at the terminal $2.20 a bushel.

Mr. WADSWORTH. Let me repeat, I am only using the figure $2.20 to illustrate in round figures what the situation was, and I am not saying how many bushels per acre it is necessary to raise in order to make $2.20 a profitable price. I do not know. I have heard a great many men, some in the Senate, attempt to show how much it costs to produce a bushel of wheat. I declare that can not be done. I do not wish to be impertinent to any of my colleagues, but I suggest that there is no man in the Senate who can tell how much it will cost to produce a bushel of wheat in the United States in the season of 1918, because it all depends on how many bushels per acre will be raised.

Mr. NELSON. Will the Senator allow me?

Mr. WADSWORTH. I yield.

Mr. NELSON. I wish to suggest to him that the bulk of the wheat raised in this country is raised by small farmers where everybody works—boys and girls and everybody—and they get along without hired help as far as they can; and all the family get out of it is their living and their clothes and get a chance once in a while to go to a circus or to go to town on the Fourth of July. In a farmer's family you never can exclaim, as you do in other families, that "everybody works but father."

Mr. WADSWORTH. Mr. President, my remarks thus far have been general in character, and are directed only to a discussion of the fallacy which is so often enunciated, largely by city-bred people, by the editors of great metropolitan dailies, by magazine writers—the fallacy involved in an attempt to regulate by law the price of an article without having any other effect except upon that article. It can not be done and it never has been done. The discussion that has thus far taken place upon this particular amendment has in many instances illustrated what I mean. Much has been said about the increased prices which are being commanded by farmers for some of their products and the effect of those increased prices upon production. I think it can be taken as an axiom that the higher the price the greater the encouragement to produce, and the lower the price the less the encouragement. Some people can not believe that, but I think it is true, and I can give the Senate an illustration of the working of that law, not only the law of supply and demand, which the Senator from Ohio [Mr. POMERENE] thinks does not operate and can be suspended or displaced by something else, but the law of human nature; and I challenge him or anybody else to repeal a law of human nature.

Mr. KING. Will the Senator yield to me?

Mr. WADSWORTH. I yield.

Mr. KING. In confirmation of the suggestion made a moment ago by the distinguished Senator relative to the effect of attempting to control by legislation the prices, the Senator will recall that in the year 1765 and at an earlier date——

Mr. WADSWORTH. I do not recall that year.

Mr. KING. Of course it is not within the living recollection of the Senator, but with his profound learning, of course, he recalls from having read it that the Parliament of England attempted to fix and regulate the price of bread. It took only 17 pages to declare the rules and to regulate the price of bread, and then, after having accomplished that, they found it was essential to attempt to regulate other things in order to bring a sort of symmetry, and the regulation extended ad infinitum and brought increasing difficulties and trouble and confusion in the industrial system of the nation.

Mr. WADSWORTH. That is the invariable history. Now, let me call the attention of the Senate to some of the testimony given by Dr. Warren, the head of the farm management department of the State College of Agriculture at Cornell, which is the agricultural college of the State of New York. Dr. Warren says:

> We have further evidence that the law of supply and demand is still acting. From Bradstreet's, a commercial magazine, I have drawn off the average prices of many commodities for five years preceding the war and compared them with prices on February 1, 1918. This list includes cottonseed oil, petroleum, sugar, iron, steel, wood, cloth, etc. Without going into great detail, I can say that in the entire list the lowest of all these is cheese, which shows an increase of 51 per cent.

That is the lowest increase. It shows an increase of only 51 per cent.

> The next lowest in the entire list is butter, which shows an increase of 62 per cent.

Both of them are dairy products. They stand at the bottom of the list of increases in price. Now, what result came from that in the State of New York?

Let me say to the Senate a State census of New York was taken a year ago and was taken this last February, and it is a house-to-house census. It is an exact count of everything affecting agriculture in the State.

> Our State census now shows that the number of heifer calves under 1 year old in New York State is 31 per cent of what it was a year ago, which is the largest decrease we have in any class of live stock—a direct reaction.

In other words, they are giving up the least profitable industry. Two-thirds less in number are heifer calves in the greatest dairy State in the Union, because dairying pays less than any other branch of farming. There is no government on earth can stop that, and we might just as well abandon the attempt. It is one of the laws of human nature which is allied with the economic laws.

Now, I dread that same thing happening to wheat. I do not want it to happen. This is a national question. It does not affect the State of New York alone.

Mr. GORE. It is an international question.

Mr. SHERMAN. Mr. President——

Mr. WADSWORTH. I yield to the Senator.

Mr. SHERMAN. In reference to the subject mentioned, before the Senator leaves it, on the decrease of cows——

Mr. WADSWORTH. Heifer calves.

Mr. SHERMAN. The same thing holds good in the dairy country over in the Fox River Valley. Radiating in and about Elgin, Ill., and up about Waukegan, on the Wisconsin line, is a large dairy country that is tributary to Chicago. The Food Administration and the consuming public in Chicago were in a long controversy with the milk producers in the area referred to. It ended in fixing a price that was unprofitable to the milk producers. The result is in exact accordance with the principle stated by the Senator from New York. The milk producers, finding there is no profit in raising milk at the prices agreed upon to be sold and distributed for the Chicago market, are now engaged in turning the dairy cows into beef. There is one news item of many which I have followed in this part of the United States which, if the Senator will permit me, I should like to give to fortify the statement he made showing that it applies to other lines as well. Under the date line of March 3, Waukegan, Ill.:

> One thousand Lake County dairy cows have been sold within three weeks, according to G. Carroll Gridley, county food administrator, who resides at Libertyville. Most of them have been shipped to Chicago stockyards for beef.
>
> There are 1,200 milk producers in the Lake—

That is the county in which Waukegan is found—

> County association, said Mr. Gridley, and on the average they own 50 to 20 cows each.

That holds good generally of the entire Fox River Valley milk producing area. They are getting to a point where it does not pay and you can not force the farmer or milk raiser to produce the milk. That is in exact accordance with the statement of the Senator.

Mr. WADSWORTH. There is no question about it. It is simply another illustration.

Mr. GORE. Mr. President——

The PRESIDING OFFICER (Mr. KELLOGG in the chair). Does the Senator from New York yield to the Senator from Oklahoma?

Mr. WADSWORTH. I yield.

Mr. GORE. I wish to add another instance. Oklahoma, of course, is not a dairy State. Muskogee is a city of thirty or thirty-five thousand people. I had a letter two days ago advis-

ing me that some 20 dairies had been abandoned in the vicinity of Muskogee within the last year; that one particular man had sold out his holding and was selling his dairy stock for beef cattle. One man having $3,000 invested sold out his entire stock. He said his family had worked from 4.30 in the morning until 9 o'clock at night, and he could take his team to the oil fields an make more clear money than in dairying. I mention that as marking the tendency clearly demonstrated by the Senator from New York.

Mr. WADSWORTH. Of course, I do not cite this instance in the way of attaching any blame whatsoever to the Food Administration or any law of Congress. So far as I know no law of Congress has affected the dairy industry, nor am I aware of any regulation of the Food Administration which has affected it adversely. I simply cite it to show that when a particular branch of agriculture becomes unprofitable farmers give it up; that is all; and I shall contend as long as I am permitted to raise my voice anywhere that no Congress by the enactment of a statute can prevent it nor can any food administrator or any power of government prevent it.

The result in New York, of course, goes in another direction, but it illustrates the same thing. The price of wheat being fixed at a level which makes it infinitely less profitable to raise than other grains and crops, the acreage of wheat in New York is going down. Instead of the Department of Agriculture's estimate of 512,000 acres for the State, this house-to-house canvass during January and December last shows there are only 361,000 acres, which is a falling off in the very article that we want most. That is the vice of this situation. We are trying to get something, and we are going about it in the wrong way.

As I said before, New York is not a great wheat State, and I am not speaking for my own State. I am speaking to the general situation, but proportionately it is the same in all States. This may seem more important at first blush to North Dakota, South Dakota, Minnesota, and Kansas than it is to New York, but I call the attention of the Senate to the fact that the State of New York contains more consumers than any other State in the Union, and I wonder what is going to become of those consumers if the wheat acreage goes downhill. To me that is infinitely more important than an increase of 30 cents a bushel in wheat, which is all that this amendment asks.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Dakota?

Mr. WADSWORTH. I yield.

Mr. GRONNA. While it is true that we do not have as accurate information about all other States as we have about New York, because, I think, it might be said that the information we have as to the State of New York is absolutely accurate, we do have information to the effect that in many of the wheat States the acreage of the winter wheat crop is at least 20 per cent less this year than it was a year ago. Is that not true?

Mr. WADSWORTH. That is my understanding, and, Mr. President, that kind of a situation, to be frank with you, alarms me. I can not view it lightly. Some may say that the people of the cities will never stand for an increase in the cost of flour. Their protest may be uttered, and it may be uttered for several weeks, and it may be uttered for several months, but that will not alarm me nearly as much as a decreased acreage in the wheat crop of the United States. If we have to pay a little more for flour in order to get enough flour then I say let us pay it. It is either cheap politics or an utter disregard of economic laws to insist that the producer has a selfish interest in the situation and that his selfishness is the only force back of this amendment. The consumer has an interest in it, Mr. President. His interest extends on into the future, for we must see to it, now that we have gone into this business of legislating about crops and prices—and I am exceedingly sorry we ever did it—we must see to it that in future the consumer will have enough to eat, no matter what it costs. That is my sole object in addressing the Senate upon this situation, conscious as I am that some of my observations will not be taken in good part by some good people of my own State, who, of course, being human, would like to buy flour even more cheaply than they are buying it now. My concern is as to what is to become of those people a year from now or two years from now when there may not be enough flour. The wheat reserves of the United States are practically gone to-day.

Mr. President, we had an enormous crop in 1915. The acreage was large, and the weather was favorable, but the acreage was large because the European war breaking out in 1914 led the average farmer to believe that the price of wheat would rise, and he put in a great acreage that winter and that spring. He did not get a tremendous price for it because it was one of the largest crops per acre that this country had ever produced.

In any event, the total was the largest, I think, in our history. The crop of 1916 was one of the smallest. We consumed in the United States and exported more wheat in 1916 than we raised, which meant that we invaded a part of the hold over of the 1915 crop. Again, in 1917 we produced one of the smallest crops on record; and, it being a second successive small crop, we again invaded what was left of the hold over of the great crop of 1915; and I tell the Senate that the reserve is nearly gone. I know it.

It is a serious situation, and the most important thing that you and I can do here, Senators, is to see to it that the next crop of wheat is the biggest we can make it, no matter what the cost is. We have only commenced on this question of wheatless days. It is going to be a good deal more severe within the next six months. We have got to send more wheat to our allies than we have been sending. We have only been sending something like two-thirds of what they figure as their minimum requirement. We have got to increase it, and we have only got just a little bit of the reserve left. At the same time, when we are threatened with a total wiping out of our reserve, we see signs of the wheat acreage being reduced. I suggest that you can not face a much more serious proposition than that; and if raising the guaranteed minimum price from $2.20 to $2.50 a bushel will tend to restore the wheat acreage, then I will vote for it, because I fear the possible alternative.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. WADSWORTH. I yield to the Senator from Idaho.

Mr. BORAH. Has the Senator yet adverted to the question of labor—the necessity of labor in order to produce wheat, even if the price of wheat is increased? What are we going to do for labor to take care of the farming situation?

Mr. WADSWORTH. That is a pretty hard question to answer. It is one of the difficulties, of course, under which we as a Nation—I do not say only the farmers—are laboring.

Mr. BORAH. I did not know whether or not the Senator was going to discuss that question.

Mr. WADSWORTH. The shortage of labor on the farms has a most intimate relation to the price of the farm product. If the farmer can get a good price with a good profit in it for what he raises he has some show of competing with the industries of the country in bidding for labor. Unless he is pretty certain of getting a good profit, he can not bid against the industries for labor. In the State of New York, in the two last censuses taken—one a year ago and one last February—it is clearly shown that there are 30 per cent fewer hired men on the farms than there were two years ago. That does not mean the sons of farmers, but the professional farm laborer. Of every seven of them, four have gone to the industries; not so many into the draft as has been supposed. Four out of seven have gone to the munition plants, to the industries, where they are getting from $4 to $8 or $9 a day. The farmer can not bid against those prices, and you can not blame the hired man for going to the industries.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. WADSWORTH. I do.

Mr. BORAH. The Senator from New York, of course, is correct in his statement that the industries have been drawing the laborers away from the farm, and that a large portion of them have gone away from the farm by reason of the increased prices which they can elsewhere realize. Nevertheless, the fact that labor had been reduced to a minimum upon the farm ought to have been taken into consideration in the execution of the draft law, because they were taken from the farm. The draft drew from that class of labor, which had already been reduced to a very small number. In view of the fact that the withdrawals from the farm had been so large in the past, that has had a very bad effect, so far as the future is concerned, upon the production of the farm.

Mr. WADSWORTH. Of course, the draft law contributed to the difficulty, and I am glad to see in the public press that in the operations of the draft law from now on special consideration is going to be given, so far as may be, to men still remaining upon the farms who are competent to do farm labor.

Mr. President, thus far I have not criticized the Food Administration and I do not intend to blame alone that administration or its head for this situation. I think we are all to blame more or less. The public itself is to blame to a great degree. The public was captivated last summer and last autumn by the talk of how we were going to reduce the cost of living and increase the food produced. We have now learned that that can not be done, and the quicker that is thoroughly under-

stood the better. Unfortunately the Food Administration, I think—although I am not a mind reader—proceeded upon that same assumption with respect to the price of wheat, placing an average fixed price of wheat for the entire country, with the result that everybody who produced wheat at a cost in excess of $2.20 a bushel is wondering to-day whether he will continue in its production.

This proposal, as set forth in the pending amendment, is an attempt to cure that in part, at least. I do not know whether the proposed increase is enough; I do not know whether it is too much; but I know it is in the right direction. If it is done in time I know it will increase the acreage of spring wheat, and that is what we want to accomplish.

There are some other elements that have operated to the disadvantage of the prospective wheat production. When I say that I refer to some of the regulations of the Food Administration. The famous voluntary agreement which was entered into by something like 1,700 millers upon the request of the Food Administration, coupled with the licensing power which the Food Administration was authorized to exercise, brought about this kind of a situation: All the millers, as I understand it, agreed not to grind more wheat than an amount which would equal 75 per cent of the amount of wheat which they had ground the year before. I have never been able to find out why a limitation was placed upon the amount of wheat to be ground by a miller. I mean I have never been able to find out a convincing reason. The reason given to me is that the Food Administration, having taken under their wing and under their control all the millers of the country, made up its mind that no miller should have any advantage over any other miller proportionately in the matter of the amount of wheat which he could grind. The Food Administration made up its mind that no miller could make more money proportionately than any other miller during the grinding season. When they adopted that regulation they did not see what was coming. Of course it is perfectly fair to all the millers; each was permitted to grind just 75 per cent of what he had ground the year before; but when he ground his allotment and received a telegram from the Food Administration to stop grinding, of course, he could not buy any more wheat; and that meant the farmer could not sell any more wheat. I know of a case within 3 miles of my own home when a miller—a country miller—received such a telegram ordering him to grind no more wheat, and there were 17 wagonloads of wheat, with the farmers on the drivers' seats, waiting at the door of the mill to deliver it. They had to go home and take their wheat with them. What was the result? They fed the wheat to live stock; that was inevitable; and they are feeding it to live stock to-day. That is one instance; and that same thing has happened, I venture to say, Mr. President, at hundreds of other mills. The Senator from Ohio [Mr. POMERENE] only yesterday read a letter from one of his constituents, in which the writer said that he could not sell 900 bushels of wheat because the mills at Alliance, Ohio, were closed; so he had to take the 900 bushels back to his farm. He could not buy any bran because he could not get any wheat ground; he could not get any middlings, because he could not get any wheat ground; and he could not get any money; he could not get any cash for his crop, and so he took the wheat back. Are you surprised that there is an atmosphere of depression in the rural districts? Are you surprised that wheat is being fed to live stock when it is impossible for the farmer in many places in the country to sell it?

If I may criticize the Food Administration—and I do not want to be unfair or oversevere—I would say this: I think they have a splendid conception of wheat and meat and other products in vast quantities flowing in over the railroads to the elevators, to the packing houses, and to the coolers, and then flowing from the elevators to the millers and coming out in the shape of flour, or, in the case of meat, coming out in the shape of dressed beef. They have a splendid conception of what a million tons of meat mean and an excellent conception of what a million bushels of wheat mean and look like; they see that side of it; that is what they visualize; but, Mr. President, their vision does not extend up to the head of the creek, to the farmer and his team who haul in 30 sacks of grain to a local mill. That is what they do not see, and I fear it is because none of them have ever been there. It is, however, at the head of the creek—if I may use that colloquialism—where this whole thing starts; and if you dry up the source, if you discourage the farmer who hooks up his team on a winter's morning and puts on as many sacks of wheat as he can, if the road permits—and it does not always permit—and hauls it to his local mill, or if you create a state of affairs under which when he gets to that mill he is told the mill can not buy the wheat, then he is not in a very good frame of mind for planting more wheat.

That is one of the things that the Food Administration has done. They now admit it. They have been doing it for three months, and one of them, high in authority, assures me that they are going to try to stop that. Well, it is high time that it should be stopped. I imagine that no farmer would ever have suggested such a thing. It has cost the country I do not know how many thousands of bushels of wheat. The one mill that I happen to know of personally could have purchased 15,000 bushels, but it is not permitted to do so. It could have purchased those 15,000 bushels at any time during the last two months. Not only that, but that very regulation resulted in another situation. The flour mills in the East very often import from the Northwest spring wheat and grind it in the East. That is done in western New York, it is done in Pennsylvania, and I dare say it is done in New England and in Ohio.

Mr. HARDING. Mr. President——

Mr. WADSWORTH. I yield.

Mr. HARDING. Does the Senator mean to say that the mill or the warehouse is forbidden to purchase and send on the wheat to a central market?

Mr. WADSWORTH. It is not forbidden to purchase wheat, but it is forbidden to grind flour, and being forbidden to grind flour, of course it will not buy wheat; it can not finance the transaction.

Mr. HARDING. Well, does the Senator mean to say that these mill centers are without purchasing warehouses for storage and facilities for the shipment of grain?

Mr. WADSWORTH. The places to which I refer are not mill centers, they are the small country town mills.

Mr. SHERMAN. And they have a very limited elevator space.

Mr. WADSWORTH. They have a very limited storage space. A little while ago the Senator from North Dakota, or some other Senator on the floor, said that the great bulk of the wheat was grown by small farmers. That is true, and their immemorial custom has been to haul it to the local mill and have it ground as they wanted it. So, from time to time, when the roads are good, they haul their wheat in, and when the roads were bad they postpone hauling it in, but they have always been able to sell it; it is the one great cash crop.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Dakota?

Mr. WADSWORTH. I yield.

Mr. GRONNA. The Senator from New York is absolutely right, according to my understanding. There would be no object for the miller to buy any more wheat than he is permitted to grind during the year; and, as the Senator from New York has well said, the millers are only permitted to grind three-fourths of the amount they ground the year before. It would not benefit the miller at all to be permitted to store more wheat, because he would not be able now to grind it, and not only has this resulted in a loss to the miller, but it has resulted in a great loss to the farmer, because it has caused an advance in the price of his feed, and he has in many instances been compelled to feed the whole wheat simply because he was unable to dispose of it and buy the ground feed.

Mr. HARDING. Mr. President, with the permission of the Senator from New York, I want to get the matter clear in my mind. Do the Senator from New York and the Senator from North Dakota maintain that these mills never buy in excess of their own grinding capacity, and that the small farmer has no means of transmitting his production to market except as the mills will grind the wheat?

Mr. WADSWORTH. The mills buy very little in excess of what they can grind; they can not do so, for they have not the storage space.

Mr. SHERMAN. Mr. President, if the Senator from New York will permit me, the smaller mills to which he alludes have only so much elevator space. They buy in the expectation of milling the wheat and sending the flour out, so as to provide more space and thereby furnish a continuous local market. The farmer generally can sell at the local mill all that he cares to part with at the time; but this inhibition on milling the wheat into flour stops at once the local market. It did so in the Mississippi Valley section. I have numerous communications from millers in that part of the country showing that they have had exactly the same experience that is referred to by the Senator from New York.

Mr. WADSWORTH. The trouble is, Mr. President, that the Food Administration only saw the miller in this proposition. They have regulated the millers, I grant you that, and I am glad they are preventing the miller or any other middleman in this great emergency from making an exorbitant profit; but in regulating the miller and in endeavoring to put all the millers upon exactly the same proportionate basis of gross business they have forgotten that there are thousands of other men affected by their action, and affected in the manner which I

have described. It has resulted in a waste of wheat and not in a saving. I am informed that they have reformed in that respect in the last few days; that they are now authorizing the local mills to grind up to the 90 per cent figure, and that there shall be reserved for the Government or for the grain corporation 50 per cent of the flour thus ground. They evidently do not want all that flour to go on the market and get out of their control at a time when they might need it to send abroad. They could just as well have done that before, but they did not happen to think of it. Regulation, when it is thoughtless, sometimes is very expensive.

In my section of the country it does not only affect the wheat that is grown locally; it does not only prevent the farmer from getting any money at all because of his inability to sell his wheat; but the spring wheat that was brought into that country—and I know of such instances—from the Northwest to be ground by the local mills and manufactured into flour and sold locally was not permitted to be ground. I know of a carload of it that could not be ground into flour and which was promptly sold for chicken feed, and it is gone.

It is necessary, Mr. President, if regulation is to be successful, to get very, very close to the persons you are regulating. The perspective, when the view is from a great distance, is not always accurate; but I am informed that that situation is being corrected, and I hope it is.

Mr. President, according to my way of thinking, the whole question in this situation is one of production. I expressed my grave concern last year, when the food-control bill was under discussion, on that one point. I feared then, and I fear more now, that the great American public does not appreciate the importance of production. I fear that in some instances the Food Administration and the administration generally has given more attention to price than to quantity. I fear that the consumer, so called, is in the saddle; and if the consumer is in the saddle, and rides it very long, the horse will give out.

I am convinced, from what little I know of it—and I have conversed with a great many people, and have listened to most of the testimony in the Agricultural Committee—that the present price of wheat fixed by the proclamation of the President is not enough to guarantee an increased acreage. With the acreage now in sight, the winter acreage only having been very slightly increased upon the most rosy estimates—and I have grave doubt as to their accuracy—with the winter acreage now in sight, it will take one of our most favorable years so far as weather is concerned to produce spring and winter wheat together to the amount of 700,000,000 bushels; and that is not enough. It ought to be much more. It ought to be 800,000,000 bushels, at least, in order to enable us to reaccumulate a little reserve, of which we have next to nothing to-day.

Mr. CALDER. Mr. President, will my colleague yield?

Mr. WADSWORTH. I yield.

Mr. CALDER. Is it not too late to secure additional acreage for the spring planting now?

Mr. WADSWORTH. I think not.

Mr. CALDER. What time-limit can we figure on?

Mr. WADSWORTH. The spring planting goes on through March and April. I admit that the time is short. I wish this matter had been brought under discussion in December and January instead of this month. It is only recently that the seriousness of the situation has become apparent to a large number of people.

Mr. CALDER. Can not the President by proclamation increase the price to be given to the farmers of the country?

Mr. WADSWORTH. He can.

Mr. CALDER. Does the Senator know why he does not do it?

Mr. WADSWORTH. I assume, of course, that he does not think it is necessary. I think in the proclamation in which he placed the price at $2.20 he said or intimated that any higher price than that would disturb wage scales. Two-dollar-and-a-half wheat, as contrasted with $2.20 wheat, would add perhaps $1.50, at the outside, to the cost of a barrel of flour. It might raise the cost of a barrel of flour to something like $12.50. That is less than one week's wages for the average working man, and the barrel of flour will last him for one year. I can not agree that it will disturb the wage scale, but it may add some thousands and thousands of acres to the wheat acreage; and that, I think, is one of the most important considerations in this whole war situation.

We must produce more than we are producing. We are not doing quite as well as we thought we would do in the matter of production of many articles. I do not want a repetition in the wheat fields of what occurred in the coal mines. We put the price of coal at the mouth of the mines too low, and mines closed down, and we lost coal production. Apparently that error is being repeated in Colorado to-day, where 55 mines have been closed because the price fixed by the Fuel Administration is too low.

I do not want to take that chance with wheat. I hope the price can be raised from $2.20 to $2.50. The American people and our allies will gladly pay the difference if they are assured thereby of getting all the wheat they want.

Mr. LODGE. Mr. President, I am not going to enter upon a discussion of the wheat problem, which has been so fully discussed here. I agree that the key of this situation is production, but the attention of the executive departments has been given to reducing the cost of living. By yoking that up with the stimulation of production the result has been a decreased production.

I think that if the farmer had been let alone to find his market under market conditions he would be getting a price for his wheat to-day that would stimulate production. The minute you begin to fix the price you are met with the consumer, and then you put on a price at which the farmer will not be stimulated. It is in this connection, if the Senator in charge of the bill will permit me for a few minutes, that I want to call the attention of the Senate—it is the only way we can bring these things out—to this perpetual meddling that is going on with the American people in every form of business.

I hold in my hand a circular just issued by the United States Fuel Administration, through Mr. John L. Weaver, Federal fuel administrator for the District of Columbia. Their titles are always ample, if nothing else. Last year, as everyone knows, the filling of bins in the summer time, when railroad transportation was easiest and the consumption of coal least, was frowned upon—not only frowned upon, but people who attempted it were denounced as hoarders. That remained the policy of the Fuel Administration down to the appearance in the newspapers of the draft of the report of the subcommittee investigating the coal situation, which was prepared by the Senator from Missouri [Mr. REED]. Then they changed their position and were going to encourage the filling of bins and laying in a supply of coal in the spring and summer months. As it happened, it came out very harmoniously just at the time—almost the very day—that I made my speech attacking their hoarding order of the previous year. It is in this connection that this circular is issued.

Here it is. If you do not tell the truth in answering these inquiries you are liable to a fine of $5,000 or two years in prison, or both; and these are the inquiries:

Name of dealer, ———.
Quantity required for year ending March 31, 1919, ———. Heater, ———. Range, ———.

I suppose the heater means the furnace—

Quantity desired for immediate delivery, ———. Heater, ———. Range, ———.
(If total requirement is over 6 tons, dealers can deliver only two-thirds of order.)
Quantity consumed during year ending March 31, 1918, ———. Heater, ———. Range, ———.
Quantity now on hand, ———. (See footnote.)

That gives an explanation of how you are to divide it up and how much you will get, and if you do not give the exact weight of the coal in your cellar you are in danger of paying a fine of $5,000 or going to jail for two years, or both—

Kind of building, ———.
Number of rooms, ———.
(Do not include bathrooms or halls.)

In many houses, of course, the house is largely heated from the hall. That is the chief delivery of heat from a furnace. Therefore you are to exclude it in giving the number of rooms—

Kind of heating plant, ———.
Have you any unfilled orders with other dealers? If so, amount and with whom, ———.
Heater, ———. Range, ———.

That seems to me paternalism run mad. Why can they not leave it to the American people to fill their bins, if they are not going to be denounced for hoarding? Why not say to the American citizen: "It is a good plan to fill your bins now; go ahead and do it," and bring in all the force of private interest behind the policy which they have finally determined is a wise one? Instead of that, they get out these sheets of questions, they harass people, they annoy people, they anger people, they prevent the carrying out of the policy that is required. It seems like nothing in the world but a desire to do something and meddle with every man's business; but it creates discontent, annoyance, and anger at a time when we wish to stimulate in every possible way unity, good feeling, and energy in the war.

We have had from the Senator from Colorado [Mr. THOMAS] one of their performances in his State, by which they are reducing the output of coal in that State 7,000,000 tons a year—one of the greatest coal-producing States, naturally, in the

Union—and here, in the cities of the East and among the consumers, they are getting out sheets of questions like this!

Mr. HARDING. Mr. President——

The PRESIDING OFFICER (Mr. WATSON in the chair). Does the Senator from Massachusetts yield to the Senator from Ohio?

Mr. LODGE. I yield.

Mr. HARDING. I should like to ask the Senator from Massachusetts if he is familiar with many bin capacities which exceed a winter's supply of coal?

Mr. LODGE. I suppose most of the bin capacities are much too small for a winter's supply.

Mr. HARDING. I have heard of instances of that sort.

Mr. LODGE. I have had it suggested to me by personal experience.

This whole thing seems so utterly pointless. Why not say to the public just what they mean? Why not say, "We think it is a wise policy for you to store all the coal you can for the coming winter, and store it now and in the summer," and leave them to do it? The American people are fairly enterprising, and most of them are grown up. Why not leave them to do it themselves? Instead of that, we have a real estate dealer, a very worthy man, who comes in here and puts out this table of questions. Mr. President, it would be a pure farce if it did not go to the borders of tragedy in its effect on the public sentiment and the public mind at this time.

Mr. HARDING. Mr. President——

Mr. LODGE. I yield to the Senator.

Mr. HARDING. I should like to ask the Senator if the questionnaire prescribes any particular rule of estimate as between the range and the heater?

Mr. LODGE. None. You are simply to give the amount that you have used in those ways.

Mr. HARDING. There is no strict rule of estimating?

Mr. LODGE. None; and in the example which they give in the note they say:

EXAMPLE.—Customer requires 12 tons for year ending March 31, 1919. Dealers can only make a first delivery of 8 tons. The amount customer has on hand April 1, 1918, must be deducted from said 8 tons.

If it is a good thing—as I believe it is, and as they now admit it is—to buy and store coal in the season of the year when it is simplest to do it, why not let them put all the coal they can into their bins? Why put them through all this sort of thing, make all this trouble, and hamper the doing of the thing which they now believe to be a good thing to do?

I do not want to weary the Senate with a discussion of coal. I have talked a good deal upon it, but there is nothing that we can do except what the Senator from Colorado said yesterday. The only thing we can do is to bring these errors and these abuses here and call attention to them.

Mr. THOMAS. Mr. President——

Mr. LODGE. I yield to the Senator from Colorado.

Mr. THOMAS. Mr. President, I am very glad the Senator from Massachusetts has called attention to the circular which he has just presented to the Senate, because I think the general policy of the Fuel Administrator, both as to producers and as to consumers, is injurious to both. The Fuel Administration is extremely and, I think, deservedly unpopular in the minds of consumers. If we focus the attention of the country upon these various methods of attack on the coal industry, which is raising havoc both with production and the distribution, we may possibly, after a while, in some direction, secure a little relief. I do not see any prospect of getting it in any other way. Out in Colorado at present, in addition to the wheatless days and the meatless days that the Food Administrator has imposed, the fuel commissioner has imposed sleepless nights. So we are doing our full bit out there.

Mr. LODGE. I quite agree with all the Senator has said. I think this is the only thing we can do to call attention to it. As to its effect, I am not oversanguine. I think it is adding to the unpopularity of the Fuel Administration as it gradually is pushed home in different quarters of the country; but growing unpopularity is no particular comfort as long as they remain in a place where they can acquire unpopularity.

I ask permission to print at the end of my remarks the circular to which I have referred.

There being no objection, the circular referred to was ordered to be printed in the RECORD, as follows:

[United States Fuel Administration. John L. Weaver, Federal fuel administrator for the District of Columbia.]

APPLICATION OF CONSUMER FOR ANNUAL REQUIREMENTS.

In accordance with regulations of the United States Fuel Administrator, purchasers are required to make true declaration in answer to the following questions:

Date ———, 1918.

Name of dealer ———.

Quantity required for year ending March 31, 1919, ———. Heater ———. Range ———.

Quantity desired for immediate delivery ———. Heater ———. Range ———. (If total requirement is over 6 tons, dealers can only deliver two-thirds of order.)

Quantity consumed during year ending March 31, 1918, ———. Heater ———. Range ———.

Quantity now on hand ———. (See footnote.)

Kind of building ———.

Number of rooms ———. (Do not include bath rooms or halls.)

Kind of heating plant ———.

Have you any unfilled orders with other dealers? If so, amount and with whom ———. Heater ———. Range ———.

I hereby certify that the above statements are true to the best of my knowledge and belief.

Name ——— ———,

Address ——— ———.

Any person who willfully makes a false statement upon the foregoing application is subject to prosecution under the Lever Act which imposes a penalty of $5,000 fine or two years imprisonment, or both.

Filed with fuel administrator for the District of Columbia ———, 1918.

By ——— ——— (Dealer.)

EXAMPLE.—Customer requires 12 tons for year ending March 31, 1919. Dealers can only make a first delivery of 8 tons. The amount customer has on hand April 1, 1918, must be deducted from said 8 tons.

Mr. HARDWICK. Mr. President, from the beginning I have opposed legislation of the character that the Senator from Oklahoma [Mr. GORE] proposes to amend. From the beginning I have realized that it was utterly futile to undertake to reverse all the processes of our national life and to repeal all the ordinary laws of business and of economics because somebody had a wild idea that somewhere else they were trying to do things of this sort and that we ought to ape them here.

Price control, Mr. President, has never succeeded in any way, in any country, or under any circumstances. It is utterly abhorrent to reason and the principles of common sense, and we need not expect to see it ever succeed, either here or anywhere else.

It may be true, Mr. President, that in times of national stress the Government may be justified, if it is necessary for the conduct of the war, in offering a bonus or a guarantee to stimulate production of any given commodity. That is the only possible way in which anything practical of this kind may be accomplished. Even then, unless the amount that the Government wishes to invest is practically unlimited, no considerable results need be either expected or hoped for from such an endeavor.

I have felt that way from the very beginning, as I said just now, with reference to matters of this sort. I have believed from the first that to enact legislation of the character of that which the Senator now seeks to amend is just like throwing so many monkey wrenches into the machinery, and I think the result has already proved the correctness of that contention, although it was by no means original with me or peculiar to myself. I believe every thoughtful man who ever considered the question, from the dawn of civilization up to the present moment, has always known that it was true.

Now, what are we now doing? The Senator from Oklahoma [Mr. GORE] proposes to amend this so-called food-control bill in so far as the same relates to the price of wheat by changing the price that may be paid for wheat from $2.20 to $2.50 a bushel, and certain other minor amendments as to where the market price shall be fixed, and so forth.

Those of us who represent States which are not wheat-producing States but wheat-consuming States might well hesitate before we support this proposition. Indeed, taking the interests of the country as a whole, realizing that vastly more of the people are consumers of wheat than are producers of wheat, we might well hesitate to adopt any such proposal, if it were a mere question of what was desirable in the way of price control, but we can control this price no more than we can control conditions that are world-wide in their scope and reach. We must consider that we are confronted by world conditions and world necessities, and when we realize that a great part of the wheat-producing area of the world can no longer be utilized for that purpose, for one reason or another connected with this war, and when we realize that the demand for wheat is liable to grow in strength and in volume, it seems to me that with respect to this commodity it is very much like it is with respect to coal, that the most important thing to do is not to lower the price but to stimulate the production. Otherwise, the people of the world may not have enough bread, and if they can not get enough bread at any price, then the price, of course, becomes a matter of secondary importance; it becomes almost, if not quite, unimportant.

I believe that the world conditions are such that wheat production in this country must be stimulated to the utmost. I

realize that the temptations to the farmer in the western and central western portions of the country to turn his activity to the production of other grains that are not controlled or hampered or monkey-wrenched by law has been so strong that unless we offer some additional inducement the necessary production of wheat may be greatly curtailed.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from North Dakota?

Mr. HARDWICK. I yield.

Mr. GRONNA. I hope the Senator from Georgia will not understand that those of us who are from the wheat States asked for any legislation even to guarantee a minimum price.

Mr. HARDWICK. I know the Senator from North Dakota and many Senators from the wheat States made no such request, and I want to congratulate him and them on the common sense they displayed about this proposition. They said then, and they were everlastingly and eternally right, "Let us alone and we will raise the wheat in this country that will feed the world. Do not hamper us with useless, worthless, meaningless, and worse than worthless laws and we will do our part." I wish to God the American Senate and the American Congress had taken their advice.

Mr. GRONNA. If the Senator will permit me further, I think our prediction, I am sorry to say, has become true. We said last year that the production of wheat would decrease and not increase, and that the price of other products would increase far above that of wheat, which is more valuable for food than these other products. Take the grain which we call rye, which weighs only 56 pounds to the bushel, and it is selling at the terminal market for $3 a bushel. Barley, 48 pounds to the bushel, is selling away above wheat, at $2.30 and $2.35 a bushel, which is very much inferior in food value to wheat. The American consuming public are paying for it, and instead of helping the public to get cheaper food we are penalizing the public and making them pay higher for food products.

Mr. HARDWICK. I quite agree with the Senator. I remember the prediction of several of the western Senators made at the time on this very line, and I want to add my testimony to their statements. The result has borne out the accuracy of their predictions. It was utter nonsense, with all respect to the Senate, to undertake to regulate this sort of thing by statute law. We have demonstrated it, I think, to the satisfaction of a great many who then doubted, or professed to doubt, the truth of that position. It is a truth as old as Adam Smith himself—nay, it is as old as human civilization and intelligent thought itself. But here we are in the middle of a bad fix on this question and a good many others.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from North Dakota?

Mr. HARDWICK. I yield.

Mr. McCUMBER. I think several times the Senator has assumed that Congress was responsible for the price fixing by this committee. If Congress is responsible for this price fixing, of course we must find the authority in some bill that Congress has passed. I should like to have the Senator point out to me any bill that Congress has passed which authorizes the Food Commission to fix a price upon the 1917 crop or to fix a price upon any other crop raised by farmers.

Mr. HARDWICK. Except the minimum price guaranteed, does the Senator mean?

Mr. McCUMBER. No; that guaranty was simply this. Congress said to the farmer "we want you to sow wheat for the 1918 crop. Now, we will not interfere with the law of supply and demand unless the price should drop below $2 a bushel at the terminal market, and to protect you, to insure you that you shall have a fair price, we will guarantee that if it does fall below that we will take the wheat off your hands at that price," and we made provision for that. We did not tell any commission to fix a price, and the price fixed by the commission related entirely to the 1917 crop. Now, where under the law was the authority given to this commission, or any other commission to fix the price of wheat?

Mr. HARDWICK. Let me ask the Senator a question or two, in turn, and then I will try to answer his question, for it is a reasonable one. Under what authority of law would he assume to exercise such a power now?

Mr. McCUMBER. I would not assume to exercise it. We granted a power to license factories to produce things for the American people to prevent exorbitant charges, or, in other words, to prevent an attempt to hold up the American people. There was nothing in that grant of power which included the right to determine what those factories should pay to the producer for what they purchased from the producer, but under the operation of this commission they have assumed the authority, and without any basis, to say to the manufacturer, "You can not continue in business unless you buy the product you manufacture at very much less than the real value of the article." Now, where did they get the authority?

Mr. HARDWICK. If the Senator will permit me to answer his question, they get it, so far as they get it at all, from this indirect method of controlling the price business, namely, by the license system; and let me say to the Senator——

Mr. McCUMBER. Does the Senator think they have the right indirectly to do it?

Mr. HARDWICK. I do not think they have.

Mr. McCUMBER. I do not either.

Mr. HARDWICK. But I did not have the slightest doubt at the time we passed this legislation that they would do it, and if the Senator will go back to the RECORD of those days he will find that I stood on the floor of the Senate and warned the Senate that this exact thing would be certain to happen. They have gone further than that——

Mr. McCUMBER. Does not the Senator think that Congress had a right to assume and that individual Senators had a right to assume that all authority exercised under the law would be in conformity with it and not against it?

Mr. HARDWICK. But the Senator, of course, puts his own judgment up as conclusive as to what is in conformity with the law and what is in conflict with it. I refer to any Senator. I do not mean the Senator from North Dakota any more than the Senator from Georgia.

Mr. McCUMBER. If the Senator will excuse me, I think that my judgment corresponds with the judgment of the Senator from Georgia and the judgment of every Senator on this floor.

Mr. HARDWICK. That may be; but after all the language in which we conferred that power, the license section of the law, was so broad that it was capable of almost any construction and capable of almost any sort of a use. I remember standing on this floor and pointing out to this body that not since the days of Tiberius Cæsar had any monarch on earth been invested with such vast and limitless power over the business and industry of even a country in which the government was a despotism. They have gone even further than that in this country. They assume to say to every merchant in this country, under this same licensing system, "If you do not do exactly what we tell you to do, sell exactly what we tell you to sell, on each day as it comes, sell a certain proportion of wheat and a certain proportion of some substitute for it at the same time, to an unwilling customer, you can not do business in this country."

Ah, Senators, when we grant power limitless, with no limit whatever, with no stop whatever, with no halt whatever in it, unless it rests within the breast and conscience of the administrator of the law, then we have departed a long way from representing a free people who are supposed to have rights and liberties that are not lightly to be either suspended or surrendered.

We complain about these laws, although we vote for them, in the face of repeated and reiterated warnings that this is certain to happen under such laws. The time has come, the hour has struck, to call a halt in all that sort of business. It boots us nothing, it profits us nothing. It does not speed the war. It does not advance the cause of this country. It is utterly absurd for the Senate to think that by granting all this power in every direction this body is doing anything to further the prosecution of the war. If that contention is to be granted in anything like its entirety, we admit the failure of republican government and the doom of republican institutions. If it is to be seriously contended in this body or anywhere else that we can only crush an autocracy across the sea by establishing first an autocracy here, then it becomes pertinent to propound once more the question asked by the Saviour of mankind almost 1,900 years ago, "What is a man profited if he gain the whole world and lose his own soul?"

The very reverse of this proposition is true. This country will be stronger in the war, greater for war, more powerful to wage it, if the rights and liberties of every citizen are preserved unimpaired, and the American citizen will be a better patriot, aye, a better soldier on the battle fields of France or anywhere else, if he continues a free man and continues to possess a country that is fit to live in and fit to die for.

We make for nothing by this abandonment of democratic principles. We make for nothing except our own undoing by these desertions, continual and unending and unceasing, of the

great fundamentals on which rest the rights and liberties of the American people.

For one, I am tired of the performance. I have not gone very far with it myself, but I think we all ought to stop. The time has come to call a halt on these things. Let us quit granting away all the liberties of the people every time we meet so that after a while if we keep it up we will have to begin to take an inventory, and it will not take much paper to carry it on, each night as we adjourn, to see how much of our liberties are left.

As far as the bonus feature of this wheat proposition is concerned, I believe the world conditions are such as to demand and require as a matter of policy that if we are to give a bonus at all we shall increase it and enlarge it in order to stimulate American productivity in this particular line. Entertaining that view, I shall support and vote for the amendment proposed by the Senator from Oklahoma.

Mr. McCUMBER. Mr. President, I want the attention of the Senator from Georgia for just a moment, because it has been often asserted upon the floor of the Senate in the discussion of this matter that Congress gave to the Food Commissioner the authority which he is now exercising, and that therefore Congress is responsible for what is being done under the exercise of that authority.

Mr. HARDWICK. Will the Senator allow me? Of course, the Senator did not understand me to make that assertion. I have never rested under that delusion. It all comes from the stretching of the licensing power, and I knew it would come from that.

Mr. McCUMBER. This is what the Senator said a very short time ago, namely, that the powers granted were so extensive as to justify or excuse almost any construction of that license clause. I want to show the Senator that that license clause is not subject to any such construction as is given it. The purpose is clearly set forth in its words, and what it is intended to accomplish and the punishment for a disobedience are also set out just as clearly.

I want to read that clause, which is section 5 of the food act, and ask the Senator again, or anyone else, to point out to me one single clause that would justify a price-fixing schedule that would affect the producer. Section 5 reads as follows:

That, from time to time, whenever the President shall find it essential to license the importation, manufacture, storage, mining, or distribution of any necessaries, in order to carry into effect any of the purposes of this act, and shall publicly so announce, no person shall, after a date fixed in the announcement, engage in or carry on any such business specified in the announcement of importation, manufacture, storage, mining, or distribution of any necessaries as set forth in such announcement unless he shall secure and hold a license issued pursuant to this section.

Now, that is the law authorizing him to grant licenses. Then it proceeds:

The President is authorized to issue such licenses and to prescribe regulations for the issuance of licenses and requirements for systems of accounts and auditing of accounts to be kept by licensees, submission of reports by them, with or without oath or affirmation, and the entry and inspection by the President's duly authorized agents of the places of business of licensees.

Now—

Whenever the President shall find that any storage charge, commission, profit, or practice of any licensee is unjust, or unreasonable, or discriminatory and unfair, or wasteful, and shall order such licensee, within a reasonable time fixed in the order, to discontinue the same, unless such order, which shall recite the facts found, is revoked or *suspended*, such licensee shall, within the time prescribed in the order, discontinue such unjust, unreasonable, discriminatory, and unfair storage charge, commission, profit, or practice.

That is aimed entirely to storage charges, to profit charges by the licensee upon the article which he manufactures or sells. Is there one single word within that which authorizes the President or anyone else to say to the licensee you must pay a certain price and not one penny more for the thing you purchase? Not one word. All the government that you exercise over the licensee is a government affecting his profits above what he pays, and there is not a single word within it referring to what he shall pay for the raw material.

Mr. HARDWICK. Will the Senator yield?

Mr. McCUMBER. I yield.

Mr. HARDWICK. I suggest to the Senator, while it is a very strained construction, and, as I said a moment ago, one of which I do not approve yet, I can not see, under that language and under the particular powers conferred, why they have not as much right to say to a licensee "we will prescribe how much you shall pay for things" as to say to the licensee "we will prescribe how much you shall sell things for."

Mr. McCUMBER. Under the wording of the law all the commission has the right to say to the licensee is, "Your charges are exorbitant or extortionate, and you must reduce them within a reasonable basis."

Mr. HARDWICK. I merely wish to suggest to the Senator that, in my opinion, the language is somewhat broader than that. They can regulate any practice or regulate any sort of a business dealing they have with anybody, and it is on both sides of the ledger, both as to buying and selling.

Mr. McCUMBER. I think if the Senator will read the section a little further he will see that not only the spirit but the wording of the act shows conclusively that it is intended to deal only with extortionate charges, because it provides further, in the same section:

The President may, in lieu of any such unjust, unreasonable, discriminatory, and unfair storage charge, commission, profit, or practice, find what is a just, reasonable, nondiscriminatory, and fair storage charge, commission, profit, or practice, and in any proceeding brought in any court such order of the President shall be prima facie evidence.

So when you get through with this license section there is not a word within it, in my opinion, that could possibly justify a commission in dictating to the licensee what it shall pay for products that represent the greater value of the wealth produced in the United States in a single year.

Mr. HARDWICK. I should like to ask the Senator just one other question.

Mr. McCUMBER. I yield.

Mr. HARDWICK. Does the Senator think under that language the power is given or was intended to be given to this food controller to go out to all the retailers of the country and say to them you shall sell bread one day and meat another; you shall do this and do that and do the other, according to an arbitrary regulation issued by a Federal bureau here in Washington?

Mr. McCUMBER. Oh, no, Mr. President.

Mr. HARDWICK. Which shall say you shall buy oatmeal when you buy flour or you shall buy some other substitute when you buy flour?

Mr. McCUMBER. That is an arbitrary rule. In other words, there is no law to compel me to desist from eating meat on Friday or Saturday or any other day, if I choose to do so.

Mr. HARDWICK. Oh, no; but on the individual citizen it operates the same way, because if any one of these licensees disobeys in the smallest or most minute particular then he is notified he can no longer do business. That threat is held over his head, and they practically enforce whatever they desire, although the lawmaking body may have never dreamed that such a program was in contemplation or was possible.

Mr. McCUMBER. The Senator asked me whether or not there is authority given here to say to a retailer that he shall not sell chickens one day and then sell pork another day. I say candidly there is no such authority given.

Mr. HARDWICK. That is exactly on all fours with your wheat case.

Mr. McCUMBER. Exactly; and therefore those who supported this food proposition can not be charged in any way with having supported or voted in favor of the exercise of the authority that is attempted to be exercised to drive down the price of any product.

LEAGUE OF NATIONS.

Mr. OWEN. Mr. President, many individuals in very high places have endeavored to state the conditions upon which war may be terminated, such as Lloyd-George, Mr. Asquith, M. Clemenceau, the President of the United States, von Bethmann-Hollweg, of Germany, Count Czernin, of Austria, his holiness, Pope Pius X, and others, each giving their point of view. The difficulty with these expressions, all of which have value, and some of which have very great value—such as the most recent declarations by the President of the United States on January 8 and February 11, 1918—is that they are not the combined, adequately authorized, or sufficiently convincing declarations of organized governments.

The British Parliament is, according to the last dispatches, now considering a league of nations. Many public men begin to see it. The Saturday Evening Post of March 9, 1918, has the following editorial:

[From the Saturday Evening Post, March 9, 1918.]

A GOOD TIME TO START.

A resolution introduced in the Senate last August by Mr. OWEN directs the President to invite all ally and neutral nations to send delegates to a conference for the purpose of discussing a league of nations to maintain peace.

There was no difficulty in getting representatives of the United States and ally nations to a conference at Paris for the purpose of discussing war measures. A conference to discuss international organization presents hardly greater difficulties.

Organizing a régime of international law and order is a big and difficult task—probably the biggest task to which statesmanship has ever addressed itself. Many pregnant details must be considered. Many differences of opinion will develop. Which is all the more reason for making a beginning. It need distract no particle of energy or attention from the prosecution of the war.

On the main point an overwhelming majority of the people of every country in Europe and America agree—the point that the world must be intelligently safeguarded by some system of international organiza-

tion against a repetition of this calamity. A few individuals here and there may speak differently, but they represent no considerable body of opinion anywhere in the world. A government or an official that dissents from the main point does not represent the people.

There must be a preliminary conference sometime to sketch a plan. Such a conference now could agree upon an outline; and an outline, of however general a nature, agreed to by a representative international conference, would be a capital stroke for speedy and acceptable peace. Its influence, within Germany and without, would be important.

Unrepresentative government pushed the world into this war. Unrepresentative government is not unknown at times even among democracies. Mere governmental indifference has defeated many a good project. All governments will be busy enough directly after the war. The favorable juncture for launching an international organization may slip by, which would be a betrayal of the people of the whole world.

A start, a definite beginning, is necessary. Public opinion should demand it.

Mr. President, in order to put an end to war, in my judgment, the principles of international law should be declared, as far as coherence of opinion makes possible, by the great organized governments of the world in a definite treaty or joint declaration, and having declared these principles these governments should be prepared to enforce the principles by whatever means they may have at their disposal.

Men do not easily understand abstractions. I therefore venture to make a concrete proposal as follows: Let the United States, Great Britain, France, Italy, Japan, China, Belgium, Greece, Roumania, Serbia, Montenegro, Portugal, Siam, Cuba, Liberia, Brazil, and Panama enter into a treaty declaring the fundamental rules of international relationship, and, since no rule rises to the dignity of law unless it is enforced or enforceable, let them provide the means by which these principles shall be enforceable. In addition to the force of arms, I venture to suggest means by which they can be enforced through commercial or financial pressure. This treaty should be open to the adherence of all other nations, and if they desire to cooperate in the framing of the treaty I think they should be permitted to do so. But the principles ought to be laid upon the table so that the whole world may see what they are, so that the whole world may know that these principles will not be set aside or modified by any secret diplomacy around a council table where trading and trafficking of individual interests may affect these fundamental principles upon which the public opinion of the world is really agreed.

First. I take it that these principles should be as follows: The right of every civilized nation and self-governing people to exercise the unquestionable right of internal self-government, with exclusive control within its own territory over immigration, emigration, imports and exports, and all internal affairs.

Second. The right of complete territorial integrity.

Third. That the oceans and high seas should be free and open under international rules; that all international waterways, straits, and canals should be open on equal terms to the citizens of all nations; that the right of access to the sea by shipment in bond without tax through intervening territory should be conceded; that international disputes should be definitely settled by arbitration; that the invasion of the territorial integrity of one nation by another on any ground should be regarded as an international high crime, the offending nation to be held an international outlaw; that subordinate nations or colonies backward in education, industrial and economic development, and in the knowledge of the principles of government should have their rights safeguarded on the basis of the principles of freedom, humanity, and justice by international agreement under the patronage of its patron civilized nation; that nations cohering with this program and willing to terminate the present war upon these principles shall be entitled to equality of treatment in commerce.

That each of the existing nations in July, 1914, shall be content with its boundaries as they then existed. That territory over which there existed a dispute prior to the war, such as Alsace-Lorraine and terra irridenta, shall be assured unembarrassed self-determination under international law. That when the war terminates, by the adherence of nations to this program, or by force of arms, immediate disarmament shall take place on land and sea to a point not to exceed internal or local police purposes, and the quota required for the international army and navy apportioned according to agreement of the respective countries adhering to this program. That an international force shall be arranged by agreement for the purpose of making effective the rule of international law.

Mr. President, it is perfectly obvious, in spite of all pretenses of a merely defensive war, that the military masters of Germany are waging this war for purposes of conquest, for purposes of material profit, for the purpose of "annexation and indemnity," by capturing and digesting weaker neighbors and using their wealth and man power as a military asset. It is perfectly obvious that this war is being waged in the interests of the property-owning classes of Prussia and of the German Empire—the bankers, merchants, and manufacturers, who, by the German military machine, have been able by military force to reduce Turkey, Bulgaria, and Austria to a condition of vassalage as a means of promoting their private fortunes at the expense of the balance of mankind.

There is available to the entente allies a means of influencing the opinions of these unscrupulous selfish interests, and that is by serving notice on them that the allied nations will use their power over the sea and the seaports of the earth to exclude them absolutely from commercial intercourse with the balance of the world if they do not at once agree to the reasonable rules of international law, which are laid down between the nations as proposed, or as shall be proposed, when this matter has been carefully and thoroughly digested and considered. The way in which to do this is for the United States, England, France, Italy, and Japan, with the adherence of other nations who may be in accord, to conclude a further convention, solemnly and irrevocably binding themselves that unless the military masters of Germany make peace on the terms proposed within 30 days after the ratification and publication of the convention, that the signatories agree that for a period of five years from date they will—

First. Refuse clearance to any of their vessels to any German port.

Second. Refuse entry to any of their ports of any vessel under the flag of Germany or any vessel under any other flag engaged directly or indirectly in trade with Germany or owned in whole or in part by any subject of Germany.

Third. Prohibit the exportation, direct or indirect, of any merchandise, goods, wares, raw materials, or other natural products, whether of domestic origin or of foreign origin, to Germany.

Fourth. Refuse to permit the importation, direct or indirect, of any merchandise, goods, or wares, whether of domestic origin or foreign, from Germany.

Fifth. Prohibit the exportation, direct or indirect, to Germany of coin, bullion, or paper money or securities, or any other form of indebtedness, of bills of exchange and other negotiable instruments, of banking or commercial paper.

Sixth. Forbid any postal arrangement, telephonic or telegraphic communication with Germany, or with any person in Germany.

Seventh. Prohibit the transfer to their own nationals, either directly or indirectly, of any stocks, shares, mortgages, or other forms of indebtedness owned by a subject of Germany, and confiscate all property owned in the entente allied countries by Germans residing in Germany as an indemnity to their own nationals owning property in Germany.

For every 30 days succeeding the first period of 30 days in which the military powers of Germany refuse to make peace, one year shall be added to the five years as above specified.

If Germany adheres by formal acceptance of the principles of international law above laid down by resolution of the Reichstag approved by referendum by the German people and agrees to begin immediately and coincidently the demobilization of her armies, an armistice shall be declared and negotiations immediately begun for the specific terms of settlement of other questions. But that she must definitely agree in advance of the armistice that Belgium, Serbia, and occupied territory of other nations shall be evacuated and reparation made to Belgium and Serbia.

Mr. President, the allies control the seas and are in a position to demand of the masters of Germany the establishment of these rules of international decency, because the propertied classes of Germany will be reduced to bankruptcy unless the military masters of Germany yield to the demand of the civilized world for a cessation of the wholesale murder brought upon the world by the unethical ambitions of this military group.

The German people themselves have not the power to revolt against their military masters, but the military masters of Germany can not carry on the war if the commerce of Germany is destroyed and its financiers are bankrupt, nor unless the German people continue their approval.

The German military authorities vainly imagine that by a show of arms they can obtain a peace, a "German peace," so called, which means a peace of German victory, in which they shall dictate to the balance of mankind the conditions of peace, and in which they may prepare themselves for another war of dominion. The only way to end this ambition is to convince the propertied class of Germany that they face destruction if the military leaders of Germany persist in using the German people as a war machine to destroy the liberties of mankind.

The working classes of Germany know perfectly well that no military victory can possibly compensate for the loss of the free and open markets of the world, for the cutting off of their shipments, for the closing of their factories and industries, to the markets of the world.

This is not a proposal to make war after war. This is not a proposal of an economic boycott after the war. It is a proposal of giving equality in the commercial life of the world to the people of Germany if they accept the reasonable doctrines of international law which will assure the liberties of the world against the militarism of Germany.

The military masters of Germany can not be affected by threats of an economic boycott. They have no fear economically after the war. They are convinced that the Americans, the English, the French, the Japanese, and the Italians are mere dollar-chasing people, they will all be so anxious to make money after the war that none of them will question where the trade comes from.

The German military business and financial rulers think only in terms of dollar diplomacy, but they will be able to understand the force and significance of the policy now suggested. They will recognize the importance of a solemn treaty agreement, irrevocably binding its signatories and representing the opinions of three-fourths of mankind. They will recognize the solemn judgment of the peoples of all the world allied against German militarism.

The plan which I propose would be an act of war if the world were at peace, but now that the world is at war this proposal will bring peace or fix the responsibility for further human slaughter upon the military masters of Germany, and punish them in their most tender spot.

When the nations of the world declare before all the world the decent terms by which peace can be made; when there is nothing left to secret bargaining, to chicanery, to the trickery of unscrupulous negotiators; when the objects for which the allies are fighting are laid bare with accuracy, we reach a point at which a peace based upon understanding, based upon justice, which include mercy and humanity, may be arrived at.

At all events, Mr. President, I have thought it my duty to make this suggestion for the consideration of thoughtful men in the United States. The sovereignty of the United States is vested in the people. The United States is controlled by public opinion. The executive and legislative branches respond alone to public opinion. I make this suggestion in the hope that it may be improved upon and may be useful in bringing an early end to the wicked slaughter of the beloved youth of the world.

Where no counsel is, the people fall; but in the multitude of counselors there is safety.

AGRICULTURAL APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

Mr. SHERMAN. Mr. President, this proposed amendment of the food act attached to the appropriation bill on the agricultural items would carry out what was undertaken in the original act approved on the 10th day of August, 1917. If it were not that in all ordinary affairs the comic always treads on the heels of the tragic, I would forbear to make some observations which I am moved to make, but it seems like there is a very undefined line between some of these sober affairs and those that savor rather of the humorous or ridiculous. We have not gone as far as we could. I read from paragraph 20, on page 15 of some regulations from Document No. 47 of the Senate of the Sixty-fifth Congress, first session, which contains this language:

(E) KEEPING OF PIGS NOTWITHSTANDING BY-LAWS.

20. With a view to maintaining the stock of pigs in the country, any local authority by whom a by-law has been made which is for the time being in force prohibiting, restricting, or regulating the keeping of pigs, may grant permission, either generally or in particular cases, to keep pigs, notwithstanding or contrary to any provisions of any such by-laws, subject, however, to the observance of any directions of the local authority in the interests of public health.

That is a suspension of the ordinary laws against raising pigs inside of densely populated areas and is found in the regulations of the British Parliament or a rule promulgated by the food department, being first authorized by an act of Parliament; so they recognize the importance of one of our staple food-producing animals even in the Old World. Not only do I read that to show that the production of food is important, meat as well as breadstuffs, but to show that even the humble porker has not escaped the vigilant attention of the English Parliament. How it ever this long escaped the attention of the Food Administration in this country deponent saith not.

I call the attention of the Food Administration to this very manifest omission. I notice on my trips around Washington very many points where pig pens might be maintained without serious detriment to the public health. Only yesterday morning, it being one of the few sunny days when the open cars made their appearance, I passed on the way down to the Senate Office Building a garbage cart filled with pig food. The odors were not exactly those of "Araby the blest," but I remembered that I was living in the model city of the world. Notwithstanding the fact that towns of 10,000 population now have regulations that garbage shall be taken care of by nighttime, still in this model city its collection begins with sunrise, or will begin then under the provisions of the new daylight-saving act, and proceeds without intermission until the gloaming, as the poets put it; so that we may have under the blessed administration of the food law and the police regulations of this city whiffs from these garbage carts that will cut down the appetite so as to conserve the supply of food.

The Food Administration has overlooked, in its vigilant combing of every means of reaching the citizen, the fact that if there had been a convenient pig pen in my part of the town the garbage would not have needed transportation down New Jersey Avenue within two blocks of the Capitol; it could have been fed on the spot, and the ultimate consumer would have saved the transportation, which is now a very material question.

I commend to the head of the Food Administration this suggestion as to the lack of conservation. If the British Parliament or the Food Department in England can take it up, why can not we? We have been copying England in everything else; let us copy her in the matter of pig pens. I almost catch myself dropping my h's, and if Washington were not a dry town I would be calling for ale and wearing tweeds before the 1st day of June. Why the Food Administration has omitted this regulation I can not tell, except that in its multitudinous activities it has not had time to reach it; and I think I am performing a kindly act in reminding it of the condition as well as the opportunities for entering a fresh field requiring more appropriations.

In order to show you in war times how vigilantly all other of these small items are attended to, I read from the Official Bulletin of March 19, 1918. I know that all these matters are insignificant of themselves, but it is out of trifles that the larger things grow, on the good New England maxim, that if you take care of the pennies the dollars will take care of themselves. I read in this vehicle of censored news and receptacle of all official information the following, that must be inspired by the food department:

Hot cross-buns, which are sold and eaten on Good Friday, will not be coated with icing this year, according to an announcement by the United States Food Administration.

Hot cross-buns are considered as bread by the Food Administration, and rule 1 of the baking regulations forbids the use of icing and limits the amount of other ingredients in bread and rolls.

Well, I presume that no complaint can be made; but I never understood that a hot cross-bun was bread until it was officially defined in that way. Back in my childhood days, or even yet when I am in the company of children on hot-cross-bun day, I have universally regarded such buns as confectionery, not as a necessity, but as a luxury. Here, however, it is officially defined as bread and made the subject of about one-quarter of a column, in spite of the high price of print paper and other of the et ceteras of the Government Printing Office used in this momentous announcement.

There are many of such items in this same publication, and I only select this as a sort of sample of many others that are contained in this grave vehicle of information. I note under order No 1177, effective on March 15, 1918, from the office of the Postmaster General, under the date line of March 18, 1918, that—

Live day-old chicks shall be accepted for mailing, without insurance or C. O. D. privileges, when the package in which they are contained is properly prepared and can be delivered to the addressee within 72 hours from the time of their mailing.

Then follow directions as to how they are to be prepared for transportation, among which are the following:

Handle with especial care packages containing day-old chicks.
Do not give food or water to the chicks while in transit.
Dispatch as quickly as possible, and deliver to addressees promptly upon arrival at offices of destination.

That can not be done. Five days is now the average time between my office and Chicago. I mailed a letter on the 14th day of February, 1918, which has not yet reached its destination. On that date I addressed to a bank in Illinois, in the usual office envelope, a letter inclosing a check. That letter, as I have stated, has not yet arrived, according to the information from the bank. So I do not seriously question that they intend that prompt delivery shall be made at the destination, but I do question the performance of the intention. There are a number of other directions given which take up almost an entire column of the Official Bulletin.

I wish, along with this effort to control the price of wheat, to interpolate that when the food-control bill was under discussion at the last session many criticisms were made on this proposed undertaking. They were made because many Senators were doubtful about the ability of any person to whom

power should be delegated by Congress properly to perform that function. As it is, prices are fixed and markets are made by everybody. No one single intelligence makes a market; it is made by every person in active life among a hundred million people. An attempt by legislation to substitute any single intelligence or any series of minds in the price-fixing undertaking is doomed ultimately to failure. I know that, as a means of passing the food-control bill, the price of $2 a bushel on wheat was inserted, but the $2 price is not for the kind of wheat that ordinarily is handled in large bulk.

The guaranteed prices for the several standard grades of wheat for the crop of 1918 shall be based upon No. 1 northern spring or its equivalent at not less than $2 per bushel at the principal interior primary markets.

There is practically no No. 1 northern spring wheat sold on the market. It may be a matter of merchandise, but in filling contracts, or in the ordinary transactions of the grain exchanges of the country, or in the milling of the flour supplies, No. 1 northern spring wheat is so high grade an article that it is not ordinarily found on the market. That, however, is the basis. That at $2 per bushel means a considerable scaling of the $2 from the guaranteed price if the lower grades are considered. That provision in section 14 of the act approved August 10, 1917, was the motive power that pulled the bill through the Senate.

If this provision had not been in the bill, it is extremely doubtful whether it would have met with as favorable a reception as it did. It was inserted in the bill, therefore, for a two-fold purpose. One was to give strength to the bill and the other was to satisfy those who were sincerely fearful that it would interfere with the production of wheat during the ensuing year, that it would interfere with the fall sowings of wheat in the country, and would have a material effect this spring on the areas where spring wheat is the staple crop.

At any rate, it passed. Now we are engaged in a controversy over the impossibilities created by the exercise of this unwarranted power. We have found that it is impossible to adjust the market on the two-dollar-a-bushel wheat basis. When we endeavor to adjust the market on that basis we are immediately confronted with the prices of other articles that may be used as substitutes for wheat, and, related to wheat, a great variety of other merchantable articles that we are compelled to buy with our money. Other things not having prices fixed rise, while wheat does not. Therefore the purchasing power of the money on other articles has been affected by this unwarranted interference by Congress with the laws that heretofore have made prices. Who will raise wheat when its price is out of its natural relation to other merchandise?

We did another thing not long ago. I think the bill is now before the President, but possibly he has signed it. A daylight-saving bill has been enacted. I do not anticipate that it will produce such results as are promised. I only mention it as a part of this general program of attempting the impossible by legislative enactment. It is of no consequence that we set the clock forward one hour, or, in the wintertime, that we set it back an hour; it will not change the habits of people. If Congress passes some kind of a law, or a regulation is made by a department, that will compel people to get out of bed an hour earlier in the morning, and to go to work an hour earlier in the morning or later in the evening, and to adhere strictly to their tasks during the working hours when the sun furnishes us with natural light, something will be accomplished. Will the daylight-saving bill repeal one solitary rule of a union at any place in this country? Will it add anything to the eight-hour workday? Will it add another hour to the seven hours of the clerks in the Government departments here and elsewhere? Will it interfere in any way with the hours that women are allowed to work under the police laws of the different States?

We seem to have an idea that all we need to do is to enact some kind of a measure here, and the desired result is accomplished. No greater deception was ever practiced upon any person than for him to deceive himself. I can not think, in a legislative sense, of anything that reaches the incomparable folly of legislation of this character. Other bills of the same kind, which are subject to the same criticism, have matured into laws by the ordinary parlimentary processes. We are attempting to interfere with the laws of human nature.

The industrious person gets out of bed, whether the sun rises or not, at an hour that will give a fair day's work, and keeps at it a sufficient number of hours. We are suffering now from artificial regulations of all kinds. I ask no union to fix my hours of labor. When I return to manual labor as my daily occupation, I will not permit any union in this country to fix the hours that I labor. It is none of its business. If I am my own controller of my time, I will work within the limitations of health and daylight so long as I please. If I am working for an employer, I will meet his requirements. Still, by the daylight-saving law, like these pieces of ineffable balderdash in fixing prices of staple articles on the market, we are supposed to be able to reverse the laws that were here before the Senate was created, the laws that are inherent to human nature, habits that have become fixed and that we have exercised in the hours that we devote to labor, when we leave our places of residence, and when we retire. These are the underlying principles that govern a day's work; not mere matters of legislation.

Mr. President, contrary to all precedent, and with a full knowledge of the grave setting of the stage, I intend, in order to give point to the superlative folly of this legislation, to quote from a philosopher known as Abe Potash. His constant associate is Morris Perlmutter, and he says:

"There's a whole lot of people which ain't got enough will power to get up until their folks knock at the door and say it is half past 7 and are they going to lay in bed all day, y'understand, which in reality, when the clocks are set ahead Mawruss, it would be only half past 6."

"But don't you suppose that lazy people read the newspapers, the same like anybody else, Abe?" Morris asked. "Them fellers would know just as good as the people which is trying to wake them up that it is only half past 6 under section 2a of chapter 514 of the laws of 1918, entitled 'An act to save daylight in the State of New York for cities of the first, second, and third classes,' y'understand, and they will turn right over and go on sleeping until 8 o'clock, old style, which is two hours after the sun is scheduled to rise in the almanacs published by kidney-remedy companies from information furnished by the United States Government in Washington."

"For instance, who is it, when Mr. Hoover wants to save millions of bushels of wheat by using whole-wheat bread, that says whole-wheat bread irritates the lining from the elementary canal? The ignorant man? Oser! He don't know the elementary canal from the Panama Canal, and if he did he couldn't tell you whether elementary canals came lined with satin or mohair or just plain unlined with the seams felled. Then, again, who is it that when any order is made by the Government which is meant to help along the war takes it like a personal insult direct from Mr. Wilson? The ignorant man? No; Mawruss, it's the feller which thinks that what's the use of having an education if you couldn't seize every opportunity of putting up an argument and using all the long words you've got in your system."

There you are. I regret the necessity of pointing the moral and adorning the tale of such ineffable trash as has disgraced the annals of Federal legislation in the last 18 months by reading from such eminent authority, but I regard that as having more of the philosophy of common sense in it than all these statutes that have made Congress a laughingstock to the philosopher and a reproach to the statesman! Still we have had it, and we are threatened with more of it.

It is said that there is no price-fixing power outside of wheat. It is true that if you turn to the act and look for the specific provision you can not find it. Still it has been urged here, and I think with foundation, that the license provision contains within itself the power to fix prices. The revocation of a license, in substance, puts the licensee out of business. He must, therefore, observe orders that come from the Food Administration or he can not continue. Let me give an illustration.

Out in the Mississippi Valley country, where there is a good deal of surplus grain going to waste, poultry is a staple production. Poultry houses at various convenient points for shipping have established their dressing houses, and there, with a considerable force of hands, they pick and prepare the poultry for shipment to metropolitan centers. First in this same bulletin of public information which I will forbear to turn to and read, because it takes too much time, there is a statement that chicken production can be increased in a great variety of ways; and yet there is not an old housewife on the face of the earth who does not know twice as many ways as are contained in that bulletin. One of them is this:

Keep rats and weasels and thieves away from the chickens and you will increase the production for the market.

Well, that piece of glittering wisdom, this jewel of food information, probably some old lady discovered centuries ago; but it occupies almost a front page in this bulletin of censored information.

Mr. REED. A good watchdog knows that.

Mr. SHERMAN. Why, certainly. Why, probably Hoover knows it. I do not want to be too optimistic.

Another thing that I discovered by referring to this same wellspring of eternal youth and knowledge is a caution—and, of course, a violation of one of these regulations renders you liable to be fined and incarcerated in some local bastile—against selling young pullets. "Let them mature" is, of course, the inference. The spring chicken is a thing that will not hereafter be known. It does not quite say so, but these inferences that I draw are justified by this same production, which is the joke book of the century. Ben Jonson, when he was drinking ale in the old tavern across from the Temple Inn, never got up anything half as good as this one number alone; and there are some equal to it scattered all along through the months.

Mr. REED. What is this production?

Mr. SHERMAN. The "Official Bulletin," published by a department of the United States Government.

Mr. REED. Mr. President——

The PRESIDING OFFICER (Mr. KELLOGG in the chair). Does the Senator from Illinois yield to the Senator from Missouri?

Mr. SHERMAN. I do.

Mr. REED. I trust the Senator will not speak of that document in that irreverent way. I protest. [Laughter.]

Mr. SHERMAN. Well, I am sorry. I hate to lacerate the Senator's sensibilities, but unless it is a positive breach of the rules I shall insist.

I read, in this jest book of the Government, that we should conserve the pullets; and by necessary inference, I was going to say, you can not kill a chicken until it reaches a boarding-house age. Well, if you want to ship them across to the soldiers, who have good teeth and whose dental bills are paid by the Government, I have no objection; but for the average Senator who has reached mature years, I think we ought to be allowed a little tender meat. I am not much of a meat eater. I am a good deal of a vegetarian. I do not believe in the doctrine of reincarnation; but, if I did, I would want to live in some other country. I would not wish to take chances on being reincarnated into some kind of an edible food animal and live under the Hoover administration, because the good ought to die young.

It is no wonder, Mr. President, that out in the western country, where we can say what we please and still keep out of jail, whether we are in the Senate or not, they are beginning to wear broad smiles every time you speak of the Food Administration. The smile has become chronic. Everybody goes around and says: "Don't you realize that we are at war? Why don't you look sober." Well, they look sober for a little bit, and then they begin to think of Hoover, and everybody gets the smile back again on his face.

An old lady wrote me the other day that she drove through the mud of the corn belt, where you can not drive mules in the spring of the year and keep them on top of earth, over to the neighboring market, and took a number of hens. The poultry dealer said, "We can not buy them." "What is the matter?" "We have an order from the Food Administration not to buy and ship any more hens." "Well, what is the reason?" "It is to conserve the supply of eggs." "But," the old lady said, "these hens are past the egg-laying period." She said, "Can't you make an exception of these hens?" "No"; there was no exception; and she then and there, according to the letter, voiced her opinion of the Food Administration, which I will forbear to repeat, because it would violate the rules of the Senate. Nevertheless, I think she is right about it.

That is another one. These indiscriminating orders, applying to everything, can only be made by those who have the most extensive technical knowledge, who have worked them out in detail, and by long experience are able to apply them justly. Why, everybody knows that every spring every prudent housewife harvests every old hen on the place that has reached the time when she can go to the city and be sold to a boarding-house keeper at a profit. They sort them out, and everyone that is capable of producing a potential omelet is kept as a producer. But there is no exception in this order.

I got a letter from the same neighborhood—it is a very great poultry country—saying that they had been informed by a dealer that just as soon as the hen order, as they called it, had been exhausted or had been revoked there would be an egg order; and I notice symptoms of that, because there will be no egg rolling at the White House this year. That is to conserve the supply of eggs. I do not know how the children will fare on Easter Monday. It is possible that an order will issue from the Food Administration that no eggs shall be colored. We have not much coloring matter anyhow, since Germany shut down on the supply, and we have not learned to make it ourselves, so probably we will not lose much amusement there; but I am waiting with interest to know what will be done in the subject matter. At any rate as soon as this shall have been accomplished and the full laying capacity of the eggs shall have been attained an order will go out that eggs shall not be eaten except on Monday. We will have six eggless days and one day on which we can take eggnog, if we live in the right kind of an area.

"Why is this?" I inquire. They say: "It is to furnish the basis for a large supply of spring chickens." They are afraid that we are going to run out of hatching stock. If these wise men knew anything about it, they would know that there are, roughly speaking, one hundred times as many eggs in the United States as there are chickens hatched every spring. There are ninety and nine that we can use in our food supply for every spring chicken produced. So we need not worry about that. If they want to stimulate the keepers of cold-storage warehouses to put the egg in cold storage, so as to keep it to ship to the allies, possibly there may be some food conservation in it; but I have very largely graduated from cold-storage eggs. I do not care for them myself. If they are to be more matured, I prefer to wait until they are fully hatched before I become the ultimate consumer.

There is no food value in a cold-storage egg after a certain time. It will stay down, it is true; but when it is assimilated into your system there is not much nutriment in it. That is what I was getting at. That is what the chemists tell us. Nobody would make such an order that has, in the glimmering abyss of the deepness of the most benighted understanding, one scintillating ray of common sense applied to the production of either meats or breadstuffs. It reaches the limit, and the fact that people will stand it is an indication of the very great depth of our patriotism.

The same Food Administration—I referred to it when the Senator from New York [Mr. WADSWORTH] had the floor—had a notion that the price of milk was too high. Well, everybody that buys food in the city thinks things are too high. So they approached the authorities on the question. They had numerous conferences. They tried to adjust the matter by compromise and failed.

They finally fixed the price to the producer of milk in the territory tributary to Chicago, outside of Wisconsin—the territory affected being wholly within the State of Illinois—at $3.10 per hundred pounds. This would enable the distributors of milk to sell it to the consumer in Chicago at a given price. The Food Administration fixed the margin of profit to the milk producer as well as the handler. When, however, the farmer figured out the value of his land, the value of his herd of dairy cows, his buildings, his equipment, hired help, trouble in taking care of them, and the production of the milk generally, he found out that at the price fixed he was losing money, and that the more hundreds of pounds of milk he sold the poorer he was growing. The result was what I referred to in the time of the Senator from New York. In the counties of Lake, of McHenry, of Kane, of Grundy, of Kendall, of Boone, of Will, and of Dupage—those surrounding or adjacent to the county of Cook, in which Chicago is situated—the farmers to-day are shipping their cattle to the stockyards. They are in ordinarily good condition. They do not require much grain feeding. The result is the farmer to-day will turn his farm, not to milk producing, but to producing either corn or barley or rye or oats. As a rule, the counties I have described in this area are not distinctively wheat-producing counties. Therefore that supply of milk is gone. It is gone irrevocably for this war period. It is gone so that it will take some time to replace it. Some of these cows that were sent away were blooded. Ordinarily they were the Holstein cows. It will take some time to renew these herds. The result will be that people in Chicago will be paying more for their milk than they would have paid if they had not appealed to the Food Administrator to fix the price. In other words, where they fix it at a price below that at which it can be produced, as the Senator from New York argued with his illustration, it produces, not the article, but the lack of the article. It cuts down the supply that can be furnished on the market.

I want to refer to some other matters.

When steel was lowered in price, compare the production of steel in the United States with the year preceding that of the price fixing, and you will find that there was less iron and steel produced in the United States under the lowered prices and the lowered margin of profit, or sometimes no profit at all. One large company, it is true, shows a great profit on its common and preferred stock; but the prices of the multitude of subsidiary or smaller companies that buy their raw material, their sheet steel for agricultural implements, their rods for wire making, their pig iron and steel for a thousand and one articles of iron and steel, were fixed below what would be an inducement to a man to engage in the business, and naturally the production fell off.

Copper fell off the same way for the same reason, and it fell off sharply at a critical time. The price of wheat was fixed. Its production fell off following the same invariable law. The price for coal was fixed. I will not stop to sketch that, although I have kept the data in my memorandum, because the senior Senator from Massachusetts [Mr. LODGE] treated that very lucidly, making it unnecessary to cover that ground. To-day he himself read into the CONGRESSIONAL RECORD the regulation under which we will be permitted to have coal the coming summer. I venture this statement: I believe I know that the person who drew up the coal memorandum offered by the Senator from Massachusetts in his remarks a while ago had no actual knowledge of conditions in the soft-coal producing areas. It

is based upon the densest and I fear the most illimitable and hopeless ignorance of the situation.

In a great part of the coal belt, employing 100,000 miners in a single State, the State of Illinois, coal is found everywhere. There is but an infinitesimal part of it developed at this time. The veins run all the way from 2 feet 8 inches to 14 feet in thickness. There must be varying prices fixed at the pit mouth for coal.

The thin veins of coal naturally can not be produced as cheaply as that from the thicker veins. A miner drills for the shot. If it is a heavy vein you can shake down in a single shot tons of coal, where it will shake down a very little compared with the former in a thin vein. You may make a shallow drill, and you can only shake out so much because of the 2 foot 8 inch vein. If you put in a heavy shot you will blow the mine up, but with a 10, 12, or 14 foot vein the same shot, practically with but little additional work, will shake down tons of it.

Still there was not at first any proper regulation on this matter. They found it by experience, it is true, but any novice can find out anything by experience. Government is a sober matter, not a series of experimental affairs making every Federal office an experiment station where all kinds of half-baked theories are applied by men who know nothing about it.

Where are the coal men in the offices that fixed these prices, promulgated these orders? They were uneeremoniously hustled out. It is just like the shipbuilding. It is only within the last few weeks, upon the suggestion of Senators, that at the head of that committee and influential in its affairs a shipbuilder has been employed and asked by the Government to go to the yard and see about building ships. Before that time everybody under heaven of every other known occupation—politicians, lawyers, professors, lecturers, chautauqua gladiators, and intellectual junk dealers, every known species of men who could perform miracles on the platform and could not describe a circle if you would give them a chance with a chalk line—all these men were found everywhere in the greatest of profusion; but not one solitary shipbuilder was appointed to any office connected with building ships.

The maxim of this administration is that when something is to be done hunt until you find a man who knows nothing about it and then seize him at once as a long-sought friend to fill a long-felt want. When it is done, of course, it is too late to back out until we make the experiment, because possibly he may learn after he gets in. That is the trouble with all of them. They are all learning after they get in. In time of peace I would be willing to pay my share of the bill, but in time of war it is no time to be making experiments with novices and walking budgets of balderdash in the form of theorists who are trying out something they want to experiment with on the body politic. That is the trouble now. So they fixed this price, and naturally got into trouble.

The next thing we found was that the production of coal fell off. It fell off in Colorado; it fell off in Illinois; it fell off in Indiana and in every soft-coal area in the country that I have had knowledge of the production diminished. I do not know whether that is what they wanted or not, but it came at a very unfortunate time. The experiment began last June. They began to fix prices. Who was it? In the first instance, Mr. Peabody, who held no official position, was here in an advisory capacity. Mr. Peabody is a coal man. He has been in the coal business all his life. He is a private citizen. He operates some of the largest coal pits in Illinois, and I think he has some interests over in the State of Indiana. He came here animated by a patriotic purpose, not of selling coal, because he can sell all the coal he can get out; it is his business. He came here foreseeing that when winter came there would be a necessity for a large supply of coal and that the anthracite coal ought to be relieved as far as possible from the burden by taking bituminous coal as a substitute, especially for steam-making purposes. He urged that. They fixed the price of coal on the judgment of Mr. Peabody and his associates, including Secretary Lane. He is not of the political party with which I am affiliated. He is as good a Democrat as ever lived, but that does not prevent him from being a patriotic citizen. He came here and tendered his services. The Government accepted him voluntarily. He started in and with Mr. Lane, Secretary of the Interior, who has some practical knowledge, they fixed the price of coal. What was done? Just like the person who knows how to milk, and some gentleman from the Loop district in Chicago who is out visiting among the rural brethren comes up and twists the cow's tail after the bucket is full, with the result that there is no fresh milk that morning for breakfast. That is what these distinguished gentlemen did after Mr. Peabody and his associates had fixed the price of coal at a reasonable figure. He knew the troubles that were coming. Mr. Peabody could see ahead; so could other coal men see ahead; so could everybody who ever sees anything. Anybody who fills his own coal bin could see ahead. In our latitude, where cold weather comes, we have learned to look for that.

The ant referred to by Solomon in his Proverbs had more sense than the Secretary of War or the Secretary of the Navy when they approached the coal question after Mr. Lane and Mr. Peabody had acted. Who can observe carefully the old homely ditty and not provide for future wants? The Coal Administrator and those associated with him. So the bucket of milk went over with the proclamation sent out by the good Dr. Garfield. He advised the people to wait and they could get coal much cheaper than it had been fixed by these authorities. I have gotten tired of hearing anything from anybody who has "doctor" prefixed to his name unless he is a doctor of divinity or of medicine. We have been doctored to death with the pills and potions mixed up by these pseudo doctors that come along—doctors of nothing but their theories on how people shall be governed in war times. Whom did they ever doctor before? Students. Did they ever deal with the sober affairs of business? No. Did they ever deal with grown men? No. I am suspicious, and have been for some years, of doctors of economics who have dealt with infants and were suddenly thrown into high place and undertook to govern in time either of peace or war the affairs of a hundred million people. It is interesting on paper, but there is a world of difference between the theories in the New Freedom and Congressional Government and the messages I have been reading in the CONGRESSIONAL RECORD for the last five years.

I had no confidence in Dr. Garfield. The one lingering shred of respect I have for Herbert C. Hoover is that nobody yet has dubbed him doctor. It will come in due time, and he will have this additional incubus upon his shoulders to bear before he is out of office. But Dr. Garfield said, "Wait; do not buy your coal."

Mr. REED. I think the Senator is not accurate in his statement. I think a degree was conferred on Mr. Hoover immediately after his importation into the country by some college, I have forgotten which one.

Mr. SHERMAN. I can say, generally, that if you let these gentry once start, if they leave anything out it is not their fault, they have forgotten it. I hear what the junior Senator from Missouri [Mr. REED] announces with a feeling of sadness. I had earnestly hoped Mr. Hoover might be spared.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. SHERMAN. Yes, sir.

Mr. GORE. The Senator remembers that Dr. Garfield was chairman of the board that fixed the price of wheat last August.

Mr. SHERMAN. I am not informed of that.

Mr. GORE. That is a fact, and I want to say, if the Senator will allow me, to further enhance his appreciation of doctors, Dr. Garfield was chairman of the board which fixed the price of wheat and also president of the college, and it must be said to his credit that while he was investigating the price of wheat he made a thorough test to ascertain the effect of black rust and striped rust on Greek roots. [Laughter.]

Mr. SHERMAN. I am glad to have the additional information. It shows the value of these open debates in the Senate. It keeps adding to our stock of knowledge as we go along. I suppose that is what the President meant when he said that cloture ought never to be adopted in the Senate, that the Senate is an open forum and so many things are sifted out here of the hasty and inconsiderate legislation passed by the House that it ought to remain an open forum for all time. The Senator from Oklahoma has given us a fresh application of this wholesome doctrine.

At any rate, people quit buying coal. The miners, when the demand fell off, had nothing to do. The pits shut down. The miners went out and tried to get jobs at husking corn in the corn belt, and caretaking, and so on, but they were out of work. They were out of work at a time when probably by experience we have learned that we will begin to dig our coal, unless somebody is removed from office and some other novices are put in to start afresh. That is the danger.

We have had three changes in the Shipping Board now. The only shipbuilder, Mr. Baker, of Baltimore, who could tell a ship from a tub and had built and operated ships and knew about them, resigned. He took one swift look at the board, saw what was coming, and stood from under. Then another one was appointed. They inherited the incapacity and the indisposition of the previous board. They started some fresh

ones of their own, and in a little while the difficulties became so irreconcilable that the head of it resigned, and then another one came. He remained for a brief season, hardly long enough to take a comprehensive survey of the manifold difficulties of the situation, but taking time by the forelock he, too, emulated his predecessor by resigning, and the present board got in. The present board has a grasp of the situation, and, I think, if left alone, they will build ships. They may make some mistakes, but they will build ships. I can pardon mistakes in anybody if he is doing something. The active man always makes mistakes. They can be corrected.

At any rate, we got into the winter. Everybody is familiar with what happened then. The darkies out in my part of the town were carrying their coal home in a gunny bag, a shovelful at a time. The price of empty dry-goods boxes in the northwest part of the city went up 100 per cent. Everything was affected by war prices. We got through it at last. Do we want to repeat it? I hope not. Do we want to repeat our experience on coal by meat and breadstuffs? I hope not. I hope we will not be called upon to do such a thing, because it would be more serious even than a fuel situation. Still we are driving along in a direction where we are likely to do it.

You can persuade men to do things, you can voluntarily make a condition so that a farmer will put his acres in to the best advantage, but I never yet saw anybody who could compel a farmer to do anything unless we were to substitute for our present form of government a pure autocracy. We must substitute a kaiser with the militaristic form of government in this country before you can compel the farmer to do anything. You can persuade him, you can make it attractive, to raise certain crops, to produce certain meat animals, but that is as far as government can go.

Let me tell you why the farmer is not satisfied. Here, under date of February 21, 1918, Bloomington, Ill., are the proceedings of the Illinois Farmers' Institute. They refer to the fixing of the price of milk, which I will omit. They refer to the National Food Administration, in a succeeding paragraph, that last fall announced that—

it would do everything possible to maintain a minimum price of $15.50 for this winter's run of hogs and urged farmers as a patriotic duty to increase the meat supply by feeding hogs to heavier weights.

That is the same thing. We may have difficulty in getting any more of Jones's young pig sausage from Fort Atkinson, Wis. I am not advertising that; I am just calling attention to the fact that he may be embarrassed in supplying the public with pig sausage, because here was merely a suggestion, it is true, but back of it came the thunders of the Food Administration and all the terrors of its penal provisions. Hold your hogs until they are of heavier weight. The entire effort seems to be to get everything old and tough, so that you will not or can not eat so much of it.

The Food Administration announced that there was a crying need for fats. Yet, now that these heavy hogs are coming upon the market, the packers are discounting them heavily. The packers are under Government control, and farmers can not help but question the action of the Food Administration in allowing them to take this advantage of the man who put surplus weight on his hogs at heavy expense. Why doesn't the Government take the responsibility publicly?

Following out the request of the Food Administration, I know what the farmers did in the corn belt. There is where the bacon and the hams are raised that will go across the water to the military forces. You have got to get a cornfield and the swine in what the newspaper men call close juxtaposition. If you do not, you lose freight both ways. So inevitably the great corn areas are the places where pork is raised. Acting under the suggestion of the Food Administration, the farmers of that country laid in great supplies and bred great numbers of pigs. They bought stock hogs and prepared to make a record breaking production of pork. You know what happened. That was along about February 14, as I remember the order or the letter that went out:

About a week ago Joseph P. Cotton, chief of the meat division of the Food Administration, sent a letter to a number of hog men and others in which he stated that there was a demand for the withdrawal of the minimum price of $15.50 for hogs and that he felt it would be "perfectly fair" to withdraw such minimum if he thought wise. Mr. Cotton has since decided not to withdraw this minimum price, but the very suggestion that he could dismiss the obligation of the Food Administration to maintain this price with the statement that such action would be "perfectly fair," has appalled farmers and tended still further to shake their faith in the good intentions of the Food Administration.

Some of them following out the suggestion of last fall or early winter bought stock hogs. They used all their own soft corn which has not so great feeding capacity as fully matured grain. They bought corn from elsewhere. They put it into these hogs with the expectation that the order would stand. They were given to understand by Mr. Cotton that he would withdraw the $15.50 per hundred if he saw fit. It was not done, because of the vigorous protests that were made by men who had invested their money on the basis named. But the power of Mr. Cotton, speaking for the food department, is announced to withdraw the minimum at any time he sees fit, coupled with the statement that he thinks it would be perfectly fair to do so. Farmers may be excused in the hog belt if they quit producing hogs and taking the chances on an administration that lacks either the ability or the understanding to keep faith or to keep the agreement they made.

That is what is the matter. That is the reason why hogs are now going up to $18. It is because the probabilities are that for this summer there will not be as many hogs for the June market out in that country as there would be if this statement had not been made.

Mr. GORE. Will the Senator yield?

Mr. SHERMAN. Yes, sir.

Mr. GORE. Has the Senator the statement there? I have not had access to it, and I would like to have him put it in the RECORD or furnish me with a copy of it.

Mr. SHERMAN. Yes, sir; I will insert it in the RECORD.

The statement referred to is as follows:

MESSAGE TO THE PRESIDENT.

Resolutions adopted at the Twenty-third Annual Meeting of the Illinois Farmers' Institute, Bloomington, Ill., February 19, 20, 21, 1918, wired to President Wilson.

BLOOMINGTON, ILL., *February 21, 1918.*

To the Hon. WOODROW WILSON,
President of the United States, Washington, D. C.:

Members of the Illinois Farmers' Institute, representing more than 200,000 farmers in Illinois, at its twenty-third annual meeting held at Bloomington, Ill., to-day adopted the following resolutions and respectfully ask your earnest consideration of same:

"Whereas the food situation is so serious as to threaten a national crisis; and

"Whereas unless the Government adopts at once a strong and unequivocal agricultural policy nothing but a season much more favorable than normal can prevent a food shortage bordering on famine: Therefore be it

"*Resolved*, That we call the attention of the President of the United States to the following facts:

"1. The attitude of the Food Administration is tending to shake the confidence of farmers in its good faith, and is seriously affecting the morale of our agricultural population.

"2. The food administrator of Illinois signed a written agreement to fix a price for milk, through a commission, which would give producers cost of production plus a reasonable profit. The commission appointed by the Food Administration did not consider cost of production in fixing the price. It set a price for the producers that is sending thousands of good dairy cows to the stockyards and threatening the dairy industry of northern Illinois with ruin. The State food administrator has refused to overrule this action of the commission, thus repudiating his agreement to fix a price that would give the producers cost of production plus a reasonable profit. The National Food Administration has so far failed to overrule the action of the Illinois food administrator.

3. The National Food Administration last fall announced that it would do everything possible to maintain a minimum price of $15.50 for this winter's run of hogs, and urged farmers as a patriotic duty to increase the meat supply by feeding hogs to heavier weights. The Food Administration announced that there was a crying need for fats. Yet now that these heavy hogs are coming onto the market the packers are discounting them heavily. The packers are under Government control, and farmers can not help but question the action of the Food Administration in allowing them to take this advantage of the man who put surplus weight on his hogs at heavy expense.

4. About a week ago Joseph P. Cotton, chief of the meat division of the Food Administration, sent a letter to a number of hog men and others, in which he stated that there was a demand for the withdrawal of the minimum price of $15.50 for hogs, and that he felt that it would be "perfectly fair" to withdraw such minimum if he thought wise. Mr. Cotton has since decided not to withdraw this minimum price, but the very suggestion that he could dismiss the obligation of the Food Administration to maintain this price with the statement that such action would be "perfectly fair" has appalled farmers and tended still further to shake their faith in the good intentions of the Food Administration.

Farmers have added greatly to their number of brood sows in response to the appeal of the Food Administration. We now wonder if the Food Administration will consider it "perfectly fair" to withdraw its minimum ratio of 13 to 1 when the pigs begin to come onto the market next fall. The fear that this agreement may be repudiated is already sending many brood sows to the stockyards.

5. Including mutton in the meatless-day regulations has brought loss to a large number of sheep feeders, and we understand that the Government has bought little or no mutton for the Army and Navy or for export.

6. The meatless days have so reduced the demand for prime beef that feeders of such beef have been forced to take heavy losses. The result of this is bound to be felt in greatly curtailed feeding operations next winter, with a consequent meat shortage.

7. In a telegram addressed to this meeting, Mr. Cotton says, "The price of corn is at a fictitious level," and adds, "I hope the price of corn will fall." Such statements do not add to the confidence of the farmer. Mr. Cotton evidently bases his conclusions on the greatly overestimated corn report of the United States Department of Agriculture. The truth is that the greater part of our corn did not mature and that corn that will keep through the summer is so scarce that the problem of the summer's feed supply is a serious one. The price of good corn bids fair to be much higher before the new crop is harvested. Farmers did not make an excessive profit from their corn crop last year in spite of high prices for good corn, since few of them had any corn of the better grades to sell. On many farms the 1917 crop of corn was almost a total loss.

8. The most serious obstacle in the way of producing large crops this year is a lack of skilled labor. The classified draft rules provide a splendid means for raising armies with as little interference as possible

with agriculture and the essential industries. When these regulations were adopted we were given to understand that they meant what they said and that they would be administered impartially. We do not ask for exemption from military service, but we did welcome this assurance, that skilled farmers would not be taken from their vitally necessary work until such time as the need for men in the Army is so great as to make such action imperative.

We now find that some of our district boards are not taking these regulations at their face value, but are placing the majority of single farmers of draft age in class 1. Many of these men are farm managers and the production of their farms will suffer materially from their absence.

We are not asking for any special favors, but we do believe that our close association with food production gives us a clear insight into the seriousness of this problem. We realize our full responsibility in the war and are willing to give our strength, our money, and our lives, if necessary, to our country, but a discouraged agriculture can not supply food in the quantity needed to win the war.

Most serious of all is the loss of confidence in the good faith of the Food Administration and the exemption boards. Morale is as important in the army of food producers as among the fighting forces. Morale can not be maintained in the face of vacillating policies that keep food producers in a state of uncertainty. We take the liberty, therefore, to make the following recommendations and to ask that the President of the United States give them his immediate and careful consideration:

(a) That the War Department issue immediate instructions to the district boards to review all agricultural claims for deferred classification and decide them in accordance with the plain intention of the draft classification rules.

(b) That the Food Administration issue immediately a plain and unequivocal statement of its policy toward agriculture; that it show its good faith by fixing a milk price for the Chicago district in accordance with Mr. Wheeler's signed promise; that it give assurance that the minimum ratio of 13 to 1 for the 1918 crop of hogs will be maintained; and that meatless days be enforced with more consideration for their effect on future production.

We feel that the Food Administration is overemphasizing the importance of food saving and overlooking the much greater importance of food production. No amount of saving can make up for a partial failure of the work of production.

We hereby reaffirm our loyalty to our Government in this crisis and pledge the fullest measure of effort to food production during the period of the war. It is only because of the sincerity of our desire to make our efforts fully effective that we ask for the removal, so far as possible, of the obstacles in the way of increased production.

Respectfully submitted.

ILLINOIS FARMERS' INSTITUTE,
H. E. YOUNG, *Secretary*,
Springfield, Ill.

Mr. SHERMAN. These farmers' institutes are like those held in all the States, I think. They are very generally attended. The people come from all over our State. They represent every occupation—the dairyman, the stockman, the heavy cattle feeder, the grain producer, and the market gardeners—those in the suburbs of Chicago, Peoria, and near St. Louis on the Illinois side. All are represented at those meetings, and these form an intelligent body.

Along with that came the meatless days, including mutton. I think there was a sheepman before the Committee on Agriculture—a Chicago man who knows all about sheep, I think, Mr. Reid. He told of the losses the sheepmen had incurred for the same reason I have given in other matters.

The meatless days have so reduced the demand for prime beef that feeders of such beef have been forced to take heavy losses.

In a telegram produced at this meeting of the Illinois Farmers' Institute, Bloomington, Mr. Cotton said:

The price of corn is at a fictitious level.

And he adds:

I hope the price of corn will fall.

Such statements do not add to the confidence of the farmer. Mr. Cotton evidently bases his conclusions on the greatly overestimated corn report of the United States Agricultural Department. The Department of Agriculture, let me say, reported for 1917 the corn crop at 3,100,000,000 bushels, in round figures. That is an overestimate. First, it makes no allowance for the 18 per cent of frost-bitten corn. In all the great corn-belt areas of the United States there was a premature frost, and by actual computation of average fields that have been husked out it is found that about 18 per cent of it is affected.

Another thing, these estimates made by the traveling agents of the Department of Agriculture, in my judgment, are exaggerated at times. I have a constituent living at Rock Island, Ill., who has several sections of land in the State of Louisiana. He happened to be in Louisiana when the Government inspector came around to figure on one section of corn, 640 acres, in that country. It was estimated at 40 bushels per acre for the whole 640 acres. As a matter of fact, it did not produce, when husked out, 10 bushels to the acre. Let that go for what it is worth and take the figures produced by the department of 3,100,000,000 bushels of corn for 1917.

That would indicate, if Mr. Cotton's views are valuable, that corn is too high. How will you change the price? There is no price fixing on corn in the food act of last August. It will be regulated by the license plan. Every dealer in corn will be licensed. If he sells a bushel of corn beyond what they call their price—and that is where they obtain the power—the license will be revoked.

In the food act, by reading one of the sections, you will find that any unfair practice or unfair profit exposes the licensee to a revocation of the permit to do business. Whenever, therefore, the buyer or handler of corn sells at a price condemned by the Food Administration his license is revoked. The price at which the elevator man—either the local elevator or at the primary interior market of the country—can sell grain fixes the price that he must pay the producer. So the right to license carries with it the right to fix the price at which the licensee can sell it. This statement, therefore, from Mr. Cotton has acted as a damper upon the spirits of the farmer where the great bulk of the corn crop of this country will be grown for 1918.

The farm papers published these proceedings; they published the orders of the Food Administration. Scarcely a farmer can now be found in the country who does not take some farm paper. He therefore informs himself of these orders which are issued from time to time. In addition to that—

The most serious obstacle in the way of producing large crops this year is a lack of skilled labor.

That was written before the order of the Provost Marshal General placing actual farm labor in the deferred classes, which in some measure, at least, will relieve the situation. These reports sent out by the Government about the abundance of farm help are erroneous. There are hands, but they are green material. The skilled farm hand is not to be found in sufficient numbers.

I come now to another matter that I approach with some degree of reluctance. I hold no brief for the packers. They are among the voters of my constituency; they are the object of considerable criticism; they are now under investigation. They have been investigated for some weeks and their papers have been seized under some sections of recent legislation. The packers may be guilty of all or none of the things with which they are charged; I do not know; I shall not at this time or place go into that question. I do not think it is necessary. I only know that I can remember the time in the Mississippi Valley when there was no market for live stock, in the infancy of the stockyards, when the packing houses were mere local enterprises. I can remember when a hog ran from spring until Christmas before any efforts were made to prepare him for the market, and sometimes in those years there was no market. The hog ran out during the whole of the fall of the year on the prairie and in the woodland belt. I can understand why the hog has his peculiar anatomy. Nature made him so in his original state. He was largely nose, because in his original state he was in that happy condition where he had to root to subsist.

The hog, as I can remember, before the days of the stockyards and packers was a primitive type. He was athletic in build and was remarkable for speed rather than for meat. The stockyards grew up; the packing houses came. The hog is a prolific animal. So just as soon as the open market came, and before Mr. Hoover or any of his peculiar theories were ever heard of, the hog became the staple meat-producing animal of the country.

I can yet remember when there was a prejudice against the hog in Europe. We had a minister in one of those countries—I think he was the minister to Denmark, the Hon. Clark E. Carr—and he tried to introduce the hog into polite circles in Europe. He failed for a long time, but eventually he made some headway. He met many obstacles. The people had a prejudice equal to that of the ancient Hebrews and regarded the hog as an unclean animal. The minister argued with them; he showed them about the hog; that when he was given a fair chance the average hog was as cleanly in his habits as a goat, and the goat had from Biblical days been regarded as a clean animal and had been used as a sacrificial atonement on the altars of an ancient race. The minister argued all that out. So, after a while the "melancholy Dane" began to consume pork, and he grew less melancholy from that time, because it was a very nourishing substance. To-day you could not find any Hamlets in that country if you scraped it over with a fine-tooth comb; it helped the Dane and improved him; he got cheaper meat.

Our markets were correspondingly benefited. The export trade began. It began from those small things that I am naming. I only refer to it in that way to fasten it in your memory if I can. Therefore, as the export trade took off the surplus that we did not use of the meat-producing animals of our country, we began to have a fixed market. There is only a tithe of the meat-producing animals taken over on the hoof. The cattle boats do not take many of the export steers; they

take practically no hogs on the hoof to European countries; they are all slaughtered here. With the advent of the refrigerator boat, now the best meats of the United States go to the markets of the world as dressed refrigerated meat. Out of this largely grew the present magnitude of the packers' trade.

It is true there are five great packers. It is said that they are a monopoly. Let it be so. Like many other things, I am prepared to accept it as a monopoly and to impose reasonable regulations treating it as a monopoly. Here is one thing the Government has not been fair on; neither has it been acting in that good faith which ought to characterize dealings between men in business affairs. The junior Senator from Missouri [Mr. REED] read into the RECORD a most startling letter, when you weigh what it means. I sometimes think the general public outside have not yet got the drift of the evidence which the Senator submitted. The packers did not give it willingly; it was taken from their files under a law passed by Congress—or a supposed law. I have my doubts about the validity of such a measure; and if I were again about a court room I should advise clients to fight it, just as the packers' lawyers are advising them to fight the execution of such a law. I think my papers are my own; I think they can not be taken away from me to be used as evidence against me in criminal prosecutions or to expose me to the penal provisions of a statute. Still that is attempted to be done.

I know what the precedents are; I know what the decisions of the courts of our own country are; I know what the decisions are from time immemorial in England, from whom we borrow our rules; whose precedents we have adopted; and whose governmental, and, especially, whose judicial precedents we revere. I can remember of reading when Wilkes was indicted in England for criminal libel for criticizing the administration in his newspaper called the North Briton and his private papers seized under John Doe warrants. Authorities representing the Crown broke into his room, took away his papers, and used them in evidence against him. He sued for trespass; the courts of England sustained his claims; and he collected damages from the trespassers who took his papers away on the ground the taking was illegal. The packers are in that same condition to-day.

It is said that some of the papers are the papers of other people used for the commission of felonies. That is the charge. The courts will settle that and I need not argue it. In due time it will reach that august body of nine men, who are the highest judicial authority in this country, and they will pass upon the validity of such attempted legislation. At any rate, the packers are in the condition where they are now being investigated, using this law as a means of taking from them certain papers found in their files or in the files of Mr. Veder, their general attorney. Frank P. Walsh, in the examination, drew out a letter, which was referred to by the junior Senator from Missouri. The packers did not give it; they did not rush into print when they were attacked; they kept still and bore the grilling of themselves by the incensed cattle raiser and by all the rest of the public interested in the price on the open market.

What was found in this letter? It was a letter—I am quoting now from memory—from Mr. White, who was a representative of Armour & Co. It detailed at some length various matters referring to the packing business. It said, though—and this is the matter to which I especially refer here—that the Food Administration, acting through E. Dana Durand, had told the packers that they must have so many million pounds of beef every week, and doubted the ability of the packers to meet the demand. The packers thought they might be able to produce the meat, after taking stock of the animals in the country that were accessible for slaughtering purposes. I think the Senator from Missouri very felicitously described this gentleman as being worth the money, because he parted his name in the middle, which of itself is not an offense, but like the attachment of "Dr." to a man's name, I look at a man a little more closely who does that than I do if he does not follow such practices. It implies a kind of fastidiousness, so to speak, that would justify a person in looking with care upon the individual, because he has different standards of behavior; and his sense of honor, like that of a good many reformers, is in a rudimentary stage. Sometimes I want a bond with security when such men give me a promise. I am somewhat familiar with them. There are one or two of them in the University of Chicago with whom I have had various controversies, and they lack the sense of honor that goes along with the cheapest kind of a tin-horn poker player in the mountains.

I query if any of you read the election expenses account filed in the city of New York of $1,534,000. Well, when I got through with that, I made up my mind that I did not want campaign expense money and a reformer to get together in anything I am associated with if I wished to preserve my good name. It is a fearsome combination. It is a good deal like an observation made by Gil Blas when Le Sage puts into his hero's mouth the warning: "Never put a reformed drunkard alone in a wine cellar."

Here is what they did—and it is developed in this letter of Mr. Durand that the packers were told to hold down the price of cattle. That is not acting in good faith. The Food Administration, with all the powers of government back of it, went to the packers—the five great houses that will furnish in time of stress meat for our armies, for if you will give them the animals they will give you the dressed beef. They have offered their plants; they have offered to let the Government fix the price of meat and to turn over everything they have got. The Government, with all this advantage, instead of taking this responsibility itself, doing what I regard as inherently cowardly, lacking that fine sense of honor that ought to prevail between men even though they are in public office and a part of the administration's swarm of deputy candle snuffers, apologizing for anything and everything that comes from that administration—even granting all that to be so, why should they depart from that decent sense of honor which belongs to men in business affairs? They know the criticism that always falls upon the packers. Anybody possessed of anything is in a dangerous condition nowadays; it is only the failures in life that have come to the front. Exit the man who can perform things right! Exit the man who has anything or who knows how! Step up to the head of the line the incompetent, the failures, the shiftless, the shock-heads from everywhere, because you have at last come into your own. So, knowing that, these men deliberately put upon the packers the burden of keeping down the price of cattle. What a cowardly shifting of responsibility! It is that to which Louis F. Swift refers in an advertisement, portions of which I wish to read. The packers could deny that they were responsible for keeping the price of cattle down so that the Government could buy cheaper beef, based on the cost price of cattle on the hoof, but would that get any publicity? No.

I have, I think, stated once before in this presence that if I were to go to-night peaceably to my residence I would get no headlines in the morning; everybody goes home peaceably, or is supposed to do so; but if I go out and beat my fellow man into a state of insensibility and relieve him of his valuables I will have a headline in the morning and great publicity. My behavior along the established lines of good conduct gets me no publicity; it is the unusual which attracts comment. So when the price of cattle was kept down by the packers, acting under pressure from Mr. Durand, of the Food Administration, everybody blamed the packers, and great publicity was given to their alleged improper conduct. It was intimated they ought to be hanged to the lampposts. It was all sensational and made a good headline. I have letters in my office saying that Chicago will have another Haymarket riot, with much more merit in it than that which resulted when Fielden and August Spies threw the shell into the ranks of the policemen many years ago, harking back to that time, saying in substance that mob law would be applied. For what? For a thing that by the unprecedented action of the Food Administration was put upon the packers, because the administration was too cowardly to carry the load itself. In order to get publicity the packers have to insert in the newspapers a paid advertisement, at the usual advertising rates, from New York to Denver. Louis F. Swift, president of Swift & Co., says:

> There is no foundation for the alleged violations of law attributed to our company by agents of the Federal Trade Commission, and I want to say emphatically that Swift & Co. is not a party to any conspiracy to defraud the Government. * * * The Trade Commission attorney has by false inference and misplaced emphasis given to disconnected portions of the correspondence taken from our private files and read into the record a false and sinister meaning, with the plain purpose of creating antagonistic public opinion.

That refers to the Durand letter and to the attempt by the Food Administration to make the packers carry the load in keeping down the price of cattle and incur the hostility and criticism of the general public for the attempt to do so.

Very briefly, now, because I do not care to spend much time on the subject, and others have referred to it in a much more capable way than I can hope to do——

Mr. WATSON. Has the Durand letter been published?

Mr. SHERMAN. The Durand letter was published in the CONGRESSIONAL RECORD by the junior Senator from Missouri [Mr. REED], who, a week or 10 days ago, had occasion to refer to it, not for the purpose that I have used it, but for the purpose of showing that the Food Administration had interfered with the natural level of prices of cattle coming into the Chicago market.

The vice of these attempts to interfere with the natural laws of trade was put in an especially forceful manner by the senior Senator from Massachusetts [Mr. LODGE] in his comments some days ago referring in detail to the coal situation. The same question has been referred to to-day by the senior Senator from New York [Mr. WADSWORTH], and I will not attempt to go over the same ground and express my views, for probably they would add nothing to the enlightenment of Senators.

But we have started on this enterprise. It is not the first time that governments, as well as private individuals, have started on some course of conduct which, when started, entails upon them the continued necessity of a repetition of the additional folly on which they embarked.

I had occasion to remark not long ago that I am not responsible for the passage of the food-control bill. I am glad of it. I have taken my share of criticism, and I have no words of repentance.

First, however, we undertook in that measure to fix prices arbitrarily. By inference we undertook that in the case of wheat, and by actual assumption of power the Food Administration is now fixing prices through the license section of the food control act upon a great variety of food products. So we are fairly embarked on the shoreless sea of that experiment. Where it will end, the wisest man can not determine. We can anticipate that, if the war should end happily, we may back out of our difficulties without any material damage, save that involved in the general readjustment of prices and the bankruptcies that follow.

The initial difficulty and error was in undertaking to do by governmental agency what a hundred million people, or all of the active portions of the population engaged in gainful occupations do. Markets are made by multitudes of men and by multitudes of conditions. There is not a more sensitive thing in the world than a market. When the grain exchanges of the country were in operation, before they were substantially put out of business, the market could be observed and note made of the numerous influences that deflected the quotations on the board.

Every time a grain exchange has been mentioned here it has been regarded by some as an unmitigated evil. It is a necessary instrumentality between the producer and the consumer. There is one thing that I think is generally forgotten in the discussion, namely, that from the time grain is sowed in mother earth, and especially from the time it is harvested, it must be owned by somebody. There are in the grain market in ordinary times no derelict property in this country; there is no such thing in the markets of the United States as property without owners. The grain of this country from the time it is produced until it has ended its mission on earth, must be owned and carried by somebody. Who will carry it? Will the producer? In the first instance, being the initial owner, he does carry it. The farmer carries his surplus until he needs to convert it into money. He then has recourse to the nearest available market. He goes to an elevator for the purpose of turning such of his grain into money to meet his immediate needs as he may desire.

When it passes out of his hands it still has an owner. The new owner is the elevator man or the commission man. It leaves the local elevator and goes to the great grain centers, the primary interior markets, and the port cities for the export trade, but in no instance can any of the food grains, roughage, or anything in the shape of property produced on the fields and farms of this country be without an owner. The only question for us to decide is, Who will be the owner to carry it? If the farmer carries it, then there will be no collection of quantities of the product to meet great demands. It is impossible to collect it on the instant. It is only where great elevator facilities are found and where elevators and transportation lines converge at great central points that stand as gateways to the grain commerce of the country that grain may be accumulated in quantities. So the owners, after it leaves the producer, are those who accumulate large quantities and take the risk. The farmer does not take it; the consumer does not; but those who have brought it together in great accumulations carry the risk themselves.

It is said that those who have heretofore carried that risk, who have assumed the ownership of the holdings after the grain leaves the producer or the small elevator are criminals, that they are parasites upon the trade world.

I have heard them described by all kinds of epithets; but if they are put out of business, Mr. President, who will take their place? The Government must. If the Government destroys the so-called middleman, it must furnish a substitute, because the producer of grain in the country and the consumer in the city can not reach each other by direct communication; there must be somebody to equalize, to hold, to carry the risk, to take the fluctuations of the market up and down, to gamble with the markets abroad, with the weather and crop conditions at home, and with the demands of our own people. So the Government must furnish somebody in place of the middleman. That has never yet been done, although it is a problem that may at some time be satisfactorily solved.

The same thing is true in the case of coal. It is proposed by coal regulations or by additional legislation to abolish the coal distributor; that the great jobber in coal shall be put out of business. If he is, then it will be necessary to deal with the consumer of coal from the mouth of the pit, so that he may fill his bins and so that the coal yards of the factories and other plants may be filled. When the Government has undertaken that, it has undertaken a line of private business which, in my judgment, it is incompetent to undertake. But prices are to be fixed in that way. That is the purpose, that prices shall be fixed by destroying the middleman and substituting the Government between the producer and user or consumer of the article. I understand that that is the purpose of all the different measures that are brought in here from time to time.

If that is done, let the Government run the breweries—I am now reaching a point that I intended to make—and become the manufacturer and distributor, because brewing only changes the form of the product between the producer and the consumer. Let the Government go into the beer business.

Now, we are told to eat barley bread and corn bread and rye bread. I notice that rye has been conserved so that now none of it outside of the available stock on hand can be taken into the human system except in solid form. That was undoubtedly a food measure. In England, under date of March 12, 1918, I notice that there was some criticism made of this question. I read from a newspaper item, with the date line, London, Tuesday, March 12:

> Criticism of the continued use of grain for brewing and malting was made in the House of Commons to-day by the Right Hon. Leifchild Jones and others. John R. Clynes, parliamentary secretary of the food-control board, in reply said that having regard, among other considerations, for the food situation and opinion in America, the Government, while maintaining a supply of beer for heavy manual workers, intended to reduce immediately the tonnage to be used for brewing material. One hundred and fifth thousand tons of barley were taken from the brewers and malsters on March 1 and a further 200,000 tons would be saved yearly by restricting the standard of barrelage and using substitutes.
>
> The brewing materials for 1918–19, Mr. Clynes added, would be equivalent to 512,000 tons of shipping, compared to 1,500,000 tons early in the war.
>
> In his remarks Mr. Jones declared the drink bill was too heavy a burden for the country in times of war. For 1914, he said, it had totaled $820,000,000; for 1915 it had been $910,000,000, while for 1916 it had grown to $1,020,000,000, and despite appeals for economy it had in 1917 amounted to $1,295,000,000.

While we are saving in this country to send to the markets across the sea they are going on with the brewing business. Of course, they have reduced it some; but here in our own country I take from an advertisement of a brewery the statement that the brewers only used 70,500,488 bushels of grain in the last year, and the distillers a trifle of 39,748,000 bushels, which they claim is less than 2½ per cent of the total cereal production. Then, from another advertisement, I glean this interesting information:

> A single Germany brewery was advertising, as a proof of its importance, that it used 325 tons of coal every day, and appropriated 50,000 cars a year for its deliveries.

Along in the days when we were freezing to death, to be using 325 tons of coal a day in one brewery, and shutting the schoolhouses in Washington and in Chicago because they had not enough coal to warm them for the little tots to come in, makes me think this Food Administration and this Coal Administration are color blind on conservation. It occurs to me that if they want to save the breadstuffs they had just as well stop the malster and the brewer and save some million bushels of barley, mill it into barley flour, and mix it with wheat flour. I have had some bread made out of half-wheat flour and half-barley flour, and it is more palatable than the whole-wheat flour. It is much healthier. It produces less deleterious effects than the finely bolted flour, and we could use it right along very profitably if we wished; but I hear nothing in the way of conservation of that kind. Every time I pass a brewery out in the Mississippi Valley, that I know quite well, the smoke is still going out of its stack. It has been doing that ever since we declared war. It will continue indefinitely unless stopped. I think we are saving this grain at the expense of our own sense of justice in the application of conservation and sending it abroad to those people who themselves are malting liquor as a result of drawing on us for supplies. The President has power to stop this waste. Why does he not do it?

Here is another thing: I am going to close in a few minutes now. I do not wish to take the rest of the evening. You never can get through with these endless subjects, anyhow, when you undertake to interfere with the laws of markets and nature

by the puny fiats of human beings in legislative bodies. I never knew it to succeed. I have seen the experiment tried within State areas, and I have seen it fail. I think it is a failure here applied. I have read as far back as I can find anything on the subject, and I never knew it to succeed from the days of Queen Elizabeth, when she laid her hand upon every private enterprise in England. Clear back in the time of Aristotle they tried it, and it was always a failure.

I have read a good deal of Henry George in my time—his Progress and Poverty, his single tax. I have been quite interested in the bulky volumes issued by Carl Marx, who is the father of scientific socialism, so far as there is any science about it. I do not think there is much science about it when you read it all and sum it up. If I were to epitomize it all, I would say that the entire system of socialism is embodied in mistaking the yearnings of one man for the earnings of another.

Henry George in his lifetime had a favorite obsession known as the single tax. I regard a real enthusiastic follower of the single tax as a refined sort of a paranoiac, if I may fall into the terms used by alienists. They get it, and it is like a disease. It runs its progressive course. Sometimes it lasts a lifetime, just like chronic diseases, and they die of something else. Well, often a single taxer has it. He goes along. Apparently he is sane enough on most things. He goes along and transacts business, but he has the disease and usually he keeps it all his life. Economically, there is no use to argue with them. You must simply go along and try to keep other people from catching the same complaint that they have. That is the only use I ever saw of arguing this question publicly.

The single tax is based on the nationalization of land titles. The single tax was not born out on the farm. It was born in the miasma of the great centers of population, from that deluded portion of our people who live in the canyons of office buildings, who do not know that the seasons ever change except when it snows on them in the morning when they are running for a suburban train; from the gentlemen who have no idea where the potato comes from—whether it grows on a tree or whether it is concocted by a French cook in the kitchen of some high-class hotel. These gentlemen, living under those conditions, taking their inspiration from such surroundings, and inhaling sewer gas instead of fresh air most of the time, get a kind of lopsided view of life. They embrace the single tax. They see an office building 20 or 30 stories high. The landlord charges them, they think, an outrageous price. They see somebody else with a large business building—a store building—paying an immense sum. The ground rent is an abnormal sum. They look at it. They see somebody die, and his heirs inherit it. They say, "What did he ever do to become the owner of such property?" "The mere accident of birth." "Well, what will we do about it? Single tax it until it is confiscated, until the taxes become so heavy that nobody will pay them; then it will be sold for taxes and the Government will take it."

That idea was born amid such artificial surroundings. It is the product of the cities—not of the country, where there is room enough for men still to regard their fellow beings as associates, where there is a reasonable amount of sunshine and fresh air, and enough to eat. But from there it has spread. It has become a sort of fad. People urge upon me the single tax, and the nationalization of land titles, and then the leasing out by the Government. They say that the Government was originally the source of all title, and let the Government resume its ownership. "What good would it do?" you ask them. "Well, then, everybody can lease on fair terms." Sometimes, having nothing better to do, I have pursued the ramifications of this thing into practice, and asked them, "Who would make the leases?" "The Government." "Who is the Government?" "Well, the ones that are in authority on such questions." I say: "How will they get in authority? Are they going to be kings?" "No; we will have a free government." The single tax always presupposes that it is to be a free government. "Well, then, we will have elections, will we?" "Yes." "Well, then, if I do not like the lease that I get from the fellow in authority, I shall put up another ticket and run against him to get a better lease. How will you keep it out of politics? The country being free, political parties necessarily form, and you get into trouble right away."

I do not want anybody telling me where I have to live. I want to fight that out with my landlord. I do not want to have to go through a campaign on a question of that kind. A campaign has enough troubles now, without injecting the question of landlordism into it.

At any rate, the single taxers attempt to nationalize all the titles. It is said to relieve labor. It is a delusion. When that is done there will not be any private ownership of land in the city or outside of the city. The farms will all be owned by the Government and leased out, and a fellow can have just as much as he can work and no more. The universal landlord, according to their theory, will prevent any of these troubles that we have now under the system of private ownership. No one can be kept tilling the soil under such conditions unless he is driven by force.

You may wonder what that has to do with this bill. I will show you. We nationalize the titles. What will become of the farmer? He will be a mere tenant. He will not own anything, but will be a tenant. Prices will be fixed under these bills, as a means to making the farmer acquiesce in the program. There is not a single taxer that I have talked to who does not welcome price fixing; and I stir them up once in a while to see them perform. There is a kind of a comedy about it. There is the cap and bells and the philosopher and the clown, the comedy and the tragedy of life, that manifests itself. Just stir up these fellows, and ask them to tell you what is going to happen, and you will find that they welcome price fixing. They say, "Wait until we get power, and we will fix the price"; and they all live in a city. We grangers will raise the food and they will eat it at their own prices. "We will fix the price so that the ultimate consumer will not be robbed, as he is now. There will not be any middlemen, and the producer will have to sell at a fair price."

Nearly all of these gentlemen that I know about live in the cities. I never yet talked to a farmer that was a single taxer—not even a tenant. In the city they propose, therefore, to take over these titles, nationalize them by the simple process of price fixing on grain and food products until a farmer can not make a living and must let it pass to the Government.

It was suggested to me by a friend that that was a very philosophical way to go at it, and that it was exactly the same way that certain elements in this country had proceeded to harass the railroads until some of the principal railroad men in the country are willing to let go, and let the Government take the railroads and run them, and see if they can do any better than private ownership has done. They will not; but if you take off the strait-jacket that has been built around them by 25 years of repressive legislation, you will find that private ownership will outdistance any Government ownership of the steam railroads. In other words, I see a part in the same program of price fixing by the single-taxer, by those who have ulterior purposes. They want to extend it to everything that comes off the farm, they want to institute price fixing on food products until a farmer can no longer make a living, and he will let his land go under the nationalization of land titles, cease to be the owner, and follow suit with the railroads of the country as a part of the socialistic program to reach the goal desired by those gentlemen.

Price fixing is essentially unsound. I shall vote, however, to suspend the rules if necessary, and vote for the amendment of the Senator from Oklahoma [Mr. GORE], not because I believe in it, but because we are embarked upon it, and having gone halfway we must go the whole of the way or suffer disaster. That disaster is the diminished production of necessary foodstuffs; and you can not make a farmer produce unless he wants to.

King John I tried to make farmers do something. Those who assembled in June, 1215, at Runnymede, were called barons; but if you will look them up, you will find that in those days every baron who helped write the Great Charter of England was nobody but an old farmer that had some land in England and would not be robbed, and he had courage enough to take up arms against the King. A Catholic priest, Stephen Langton, wrote the Great Charter in Latin. The farmers of today are equally independent. You can not force them to do these things; and now, even though in time of war, if you send out an official inspector from the Food Administration and undertake to order a farmer what to do, inspect his kitchen and his grain bin and begin to tell him what he must farm and how he must farm, I predict that it will be an ignominious and humiliating failure for the Government that undertakes to do it in this country.

I wish now, before concluding, to send to the desk and ask to have printed in the RECORD the advertisement of L. F. Swift, president of Swift & Co., to which I referred, and, from the department on finance of the New York Tribune—I have not the date, but some time in March, 1918—some comments by the financial writer on price fixing.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 18, 1918.]

TO THE AMERICAN PEOPLE.

There is no foundation for the alleged violations of law attributed to our company by agents of the Federal Trade Commission, and I want to say emphatically that Swift & Co. is not a party to any conspiracy to defraud the Government. Nor has Swift & Co. been guilty of improperly storing foods or of making false entries or reports.

Conferences of packers, where prices have been discussed, have been held at the urgent request and in the presence of representatives of either the Food Administration or the Council of National Defense. And yet the packers have been accused of committing a felony by acting in collusion on Government bids.

We have done our best, with other packers, large and small, to comply with the directions of the United States Food Administration in all particulars, including the furnishing of food supplies for the United States Army and Navy and the allies, now being handled through the Food Administration.

We will continue to do our utmost, under Government direction, to increase our production and assist the Food Administration. We consider that the opportunity to cooperate whole-heartedly and to our fullest powers with this branch of the Government is our plain and most pressing duty.

The Trade Commission attorney has, by false inference and misplaced emphasis, given to disconnected portions of the correspondence taken from our private files and read into the record a false and sinister meaning, with the plain purpose of creating antagonistic public opinion.

The services of the packers of the United States are most urgently needed, and I regret exceedingly that we should at this time have to spend our efforts in defending ourselves against unfounded, unproved, and unfair assertions, such as are being daily made public.

L. F. SWIFT,
President Swift & Co., United States of America.

[From the New York Tribune.]

FINANCE.

The price-fixing debate is soon to be renewed in Congress. According to Washington dispatches, the President believes that a situation has arisen which requires "immediate legislation delegating to him necessary despotic powers" over prices. Just what makes such action imperative is not disclosed, but it is to be presumed that the administration, alarmed at the sustained rise in the cost of living, is planning an attempt to override the law of supply and demand in relation to many commodities which so far have been allowed to take a natural course. It is a dangerous proposal, unless the administration is willing to undertake the impossible and fix a price for labor, the most important commodity of all. Without control prices are certain to go on rising until, as has been predicted by one economist, they are perhaps 100 per cent above the present level. That is the inevitable result of the great expansion of bank credits, against which the Reserve Board yesterday gave what is likely to prove a futile warning. The price for copper was fixed last fall, and the copper production fell off sharply. The price for steel was fixed, and the steel output in 1917 decreased in spite of expanding demands. The price for wheat was fixed, and the acreage sown to winter wheat fell far short of the figure that had been set by the Department of Agriculture as the acreage which should have been planted.

The price for coal was fixed, and the output of some mines promptly declined. In each case other circumstances helped to restrict operations, but there is no doubt that price fixing exerted an unfavorable influence on activities of producers in all of them. If the price of wheat had been, say, $3.50 last fall—and, uncontrolled, it might easily have reached that price—instead of $2 named for the 1918 crop, does anyone doubt that a much larger acreage would have been harvested next summer? The farmer would have planted more, because he could have afforded the increased labor cost with the prospect of huge profits which would have accrued if the price had not been fixed. What is imperative, regardless of price, is the maximum output of wheat and all other things which are vitally needed for war. Fixing prices, while pursuing a policy of war finance that constantly depreciates the purchasing power of the dollar, will lead to heavy curtailment of output in the end. As it is, there is almost sure to be a shortage of some essentials because of the shutdown enforced under the fuel order. Why aggravate the situation by removing the chief incentive to greater production? The Government has in the excess-profits tax law an instrument which effectually limits the profits of industry and at the same time, if not made too drastic, tends to stimulate productivity. It should rely on that instrument and others at its command to prevent profiteering, which is about all it can hope to do with any degree of success.

Mr. GORE. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 50 minutes p. m.) the Senate adjourned until to-morrow, Thursday, March 21, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *March 20, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Let Thy Spirit, Almighty God our Heavenly Father, descend copiously upon these, Thy servants, that they may go forward to the duties and responsibilities of the new day with patriotic zeal and fervor; that the interests of our Republic may be upheld, sustained, and furthered by their devoted efforts, in the Spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. DUPRÉ. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a patriotic address delivered by Hon. Ruffin G. Pleasant, governor of Louisiana, on the occasion of the visit of the descendants of Gen. de Polignac to that State.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to extend his remarks in the RECORD by printing a historical address delivered by Gov. Pleasant, of Louisiana. Is there objection?

Mr. CRAMTON. Reserving the right to object, I desire to couple with that a request that I likewise be permitted to extend my remarks upon the question of the rule as to censorship in the case of casualties.

Mr. DUPRÉ. Mr. Speaker, can not every tub stand on its own bottom? [Laughter.]

The SPEAKER. That is a philosophical matter. [Laughter.]

Mr. CRAMTON. I shall have to object. The leader upon that side objected to my extending remarks, which were largely my own remarks.

Mr. DUPRÉ. I obtained the consent of the official censor on the other side, the gentleman from Massachusetts [Mr. WALSH]. [Laughter.]

Mr. CRAMTON. There is another censor in the House.

The SPEAKER. The gentleman from Michigan objects unless he is permitted to print some remarks in the RECORD. Is there objection?

Mr. CRAMTON. I object.

The SPEAKER. The gentleman from Michigan does not object to the extension of his own remarks?

Mr. CRAMTON. Not if mine are included in the request.

Mr. GARRETT of Tennessee. The gentleman from Michigan did object.

Mr. KITCHIN. Mr. Speaker, I would like to say to the gentleman from Michigan that I did not object. I asked him to withhold his request until to-day, and he said he would not do it. I wanted to look into it and see what it was, as I have been engaged in the consideration of this corporation bill.

Mr. CRAMTON. I stated to the gentleman that it was in part my own remarks in which I desired to incorporate some other matters which I could not prepare.

Mr. KITCHIN. I simply asked the gentleman to withhold it, and the gentleman said he would not do it.

Mr. CRAMTON. I do not know by what right the gentleman needs to investigate remarks which I desire to put in the RECORD.

A MEMBER. The regular order!

PROFITEERING IN THE DISTRICT OF COLUMBIA.

Mr. JOHNSON of Kentucky. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

Mr. GILLETT. Reserving the right to object, on what subject?

Mr. JOHNSON of Kentucky. There is a gentleman in Washington by the name of Guy S. Zepp, who has been communicating with different Members of the House——

Mr. GILLETT. I have no objection.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of Kentucky. Mr. Speaker, as I was just saying, there is a gentleman in the District of Columbia, by the name of Guy S. Zepp, who has been circularizing the House relative to the antiprofiteering bill. Also he has had a couple of communications in the local newspapers suggesting the best way by which the subject could be handled. He is represented in the headlines of the local papers as a "contractor," without suggestion that he is a landlord, too, and he is presumed to offer these suggestions from a disinterested standpoint. As to whether he does so or not, I wish to read a letter which I have just received relative to the gentleman. It is dated Washington, March 16, 1918, and is as follows:

FEDERAL SERVICE INSTITUTE,
Washington, D. C., March 16, 1918.

Representative JOHNSON,
Washington, D. C.

MY DEAR SIR: It may be of interest to you to know that the author of the inclosed clipping, taken from Washington Sunday Post, Mr. Guy Zepp, is one of the would-be profiteers of the District, judging him from his acts rather than from his writing. For three years I had been his tenant, paying him promptly a monthly rental of $40 for a seven-room house that had stood vacant for several months. One week before last Christmas I received a 30-day notice to vacate, notwithstanding the fact that he knew that my mother, an invalid 76 years of age, was in no condition to be moved in the dead of the coldest winter Washington has known for many years. On demanding an explanation, he told me he expected to get $140 per month for the house and could not allow sentiment to keep him out of that extra money.

Should such as he be allowed to block the worthy bill now before the Senate and known as the Johnson profiteering bill? I trust not.

Thanks for your efforts, and God grant that it may be passed.

Very sincerely,

REV. JAS. H. DE PUE,
One of the victims.

The clipping inclosed is as follows:

ADULTS IN HOUSE BASIS FOR RENT—WILL SIMPLIFY JOHNSON BILL AND STOP PROFITEERING, SAYS G. S. ZEPP.

In a letter to the Post, Guy S. Zepp, contractor and builder, has suggested two amendments to the Johnson antiprofiteering rent bill which he thinks would simplify the measure and make it much easier of enforcement. He further believes the measure so amended would catch the guilty persons, while the bill as it stands will not.

Mr. Zepp suggests that the maximum rent for a house be reckoned on the number of persons it will accommodate, $10 to each adult person. He counts six persons to an ordinary six-room house and places the rental for it at $60, which he thinks is not too much.

He suggests that for furnished rooms, houses, or apartments the rent be based upon the number of persons that may be comfortably housed therein. He suggests $12.50 a month for each room, allowing two persons to the room. Mr. Zepp thinks that with such a rental most furnished rooms would be rented to one person only, with attendant less wear upon furnishings and greater comfort to the renter.

Mr. Zepp claims for his plan simplicity of enforcement without the great array of legal and clerical force that will be made necessary by the Johnson bill.

In an interview in the Washington Star of the 18th instant Mr. Zepp is quoted as saying that if the bill which has come to bear my name should become law it would "dehouse" many people. I can answer and say that if the bill should not become law and Mr. Zepp and his like are left unrestrained by law, he and they will do the "dehousing," and it will not be done in even a mistaken effort to help the country, but instead out of greed for excessive rentals.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. ASWELL, indefinitely, on account of personal sickness; and

To Mr. SANDERS of Indiana (at the request of Mr. PURNELL), for two days, on account of illness.

INDUSTRIAL CREDITS.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10608, the war-finance corporation bill.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10608.

Mr. HAYES. Mr. Speaker, I raise a point of order. This bill is a very important bill and I think it ought to have a quorum present, and I make the point of no quorum.

Mr. KITCHIN. We have a quorum here in committee.

Mr. HAYES. But we ought to have the membership of the House.

The SPEAKER. The gentleman from California makes the point that no quorum is present, and evidently there is no quorum present. The Doorkeeper will lock the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 339, not voting 92, as follows:

YEAS—339.

Alexander	Cox	Fuller, Mass.	Johnson, Wash.
Almon	Crago	Gallagher	Jones, Tex.
Anderson	Cramton	Gandy	Juul
Ashbrook	Crisp	Garner	Kahn
Austin	Crosser	Garrett, Tex.	Kearns
Ayres	Dale, N. Y.	Gillett	Keating
Baer	Dale, Vt.	Glass	Kelly, Pa.
Bankhead	Dallinger	Glynn	Kennedy, Iowa
Barkley	Darrow	Godwin, N. C.	Kennedy, R. I.
Beakes	Decker	Good	Kettner
Bell	Delaney	Goodwin, Ark.	Key, Ohio
Black	Denison	Gordon	Kiess, Pa.
Bland	Dent	Gould	Kincheloe
Blanton	Denton	Graham, Ill.	King
Booher	Dewalt	Green, Iowa	Kitchin
Bowers	Dickinson	Greene, Mass.	Knutson
Brand	Dill	Greene, Vt.	Kraus
Britten	Dillon	Gregg	Kreider
Brodbeck	Dixon	Griffin	La Follette
Browne	Dominick	Hadley	Langley
Brumbaugh	Donovan	Hamill	Larsen
Buchanan	Dooling	Hamilton, Mich.	Lazaro
Burnett	Doolittle	Hamilton, N. Y.	Lea, Cal.
Burroughs	Doremus	Hamlin	Lee, Ga.
Byrnes, S. C.	Doughton	Hardy	Lesher
Byrns, Tenn.	Dowell	Harrison, Miss.	Lever
Caldwell	Drane	Harrison, Va.	Little
Campbell, Kans.	Dunn	Haskell	Littlepage
Candler, Miss.	Dupré	Hastings	Lobeck
Cannon	Dyer	Hayden	London
Cantrill	Eagan	Hayes	Lonergan
Caraway	Edmonds	Heaton	Longworth
Carew	Elliott	Helm	Lufkin
Carter, Okla.	Ellsworth	Helvering	Lundeen
Cary	Elston	Hensley	Lunn
Church	Emerson	Hersey	McAndrews
Clark, Fla.	Esch	Hicks	McArthur
Clark, Pa.	Evans	Hilliard	McClintic
Classon	Fairfield	Holland	McCormick
Claypool	Farr	Houston	McCulloch
Cleary	Fess	Huddleston	McFadden
Coady	Fields	Hull, Iowa	McKinley
Collier	Fisher	Hull, Tenn.	Madden
Connally, Tex.	Flood	Humphreys	Magee
Connelly, Kans.	Focht	Husted	Maher
Cooper, Ohio	Foster	Igoe	Mansfield
Cooper, W. Va.	Francis	Ireland	Mapes
Cooper, Wis.	Frear	Jacoway	Martin
Copley	French	James	Mason
Costello	Fuller, Ill.	Johnson, Ky.	Meeker
Merritt	Purnell	Sims	Tillman
Miller, Minn.	Quin	Sinnott	Tilson
Miller, Wash.	Rainey	Sisson	Timberlake
Mondell	Raker	Slemp	Tinkham
Montague	Ramseyer	Sloan	Towner
Moon	Randall	Small	Treadway
Moore, Pa.	Rankin	Smith, Idaho	Venable
Moores, Ind.	Reavis	Smith, Mich.	Vestal
Morgan	Reed	Smith, C. B.	Vinson
Morin	Riordan	Snell	Volstead
Mott	Robbins	Snook	Waldow
Neely	Roberts	Snyder	Walsh
Nelson	Robinson	Stafford	Walton
Nicholls, S. C.	Rodenberg	Steagall	Watkins
Nichols, Mich.	Rogers	Stedman	Watson, Pa.
Nolan	Romjue	Steele	Watson, Va.
Norton	Rose	Steenerson	Weaver
Oldfield	Rouse	Stephens, Miss.	Webb
Oliver, Ala.	Rowe	Stephens, Nebr.	Welty
Oliver, N. Y.	Rubey	Sterling, Ill.	Whaley
Osborne	Rucker	Sterling, Pa.	Wheeler
O'Shaunessy	Russell	Stevenson	White, Me.
Overmyer	Sabath	Stiness	White, Ohio
Overstreet	Sanders, La.	Strong	Williams
Padgett	Sanford	Sullivan	Wilson, Ill.
Paige	Saunders, Va.	Sumners	Wilson, Tex.
Park	Scott, Iowa	Sweet	Wingo
Peters	Scott, Mich.	Swift	Wise
Phelan	Sears	Switzer	Wood, Ind.
Platt	Sells	Tague	Woods, Iowa
Polk	Shackleford	Taylor, Ark.	Woodyard
Pou	Shallenberger	Taylor, Colo.	Wright
Powers	Sherwood	Temple	Young, N. Dak.
Pratt	Shouse	Thomas	Young, Tex.
Price	Siegel	Thompson	

NOT VOTING—92.

Anthony	Fairchild, B. L.	Hutchinson	Ramsey
Aswell	Fairchild, G. W.	Johnson, S. Dak.	Rayburn
Bacharach	Ferris	Jones, Va.	Rowland
Barnhart	Flynn	Kehoe	Sanders, Ind.
Beshlin	Fordney	Kelley, Mich.	Sanders, N. Y.
Blackmon	Foss	Kinkaid	Schall
Borland	Freeman	LaGuardia	Scott, Pa.
Browning	Gallivan	Lehlbach	Scully
Butler	Gard	Lenroot	Sherley
Campbell, Pa.	Garland	Linthicum	Slayden
Carlin	Garrett, Tenn.	McKenzie	Smith, T. F.
Carter, Mass.	Goodall	McKeown	Talbott
Chandler, N. Y.	Graham, Pa.	McLaughlin, Mich.	Templeton
Chandler, Okla.	Gray, Ala.	McLaughlin, Pa.	Van Dyke
Currie, Mich.	Gray, N. J.	McLemore	Vare
Curry, Cal.	Griest	Mann	Voigt
Davidson	Haugen	Mays	Walker
Davis	Hawley	Mudd	Ward
Dempsey	Heflin	Olney	Wason
Dies	Heintz	Parker, N. J.	Welling
Drukker	Hollingsworth	Parker, N. Y.	Wilson, La.
Eagle	Hood	Porter	Winslow
Estopinal	Howard	Ragsdale	Zihlman

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. HOWARD with Mr. ANTHONY.

Mr. ASWELL with Mr. BENJAMIN L. FAIRCHILD.

Mr. HOOD with Mr. MCLAUGHLIN of Pennsylvania.

Mr. CAMPBELL of Pennsylvania with Mr. HAUGEN.

Mr. BARNHART with Mr. GEORGE W. FAIRCHILD.

Mr. HEFLIN with Mr. GRIEST.

Mr. TALBOTT with Mr. BROWNING.

Mr. BESHLIN with Mr. GRAY of New Jersey.

Mr. FERRIS with Mr. HUTCHINSON.

Mr. GARD with Mr. FREEMAN.

Mr. BLACKMON with Mr. GOODALL.

Mr. GALLIVAN with Mr. BUTLER.

Mr. CARLIN with Mr. GARLAND.

Mr. BORLAND with Mr. MCLAUGHLIN of Michigan.

Mr. JONES of Virginia with Mr. BACHARACH.

Mr. FLYNN with Mr. CHANDLER of Oklahoma.

Mr. KEHOE with Mr. MCKENZIE.

Mr. DIES with Mr. DAVIDSON.

Mr. GRAY of Alabama with Mr. DAVIS.

Mr. MCKEOWN with Mr. FOSS.

Mr. MCLEMORE with Mr. DEMPSEY.

Mr. EAGLE with Mr. GRAHAM of Pennsylvania.

Mr. MAYS with Mr. KELLEY of Michigan.

Mr. ESTOPINAL with Mr. KINKAID.

Mr. OLNEY with Mr. MUDD.

Mr. RAGSDALE with Mr. HOLLINGSWORTH.

Mr. SCHALL with Mr. RAMSEY.

Mr. RAYBURN with Mr. PARKER of New York.

Mr. VAN DYKE with Mr. TEMPLETON.

Mr. SLAYDEN with Mr. SANDERS of Indiana.

Mr. WALKER with Mr. SANDERS of New York.

Mr. WILSON of Louisiana with Mr. VOIGT.

Mr. SCULLY with Mr. WASON.

Mr. WELLING with Mr. WINSLOW.

Mr. THOMAS F. SMITH with Mr. ZIHLMAN.

Mr. LINTHICUM with Mr. WARD.

Mr. SHERLEY with Mr. FORDNEY.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10608, with Mr. FLOOD in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 10608, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 10608) to provide further for the national security and defense, and for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

Mr. GREEN of Iowa. Mr. Chairman, I offer a preferential motion.

The CHAIRMAN. The Clerk will report the amendment.

Page 8, line 24, after the word "funds" insert the words "upon reasonable terms."

Mr. KITCHIN. Mr. Chairman, I would say to the gentleman that if he does not desire to discuss the amendment the committee will accept it. I think it is a very proper amendment.

Mr. GREEN of Iowa. I wish to say a few words with reference to the section.

Mr. KITCHIN. All right.

Mr. GREEN of Iowa. Mr. Chairman, I shall not take any time in discussing this amendment itself, which has been accepted by the committee and which I think the Members of the House will agree is a very proper amendment and possibly will remove some objections which have been made to section 9. I wish, however, to say a few words with reference to this very important section and endeavor to remove, if I can, the impression that has prevailed among the minds of some of the Members that this is a sort of wildcat provision with great danger for large inflation. In the first place I want to disabuse the minds of Members of the House who have got the impression that the bonds of this corporation can be used as a basis for the issuance of currency by the Federal reserve banks. That impression is entirely erroneous. A member bank may issue its note for 15 days, and that short-time note, with these bonds as collateral, may obtain currency from the Federal reserve bank, and the short-time note may be used as a base for the issue of currency; or the member banks themselves may use the 90-day notes of their customers secured by these bonds, take them to the Federal reserve bank, have them discounted, and such notes may be used as a basis for currency.

Mr. LITTLE. They can do that now.

Mr. HAYES. Will the gentleman yield?

Mr. GREEN of Iowa. I desire to hurry along, but I will yield to the gentleman.

Mr. HAYES. Is not that substantially, of course, through one more avenue, but substantially just what the gentleman says the bill does not allow to be done?

Mr. GREEN of Iowa. The difference is this, if the gentleman pleases, that this is all short-time paper.

Mr. HAYES. Surely.

Mr. GREEN of Iowa. That can not be kept there. It comes under the provisions in reference to the workings of the Federal reserve bank now as it stands to-day. It makes no more for inflation than the general provisions with reference to the working of the Federal reserve bank——

Mr. HAYES rose.

Mr. GREEN of Iowa. The gentleman will pardon me. If I yield to all gentlemen who desire to question, it will take up too much time, because I am not really discussing my amendment.

Mr. HAYES. I do not want to annoy the gentleman at all.

Mr. GREEN of Iowa. The gentleman is not annoying me, but I must get along. Otherwise I would be very glad to yield to the gentleman.

Another thing, it provides no more for inflation in that respect than the system which is now practiced by the Federal reserve bank. Now, the inflation I am afraid of, if there is any inflation to be brought about under this bill as to which some concern may be manifested, is the inflation of credit which may result and that would come under any system which would provide for the emergency which is upon us, but the committee has undertaken by the amendments to section 9 to so hedge it about and restrict it as to prevent any undue inflation of credit. In the first place, it differs from the Senate bill because it makes no direct reference to public utilities and railroads, although public utilities and railroads are not especially excluded.

Mr. SWITZER rose.

Mr. GREEN of Iowa. I am sorry I can not yield to my friend. I know my time would be wholly taken up by questions if I once start in to yielding generally.

I want to say now, lest I may not have another opportunity, that I do not think that any of this money ought to be used for the railroads, and I can see no reason why any of it could be. We have provided for the railroads by the railroad control bill, so that they will receive the average of the revenue for the three most prosperous years in succession they have ever known as compensation for their rental. We have also provided that the railroads should be returned to their owners in as good condition as when we took them, and we further provided in the same bill that there should be created a necessary reserve and allowance for depreciation. Now, what more is necessary? Some gentlemen may say possibly railroads have some maturities which fall due in one year. What of that? Why should owners of those securities worry about it? They will certainly receive their interest, and a good rate of interest, because the short-time loans run at a good rate of interest. So much for railroads. Now, so far as public utilities are concerned there is perhaps a stronger case in their favor. The rates which the public utilities may charge are low and their expenses are constantly increasing.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, I would ask for two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SWITZER. Mr. Chairman, I would ask that the gentleman may have five minutes, as I would like to ask him a question. Will the gentleman please explain this phrase, "in exceptional cases," line 18? I would like to hear the gentleman expatiate upon that.

Mr. GREEN of Iowa. The gentleman is to good a lawyer not to know that no precise definition can be given to the word "exceptional" any more than can be given to the word "reasonable." It will have to be interpreted by the board itself.

Mr. SWITZER. Whoever the Secretary says shall have the money?

Mr. GREEN of Iowa. Not exactly. The board will have to be the final judges, not the Secretary of the Treasury, let me say to the gentleman, because when it comes to that it is not on the decision of the Secretary of the Treasury alone. The Ways and Means Committee struck out the provision that required that these loans would have to have the approval of the Secretary of the Treasury, and it has to be determined by the board, of which the Secretary of the Treasury is a member.

Mr. MOORE of Pennsylvania. The approval of the Secretary of the Treasury is not provided for at all in this paragraph.

Mr. GREEN of Iowa. Not in this paragraph. It is not necessary for any action taken by the board under this paragraph.

Mr. SNYDER. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. SNYDER. Right on that point, suppose the Secretary of the Treasury should have the right to correct the by-laws. Could not the by-laws be arranged so that the Secretary of the Treasury would have the power and the only power to decide upon these loans?

Mr. GREEN of Iowa. The gentleman is assuming by his question—and I think he hardly credits it himself—that the by-laws would override the express provisions of the statute itself which we are enacting. I simply say it would be impossible to have that done. It can not be done, and therefore there is no danger to be apprehended on that line.

Mr. SNYDER. Well, I thank the gentleman for the information.

Mr. GREEN of Iowa. Now, we have inserted in this section 9 the provision that these direct loans should only be made for conducting the business of the United States and only when such person, firm, corporation, or association is unable to obtain funds, with my amendment, upon reasonable terms through banking channels or the general public. We wish to derive all these loans, so far as possible, only eliminating this exceptional case, through the banks. It was our intention and purpose that all of them should be made through the banks where they could be made upon reasonable terms.

The committee will also remember that only one-sixth of the amount of the capital and the outstanding bonds can be used for this purpose. Only about $45,000,000 can be used for direct loans. So that we have no special basis for expansion here. It is idle to talk about there being a demand for $500,000,000 for direct loans, when only $45,000,000 can be obtained by all applicants for that class of loans. With the provisions of this paragraph hedged about as they have been and the notes re-

ceived thereunder limited as basis of currency to the short-time loans, which can remain in a Federal reserve bank but 15 days when made by a member bank and only 90 when the note of the customer is discounted, it appears to me we have as little fear of inflation as under any method. We will have this danger of inflation, which can not be avoided, if we obtain the credit and use it. I think the committee has thus protected not only the public credit from all danger of inflation so far as we could and maintain the main features of the bill, but we have still reserved to the board sufficient power to protect any concern whose operations are really necessary to the war or contributory thereto, or whose failure or downfall might affect the credits of the Nation.

Mr. KITCHIN. Mr. Chairman, let us have a vote on the amendment.

Mr. HAYES. I want to oppose it. I am against it.

Mr. KITCHIN. What on? "Upon reasonable terms?"

Mr. HAYES. Yes. I do not think that is desirable at all.

Mr. KITCHIN. All right. Mr. Chairman, I ask unanimous consent that all debate on this section and amendments thereto close in 45 minutes.

Mr. HAYES. I think the gentleman had better let it go along a little while. There are many important amendments here.

The CHAIRMAN (Mr. GARRETT of Tennessee). The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that all debate upon section 9 and all amendments thereto shall close in 45 minutes. Has the gentleman any suggestion to make as to the control of the time?

Mr. KITCHIN. I was going to ask that the control of the time be by the gentleman from Pennsylvania [Mr. MOORE] and myself, with the understanding that the gentleman from California [Mr. HAYES] shall have one-third of the time.

Mr. HAYES. Mr. Chairman, I do not want to consume the time of the House unnecessarily, but it seems to me that the most objectionable part of this bill is this section now under consideration.

Mr. KITCHIN. Let me say to the gentleman——

Mr. HAYES. There should be a discussion so that every Member of the House will understand what it means.

Mr. KITCHIN. If the gentleman is going to oppose putting in the words "upon reasonable terms"——

Mr. HAYES. I have only a few words to say in regard to it.

Mr. KITCHIN. That is only a little formal amendment and it looks as if nobody would object to that. I have an amendment here, a committee amendment to this bill, right in that connection. I want to strike out the paragraph, and am going to transfer that over to another. Then the main question will come down to the gentleman's motion to strike out the paragraph.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. KITCHIN. I will. Now, on that portion, of course, it will require a reasonable time, and that is the main thing I wanted to come to an agreement on.

Mr. GOOD. I will say to the gentleman that I have an amendment to perfect the text with regard to public utilities and include them as the Secretary of the Treasury asks to have them. Now, I do not want to be cut off——

Mr. MOORE of Pennsylvania. Is there not a committee amendment also yet to be offered?

Mr. KITCHIN. Yes; I said that I gave notice that there was a committee amendment, in regard to the quarterly report, that is to be offered.

Mr. MOORE of Pennsylvania. Would the gentleman agree to an extension of time, to include the discussion of the paragraph and all amendments, to an hour and a half?

Mr. KITCHIN. I would ask the gentleman from California [Mr. HAYES] if that would be satisfactory?

Mr. HAYES. No; it would not.

Reserving the right to object, I want to say that under the rules of this House speeches should be made first in favor of amendments and then in opposition to them. Those who are opposed to this proposition or any proposition under the rules should have the time.

Mr. GARNER. Let me suggest to the gentleman that if you agree to an hour and a half time on this section and all amendments thereto, then each man could get recognition to offer the amendment which he proposes to offer and speak to it, and then it would come up for consideration at the end of the hour and a half.

Mr. STAFFORD. And some Members will come back at the end of an hour and a half who will not understand the amendments, or will not understand the merits of them, and yet they may be important amendments.

Mr. GARNER. That is the fault of the Members.

Mr. STAFFORD. That is the fault of the rule the gentleman is advocating.

Mr. MEEKER. Will the gentleman yield?

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that all debate on this section and all amendments thereto shall be concluded at the end of an hour and a half, one-half of that time to be controlled by himself and one-half by the gentleman from Pennsylvania [Mr. MOORE], with the understanding that one-third of the time shall go to the gentleman from California [Mr. HAYES]. Is there objection?

Mr. MEEKER. Reserving the right to object, Mr. Chairman, I can not understand why both members of the committee who are in favor of section 9 should ask for two-thirds of the time when men who are opposed to it should not have half.

Mr. KITCHIN. They will control it. Perhaps they can give some time to those who are opposed.

Mr. MEEKER. Why not divide the time between the gentleman from North Carolina and the gentleman from California?

Mr. GILLETT. Why would it not be well, first, to dispose of the minor amendments and see how much time they will take, and then proceed on the question of striking out. They might take a half an hour on the minor amendments, or an hour even.

Mr. MEEKER. Reserving the right to object, Mr. Chairman, I want to say that, so far as the men are concerned that I know about, I think that on the vote on section 9 will depend largely the vote for and against the bill with a large percentage of the men here.

Mr. HAYES. Practically all of them.

Mr. MEEKER. I think we should have that opportunity for even the members of the committee to so state their position as to justify men who want to vote with the committee, but who can not now vote with it with that section in the bill.

Mr. KING. Regular order!

Mr. MEEKER. I object.

The CHAIRMAN. The regular order is demanded, and the regular order is, Is there objection?

Mr. MEEKER. I object.

The CHAIRMAN. The gentleman from California [Mr. HAYES] is recognized for five minutes.

Mr. HAYES. Mr. Chairman, notwithstanding what the gentleman from North Carolina [Mr. KITCHIN] has said—and I do not care to go into any discussion of it—it seems to me that to pass the amendment proposed by the gentleman from Iowa means that the Congress of the United States is incorporating this proposition in order to control the rate of interest. I prefer to leave it to the board of directors of the corporation and to the Secretary of the Treasury to meet the financial conditions as they arise from time to time, and if the time comes when excessive rates of interest are generally charged all over the United States and the action of this corporation could affect it, they may, without this amendment, under such by-laws as the board may pass—and when approved by the Secretary of the Treasury, in whom I have confidence do such things at that time as necessity requires, and do them much more wisely, it seems to me, than we at this time can do them.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HAYES. Yes.

Mr. GREEN of Iowa. I will say to the gentleman that it is one of the purposes of the bill to control the rates of interest and prevent the shylocks of finance from holding up people in the manner in which it has been done. Mr. Warburg or the Secretary of the Treasury in a hearing stated that they hoped to stabilize the rate of interest.

Mr. HAYES. I have no doubt that would be done under any Secretary of the Treasury or under any Federal Reserve Board, or under any board of this corporation. I believe it better to leave it largely in the discretion of these gentlemen, and not to undertake to tie them up too tight with conditions and provisions that they can not get around without violating or disobeying the law of Congress. It seems to me it would be better to leave the bill without the amendment of the gentleman from Iowa.

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. COOPER of Wisconsin. Mr. Chairman, I shall vote for the pending bill for one reason, among others, which occurred to me when I first heard that this legislation had been proposed and recalled the testimony given a few years ago by some of the most eminent financiers of the United States before a Committee of the House during the so-called "Money Trust"

investigation. I remember having heard George F. Baker, the president of the First National Bank of New York City, testify when Mr. Untermyer questioned him. I have not been able to find a copy of all the testimony, but I recall that, in substance, Mr. Untermyer said: "Mr. Baker, is it not true that the First National of New York and the National City Bank of New York, and J. P. Morgan & Co., and Lee, Higginson & Co., and Kuhn, Loeb & Co."—I think that he named one other, possibly two—"are so linked together in the financial world and so control the credits of the country that no corporation or business which involves a capitalization or getting together of $10,000,000 or more can go ahead without your consent?" And after some considerable hesitancy, as I recall his manner, Mr. Baker admitted that that was true. I think that one of the other banks was either the Bankers' Trust Co. or the Guaranty Trust Co., of New York; I have forgotten which.

In this connection I desire to direct the attention of gentlemen to some of the testimony given during that investigation by a very eminent western banker, Mr. George Reynolds, the president of the great Continental and Commercial National Bank, of Chicago, which is, I believe, the second bank in size in the United States; at least it was at the time this testimony was given. Its deposits, as I recollect, are more than $300,000,000. Mr. Reynolds, after his attention had been called to the fact that these great New York and Boston institutions practically controlled business credits in the United States, was questioned, and here is an excerpt from his testimony as set forth in the committee's official report to the House:

Q. I suppose, Mr. Reynolds, that, as president of a great bank, you have kept in touch with the very recent trend toward concentration and control of money and credit in the East?—A. Yes, sir; I have been constantly reminded of it in the last year or so.

Q. You know the extent to which it has gone in the last few years?—A. I have a general knowledge of it; yes, sir.

Q. Do you or not know the effect that has on the marketing of securities of a great railroad and other interstate corporations, and the trend of concentration brought about through the concentration of this money and credit?—A. I have read all that has been adduced at this examination and a great many other things, and my information in detail is very largely the result of this reading, rather than from personal experience.

Q. But you have information and knowledge of the conditions in New York, for instance, as between the great banking houses. That is a matter of personal knowledge?—A. Yes; I have a fairly general knowledge of that, I should say.

Q. What would you say as to that concentration of the control of money and credit being a menace to the country?

I want that particular word "menace" brought to the attention of gentlemen. This great banker was asked:

Q. What would you say as to that concentration of the control of money and credit being a menace to the country?—A. That involves a very deep question. Personally I am inclined to believe it an excess of power of any kind in the hands of a few men might properly be called a menace. I do not mean to say by that that the people who had that control and power have used it improperly. I do not mean to say that at all.

I will pause here to say that the last part of his answer shows his conservatism and caution, qualities necessary because of his relations with these bankers. I read further:

Q. Regardless of the way they have used it for the time being, the question is, is it not, as to the way they can use it?—A. I think a more wide distribution of the power of credit, if that is what you mean, would really be better in the long run.

Q. Taking the present situation as you find it, Mr. Reynolds, what is your judgment as to whether that situation is a menace?—A. I am inclined to think that the concentration, having gone to the extent it has, does constitute a menace. I wish again, however, to qualify that by saying that I do not mean to sit in judgment upon anybody who controls that, because I do not pretend to know whether they have used it fairly or honestly or otherwise.

I will now read from the testimony of Mr. George F. Baker, president of the First National Bank—a Morgan bank—of New York City. I think nobody in the country has outranked him as a financier, unless possibly it was J. P. Morgan himself. Mr. Baker was asked whether this concentration of control over credit had not gone far enough. Here are the questions and answers verbatim, as found in the committee's official report to the House:

Q. I suppose you would see no harm, would you, in having the control of credit, as represented by the control of banks and trust companies, still further concentrated? Do you think that would be dangerous?—A. I think it has gone about far enough.

Q. You think it would be dangerous to go further?—A. It might not be dangerous, but still it has gone about far enough. In good hands I do not see that it would do any harm. If it got into bad hands, it would be very bad.

Q. If it got into bad hands, it would wreck the country?—A. Yes; but I do not believe it could get into bad hands.

Q. You admit that if this concentration, to the point to which it has gone, were by any action to get into bad hands it would wreck the country?—A. I can not imagine such a condition.

Q. I thought you said so.—A. I said it could be bad, but I do not think it would wreck the country. I do not think bad hands could manage it. They could not retain the deposits nor the securities.

Q. I am not speaking of incompetent hands. We are speaking of this concentration which has come about and the power that it brings with it getting into the hands of very ambitious men, perhaps not overscrupulous. You see a peril in that, do you not?—A. Yes.

Q. So that the safety, if you think there is safety in the situation, really lies in the personnel of the men?—A. Very much.

Q. Do you think that is a comfortable situation for a great country to be in?—A. Not entirely.

Coming from such a source, that is most significant testimony.

When I first heard of the introduction of this bill I thought, as I still think, that its purpose was to create a possible competitor to this vastly powerful concentration, in a few great banking institutions in New York, of control over credits in the United States, and I believe that if enacted into law it will accomplish that purpose.

Mr. MEEKER. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Wisconsin. Please let me finish this. I prefer to conclude what I wish to say before answering questions.

Mr. MEEKER. Certainly. I beg your pardon.

Mr. COOPER of Wisconsin. It is freely granted. I observe, by the way, that the chief officer of the Hog Island corporation is the president of one of the greatest of these New York banks and that other prominent men in that corporation are connected with some of these other banks. Of course, they do not advance the money for that great plant at Hog Island; the Government of the United States does that, but they get that $6,000,000 of profits.

Here is what the House committee, which reported on the mass of testimony, said in 1913:

"Under our system of issuing and distributing corporate securities the investing public does not buy directly from the corporation. The securities travel from the issuing house through middlemen to the investor. It is only the great banks or bankers with access to the mainsprings of the concentrated resources made up of other people's money in the banks, trust companies, and life insurance companies, and with control of the machinery for creating markets and distributing securities, who have had the power to underwrite or guarantee the sale of large-scale security issues. The men who through their control over the funds of our railroad and industrial companies are able to direct where such funds shall be kept, and thus to create these great reservoirs of the people's money, are the ones who are in position to tap those reservoirs for the ventures in which they are interested and to prevent their being tapped for purposes of which they do not approve. The latter is quite as important a factor as the former. It is a controlling consideration in its effect on competition in the railroad and industrial world."

And in my judgment if they should now be left without competition in the loaning of money to companies manufacturing or desiring to manufacture munitions of war, or in any other way to help along the war, they will fix the interest and other charges at their own rate and in their own way, and thus may make it very embarrassing for men who want to organize companies and do manufacturing for the Government for only a legitimate profit.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. COOPER of Wisconsin. I ask for three minutes more to finish this testimony.

SEVERAL MEMBERS. Five minutes.

Mr. COOPER of Wisconsin. Five minutes.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. COOPER of Wisconsin. Said the committee in its report:

"When we consider also in this connection that into these reservoirs of money and credit there flow a large part of the reserves of the banks of the country, that they are also the agents and correspondents of the out-of-town banks in the loaning of their surplus funds in the only public money market of the country, and that a small group of men and their partners and associates have now further strengthened their hold upon the resources of these institutions by acquiring large stock holdings therein, by representation on their boards and through valuable patronage, we begin to realize something of the extent to which this practical and effective domination and control over many of our greatest financial, railroad, and industrial corporations has developed, largely within the past five years, and that it is fraught with peril to the welfare of the country.

"If, therefore, by a 'Money Trust' is meant 'An established and well-defined identity and community of interest between a few leaders of finance which has been created and is held together through stock holdings, interlocking directorates, and other forms of domination over banks, trust companies, railroads, public-service and industrial corporations, and which has resulted in a vast and growing concentration of control of money and credit in the hands of a comparatively few men' your committee, as before stated, has no hesitation in asserting,

as the result of its investigation up to this time, that the condition thus described exists in this country to-day."

I take it that it is proposed by this legislation to afford a possible and an effective competitor to the men who now in this country hold a monopolistic control of credits.

Mr. McFADDEN. Will the gentleman yield?

Mr. COOPER of Wisconsin. I yield to the gentleman.

Mr. McFADDEN. I want to ask the gentleman if he is aware, in connection with the statement he has made, that this bill is indorsed by practically all the concerns which he has mentioned? Mr. Lamont, of J. P. Morgan & Co., has been speech making all over the country in favor of this bill.

Mr. COOPER of Wisconsin. That is entirely immaterial. Sometimes good comes from very unexpected sources.

That does not affect the merits of the proposition I have advanced. Here has been a monopolistic control of credits and here is proposed legislation to destroy such control if it still exists by supplying a possible competitor, and also, if that monopolistic control has been destroyed, to help prevent it from coming back during the war and imposing extortionate conditions.

Mr. MEEKER. Will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. MEEKER. I was going to ask the gentleman a question, but I want to thank him for making the best speech that has been made on the centralization of capital. This bill proposes to put two and a half billion dollars in the hands of four men.

Mr. COOPER of Wisconsin. But they are all to be public men, who must conduct their business in public and make a public statement. But the men who exercise this monopolistic control are private gentlemen, who conduct their transactions in secret. I have had some of the best business men in my section of the country tell me of what they have been obliged to undergo at the hands of men who control the country's big credits.

Mr. SNYDER. Will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. SNYDER. Does the gentleman know of any case in New York where a bank can charge more than 6 per cent interest on loans?

Mr. COOPER of Wisconsin. But they loan money outside of New York.

Mr. SNYDER. I am speaking about the New York banks.

Mr. COOPER of Wisconsin. They dominate things all over the West. They have dominated credits in the Middle West; they have dominated it in the South. Their loans are not confined to New York State.

Mr. SNYDER. Most of the loans are made in New York.

Mr. HAYES. Will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. HAYES. I was on the committee that the gentleman refers to, and I want to ask him if he is aware that recent legislation has changed the condition of the surplus funds of the country, and they are no longer piled up in these gentlemen's hands, but they are in 12 Federal reserve banks all over the country? It is entirely different.

Mr. COOPER of Wisconsin. I beg the gentleman's pardon—he is a banker and I am not—but I want to remind him that our friend, the gentleman from Iowa [Mr. GREEN], day before yesterday said that Proctor, Gamble & Co. had been looking around to borrow $25,000,000 and finally succeeded. I asked him where they got it, and he said in New York City. I presume that some of these big banks in New York City, in the aforesaid combination, helped raise the twenty-five million.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COOPER of Wisconsin. I ask for one minute more. The gentleman from Iowa [Mr. GREEN], to whose speech I referred, has just informed me that they required 7 per cent—a little more than that—from Proctor & Gamble.

Mr. GREEN of Iowa. Yes; and they charged a public-utility corporation that went to New York to obtain money 13½ per cent.

Mr. COOPER of Wisconsin. Proctor & Gamble had to pay these New York men 7 per cent and more on twenty-five millions, and I remind the gentleman from New York [Mr. SNYDER] that that firm is located, not in New York, but in Cincinnati. Not only that, but it appears that New York financiers held up another corporation and charged it for money 13½ per cent.

Mr. HAYES. Mr. Chairman, I move to strike out the last two words in order to supplement what I said a few minutes ago. Another reason why I think, in a few words, this amendment of the gentleman from Iowa should not prevail is that it opens the door of the Federal Treasury a little wider. It creates another class that can come to the United States and get loan accommodations, and makes it more objectionable to those of us who object to section 9. The bill provides that when these men can not be accommodated in the usual avenues, or if they think that the interest charged them is too high, they can come and secure accommodation at the hands of this corporation, which means at the hands of the United States. That is the reason why I think the amendment should not prevail. Leave it to the Secretary of the Treasury and the board of directors to say whether these men should be accommodated under the bill as it is.

Mr. LITTLE. Mr. Chairman, I move to strike out the last three words.

Mr. KITCHIN. Let us vote on this little amendment first.

Mr. LITTLE. But I want to say something about it.

Mr. MOORE of Pennsylvania. Mr. Chairman, the gentleman from California having spoken twice, does not the vote come automatically?

The CHAIRMAN. The Chair understands that all debate on this amendment has been exhausted.

Mr. MOORE of Pennsylvania. I observe that the gentleman from California, who has already spoken once on the amendment, has spoken a second time.

Mr. LITTLE. A parliamentary inquiry, Mr. Chairman. I moved to strike out the last three words, and the Chair recognized me.

The CHAIRMAN. But all debate has been exhausted on this amendment. The question is on the amendment of the gentleman from Iowa.

Mr. LITTLE. I move to strike out the last three words.

The CHAIRMAN. The gentleman is not in order.

Mr. LITTLE. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state what it is.

Mr. LITTLE. Will the Chair tell me why I am not in order?

Mr. MOORE of Pennsylvania. I make the point of order that the House is dividing and the gentleman can not do that.

Mr. LITTLE. I have the floor; I have been recognized.

The CHAIRMAN. Will the gentleman state his parliamentary inquiry.

Mr. LITTLE. Upon what theory am I not in order?

The CHAIRMAN. Because debate has been exhausted and the committee is voting on the amendment.

Mr. LITTLE. It was not when I rose.

The question was taken, and the Chair announced that the noes had it.

Mr. GREEN of Iowa. Mr. Chairman, I ask for a division.

Mr. MOORE of Pennsylvania. Mr. Chairman, I would like to have the amendment again stated.

The CHAIRMAN. Without objection, the Clerk will again report the amendment of the gentleman from Iowa.

There was no objection, and the Clerk again reported the Green amendment.

The committee divided; and there were—ayes 48, noes 6.

So the Green amendment was agreed to.

Mr. GOOD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. Good: Page 8, line 18, after the word "directly," insert: "(1) to any person, firm, corporation, or association owning or controlling directly or through stock ownership any public utility, and (2)," so that as amended the section would read:

"SEC. 9. The corporation shall be empowered and authorized in exceptional cases to make advances directly (1) to any person, firm, corporation, or association owning or controlling directly or through stock ownership any public utility, and (2) to any person, firm, corporation, or association conducting an established and going business in the United States," etc.

Mr. GOOD. Mr. Chairman, sections 7 and 8 of the bill provide for advances of financial aid through the banks. Section 9 of the bill, the section to which I have offered this amendment, provides for direct advances. The amendment which I have offered is the language contained in the bill as it passed the Senate, with the exception that I have eliminated railroads. The Senate bill provides for direct advances to railroads and public utilities. As has been suggested, the railroads are provided for in another bill. The amendment which I have offered applies only to public utilities. I was told not less than a week ago by a gentleman from Chicago that a syndicate there owning a large number of public utilities, having obligations maturing in the near future, had applied to a bonding house to underwrite $30,000,000 of their securities for a period not exceeding five years, and the best rate they could get for underwriting $30,000,000 was $10,000,000 in cash. We are living in rather abnormal times, so far as credit is concerned. If we were not there would be no excuse for this legislation. It is because of the abnormal situation, so far as credit is concerned, that we can support this measure at all. It seems to me that in this section of the bill we ought to provide that the class of bankers

to whom the gentleman from Wisconsin [Mr. COOPER] referred as waxing fat and growing rich during these times through a manipulation of credit should not be permitted to say to a public utility that it would have to turn over to them one-third of the proceeds of the sale of their bonds and notes as commission for underwriting the transaction.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. SABATH. I did not understand the amount that these brokers or New York bankers demanded. Was it one-third of the entire amount?

Mr. GOOD. It was one-third—$10,000,000 for underwriting the $30,000,000 transaction.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. GOOD. I will, if I can get some more time.

Mr. MOORE of Pennsylvania. I would say to the gentleman that this paragraph includes the right to lend money to public-utility corporations. The Secretary of the Treasury clearly indicated that in his testimony and so did the vice governor of the Federal Reserve Board, Mr. Warburg. If I had the time—I do not want to take the gentleman's time—I would read some of that testimony into the RECORD. It is clearly the purpose to cover that.

Mr. GOOD. The bill that came to the Committee on Ways and Means of the House originally prepared by the Treasury Department, I understand, did contain a provision to include public utilities.

Mr. LONGWORTH. Oh, no; that is not the fact. That provision was inserted in the Senate.

Mr. GOOD. Then I stand corrected in that regard. I so understood it. At any rate, the bill as it passed the Senate contains the exact language of my amendment. I understand that there is some question as to whether or not the bill does include public utilities. If there is any question about that, we ought to put that question at rest. If it includes public utilities, the amendment I have offered will do no harm. If the bill does not extend this privilege to the public utilities, it ought to, and hence there is need for the amendment. I am told that the Secretary of the Treasury desires to include public utilities. He so stated before the committee. I think they ought to be included. I want to say to you that the $10,000,000 that this Chicago syndicate will have to pay to underwrite its bonds, or the commission charged by any concern for financing, will be passed right on to the ultimate consumer, and he will have to pay that charge, be it large or small, in increased rates. It seems to me that public-utility concerns, having invested, in the aggregate, at least $4,000,000,000, is entitled to this consideration and financial aid from the Government. It will cost the Government nothing. It will save some of these concerns from bankruptcy, and will help to keep down the costs to the ultimate consumer. Why not allow these concerns to go direct to this big corporation and ask protection against bankers and bonding concerns who would charge one-third of the total proceeds of a bond issue for underwriting the proposition? There certainly can be no objection to the amendment if it is included within the bill. It is not included in the direct terms of the bill, and what I fear is that some comptroller will hold that without language of that kind, without direct authority to loan directly to such utility, the Secretary of the Treasury will not be allowed to do so.

Mr. MOORE of Pennsylvania. Mr. Chairman, I rise in opposition to the amendment. There is no doubt that the purpose of this paragraph is to permit a loan in exceptional cases to such corporations as those to which the gentleman from Iowa refers.

Public-utility corporations have been specifically mentioned throughout the hearings as those that might come in for relief due to the fact that their securities are generally long-time securities and that they tie up the liquid assets of the banking corporations with which they have to do business and that they would be embarrassed in the matter of the maturity of their loans. When the Secretary of the Treasury was before the Committee on Ways and Means he was asked specifically as to this matter.

Electrical companies would come within the scope of the activities of the war finance corporation, would they not?

He was asked, and answered:

Oh, yes.

And water-power companies?

Yes.

And public-utility companies generally, including trolley lines?

Yes.

They would all be considered contributory to the war?

The Secretary answered:

I would say directly contributory.

Now, that answers the proposition of the gentleman from Iowa, it seems to me. If this bill passes, the Secretary of the Treasury is to be one of the incorporators of this company. It is generally conceded that he knows a great deal about what the purposes of the corporation are, and his answers to specific questions showed clearly it was the intent to relieve these corporations where they could prove up on war grounds.

Mr. McCORMICK. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. McCORMICK. If there be any advantage in incorporating relief to public utilities, how far ought we to go in enumerating the enterprises to which advances may be made?

Mr. MOORE of Pennsylvania. If we enumerated particular kinds of enterprises in this paragraph it might give those particular enterprises an advantage over certain other enterprises that ought to have an equal show on their applications for relief; that is all; and to name public-utility corporations specifically in this paragraph would mean that you would eliminate other companies, certain other business corporations that should have a right to come here for relief if they think they need it.

Mr. GOOD. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will yield.

Mr. GOOD. Will the gentleman now point out any language in this section which would apply to a public utility not furnishing light, power, or other utilities for an industry that was producing something needed for war purposes?

Mr. MOORE of Pennsylvania. Yes; I will.

Mr. GOOD. Point out the language.

Mr. MOORE of Pennsylvania. I will read section 9:

That the corporation shall be empowered and authorized in exceptional cases to make advances directly to any person—

Now, a person may be an individual or a firm or a corporation—

firm—

That certainly is a little more comprehensive—

corporation—

That certainly would include anything in the public line—

or association, an established and going business in the United States—

Now, what could be more comprehensive?

Mr. GOOD. Do not stop there; read further:

whose operation shall be necessary or contributory to the prosecution of the war.

That is the rest of the sentence.

Mr. MOORE of Pennsylvania. Exactly. If they are not necessary or contributory to the prosecution of the war, there is no intent to give them relief, because this is an emergency measure and is for war purposes only.

Mr. LONGWORTH. I suggest to the gentleman from Iowa that his amendment leaves in those words.

Mr. GOOD. No. I modify this, and I provide, just as the Senate did, that the advances should be made directly, first to a public utility, and then, secondly, to any person, firm, or corporation, and so forth. That applies to the latter class and not to a class——

Mr. MOORE of Pennsylvania. If a corporation can not prove up as having a connection contributory to the war, then it does not come within the scope of this law at all, because there is no intent to help such nonessential corporation. If, for instance, you are going to erect a tourist hotel and put out a lot of bonds, you could not get any relief from this corporation, because you are not helping along in the war. If it is a public-utility company, carrying men back and forth to an industry incident to the war, farmers to the field, men to the factory, then, being a public utility contributory to the war, it is entitled to relief under this paragraph.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. Mr. Chairman, I move to strike out the last word. If the construction of the amendment of the gentleman from Iowa is that loans shall be made to public utilities whose operations are not contributory to the war, then I am absolutely opposed to it. If, however, it is to be construed as I think it should be construed, and as the Senate put it in, it is absolutely unnecessary in this bill. The case cited by the gentleman from Iowa was brought to our attention and discussed. We have no question in the world, no member of the committee has any question, that the specific utility company pointed out is covered in this bill as it is. Now, the only objection to specifying public utilities, as indicated by the gentleman from Pennsylvania, is that it might be construed as giving them certain privileges over other concerns to be benefited under this section. It is in a sense an invitation to come to this corporation to get money. Any public utility conducting a useful business which is contributory to the war can receive the benefits of this section without any question.

Mr. STERLING of Illinois. Will the gentleman yield for a question?

Mr. LONGWORTH. Yes.

Mr. STERLING of Illinois. Just to get some idea as to what might be construed as being contributory to the war, would the gentleman think that an interurban railroad that was hauling grain and coal would come under it?

Mr. LONGWORTH. Without any possible question.

Mr. STERLING of Illinois. Would the gentleman think that a street car company in a city that was carrying workmen back and forth to arsenals or to war industries, or factories engaged in war industries, would be a public utility that would come within the bill?

Mr. LONGWORTH. Unquestionably it would come within the bill as it stands at present.

Mr. STERLING of Illinois. I think so, too.

Mr. LONGWORTH. So that the amendment is absolutely unnecessary and would simply complicate the bill.

Mr. STERLING of Illinois. A street car company that was in an inland city, where there were no factories, but that just carried people back and forth to their places of business and carried persons riding on the street cars for pleasure, would not come within the scope of the bill?

Mr. LONGWORTH. I do not think that would come within the scope of the bill, and would not be so interpreted by the board.

Mr. HAYES. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. HAYES. Then this amendment might be construed as such things are always construed in statutory construction, that by enumerating certain classes of business the legislative mind is supposed to exclude others.

Mr. LONGWORTH. I think the gentleman is correct.

Mr. HAYES. And if you enumerate the classes of business that are to be included in this bill you exclude everything else?

Mr. LONGWORTH. It at least gives them a privileged status.

Mr. HAYES. Yes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GOOD].

The question was taken, and the amendment was rejected.

Mr. KITCHIN. Of course, I do not understand what the gentleman means by saying they are going to take care of a bankrupt concern. There is nothing in the bill to that effect. The reason we allow a concern to borrow money under this section for a period not to exceed five years is that the bonds of the corporations are going to run from one to five years, and when A, the borrower, comes up to the corporation and shows the corporation that on account of the big expenditures he must make and the output he must turn out he will require one year to two years, or three to five years, to meet the loan, the corporation will then issue, if it has not the money, its bonds to this borrowing concern. So that if the borrowing concern needs a loan for five years, the corporation will issue its bonds for five years, and the note of the borrower and the bonds will both mature at the same time. This bill would do no good, I would say to the gentleman from Missouri, and would not accomplish its object at all, if it limited the loans, say, for 90 days or 6 months or even a year.

Mr. SNYDER. May I ask the gentleman a question?

Mr. KITCHIN. Yes.

Mr. SNYDER. How could a bankrupt concern put up 133 per cent of the loan it desired to make?

Mr. KITCHIN. The gentleman is right. I do not see how a bankrupt concern could put up, as the gentleman says, 133 per cent of its securities for its loan.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. KITCHIN. I would say to the gentleman the short-time loans can be taken care of by the State banks and by the Federal Reserve System. That is one reason we safeguarded the Federal Reserve System as we do in this bill, namely, so that it can take care of the short-time liquid paper and continue to perform the principal function for which it was established.

Mr. MOORE of Pennsylvania. Will the gentleman permit me to read in his time one statement by the Secretary of the Treasury? It has reference to some Russian bonds that were supposed to have been sold in this country prior to the United States entering the war.

As to this, the Secretary said:

Securities put up with the war finance corporation must have value. It is specifically stated in this bill that the war finance corporation may only lend to a bank, on its indorsement, on securities up to 75 per cent of their value. Suppose the Russian bonds in question were worth only 10 cents on the dollar, then if the war finance corporation determined to help the bank it could only lend 7½ cents on each dollar of value.

In addition, in these exceptional cases, whoever borrows money shall put up 133 per cent collateral.

Mr. KITCHIN. We all know that these war industries have got to expend such large amounts and wait until they get the money for the output, which may be a long time, that it would be impossible for the banking institutions of this country to furnish them money and credit on short-time loans. They must have long-time loans.

Mr. KREIDER. Mr. Chairman, will the gentleman yield for a question?

Mr. KITCHIN. Yes.

Mr. KREIDER. I would like to know whether the Federal Reserve System or any of these banks are permitted to buy any of the bonds of this corporation?

Mr. KITCHIN. The Federal reserve banks?

Mr. KREIDER. Yes.

Mr. KITCHIN. No. The committee eliminated the provision from the original bill permitting the Federal reserve banks to deal in the bonds of the corporation.

Mr. KREIDER. Can an ordinary national bank buy these bonds and put them up as collateral security?

Mr. KITCHIN. Oh, yes; it could do that.

Mr. KREIDER. Will the Federal Reserve Banking System accept these bonds as collateral security?

Mr. KITCHIN. The national bank can do it. The State banks can do it. They can buy these bonds and then put them up as security to borrow money. But the Federal reserve bank—that is, the regional bank—can not deal in them or go out and buy them.

Mr. KREIDER. That is not the question. The question is if a member bank, we will say, would buy $100,000 of these bonds, can it put that $100,000 of bonds up as collateral security and borrow money from the Federal reserve bank for a period equal to five years?

Mr. KITCHIN. Certainly not. The member bank buys $100,000 of these bonds. It can go to the Federal reserve bank and give its note and these bonds as security and get money for 15 days only. That is to protect the Federal Reserve System. Now, if you were to go to the bank in a commercial transaction and have one of these bonds and put up your note to the member bank and the member bank wanted to rediscount that, then it could get the loan for 90 days, because that would be rediscount paper.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. LITTLE. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Kansas moves to strike out the last two words.

Mr. LITTLE. Mr. Chairman, there has been an assertion made here several times during this discussion, by very able and learned men, which strikes me as being incorrect, and it seems to me that before we go further we ought to get this thing cleared up. It is a matter of importance at this moment.

We have been told here repeatedly that the charter or the bill that creates this corporation, or some mysterious power about this corporation, makes it impossible for the by-laws to affect the uses of its powers in any serious way. Now, you have only to read this carefully in order to see that that is not correct. On page 5, section 6, it is provided that "this corporation shall be empowered to authorize and amend and repeal by-laws." They can do that.

What kind of by-laws? "By-laws prescribing the powers and duties of its officers and agents." When you have made a by-law that prescribes the power and duties of its officers and agents you have taken it by the throat and told it what it can do. That of itself confutes the theory that the gentleman from Iowa [Mr. GREEN] stated a few moments ago.

Besides that, they make by-laws "to regulate the manner in which the privileges granted to the corporation may be exercised and enjoyed." When you have told a man how he may exercise and enjoy his privileges, you have again taken him by the throat and told him exactly what he shall do.

Further, it says there shall be by-laws "regulating the manner in which its general business may be conducted." Why, gentlemen, you have there affected every feature of the legislation that covers this authority. You have told them exactly by the by-laws what shall be done, and I defy any man to name any part of the functions which this corporation can exercise that can not be reached in that way.

It further provides that the by-laws shall be subject to the approval of the Secretary of the Treasury. When you have stated that, Mr. Chairman, you have put it in his hands.

Now, I did not rise to uphold or attack this plan. I did not rise to say I could offer a better one. I may be wrong in my

view of what the law means. But to my mind, Mr. Chairman, the English language conveys certain fixed ideas, and when you take the words out of the dictionary and put them in a bill you have stated something concrete and definite; and no man can mention anything that they can really do that is not affected and controlled by the by-laws you can make. Either that is correct, or else the English language does not mean anything.

If I am wrong somebody may explain that later. I do not care to enter into a discussion of it, but I simply wanted to get my view of it on this record. Then, my conscience is clear on the subject. But without doubt, if this is what it is said to be——

Mr. O'SHAUNESSY. Mr. Chairman, I rise to a point of order.

Mr. LITTLE. Oh, you will not gain time by that method. You will save time by letting me make a statement just as you and others do.

Mr. O'SHAUNESSY. I do not rise with a desire to provoke a controversy with the gentleman, but simply to state the fact that we disposed of this matter yesterday by a vote of the committee.

Mr. LITTLE. No; you have disposed of nothing till the bill is a law. The point I make is pertinent to every clause in the bill and is in order all through the discussion of this bill.

Mr. SWITZER. Mr. Chairman, I would like to ask a few questions of the chairman of the committee.

Mr. KITCHIN. You want to subject me to cross-examination?

Mr. SWITZER. Yes.

Mr. KITCHIN. All right. It rests in the discretion of the Chair.

The CHAIRMAN. The gentleman may move to strike out the last two words.

Mr. SWITZER. I move to strike out the last two words.

The CHAIRMAN. The gentleman moves to strike out the last two words.

Mr. SWITZER. As I understood the chairman of the committee awhile ago, the member banks could give its obligation to the Federal reserve bank and have it discounted. That is true, provided the member bank has not the currency on hand to meet the application for some loan made on it.

Mr. KITCHIN. Yes; the liquid commercial paper.

Mr. SWITZER. But if they have, they can not discount it or receive Federal reserve notes upon it.

Mr. KITCHIN. They can not issue any Federal reserve notes on it.

Mr. SWITZER. Yesterday it was stated by a member of the committee that it was not expected to sell these bonds outright, but that likely some concern engaged in war-time work would take these bonds, and I suppose exchange for them its bonds or securities. I suppose that is on the theory that when they once get the bonds of the War Finance Corporation the concern that obtained the bonds could go to the member banks and put up its obligation and attach these bonds and have that discounted; but, as I understand, that can only be done for the term of 15 days.

Mr. KITCHIN. We do not change the Federal reserve act in that respect at all.

Mr. SWITZER. It would be 90 days, then, would it?

Mr. KITCHIN. The direct loan to a member bank from the reserve bank is only for 15 days. That is when the member bank gives its note for the money. When it rediscounts liquid commercial paper it can get it for 90 days. That is called 90-day paper.

Mr. SWITZER. That would be 90 days, and the Federal reserve bank could go to the Federal Reserve Board, if necessary, and obtain Federal reserve notes upon this discount paper.

Mr. KITCHIN. No; not unless it puts up 40 per cent gold.

Mr. SWITZER. With the bonds attached.

Mr. KITCHIN. There must be a 40 per cent gold reserve back of Federal reserve notes.

Mr. SWITZER. Suppose they put up the gold.

Mr. KITCHIN. If they put up 40 per cent gold, and if they put up the same kind of liquid commercial paper that they are now required to put up, of course, it could be done.

Mr. SWITZER. If the people do not buy these bonds generally when they are offered for sale, I do not understand——

Mr. FESS. If the gentleman will yield, I think the chairman of the committee [Mr. KITCHIN] misunderstood the gentleman's question when he said that the borrower would have to put up the gold. The gold must be back of the Federal reserve note.

Mr. SWITZER. I understand that——

Mr. KITCHIN. The Federal reserve note that is issued must have back of it 40 per cent gold.

Mr. FESS. But the borrower does not supply it.

Mr. KITCHIN. No; the reserve bank would put up the gold.

Mr. SWITZER. I think I understand the working of the Federal Reserve Board. What I want to get at is this: Is it the theory of this committee that these bonds will be sold and that the War Finance Corporation will actually have the cash on hand to advance to the concern asking for a loan, or is it expected that the concern that wants to borrow money will bring its collateral, or its obligations in the shape of bonds, secured on its own property, to the War Finance Corporation and exchange them——

Mr. KITCHIN. Both ways, as I explained very fully yesterday. If the corporation does not have the money and wants the actual cash, it will then sell its bonds either to the banks or brokers, or on the market, privately to investors, or publicly; and if it does not need the cash it will advance its bonds to the borrowing institution, and then the borrowing institution will either take the bonds and borrow from the banks, with the bonds as securities, or it will go out and sell them and get the money.

Mr. SWITZER. Then the borrowing concern will peddle the bonds around?

Mr. KITCHIN. Yes; when it takes the bonds.

Mr. HAYES. I move to strike out the last two words, to suggest to the chairman of the committee that I think he did not mean to be understood as stating that under the law a loan upon the direct application of a member bank could not be for to exceed 15 days.

Mr. KITCHIN. Fifteen-day paper.

Mr. HAYES. No; not under this law.

Mr. KITCHIN. Which law?

Mr. HAYES. The law we are proposing, nor under the law as it is to-day.

Mr. KITCHIN. Yes; that is my understanding.

Mr. HAYES. No.

Mr. KITCHIN. What is it?

Mr. HAYES. Ninety days.

Mr. KITCHIN. What is the 15-day paper?

Mr. HAYES. That is probably a regulation of the Federal Reserve Board. But the law permits 90 days.

Mr. KITCHIN. I will say to the gentleman from Massachusetts [Mr. PHELAN] and to the gentleman from California [Mr. HAYES] that the distinction between the shorter time notes and the longer time notes—that is, the 15-day paper and the 90-day paper—is that the shorter time is for the direct loan to the member bank.

Mr. HAYES. The gentleman is correct, I think.

Mr. GREEN of Iowa. I will say that the construction placed by the gentleman from North Carolina is the same as the construction placed by Mr. Warburg in his testimony before the committee.

Mr. HAYES. I think I am in error and that the gentleman is right.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The question is on the amendment offered by the gentleman from Missouri [Mr. MEEKER].

The question being taken, the amendment was rejected.

Mr. KITCHIN. According to my understanding, all the amendments except the main amendment of the gentleman from California to strike out the section and the committee amendment have been offered, and I ask unanimous consent to offer the committee amendment, which will include two portions of the bill Let me state it, Mr. Chairman. The committee desires to offer an amendment to strike out the paragraph with respect to making quarterly reports on page 9, the paragraph beginning on line 22, down to and including line 3 on page 10 and insert in lieu thereof on page 16, after line 19, the following which I send to the desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. KITCHIN: On page 9, strike out all of the paragraph beginning in line 22, down to and including line 3, on page 10, and insert in lieu thereof, on page 16, after line 19, a new section, as follows:

"SEC. 19. That the corporation shall file quarterly reports with the Secretary of the Senate and with the Clerk of the House of Representatives, stating as of the first day of each month of the quarter just ended, (1) the total amount of capital paid in, (2) the total amount of bonds issued, (3) the total amount of bonds outstanding, (4) the total amount of advances made under each of sections 7, 8, and 9, (5) a list of the classes and amount of securities taken under each of such sections, (6) the total amount of advances outstanding under each of sections 7, 8, and 9, (7) the amount of bonds and obligations

of the United States bought or sold under section 11, and (8) such other information as may be hereafter required by either House of Congress.

"The corporation shall make a report to Congress on the first day of each regular session, including a detailed statement of receipts and expenditures."

Mr. FESS. Mr. Chairman, how are we to get over to page 16?

Mr. KITCHIN. I am going to ask unanimous consent.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent for the present consideration of the amendment, the general rules of the House to the contrary notwithstanding. Is there objection?

There was no objection.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from North Carolina.

Mr. LONGWORTH. I suggest that the gentleman from North Carolina make a brief explanation.

Mr. KITCHIN. Mr. Chairman, the paragraph which I move to strike out in the present draft of the bill requires only reports with reference to advances made under section 9. This is the direct-loan section. The paragraph in the bill requires a report of the name and place of business of each person, firm, corporation, or association receiving advances under section 9, the amount advanced, the terms, and the security accepted therefor. The committee amendment requires a quarterly report with reference to the business of the corporation under sections 7, 8, and 9, and an annual statement of all its receipts and expenditures, but without specifying the names and addresses of the borrowers.

Mr. MOORE of Pennsylvania. Will the gentleman give his reasons for that?

Mr. KITCHIN. I gave them quite fully the other day in my explanation of the bill. I stated why I thought we ought not to specify the names of the borrowers, because it would give their competitors who are getting money through the banks a great advantage. It would give them information of exactly what securities the borrower put up, the amount of his loan, and perhaps the purposes of his loan. We do provide that the House, or the Senate, either, can call for a detailed report at any time it sees fit. If either House thinks that the report is not satisfactory it can by resolution require the corporation to give the names and the addresses of the borrowers and all the details connected with the transactions.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The question was taken, and the amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, I offer an amendment to strike out in line 17, page 9, the word "one" and insert the word "two."

The Clerk read as follows:

Page 9, line 17, strike out the word "one" and insert the word "two."

Mr. STAFFORD. Mr. Chairman, I offer this amendment for the purpose of calling the attention of the House to the fact that the minimum rate of interest, in my opinion, as provided by the bill is altogether too low for this national bank to advance directly to private concerns desiring a long-time loan, in effect the character of a mortgage loan. The current rate of the Federal reserve banks for rediscount of paper is 5 per cent. This would provide a minimum rate of 6 per cent, and, to my way of thinking, it is the easiest thing for any large corporation who may avail itself of this provision to come and ask the Government of the United States through this United States bank for money that will be raised by the taxpayers of this country, and by contributors in the purchase of liberty bonds, for a loan, without limit as to amount, at 6 per cent. Any person who is acquainted in the slightest degree with the current conditions knows that commercial paper is being floated at 1 or 2 per cent higher than the rate charged by the Federal reserve banks. It is difficult to-day for an industrial or commercial establishment, with good backing, to get money at even 7 per cent. But here you propose, on this weak security of but 133 per cent of the face value of bonds, that they shall be privileged to obtain money at 1 per cent—not above the current rate charged by the local banks, but 1 per cent above the rate charged by the Federal reserve banks—yet that rate in the existing commercial banks is to-day 2 per cent higher than that which is charged by the Federal reserve banks.

I think there should be some limit placed upon this, so that this United States bank will not be called upon by every kind of concern to advance money. As I understand this section, the purpose of it only is to give relief to these large corporations when they can not get the necessary loan from the local banks. If you put this rate at only 1 per cent more than the Federal reserve bank rate and keep it at that rate, you are placing a premium upon their first seeking the money from the corporation. They should first make application to the national banks or other banks of their respective communities. This paragraph also permits the corporation to loan them money on security that I contend is less adequate than the commercial banks would require. One hundred and thirty-three per cent is all of the security that will be asked of these large corporations who are seeking loans, whereas if an individual or concern goes to a private bank for a loan it will not be granted unless he furnishes much more than 133 per cent of the value in securities. Certainly in this instance the rate should be raised to 2 per cent more than the rate charged by the Federal reserve banks.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from California [Mr. HAYES] to strike out the section.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent, in view of the fact that we have taken nearly an hour and a half on these little amendments, that all debate on this section and all amendments thereto close in one hour, one-third of that time to be controlled by the gentleman from California [Mr. HAYES], one-third by the gentleman from Pennsylvania [Mr. MOORE], and one-third by myself.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that all debate on this section and all amendments thereto shall close in one hour, one-third of that time to be controlled by himself, one-third by the gentleman from Pennsylvania [Mr. MOORE], and one-third by the gentleman from California [Mr. HAYES]. Is there objection?

Mr. MEEKER. Reserving the right to object, Mr. Chairman, why is it that the opposition to this does not get half the time?

Mr. KITCHIN. Upon the same ground that the opposition to the bill did not get half the time.

Mr. MOORE of Pennsylvania. Mr. Chairman, I will say to the gentleman from Missouri that we shall try to be very liberal so far as the time I control is concerned.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HAYES. Mr. Chairman, I have moved to strike out section 9 because, according to my view, it is the most vicious part of the bill. Aside from the proposition of permitting the Government of the United States to make loans directly to private corporations and individuals, it is vicious for other reasons. Private individuals coming to the Government of the United States and getting loans or asking for loans will not be subjected, can not be subjected, to the same scrutiny by the official who will have that matter in charge as they would if they went to their own bankers to get it. The Government of the United States can not know all of the ins and outs of the individual's business as the banker can who knows him and who has known him for years, who knows his weaknesses and his strength, and all about him and all about his business, and whether he is entitled to consideration or not. For that reason I believe this to be a very dangerous precedent to set.

If under the circumstances laid down in this bill a corporation comes to the United States for assistance it must be because it has not been able to get it through the ordinary channels of trade, and why has it not been able to get it through the ordinary channels of trade? There is always a reason why a man or a corporation can not get credit when it is needed. It is usually either because the man or the officials of the corporation have not conducted the business as prudent men should or because of their character and responsibility or because the business is in such condition as not to be good for the amount of the loan. So it must follow that assistance extended under this provision must be to those who for some reason are in unusual need, who are hard pressed. I have sympathy with the man who needs money and can not get it. I have been in that position myself, but I am not willing that the Treasury of the United States should back up sundry and divers millionaires who are in financial trouble and such trouble that they can not get the money elsewhere. I do not think that is a sound financial proposition. It has been stated in the course of this discussion, and it was stated in the committee, that there are certain corporations here that will have to go into the hands of receivers unless they can get some extraordinary assistance that will not be extended to them by the banks or financial agencies of the country without excessive rates of interest. Very good, suppose they do go into the hands of receivers. That is not always a calamity. When a corporation has been badly managed or overcapitalized, or when its funds have been stolen by those who have had a chance to steal them, sometimes that is the only remedy that can be applied. A reorganization in such a case would be forced and that corporation be obliged to come down to a solid basis. That might be a hardship,

but medical remedies while very unpleasant to take are often very effective in curing the disease of the patient. It is not the part of wisdom for the Government of the United States to come to the rescue in such cases and help them out, according to my judgment. In many such cases nature should be allowed to take its course and the inevitable reorganization take place. I do not believe that the Congress of the United States if they understand this proposition would desire to commit the Government to the policy of taking the money that has been raised by taxation from the people or that has been secured by the sale of bonds, and put it behind corporations that are in such condition financially that they can not secure money that they need otherwise. For that reason I hope that this section will be stricken from the bill. If the section is stricken out I feel that I could then conscientiously vote for the bill, as I would like to do. I do not like to take the responsibility, and I have no doubt that there are other men on this floor who feel the same way, of denying this relief if it is necessary, and I am not so sure but some legislation is necessary; but I want to see it done in a way that will not be unsound. If any scandals arise in connection with the operation of this corporation, they will arise as a result of extending loans under this section.

If there is any loss to the corporation the loss will come as the result of extending loans under this section 9.

Mr. JOHNSON of Washington. And all complaints with respect to those who are favored.

Mr. HAYES. The complaints of favoritism and politics and many other complaints will come from loans made under this section, and it should be stricken out.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 154. Joint resolution authorizing the erection of a memorial in Washington to the memory and in honor of the members of the various orders of sisters who gave their services as nurses on battle fields, in hospitals, and on floating hospitals during the Civil War.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. OVERMAN, Mr. SHAFROTH, and Mr. JONES of Washington as the said conferees on the part of the Senate.

INDUSTRIAL CREDITS.

The committee resumed its session.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. MCCORMICK].

Mr. McCORMICK. Mr. Chairman, it seems that those gentlemen who are ready to support the bill without section 9 are ready to "swallow a camel but strain at a gnat." The bill is palatable to very few of us. It would not have a handful of supporters in this committee but for the exigencies of the military situation. After all, it is not a finance bill, but, as its title truly describes it, it is a military measure. It is a military measure brought forward in the course of our painful, and necessarily painful, efforts to organize for the conduct of this war, our efforts to make ready to bring great pressure to bear against the enemy. The very circumstances under which the bill comes to the House point to the gravity of the situation and oppose the views of gentlemen who quarrel with this section. The situation in Europe was never so grave as it is to-day. Happily, the situation in this country is better. I think none of us, even those of us who have been critics of the War Department, would gainsay for a moment that there has been a great improvement on this side of the Atlantic; and I for one am very glad to testify that the appointment of Gen. Goethals, Gen. March, Mr. Baruch, and Mr. Stettinius all promise wider vision and greater energy in the supply of the Army. Standing on this side of the House I am very ready to give cordial credit to the President and the administration for these changes.

Mr. COX. Will the gentleman yield?

Mr. McCORMICK. Certainly.

Mr. COX. I saw an editorial this morning—I do not want to divert the gentleman's line of thought——

Mr. McCORMICK. I have substantially concluded.

Mr. COX. In the Post to the effect that about 62,000 soldiers down here were, like Job's war horse, wanting to sniff the breeze of battle from afar off, wearing a uniform in a person holding a commission as lieutenant or captain.

Mr. McCORMICK. The gentleman refers to what the soldiers call "Bevo" officers, I suppose.

Mr. COX. I would rather call them "tin Lizzie" officers; I think that fits them better. What does the gentleman think about stacking up the Army in this country with 62,000 commissioned noncombatant officers, stored down here in the various departments, doing nothing in the world but clerical work? Does not the gentleman feel that those men should be put on the firing line, if they want to keep their commissions, and let the civilians go down there and do this work that women can do?

Mr. McCORMICK. I think there probably are officers among the 62,000 who ought to be on the firing line. I want to repeat with emphasis that the changes in the War Department and the appointment of the four men whom I have named promise great energy and greater vision in the conduct of the war.

Mr. PLATT. Will the gentleman yield?

Mr. McCORMICK. I will.

Mr. PLATT. Would the gentleman say also since the Secretary of War has gone to France?

Mr. McCORMICK. I think it was an admirable step for the Secretary to take.

Mr. PLATT. Since which certain important changes have taken place in the War Department.

Mr. WALSH. Will the gentleman yield?

Mr. McCORMICK. I will.

Mr. WALSH. Does the gentleman feel that if this measure is not enacted into law that the winning of the war by the United States would be much more difficult?

Mr. McCORMICK. I feel that the enactment of this measure will contribute to the winning of the war by the United States. Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back a half a minute.

Mr. MOORE of Pennsylvania. Will the gentleman from North Carolina use up some of his time?

Mr. KITCHIN. I am going to yield five minutes of my time to the gentleman from California [Mr. HAYES], to be used by him.

Mr. MOORE of Pennsylvania. Then I will yield three minutes to the gentleman from Ohio [Mr. SWITZER].

Mr. SWITZER. Mr. Chairman, I shall support the motion of the gentleman from California to strike this section from the bill. As I understand the measure, any concern that desires the assistance of this war finance corporation can apply under the authority granted by the other sections of the bill to banks, bankers, and trust companies and receive relief through those institutions. Am I correct in that?

Mr. MOORE of Pennsylvania. Why, the major portion of the business was to be done through the banks.

Mr. SWITZER. Certainly. That being true, the banker or trust company to which they apply will likely have more knowledge of the affairs of the institution, corporation, or individual that desires relief through this war finance corporation, and it seems to me that all ought to submit to that rule, that there should not be an additional section incorporated in this bill in reference to any exceptional cases, and the Lord only knows what the exceptional case is. Some gentlemen, I presume from Wall Street, because this section merely creates a Wall Street annex, that started some holding corporation somewhere, loaded up on public utilities or railroads or other things of that character which become a little burdensome and troublesome to carry, and not wanting to pay the larger rate of discount that he has to pay at the banks, as shown here by the gentleman from Wisconsin [Mr. STAFFORD], can get some of the war finance corporation's easy money provided he can establish a pipe-line connection with this corporation. True, no man can obtain a dollar from this war finance corporation unless he has the consent of the Secretary of the Treasury.

But the Secretary of the Treasury may be ever so honest, and no matter how wise he is, recollect that the fellows that looted the New York, New Haven & Hartford Railway and have looted some of these other corporations that will be applying here for relief, will be lying in wait for the Secretary of the Treasury, and through this Wall Street annex they will get their arms way down into the United States Treasury, clear up to the shoulders.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. STERLING].

Mr. STERLING of Illinois. Mr. Chairman, I think this bill has had more offensive epithets applied to it by gentlemen who intend to support it than any bill we have considered for a very long time. Gentlemen refer to it as vicious legislation. Some have said that it was appalling, and the very thought of Congress considering a proposition like this appalled them; that it

could not be justified; and yet they have generally ended their remarks by saying that they were bound to support it.

Now, is it appalling? I will agree that in ordinary times, in times of peace, legislation of this kind would be appalling, and that it would not be considered in this House or in the Senate for a minute. But is it appalling now? We must not forget that the situation we are trying to meet is appalling. We are facing a crisis, and if we expect to do our duty at this time, if Congress expects to meet this crisis, they can not hope to do it by pursuing the ordinary course and following the usual and ordinary program that Congress follows in times of peace. If so, we would better pass the usual appropriation bills and go home. We would better just say to the country and the world that we have abandoned this war, because we know ordinary legislation will not meet the situation. [Applause.]

It is extraordinary legislation, because it must meet an extraordinary condition. And I think it is the opinion of the men best competent to judge that this bill comes as near meeting the situation as anything that has been suggested or has been devised. Now, we will all agree that the war industries of the country must be supported. Nobody in the House or anywhere that is loyal to the flag will deny but that we must by extraordinary legislation meet the extraordinary conditions and provide means for maintaining the war industries of the country. Who here or anywhere has suggested anything that appeals to you as a better means of meeting the situation than this bill which we are considering now? There are industries in the country which they tell us can not be provided for by sections 7 and 8 of the bill; that their securities are of such a character that the banks can not handle them; and this section 9, to which gentlemen seem to make special objection, is provided to meet that kind of cases. Suppose there is a war industry of great importance to the country; suppose it is necessary in supplying the Army; suppose its product is such that the country must have it at this hour, and it does not have that kind of security that the Federal reserve banks or the banks of the country can handle, this law provides that that concern may put up 133 cents for every dollar of the loan and get money direct from the corporation. It does not mean that it is to help bankrupt organizations. This corporation may loan money directly to sound, safe financial institutions that need money at this hour, concerns that can give as security 133 cents for every dollar that they borrow, concerns that must have money to provide for expanding operations to meet the demands of the Army and of the country. Now, that is what that section means, and I submit to you, gentlemen, there is no more reason for striking it out. It is as important as sections 7 and 8 and as essential to the purposes of the corporation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. PLATT].

Mr. PLATT. Mr. Chairman, it does not seem to me the gentleman from Illinois, who has just spoken, thoroughly understands this section. It is a section which makes this institution practically an independent bank.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask that the gentleman yield for a moment. My understanding was that the time was to be apportioned by the gentleman from North Carolina and myself.

Mr. HAYES. I have one-third of the time, I believe.

Mr. MOORE of Pennsylvania. And that one-third of the time was to be yielded to the gentleman in opposition to section 9. I have no desire——

The CHAIRMAN. The agreement entered into by the committee was that the gentleman from North Carolina [Mr. KITCHIN] should control 20 minutes and the gentleman from Pennsylvania [Mr. MOORE] 20 minutes and the gentleman from California [Mr. HAYES] 20 minutes.

Mr. MOORE of Pennsylvania. Then I have made a mistake in introducing one or two speakers, and I presume the gentleman from California will give me credit for that time. I have yielded him more time than was fair under the circumstances. But if he desires to introduce his own speakers, the gentleman from New York [Mr. PLATT] should be attributed to him.

Mr. HAYES. Mr. Chairman, I yield to the gentleman from New York [Mr. PLATT] five minutes.

The CHAIRMAN. The five minutes will not be charged, then, to the gentleman from Pennsylvania, but to the gentleman from California.

Mr. PLATT. If I can receive time from both sources, I am, at least, satisfied.

As I started to say, section 9 of this bill makes the proposed Finance Corporation an independent bank. And it is dangerous, because it is not connected, that part of it, with the banking system of the country. It will certainly be an instrument of inflation as an independent organization, and it will not have the opportunity to know to whom advances should be made that the banks will have.

Now, it seems to me the Secretary of the Treasury, Mr. McAdoo, did not make out at all a good case for this independent action, and almost half expected to see it stricken out. His answers to questions in the hearings indicate that he does not expect to operate this section.

On page 85 of the House hearings he says, in answer to the gentleman from Ohio [Mr. LONGWORTH]:

> Yes. Exceptional cases, as I stated before, which the War Finance Corporation would consider would naturally be cases where it was clearly shown that the applicants had resorted to the banks, but were unable to get accommodation from them. This corporation will want this business to come to it from the banks.

Bear in mind that the Secretary was talking of section 9, but there is no provision in section 9 which says business must come to the corporation from the banks. Continuing, the Secretary said:

> That method will relieve it of an immense amount of administrative detail and investigation.

If this section is stricken from the bill it seems to me it would compel the business to come to the banks; if it stays in people that want to raise money for public utilities and other things will come here to Washington and see the finance corporation people first before going to the banks.

Mr. JOHNSON of Washington. And in addition to the view that the Secretary and the administration have in mind now, would not relief appeals come in from the outermost corners of the United States?

Mr. PLATT. There is not the slightest doubt of it. There ought to be something in the law, if passed in this form, to safeguard the corporation from having these people come here, without at least indorsement of these schemes from the banks on the ground.

Mr. REED. This section is the one which, if cut out, would eliminate our farmer friends, is it not?

Mr. PLATT. Not at all.

Now, I want to show you how the bill would work if section 9 were cut out. Further on the Secretary says:

> It would be an immense aid to the War Finance Corporation to have the banks do that work. Advances made to the corporation through the bank will have the guarantee of the bank.

He is talking about section 9, and seems to talk as if it were operating through the bank. If we cut it out what will happen? A business concern or public utility wanting funds will go to the bank and the bank will say, "Yes; we will let you have this money if the corporation will take up your securities for us." The bank will then take the matter up with the corporation, and the corporation says: "We will let you have 75 per cent of this money on the collateral mentioned." This will give an additional safeguard. The bank indorses the note, and there is no reason under the heavens why any enterprise whose securities were licensed by this corporation could not obtain all the capital it needs without resorting to any direct loans.

The Secretary, as I said, apparently means that that is the way it is going to work. Yet if the section is left standing as it is, it will not work that way, because it can not. These people will come immediately to Washington for direct loans. To be sure, in the parentheses there is a clause saying that direct loans are to be made only when they can not get accommodation in the banks, but it does not say that the banks to whom application may be made must first have taken the matter up with this corporation.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. PLATT. Yes.

Mr. TILSON. When will it be found out that the institution or borrower is unable to get accommodation from the local banks? Who is to find out? That will be taken up ordinarily by the banker.

Mr. JOHNSON of Washington. And you would have applicants coming on to Washington showing that the local bank was unfair.

Mr. PLATT. It will not hurt this bill a bit to strike this section out of it. It is dangerous, and it is going to cause tremendous pressure on the Secretary of the Treasury and on the directors of this corporation for direct loans over the heads of the banks. It is entirely unnecessary, and no good case has been made out for it either by the Secretary of the Treasury or by Mr. Warburg. It is true that certain public utilities men are quoted in the Senate hearings—not in the House hearings—as being somewhat in favor of it; but even they indicate that they could get the money from the banks if provision were made for rediscounting. This bill creates a place where the banks furnishing such accommodation can have notes rediscounted on stock and bond collateral, and with that added

privilege they can take care of everything that can possibly come up, I believe, without this section.

Mr. WATSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. PLATT. Yes.

Mr. WATSON of Pennsylvania. The national banks are allowed to loan only a certain percentage of their deposits?

Mr. PLATT. Yes—that is, not more than 10 per cent of their capital and surplus to any one person or corporation.

Mr. WATSON of Pennsylvania. Does not this bill open the door for people wanting to borrow more than that to come direct to the Government?

Mr. PLATT. There may be something in that; but if that is the reason for this section it is nowhere stated in the hearings either of the Senate or of the House. There are a good many banks that have a capital and surplus running into the millions, and by dividing up underwritings they are not much troubled by the 10 per cent limit.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. PLATT. I would like to have a couple of minutes more.

Mr. HICKS. Mr. Chairman, I ask unanimous consent that the gentleman may have one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HICKS. If that is not so, it has not been stated in the hearings anywhere, and it is not to be counted upon.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield two minutes to the gentleman from Massachusetts [Mr. TREADWAY].

The CHAIRMAN. The gentleman from Massachusetts is recognized for two minutes.

Mr. TREADWAY. Mr. Chairman, I think the gentleman from New York [Mr. PLATT] misconstrues the idea of this bill very largely. He is looking at it solely from the banking standpoint. The committee is not looking at it from that standpoint, nor is the Secretary of the Treasury or the advocates of this legislation.

The reason for section 9 is very plainly stated in lines 20 and 21, where it is provided that this money can be loaned "to persons, firms, corporations, or associations conducting an established and going business in the United States." Then the words are added "whose operation shall be necessary and contributory to the prosecution of the war." That is what section 9 is for, to help going business concerns whose welfare has to do with the carrying on of the war.

I heard one gentleman remark only yesterday that even if the Government, in spite of all the security, required 133 per cent of collateral and the other safeguards in line of security, even in spite of those facts, if the Government should happen to lose money—and he used figures to the amount of $100,000,000—we would be doing it for the benefit of war industry that must have capital and must have backing, whose contracts are for Government purposes. Therefore if loans are to be made to them for purposes necessary or contributory in the prosecution of the war, even in the end if we did not get every dollar of it back, the money would be well invested. We can not consider this matter from the viewpoint of banking principles pure and simple. We must consider it from the standpoint of the welfare of the Government in the prosecution of the war and necessary financial support to going business concerns who are carrying on war business. For that purpose capital is required and must be had for Government work and Government needs. Therefore it seems to me that section 9 is very essential to the public welfare and to the successful operation of this measure.

Mr. PLATT. Mr. Chairman, will the gentleman yield for a question?

Mr. TREADWAY. Certainly, if you can get me time. I had only two minutes.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HAYES. I yield two minutes to the gentleman from Ohio [Mr. FESS].

The CHAIRMAN. The gentleman from Ohio is recognized for two minutes.

Mr. FESS. Mr. Chairman, the observation of the gentleman who has just taken his seat [Mr. TREADWAY] is very interesting in view of this particular paragraph. He says that this must not be considered from the banking standpoint, and yet this paragraph has nothing in it except from the banking standpoint. This is the only paragraph in the bill that permits this corporation to operate as a bank. If you would read the bill with that point in view you would see signal warnings set up all through the bill. You will notice in the very first paragraph that it is a Government institution, the directorate of which is appointed by the President and confirmed by the Senate, and therefore it is a governmental corporation with a banking function, which is the only banking institution purely governmental; it thus differs from National and State banks, and if you will notice the seventh section, the operations in detail are limited to banks, bankers, or trust companies, so that the corporation in the main, except in this section, where the banking activity is permitted, is dealing not with an individual as a bank deals with an individual but it is dealing with bank, banker, and trust company in each case in a representative capacity and not in an individual capacity. This section creates a governmental institution with banking functions. Then if you will read section 9 you will notice the phraseology is that in rare exceptional cases a limitation in terms, which may become the general rule for operation, with a further limitation put in the parentheses, proof must be had that the banks will not respond to the demands of the individual before this banking function will be exercised on behalf of the individual. That is a limitation in itself, and if you will read on page 15, section 17——

Mr. REED. Mr. Chairman, will my colleague yield right there?

Mr. FESS. In a minute.

The CHAIRMAN. The gentleman declines to yield.

Mr. FESS. You will notice that this governmental institution in section 9, provided to operate as a bank, is not a governmental institution in responsibility, because section 17 distinctively exempts the Government from any responsibility in the obligation it takes on. This section reads:

SEC. 17. That the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation.

There is another limitation on the banking function as herein provided by fixing a maximum amount any individual can secure by direct issue to 16⅔ per cent, or one-sixth of the capital stock and outstanding bonds.

Still another danger signal is hoisted in requiring a penalty in the form of 1 per cent additional interest to be charged on such issue or loan.

In other words, here is granted a power to this "finance corporation" to become a competitor in the banking business, ostensibly and avowedly for the purpose of controlling rates of interest; a governmental bank to compete with National and State banks, neither of which is governmental, a power so unusual, and admittedly so dangerous, that it is completely hedged about, that we are assured that as it is now safeguarded it will do no harm. Now, in my judgment, reading from this particular paragraph, with these limitations spread all through the bill, you can not come to any other conclusion than that this section is the only section in the bill which permits a banking function to be exercised; and to me it becomes serious, because in this section you have created a separate banking institution, not in a general way but to deal in exceptional cases. And I ask this committee if they have purposely started out on an organization here under this industrial bill, as an emergent measure, to build up a separate banking institution to compete in order to control the banking activities of the country, and thus to deal with the individual and not with banks or trust companies? That is precisely what is in it, and, in my judgment, with the suggestions written throughout the bill, and the fulsome assurance that it must be and is so hedged about that it will not be allowed to produce serious dangers; that it will be used only when the crisis comes, and then only as a last resort, does not produce a degree of confidence the country demands. This is the reason why it seems to me it would be better to eliminate it and to let the bill stand as it was originally written, to serve the country through the banks and the trust companies rather than to operate as a bank directly on the individual, and therefore perform the function of a bank, a matter certainly quite foreign to the primary purpose of the proposed remedy for the expansion of credits.

Mr. Chairman, this debate on the bill in detail creates a bewildering state of mind. We recognize the problem of financing the war. Its costs are not certain but we know they will be large. They must be paid and the money must be supplied. They should come from our savings, by tax, and loans. In each case the amount paid by citizens to the Government represents real income in the form of savings. Our people have the capacity and ability to thus finance this struggle, if they would be willing to produce the maximum and waste the minimum. The two duties that are clear are labor and conserve. This bill proposes in fear that we can not finance the war by our savings, converted into tax and loans to the Government, to supply these deficiencies by credit and pay for the war by deferred obligations. This is excusable only on the basis of necessity growing out of inability to pay as we go. The Government also proposes to conserve by regu-

lation of expenditures of money through a Capital Issues Committee. This provision, which may be necessary, carries vast and startling powers. It vests in a committee the power of complete strangulation of business which that committee might think unnecessary to win the war. Ordinarily such power concentrated into the hands of a committee, when the power goes to the very current of the industrial, and it may be political, life of the Nation, would be looked upon as a step little short of madness. Yet we are told that money allowed to be locked up in enterprises that might wait until after the war might interfere with the successful prosecution of the war.

We should see what this power may mean in the disturbance of enterprises, the employment of labor, the production of incomes out of which taxes to the Government may be paid.

While Members here vote for these revolutionary measures on the claim that the war demands it, we must not overlook the inevitable certainty that still other and more dangerous measures will be forthcoming and will be urged on the same basis.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, are there eight minutes remaining to this side?

The CHAIRMAN. The gentleman from Pennsylvania has eight and one-half minutes remaining.

Mr. MOORE of Pennsylvania. I yield three and one-half minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman and gentlemen, the gentleman from Ohio [Mr. FESS], who has just taken his seat, has stated correctly, in my judgment, that this corporation will in some instances perform banking functions; but it is to be only in rare and exceptional cases, caused by this tremendous war which is upon us and the extraordinary demand for funds which it has created. The fact that some gentlemen, like the gentleman from California [Mr. HAYES] and the gentleman from Ohio [Mr. FESS], wish to strike out this section, while others, like my colleague [Mr. GOOD] and some others that I might mention, wish to have this section expanded so as to include firms and corporations whose business was not contributory to the prosecution of the war; and the fact that the bill which recently passed the Senate contains in this same section powers still more expanded beyond what are granted by this bill, indicate to me that the Committee on Ways and Means has, after all, taken the golden means between these two extremes.

Mr. FESS. Will the gentleman yield for a question?

Mr. GREEN of Iowa. I can hardly yield in the three minutes and a half that I have. There are two classes here; one who, no matter what extremity might come upon a corporation that was perfectly solvent and perfectly sound, but in the dire stress of war unable to obtain money from the banks, would not want to let them have any money under any circumstances direct from the corporation. There is, on the other hand, another class who want these privileges extended to everybody. Instead of doing that, we cut down and limited this privilege to those very exceptional cases where the money could not be obtained from the banks upon fair and reasonable terms; where the corporation was in fact solvent and was able to put up the security which would in any event, we believe, make the Government safe; where, in fact, there was no risk taken, but the Government was simply sustaining an institution necessary at this particular time to the life of the Nation and the success of the war.

Mr. ALEXANDER. And they may extend that credit for the period of five years.

Mr. GREEN of Iowa. They may extend that credit for the period of five years, because the particular class of corporation that would apply under this section would have no other kind of paper to offer except long-time paper.

Mr. REED. And require a high rate of interest.

Mr. GREEN of Iowa. And require a higher rate of interest.

Mr. STERLING of Illinois. Is it not a fact that these very securities which these concerns could not dispose of at the banks, but which they may dispose of to the corporation under section 9, might be more desirable loans for the corporation than the other kind of paper?

Mr. GREEN of Iowa. Under certain circumstances they might be the best that could be obtained.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Will gentlemen on the other side consume some of their time?

Mr. KITCHIN. I yield five minutes to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, I know of no section in this bill which is so buttressed with safety provisions as the section we are now considering. In the first place, if this credit is to be extended directly it must, first of all, be in an exceptional case. In the second place, the person or the firm, corporation, or association requesting it must have exhausted their remedy through the ordinary banking channels. In the third place, they must have exhausted their remedies in their efforts to get money from the general public. Then the total amount of the loans that can be extended under this section is limited to 16⅔ per cent of the paid-in capital of the corporation at the time the loan is made plus the aggregate amount of the bonds outstanding at the time the loan is made; and the security tendered must, first, be adequate security and, in addition to that, it must be security equal to at least 133 per cent of the amount advanced by the corporation. And that is not the only safety buttress which surrounds this section. In addition to all this, the corporation retains the power to require additional security at any time. In addition to all this, and underlying all these safety provisions, is the fundamental requirement that the loan must be made with the idea of further providing for the national security and defense, and the credit extended must be to an industry or an enterprise which is in the United States and which contributes to the successful prosecution of this war. I know of no further safety buttresses that could be placed about this particular section. Yet we are told by the critics of this section that this is a method of relieving millionaires.

Mr. TREADWAY. Will the gentleman yield for a suggestion?

Mr. RAINEY. Yes.

Mr. TREADWAY. I think the gentleman has overlooked the provision for 1 per cent additional interest.

Mr. RAINEY. I thank the gentleman. That is an additional security, making it necessary that this loan shall be abandoned by the person who obtains it at the earliest possible moment in order to get cheaper money from some other concern if he can. Yet we are told that this is a proposition to finance millionaires as opposed to the general public, and we are told that the thing to do is to strike out this clause and let these institutions, necessary for the prosecution of this war, go into the hands of receivers, and that a receivership is not a calamity; that a receivership may be a tremendous benefit in some sort of a disguise.

We are told in a case of this kind when these enterprises are unable to finance themselves in the ordinary channels, except by paying the exorbitant demands of bankers and brokers, to which the gentleman from Iowa referred a while ago, where $10,000,000 was demanded to finance a bond issue for $30,000,000—we are told to "let nature take its course"; let nature, in this abnormal period, take the course it has heretofore, and let the institution go into the hands of a receiver Why, that is the way to play into the hands of the millionaire stockholders; that is the way to crowd out the little stockholders. Millionaire stockholders regard that as a blessing in disguise; this is a pleasing and delightful proposition to many of the millionaires of this country who invest in these enterprises. [Applause.]

VULTURES OF FINANCE WILL THRIVE WITH THIS SECTION OUT.

To strike this section out would seriously impair the usefulness of this bill. Strike it out and you give the vultures of finance their opportunity. Millionaire war profiteers will hail with joyous acclaim your action. Strike this out and you will leave at the mercy of rings of bankers and brokers institutions whose operation is necessary for our national security and defense. Strike it out and you will turn over to the tender mercies of financiers of the old school industries and enterprises which must go on during the period of this war.

The gentleman from California [Mr. HAYES], voicing the methods of the school of financiers whose operations were a familiar feature of our industrial life prior to the Federal reserve act, insists that a receivership "is not always a calamity," and then he proceeds to say, "let nature take its course—let the reorganization come." A receivership is never a calamity to millionaire investors. It is their opportunity, especially if the institution is a public-utility corporation, to crowd out the smaller stockholders who are unable to buy at a receiver's sale. A receivership has always presented the opportunities a certain class of financiers expect and enjoy. To them it is never a calamity. It is only a calamity to the small investor. This paragraph protects industries and enterprises which are necessary or which contribute essentially to the prosecution of this war, against just such conditions as the critics of this section champion now on this floor. This section protects from the wolves and the vultures of finance institutions which will otherwise be helpless as the war progresses. Strike it out and you will have destroyed an important feature of the bill and you will also have destroyed to a very large extent the remedies proposed by this bill. Permit these institutions and industries to come to the Government when they have been crowded out by rings of bankers and brokers and you will remove the incen-

tive for crowding them out, and you will compel bankers and brokers to provide for them the credits they ought to have.

NEEDS OF PUBLIC-UTILITY COMPANIES.

During the present calendar year the public-utility companies of this country have obligations maturing to the amount of $232,000,000. During the calendar year 1919 they have obligations maturing to the amount of $265,000,000. The minimum of new capital they need this year in order to continue their operations is $250,000,000. These companies are furnishing heat, light, and power for our cities and villages and for all our industrial communities. They are moving the cars which carry laborers in essential industries to and from their work. They are furnishing the lights and the power which make possible the operation of hundreds of industries and enterprises in the United States which are necessary for the prosecution of this war. Turn them over completely to the tender mercies of financiers and bankers and brokers and you make possible the wrecking of all these industries. You make possible expensive receiverships. The more commissions they are compelled to pay this year and during the progress of this war—the higher interest rates they are compelled to pay—the higher the charges on the public for the service they render. This clause operates to protect them.

Our banks contain more deposits than ever before in their history. Our circulating medium never was so well secured as now. We have a gold cover of 67 per cent. We have a circulating medium of $48 per capita—nearly three times as much as it was 30 years ago—but there is not yet removed from the situation the possibility that rings of bankers and brokers and combinations of capital may throw into receiverships public-utility companies and hundreds of institutions essential for the winning of the war. Of course, there is presented the other alternative—the alternative of Government ownership, with all of its perils and dangers.

I am afraid we have buttressed this section too much with safety provisions. I am afraid it will be necessary to come back, in order to prevent financial calamities at some time in the not distant future, to ask the elimination of some of the safety provisions contained in this paragraph, but I hope it may not be necessary to do that. This section ought to stay in this bill. Leave it in and you eliminate many of the dangers of the immediate future; strike it out, as this motion proposes to do, and you will make possible receiverships all over the country, and you may also make possible Government ownership of many important public utilities. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAYES. Mr. Chairman, I yield three minutes to the gentleman from Pennsylvania [Mr. McFADDEN].

Mr. McFADDEN. Mr. Chairman, I would like to suggest that one reason why the class of bankers referred to by the gentleman from Wisconsin [Mr. COOPER] to-day are very much in favor of this bill is due to the fact that this very keen class of bankers, who keep their ears very close to the ground on national or international conditions, is that now that our country is in war that many of the industries of this country, including the railroads, public utilities, and this class, which have been promoted and financed by these bankers at a profit, will have hard sledding, and that they would now prefer not to carry the responsibility, but that the whole people should carry this load now through the formation of this new corporation. The railroads under the railroad bill are already using this relief. I refer to the financing of the New York, New Haven & Hartford Railroad in renewing last Saturday of $45,000,000 of maturing obligations, of which the revolving fund furnished $20,000,000. The public utilities are seeking $250,000,000 at once. [Applause.]

The following is the editorial in the New York Sun of March 20, 1918:

THE PLIGHT OF THE PUBLIC-UTILITY CORPORATIONS.

The applications made by the managers of public-utility corporations in the metropolitan district for permission to increase fares on the transportation lines under their direction and rates for gas and electricity have been received in the most unfriendly manner by the population generally. This was to have been expected. Here and in New Jersey the shortcomings of these corporations in service and the malodorous incidents that disfigure the records of all of them have brought them into disrepute. That will endure for years. This predisposes the public to declare judgment against them without discussing the validity of their requests for readjustments of fares and rates, and this predisposition must be taken into account when any application for relief is made by them.

The public believes that the fares and rates charged to-day are excessively high; that they provide a margin above operating expenses and maintenance cost amply sufficient to pay the interest on the bonds and fair dividends on the stock outstanding, even under the conditions of high wages and high prices now existing. The transportation lines and gas and electric companies are commonly regarded as gold mines, producing rich profits, which by some trick of bookkeeping or subterfuge of rascality are concealed from the public generally, and from investors particularly.

If the managers of these enterprises hope for relief they must overcome this belief and prove that the earnings of the corporation they represent are in fact too small to support them and to attract the capital needed for the increase of their facilities to suit the requirements of the population. They must convince not an impartial jury, but a jury packed against them.

Their task is difficult, but not impossible if they are in the desperate situation we are informed and believe they are in. Ten years ago, or even five years ago, it might have been impossible to bring about the revolution in sentiment they may now accomplish. To do it now will not be easy, but if it is not done the public-utility corporations need expect no support in their campaign for higher fares and rates.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield the remainder of my time to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Chairman, in my opinion the House would make a very grave mistake if it struck out section 9 from this bill. It would put a great obstacle in the way of financial legislation to win this war. My friend from Missouri [Mr. MEEKER] says that the situation provided for in this section is unthinkable. The gentleman from Missouri is a great financier, but the Federal Reserve Board and the Secretary of the Treasury say that it is not only thinkable but imminent, and with all respect to the gentleman from Missouri, I feel bound as a Member of this House to give some credit to their judgment in the matter.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. WOOD of Indiana. Did the committee have before it any evidence of concrete cases of business that needs relief?

Mr. LONGWORTH. Yes; we had some, but I do not believe I am at liberty to mention them.

Mr. MADDEN. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. MADDEN. The gentleman from Missouri [Mr. MEEKER] said that all anyone would have to do under section 9 would be to lay a claim that he was doing something for the war. Does the gentleman from Ohio think the mere claim of doing something would get one anywhere or anything?

Mr. LONGWORTH. Absolutely not. They have got to show, before they get a cent, that it is impossible for them to get credit from the banks. The statement of Mr. Warburg before the committee presents this situation with admirable clarity, and I hope the House will bear with me while I read it. He said:

Let me give you what I believe to be the meaning of this paragraph. If we left it out, there would be two weaknesses in the law. One would be that a hue and cry would be raised that we are delivering the country into the hands of the bankers. It would be said that the Government is willing to provide for a tremendous amount of money which would be absolutely under lock and key, and nobody could get it out except a man who has a bank to stand sponsor for him.

It would not be right, either, to have it that way, because, as we have seen in the past, it might be feared by some that there might be a ring of bankers who could keep deserving people out.

For that reason it is necessary to have what we might call an "open-market clause," which is practically the same as the open-market clause in the Federal reserve act.

The other is that there may be possibly some industrial propositions which might be really essential for the well being of the country at this time, but which the banks might not be willing to guarantee, because, let us assume, the contracts are too short. They expire after a short while, and a big plant has to be created, and it may be considered bad business for a bank to finance that.

For such cases it would be very important that this institution, which represents the Government, could be free to say, "We will step in and help them out in that situation," although it must be the intention of this war corporation to deal as much as possible through banks and bankers.

That puts the question in a nutshell. I agree that the fear of my colleague, Mr. FESS, might be justifiable, had the committee not hedged this provision around with many safeguards. I agree that the bill as originally presented to us, giving to one man the power without limit to lend any amount of money up to four billions and a half to any one man or to any one set of men, would have been a most dangerous power, but the total amount that can be used under this section is only one-sixth of the entire amount available for credit. The gentleman from Illinois [Mr. RAINEY] has well described the various other safeguards, and I shall not enter into that now.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. PLATT. Can the gentleman conceive of a position where securities of a certain corporation are O. K'd by the committee provided for in this bill, and we will say that it wants to get a million dollars? It issues a million dollars of bonds and it goes to the bank and the bank says we can not lend you that unless the corporation will lend us the money first. If the bank can do that, why in the name of common sense should anyone be shut off under the provisions of this bill, with this section out?

Mr. LONGWORTH. Before they can qualify for any loan under the section they have to show, first, that they have been to the bank and that the bank has refused them.

Mr. PLATT. Why should the bank refuse them when it can go to the corporation and get the money?

Mr. LONGWORTH. Perhaps the bank will not refuse them, but if you cut this section out it will make it impossible for any of these concerns to get relief.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KITCHIN. Mr. Chairman, the gentleman from Missouri [Mr. MEEKER] said that every intelligent man knew that anyone could go to a bank now with good collaterals and get all of the money he wants.

Mr. MADDEN. Can he?

Mr. KITCHIN. The gentleman from Missouri is the only man, intelligent or otherwise, that I have heard make such a statement or who believes in such a statement.

Mr. MEEKER. Mr. Chairman, will the gentleman yield for a correction?

Mr. KITCHIN. Yes.

Mr. MEEKER. Does the gentleman know of any war-contract men who are being held up for money?

Mr. KITCHIN. I know that all the evidence is that many, many persons and corporations engaged in the manufacture of articles necessary for the war can not go on unless they can get the Government either directly to loan them money or get it advanced through such schemes as this. The banks can not do it. The Government itself in a continuous, almost month after month, issue of certificates of indebtedness has exhausted all the surplus loanable funds of the banks. There are, in round numbers, $3,000,000,000 now outstanding, practically every dollar of which was furnished by the banks to the Government. The Government, as I tried to explain the other day, and as declared by the Secretary of the Treasury, and we all know it except the gentleman from Missouri, has by its sale of bonds and by its proposed sale of bonds and by its issue of certificates of indebtedness preempted the whole money and credit market of this country, and there must be a recourse for the necessary war industries, either directly to the Treasury—and that would mean more bonds, more certificates of indebtedness, and more taxes—or we must resort to a scheme like that in this bill.

Mr. MOORE of Pennsylvania. Does the gentleman recall the testimony with reference to the 30 per cent advance on war contracts through the departments which would be systematized under this legislation?

Mr. KITCHIN. That is true.

But now as to the objection to this section. I fear that the gentleman from California and the gentleman from Pennsylvania [Mr. MCFADDEN], who are the most earnest opponents of this provision and who themselves are bankers, look at all financial measures through the eyeglass of banks. They can not understand why there should be a check or a Government eye or a Government hand upon banks. Strike this provision out and the banks will have unlimited power to extortion upon the industries which this bill is designed to help. They can charge any rate of interest or discount or continue to crush out competing industries in favor of others, as the gentleman from Wisconsin [Mr. COOPER] this morning showed they had done in the past and will do again unless restrained in some way. This provision prevents them from doing such things.

Mr. McFADDEN. Will the gentleman yield?

Mr. KITCHIN. Why, I know the gentleman is honest. I know Mr. HAYES is honest in opposition. I would take Mr. HAYES's or Mr. MCFADDEN's judgment upon questions of banking as quickly as that of any man in this House, but this is not a banking proposition. This is a proposition of sustaining this Government in this most extraordinary crisis, when the banks alone are unable to do so.

Mr. McFADDEN. Will the gentleman yield?

Mr. KITCHIN. I yield.

Mr. McFADDEN. The gentleman has assumed, of course, I am opposed to this provision, but he does not know that. I would like to inject right here that the deposits of the banks of the country are larger now than they were a year ago.

Mr. KITCHIN. All right, let that go in; but the loans and discounts are larger than a year ago and the demands upon the banks are much greater.

Mr. PLATT. Will the gentleman yield?

Mr. KITCHIN. Not now; let me get through with this. Without this provision or section, as I said, the banks would be absolutely free to charge what they wanted—5, 10, 15, or 20 per cent discount. They would be free to make such charges and to impose unreasonable terms, because they would know there was no other recourse, except to them, that no war industry could get relief except through them. But with this provision in the banks would know that if they began to extort unreasonable interest or discount rates or to impose unreasonable terms, the borrower would go at once to this corporation and get the necessary funds or relief. With this knowledge they would not attempt the imposition of unreasonable terms. They will do most of the business under this bill, but upon reasonable terms. And we put a limit to the amount of business or loans the corporation could do or make direct to any war industries. It can only do under this provision—the direct-loan provision—16⅔ per cent of the business; that is, it can only make direct advances under this section to an amount in the aggregate equal to 16⅔ per cent of the capital stock paid in and of the amount of bonds authorized to be issued and outstanding at the time. This will cause the banks to do their part and share their responsibility.

Mr. PLATT. Will the gentleman yield for one question?

Mr. KITCHIN. I prefer not to yield, because I have not the time.

Mr. PLATT. Could not this corporation absolutely control the rate of interest that any bank could charge by simply refusing it rediscount?

Mr. KITCHIN. No.

If we had the amount which the corporation could advance direct under this section unlimited the banks would throw the whole burden of making loans to the war industries upon the corporation. They would force their own customers to go to the corporation for funds or collude with them to borrow of the corporation. For instance, corporation A, a big steel plant producing for the Government's account, would go to its bank for a loan. The bank would say, "You can not get it from us, go and get it from the War Finance Corporation that has $2,500,000,000 to help such industries as yours and deposit it with us. This will help us and you, too. We will save our funds for other business and can have the benefit of your deposit of the funds you get from the corporation." The banks, knowing of the limitations of this section, could not undertake such a feat with an intelligent customer. This limitation forces the banks to share in the operation and responsibility of the scheme proposed in the bill.

Mr. FARR. They must be substantial concerns in order to get help?

Mr. KITCHIN. Yes.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. McFADDEN. Mr. Chairman, I simply wanted to ask the gentleman if he feels there is sufficient provision made for the relief of the public utilities under this section?

Mr. KITCHIN. I really do not know whether there is sufficient relief for the public utilities or not. There is much relief for them in this bill if they bring themselves within its terms. There are $2,500,000,000 of relief in the bill, and if they shall be deemed by the directors to be necessary or contributory to the prosecution of the war they have a right to apply for relief just as other war industries.

Mr. McFADDEN. The gentleman will agree that the public utilities are in need of $250,000,000 almost immediately?

Mr. KITCHIN. I do not know. I agree they say they need $250,000,000.

Mr. McFADDEN. I would like to point out to the gentleman right here that it is utterly impossible for them to get the relief under this provision.

Mr. KITCHIN. They have as much right to get relief under that provision as any other corporation or firm in the United States that qualify under it.

Mr. McFADDEN. And they must put up securities of 133 per cent margin?

Mr. KITCHIN. Yes. I can not yield further.

We have all the hedges and limitations surrounding this provision or section, which gentlemen wish to strike out, that any business man should want. Before a borrower under this section can procure advances he must show, first, that he can not get it from the banks of the country; second, that his industry is necessary or contributory to the prosecution of the war; third, he has got to put up 133 per cent worth of securities; fourth, he must pay not less than 1 per cent per annum interest in excess of the prevailing rate for 90-day paper at the Federal reserve bank of the district in which the borrower is located. Then we have the 16⅔ per cent limitation, to which a moment ago I alluded.

Now, gentlemen, let me say one thing in reference to this bill, which equally applies to many other bills that I have voted for. A certain gentleman said yesterday that the chairman of the Ways and Means Committee, referring to myself,

seemed to be very fearful of this bill and its effect. Yes, gentlemen, I am fearful of this bill and its effect. I am very fearful of many bills with their new and unprecedented provisions and powers and their effect for which I have voted since we declared war, and every other gentleman who loves his country, its traditions, and its institutions should be fearful; but because I have such fears do not make it any less my duty to vote for this or any other legislation where it seems necessary to support and maintain this Government in this extraordinary struggle.

When I was a young man I belonged to a little amateur fire company in my town. When the fire bell rang, I was one of the first men on the ground, and one of the first on top of the house. I never went to the roof while the flames were licking about it that I did not have fears and anxieties, but in spite of them I went to the top, because it was necessary to go there in order to save the house from destruction. And that is the way I feel about these war measures, gentlemen. They are emergency measures, they are abnormal, they are extraordinary, they are unprecedented. I view many of them with fear and anxiety, but in spite of such fears and anxieties my patriotic impulses impel me to vote for them, because they are necessary to protect and save my Government and my country. [Applause.]

The CHAIRMAN. All time is expired. The question is on agreeing to the amendment offered by the gentleman from California [Mr. HAYES] to strike out the section.

The question was taken, and the chairman announced that the noes appeared to have it.

Mr. HAYES. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 18, noes 84.

So the motion to strike out the section was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 10. That in no case shall the aggregate amount of the advances made under this title to any one person, firm, corporation, or association exceed at any one time an amount equal to 10 per cent of the authorized capital stock of the corporation.

Mr. PHELAN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. PHELAN. Mr. Chairman, I would like to have the attention of the chairman of the committee. I am not sure that I know just what the purpose is in the committee putting in this provision. If it means by section 10 to refer only to section 9, I can understand the purpose, namely, that when the corporation, so called, makes advances to firms, persons, corporations, or associations, and so on, directly, they can not make advances in excess of 10 per cent of the authorized capital stock of the corporation. If that is what is meant, section 10 covers it.

If, on the other hand, it means something else, I do not think it expresses that idea at all. If it means this, that in no case can an advance be made on the security of a single corporation, person, or association, then it does not express that idea clearly. I would like to ask the gentleman from North Carolina what it means?

Mr. KITCHIN. The intention is very clearly expressed, I think, when you understand the purpose of the committee. It is that no one concern or individual or partnership or corporation or association can ever have advanced to it and outstanding at any one time an amount in excess of 10 per cent of the capital stock of the war-finance corporation.

Mr. PHELAN. Yes; but, directly or indirectly—does it mean directly to the corporation, association, or firm or individual, or does it also mean indirectly through the banks?

Mr. KITCHIN. No. It is not based on the security.

Mr. PHELAN. Then, I submit it does not say so in this section, and with that view I will offer an amendment for the purpose of discussion, because I do not think it accomplishes that purpose.

Mr. KITCHIN. The gentleman says this does not limit it. If a bank or a corporation wanted $51,000,000 it could not get $51,000,000. Our contention is that it could never get over $50,000,000. No one bank, no one man, no one partnership or association or corporation can ever get and have outstanding at any one time a loan in any event of more than $50,000,000.

Mr. PHELAN. Let me take that up, if I have the time to do it. Here is a case. The bill says anything issued after April 6, 1917. Now, assume a case of the General Electric Co. Suppose the General Electric Co. already has bonds in the hands of the various banks amounting to $100,000,000; already, at the present moment. Now, the act becomes a law. Now, the various banks go up to the War Finance Corporation and they want advances made to them on these securities that they hold at this very moment. What is there in that particular section to prevent the war corporation extending loans to these banks?

Mr. KITCHIN. Of $100,000,000?

Mr. PHELAN. Yes; of $100,000,000.

Mr. KITCHIN. The act says the corporation can not loan to any one person, firm, corporation, or association an amount in excess of $50,000,000.

Mr. PHELAN. It says in no case shall the aggregate amount of the advances made under this title to any one person, firm, or association exceed at any one time an amount equal to 10 per cent of the authorized capital stock of the corporation.

Let me give my case again. The General Electric Co. already has bonds with various banks amounting to $100,000,000. That is, to-day. This bill is not enacted yet. When this corporation makes advances under it, does it make advances not to the General Electric Co., but to the banks? If these banks take the securities of the General Electric Co. up to the war corporation, provided no one bank takes more than $50,000,000, then the war corporation under that provision is able to make advances up to $100,000,000, and there is not a thing in that provision to prevent that being done.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. PHELAN. I would like to have my time extended.

The CHAIRMAN. Does the gentleman withdraw his amendment?

Mr. PHELAN. Yes; and I will offer another amendment.

The CHAIRMAN. The pro forma amendment it withdrawn; and the gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PHELAN: Amend by striking out, after the words "Section 10," page 10, line 4, all the remainder of the section and inserting in place thereof the following:

"That in no case shall the securities of any one person, firm, corporation, or association be made the basis of advances made under this title to an amount greater than 10 per cent of the authorized capital stock of the corporation, and in no case shall the aggregate amount of the advances made to any one person, firm, corporation, or association under the provisions of section 9 of this title, or to any savings bank, banking institution, or trust company under the provisions of section 8 of this title exceed at any one time an amount equal to 10 per cent of the authorized capital stock of the corporation."

Mr. KITCHIN. You put the case of an electrical company with $100,000,000 stock.

Mr. PHELAN. No; bonds.

Mr. KITCHIN. What else now?

Mr. PHELAN. I will give the case again. The General Electric Co. has already outstanding $100,000,000 of General Electric bonds. These General Electric bonds are held by four different banks in sums of $25,000,000 each. That is the situation to-day, we assume. The bill is not yet an act. Now, the bill becomes an act and goes into operation. I say there is nothing in that provision to prevent the War Finance Corporation from loaning to each one of these four banks $25,000,000. Of course, it will be less than that——

Mr. KITCHIN. Why certainly it will be less. There is nothing in it.

Mr. PHELAN. Yes; there is something in it, if the gentleman will permit me to say so. One thing is that all through this debate we have been misled as to what this bill permits. This bill does not intend necessarily that if a corporation wants to get some help it shall go to the bank, and the bank immediately shall go to the War Finance Corporation. This bill will permit the War Finance Corporation to help out a bank which already to-day has bonds coming within the description given in the bill, so that the advance is made to the bank and not to the corporation in many cases.

Mr. DEWALT. Mr. Chairman, as I understand the gentleman's proposition, the effect of this legislation then would be to permit the rehypothecation or the loaning of further money upon collaterals which are already hypothecated.

Mr. PHELAN. To a greater amount than $50,000,000.

Mr. DEWALT. Yes.

Mr. PHELAN. There is not any question about it in my mind at all. I am assuming that the purpose of this paragraph is not to have in the hands of the War Finance Corporation securities of any one individual association or corporation to an amount greater than $50,000,000 as the basis for loans, no matter where those loans are made; but the trouble with the provision in the bill is that the advances are made to banks and not made direct to the corporation; the advances that are made to the banks may be made on security which they already own, and the advances made to the banks may not then go from the banks to the corporation whose securities are offered.

Mr. HELVERING. Of course, in every instance of that kind the bank would O. K. the paper on which the advance was made to the corporation.

Mr. PHELAN. What does the gentleman mean by that?

Mr. HELVERING. According to this bill they would give their note to the corporation.

Mr. PHELAN. Give whose note—the bank's note?

Mr. HELVERING. Yes.

Mr. PHELAN. Yes; the bank gives its note and gives the securities of the corporation as collateral; that is true.

Mr. HELVERING. Do you object to the bank making these advances if the corporation is secured by the bank?

Mr. PHELAN. Do I object to the bank making these advances?

Mr HELVERING. Yes.

Mr. PHELAN. In the case I have given the bank has already made the advances. I have no objection to what the bank has already done.

Mr. HELVERING. Even if it is above $50,000,000. I understand the proposition is to limit all loans to $50,000,000.

Mr. PHELAN. No; my amendment simply provides for this. I submitted it only after the chairman told me what the purpose of the committee was. My amendment would prohibit the War Finance Corporation from holding securities of any one person, association, firm, or corporation to a greater amount than 10 per cent of the capital stock of the War Finance Corporation, or $50,000,000, as this bill is arranged. Is that clear to the gentleman? I think the provision in the bill does not do it. If the committee does not want it done, then my amendment carries out the purpose of the committee. If the committee does want it done, then the present provision in the bill is all right.

Mr STERLING of Illinois. I think I get the idea that the gentleman is seeking, but I think the gentleman is mistaken in this: If the General Electric Co. had borrowed on its bonds $100,000,000 from four banks, or $25,000,000 from each, those banks could not, on the ground that they had advanced loans to war corporations, go to this War Finance Corporation and get $100,000,000 They could get only $50,000,000, and they would have to stand for the rest of the loan themselves.

Mr. PHELAN. Suppose they have $150,000,000 of the General Electric bonds, and want to get $100,000,000. That will take care of the gentleman's point.

Mr. STERLING of Illinois. No; it does not. They could not get beyond $50,000,000 in any event. These banks have already loaned $100,000,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHELAN. Mr. Chairman, I ask unanimous consent that my time may be extended five minutes. I do not believe I am understood on this proposition.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

The CHAIRMAN. Does the gentleman from Massachusetts yield; and if so, to whom?

Mr. PHELAN. I yield to the gentleman from Illinois [Mr. STERLING].

Mr. STERLING of Illinois. We will say that the General Electric Co. has borrowed $100,000,000 on its bonds.

Mr. PHELAN. Make it $150,000,000, and then you will be correct.

Mr. STERLING of Illinois. Well, I will say $150,000,000, but I do not think that makes any difference. It has already done that before this bill becomes a law.

Mr. PHELAN. Yes.

Mr. STERLING of Illinois. Now, when this bill becomes a law, can these four banks, on the ground that they have advanced loans to war corporations, go to this war-finance corporation and get their money to replace these loans?

Mr. PHELAN. Absolutely, yes; if the war-finance corporation wants to loan the money to them, and that is the point that is not understood.

Mr. STERLING of Illinois. They could get only $50,000,000. This paragraph prohibits that.

Mr. PHELAN. This paragraph does not do anything of the kind. That is the point I am making. This paragraph says:

That in no case shall the aggregate amount of the advances made under this title to any one person, firm, corporation, or association exceed at any one time an amount equal to 10 per cent of the authorized capital stock of the corporation.

But there are not any advances to be made to the General Electric Co. under this provision.

Mr. STERLING of Illinois. Oh, yes.

Mr. PHELAN. No; they have already been made. There are not any advances to be made.

Mr. STERLING of Illinois. The bill provides before this——

Mr. PHELAN. If the gentleman will allow me to continue, there is the whole trouble. Here is the proposition: This bill is intended to enable the banks to take care of the various corporations and associations mentioned in the bill.

Now, when the bank gets the money the bank does not have to hand the money it gets from the War Corporation over to any association, even to the association whose bonds it puts up. It may take bonds it already has on loans already made and get the money from the War Finance Corporation, and the corporation will advance the money. So, therefore, when it says that in no case shall the aggregate amount of the advances made under this title to any one person, firm, corporation, or association exceed at any one time an amount equal to 10 per cent of the authorized capital stock, it does not say what it means.

Now listen to the amendment: In no case shall the securities of any one person, corporation, or association be made the basis of advances made under this title to an amount greater than 10 per cent of the authorized capital stock of the corporation.

That means that if you have the bonds, say, of the General Electric corporation, the War Finance Corporation, no matter where they come from, no matter how many banks or corporations, can not issue more than $50,000,000 on those bonds as security.

Mr. GLASS. Will the gentleman yield?

Mr. PHELAN. Yes.

Mr. GLASS. That is not what the provision in the bill means. Why should it disturb the corporation that four banks with their notes should use as a basis of loans through those banks the securities of another corporation? The bank intervenes. The General Electric corporation, on its own account, can not get credit for more than $50,000,000 under the provisions of the bill; but 50 banks, giving their notes, with the securities of the General Electric Co., could get credit. That does not mean necessarily that they loan it to the General Electric Co. You might say that you could not accept the securities of the United States Government in excess of $50,000,000, although they might be presented by some 50 different banks.

Mr. PHELAN. The gentleman and I do not disagree as to what it means. I am not particular what position is taken by this committee. But I have offered the amendment, and I asked the chairman of the committee what the provision intended, and he said, as I understood him, they intended to provide for that I am intending to provide for in my amendment. The gentleman from Virginia and I agree that under the proposition as I suggested you could not have more than $50,000,000 security of the General Electric Co. made the basis of loans by the corporation. If you want it, I think I have put it in the form that you will get it. If you do not want it, then my amendment is not necessary. I understood the gentleman from North Carolina to say that that was the intention of the committee. I am not desirous of its adoption. I simply suggested it, if that is the purpose of the committee. If it is not the purpose, I would like to know what the purpose of section 10 is.

Mr. GLASS. Let me ask the gentleman a question.

Mr. PHELAN. I will yield to the gentleman.

Mr. GLASS. The gentleman says that I am mistaken——

Mr. PHELAN. Oh, no; I did not say that the gentleman from Virginia was mistaken.

Mr. GLASS. I am referring to the gentleman from Illinois, who said I was mistaken. Suppose the Bethlehem Steel Co. had outstanding $200,000,000 of bonds, not in the hands of banks necessarily, but in the hands of individuals, and should it appear that at any one time the banks and going concerns and individuals all over the country had put up, through the banks, the securities of the Bethlehem Steel Co. for loans, does my friend from Illinois mean to say that loans could not be granted with these securities as a basis on the theory that loans were being made to the Bethlehem Steel Co.?

Mr. STERLING of Illinois. I mean to say that they could not be granted in excess of $50,000,000.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. STERLING of Illinois. Mr. Chairman, I move to strike out the last word. I would like to make it clear with reference to the point made by the gentleman from Massachusetts. His question is, Could the General Electric Co. get more than $50,000,000, provided it had already, before the bill became a law, borrowed $100,000,000 through four different banks? This bill provides that this corporation can loan money to a bank on the ground that it has already advanced loans to war corporations. That is one of the provisions of the bill. The corporation will loan money to the banks for the purpose of loaning it to war corporations, or they will loan it to the banks who have already

furnished war corporations loans. Now, the General Electric Co. has borrowed $100,000,000 from four different banks. Then the bill becomes a law. Now, the banks desire to replenish their coffers from this corporation, and to do so they present the facts to the corporation that they have each loaned $25,000,000 to the General Electric Co. To do so they must indorse the paper that the General Electric Co. has put up. That is a loan by this corporation—what we have been calling in debate an indirect loan by the corporation through these banks. Of course, this section applies to indirect loans just as it does to direct loans.

Mr. GLASS. It would not necessarily mean the loans of the General Electric Corporation. Here is the National City Bank of New York, say, that has acquired $25,000,000 of the bonds of the General Electric Co. The General Electric Co. may not want to borrow any more money at all, but the National City Bank may want to accommodate customers by replenishing its cash, in order to do which it may want to borrow $25,000,000 on these securities. Do you mean to say that it can not borrow a large part of the $25,000,000 on the securities of the General Electric Co. merely because the General Electric Co. had theretofore borrowed $50,000,000 from the War Finance Corporation on its own account?

Mr. STERLING of Illinois. If it wanted to borrow money based on the fact that it has loaned money to the General Electric Co., it has got to show that fact, and get it under that section of the bill, and put up the paper of the General Electric Co. These loans can not be made in excess of $50,000,000. And these four banks could get from the corporation only $50,000,000 by reason of the limitation in section 10. It is true the bank is the borrower, but only the nominal borrower. The Electric Co. is the beneficial borrower, and the limitation applies to it as well as to the banks.

Mr. GLASS. Let me again suggest this instance. Suppose the Standard Oil Co. has outstanding $200,000,000 of bonds not owned by banks, but owned by individuals and corporations throughout the country, in all the States of the Union. Does the gentleman mean to say that when those individuals and corporations dealing with this war finance corporation have borrowed to the extent of $50,000,000 with the bonds of the Standard Oil Co. as collateral, this war finance corporation must stop doing business with any other individual or corporation in the United States desiring to use the securities of the Standard Oil Co. as collateral for loans?

Mr. STERLING of Illinois. It must stop making loans on the paper of the Standard Oil Co.

Mr. GLASS. That is an extraordinary proposition to me.

Mr. STERLING of Illinois. Because the Standard Oil Co. has borrowed $50,000,000.

Mr. McFADDEN. Does the gentleman contend that the General Electric Co. could not go to five banks and borrow $50,000,000?

Mr STERLING of Illinois. Not under this section 10. The aggregate of the loans can not exceed $50,000,000.

Mr. DEWALT. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. DEWALT. As I understand the idea of the gentleman from Massachusetts [Mr. PHELAN], it is this, that he desires to prevent the finance corporation the power to loan in excess of $50,000,000 upon any securities offered by any one individual, firm, or corporation. Is that correct?

Mr. STERLING of Illinois. I think that is his idea, and this bill already does that thing. It contains that very limitation, and his amendment is useless.

Mr. DEWALT. I think Mr. PHELAN's provision is a wise one, and if the bill already provides it, that settles it; but certainly the amendment of the gentleman from Massachusetts [Mr. PHELAN] meets that condition if it is not covered by the bill.

Mr. PHELAN. The gentleman means it provides it in this section 10 that I am trying to amend, does he not?

Mr. STERLING of Illinois. Yes; and it is made clear by clause 1, at the bottom of page 5. It applies to any bank, banker, or trust company which shall have made loans since April 6 and prior to this time, the same as in any other loan.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FESS. Mr. Chairman, I ask unanimous consent that he be granted five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DEWALT. The gentleman agrees with the idea of the gentleman from Massachusetts [Mr. PHELAN], that it should be done, but he says that it is already done.

Mr. STERLING of Illinois. That is my idea about it.

Mr. SAUNDERS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. SAUNDERS of Virginia. As I understand from the gentleman's statement, his view of the bill itself is, apart from the Phelan amendment, that by the terms of the bill in the case suggested a group of bankers holding the bonds of the General Electric Co. could not upon the hypothecation of those bonds secure from this general corporation a loan in excess of $50,000,000?

Mr. STERLING of Illinois. Yes.

Mr. SAUNDERS of Virginia. What is said in behalf of the bill with respect to the meaning of this section? Is it admitted that the bill means that?

Mr. STERLING of Illinois. I think it means that, very plainly.

Mr. SAUNDERS of Virginia. I understand that is the gentleman's contention.

Mr. STERLING of Illinois. Yes.

Mr. SAUNDERS of Virginia. But is it the contention on behalf of the committee?

Mr. HELVERING. Not according to my idea.

Mr. GLASS. It seems to me that the gentleman from Illinois is clearly confusing the securities for the loans with the loans themselves.

Mr. STERLING of Illinois. Let me call attention to section 10. It provides that in no case shall the aggregate amount of the advances made under the title to any one person, firm, or corporation or association exceed at any one time an amount equal to 10 per cent of the authorized capital stock of the corporation—in no case. That is as broad as you can make it and, of course, it applies to the beneficial borrower as well as the nominal borrower.

Mr. GLASS. It does not say that not more than $50,000,000 of the securities of any particular corporation shall not be used as collateral securities for loans to other persons.

Mr. STERLING of Illinois. But this is a loan to an industry that is furnishing the securities through the banks.

Mr. GLASS. Not necessarily a loan to the corporation. It may be a loan to the bank to replenish its funds.

Mr. STERLING of Illinois. You can not loan money to the bank. This corporation can not loan money to a bank, except the bank that has done something or wants to do something in aid of a war corporation.

Mr. GLASS. Of course not.

Mr. STERLING of Illinois. A bank can not go to that corporation and borrow money on its own account, but only to enable it to advance aid to a war industry.

Mr. GLASS. A mutual savings bank can.

Mr. STERLING of Illinois. I am talking about banks generally.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. FESS. The controversy between the gentleman from Illinois and the gentleman from Virginia [Mr. GLASS] has confused a good many of us. Take the case cited by the gentleman from Massachusetts. Bank A would take its securities of the General Electric Co. and get money in the form of bonds out of the corporation to the extent of $25,000,000. Bank B can take its securities, properly indorsed, and receive $25,000,000 on them in the form of bonds. Bank C proceeds with its securities, indorsed, and could it get anything?

Mr. STERLING of Illinois. No; it would not get anything, because that corporation already has $50,000,000.

Mr. GLASS. Let us eliminate the banks altogether and suppose that each Member of this House has a million dollars' worth of the bonds of the Standard Oil Co.—a rather violent presumption.

Does the gentleman mean to say that after 50 Members of the House, with these bonds as collateral security, had received in the aggregate $50,000,000 in loans, no other Member of the House could get any loan from this War Finance Corporation based upon the securities of the Standard Oil Co., provided the loan was wanted to finance a war industry?

Mr. STERLING of Illinois. That is just exactly what I mean.

Mr. GLASS. Then I would not vote for a bill containing as crude a proposition as that.

Mr. STERLING of Illinois. The purpose, I say, of the committee was to limit the loan to any concern, whether it be a direct or indirect loan.

Mr. GLASS. The loan would not be to the Standard Oil Co., but it would be to the 435 Members of this House, with the securities of the Standard Oil Co. put up as collateral.

Mr. STERLING of Illinois. It is what this bill terms an indirect loan.

Mr. GLASS. It would not be a loan at all to the Standard Oil Co.

Mr. STERLING of Illinois. That is what this bill regards as an indirect loan. It is a loan to that company. It is the beneficial borrower.

Mr. KITCHIN. Mr. Chairman, I think there is a great deal of confusion as to the plain language of the bill. I hate to differ with the gentleman from Illinois, but I think——

Mr. MADDEN. Will the gentleman yield? I desired to ask this question of the gentleman from Illinois, but will the gentleman from North Carolina yield?

Mr. KITCHIN. Do not take it out of my time.

The CHAIRMAN. The time of the gentleman is running.

Mr. KITCHIN. Mr. Chairman, as long as the gentleman had 10 minutes I would ask unanimous consent that I may speak for 10 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to speak for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. KITCHIN. Gentlemen, the bill means just exactly what it says, and the language conveys only the intention which the committee had. The committee felt that we ought to have some limit on the amount which this corporation can loan to any one person or corporation. Of course, when it loans to a bank it loans directly to the bank. The original bill had no limitation in it at all. The corporation could loan one hundred million or a billion to any one concern. The Senate bill has no similar limitation. Now, we felt it was the wisest thing to provide a reasonable limitation, and we looked to the national banking law, as that had worked pretty well in this country for 50 years or more, so far as this provision is concerned. The national banking law provides that you can not loan of the capital stock and surplus—there is no surplus in this corporation—more than 10 per cent to any one concern. Now, the national bank with $100,000 can only loan me $10,000, 10 per cent of its capital stock and surplus.

Suppose I want $50,000 and there are five national banks in my town, each with $100,000 capital stock and surplus. I would borrow from each bank $10,000 and get $50,000, but no one bank has a liability against me for more than $10,000. That is all that that bank can ever lose, and it is all that that bank has possibly risked. The other four banks will stand the chance to lose the amount they have loaned. Now, it makes no difference so far as this bill is concerned what kind of security is put up. I can have American Telephone Co. stock to the amount of $500,000. I can give each one of those banks $20,000 of that stock for security for my loan of $10,000, and the national banking law can not and does not touch that. This bill intends to follow that. It intends to say that this financial corporation, as stated by this bill, can create no liabilities to any one person, firm, or association in excess of 10 per cent of the capital stock of the finance corporation. The capital stock of that corporation when paid in will be $500,000,000. So, then, this bill says in language just as plain as it can be put that no concern, individual, corporation, or association can borrow of this corporation an amount in excess of 10 per cent of the capital stock of the corporation, or $50,000,000, because that is 10 per cent of $500,000,000.

Mr. STERLING of Illinois. Will the gentleman yield there?

Mr. KITCHIN. Yes.

Mr. STERLING of Illinois. Does the gentleman claim that a bank can borrow money for its own purpose, for its own use, whether or not it has advanced or is about to advance money?

Mr. KITCHIN. No; except in the case of the savings banks and similar institutions under section 8.

Mr. STERLING of Illinois. Now, does the gentleman say that if the corporation gets the money through several banks and the bank then goes to this corporation to replace that money and puts up the security of the borrowing corporation, it can get $50,000,000?

Mr. KITCHIN. Yes, sir; under this bill.

Mr. STERLING of Illinois. Then, there is no limitation at all.

Mr. KITCHIN. Let me illustrate.

Mr. GLASS. There you interpose the responsibility of the third party.

Mr. KITCHIN. Absolutely. The security has nothing in the world to do with their limitation, except it has to be good and adequate, and the amount must be equal to 133 per cent of the amount advanced.

Mr. STERLING of Illinois. Now, where is any limitation in the bill, if such a construction is right? There is none at all.

Mr. KITCHIN. There is no limitation except right here where we put it in. I can show the gentleman that there are a great many concerns that are absolutely necessary to this war that will have to borrow more than $50,000,000. Certain railroads that are absolutely necessary for the prosecution of this war may have to borrow more than $50,000,000, possibly more than $100,000,000.

I have two in my mind right now that have to have money and have to refund their indebtedness within the next three or four months, and have to have over $50,000,000; and what this bill says is that such a concern or any other concern that borrows for the corporation can never be liable to the corporation for more than $50,000,000. That is, this corporation is not going to take the risk of over $50,000,000. Suppose the railroad must have $150,000,000. It can not get it direct from the corporation, because that concern, by putting up 133 per cent of securities, can not get more than $50,000,000 from this corporation direct. Suppose it wants to get $100,000,000 from the bank. This corporation is not going to lend any bank more than $50,000,000. Now, if that corporation can go to four banks and get $25,000,000 each from them, it is no concern of the corporation, provided the corporation is convinced that this money is needed for a war industry, for an industry that is absolutely necessary and contributory to the war. But say that it wants $100,000,000, and it goes to bank A and gets $25,000,000, to bank B and gets $25,000,000, and to bank C and gets $25,000,000, and to bank D and gets $25,000,000. This corporation is not going to allow a single one of those banks to have to exceed $50,000,000, but in getting $25,000,000 from each, the borrowing concern gets this $100,000,000. The corporation is not concerned as to whether or not some concern gets $100,000,000 from certain banks so long as these banks that have already become liable to it put up the required security, the notes of the concern and their own note, provided these banks are lending to a necessary war-contributing corporation or concern.

Mr. LONDON. Is not the difference between your construction of the bill and that of the gentleman from Illinois [Mr. STERLING] this, that the gentleman from Illinois contends that the corporation can not risk more than $50,000,000, while you contend that the corporation can not loan more than $50,000,000?

Mr. KITCHIN. The corporation never can risk more than $50,000,000. The difference between the construction of the gentleman from Illinois and the construction of the gentleman from Massachusetts is that they put it upon securities. Here we have put it upon the original loan. As I said a while ago, we knew in the committee, and that the Secretary of the Treasury knows, and nine-tenths of the men of this House know, that there are some necessary war-contributing corporations in this country that must get over $50,000,000. If they can not get more than $50,000,000, though they have a billion dollars worth of securities, this act would not accomplish one of its chief objects. This corporation, by this act, can never permit any one concern to become liable to it for more than the $50,000,000. But if each one of these banks that will not loan $100,000,000 wants to become liable for $50,000,000, all right, but the corporation can not take their liability for more than $50,000,000. That is exactly like the national-bank illustration that I gave you.

Mr. GLASS. Will the gentleman let me state a concrete case that is easily conceivable?

Mr. KITCHIN. Yes.

Mr. GLASS. Suppose the Savage Arms Co. should own $50,000,000 of Pennsylvania Railroad stock, and the Bethlehem Steel Co. likewise should own $50,000,000 of Pennsylvania Railroad stock, and the Du Pont Powder Co. should own $10,000,000 of Pennsylvania Railroad stock, and the Remington Arms Co. should own $10,000,000 or $25,000,000 of the Pennsylvania Railroad stock, and they apply for loans, each of these concerns that are necessary to the conduct of the war apply for loans to this corporation, do you mean to say that one concern——

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GLASS. The putting up as collateral security the stock of the Pennsylvania Railroad Co. would not exhaust the power of this corporation to loan to other concerns on Pennsylvania Railroad stock as collateral security. I am sure if the gentleman will go by himself and think of that proposition for five minutes he will reach a different conclusion from that which he has now.

Mr. KITCHIN. We are not limiting the amount which war industries can borrow from Tom, Dick, and Harry. We are simply limiting the liability of the concerns to this corporation.

Mr. SAUNDERS of Virginia. I would like to ask the gentleman from Illinois his interpretation of the meaning of this

section. As I understand the gentleman from North Carolina, this section of the bill means this: That five banks can utilize the collateral of the General Electric Co., to continue the illustration of the gentleman from Massachusetts, to the extent of $250,000,000, and get from this corporation $250,000,000, but the corporation itself—that is, the General Electric Co.—if it applied for a direct loan to this lending corporation, could not get more than $50,000,000. That, in your view, is the correct interpretation of the bill?

Mr. KITCHIN. That is my view.

Mr. MADDEN. Neither could any one of the banks.

Mr. KITCHIN. Neither could any one of the banks get more than $50,000,000.

Mr. SAUNDERS of Virginia. I understand.

Mr. KITCHIN. In other words, we are not limiting the bank in the amount it can loan somebody else.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. STEVENSON. I want to ask the gentleman from North Carolina, in connection with that, if this does not illustrate it: The five banks have $250,000,000 of the General Electric Co.'s securities. They want $50,000,000 apiece. Do not they have to put up one-third as much in addition?

Mr. KITCHIN. Yes; they have to put up 133 per cent.

Mr. STEVENSON. And therefore the primary loan is to the bank and they have the security?

Mr. KITCHIN. Yes. They have the security.

Mr. GARNER. Mr. Chairman, may I call the gentleman's attention to one other feature?

Mr. KITCHIN. Yes.

Mr. GARNER. There are but few banks in this country that can make a $50,000,000 loan. I want some gentleman to name five banks that can make a $50,000,000 loan.

Mr. STERLING of Illinois. May I answer the gentleman's question?

Mr. PHELAN. If that is so, why is this provision in the bill?

Mr. GARNER. Something might come direct.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. LONGWORTH. Does not the argument of the gentleman from Virginia [Mr. GLASS] presuppose that these directors of this corporation will be absolutely unfit to administer the duties of the corporation?

Mr. KITCHIN. Do you mean the gentleman from Massachusetts [Mr. PHELAN]?

Mr. LONGWORTH. No; Mr. GLASS.

Mr. KITCHIN. I do not so understand Mr. GLASS.

Mr. LONGWORTH. As I understand it, all we intend to do is to try to protect the corporation?

Mr. KITCHIN. Yes; the corporation.

Mr. LONGWORTH. And its loans?

Mr. KITCHIN. Yes. Let me state it again. This is limited, first, in order to make secure all the money that the corporation shall loan, and another purpose is that it shall not make to any one person or concern or association a loan of more than 10 per cent of its capital stock. We intended to do just what the national bank act does, which everybody knows about.

Mr. PADGETT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Not now. Let me read the language of section 10:

SEC. 10. That in no case shall the aggregate amount of the advances made under this title to any one person, firm, corporation, or association exceed at any one time an amount equal to 10 per cent of the authorized capital stock of the corporation.

That is just as plain as language can make it, and I challenge anybody to conceive of language more plain to express the intention of the large majority of the committee. There is no use in having that language amended by the language that the gentleman from Massachusetts [Mr. PHELAN] has offered. You could just put in five words after the word "to" on line 5—the words "on the security of any one person." But, gentlemen, then you are destroying one of the most beneficent objects of this bill. The object of this bill is to get money to keep these war-industry concerns going while we must have these necessary articles for the war.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman yield for a question?

Mr. KITCHIN. I will.

Mr. STERLING of Illinois. And your construction that you are putting on this will prevent that very thing. The Standard Oil Co. or the General Electric Co. might get every dollar under your construction of the law, and the war corporations of the country would not get any help.

Mr. KITCHIN. Then you ought to repeal the national banking law right now, which requires a limit of 10 per cent, because otherwise these concerns could get all the money under the general banking laws.

Mr. GARNER. Should we pass this bill if we are going to have five men who can give it all to the General Electric Co.?

Mr. KITCHIN. They can do no more under this provision than can be done under the general banking act.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. STERLING of Illinois. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. STERLING of Illinois. Gentlemen, I feel like asking your pardon for intruding on your time, but I feel very sure that I am right about this. I feel very certain, gentlemen, that my construction is right. But if it is wrong, then the bill ought to be changed. It ought to be so modified as to limit the loan to $50,000,000 to any corporation either directly or indirectly.

The gentleman from Ohio [Mr. LONGWORTH] asked if the fundamental purpose was not this, in this provision of the bill, to make the corporation safe. Is that the fundamental idea in the bill, or is the fundamental idea in this bill to permit this corporation to help the war industries? Is not the purpose of the bill to help as many of those industries as possible? But if the construction put by the gentleman from North Carolina upon the bill is correct, there is absolutely no limitation here at all, and one corporation operating through a number of banks might absorb every dollar that the corporation would have to loan.

Now, what is the purpose of the bill? It is to distribute aid to the war industries throughout the country and not to give it to the General Electric Co., nor to the Standard Oil Co., not to give it to the Pennsylvania Railroad Co., but to give it to all these industries, and it ought to be limited so that no one concern, either directly or indirectly, can get more than $50,000,000.

If one corporation can come in and by operating through half a dozen banks can get all this money, we had better stop right here with this legislation, because it would be an absolute perversion of the purpose of the Secretary of the Treasury in asking for this legislation. It is not his idea at all. It was his idea to give money into the hands of this corporation so that everybody everywhere who was turning a wheel or lending a hand to carry on this war might have the necessary money.

Mr. KITCHIN. It was the Secretary's idea not to limit it at all.

Mr. GARNER. The Secretary in submitting the bill did not put a limit on it, and the committee, to protect the Government, put on a limitation.

Mr. STERLING of Illinois. That does not answer it at all. We know it was the purpose of the Secretary of the Treasury to distribute this money, and if he did not have a limitation in the bill it was his purpose and intention—because he said so in the hearings—to distribute the money wherever needed for war purposes.

Mr. GLASS. May I ask, does the gentleman imagine that any board of business men, in conjunction with the Secretary of the Treasury, could possibly be assembled which would lend all this money to any one corporation, or to two corporations, or to three corporations, or to a dozen corporations?

Mr. STERLING of Illinois. If that be true, why does the gentleman oppose the limitation in this bill?

Mr. GLASS. You have that limitation in the bill, but the difference between the gentleman and myself is that he sees only the loan and I see the loan and the security for the loan, which are two very different propositions.

Mr. STERLING of Illinois. And I see the usefulness of this corporation, provided it has a limitation which requires it to distribute the money to all war enterprises needing it.

Mr. GLASS. But if the limitation goes to the security, I think it is a pretty vicious provision. I would not be willing to vote for it with that limitation.

Mr. STERLING of Illinois. It does not go to the security at all. It goes to the amount that can be loaned.

Mr. GLASS. If it goes to the amount that can be loaned, there is no difference between the gentleman and me; but the gentleman's whole argument shows that he thinks it ought to go to the security and not merely to the loan.

Mr. STERLING of Illinois. I am not asking that the bill be amended. I think the bill now has just the limitation it ought to have. No single concern should be permitted to have all this

money, nor should a few. The benefit it will afford should go to all that qualify for a loan.

Mr. MADDEN. Mr. Chairman, here is the way I understand this thing: Every applicant for a loan through this corporation will be considered a separate individual, company, or corporation. It does not make any difference whether it is a bank, an electric company, or a steam railroad company. If the bank should happen to have advanced the money to some corporation for the prosecution of the war, it will be entitled to apply to the War Finance Corporation for a loan. In order to obtain the loan it will be required to give its note and whatever security the law provides in addition to the notes. Now, whether that security be the bond of the electric company or the railroad company or the tobacco company does not make any difference, or whether it is a combination of all does not make any difference. Now, if 5 banks or 10 banks apply for loans, each application will be considered as a separate application and will be treated according to its merits. What the security may be which it has to offer will make no difference to the board of directors of this corporation except as to the validity and the value of the security.

Mr. GARNER. May I illustrate that in the gentleman's time?

Mr. MADDEN. Certainly.

Mr. GARNER. Suppose the Savage Arms Co. should want to borrow $50,000,000 from this corporation and the corporation should pass favorably on the loan, and the Savage Arms Co. should give 133 per cent security, consisting of their bonds. Then suppose a bank should want to borrow and should offer bonds of the Savage Arms Co. as security. They would have to put up 133 per cent of the loan, and the War Finance Corporation would determine whether the security was good and whether they wanted to make the loan.

Mr. MADDEN. And they would not consider at all the money that they had loaned to the Savage Arms Co. the day before.

Mr. GARNER. And they ought not.

Mr. MADDEN. They would simply consider the application of the bank when it was made and decide whether the security offered was sufficient to meet the demand of the law.

Mr. HARDY. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. HARDY. If the gentleman from Illinois [Mr. STERLING] is right, and the limitation in this bill goes to the security, then take the railroad company as an illustration. If that road had once borrowed $50,000,000, as it could directly, thereafter nobody else could borrow on the bonds of that road as security.

Mr. MADDEN. That is it exactly; and I maintain that it does not make any difference how much the Pennsylvania Railroad Co. or any other corporation may have borrowed through this War Finance Corporation, anybody else who qualifies for a loan should be favored with a loan, no matter whose security it may offer, if the security is considered of sufficient value to justify the loan. That is the point.

Mr. HELVERING. The fact of the matter is that this bill is for the purpose of facilitating credit and not for the purpose of restricting it. If the construction of the gentleman from Illinois [Mr. STERLING] is correct, it would restrict it.

Mr. MADDEN. Surely, and this bill is intended only to limit the power of the War Finance Corporation to the loaning of $50,000,000 to any one individual, company, or corporation. That applicants for loans may offer the same kind of security for the loans does not cut any figure whatever, in my judgment.

Mr. ROSE. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. ROSE. I should just like to know if the thing of which the gentleman from Illinois [Mr. STERLING] complains can not be done now under the national banking law?

Mr. MADDEN. A national bank can loan only 10 per cent of its capital and surplus to any one borrower.

Mr. GLASS. May I interrupt the gentleman a moment?

Mr. MADDEN. Yes.

Mr. GLASS. Supposing the Remington Arms Co. should be the owner of $50,000,000 of the bonds of the Pennsylvania Railroad Co.; being a munition plant necessary to the conduct of the war, putting up additional collateral, it borrows $50,000,000 from the war corporation. Then, according to the contention of the gentleman from Illinois, the Pennsylvania Railroad Co. could not borrow a dollar.

Mr. MADDEN. It would seem if, perchance, I had the securities of the gentleman from Virginia and I had to borrow money the day before from this corporation and found myself in a position where I had to have money, I could not get it.

Mr. FESS. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. FESS. Suppose $100,000,000 of securities of the Pennsylvania Railroad Co. is used as a basis for the issuance of bonds for 14 different companies. I understand how that could be, but suppose the company that is receiving the bonds is also the company whose securities are out. Could the Pennsylvania Co. secure a hundred million dollars of bonds through the bank on its own security?

Mr. MADDEN. The Pennsylvania Co. could borrow from your bank, if you had a bank; from my bank, if I had one; and from any other bank that was willing to lend the money to the railroad company. If by chance it had borrowed from any number of banks $500,000,000, that would not prevent the banks from whom it had borrowed from making a loan from the corporation through the securities of that company.

Mr. FESS. As I understand, the obligations of the finance corporation will be by the bank rather than by the company or the securities the bank has.

Mr. MADDEN. No matter who the borrower may be he will be the party held responsible for the loan made by the board of directors of this War Finance Corporation.

Mr. FESS. If any one company can get a hundred million dollars on its own credit through different banks, why is section 10 put in? It says it shall be limited to 10 per cent to any one firm, person, or corporation.

Mr. MADDEN. I think the best reason in the world for the language is that the Government of the United States wants to protect itself through this corporation against any single liability of any single firm, corporation, or association in excess of $50,000,000. If you loan the money on the securities of one corporation to the extent of $50,000,000, you have in addition to that the security of the concern to which you make the loan.

Mr. GREEN of Iowa. Mr. Chairman, I shall consume only a moment. Mr. Chairman, I approved of this provision in the bill. I did not vote for it on any idea that it was a system to distribute money throughout the country. I voted for it for the purpose of obtaining additional security. I do not mean to say that the gentleman from Illinois advocates a pork-barrel proposition when he speaks of distributing the money to be obtained under the bill, but if it should act for that purpose it would merely be a pork-barrel proposition under which citizens from different sections of the country would come in and say, "We want our share in this section," and others from another, "We want our share in our section." That was not the purpose of the paragraph, and it would be entirely changed by the amendment offered by the gentleman from Massachusetts [Mr. PHELAN]. The distribution of the fund will be fixed by the war necessities and the necessities of firms and corporations who show that they can comply with the purposes of the bill by either contributing to the prosecution of the war or to operations necessary to the war.

Mr. SAUNDERS of Virginia. Mr. Chairman, I have listened with a good deal of interest, to the different interpretations which have been placed upon this very important section of the bill under discussion.

It must be admitted that one suggestion of the gentleman from Illinois is well taken, that is, that it is conceivable that one single borrower, operating through a number of banks, might secure a very large sum, practically all the funds available to be loaned by the finance corporation. That I agree is conceivable, but there is much legislation that is susceptible of abuse on the theory that the officials clothed with large powers of discretion may abuse that discretion. In order to accomplish results, it is often necessary to invest an individual, or a group of individuals with large powers. These powers may be abused, to the prejudice of the public interests, but in the interest of positive achievements this chance must often be taken.

In this particular instance, what is in contemplation? The country is confronted with a condition of exigency. Large sums of money must be loaned to certain individual enterprises, necessary to the successful conduct of the war. In order that these large sums may be loaned, a gigantic corporation must be created, and large powers given, powers, as suggested by the gentleman from Illinois, that may be abused. But if we afford the powers, it is inevitable that the chances must be taken. The mere fact that the financial corporation may loan a very large sum of money to one borrower does not mean at all that the securities offered for this loan, which necessarily must be awarded through several banks, possibly a great number of banks, will be inadequate or insufficient.

It is perfectly conceivable that one individual concern, operating through a group of banks, may be able to obtain far more than $50,000,000 from the finance corporation, but looking to the securities that must be afforded in order to obtain that loan, it

will be noted that the loan, according to the soundest principles of banking will be sufficiently protected. The operations of the proposed corporation are intended to be on a gigantic scale, but the aggregate value of the securities for these gigantic loans will be even more gigantic.

Mr. GLASS. And I would say to my friend it would have to be a mighty large group of banks. How many banks are there in this country that could loan as much as $5,000,000?

Mr. SAUNDERS of Virginia. That is perfectly true. There are few such banks. Another thing to be apprehended in this connection and never to be lost sight of is the fact that this is a war measure to be administered for war purposes, and war necessities. Is it conceivable that we will ever find any group of directors selected to discharge the responsibilities of this bill and cooperate to that end with the Secretary of the Treasury, who will so abuse their discretion and make their loans so unwisely, and so utterly without discretion, that they will defeat thereby the purposes of this act? It is conceivable that they may do this, but as a matter of likelihood, as a matter of probability, it is inconceivable that they will ever abuse their discretion to such an extent.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SAUNDERS of Virginia. Yes.

Mr. STERLING of Illinois. The gentleman will remember that the gentleman from Ohio [Mr. LONGWORTH], in reading from the testimony of Mr. Warburg, read one reason why Mr. Warburg favored section 9, and that was that a ring of banks might get together and say that they would not loan this or that concern any money, and that the only recourse of that concern would be to go to the corporation. Might not a ring of banks get together, if there is no limitation as to the amount of money that the ultimate borrower may get, and agree to loan all this money to one or two corporations for their own benefit, in which perhaps they are concerned, in which they are directors?

Mr. SAUNDERS of Virginia. Will not the bonds of the ultimate borrower be submitted to the finance corporation? Will not the directors and the Secretary of the Treasury be called upon to pass on the transaction intended to allow one or more corporations not contemplated by this act to secure for their own benefit the money to be secured from the finance corporation? Will these officials be asleep when confronted with such a situation?

Mr. STERLING of Illinois. If the gentleman thinks that security is the only thing to be aimed at in this, his argument is all right.

Mr. SAUNDERS of Virginia. That is certainly one thing to be considered in connection with a loan, but there is far more than the question of security to be considered. It may be that vital interests of our country may be involved in a proposed loan. What function are the directors and the Secretary of the Treasury intrusted to serve, unless it is to see that the business affairs of this corporation are to be conducted on sound principles, so as to promote the interests of the United States and win the war?

Mr. STERLING of Illinois. The gentleman admits then that it is possible?

Mr. SAUNDERS of Virginia. Oh, I admitted in the beginning that the powers given could be abused.

Mr. GARNER. Mr. Chairman, may I ask the gentleman from Illinois a question in the time of the gentleman from Virginia?

Mr. SAUNDERS of Virginia. Yes.

Mr. GARNER. Can the gentleman from Illinois mention five banks in the United States that would be able to get as much as $30,000,000 of this money?

Mr. STERLING of Illinois. No.

Mr. GARNER. Then how are you going to get a ring to get more than $50,000,000?

Mr. STERLING of Illinois. The gentleman from Texas can not, either, and yet he was an ardent supporter of this amendment to fix the limitation of $50,000,000.

Mr. GARNER. I believe I had the honor of suggesting this amendment in the committee, and I believe in it, but I say that it can not be abused in the manner suggested.

Mr. STERLING of Illinois. Then the gentleman agrees that he put it in there simply as surplusage and not as a necessary part of legislation, does he? It accomplishes nothing.

Mr. SAUNDERS of Virginia. Conceivably the powers given may be abused, practically, I say, they will not.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. SAUNDERS of Virginia. Mr. Chairman, I ask unanimous consent to proceed for two minutes. I wish to propound a question to the gentleman from Illinois [Mr. STERLING]. Is it not entirely likely, in connection with the gigantic operations which are such ordinary features of this world war, that some one single great enterprise will need more than $50,000,000?

Mr. STERLING of Illinois. Yes.

Mr. SAUNDERS of Virginia. Does the gentleman wish to bring to pass the result that such an enterprise may not directly or indirectly secure from the finance corporation a sum in excess of fifty millions?

Mr. STERLING of Illinois. No; but there ought to be some limitation so that it could not get it all. If you think this is not high enough, make it higher.

Mr. SAUNDERS of Virginia. Is it not true that the avowed purpose of the amendment proposed by the gentleman from Massachusetts is to provide that, even under the conditions of imperious necessity that I have suggested, conditions which are not only conceivable but which are entirely likely to arise, no single enterprise, whatever may be its operations or extent or however vital to the successful prosecution of the war, will be permitted to secure from the finance corporation a loan in excess of fifty millions?

Mr. STERLING of Illinois. Not at all. I am not insistent on the $50,000,000 being the limitation.

The CHAIRMAN. The time of the gentleman from Virginia has expired. The question is on the amendment offered by the gentleman from Massachusetts.

Mr. STERLING of Illinois. Mr. Chairman, before that question is put I would like to ask the chairman of the committee a question. I would like to ask him if he would not agree that this may go over until to-morrow?

Mr. KITCHIN. Oh, no; we want to finish the bill before to-morrow, because the postal employees bill, by order, comes up to-morrow.

Mr. STERLING of Illinois. Go on with the bill to-night, but leave this over until to-morrow.

Mr. KITCHIN. Oh, no; we want to finish the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 12. That the corporation shall be empowered and authorized to issue and have outstanding at any one time its bonds in an amount aggregating not more than four times its paid-in capital, such bonds to mature not less than one year nor more than five years from the respective dates of issue, and to bear such rate or rates of interest, and may be redeemable before maturity at the option of the corporation, as may be determined by the board of directors, but such rate or rates of interest shall be subject to the approval of the Secretary of the Treasury. Such bonds shall have a first and paramount floating charge on all the assets of the corporation, and the corporation shall not at any time mortgage or pledge any of its assets. Such bonds may be issued at not less than par in payment of any advances authorized by this title, or may be offered for sale publicly or to any individual, firm, corporation, or association, at such price or prices not less than par as the board of directors, with the approval of the Secretary of the Treasury, may determine.

Mr. KITCHIN. Mr. Chairman, I have here an amendment which we agreed either should be offered here or put in in conference, and I think it better be offered here.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 11, after line 8, insert a new paragraph, as follows:

"Any of such bonds may be issued payable in any foreign money or foreign moneys, or issued payable at the option of the respective holders thereof, either in dollars or in any foreign money or foreign moneys, at such fixed rate of exchange as may be stated in any such bonds and upon such other terms not inconsistent herewith as may be determined from time to time by the board of directors, with the approval of the Secretary of the Treasury, at or before the issue thereof. For the purpose of determining the amount of any such bonds issued payable in any foreign money or foreign moneys the dollar equivalent shall be determined by the par of exchange at the date of issue thereof, as estimated by the Director of the Mint and proclaimed by the Secretary of the Treasury, in pursuance of the provisions of section 25 of the act approved August 27, 1894."

Mr. KITCHIN. Mr. Chairman, the object of this amendment is to provide for the sale of the bonds of the corporation in foreign countries, payable in foreign money, in order to cut down the rate of exchange, which is very large now in countries from which we import more than we export.

Mr. McFADDEN. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. McFADDEN. I want to ask the gentleman if this is a copy of the amendment which was put in the Senate bill?

Mr. KITCHIN. This amendment provides for exactly what the Senate desired to accomplish, but in conferring with officials of the Treasury Department they thought the language of the Senate bill did not exactly effectuate the object which the Senate had in view and that this does.

Mr. HAYES. Will the gentleman yield for a suggestion?

Mr. KITCHIN. I will.

Mr. HAYES. I highly approve of the amendment, because I believe it will correct a very bad condition that is at present existing so that our exporters are fleeced when they export anything to Spain where the dollar is at a discount, say of 25 per cent, and the importers again——

Mr. KITCHIN. About 24 now.

Mr. HAYES. And the importers again are fleeced in the same way. They lose substantially 50 per cent on the transaction. This is a matter of exchange purely.

Mr. KITCHIN. This is on account of the embargo on gold, I believe. Say, for instance, we sell these bonds in Spain and our importers will pay for what they buy in these bonds and the bonds will be payable in the money of Spain.

Mr. MOORE of Pennsylvania. Our bonds are to be sold at par.

Mr. KITCHIN. They are to be sold at par.

Mr. MOORE of Pennsylvania. But we say that the foreign money must be of an amount equal to our par when the exchange is made.

Mr. KITCHIN. Yes.

Mr. McFADDEN. I will say to the gentleman I am heartily in favor of this amendment and I am very glad indeed he offered it. The fact is with a trade balance of $3,000,000,000 in our favor the fact that the dollar is at a discount in almost every country in the world——

Mr. KITCHIN. No.

Mr. McFADDEN. Will be somewhat corrected by this amendment.

Mr. KITCHIN. No; the exchanges against us are only in those countries from which we import more than we export, and the reason for that situation was explained by the gentleman from California.

Mr. McFADDEN. I think this will have a good, wholesome effect and I am in favor of it.

Mr. KITCHIN. It will have.

Mr. FESS. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. FESS. The Secretary of State made a statement some time ago to the Committee on Foreign Affairs that the rate of exchange is so high that our dollar is worth about 75 cents——

Mr. KITCHIN. He was speaking of Spain and perhaps some of the countries where we import more than we export.

Mr. FESS. And gave it as his judgment that that was without any reason and ought not to have existed.

Mr. KITCHIN. I really doubt if the Secretary of State had studied the situation when he made that statement or certainly he did not think of the embargo on gold.

Of course, if we had no embargo, I do not see how the difference could be any larger than the amount it would cost to transport the gold over there.

Mr. FESS. The balance of trade with these other Governments is so much in our favor that—what about foreign exchange?

Mr. KITCHIN. Our dollar is at par less the little cost of transportation. It is, anyway, in Great Britain and France.

Mr. FESS. Our dollar in the countries in Europe where the balance of trade is against us is very much reduced?

Mr. KITCHIN. Yes.

Mr. FESS. What about the pound in our country, where the balance of trade is in our favor?

Mr. KITCHIN. You mean to say——

Mr. FESS. The English sterling.

Mr. KITCHIN. The English sterling—the 5-pound sterling here in this country?

Mr. FESS. Yes.

Mr. KITCHIN. I understand that they have made an arrangement with a banking firm in this country—Morgan & Co.—to buy it up at $4.76, and that really the par value is $4.86. But for that the pound sterling here would be worth much less.

Mr. FESS. Is that remedy with us also over there?

Mr. KITCHIN. Yes. But it is not so important with us over there, because our imports from these countries are so small as compared with the exports to Great Britain.

Mr. FESS. But this will assist in remedying it?

Mr. KITCHIN. Yes.

Mr. HAYES. Will the gentleman yield?

Mr. KITCHIN. For a question.

Mr. HAYES. In order that I may state the situation so that the gentleman may understand, if a man goes to Spain to buy olive oil, for example, he must buy pesetas and must pay exchange and get his dollars in pesetas. If he goes there to sell anything, he must receive his pay in pesetas, and in order to get it into dollars he must pay the exchange and get it in dollars. And this will help, I hope, very materially to correct that condition.

Mr. STAFFORD. While the gentleman has the floor on the question that pertains——

Mr. KITCHIN. Does this refer to this matter?

Mr. STAFFORD. No.

Mr. KITCHIN. Then let us vote on this.

Mr. STAFFORD. Very well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. KITCHIN].

The question was taken, and the amendment was agreed to.

Mr. STAFFORD. I move to strike out the last word.

I wish to direct an inquiry to the chairman of the committee on a matter that has not been presented in the discussion. Unquestionably the committee considered in the committee the question of limiting the interest charge that these bonds should bear. I wish to obtain the chairman's view as to whether it was considered feasible to place any limit on the discretion of the board, subject to the approval, as this paragraph provides, of the Secretary of the Treasury, as to the interest rate that these bonds should bear?

Mr. KITCHIN. We did consider it, but we were unanimously of the opinion that we ought not to put a limit on it, because I imagine it will vary at different times; and we could not do it until we knew exactly what the rate of interest on the liberty bonds was going to be that we propose shall be issued under a bill that we will soon consider.

Mr. STAFFORD. Was there any testimony given before the committee, either publicly or privately, as to what rate of interest these bonds would likely bear?

Mr. KITCHIN. No; they could not tell. They will certainly bear a higher rate of interest than the liberty-loan bonds will bear. I think they will bear a little higher rate, and the more of these bonds that are issued the higher the rate will be, I imagine. That is the reason we put in this limit of $2,000,000,000, so that they would not compete with Government bonds. Of course, the higher rate of interest the corporation bonds will carry the more they will compete with Government bonds, and there will be more inducement for one to buy them.

Mr. STAFFORD. These bonds must necessarily carry a more flattering rate than the rate the liberty loan carries, because these bonds have not the credit of the Government.

Mr. KITCHIN. Of course they must bear a higher rate, but the more increased the rate over the Government rate the more competition there will be with the sale of Government bonds. So the Secretary of the Treasury and those interested in the selling of bonds will keep that rate just as low as possible.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

Mr. MORGAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MORGAN: Page 10, line 18, after the word "than" strike out the word "four" and insert the word "eight."

Mr. MORGAN. Mr. Chairman, I know that the Committee on Ways and Means have given this bill profound study. The conclusions of the committee are entitled to great weight. I dislike to take a position in opposition thereto. Yet I am compelled to do so. The original bill gave the corporation a capital of $500,000,000 and authorized it to issue bonds in an amount equal to eight times its capital. It was, therefore, authorized to issue $4,000,000,000 of bonds. The bill prepared by the Ways and Means Committee authorizes the same capital but reduces the authorized bond issue to $2,000,000,000. To this I am opposed. Hence my amendment authorizing the corporation to issue bonds to an amount equal to eight times its capital, amounting to $4,000,000,000. First, I will state that the ratio of 8 to 1 between the capital and the amount of bonds issued is conservative and clearly within the limits of safety. The capital of the bank is not the chief basis as security of the bonds. The bank uses the proceeds of the sale of bonds in buying securities, which are not only indorsed by banks but supported by gilt-edged collateral in an amount 25 per cent in excess of the bonds. If the object is to limit the credit the corporation may extend, then the capital might be reduced to $250,000,000, because upon this capital, with the required collateral security, the corporation may safely issue $2,000,000,000 in bonds. In this way you would save an appropriation out of the Treasury of $250,000,000. In other words, a corporation with $250,000,000 of capital could extend as much credit based upon bonds as this corporation under the limitation of the committee bill can extend with a capital of $500,000,000. Either my amendment should be adopted or you should reduce the capital to $250,000,000 and let the corporation issue bonds up to eight times the amount of its capital.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. Yes.

Mr. LONGWORTH. The gentleman will admit, of course, that these bonds will be more valuable if the amount of bonds is four times the amount of the capital rather than eight times?

Mr. MORGAN. I think not, because these bonds are amply secured. Every loan backed not only by a bank, but by high-class securities, with a margin of 25 per cent to meet possible losses. More than this, these bonds are practically Government bonds.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. Yes.

Mr. SLOAN. In this bill we provide that the Government is not responsible for either principal or interest.

Mr. MORGAN. Yes, Mr. Chairman; and if I have opportunity and time I shall move to strike that out.

Mr. SLOAN. No doubt you will have opportunity, but whether you will succeed in striking it out or not is uncertain.

Mr. MORGAN. Yes; I know by experience how difficult it is to change a bill supported by a committee. But nevertheless the Government is behind this corporation and its obligations. Why should you destroy the credit of the corporation by disclaiming any responsibility for its obligations? Why should you disclaim responsibility when we know that the Government is responsible for this governmental institution? It is not necessary for the Government to specifically guarantee these bonds. But by specifically disclaiming responsibility you discredit the institution in the eyes of the financial world, and warn all investors to beware.

But to go back to the bond issue. The Secretary of the Treasury, the vice president of the Federal Reserve Board, Mr. Warburg, and the experts of the Treasury Department ask that the corporation shall have authority to issue $4,000,000,000 in bonds. I read the statement of Secretary McAdoo. His opinion is entitled to great weight. The Ways and Means Committee is not supporting the Secretary of the Treasury. You are giving him only half what he asks. By so doing you are limiting the credit power of the corporation. You are taking away one-half of its power to extend credit. This, in my judgment, is unwise.

This corporation has a capital equal to nearly one-half the capital of all our national banks. Practically all of its loans will be made to banks, secured by high-grade collateral. Its bonds will rest upon obligations of banks, supported by securities, with a large margin to meet depreciation. While it may not be necessary to issue all these bonds, the banks of the country and the business interests of the country should feel that the corporation is in a position to meet all legitimate demands, however great as they may be.

The CHAIRMAN (Mr. SAUNDERS of Virginia). The time of the gentleman from Oklahoma has expired. The question is now on the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 13. That the Federal reserve banks shall be authorized, subject to the maturity limitations of the Federal reserve act and to regulations of the Federal Reserve Board, to discount the direct obligations of member banks secured by such bonds of the corporation and to rediscount eligible paper secured by such bonds and indorsed by a member bank. No discount or rediscount under this section shall be granted at a less interest charge than 1 per cent per annum above the prevailing rates for eligible commercial paper of corresponding maturity, nor, in any event, unless such member bank satisfies the Federal reserve bank that it has in its possession for the purpose of such transaction, insufficient commercial paper eligible for discount or rediscount under the regulations of the Federal Reserve Board made under authority of the Federal reserve act.

Mr. McFADDEN. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McFADDEN: Page 11, strike out the paragraph beginning on line 24 and ending on line 18 of page 12.

Mr. McFADDEN. Mr. Chairman, I would like to ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for 10 minutes.

Mr. KITCHIN. Mr. Chairman, we want to get through. The gentleman discussed this subject the other day in an hour's speech. I hope the gentleman will not ask for that.

Mr. McFADDEN. I will say to the gentleman that the other day I discussed the bill, and many Members asked for a remedy in place of this bill. This is my plan. If the House is not interested in hearing it——

Mr. KITCHIN. Well, I ask unanimous consent that all debate on this section close in 10 minutes, and that the gentleman shall have the 10 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the debate on this section close in 10 minutes, and that the gentleman from Pennsylvania [Mr. McFADDEN] shall have the 10 minutes. Is there objection?

Mr. WINGO. Reserving the right to object, Mr. Chairman——

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman from North Carolina yield?

Mr. KITCHIN. I will.

Mr. MOORE of Pennsylvania. Does the gentleman expect to finish the reading of this bill to-night?

Mr. KITCHIN. Yes. It is very important to finish this bill to-night. The postal employees' bill, according to agreement, will be taken up to-morrow. Then there is a very important bill to follow that on Friday. Saturday is unanimous-consent day.

Mr. MOORE of Pennsylvania. I call the gentleman's attention to the fact that three pages are yet to be read before the capital issues is reached.

Mr. KITCHIN. I think we are over the fight now.

Mr. MOORE of Pennsylvania. The capital issues are yet to come.

Mr. MOORE of Pennsylvania. I wish to advise gentlemen on this side who want to know.

Mr. GARNER. We want to get through with the bill to-night if we can.

Mr. CAMPBELL of Kansas. May I suggest to the gentleman from North Carolina that the reading of the bill will undoubtedly take until a late hour, until 7 or 8 o'clock. May I suggest that the vote on the final passage of the bill go over until to-morrow morning?

Mr. KITCHIN. Yes; we can do that.

Mr. MOORE of Pennsylvania. There are gentlemen who are absent to-day who want to vote on the passage of the bill.

Mr. KITCHIN. I want to give notice that there is no danger of losing the bill on the final vote. That is not the really important point. It is necessary for Members to stay here to-night to vote on these amendments. I do not suppose there will be 25 votes against the bill. The amendments that will be offered from time to time are the important things. Members must not think that because we are going to vote on the passage of the bill to-morrow morning that they can go home and that there will be no roll call until then, because amendments may be offered here that will destroy the whole bill. It is important that the Members should remain here during the discussion under the five-minute rule.

Mr. GILLETT. The gentleman does not intend to stay until 7 or 8 o'clock to-night, does he?

Mr. KITCHIN. Yes.

Mr. GILLETT. What difference does it make whether we pass the bill to-night or to-morrow?

Mr. KITCHIN. I will tell the gentleman the difference that it makes. If we let this thing go over until to-morrow morning it will take all day. It has been my experience in this House since I have been here that we can do more work between 5 and 7 o'clock than we can do in the five preceding hours. And that is the experience of the gentleman, too.

Mr. GILLETT. Certainly, when the Members are out at dinner we can work very rapidly.

Mr. KITCHIN. Seriously, I do not think there is any real fight on any other portion of the bill.

Mr. SMITH of Michigan. We have crossed the Rubicon.

Mr. LONGWORTH. Will the gentleman ask unanimous consent that the previous question shall be considered as ordered on the bill and amendments to the final passage after the reading of the Journal to-morrow?

Mr. KITCHIN. I will do that to-night.

Mr. LONGWORTH. The gentleman will agree to do that, so that we will understand it?

Mr. KITCHIN. Yes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina [Mr. KITCHIN] that debate on this section and all amendments thereto close at the end of 10 minutes, the time to go to the gentleman from Pennsylvania [Mr. McFADDEN]?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. McFADDEN] is recognized for 10 minutes.

Mr. McFADDEN. Mr. Chairman, if this amendment carries, it is my purpose to offer the following amendment in place of this section:

PROPOSED AMENDMENT.

Amend section 16, third paragraph, of the Federal reserve act approved September 7, 1916, line 2, by striking out the words "thirty-five" and inserting the words "twenty-five," and in line 4 strike out the word "forty" and insert the word "thirty."

This amendment would then simply decrease the amount of reserves that our Federal reserve banks are maintaining in gold and lawful money from 35 per cent against its deposits and reserve in gold of not less than 40 per cent against its Federal reserve notes in actual circulation to 25 per cent reserve against its deposits to reserves in gold of not less than 30 per cent against its Federal reserve notes in actual circulation.

This is a lowering of the gold reserves back of the Federal reserve notes and deposits 10 per cent each.

It is claimed by the advocates of this bill that there is not sufficient elasticity in the Federal Reserve System to provide for the needs of the Government and industrial interests of the country in the matter of credit and circulating medium.

If these advocates are sincere, they should indorse this amendment and thus provide the necessary relief in the present Federal reserve banking system.

In my judgment in this reduction of legal reserves it is much better that these facilities should be provided through the Federal Reserve System than through the provision of making this vast amount of liquid paper to be issued by the new corporation eligible for rediscount with the Federal reserve banks, thus clogging the Federal Reserve System and destroying its great strength, that of maintaining itself in a liquid condition and thus keep the United States out of the banking business.

I would call your attention also to the fact that while the demands of the Government in the way of borrowings are great and will continue so until the end of the war, the volume of business to be done in this country in the aggregate this year will not be much, if any larger than that done during 1917, due to the slowing down of much of our industrial situation due to familiar reasons.

Our capacity to do business can only extend to our ability to secure supplies and raw materials, transportation facilities, and so forth.

As I pointed out day before yesterday, our circulating medium is not leaving the country nor is it being buried in a hole in the ground, but as fast as the money and credit is accumulated in the Treasury of the United States it is, or should be, redistributed into the channels of business and trade to facilitate the exchange and settlement of business transactions.

I would point to the fact that the only disturbance that can take place if these statements are correct is in the clogging through rules and regulations, thus slowing up the redistribution of our finances taken into the Treasury Department through the sale of liberty bonds and the collection of taxes. I want to so amend this bill that the private investors and not Federal reserve banks will buy and hold these securities which are nonliquid and keep them by this plan out of the Federal reserve banks, which banks, if they are to continue in operation, must be kept in a liquid condition. Now, this brings up the question of the sale or disposition of the securities to be issued by this new corporation. The sale in a broad market of these securities is one of the strongest features in this bill if a market can be found.

I doubt this, however, as they will come in direct competition with a market full of liberty bonds; these bonds representing capital investment and not liquid, should not be put into the banks, but should only be held by private investors, endowed institutions, insurance companies, and so forth, because while the advances are primarily made direct to industry and banks, it is done for the purpose of aiding the Government to run and thus win this war, so that it really is the Government that is being aided.

Mr. GREEN of Iowa. Will the gentleman yield there?

Mr. McFADDEN. I will.

Mr. GREEN of Iowa. With reference to marketing the bonds, I suppose the gentleman observed that a few days ago the city of New York offered $20,000,000 of its securities on the market and there were $110,000,000 subscribed. I do not think there is any shortage of funds in the country.

Mr. McFADDEN. Then I would ask the gentleman, in reply, what is the use of a corporation of this kind if there is such an abundance of money?

Mr. GREEN of Iowa. It is because the money has been taken away from the ordinary channels and scattered through the country with the small investors. The object of these bonds is to gather this money together.

Mr. McFADDEN. Then all the gentleman thinks we need is a capital issues committee and not a measure whose function will be the creation of a $4,500,000,000 corporation?

Mr. GREEN of Iowa. The credit is to be made on these bonds.

I then argue that these bonds should be sold to and held by individuals and private investment sources, the same as the liberty bonds must be sold to and held by this same class.

Now, I want to call attention to the statements made by the Secretary of the Treasury in the hearings before the Senate Finance Committee, in which he said that in all probability before we get through with the stress of this war the gold reserve back of the Federal reserve notes outstanding and deposits in the Federal reserve banks would have to be lowered. I would ask you what reserves are for if not to be used in an emergency? I would also state the fact that during the early part of the war the Bank of England reduced its reserve to almost 9 per cent. I think by the adoption of my amendment that sufficient relief for all the needs of the United States war financing could be had through the Federal reserve banks in a way that would not clog the Federal Reserve System as the placing in these banks of long-time nonliquid obligations.

Mr. GLASS. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. GLASS. The gentleman does not mean to say that the Bank of England has any statutory reserve?

Mr. McFADDEN. It maintains a reserve. It might be called a rule or requirement.

Mr. GLASS. Yes; but it has no statutory reserve.

Mr. McFADDEN. England is on a gold basis. The fact that it pays out gold as fast as demanded maintains its solidity.

Mr. GLASS. The gentleman stated that the Bank of England reduced its reserve, as if it had any statutory reserve at all.

Mr. McFADDEN. It reduced its reserve from what it usually carries to about 10 per cent under stress of demand. My point was that it is better to reduce the gold reserve requirement than it is to put the United States into the banking business, as this bill does.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. SMITH of Michigan. I would like to inquire whether the Federal reserve banks are not required to have reserves of only 12 and 9 per cent.

Mr. McFADDEN. Yes; the reserve requirement of the country member banks under the Federal Reserve System is 7 per cent and of banks in cities 10 and 13 per cent of their aggregate deposits. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 17. That the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation.

Mr. MORGAN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 15, strike out section 17.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from North Carolina moves that all debate on the paragraph and amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. MORGAN. Mr. Chairman, in my remarks on the other amendment I suggested that if I had the opportunity I would move to strike out section 17. This section provides:

That the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation.

With all due respect to the Committee on Ways and Means, for which I have the highest regard, I think this is a very unwise provision. This is a Government corporation. If the United States may be called a corporation, this is a subsidiary corporation. The United States is the only stockholder. It appoints its officers; manages and controls it completely. The Government is responsible for it in every way. It is simply an instrument created by the United States, absolutely without power or credit except through the Federal Government. We could finance these war activities directly through the Treasury Department, but the Secretary of the Treasury, Mr. McAdoo, says for many reasons it is better to do it through a Government corporation. And so it is the War Finance Corporation of the United States.

Think of it! You propose, in effect, to solemnly declare in the law that the United States will not be responsible for its

own bonds and obligations. To me this is most remarkable. More than this, by so doing you greatly injure the credit of this corporation. You tell the financial world, the investors, to beware. You propose to issue from two to four billions of bonds and invite the public to buy them, but on each bond you propose to inscribe a warning to the public not to purchase these bonds. By this provision you weaken the credit of an institution to which you give a capital of $500,000,000, when the sole purpose of this vast appropriation is to extend credit. This provision will simply hamper and hinder the corporation, and whatever interferes with the success of the corporation interferes with the objects and purposes in creating the corporation. With this provision in the bill the bonds will not sell so well. It will mean more difficulty in selling the bonds, and will mean higher rates of interest on the bonds. This will be the natural and logical effect of the provision.

Mr. MOORE of Pennsylvania. The very purpose of this section is to give public notice that these bonds are not Government bonds. They have certain privileges, exemption from taxation and things of that sort, and the purpose of the paragraph is to let the public know they are not Government bonds, so that there would be no breach of faith on the part of the legislature.

Mr. MORGAN. I say that in effect these are Government bonds. They are issued by a Government corporation. Even with this provision in the law, the United States will and should stand behind the corporation. It would be an act of bad faith to do otherwise. You might just as well repudiate the liberty bonds or any other obligation as to repudiate the obligations of this Government corporation. It is a war institution. It will help us win the war. It is to serve the Nation in a great emergency. It is to help us fight our battles, and this Government will never permit its obligations to go unpaid, and it should not do so.

Mr. LA FOLLETTE. Can the gentleman conceive of a corporation being formed where the stockholders are not liable? In this case the Government of the United States is the sole stockholder.

Mr. MORGAN. That is a good suggestion. The Government being the only stockholder and following the rule applied to corporations generally would be liable to the creditors of the corporation up to double the amount of stock it holds. This would fix the liability of the Government at $500,000,000 over and above its stock in the corporation. Of course, the capital of the corporation furnished by the Government would be subject to claims of creditors and holders of bonds. But beyond this, the Government is morally responsible for the obligations of this corporation. It will be a creature of the Government. It will be an instrumentality through which the Federal Government will do certain things deemed necessary for the national security. The Government should not evade this moral responsibility. To do so is to defeat the very ends the Government has in view. In 1916 we created 12 Federal land banks and authorized them to issue bonds. These were Government-controlled land banks.

We did not in that law declare that the Government would not be responsible for the bonds issued by these institutions. The law was silent on that point. Shall we by this provision say to the financial world that we have less faith in a Government corporation than we had in Federal land banks? I say no. This provision should go out. It is not necessary to give any specific guaranty by the Government to pay the bonds or obligations of the war finance corporation. But to declare in this law that the United States would not be responsible for any of the obligations of this war finance corporation would be an inexcusable mistake, a monumental blunder, such as I believe the statesmanship in the Congress of the United States is incapable of making.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The amendment was rejected.

Mr. SLOAN. Mr. Chairman, I ask unanimous consent to return to section 16 for the purpose of offering an amendment to correct the text.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SLOAN. On line 12 the word "partnership" is used in the singular form, while the other words, "individuals, corporations," are in the plural. I simply want to have an "s" added to the "partnership."

Mr. KITCHIN. That is correct.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Nebraska.

The Clerk read as follows:

Page 14, line 12, strike out the word "partnership" and insert the word "partnerships."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 18. That whoever (1) makes any statement, knowing it to be false, for the purpose of obtaining for himself or for any other person, firm, corporation, or association any advance under this title, or (2) willfully overvalues any security by which any such advance is secured, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than one year, or both.

Whoever (1) falsely makes, forges, or counterfeits any bond, coupon, or paper in imitation of or purporting to be in imitation of a bond or coupon issued by the corporation; or (2) passes, utters, or publishes, or attempts to pass, utter, or publish, any false, forged, or counterfeited bond, coupon, or paper purporting to be issued by the corporation, knowing the same to be falsely made, forged, or counterfeited; or (3) falsely alters any such bond, coupon, or paper; or (4) passes, utters, or publishes as true any falsely altered or spurious bond, coupon, or paper issued or purporting to have been issued by the corporation, knowing the same to be falsely altered or spurious, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than five years, or both.

Whoever, being connected in any capacity with the corporation, (1) embezzles, abstracts, or willfully misappplies any moneys, funds, or credits thereof, or (2) with intent to defraud the corporation or any other company, body politic or corporate, or any individual, or to deceive any officer of the corporation, (a) makes any false entry in any book, report, or statement of the corporation, or (b) without authority from the directors draws any order or assigns any note, bond, draft, mortgage, judgment, or decree thereof, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than five years, or both.

The Secretary of the Treasury is hereby authorized to direct and use the Secret Service Division of the Treasury Department to detect, arrest, and deliver into custody of the United States marshal having jurisdiction any person committing any of the offenses punishable under this section.

Mr. CONNALLY of Texas. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. CONNALLY of Texas: Page 15, line 11, after the word "by," where it occurs the first time in the line, strike out all in line 11 after the same word "by" and all in line 12, and insert in lieu thereof the following words: "imprisonment for not more than five years."

Mr. CONNALLY of Texas. Mr. Chairman and gentlemen of the committee, I have no disposition to take up the time of the committee; but the object of this amendment is to prevent anyone violating the provisions of this paragraph from the possibility of escaping merely by paying a fine. I have also prepared and have sent to the desk amendments modifying the subsequent paragraphs in the same way. It is not necessary for me to say that we have all been talking about putting people in the penitentiary who violate laws of this character, and it does seem to me that in this time of war an individual who defrauds the Government ought not to be permitted to escape merely by the payment of money. I think he ought to be imprisoned, and that is the object of the amendment.

Mr. MOORE of Pennsylvania. The gentleman's amendment would not leave it in the discretion of the court to impose a fine?

Mr. CONNALLY of Texas. It would take the discretion away from the courts.

Mr. MOORE of Pennsylvania. Can the gentleman not conceive of cases where the court ought to exercise that discretion?

Mr. CONNALLY of Texas. In such a case the court may fix the sentence at imprisonment for one day or one year or more, not exceeding the maximum provided.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection?

There was no objection, and the Clerk again reported the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. CONNALLY of Texas) there were—ayes 17, noes 57.

So the amendment was rejected.

Mr. WALSH. Mr. Chairman——

Mr. CONNALLY of Texas. Mr. Chairman, I have two more amendments. I do not care to discuss them, but I would like to have them offered and read.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 15, line 24, strike out all after the word "by" in line 24, and strike out lines 1 and 2 on page 16 and insert in lieu thereof the following: "imprisonment for not more than 10 years."

The question was taken, and the amendment was rejected.

Mr. CONNALLY of Texas. Mr. Chairman, I offer a further amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 16, line 12, strike out all after "by" in line 12 and all of lines 13 and 14, and insert in lieu thereof the following: "imprisonment for not more than 10 years."

The question was taken, and the amendment was rejected.

Mr. WALSH. Mr. Chairman——

Mr. PHELAN. Mr. Chairman, I want to offer an amendment as a new section if it is in order. If it is in order now I desire to offer it now.

Mr. WALSH. Mr. Chairman, I have an amendment to offer to the section.

The CHAIRMAN. The Clerk will report the amendment.

Mr. WALSH. I move to amend, page 16, line 1, by striking out the figures "$5,000" and insert "$10,000," and I offer the same amendment in line 13, page 16.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. WALSH: Page 16, line 1, strike out "$5,000" and insert "$10,000."

Mr. KITCHIN. We have no objection to the amendment.

The CHAIRMAN. The Clerk has not finished reading the amendment.

The Clerk read as follows:

And on page 16, line 13, strike out "$5,000" and insert "$10,000."

Mr. STAFFORD. Will the gentleman yield?

Mr. WALSH. I do.

Mr. STAFFORD. Does not the gentleman also wish to amend the amount at the top of page 16 and make it $10,000?

Mr. WALSH. I also offer that as part of my amendment—I did that.

Mr. STAFFORD. I understood the gentleman had three places——

Mr. WALSH. Mr. Chairman, I also desire to offer as a part of my amendment, page 15, line 11, strike out the figures "$5,000" and insert "$10,000," and in line 12 strike out "one year" and insert "five years."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 15, line 11, strike out "$5,000" and insert "$10,000"; and in line 12, same page, strike out the word "one" and insert the word "five" and insert the letter "s" after the word "year."

Mr. KITCHIN. What is that?

Mr. WALSH. So it will read "not more than $10,000 or by imprisonment for not more than five years."

Mr. KITCHIN. Or both?

Mr. WALSH. Or both.

Mr. KITCHIN. We accept that amendment as far as the committee can.

Mr. RUCKER. Will the gentleman yield?

Mr. WALSH. I will yield.

Mr. RUCKER. As the gentleman's amendment reads, it merely fixes the maximum of punishment in the way of fine at $10,000.

Mr. WALSH. Yes.

Mr. RUCKER. Does not the gentleman believe there ought to be a minimum punishment above $1? As it stands now, it will permit a fine of $1 for these fellows. Ought it not to be "not less than $1,000"?

Mr. WALSH. Mr. Chairman, in reply to the gentleman from Missouri I think in many emergency measures that have been passed by the Congress carrying a punishment for their violation a maximum punishment has been fixed in the law, and I think that it is better to do that, particularly where we provide that the fine and imprisonment may both be imposed, and of course these provisions as to violations of this section will probably be punished under existing laws, but if we put the punishment into this act in the language as suggested it will leave it to the court to fix the punishment under all the circumstances, and I do not think there are many United States courts which would impose light penalties for violations or offenses as serious as any of these might be, but there might be some violations that would not require a heavy fine, and I think the court ought to be permitted to impose——

Mr. RUCKER. Generally speaking, I agree with the views expressed by the gentleman, but we are dealing now with a very important question of Government securities, of securities offered to the Government as security for loans, and I do not believe this Congress ought to put itself in the position to say that we think a $1 fine and one day in jail would be sufficient, but we ought at least to specify the minimum for the punishment of the offense.

Mr. WALSH. In reply, if the gentleman will permit, if you put in the minimum you have got to trust the court to determine what is the adequate punishment. And we fix the penalty, and it is up to the court to determine under all the circumstances what the punishment shall be.

Mr. RUCKER. The trouble, I think, is that the court has the impression that Congress has determined that anywhere from $1 up is adequate punishment.

Mr. WALSH. Oh, no. There are many, many laws that are worded in the same way.

Mr. KITCHIN. I will say in this connection that this is a general penalty clause, and that this kind of language, "not more than so much fine or not to exceed so many years imprisonment, or both," is in practically all the penalty clauses that Congress has passed.

Mr. ALEXANDER. I wish to state that when we adopted the Criminal Code a few years ago we adopted the plan of not fixing any minimum.

Mr. KITCHIN. I think that is so.

Mr. RUCKER. I would rather write into the law that Congress requests the court to pardon a man than fix a dollar penalty.

Mr. KITCHIN. Personally I am very much in sympathy with the views of the gentleman, but such action would not be in accordance with our general policy in fixing penalties.

Mr. WALSH. I understand the gentleman from North Carolina has no objection?

Mr. KITCHIN. I have no objection to it.

The CHAIRMAN. Without objection, the Clerk will again report the amendment, which is really four amendments.

The Clerk read as follows:

Amendment by Mr. WALSH: Page 15, line 11, strike out "$5,000" and insert "$10,000"; and in line 12, strike out "one year" and insert "five years"; page 16, line 1, strike out "$5,000" and insert "$10,000"; page 16, line 13, strike out "$5,000" and insert "10,000."

The CHAIRMAN. The question is on agreeing to the amendment proposed by the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

Mr. PHELAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. PHELAN offers an amendment as follows: Amend, on page 16, after line 19, by adding a new section:

"SEC. 20. Section 5202 of the Revised Statutes of the United States is hereby amended so as to read as follows: 'No national banking association shall at any time be indebted, or in any way liable, to an amount exceeding the amount of its capital stock at such time actually paid in and remaining undiminished by losses or otherwise, except on account of demands of the nature following:

"'First. Notes of circulation.

"'Second. Moneys deposited with or collected by the association.

"'Third. Bills of exchange or drafts drawn against money actually on deposit to the credit of the association or due thereto.

"'Fourth. Liabilities to the stockholders of the association for dividends and reserve profits.

"'Fifth. Liabilities incurred under the provisions of the Federal reserve act.

"'Sixth. Liabilities incurred under the provisions of the War Finance Corporation act.'"

Mr. LONGWORTH. Mr. Chairman, I reserve a point of order on that.

Mr. KITCHIN. I have examined that pretty thoroughly, and I think it ought to go in, I will say to the gentleman from Ohio.

Mr. LONGWORTH. It is certainly not germane to this section.

Mr. KITCHIN. If we do not put in this provision, and make the change in the law which this amendment makes, it will tie the hands of the national banks from helping out these corporations.

Mr. LONGWORTH. I only reserved the point of order in order to hear the explanation.

Mr. KITCHIN. I will state that I think there were some of the committees that had this amendment under consideration and thought that this section of the Revised Statutes should not apply to this limitation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. PHELAN].

The question was taken, and the amendment was agreed to.

Mr. NORTON. Mr. Chairman, I offer an amendment to section 21.

The CHAIRMAN. The gentleman from North Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. NORTON: Page 16, at the end of line 19, insert a new section, as follows:

"That the corporation shall be empowered to authorize, to subscribe for, acquire and own, buy and sell, and deal in lands and obligations of any State or county of the United States issued since April 6, 1917, to

increase food production to such extent as the board of directors, with the approval of the Secretary of the Treasury, may from time to time determine."

Mr. KITCHIN. Does the gentleman want to discuss that?

Mr. NORTON. Yes; for just a minute.

Mr. KITCHIN. I am going to ask unanimous consent that all debate on this section and amendments thereto shall close in five minutes.

Mr. LONGWORTH. I think I will make a point of order on that amendment.

Mr. KITCHIN. I will ask that all debate on this section and amendments thereto close in five minutes.

The CHAIRMAN. What about the point of order?

Mr. LONGWORTH. I will reserve it.

Mr. KITCHIN. The gentleman can have four minutes of the five.

The CHAIRMAN. The point of order is reserved.

Mr. WALSH. You can not fix the debate while the point of order is pending.

The CHAIRMAN. The gentleman from North Dakota is recognized, pending the reservation of the point of order.

Mr. NORTON. Mr. Chairman, the amendment I have offered is the same as section 11 of the bill, with this difference, that it provides that the corporation may purchase county or State bonds which have been issued since the beginning of the war for the purpose of increasing food production.

Some of the States since the beginning of the war have enacted laws providing for the issuance of bonds by the State or by counties, the money derived from which is to be used for increasing food production. Some of the States and counties are now finding it difficult to dispose of these bonds at reasonable rates of interest. I believe that if this legislation as it now stands does not permit the finance corporation to buy these bonds it should be amended as I have proposed, so that this corporation may purchase bonds of the character to which I have referred.

I want to say that while I doubt somewhat the necessity of this legislation, yet if we are going to pass the legislation, if we are going to provide for a corporation of this kind its provisions should be such as to allow the corporation to help industries in the country that are most necessary to the success of the war. Among the most important of such industries is that of agriculture. The provisions of this legislation unquestionably should be broad enough to assist counties and States in the sale of their bond issues to encourage food production.

Mr. LONGWORTH. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. On the ground that it is not germane?

Mr. LONGWORTH. Yes.

The CHAIRMAN. Clearly it is not germane. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

TITLE II.—CAPITAL ISSUES COMMITTEE.

SEC. 200. That there is hereby created a committee to be known as the "Capital Issues Committee," hereinafter called the committee, and to be composed of seven members to be appointed by the President of the United States, by and with the advice and consent of the Senate. At least three of the members shall be members of the Federal Reserve Board, and not more than four shall be members of the same political party.

No member or officer of the committee shall in any manner, directly or indirectly, participate in the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly interested. Before entering upon his duties, each member and officer shall certify under oath to the Secretary of the Treasury that he will comply with the provisions aforesaid, and he shall also take an oath faithfully to discharge the duties of his office. Nothing contained in this or any other act shall be construed to prevent the appointment as a member of the committee of any officer or employee under the United States or of a director of a Federal reserve bank.

The terms during which the several members of the committee shall respectively hold office shall be determined by the President of the United States, and the compensation of the several members of the committee who are not members of the Federal Reserve Board shall be $7,500 per annum, payable monthly, but if any such member receives any other compensation from any office or employment under the United States the amount so received shall be deducted from such salary, and if such other compensation is $7,500 or more, such member shall receive no salary as a member of the committee. Any member shall be subject to removal by the President of the United States. The President shall designate one of the members as chairman. Four members of the committee shall constitute a quorum for the transaction of business.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last word.

Mr. MOORE of Pennsylvania. Mr. Chairman, my attention has just been called to a portion of this section, to which I draw the attention of the gentleman from North Carolina. On page 17, beginning at line 8, provision is made for the members of the Capital Issues Committee entering upon the performance of their duties. They are to take an oath faithfully to discharge the duties of their office. It has been suggested—and I admit that it is new matter that ought to have been called to the attention of the gentleman before—that they are not required to take that same oath of office that the public official is required to take under the Constitution.

Mr. KITCHIN. I suggest that we take that up later.

Mr. SLOAN. The gentleman from Ohio [Mr. GORDON] has an amendment prepared covering that precise point.

Mr. KITCHIN. It is absolutely unnecessary, but I have no objection to putting it in. The Constitution requires all officers of the Government to take an oath, and we create a great many offices in statutes which say nothing about the oath to support the Constitution. The Constitution of the United States says they shall do it.

Mr. MOORE of Pennsylvania. Will the gentleman agree to take it up later?

Mr. KITCHIN. Yes. It could be amended by inserting, in line 12 of page 17, the words "discharge the duties of the office and take the oath to support the Constitution of the United States."

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. KITCHIN. Let that go over, and before we dispose of the bill to-night we can go over each of the sections in which this oath occurs and consider amendments to all the sections.

Mr. FESS. Mr. Chairman, in opposition to the pro forma amendment, I want to call the attention of the chairman to line 19, page 17, as to the tenure of office of this committee, which is left uncertain, to be fixed by the President. Why was that? Why did you not fix the term of office definitely of this Capital Issues Committee instead of leaving it to be fixed by the President?

Mr. KITCHIN. Because it may become necessary in 12 months for the President to say this is unnecessary. He is given that power. We are not so much concerned about the terms of these gentlemen as we were about the terms of the board of directors of the corporation. The President, whenever he declares that it is not necessary for the prosecution of the war to have this committee, can terminate it at once.

Mr. FESS. And the committee will cease to exist?

Mr. KITCHIN. Cease to exist and to exercise any control over the capital issues. We thought it best to leave the tenure of office of the committee to the discretion of the President.

The CHAIRMAN. Without objection, the section will be passed over.

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 201. That the Committee may employ and fix the compensation of such officers, attorneys, agents, and other employees as may be deemed necessary to conduct its business, who shall be appointed without regard to the provisions of the act entitled "An act to regulate and improve the civil service of the United States," approved January 16, 1883 (vol. 22, U. S. Stats. L., p. 403), and amendments thereto or any rules or regulations made in pursuance thereof. No such officer, attorney, agent, or employee shall receive more compensation than persons performing services of like or similar character under the Federal Reserve Board.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. STAFFORD offers the following amendment: Page 18, line 11, after the word "appointed," strike out "without regard to" and insert "other than the officers and attorneys in accordance with."

Mr. STAFFORD. So that the section will read——

The Clerk read as follows:

So that as amended the section will read:

"SEC. 201. That the committee may employ and fix the compensation of such officers, attorneys, agents, and other employees as may be deemed necessary to conduct its business, who shall be appointed other than the officers and attorneys in accordance with the provisions of the act entitled 'An act to regulate and improve the civil service of the United States,' approved January 16, 1883," etc.

Mr. STAFFORD. Mr. Chairman, the purpose of this amendment is to bring within the civil-service law all employees of this issues committee other than the officers and attorneys necessary in the furtherance of its work. I can see where there might be some need of excepting officers and attorneys from the provisions of the civil-service law, but in the work of this important committee I can see no need whatever to allow spoils, with a big "S," to apply to all the employees. In no administration has the spoils system been extended so completely as during the present administration. There are millions and millions of dollars appropriated and available to-day in the In-

ternal Revenue Service for the appointment of those who are of the faithful. Not only are they being appointed directly, but the civil-service law is being violated.

Mr. CALDWELL. Will the gentleman yield?

Mr. STAFFORD. Not at the present time. They are avoiding the civil-service law by allowing the local collectors to appoint deputy collectors, and then later permit them to qualify, leaving those alone who have been selected by the local collectors to take the civil-service examination for higher-grade positions, which under the civil-service law should be filled by competitive examination. If they fail they are still continued as deputy collectors, and if they qualify they alone are appointed to perform the responsible work required in the assessment of income taxes and war-profit taxes, a work of the most exacting character. This work to-day is being performed by the Democratic faithful throughout the country, and millions of dollars are available for that purpose. That is the testimony of Hon. Daniel C. Roper, *Commissioner* of Internal Revenue, before the Committee on Appropriations.

I recognize that at this time there is perhaps a need to allow this committee to appoint officers and attorneys without the limitations of the civil-service law, but there is no reason why we should allow this committee to have the freedom to appoint whomsoever it chooses of the Democratic faithful.

Mr. LONGWORTH. Would the gentleman be willing to include agents in his amendment?

Mr. STAFFORD. If there is a similar need.

Mr. LONGWORTH. The agents are required to have expert knowledge.

Mr. STAFFORD. If that is the case, I have no objection. I have no desire to restrict the operations of this issues committee——

Mr. WALSH. If they are experts, they can pass the civil-service examination.

Mr. GORDON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. GORDON. If you were placed in charge of this bank, would you want the Civil Service Commission to pick for you the men who would handle the money you were responsible for?

Mr. STAFFORD. This is not the bank. This is the committee. The gentleman does not know what we are considering. We have passed the bank provision.

Mr. GORDON. It has to do with the bank.

Mr. STAFFORD. Not at all. This is the issues committee, something different entirely.

Mr. CALDWELL. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. CALDWELL. The gentleman complained in the first part of his remarks that this provision as it stands would enable the faithful to be taken care of. Does not the gentleman think the faithful ought to be rewarded?

Mr. STAFFORD. I think they have been rewarded more than at any time in recent history by the present administration, and I am calling attention to the fact that it is going to result in a most extravagant administration in the collection of the income tax and the war excess-profits tax; and not only extravagant but inefficient administration of this most important work.

Mr. Chairman, I ask unanimous consent to change the amendment so that instead of the words "other than" it shall read "except."

The CHAIRMAN. The gentleman asks unanimous consent to modify his amendment as the Clerk will report.

The Clerk read as follows:

Modify the amendment by striking out the words "other than" and inserting the word "except."

The CHAIRMAN. Is there objection to the modification?

There was no objection.

Mr. KITCHIN. Mr. Chairman, the committee put this provision in the bill as it is for the reason that the committee might not exist more than 6 or 12 months, and it would be difficult to get from the civil-service list employees to take these places. More than that, it is contemplated that the agents provided for in this bill will be the Federal reserve banks wherever practicable, and if you do that the employees of the Federal reserve banks are not under the civil service and they would have to be put under the civil service and take a civil-service examination. The committee did not think it was wise or worth while to require all the employees of this capital issues committee to take civil-service examinations.

Mr. GREEN of Iowa. Is there any more reason why these employees should be put under the civil service than employees under the Federal reserve act?

Mr. KITCHIN. No; and employees under the Federal reserve act are not under the civil service.

Mr. GILLETT. Why should not they be under the civil service?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—25 ayes and 48 noes.

So the amendment was rejected.

The Clerk read as follows:

SEC. 202. That all the expenses of the committee, including all necessary expenses for transportation incurred by the members or by their officers, attorneys, agents, or employees under its orders in making an investigation or upon official business in any other places than at their respective headquarters, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the chairman.

The committee may rent suitable offices for its use, and purchase such furniture, equipment, and supplies as may be necessary.

The principal office of the committee shall be in the District of Columbia, but it may meet and exercise all its powers at any other place. The committee may, by one or more of its members, or by such agents as it may designate, prosecute any inquiry necessary to its duties in any part of the United States.

Mr. LA FOLLETTE. Mr. Chairman, I move to strike out the last word. Being a member of the special water-power committee, which has been in session all the week, morning and evening, I have had no opportunity to take part in the debate on this bill and have heard but few of the arguments advanced in favor of the measure. I have, though, read and studied it as carefully as my limited time would permit and have come to the conclusion that even though it is advanced as a war measure, all of which measures I have supported up to this time, some of them with misgivings, I can not bring myself to support this one.

This is a bill "to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes," and it commences by forming a War Finance Corporation, composed of the Secretary of the Treasury and four additional persons, as a body corporate, which incorporation is for a period of 10 years. Provided its business, other than liquidation of its assets, ceases within six months after the close of the war, the date of such termination to be fixed by the President of the United States.

The capital stock of the corporation is fixed at $500,000,000, all of which shall be subscribed by the United States of America, and the money is appropriated from the Treasury of the United States. The Secretary of the Treasury is chairman of the board of directors, the other four directors to be appointed by the President of the United States, and the bill specifically provides that the President may appoint these four directors from officials already in the employ of the United States or any directors of Federal reserve banks.

I think the committee made a mistake in forming the directorate of this most important corporation in making the Secretary of the Treasury not only a director but chairman of the board. He is only human. A day is only 24 hours long, and it is a physical impossibility for the Secretary of the Treasury to give personal attention and thought to 50 per cent of the many duties already imposed upon him by various laws passed since the present incumbent was first inducted into office. There is not a Member here but knows that the larger part of his supposed duties must, in the very nature of things, be entrusted to subordinates, with only a most perfunctory survey by the Secretary himself. He has already been appointed Director General of all the railroads of the country, and now you add to that duty the chairmanship of a board of directors who are to dispense $500,000,000 of the people's money appropriated from the Treasury of the United States, and in addition thereto, the expenditure of $2,000,000,000 more raised by the selling of bonds of the corporation, a corporation that should the war last four or five years will, in the very nature of the incorporation, do probably five or six billions of dollars business. And you make it possible for the directors of this great institution to be chosen from officials of the Government already overburdened with duties largely added to by the war.

The naming of the members of the board is, with the exception of the chairman, left to the judgment of the President of the United States. With all due respect to the President, I think it very unwise to place this discretion in his hands, and I place his discretion on a par with that of the committee when it made the Secretary of the Treasury chairman of this board of directors. I have not forgotten that the President did not hesitate to add to the multitude of duties already devolving on the Secretary by making him Director General of all the railroads of this country, because of his great executive ability, the only sample of which, in so far as I know, was displayed in the construction of one of New York's subways. Quite an extraordinary undertaking, no doubt, but not sufficient, in my judgment to entitle him to be considered a paragon of executive ability and financial sagacity, even if he were fortunate enough to put it through without difficulty. Even the Secretary of the Treasury has his limitations. The bills that have been sent from his department for passage by Congress do not show an

excessive degree of modesty, and I congratulate the committee, without regard to the politics of its members, on the unanimous rejection of their unreasonable and unwise demands.

I also question the wisdom of placing at the head of this corporation the director of the railroads of the country, placing him in a position where he can be instrumental in loaning money to one railroad and in refusing loans to another if he so wills. With the provision allowing all of the directorate to be chosen from Government officials he will naturally be given an opportunity to have largely his own way with the handling of the finances of this company. He is also an ex-officio member of the Federal Reserve Board, and this bill makes it possible for this corporation to loan money to those banks. All of the directors could be Federal reserve bank directors if the President should see fit to appoint them.

What possibilities there are here for inflation it is appalling to think of. It will be an unsafe condition, in my judgment, for Congress to make possible by law. The present Federal reserve act provides sufficient inflation possibilities and this act encourages it.

This bill reads, in section 17, in part:

No director or officer of the corporation shall in any manner directly or indirectly participate in the determination of any question affecting his personal interest, or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

Note the language, "shall not participate in the determination of any question affecting his personal interests," and so forth. There is nothing to prevent a quorum of the directors from loaning millions to firms and corporations in which directors of this great corporation are interested if the director interested does not participate in the determination of the loan. How much safer and wiser would have been a provision making it impossible for the corporation to loan money to any firm, partnership, or corporation with which any director of the War Finance Corporation is in any respect financially interested? Why leave a loophole in so vital and gigantic an undertaking?

There are many dangerous features in this bill and more dangerous possibilities. I question the wisdom of passing such a travesty on safe finance as is the bill under consideration. It can make or break railroads, banks, firms, or individuals; it can punish or reward; it can bolster up all kinds of wildcat corporations, directly or indirectly, if its directorate sees fit. The bill says:

It can make advances to any bank, banker, or trust company which shall have made since April 6, 1917, and which shall have outstanding any loan or loans to any person, firm, corporation, or association conducting an established and going business in the United States, whose operations shall be necessary or contributory to the prosecution of the war, and so evidenced by a note or notes, but no such advance shall exceed 75 per cent of the face value of such loan or loans.

I submit the proposition that the Government of the United States in this time of stress and excessive taxation should be most conservative and careful of the people's money. This bill would have gone far enough had it provided to refund advances made to banks and trust companies that had since the war started made loans to firms and corporations engaged strictly in war necessities, but we open wide the gate—say we will bolster up and finance those only contributory to the prosecution of the war, a term elastic enough to embrace practically all classes and characters of business. All the banks have to do is to show that their paper is the obligation of an established, going business necessary or contributory to the prosecution of the war and we authorize a loan not to exceed 75 per cent of the loan or loans—a very unsafe percentage, in my judgment, and one liable to entail great loss on this corporation when abnormal values no longer obtain and a normal level is again reached.

Any authorization for more than 50 per cent of face value of securities is, I believe, unsafe and unwise. We go a step further, though, and provide that the corporation shall have power to make advances up to 100 per centum on the face value of securities under certain conditions, and it is authorized, in exceptional cases, to make advances directly to any person, firm, corporation, or association conducting an established or going business in the United States, whose business is either necessary or contributory to the prosecution of the war, when such person, firm, or corporation "is unable to obtain money through banking channels or from the general public." You can imagine just how unsafe such a proceeding would be. When credit is not obtainable either at banks or at the private money lenders, call on the corporation of your Uncle Samuel; it will bolster you up—if you can only secure pull enough.

High financing is made a specialty under this bill. In fact, it would never have been offered here had not somebody conceived the idea that conditions would be precarious presently, and believed that legislation of this character could cure them. I think the remedy is liable to be much worse than the expected condition creating the necessity.

We are authorized under this bill to deal in our own bonds and securities, which would be like taking money out of one pocket to put it into another. It may be necessary to do this in order that our bonds do not depreciate unduly; it remains to be seen, though, whether that feature is a wise one.

The gentleman from Ohio, Mr. LONGWORTH, a member of the Ways and Means Committee, stated near the opening of the debate on this bill that Mr. Warburg, chairman of the Federal Reserve Bank directorate, had said, in reply to some interrogatory propounded by a member of the Ways and Means Committee during the hearings on the bill, that it would be a rotten measure to pass under peace conditions. I fully agree with him. It is rottenness personified and totally unwarranted, war or no war. It reflects no credit on the Government that passes it, but, in my judgment, discredits it, and I take issue with any gentleman who thinks it either wise or expedient.

I have heard but little of the debate, but what I have heard has been an apology for the legislation and in commiseration of its necessity. I disagree entirely with the contention of necessity. The directors of the Government-owned corporation are authorized to issue two billions of dollars worth of bonds of the corporation, to bear such rate or rates of interest as may be determined by the board of directors, but such rate of interest must be approved by the president of the board—Secretary of the Treasury. So, in fact, the rate is fixed by the Secretary of the Treasury, and the board of directors are only advisors. These bonds can not be sold at less than par and can only be disposed of at the will of the president of the board, the Secretary of the Treasury. This makes the other members of the board simply advisors, to give them the most polite term possible.

The bonds of our corporation created under this bill are exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except estate or inheritance taxes and graduated additional income taxes, commonly known as "surtaxes," "excess profits," and "war-profits taxes," and so forth. The issue is made as attractive as possible; the Secretary of the United States Treasury signs these bonds as chairman of the board and the United States owns all of the stock of the corporation, and its officials can all be chosen at the will of the President of the United States from his official family. It is our company; our Secretary of the Treasury is its president; our President appoints the directorate; yet we distinctly state in the bill—

That the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation.

I asked the gentleman from Oklahoma [Mr. MORGAN], who attempted to have this paragraph, No. 17, stricken from the bill by amendment, if he could conceive a corporation of this character having its stockholders relieved from all responsibility. The gentleman could not, and he called attention to the fact that in national banks we compel by law all stockholders to be held liable for a sum equaling their stock holdings in addition to the stock. But we under this bill create a Government corporation, hold all the stock, authorize it to borrow $2,000,000,000 of the people's money, issuing bonds therefor, create our own officials to operate the concern, and specifically provide in the bill that we shall finance individuals, corporations, and firms whose credit is so poor that neither banks nor individuals will advance them credits or money.

Our corporation may by unwise and unbusinesslike methods, even though considered necessary for war necessities, impair the assets of the incorporation to such an extent as to make it impossible to pay the larger part of its bond issue. Are the people of the United States who buy the bonds and thus, under this bill, finance the necessities of this war to lose their investment, or the greater part of it? These bond sales, in order to float them, may be made very attractive; interest rates may be high. The conservative bond brokers will unload on the people of small means as a fine investment, and thus those of our citizens least able to bear a loss are the sufferers.

Oh, gentlemen say, if such a thing should happen as default in bond payment the Government will have to protect them. I can not understand the viewpoint of those who framed the bill, if the Government is eventually going to stand any loss incurred. Why make the sale of these bonds impossible to others than speculators? The conservatives will not buy—that is certain—with this provision in the law; they will not sell above par, although, fortunately, they can not sell below par. If it were certain that the bonds would be paid, a handsome premium could probably be realized.

Do we refuse to be responsible for our child's conduct, thinking that this revolutionary legislation will be more popular with the people if they know the Government is not liable for the

$2,000,000,000 borrowed to any greater extent than the original stock subscription? I can not conceive of such legislation receiving the commendation of any of our people who value our Nation's honor and a square deal to its people.

The second feature of this bill is one creating another board, known as the capital issue committee, composed of seven members to be appointed by the President; three from the Federal Reserve Board, and the others may all, if the President so elects, be officers or employees of the United States. This committee has the power to say who hereafter shall issue stock for business purposes in the United States in excess of $100,000 and are the rulers of the destinies of incorporated firms seeking to do business during the war. And, while this committee can absolutely destroy the value of securities by refusing their O. K., under this bill the United States assumes no responsibility for their acts.

I can not imagine legislation of this character being justifiable or necessary. The same objections as to responsibility of directors and their personal prohibition from participation in any decision affecting them, directly or indirectly, financially are in this capital issue committee as in the War Finance Corporation. I, as a business man who believes in laws being just and wise, can not vote for this bill even though it is advanced as a war measure. I do not think we have arrived at the point where legislation designated as "rotten" is made sound and savory through necessity. I shall vote against the measure.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 19, line 4, after the word "offices" insert "at a rental not to exceed an annual rate of $10,000."

Mr. STAFFORD. Mr. Chairman, I believe this is acceptable to the gentleman from North Carolina. The purpose of the amendment is to place a limitation on the issues committee so that no more than $10,000 may be used for rental purposes.

Mr. KITCHIN. The gentleman means for the principal offices. Suppose they have 25 or 35 little agencies throughout the country.

Mr. STAFFORD. This is to apply to offices in the District of Columbia.

Mr. KITCHIN. I will accept that.

Mr. WALSH. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. WALSH. Does the gentleman also propose offering an amendment as to the amount they may expend for furniture and equipment?

Mr. STAFFORD. I do not.

Mr. WALSH. Then each of these seven men will have a $300 desk unless you limit it some way. The Shipping Board in their offices have thousand-dollar rugs and expensive office equipment. I think there should be some limitation put in here.

Mr. KITCHIN. If they put it all into rugs and desks they will not have much left to operate with, for we only give them $200,000.

Mr. STAFFORD. The amendment I proposed is allowing twice as much as we allowed the Vocational Educational Board.

Mr. KITCHIN. If the gentleman will limit it to offices in the District of Columbia we will accept it.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to modify my amendment by inserting the words "in the District of Columbia" before the first word of the amendment.

The CHAIRMAN. Is there objection to the modification suggested by the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. The Clerk will read the amendment as modified.

The Clerk read as follows:

Page 19, line 4——

Mr. KITCHIN. Would it not be better to put a proviso after line 6 that they shall not expend more than $10,000 annually in the District of Columbia?

Mr. STAFFORD. That will be acceptable, so that there will be a limitation placed upon it. I will withdraw my amendment and let the gentleman offer his.

Mr. KITCHIN. I will offer the amendment as a substitute.

Mr. STAFFORD. I will accept the substitute.

The CHAIRMAN. The amendment of the gentleman from Wisconsin is withdrawn, and the gentleman from North Carolina offers the following substitute, which the Clerk will report.

The Clerk read as follows:

After the word "necessary," in line 6, page 19, strike out the period, insert a comma, and add the words "but shall not expend more than $10,000 annually for offices in the District of Columbia."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from North Carolina.

Mr. LOBECK. Mr. Chairman, does this amendment mean both offices and office supplies?

Mr. KITCHIN. No; this is just for offices.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. WALSH. Mr. Chairman, I move to strike out lines 4, 5, and 6, on page 19.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the paragraph.

Mr. WALSH. Mr. Chairman, I do not think it is necessary to give this committee on capital issues authority to expend $10,000 for rental in the District of Columbia, particularly when we consider the vast building program that the Government has undertaken in connection with its other war activities. There are several buildings being erected to which I understand certain offices are to be transferred, and as the war activities continue there will be vacancies in these vast buildings that have been constructed all over this city, and that will be constructed in the future, and I think we could put these seven gentlemen who will be authorized to make these investigations in one of these buildings.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. COOPER of Wisconsin. That committee has got to have offices here somewhere. Could not the gentleman amend by striking out the word "rent" and inserting the word "secure"?

Mr. WALSH. What I am opposing is the expenditure of $10,000 a year in rent.

Mr. COOPER of Wisconsin. But if we strike out the word "rent" they will not be authorized to rent.

Mr. WALSH. But they will be authorized to secure offices, and under the amendment adopted there will be $10,000 available for securing them. I think there is no necessity of giving them authority to expend $10,000. Let them occupy some of the Government buildings that are now erected or that may be erected in the future. The greater part of the work of this committee, as I understand it, will be in the field visiting the various centers where there are banks or where loans are sought to be negotiated, investigating the character of the security and the nature of the transaction by which the loan is sought to be negotiated.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. GREEN of Iowa. I am very much inclined to agree with the gentleman in his argument, but at the same time the gentleman will probably remember that there is now pending, shortly to come before the House, a proposition not only relating to these buildings, which we have just provided for at an expense of $8,000,000, but to buy the old Arlington Hotel site and the building that is to go up on that, on the plea that we are not going to have enough offices.

Mr. WALSH. I understand, and each one of these committees or commissions or boards that we authorize by legislation here, when they are appointed, become the most exclusive set of individuals in the city, and they feel that they have to have separate headquarters and dwell in a separate atmosphere. I suppose if we should require them to be housed in a building where there might be some other offices or officials or clerks they would feel they could not competently perform the duties of their office. I do not think we ought to encourage in this measure the rental of other buildings at a rental of $10,000 a year. We all know how scattered the offices in this District now are to carry on the various activities of the Government. Let us set an example in this bill by saying they have to be housed in some of the buildings the Government already has or that are already in course of construction.

Mr. GORDON. But suppose the Government has no building, then what would you do?

Mr. WALSH. If the gentleman wants to make a supposition of that kind, I would recommend to him that he take a sea-going hack some afternoon and drive down through the Mall and Potomac Park and around the various sections where buildings are in process of construction or have already been constructed and go in and see if he does not believe they can find space enough to house these seven men and the clerks they will require.

Mr. GORDON. If they have so much room, why are they building all these new buildings?

Mr. WALSH. I contend it is not necessary for them to build all these new buildings nor to rent the Arlington Hotel and some of these other buildings that we are supposed to occupy later on. I hope the paragraph will be stricken out.

Mr. KITCHIN. Mr. Chairman, I think it is necessary to have this paragraph in. If this paragraph is stricken out this

committee with their vast responsibilities authorized by an act of Congress would have no place to do business. Every one of us recognizes that the Government is now demanding more buildings. There are bills being presented authorizing buildings because we can not house the various departments of the Government.

Mr. FESS. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. FESS. There is a committee of that sort identified with the Federal Reserve Board in operation. Where is this committee housed at the present time?

Mr. KITCHIN. In one or two different buildings.

Mr. FESS. The Metropolitan Bank Building.

Mr. KITCHIN. They will have to have sufficient quarters for the employees that will be required to give minute attention and investigation to the securities that will be passed upon by the committee under this act. The committee is now a voluntary committee and it is confining its labors to the investigation of the issuance of securities whose aggregate amount is $500,000 and over. This act reduces the limit to $100,000 and will greatly increase the work of the committee.

Mr. FESS. I had occasion to call on this committee some days ago——

Mr. KITCHIN. Where were they?

Mr. FESS. In the Metropolitan Building, in very commodious quarters, right across from the Treasury.

Mr. KITCHIN. It shows they have got to rent a building. Now, the Treasury Department rents it as part of the Federal Reserve System. In this bill they will be separate and distinct and they will have to rent a building.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. WALSH) there were—ayes 5, noes 30.

Mr. WALSH. Mr. Chairman, I make the point of order there is no quorum present.

Mr. KITCHIN. Mr. Chairman, I hope the gentleman will not do that.

Mr. WALSH. I withdraw it.

Mr. KITCHIN. Let us finish to-night. We agreed with the gentlemen on that side that no roll call will be had to-night.

The CHAIRMAN. Does the gentleman withdraw his point of order?

Mr. WALSH. I do.

Mr. KITCHIN. We would have kept a quorum here but for that understanding.

So the amendment was rejected.

The Clerk read as follows:

SEC. 203. That the committee may, under rules and regulations to be prescribed by it from time to time, investigate, pass upon, and determine whether or not it is compatible with the public interest that there should be sold or offered for sale or for subscription any issue, or any part of any issue, of securities hereafter issued by any person, firm, corporation, or association, the total or aggregate par or face value of which issue and any other securities issued by the same person, firm, corporation, or association since the passage of this act is in excess of $100,000. Shares of stock of any corporation or association without nominal or par value shall for the purpose of this section be deemed to be of the par value of $100 each. Any securities which upon the date of the passage of this act are in the possession or control of, or are in hypothecation by, the corporation, association, or obligor issuing the same shall be deemed to have been issued after the passage of this act within the meaning hereof.

Nothing in this title shall be construed to authorize such committee to pass upon (1) any borrowing by any person, firm, corporation, or association in the ordinary course of business as distinguished from borrowing for capital purposes, (2) the renewing or refunding of indebtedness existing at the time of the passage of this act, (3) the resale of any securities the sale or offering of which the committee has determined to be compatible with the public interest, (4) any securities issued by any railroad corporation the property of which may be in the possession and control of the President of the United States, or (5) any bonds issued by the War Finance Corporation.

Nothing done or omitted by the committee hereunder shall be construed as carrying the approval of the committee or of the United States of the legality, validity, worth, or security of any securities.

Mr. MOORE of Pennsylvania. Mr. Chairman, I do not want this paragraph to go by even at this late hour, without a word of comment. This paragraph provides for the business of the Capital Issues Committee. As the bill was originally presented, it made compulsory the reference to the Capital Issues Committee of all transactions involving the use of securities in excess of $100,000. The effect of that compulsory power would have been practically to corral all the business in the United States in the hands of the Capital Issues Committee. It would have meant such supervision of all initiative and of all enterprises, individual and corporate, in the United States as could have throttled all business. The power of the Capital Issues Committee for good or for ill would have been unlimited. The committee had great concern about that paragraph, and I am happy to say, amended it so that the compulsory feature has been eliminated. It is not now obligatory to secure the approval of the Capital Issues Committee for securities to be issued, although it may be very important to do so.

Mr. FESS. Will the gentleman yield?

Mr. MOORE of Pennsylvania. The power to compel all those desiring to engage in business to lay their securities before this committee is taken away and it is now a voluntary rather than a compulsory proposition. To that extent the enormous power that was vested in this committee by the original bill has been rejected.

Mr. FESS. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. FESS. Would the gentleman give the significance of the qualifying term "capital issues"?

Mr. MOORE of Pennsylvania. The securities to be issued subject to scrutiny are in excess of a certain amount.

That is to say, a concern may be capitalized at $100,000 or $500,000, but it is proposed that all issues of securities in excess of $100,000 shall be submitted to this committee.

Mr. FESS. I thought there was a differentiation so that there would be a certain sort of an issue that might get beyond $100,000 that would not be regarded as a capitalization.

Mr. MOORE of Pennsylvania. The thought is that if an issue of securities in excess of $100,000 is desired it shall be first submitted to this committee if approval is sought.

Mr. WALSH. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. WALSH. Will the gentleman explain what the purpose of the closing paragraph of this section is? It contains some rather remarkable provisions, without showing the particular reason for having it appended to this section. It says:

Nothing done or omitted by the committee hereunder shall be construed as carrying the approval of the committee—

And so forth. Now, does that mean that the committee can go ahead and do something and then after it has done it say that "While we did this it has not the approval of the committee with reference to the legality, validity, worth, or security of any securities"?

Mr. MOORE of Pennsylvania. I understand the United States as such is not to be responsible; that is all.

Mr. WALSH. It does not say the "United States Government." It says that nothing done by the committee shall be construed by the committee as carrying the approval of the committee or of the United States of the legality, validity, worth, or security of the securities.

Mr. GREEN of Iowa. Will the gentleman yield for a moment? I think the gentleman from Pennsylvania [Mr. MOORE] somewhat misunderstood the inquiry of the gentleman from Massachusetts. The approval of the committee relates merely to the amount of the issue, taking funds at this particular time while the war is going on, when possibly in the judgment of the committee these securities ought not to be issued. The committee is not going to pass in any way upon the validity or value of securities at all, but simply on the question as to whether this particular issue ought to be put out during war times and then prevent funds going into the Government for security—liberty bonds, for example.

Mr. WALSH. Will they not pass upon the legality of the securities?

Mr. GREEN of Iowa. Not at all.

Mr. WALSH. They will simply pass upon whether it is compatible that they should be sold or offered or issued?

Mr. GREEN of Iowa. That is all this committee is for, to ascertain whether it is incompatible with the public interests when the Government wants to get out its liberty bonds, to have these bonds put on the market and absorb the funds which might otherwise go into the Government issue. And I will say it follows the same rule in that respect of the committee which has been appointed in Great Britain; and in some other countries they have a committee established by law to determine whether the issues shall go out or not.

Mr. WALSH. Possibly this language may have been copied from the act of Parliament.

Mr. GREEN of Iowa. The language with which this section concludes was put in because of the suggestion, I think, of some Member, that the fact that the committee had anything to do with these securities might be construed as the Government approval.

Mr. WALSH. That is, if they passed through their hands they might become valid because of the fact that these distinguished gentlemen were permitted to look at them?

Mr. COOPER of Wisconsin. Will the gentleman yield? What does the gentleman think of the language in line 20, "the ap-

proval of the United States"? Ought it not to be the "Government of the United States"? The United States are 48 States. Ought not that to be "the approval of the Government of the United States"?

Mr. SLOAN. As I understand the term, "United States" means the country and not 48 States.

Mr. COOPER of Wisconsin. Well, but 48 States make the country.

Mr. SLOAN. They make the unit, and we speak of the unit, not the combination.

The CHAIRMAN. All time has expired.

Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment to section 203.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: On page 19, line 16, before the word "interest," strike out the word "public" and insert in lieu thereof the word "national."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from North Carolina offers a further amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 20, line 10, after the figure "2" and the parenthesis, insert the words "the sale or offering for sale or subscription of securities the issues of which the committee has determined to be necessary to."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KITCHIN. I have another committee amendment.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Committee amendment: Page 20, line 13, before the word "interest," strike out the word "public" and insert in lieu thereof the word "national."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. MOORE of Pennsylvania. Mr. Chairman, I think this term, "public interest," occurs in the preceding paragraph of the bill that we passed yesterday. I merely suggest to the gentleman that if he is going to make this change here it should also be made elsewhere throughout the bill.

Mr. KITCHIN. Yes. This is only the Capital Issues Committee.

Mr. MOORE of Pennsylvania. But should not this same term be used in regard to the savings-fund section?

Mr. KITCHIN. You will notice that that is a little different from this. That might be but a little locality, to help the savings bank. They would take deposits out to buy Government bonds.

Mr. MOORE of Pennsylvania. Very well.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 204. That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the remainder of the fiscal *year ending* June 30, 1918, and the fiscal year ending June 30, 1919, the sum of $200,000 for the purpose of defraying the expenses of the establishment and maintenance of the committee, including the payment of the salaries and rents herein authorized.

Mr. KITCHIN. Mr. Chairman, I send up a committee amendment.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 21, after line 4, insert a new section, to read as follows:

"SEC. 205. That the committee shall make a report to Congress on the first day of each regular session, including a detailed statement of receipts and expenditures."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. STAFFORD. Mr. Chairman, will the gentleman explain what character of report this committee is to make?

Mr. KITCHIN. The report of how much they have paid for rent and for the furniture that my friend from Massachusetts [Mr. WALSH] was concerned about.

Mr. STAFFORD. The language requires more. May we have the amendment reported again, Mr. Chairman?

Mr. KITCHIN. All receipts and expenditures, and the purposes for which expended.

The CHAIRMAN. Without objection, the amendment will again be read.

The amendment was again read.

Mr. STAFFORD. In the form in which it is presented it is not limited to the report of expenditures. Does the gentleman intend that they shall make a report of all their activities?

Mr. KITCHIN. I imagine they would not make a report of all their activities, and why they had turned down such and such an issue, and so on.

Mr. STAFFORD. I think it should be left discretionary with them to report on these various matters.

Mr. KITCHIN. It should be discretionary to make the report of their general business, but they should report on the receipts and expenditures.

Mr. GILLETT. Would the gentleman agree that they should report on the number of officers and employees and their salaries?

Mr. KITCHIN. Yes. That could go in. The number of employees and officers and the salary paid to each.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to modify his amendment so that it will read in the way the Clerk will report.

Mr. KITCHIN. Read the whole amendment as modified.

The Clerk read as follows:

SEC. 205. That the committee shall make a report to Congress on the first day of each regular session, including a detailed statement of receipts and expenditures, and also including the number of officers and employees and the salary paid to each.

The CHAIRMAN. Is there objection to the modification?

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment as modified.

Mr. COOPER of Wisconsin. Mr. Chairman, does not the gentleman think it ought to be a list of employees instead of the number? They could give 200 employees without giving the names.

Mr. LUNN. It says "and the amounts paid."

Mr. COOPER of Wisconsin. But it ought to be a list of the respective salaries.

Mr. KITCHIN. It says "the number of employees and their respective salaries."

Mr. COOPER of Wisconsin. If you would say "100," that would be giving the number. They should give the list of employees and their respective salaries.

Mr. KITCHIN. I will modify it again, then, so that it will read, "and also including the names of the officers and employees, and the salary paid to each."

Mr. COOPER of Wisconsin. "And their respective salaries."

Mr. KITCHIN. "And the salary paid to each."

Mr. LUNN. Does not the gentleman think they ought to include also the addresses of the bell boys?

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the amendment. There is no need whatsoever of compelling this committee to make a report to Congress of the names of all the employees. It is customary to call upon the various departments and commissions to make a report as to the number and salaries by classes. That is sufficient. There is no use in calling for the names.

Mr. COOPER of Wisconsin. On the contrary, it is a very good thing to do.

Mr. KITCHIN. Let us have the names.

Mr. GILLETT. Let us get all the information we can.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to modify his amendment further as the Clerk will report it.

The Clerk read as follows:

SEC. 205. That the committee shall make a report to Congress on the first day of each regular session, including a detailed statement of receipts and expenditures, and also including the names of officers and employees and the salary paid to each.

The CHAIRMAN. Is there objection to the modification?

Mr. LUNN. Reserving the right to object, does the gentleman mean the names of all employees, including the elevator boys?

Mr. KITCHIN. Yes. It is done here in the House and Senate.

Mr. MOORE of Pennsylvania. That is done by the Food Commissioner now, and by several other commissions, and it is required by a special provision in the bills making the appropriations. It is a good thing to do.

The CHAIRMAN. Is there objection to the modification?

There was no objection.

The CHAIRMAN. The question is on the amendment as modified.

Mr. COOPER of Wisconsin. I think there ought always to be a list of the names of all employees and their respective

salaries, so that the people may know how their money is being expended.

Mr. KITCHIN. I think that is wise for all the departments.

Mr. COOPER of Wisconsin. There can not be too much publicity concerning the expenditure of the public funds.

Mr. KITCHIN. That is required as to the officers and employees of the House and Senate, and it ought to be required of all the departments of the Government.

The CHAIRMAN. The question is on the amendment proposed by the gentleman from North Carolina [Mr. KITCHIN].

The amendment as modified was agreed to.

The CHAIRMAN. Will the gentleman from North Carolina permit the Chair to direct his attention to the fact that the amendment just agreed to is numbered section 205, and there is another section 205 immediately following in the printed bill?

Mr. KITCHIN. Yes; I will correct that. Change section 205 to section 206.

Mr. HASTINGS. Section 205 in the printed bill has not yet been read.

The CHAIRMAN. The Clerk will read section 205, if there are no other amendments to section 204.

The Clerk read as follows:

SEC. 205. That this title shall continue in effect until, but not after, the expiration of six months after the termination of the war, the date of such termination to be determined by a proclamation of the President of the United States, but the President may at any time by proclamation declare that this title is no longer necessary, and thereupon it shall cease to be in effect.

Mr. KITCHIN. Now, I offer an amendment——

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that section 205 as read be renumbered section 206. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Chairman, I move to strike out the last word.

I simply want to make this observation to the Members of the House, that in the discussion of this important measure three days have been devoted to that part of the bill which creates this War Finance Corporation, and practically two hours have been spent in the discussion of that other part of the bill which pertains to the capital issues. I also want to call the attention of the business interests of the country to this, because the Capital Issues Committee has strangulation power over all industry in this country, if its powers are not properly exercised.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 300. That whoever willfully violates any of the provisions of this act, except where a different penalty is provided in this act, shall, upon conviction in any court of the United States of competent jurisdiction, be fined not more than $1,000 or imprisoned for not more than one year, or both; and whoever knowingly participates in any such violation, except where a different penalty is provided in this act, shall be punished by a like fine or imprisonment, or both.

Mr. KITCHIN. Mr. Chairman, I move, on page 21, line 17, to strike out the words "one thousand" and insert the words "five thousand."

The Clerk read as follows:

On page 21, line 17, strike out "one thousand" and insert "five thousand."

Mr. MOORE of Pennsylvania. Why make that different from the other? You made it $10,000 and increased the number of years from one to five.

Mr. KITCHIN. Then, we will make this $10,000. I will modify my amendment.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to modify his amendment by making it $10,000 instead of $5,000. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina as modified.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. In the same line, on page 21, strike out the word "one" and substitute the word "five," and change the word "year" to "years."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 21, line 17, strike out the words "one year" and insert the words "five years."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. MOORE of Pennsylvania. Mr. Chairman, a parliamentary inquiry. Was the amendment immediately preceding this agreed to?

The CHAIRMAN. It was.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the first word "That" before the word "Whoever." Some years ago we appointed a commission to revise the criminal statutes, and they devoted a great deal of time to that revision. They revised the criminal statutes so as to make all statutes begin with the word "Whoever." I suppose the gentleman must have had that in mind when he wrote this. Now, for the sake of harmony I suggest that you strike out the word "That" in starting this section and use the word "Whoever."

Mr. KITCHIN. In all the sections now written they begin with the word "That." We ought to put it in, because the Senate will put it in in places where we leave it off.

Mr. HUMPHREYS. In the revision of the criminal laws a good deal of time was spent by the expert lawyers of this House, under the lead of the gentleman from Kentucky [Mr. SHERLEY], and that question was thrashed out thoroughly, and all agreed that hereafter all statutes should begin with the word "Whoever."

Mr. GLASS. The gentleman from North Carolina says that the Senate will make us put it in. Does he further suggest that the Senate is going to have its own way when it gets into conference?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

Mr. MOORE of Pennsylvania. If that is stricken out, it should be stricken out on page 16.

Mr. KITCHIN. And we would have to go back all over the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 301. No stamp or tax shall be required or imposed upon a promissory note secured by the pledge of bonds or obligations of the United States issued since April 24, 1917, the par value of which shall equal the amount of such note.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 22, lines 1 and 2, strike out the words "the par value of which shall equal the amount of such note" and insert in lieu thereof the following: "or secured by the pledge of a promissory note which itself is secured by the pledge of such bonds or obligations: *Provided*, That in either case the par value of such bonds or obligations shall equal the amount of such note."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 303. That the term "securities," as used in this act, includes stocks, shares of stock, bonds, debentures, notes, certificates of indebtedness, and other obligations.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 22, after line 15, insert a new paragraph, as follows:
"The term 'market value,' as used in this act, means if there is no such market value the fair cash value as estimated and determined by the board of directors of the corporation."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. WALSH. Mr. Chairman, I do not quite understand the meaning of the amendment—"The term 'market value' means if there is no market value," and so forth.

Mr. KITCHIN. In a great many places throughout the bill it is provided that these securities put up for the loan shall be of a market value of so much. Take savings banks, for instance. Their mortgages have no quotable market value, and we were afraid the board of directors might construe that to mean they must have a quotable market value. If they have no such quotable value, the directors must take the reasonable cash value of the security.

Mr. WALSH. I think it would be safer if the committee endeavored to provide for that class of securities to state what value should be placed upon them rather than to define market value as in the language of the amendment.

Mr. KITCHIN. We say if there is no market value it shall mean the fair cash value as estimated and determined by the board of directors.

Mr. WALSH. What does it mean? You are attempting to define "market value," and I think it would be wiser to say what value should apply to certain securities that have no market or quotable value. You are attempting to define "market value" to put a definition on it in this act, which does not define it except as to a certain class of securities.

Mr. MOORE of Pennsylvania. Will not the gentleman agree to let this go over until to-morrow, as there is a question as to the phraseology of the amendment?

Mr. WALSH. Does not the gentleman himself see the point that I make?

Mr. KITCHIN. I suggest to the gentleman that I think he is right, and I had not noticed it particularly, because it is entirely different from my instructions to the clerk and his assistant. The gentleman is right about that. If we are going to have a separate section, we should make it read that "if it has no market value, then the fair cash value shall be placed upon it, as determined by the board of directors."

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. SLOAN. I simply desire to say that it would have to be radically rewritten. The distinction between market value and cash value ought to be made. There is no difference really in legal phraseology, and I think it ought to be written or stricken out. I raised this same question in the committee.

Mr. KITCHIN. The language of this proposed amendment does not accomplish what the committee intended.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Let me first explain how this came about. I do not think it is necessary.

Mr. MADDEN. I do not think it is necessary.

Mr. KITCHIN. Because the market value as used in the bill must be according to the parenthesis after each phrase "market value," as will be seen in the provision, as determined and estimated by the board of directors.

If it is not quotable they would estimate the market value. The gentleman from Michigan [Mr. FORDNEY], the ranking Republican member on the Ways and Means Committee, on account of sickness in his family had to leave a few days ago. He came to me and asked me to please safeguard that, and after the words "market value," where they appeared in the act, to read "market value, but if no market value, then the fair cash value." The committee decided on that, but in drawing this provision instead of amending it in each place we have amended it all in one section, but I do not think we have accomplished the purpose desired.

Mr. MADDEN. The introduction of that into this bill would simply open up the question of charging the board managing this financial corporation with the responsibility of estimating the value of stocks and bonds that are not on the market, of some private corporation that nobody will be able to ascertain the market value of, and I am afraid it is a mistake to put it into the bill.

Mr. KITCHIN. I will withdraw the amendment, because I think that what the gentleman from Michigan wanted to accomplish and what the committee wanted to accomplish is already accomplished in the bill. The gentleman from Michigan wanted to be doubly sure, so we tried to make it so. I withdraw the amendment.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to withdraw his amendment. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SEC. 304. That the right to amend, alter, or repeal this act is hereby expressly reserved.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I wish to ask the chairman of this great committee if this section were not in the bill, would any future Congress be powerless to do anything with this act by way of altering, amending, or repealing it?

Mr. KITCHIN. I do not think they would, because——

Mr. WALSH. Of course it would not, and there is no more necessity——

Mr. KITCHIN. But it is usually put in all bills.

Mr. WALSH. Oh, it is not usually put in all bills carrying criminal penalties.

Mr. KITCHIN. It is put in nine-tenths of the bills, but it is not necessary.

Mr. WALSH. It is in bills which do not have any criminal provisions, but it is not necessary at all.

Mr. GARNER. It is surplusage.

Mr. KITCHIN. Let it go in.

The Clerk concluded the reading of the bill.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise and report the bill to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 10608 and had directed him to report the same with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

Mr. KITCHIN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The SPEAKER. The gentleman from North Carolina moves the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The question was taken, and the amendments were agreed to.

Mr. KITCHIN. Mr. Speaker, after the engrossment I desire to ask unanimous consent that the Senate bill be laid before the House in order to move to strike out all after the enacting clause of the Senate bill and to substitute the House bill as amended.

Mr. STAFFORD. Will the gentleman yield in that particular for an inquiry? There are some Members who are not present to-night who might wish to move to recommit.

Mr. KITCHIN. I understand there are none. When they left they said we could get down to the question of voting on the bill by a yea-and-nay vote, and they left under that understanding. They can make a motion to recommit to-morrow morning; that motion will not be cut out.

The SPEAKER. The gentleman from North Carolina moves to strike out all after the enacting clause of the Senate bill and substitute the House bill——

Mr. KITCHIN. Mr. Speaker, I want the Senate bill laid before the House. Would it not be better to do that after the engrossment is ordered?

The SPEAKER. The question is on the engrossment and third reading of the bill.

Mr. KITCHIN. Mr. Speaker, I now ask unanimous consent that the bill, S. 3714, be laid before the House, and I move to strike out all after the enacting clause and substitute the House bill as amended.

The SPEAKER. The Clerk will report the Senate bill.

The Clerk read as follows:

An act (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes.

Mr. STAFFORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STAFFORD. When will the stage be reached where we can make a motion to recommit?

The SPEAKER. As soon as the third reading is completed.

Mr. GARNER. If you substitute this bill, Mr. Speaker, for the Senate bill, striking out all after the enacting clause, then you still have the right to recommit?

The SPEAKER. Of course, the bill has never been read a third time, and this intervenes. The Chair lays before the House this Senate bill, and the gentleman from North Carolina [Mr. KITCHIN] moves that everything after the enacting clause be stricken out of the Senate bill, and that the House bill as amended be substituted.

The question was taken, and the motion was agreed to.

The SPEAKER. The Clerk will read the bill a third time.

Mr. KITCHIN. At what stage are we?

The SPEAKER. The stage is that we are going to have a third reading of this bill.

Mr. STAFFORD. Mr. Speaker, I make the point of order there is no quorum present.

Mr. GARNER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARNER. If we adjourn to-night, with the proceedings as they are, the question will come up to-morrow after the reading of the Journal on the third reading and passage of the bill?

The SPEAKER. The first thing that will happen is that the bill will be read a third time. Any gentleman who wishes to offer a motion to recommit can do it then.

Mr. GARNER. Then on the passage?

The SPEAKER. Yes; on the passage.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 8 minutes p. m.) the House adjourned until to-morrow, Thursday, March 21, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. PADGETT, from the Committee on Naval Affairs, to which was referred the bill (H. R. 10783) to authorize the Sec-

retary of the Navy to increase the facilities for the proof and test of ordnance material, and for other purposes, reported the same without amendment, accompanied by a report (No. 394), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. DENT, from the Committee on Military Affairs, to which was referred the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, reported the same without amendment, accompanied by a report (No. 395), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DILL, from the Committee on Indian Affairs, to which was referred the bill (H. R. 8202) for the relief of the Woman's Board of Domestic Missions, Reformed Church in America, reported the same with amendment, accompanied by a report (No. 396), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FRENCH: A bill (H. R. 10886) amending an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917; to the Committee on Interstate and Foreign Commerce.

By Mr. CROSSER: A bill (H. R. 10887) to amend the act entitled "An act for the appointment of a sealer and assistant sealer of weights and measures in the District of Columbia, and for other purposes," approved March 2, 1895; to the Committee on Interstate and Foreign Commerce.

By Mr. HILLIARD: A bill (H. R. 10888) to acquire military control, by eminent domain in the form of a lease of the marine cable, wireless, and telephone and telegraphic agencies of communication, providing for their unification to release large numbers of operators and artisans for the military service, and providing for just rentals to the owners pending their ultimate purchase; to the Committee on Military Affairs.

By Mr. MOORE of Pennsylvania: A bill (H. R. 10889) designating the first Sunday in June of each and every year as Fathers' Day; to the Committee on Interstate and Foreign Commerce.

By Mr. PHELAN: A bill (H. R. 10890) to authorize national banking associations to establish branches; to the Committee on Banking and Currency.

By Mr. JOHNSON of Kentucky: A bill (H. R. 10891) to amend and reenact an act for the establishment of a probation system for the District of Columbia; to the Committee on the District of Columbia.

By Mr. SANDERS of Louisiana: A bill (H. R. 10892) to provide for the establishment, operation, and maintenance of free zones in the ports of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. JOHNSON of Kentucky: A bill (H. R. 10893) to repeal and annul certain parts of the charter and lease granted and made to the Washington Market Co. by act of Congress entitled "An act to incorporate the Washington Market Co.," approved May 20, 1870; to the Committee on the District of Columbia.

Also, a bill (H. R. 10894) permitting certain persons to purchase supplies from the commissary stores of the Army and Navy; to the Committee on the District of Columbia.

By Mr. CRAMTON: A bill (H. R. 10895) to fix the rate of pensions of mothers and widows of deceased soldiers and sailors of the War with Mexico, the Civil War, the various Indian wars, the War with Spain, and the Philippine insurrection; to the Committee on Invalid Pensions.

By Mr. NORTON: A bill (H. R. 10896) to amend section 12 of the Federal farm loan act to authorize Federal land banks to make loans on farm lands notwithstanding any priority that may be given by any State law to liens for taxes or for special assessments or for feed and seed used to increase production on the land; to the Committee on Banking and Currency.

Also, a bill (H. R. 10897) to authorize the Secretary of the Interior to write off part of the expenses incurred in the construction of the Williston unit of the North Dakota pumping project of the United States Reclamation Service and to provide for the operation of the said Williston unit of the North Dakota pumping project, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 10898) to authorize the Secretary of the Interior to allot unentered and undisposed of lands in the former Standing Rock Reservation in North Dakota and South Dakota to living unallotted Indians; to the Committee on Indian Affairs.

By Mr. FULLER of Illinois: Resolution (H. Res. 287) requesting the Secretary of War to obtain and transmit to the House, a report from the Army engineers regarding improvement of the Illinois River from Ottawa, Ill., to Utica, Ill.; to the Committee on Rivers and Harbors.

By Mr. LEVER: Resolution (H. Res. 288) for the consideration of House bill 9971; to the Committee on Rules.

By Mr. McCORMICK: Resolution (H. Res. 289) to print 1,000 additional copies of "A Brief on the Adoption of a National Budget System" for use in the House document room; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLARK of Missouri: A bill (H. R. 10899) granting a pension to Eva Muller; to the Committee on Invalid Pensions.

By Mr. DARROW: A bill (H. R. 10900) granting an increase of pension to George C. Marshall; to the Committee on Invalid Pensions.

By Mr. DECKER: A bill (H. R. 10901) to correct the military record of James A. Evans; to the Committee on Military Affairs.

By Mr. FESS: A bill (H. R. 10902) for the relief of E. A. Wreidt; to the Committee on Claims.

By Mr. FIELDS: A bill (H. R. 10903) granting an increase of pension to John D. Jameson; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 10904) for the relief of Meyone-yah; to the Committee on Indian Affairs.

By Mr. HAWLEY: A bill (H. R. 10905) granting an increase of pension to Joseph Butler; to the Committee on Invalid Pensions.

By Mr. HELVERING: A bill (H. R. 10906) granting an increase of pension to Harriet L. MacGregor; to the Committee on Invalid Pensions.

By Mr. HILLIARD: A bill (H. R. 10907) granting a pension to Mary O. Barbee; to the Committee on Pensions.

By Mr. KELLEY of Michigan: A bill (H. R. 10908) granting a pension to Robert W. Denton; to the Committee on Pensions.

By Mr. LOBECK: A bill (H. R. 10909) granting a pension to Charles E. Burke; to the Committee on Invalid Pensions.

By Mr. MOON: A bill (H. R. 10910) granting an increase of pension to Thomas A. Jenkins; to the Committee on Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 10911) to transfer George Garrett Keating from the list of chief machinist's mate, United States Navy, retired, to the list of chief machinists, United States Navy, retired; to the Committee on Naval Affairs.

Also, a bill (H. R. 10912) authorizing the President of the United States to restore to the active list of the Navy Thomas Smith, formerly chief gunner, United States Navy; to the Committee on Naval Affairs.

By Mr. POWERS: A bill (H. R. 10913) granting an increase of pension to William Autle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10914) granting a pension to Jesse Walden; to the Committee on Invalid Pensions.

By Mr. SHALLENBERGER: A bill (H. R. 10915) granting a pension to John W. Southard; to the Committee on Pensions.

By Mr. SHOUSE: A bill (H. R. 10916) granting an increase of pension to Joseph W. B. McClintock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10917) granting an increase of pension to Joseph Wiley; to the Committee on Invalid Pensions.

By Mr. SWITZER: A bill (H. R. 10918) granting an increase of pension to Patrick Maloy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10919) granting a pension to John E. Broyles; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 10920) granting a pension to Jesse L. Coots; to the Committee on Pensions.

By Mr. WELTY: A bill (H. R. 10921) granting an increase of pension to Jesse Redman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10922) granting a pension to Phoebe Williams; to the Committee on Invalid Pensions.

By Mr. WOODYARD: A bill (H. R. 10923) granting an increase of pension to James Hamilton Rose; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolution of Manhattan Chapter, Daughters of the American Revolution, of New York City, asking that nurses be given military rank; to the Committee on Military Affairs.

By Mr. BRODBECK: Evidence to accompany House bill 10855, granting a pension to Noah Stump; to the Committee on Pensions.

By Mr. DALE of New York: Memorial of Federation for the support of Jewish Philanthropic Societies, favoring House bill 9223 and Senate bill 3730, exempting incomes from religious, educational, and philanthropic legacies from the income tax; to the Committee on Ways and Means.

Also, petition of United Garment Workers of America, favoring bill to amend the naturalization laws of the United States; to the Committee on Immigration and Naturalization.

Also, petition of First Congregational Church of Waseca, Minn., and Amboy (Ill.) Woman's Club, against increase in postage on second-class matters; to the Committee on Ways and Means.

By Mr. ESCH: Petition of H. C. Cooley and 35 other citizens of Hillsboro, Wis., asking for war prohibition as a food-conservation measure; to the Committee on Agriculture.

By Mr. FESS: Petition of 2,200 men and women of Ohio, on war prohibition; to the Committee on the Judiciary.

Also, petition of Granville Thurston Post, Grand Army of the Republic, in behalf of relief of Union soldiers; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: Petitions of Association of National Advertisers (Inc.); Woman's Council, of Akron, Ohio; Springfield (Mass.) Chamber of Commerce; First Congregational Church, of Waseca, Minn.; Woman's Civic Betterment Club, of Roanoke, Va.; De Laval Separator Co., of New York; General Federation Magazine (Inc.), of Washington, D. C.; Tuesday Club, of River Falls, Wis.; Lake View Woman's Club, of Chicago, Ill.; Peripatetic Club, of Brookhaven, Miss., and Minot Art Club, of Minot, N. Dak., all asking the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. GALLIVAN: Memorial of the R. A. Pierce Post, No. 190, Grand Army of the Republic, New Bedford, Mass., protesting against the reduction of salaries to six letter carriers; to the Committee on the Post Office and Post Roads.

By Mr. HAMILTON of Michigan: Memorial of Seventh Day Adventist Church, Battle Creek, Mich., against passage of Sunday observance laws; to the Committee on Military Affairs.

By Mr. HAYES: Memorial of Presbyterian Church, of Santa Maria, and Memorial Baptist Church, of Mountain View, Cal., favoring immediate prohibition; to the Committee on the Judiciary.

By Mr. KINKAID: Resolutions by citizens of Garfield County, Nebr., in favor of standing by the President in war and against the manufacture of intoxicating liquors; to the Committee on the Judiciary.

By Mr. McCLINTIC: Petition of Mrs. E. V. Stalnoker and 36 other residents of Carpenter, Okla., protesting against the zone system for periodical postage; to the Committee on Ways and Means.

Also, petition of sundry citizens of Camorgo, Okla., asking for the repeal of the second-class postage provision of the war-revenue act; to the Committee on Ways and Means.

By Mr. SNELL: Petition of sundry citizens of Ogdensburg, N. Y., for the immediate passage of the national war-prohibition bill; to the Committee on the Judiciary.

By Mr. TEMPLE: Petitions of Reformed Presbyterian Church, Third United Presbyterian Church, Mahoning Presbyterian Church, Epworth Methodist Episcopal Church, and First Methodist Episcopal Church, all of New Castle, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TILSON: Petition of New Haven (Conn.) Branch of National Metal Trades' Association, on behalf of amendment providing for quarterly payments of income tax; to the Committee on Ways and Means.

SENATE.

THURSDAY, *March 21, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we seek Thy gracious favor for the duties of this day. Impress us more and more with our dependence upon Thee, that in places of leadership and power we dare not face the responsibilities of life or of this office, representing the interests of millions of Thy children, except as we are impressed and guided by the spirit of truth and justice and love. O God, take us by the hand and lead us this day. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the Speaker of the House had signed the enrolled joint resolution (H. J. Res. 154) authorizing the erection of a memorial in Washington to the memory and in honor of the members of the various orders of sisters who gave their services as nurses on battle fields, in hospitals, and on floating hospitals during the Civil War, and it was thereupon signed by the Vice President.

PETITIONS.

Mr. SMITH of Michigan. Mr. President, I have petitions from the American Defense Society, signed by thousands of people in the State of Michigan, protesting against disloyal utterances or conduct unbecoming an American citizen in the present crisis. I ask that they be referred to the appropriate committee.

The VICE PRESIDENT. The petitions will be referred to the Committee on the Judiciary.

Mr. RANSDELL. I present a large number of petitions asking Congress to enact forthwith a law imposing punishment upon all persons or organizations responsible for pro-German activities, or for the publication or public utterance of statements tending to impede or interfere with the operations or success of the United States in war, or in recruiting or enlistment, or to hold the Government of the United States or any of our allies up to ridicule or obloquy, or to cause disloyalty or refusal of duty on the part of any person in connection with the war.

The petitions are signed by 60,000 citizens of Louisiana. I ask that they be given the proper reference.

The VICE PRESIDENT. To what committee does the Senator think the petitions should go?

Mr. RANSDELL. The Judiciary Committee.

The VICE PRESIDENT. Very well.

Mr. McCUMBER. I present a number of petitions and ask to have them referred to the proper committee, saying in explanation that they are petitions from the American Defense Society of the State of North Dakota and contain many thousands of names. I will ask that the Secretary may simply read the heading of one of the petitions, which is very short, and then have them referred.

The VICE PRESIDENT. It has been read once this morning.

Mr. McCUMBER. Then I ask that it may be printed in the RECORD.

There being no objection, the heading of one of the petitions was ordered to be printed in the RECORD, as follows:

[American Defense Society, State of North Dakota.]

Petition of the people of the United States of America to the Congress at Washington.

Whereas the security of the United States and the success of our arms are endangered by the activities of disloyal persons and organizations within the borders of our country, we, the citizens of the United States whose names are hereto subscribed, do hereby petition the Congress of the United States to enact forthwith a law imposing punishment upon all persons or organizations responsible for pro-German activities or for the publication or public utterance of statements tending—

To impede or interfere with the operations or success of the United States in war or in recruiting or enlistment; or

To hold the Government of the United States or any of our allies up to ridicule or obloquy; or

To cause disloyalty or refusal of duty on the part of any person in connection with the war.

Mr. HALE presented a petition of Local Branch, National Woman's Party, of Portland, Me., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

Mr. PHELAN presented resolutions adopted by the Associated Chambers of Commerce of the Pacific Coast, relative to the sites for naval bases on the Pacific coast, and indorsing the findings and recommendations of the Naval Commission, which were referred to the Committee on Naval Affairs.

NATION-WIDE PROHIBITION.

Mr. STERLING. Mr. President, at the election in 1916 the State of South Dakota adopted a constitutional amendment providing for State-wide prohibition. The legislature then enacted a law, which went into effect on the 1st of July, 1917, providing for State-wide prohibition in pursuance of the constitutional amendment. I am just now in receipt of the following telegram:

South Dakota ratifies unanimously; house 87, senate 43. First State to make a unanimous record.

Thus ratifying, of course, the proposed amendment to the Constitution of the United States.

I simply want to express my satisfaction and pride, Mr. President, in this record made by my State.

REPORTS FROM COMMITTEE ON PUBLIC LANDS.

Mr. MYERS, from the Committee on Public Lands, to which was referred the bill (S. 3571) granting lands for school purposes in lots No. 111 in each of the town sites of Fort Shaw and Simms, Sun River reclamation project, Mont., reported it without amendment, and submitted a report (No. 322) thereon.

Mr. SMITH of Arizona, from the Committee on Public Lands, to which was referred the bill (S. 390) to establish the Grand Canyon National Park, in the State of Arizona, reported it with amendments and submitted a report (No. 321) thereon.

REORGANIZATION OF THE EXECUTIVE DEPARTMENTS.

Mr. OVERMAN. From the Committee on the Judiciary I report back favorably with amendments the bill (S. 3771) authorizing the President to coordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government.

I give notice that I shall ask the Senate to proceed to the consideration of the bill after the disposition of the Indian appropriation bill.

Mr. SMITH of Georgia. I desire to present a substitute for the report of the committee, or for the bill. I wish to have the substitute bill that I present printed in the RECORD.

The VICE PRESIDENT. The Senator from Georgia means an amendment in the nature of a substitute?

Mr. SMITH of Georgia. I know it is usually called an amendment. It is really a substitute, and I like that language better.

Mr. SHEPPARD. If the substitute is to be printed in the RECORD, I suggest that the original bill be printed also in the RECORD.

Mr. SMITH of Georgia. I should like very much to have both printed together.

Mr. OVERMAN. I was just going to ask that the original bill be printed, and as the Senator from Georgia offers a substitute for the bill I suppose that both will be printed together. I should like to have that done.

There being no objection, the bill and proposed substitute were ordered to be printed in the RECORD, as follows:

A bill (S. 3771) authorizing the President to coordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government.

Be it enacted, etc., That for the national security and defense, for the successful prosecution of the war, for the support and maintenance of the Army and Navy, for the better utilization of resources and industries, and for the more effective exercise and more efficient administration by the President of his powers as Commander in Chief of the land and naval forces the President is hereby authorized to make such redistribution of functions among executive agencies as he may deem necessary, including any functions, duties, and powers hitherto by law conferred upon any executive department, commission, bureau, agency, office, or officer, in such manner as in his judgment shall seem best fitted to carry out the purposes of this act, and to this end is authorized to make such regulations and to issue such orders as he may deem necessary, which regulations and orders shall be in writing and shall be filed with the head of the department affected and constitute a public record: *Provided*, That this act shall remain in force during the continuance of the present war and for one year after the termination of the war by the proclamation of the treaty of peace, or at such earlier time during the said year as the President may designate: *Provided further*, That the termination of this act shall not affect any act done or any right or obligation accruing or accrued pursuant to this act and during the time that this act is in force: *Provided further*, That the authority by this act granted shall be exercised only in matters relating to the conduct of the present war.

SEC. 2. That in carrying out the purposes of this act the President is authorized to utilize, coordinate, or consolidate any executive or administrative commissions, bureaus, agencies, offices, or officers now existing by law, to transfer any duties or powers from one existing department, commission, bureau, agency, office, or officer to another, to transfer the personnel thereof or any part of it either by detail or assignment, together with the whole or any part of the records and public property belonging thereto.

SEC. 3. That for the purpose of carrying out the provisions of this act any moneys heretofore and hereafter appropriated for the use of any executive department, commission, bureau, agency, office, or officer shall be expended only for the purposes for which it was appropriated under the direction of such other agency as may be directed by the President hereunder to perform and execute said function.

SEC. 4. That should the President, in redistributing the functions among the executive agencies as provided in this act, conclude that any bureau should be abolished and it or their duties and functions conferred upon some other department or bureau or eliminated entirely, he shall report his conclusions to Congress, with such recommendations as he may deem proper.

SEC. 5. That all laws or parts of laws conflicting with the provisions of this act are to the extent of such conflict suspended while this act is in force.

Upon the termination of this act all executive or administrative agencies, departments, commissions, bureaus, offices, or officers shall exercise the same functions, duties, and powers as heretofore or as hereafter by law may be provided, any authorization of the President under this act to the contrary notwithstanding.

—

Amendment intended to be proposed by Mr. SMITH of Georgia to the bill (S. 3771) authorizing the President to coordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government, viz: Substitute for the report of the subcommittee the following:

SECTION 1. That for the national security and defense, for the successful prosecution of the war, for the support and maintenance of the Army and Navy, and for the more effective exercise and more efficient administration by the President of his powers as Commander in Chief of the land and naval forces the President is hereby authorized to make such redistribution of functions in and among the War and Navy Departments, the United States Shipping Board, the United States Shipping Board Emergency Fleet Corporation, and the Bureau of Mines as he may deem necessary, including any functions, duties, and powers hitherto by law conferred upon such departments, board, corporation, or bureau, and upon bureaus, offices, or officers of the same, in such manner as in his judgment shall seem best fitted to carry out the purposes of this act, and to this end is authorized to make such regulations and to issue such orders as he may deem necessary: *Provided*, That such regulations and orders shall be in writing and given due publicity: *Provided further*, That this act shall remain in force during the continuance of the present war and for one year after the termination of the war by the proclamation of the treaty of peace, or at such earlier time during the said year as the President may designate: *Provided further*, That the termination of this act shall not affect any act done or any right or obligation accruing or accrued pursuant to this act and during the time that this act is in force.

SEC. 2. That in carrying out the purposes of this act the President is authorized, in and among the War and Navy Departments, the United States Shipping Board, the United States Shipping Board Emergency Fleet Corporation, and the Bureau of Mines, to utilize, coordinate, or consolidate any bureaus, offices, or officers, to transfer any duties or powers from one existing bureau, office, or officer to another, and to transfer the personnel thereof, or any part of it, either by detail or assignment.

SEC. 3. That for the purpose of carrying out the provisions of this act any moneys heretofore or hereafter appropriated for the use of any such department, bureau, office, or officer shall be expended only for the purposes for which it was appropriated under the direction of such other agency as may be directed by the President hereunder to perform and execute said function.

SEC. 4. That upon the termination of this act all executive or administrative agencies, departments, commissions, bureaus, offices, or officers shall exercise the same functions, duties, and powers as heretofore or as hereafter by law may be provided, any authorization of the President under this act to the contrary notwithstanding.

SEC. 5. That all laws or parts of laws conflicting with the provisions of this act are to the extent of such conflict suspended while this act is in force.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

Mr. CHAMBERLAIN. I introduce a bill at the request of the War Department:

A bill (S. 4152) to authorize the acquisition by the United States during the period of the present war of private property of any and all kinds, real, personal, and mixed, needed for the national security and defense, or the conduct of the Government, to provide a method of such acquisition, and for other purposes; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 4153) to provide for the establishment, operation, and maintenance of free zones in the ports of the United States, and for other purposes; to the Committee on Commerce.

By Mr. MYERS:

A bill (S. 4154) granting to the trustees of the Methodist Episcopal Church of Bowdoin, Mont., for the benefit of the Methodist Episcopal Church, at Bowdoin, Mont., lots 12 and 13, in block 21, town site of Bowdoin, State of Montana; to the Committee on Public Lands.

By Mr. SMITH of Michigan:

A bill (S. 4155) granting an increase of pension to Joseph Stafford;

A bill (S. 4156) granting an increase of pension to Austin D. Bates;

A bill (S. 4157) granting an increase of pension to Daniel B. Grant (with accompanying papers);

A bill (S. 4158) granting an increase of pension to Silas Wright;

A bill (S. 4159) granting an increase of pension to T. H. Reynolds (with accompanying papers); and

A bill (S. 4160) granting an increase of pension to A. M. Bennett; to the Committee on Pensions.

By Mr. NEW:

A bill (S. 4161) granting an increase of pension to Alvin Jones;

A bill (S. 4162) granting an increase of pension to Clarn A. Thorp (with accompanying papers);

A bill (S. 4163) granting a pension to Lawrence Fox (with accompanying papers); and

A bill (S. 4164) granting a pension to Ida F. Dillon (with accompanying papers); to the Committee on Pensions.

By Mr. GALLINGER:

A bill (S. 4165) granting a pension to Martha L. Cutler (with accompanying papers); to the Committee on Pensions.

By Mr. STONE:

A bill (S. 4166) to amend section 3 of an act of Congress approved February 23, 1887 (vol. 24, Stat. L., chap. 210, p. 409), entitled "An act to provide for the execution of the provisions of article 2 of the treaty concluded between the United States of America and the Emperor of China on the 17th day of November, 1880, and proclaimed by the President of the United States on the 5th day of October, 1881;" to the Committee on Foreign Relations.

By Mr. SUTHERLAND:

A bill (S. 4167) granting a pension to George W. Parks; to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 4168) regulating and fixing the rank and compensation of the commissioned officers of the Medical Corps and of the Medical Reserve Corps of the United States Army while in active service, and for other purposes; to the Committee on Military Affairs.

By Mr. HALE:

A bill (S. 4169) granting an increase of pension to Margaret E. Murren (with accompanying papers); to the Committee on Pensions.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. SHIELDS submitted an amendment providing that during the next fiscal year clerks in first and second class post offices shall receive increased compensation in addition to the compensation now received by them, at the rate of 20 per cent for all those receiving up to and including $1,200 per annum, etc., intended to be proposed by him to the Post Office appropriation bill, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed.

Mr. SMITH of Arizona submitted an amendment proposing to appropriate $25,000 for the maintenance of the United States Poultry Feeding and Breeding Experiment Station in the Salt River Valley, Ariz., intended to be proposed by him to the Agricultural appropriation bill, which was ordered to lie on the table and be printed.

Mr. McNARY submitted an amendment proposing to appropriate $500,000 for the purpose of encouraging stock industry and self-support among the Klamath Tribe of Indians, of Oregon, intended to be proposed by him to the Indian appropriation bill, which was ordered to lie on the table and be printed.

PUNISHMENT FOR ESPIONAGE.

Mr. KING submitted an amendment intended to be proposed by him to the bill (H. R. 8753) to amend section 3, title 1, of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, which was referred to the Committee on the Judiciary and ordered to be printed.

OFFICERS' QUARTERS.

Mr. McNARY submitted an amendment intended to be proposed by him to the bill (S. 3863) to provide quarters or commutation thereof to commissioned officers in certain cases, which was ordered to lie on the table and be printed.

NONCOMBATANT COMMISSIONED OFFICERS.

Mr. THOMAS. Mr. President, I submit a resolution and ask that it be referred to the Committee on Military Affairs.

The resolution (S. Res. 216) was read and referred to the Committee on Military Affairs, as follows:

Resolved, That the Secretary of War be requested to transmit to the Senate the number of noncombatant commissioned officers in the United States Army within the draft age, and who have received their commissions since the outbreak of the war.

Mr. THOMAS. In this connection I present and ask to have inserted in the RECORD, without reading, an editorial relating to the subject from the Washington Post of yesterday morning.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SLACKERS IN UNIFORM?

The astounding revelation, coming from an apparently reliable source, that there are 62,000 noncombatant officers holding commissions in the United States Army and but 63,000 combatant officers has aroused the indignation of Senators and Representatives, who threaten an exposé in Congress, with a demand for an investigation of the facts in connection with the granting of commissions to this legion of nonfighting officers. There is no disposition to cast reflection upon the large number of men who, from patriotic motives, have sacrificed their personal interests and donned the uniform of their country in order that they may serve in the capacity in which they will be most useful, but there is a very strong inclination to put a stop to the granting of commissions through influence and to place an absolute ban upon the commissioning in the noncombatant forces of young men of draft age.

That it has been necessary in the quick expansion of the War Department organization to commission a large number of men from civil life is fully appreciated by all. There was no time for the training of staff officers, the training facilities of the country being exhausted in turning out the line officers necessary to command the National Army and the National Guard. But the inequalities that have crept in have become so glaring in many instances as to arouse a feeling of deep resentment. There have been numerous instances of young men who have gone through the grueling experiences of the officers' training camp and emerged with honor and a lieutenant's commission, only to find that some other man, specially favored, has stepped into a captaincy or majority without a day of training or any effort on his part. These incongruities naturally arouse feelings of resentment, which are not good for the morale of the Army.

It was announced as the fixed policy of the War Department that it would not grant a commission to any man of draft age unless it was found that his services were indispensable to the Government in the line for which he was commissioned. This policy, it is believed, has been adhered to in the great majority of cases. But it is stated that some conspicuous exceptions have been made, and these promise to be used as the theme for pointed remarks in Congress. It is difficult to conceive of any young man's services being so markedly needful to the United States as to justify an exception to this rule.

What particular ability must a young man have to warrant giving him shoulder straps with an officer's pay and allowances and an assignment to duty which keeps him permanently in this country, back of the lines, safe from enemy bullets or shrapnel, when millions of other men of the same age, many of them with equal or superior physical and mental equipment, are obliged to go out on the battle line and take the chances of war? It will require a very strong marshaling of argument to justify the commissioning of young men of draft age and assigning them to duty which involves no personal danger or even inconvenience.

If the mutterings heard in Congress mean anything, an investigation of such cases is impending, and it will be well for the Army and the country to have a probe of the circumstances surrounding the granting of commissions to civilians. It will result not only in weeding out those who may have secured their shoulder straps through influence or favoritism, but it also will vindicate those who are making a real and patriotic sacrifice in order to serve their Government. A little ray of light on the subject would be very helpful.

SHORTAGE OF COAL AND SUGAR.

Mr. JONES of New Mexico. Mr. President, I desire to make an announcement that to-morrow morning at the conclusion of the morning business, if I may obtain permission from the Senate, I wish to submit some remarks upon questions in connection with the investigation of coal and sugar. I am induced to this action by the speech of the senior Senator from Massachusetts [Mr. LODGE], which was delivered some days ago.

THE NATION'S HEALTH.

Mr. OWEN. I ask to have sent to the Committee on Printing, with a view to having it printed as a Senate document, an address delivered before the Conservation Congress in Washington on "The Nation's Health," by Susanna Cocroft.

The VICE PRESIDENT. It will be so ordered.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had on this day approved and signed the act (S. 3752) to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

TIMBER FOR MILITARY PURPOSES.

The VICE PRESIDENT. The morning business is closed.

Mr. CHAMBERLAIN. There are a number of bills on the calendar that have been reported by the Military Affairs Committee, most, if not all, of which were introduced at the request of the War Department, and it is quite important that some of them should be acted on speedily. I do not like to interfere with the pending measure, but I give notice now that at the first opportunity I shall ask unanimous consent that the several bills may be taken up and acted upon.

Mr. OVERMAN. We had better take them up now.

Mr. CHAMBERLAIN. I think probably the suggestion of the Senator from North Carolina might be proper, to take them up now, and I ask unanimous consent that the bills may be considered, at least until the expiration of the morning hour. I think some of them will not require discussion. If so, those particular measures that would lead to any extended discussion might be postponed until a later date.

The VICE PRESIDENT. Is there objection? The Chair hears none. What bill would the Senator have taken up first?

Mr. FLETCHER. If the Senator has no objection, I would call his attention to the bill (S. 3426) to empower the President to requisition timber and timber products for war purposes. The bill was introduced and referred to the committee in the

Senator's absence. It was twice considered by the committee and finally reported.

Mr. CHAMBERLAIN. I would just as soon take up that bill first if there is no objection.

Mr. SMOOT. As these bills are to be taken up I think Senators ought to be notified, so that if they have any objection they may be present, or if they desire to speak upon them they may have a chance to do so, and I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hitchcock	Nugent	Sutherland
Baird	Johnson, Cal.	Overman	Swanson
Bankhead	Johnson, S. Dak.	Owen	Thomas
Beckham	Jones, N. Mex.	Page	Thompson
Borah	Jones, Wash.	Pittman	Tillman
Chamberlain	Kellogg	Ransdell	Townsend
Culberson	King	Reed	Trammell
Cummins	Kirby	Robinson	Underwood
Curtis	Lodge	Shafroth	Vardaman
Dillingham	McCumber	Sheppard	Walsh
Fletcher	McKellar	Sherman	Warren
France	McLean	Shields	Watson
Frelinghuysen	McNary	Smith, Ariz.	Williams
Hale	Martin	Smith, Ga.	Wolcott
Harding	Myers	Smith, Mich.	
Hardwick	Nelson	Smoot	
Henderson	New	Sterling	

Mr. WARREN. I announce the absence of my colleague [Mr. KENDRICK] on public business and ask that the announcement may stand for the day.

Mr. BECKHAM. I desire to announce that my colleague, the senior Senator from Kentucky [Mr. JAMES], is detained by illness.

Mr. SUTHERLAND. I announce the absence of my colleague [Mr. GOFF] on account of illness. I ask that this announcement stand for the day.

The VICE PRESIDENT. Sixty-five Senators have answered to the roll call. There is a quorum present.

Mr. CHAMBERLAIN. One of the most important bills is the bill (S. 3426) to empower the President to requisition timber and timber products for war purposes. It has more particular reference to the acquirement of spruce for use in the production of aircraft and timber for building of ships. As the Senate understands, there has been more or less difficulty in procuring spruce, which is absolutely necessary for aircraft construction. It is the object of the bill to enable the Government to take such steps as may be necessary to acquire spruce and lumber for ships in sufficient quantities to meet the Government's purpose.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with amendments.

Mr. BORAH. Mr. President, is this proceeding by unanimous consent?

The VICE PRESIDENT. Unanimous consent has already been granted.

Mr. BORAH. May I ask the chairman of the committee, the Senator from Oregon [Mr. CHAMBERLAIN], is this the bill which was referred back to the committee?

Mr. CHAMBERLAIN. The bill was referred back to the committee and some amendments were made, after which the bill was finally reported by unanimous action of the committee.

Mr. BORAH. The bill is up for consideration now?

Mr. CHAMBERLAIN. Yes.

The first amendment of the Committee on Military Affairs was, on page 1, line 3, before the word "war," to strike out "in time of" and insert "during the period of the present," so as to make the clause read:

That during the period of the present war the President is hereby authorized and empowered within the limits of amounts heretofore or hereafter appropriated therefor—

The amendment was agreed to.

The next amendment was, on page 1, line 8, after the word "Navy," to strike out "the United States Shipping Board," and on page 2, line 3, after the word "Navy," to strike out "the United States Shipping Board," so as to make the clause read:

First. To take possession of any standing or fallen timber required for use by the Army, Navy, or the United States Shipping Board Emergency Fleet Corporation, or required in the production of any article necessary for use by the Army, Navy, or the United States Shipping Board Emergency Fleet Corporation.

The amendment was agreed to.

The next amendment was, on page 2, line 6, after the word "lands," to insert "including Indian and military reservations," and in line 11, after the word "timber," to strike out the period and insert a semicolon and the following: "to erect and maintain such machinery, appliances, and temporary structures upon any portion of said lands as may be necessary for the accomplishment of any of said purposes, and to remove the same; to construct and maintain such roads and logging railroads across and over said lands as may be required for rapid cutting, removal, or appropriation of such timber, and to operate such logging railroads and remove all rails and equipment thereof," so as to make the clause read:

Second. To enter upon any lands, including Indian and military reservations, on which is situated any such standing or fallen timber so required, and to cut, remove, and appropriate such timber therefrom; also to enter upon and occupy any other lands or premises required in cutting or removing such standing or fallen timber; to erect and maintain such machinery, appliances, and temporary structures upon any portion of said lands as may be necessary for the accomplishment of any of said purposes, and to remove the same; to construct and maintain such roads and logging railroads across and over said lands as may be required for rapid cutting, removal, or appropriation of such timber, and to operate such logging railroads and remove all rails and equipment thereof.

The amendment was agreed to.

The next amendment was, on page 2, line 21, after the word "products," to insert "and all machinery, cables, rails, equipment, and appliances of every character and description necessary for the production of logs, as may be"; in line 24, after the word "Navy," to strike out "the United States Shipping Board"; and on page 3, line 1, after the word "Corporation," to strike out the period and insert a colon and the following proviso:

Provided, That a reasonable supply of logs shall always be left with any mill conducting its own logging operations to insure its continued operation as a sawmill.

So as to make the clause read:

Third. To take possession of and use any logs or manufactured lumber or other timber products and all machinery, cables, rails, equipment, and appliances of every character and description necessary for the production of logs, as may be required for use by the Army, Navy, or the United States Shipping Board Emergency Fleet Corporation: *Provided*, That a reasonable supply of logs shall always be left with any mill conducting its own logging operations to insure its continued operation as a sawmill.

The amendment was agreed to.

The next amendment was, in section 2, page 3, line 6, after the words "commit to," to strike out "the Secretary of War, to the Secretary of the Navy, and to the United States Shipping Board" and insert "a department or agency of the Government designated by him for that purpose," so as to make the section read:

SEC. 2. That it shall be lawful for the President to commit to a department or agency of the Government designated by him for that purpose the exercise of the powers granted by section 1 hereof.

The VICE PRESIDENT. The amendment is agreed to, without objection.

Mr. KING. Mr. President, before that amendment is agreed to I should like to hear from the Senator from Oregon, having this bill in charge, whether the purpose is to create another agency or instrumentality for the purpose of operating under the provisions of this bill? It seems to me we have already too many agencies and instrumentalities and boards, and that it would be far better to avail ourselves of some that are already in existence. I would be glad to have the Senator having this bill in charge, if he cares to answer, state what reason there is to justify the creation of another agency or board or bureau for the purpose of administering the duties required by this act?

Mr. REED. Mr. President, I think I can answer the Senator from Utah, if he will permit me. Probably that is proposed in order to make another necessity for a bill to authorize coordination.

Mr. OVERMAN. I will say in reply to the suggestion of the Senator from Missouri that, as I understand it, the intention of this proposed act is that the department or agency of the Government to be designated by the President is to perform these duties and that under this authority several such bodies might be consolidated into one.

Mr. CHAMBERLAIN. Mr. President, the bill as it was originally prepared committed to the Secretary of War, to the Secretary of the Navy, and to the United States Shipping Board the duties imposed by the act, but it was thought best to establish some other agency—one agency, if need be—that could do this work with greater effectiveness than where it was divided among three different boards or departments.

I will say that this bill was recommitted because there was some difference of opinion amongst the men who were engaged in the production of lumber, particularly of spruce for aeroplane construction and of white pine and fir for the building of ships. After the bill was recommitted a hearing was had of the lumbermen of all sections of the country where these particular lumbers are produced. They were satisfied with the terms of the bill, I am advised, and many of the amendments which were made were made at their suggestion. I did not happen to be present at the time the hearing was had, on account of illness, but I believe the Senator from Florida [Mr.

FLETCHER] was present, and he knows just what was the reason for that particular change.

Mr. HARDWICK. Mr. President, will the Senator from Oregon yield to me?

Mr. CHAMBERLAIN. Yes; I yield.

Mr. HARDWICK. Does this mean that we are to have a sawmill commission now?

Mr. CHAMBERLAIN. It does not contemplate that there will be a sawmill commission.

Mr. HARDWICK. But will there not have to be some new authority created to perform this work?

Mr. CHAMBERLAIN. It might be that the President would have the power under this legislation to name the chairman of the Shipping Board, or any particular individual, as an agency to attend to this particular part of the service.

Mr. BORAH. But he would have to name some agency already created.

Mr. HARDWICK. Is that really the case?

Mr. BORAH. Yes.

Mr. FLETCHER. Mr. President, I will state to the Senator from Georgia what the object of the amendment was. The question of getting timber was very important, not only for the Aircraft Board but for the Emergency Fleet Corporation in the building of ships. In one case, for instance, in Washington and Oregon, the Aircraft Board are particularly interested, and in the yellow-pine region the Emergency Fleet Corporation are particularly interested; so that it was thought advisable to have this legislation provide that the President might designate a particular agency, which is already a Government agency, to do this thing in one part of the country and another such agency to do it in another part of the country.

Mr. HARDWICK. I quite understand the desirability of that; but in order to accomplish that and no more, would the Senator object to this additional amendment—"any existing department or agency"—so that it will be certain that no new agency will be created?

Mr. CHAMBERLAIN. May I make a suggestion in answer to that question? Mr. President, the principal spruce districts in the country are in Oregon and Washington. I think the greater portion of spruce is produced there. It was a physical impossibility for the agents here in the city of Washington to undertake to get at these small bodies of spruce that were scattered throughout those two States. It was found that the agencies acting here in Washington could not reach it at all with any degree of efficiency. They did not understand the situation. It finally resulted in Col. Disque, an Army officer, being appointed as the agent of the Government to go out there and take charge of spruce production. For instance, in a single 40-acre tract of timber there might be only a few large trees that were spruce and that were suited for aircraft production. The man on the ground is the best agency employed to attend to it, and not men in Washington who do not understand conditions.

I will say to the Senator that the War Department has detailed enlisted men from Camp Meade to go into the lumber regions and get out this timber, because the I. W. W.'s would not allow men to go in there. It requires a man, an agency, on the ground to take charge of the production.

Mr. HARDWICK. If the Senator will pardon me, I did not object at all to that. What I want to do is not to provide for some new board. Let us allow the President to use any existing agency of the Government he wants to use in order to get this timber—whether in Oregon, in Georgia, in South Carolina, in Florida, or anywhere else—and let him employ an officer of the War Department, like the colonel the Senator has mentioned or some other man; but do not let us so provide that we will probably have a new sawmill board created as the result of this legislation.

Mr. SMITH of Michigan. Mr. President, I have understood that Col. Disque, who is looking after the spruce supply in Oregon, has formed his force wholly out of enlisted men, and that by military authority they are seeking to acquire a supply of spruce timber for airplane construction.

Mr. HARDWICK. Be that as it may, we are using the War Department, then, in that particular matter; we are not creating at least a new and useless board.

Mr. SMITH of Michigan. This was done by Col Disque, however, under military authority. I think the Senator from Oregon is familiar with this work. I happen to be familiar with it, because the matter came up in the Committee on Commerce one day during a discussion of the labor problems that were affecting the timber supply for shipbuilding and for airplane construction; and it came out during that hearing that an officer of the Army was directing the timber supply so far as it related to Oregon, where we obtain most of our spruce timber for airplane construction. I think, however, I ought to say that in taking enlisted men into that service they are being paid wages that would ordinarily be paid to men in that field of labor, as they ought to be. If the work is not going along satisfactorily under the management of the officer it is not because he lacks authority. It was quite necessary that something drastic be undertaken in order to insure this supply.

Mr. FLETCHER. Mr. President, may I suggest to the Senator that attached to the report is a telegram from Col. Disque which explains the situation and shows the necessity for this legislation?

Mr. REED. Mr. President, I did not hear the amendment suggested by the Senator from Georgia.

Mr. HARDWICK. When the time comes, Mr. President, I intend to move to strike out the word "a," in line 7, of page 3, and substitute the words "any existing."

Mr. REED. "Agency?"

Mr. HARDWICK. That word will be left in. I desire to have it read "any existing department or agency of the Government."

Mr. REED. Does the Senator propose to make it in the singular or the plural?

Mr. HARDWICK. Just as it is, execept I want to insert the word "existing" before the language the committee employs.

Mr. REED. Mr. President, I desire to say just a few words about this bill. I think the agency ought to be an existing agency, but I think it ought to be a civilian agency.

Mr. BORAH. Mr. President, may I suggest to the Senator that out in the sections where the I. W. W. are active it will be necessary to have some military authority.

Mr. REED. The military can go along with the civil. I am talking about the requisitioning authority. I do not know what kind of conditions may prevail in some parts of the country. The Senator speaks of the I. W. W. I did not suppose there was a place in the United States where the civil authority had been superseded by mobs or by unlawful organizations.

Mr. BORAH. Well, there are instances where troops had to be called on.

Mr. REED. I am perfectly willing that the civil agents may be backed by any amount of power necessary. I want to call attention to a circumstance——

Mr. HARDWICK. Mr. President, if the Senator will pardon me just a moment before he gets away from that point, I wish to suggest that, if we are getting the timber for the War Department or for the Navy Department, it might be just as well to permit an agency of those departments to be employed in getting the timber. Therefore I would not want to limit them in the way the Senator suggests. I would say "any agency of the Government already existing that the President wants to employ."

Mr. REED. I desire simply to relate one circumstance; there are several of them, but I will relate only one. An old farmer in my State who has lived on the same piece of land—he and his ancestors—for probably 75 years, among other things has nursed and kept on this splendid farm a walnut grove, in which there are many fine trees. It was a matter of great pride to him. Something like eight or nine months ago a couple of gentlemen arrived at his place, who had with them a man wearing the uniform of an Army lieutenant. They told this old farmer they had come down to buy his timber; that it was his patriotic duty to sell it. They intimated to him very broadly that, if he did not sell it, it would be taken from him; and that any man who did not turn over his timber was a bad citizen, if not a traitor. The old gentleman was greatly alarmed and greatly distressed. He said, "I am perfectly willing to give my walnut timber to the Government to make gunstocks with; I will give it to the Government if the Government wants it; but I should like to know the authority you gentlemen have to come here and demand it." They continued to deliver lectures to him; but he is a pretty game sort of an old American, and finally he said to them, "Now, I want to know whether you are here representing the United States Government and want this timber for the United States Government; and if so, I want to see your authority." Finally he forced the admission from them that they wanted this timber to sell to somebody who they said had an Army contract. Some of these trees were worth $200 apiece. The same thing that was attempted in this instance and that failed, because this old gentleman was a pretty sturdy character, was attempted in other places.

I want the Government of the United States to have the fullest authority to take timber where it is necessary; but I believe the authority ought to be lodged in some civil officer of the Government; it ought not to be lodged in the military. I am perfectly willing, of course, after the civil authority has taken action, that, if necessary, force shall be used to take the timber. I think the amendment of the Senator from Georgia is a good

amendment; but if this is to be done through a war agency, I want to offer another amendment.

Mr. CHAMBERLAIN. Just a suggestion, Mr. President.

In the getting out of spruce there has been very great difficulty encountered on account of the activities of the I. W. W.'s in the western country. I do not know that they were guilty of any particular overt acts, either in the destruction of life or the destruction of property; but conditions got to be such in Oregon and part of Washington, at least, that men were afraid to go into the timber to work. It was all a man's life was worth to leave his home and go into the lumber camps for the purpose of getting out lumber that was to be used for governmental purposes. In order to meet that situation—and this is in reply to the suggestion of the Senator from Missouri that he prefers to have a civilian agency—it became necessary to send an Army officer out there, in the person of Col. Disque, and to detail enlisted men from Camp Meade into the lumber camps with guns on their shoulders, to see to it that nobody interfered with the work.

This was a benefit to these young enlisted men. They went into these camps armed and uniformed, if you please, as United States soldiers. They never had to use the guns, but their presence there maintained order.

Mr. REED. Mr. President, if the Senator will pardon me, I do not object to that. I do not object to the necessary force being employed to guard the men who propose to take the timber. What I am suggesting is in response to the statement that was made here that the board that requisitions this timber ought to be a civil board; it ought to be the civil authority that is employed; and if there is resistance, then, of course, the necessary power can be used.

Mr. CHAMBERLAIN. Completing what I had to say, Mr. President, this was not only of benefit to the Government itself, but it was of benefit to these young enlisted men. They went into these camps and they got paid for their services just what the men working in the lumber camps got. They got the standard wages. We have not had any trouble with the I. W. W.'s or any other of that element since these young men went into the field.

Mr. HARDWICK. Mr. President, let me suggest to the Senator also, by way of strengthening his idea—because I agree with him about it—that if the War Department themselves want this timber, they may want a certain kind that they can get better than anybody else. Why should they not be allowed to send out their own officials to get it?

Mr. CHAMBERLAIN. Let me say this to the Senator: The Senator has not had occasion, of course, to go into this situation. Here is the Shipping Board, that want one class of timber. They want the fir and white pine. They require timber of a certain size. They were not acting in conjunction with the Aircraft Production Board. They had their agencies there looking after fir production. The Aircraft Board had an agency—a civilian agency, if you please—looking after the production of spruce. After a good deal of negotiation and a good deal of work some of us succeeded in getting the Aircraft Production Board and the Shipping Board to get together. I think Mr. Bloedel, of Seattle, was named by the Shipping Board as its civilian representative on this board, and a gentleman from Oregon, another civilian, was suggested as the representative of the Aircraft Production Board, and there are others on this board, so that both of these boards are now acting together. If you limit this to an existing agency, as the Senator from Georgia proposes, I question very much if the Aircraft Production Board or the Shipping Board could go to work and select civilians to try to work in harmony in getting out both fir for ship production and spruce for aircraft production. That is the purpose of this.

Mr. HARDWICK. Mr. President, if the Senator will yield for just a moment, does the Senator then contend that under this language an absolutely new board or commission could be created by the President?

Mr. CHAMBERLAIN. It is not the creation of a commission, but——

Mr. HARDWICK. Well, could be employed, then, I will say?

Mr. CHAMBERLAIN. I question very much if these different branches of the Government—the Aircraft Production Board and the Shipping Board—would have the right to name these civilians who are offering their services for the purpose of assisting in this work.

Mr. SMITH of Michigan. Mr. President, under the discretionary power residing in the President, and with a fund absolutely at his disposal, they could do exactly what the Senator from Georgia says.

Mr. CHAMBERLAIN. Well, it is barely possible that that might be done; but this bill was prepared after a good deal of effort and a good deal of consideration by the Aircraft Production Board as well as the Shipping Board, and we have changed it and modified it so as to meet the opposing views of each.

Mr. SMITH of Michigan. I do not mean to criticize that feature of the bill.

Mr. CHAMBERLAIN. In order to avoid further discussion, Mr. President, so far as I can do it, I am willing to accept the one amendment the Senator from Georgia [Mr. HARDWICK] proposes.

Mr. HARDWICK. I hope the Senator will do so.

Mr. FLETCHER. Mr. President, I think that language would be entirely satisfactory, and I really think that was the purpose of the committee.

Mr. HARDWICK. That is what you meant.

Mr. FLETCHER. It was not our intention to create a new or additional agency.

Mr. HARDWICK. I suggest that amendment, then, Mr. President.

Mr. JONES of Washington. Mr. President, the chairman of the committee, in his opening statement with reference to the bill, made a remark that I understood to mean that the necessity for this bill largely grows out of the needs of the Government to get spruce for airplanes. I want to ask him whether or not he meant by that that legislation of this kind is necessary, so far as the Pacific coast is concerned, in order to get the timber from the owners?

Mr. CHAMBERLAIN. It is; and I will state to the Senator why. As the Senator knows, coming from the State of Washington, spruce is scattered over a large area. For instance, in a 40-acre tract——

Mr. JONES of Washington. But the Senator does not get my point.

Mr. CHAMBERLAIN. Yes; I think I will answer the Senator. There are a number of small tracts of land covered by spruce, the owners of which are scattered or unknown. The original owners in some cases are dead. The parties who are in control of it are willing that the Government should take off the spruce, but the owners of it are so scattered that it is impossible for the Government to get action on it, even at the request of the men who appear to be in control.

Mr. JONES of Washington. That explains the situation from the viewpoint of the Senator, and probably there may be some conditions like that; but I want to say that the lumber people of the Pacific coast have assured me that they have placed their timber at the disposal of the Government absolutely, upon any terms that the Government may desire, and that it is not necessary to give the administration or administrative officers authority to commandeer timber because of the refusal of the owners to let the Government have it.

Mr. KELLOGG. Mr. President——

Mr. JONES of Washington. I was told, with reference to this bill, that there are some sections of the country where the owners of timber are refusing to let the Government have their timber, and that this legislation might be necessary because of the situation in those sections of the country; but I want to say that, so far as the lumber people of the Pacific coast are concerned, this legislation is not necessary to get them to let the Government take their timber. They are all glad and willing to let the Government have it upon whatever terms it may fix. Of course, the difficulty disclosed by what the Senator has just mentioned may exist with reference to some tracts.

Mr. CHAMBERLAIN. Mr. President, if the Senator will permit me to interrupt him for a moment, if the Senator will read the telegram from Col. Disque which is part of the report on this bill, he will find that Col. Disque corroborates what the Senator says about the willingness of the great majority of the timber owners to let the Government have whatever it wants; but I call the Senator's attention to that telegram. He says:

> At request of Hammond Lumber Co. permit me to say that Chamberlain commandeer bill is not made necessary because of attitude of timber owners in Washington and Oregon who are operating at the present time. I have had nothing but most patriotic support from the great majority. Necessity for bill lies in the fact that considerable spruce timber is held by absent owners—sometimes in direction enemy sympathizers, sometimes estates and ownership involved in court proceedings, and sometimes we can not locate owners. These are the reasons why this bill should become a law at once. In addition, frequently stands in Indian reservations and military reservations are tied up by restrictive laws which seem impossible to overcome. When our operations are directed through a given territory it is mandatory in the interest of our war program that we proceed with rapidity to take all the spruce as we go. The patriotic action of employers and employees, as well as owners of timber present in this section, has been beyond question, and I know of none who oppose this bill, which should not be considered as a coercive measure as regards those who are at present in the lumber business in the Northwest.

There is quite a considerable body of that class of timber, as Col. Disque explained to me personally, which he could not

reach at all, and it was absolutely essential for the Government's use.

Mr. WILLIAMS. The Senator means he could not reach the owners.

Mr. JONES of Washington. I am glad the Senator has read that telegram. When this bill was reported some little time ago, I received telegrams from a number of people in my State suggesting that they ought to have an opportunity to be heard. I spoke to the Senator from Florida [Mr. FLETCHER], who reported the bill, and I think it was at my request that the bill was sent back to the committee. I did not, in fact, know that the bill had been reported again. I have not had time to examine it and have not had time to examine the report which the Senator has read, but that telegram coincides with the information I have had, and I wanted to emphasize that.

Now, I want to say just a word or two.

Mr. KELLOGG. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Minnesota?

Mr. JONES of Washington. Yes; I yield.

Mr. KELLOGG. While the Senator is on his feet, I wish he would tell the Senate whether the lumbermen in his part of the country have been fully informed as to the nature of this bill and have been heard before the committee, and whether they are satisfied with it?

I ask that question for this reason: Minnesota is not a large lumber-producing State any more, but very many of her citizens are interested in Washington and Oregon, on the Pacific coast. I have heard nothing from them, but I am very sure that, so far as my State is concerned, the lumber there belonging to Minnesota owners is at the disposal of the Government on its own terms. I have never heard anything about this bill, and I should like to know whether the lumber interests have been informed as to the bill.

Mr. JONES of Washington. Mr. President, as I said a moment ago, it was at the request of lumber people from my State that I asked the Senator from Florida [Mr. FLETCHER] to have the bill recommitted, in order that they might have a hearing. I understand that representatives of the lumber industry from the State were here, and they appeared before the committee, and they have had their hearing, and none of them has spoken to me since the hearing was had. I understand that they have gone home. My impression is that they are satisfied with the measure as amended; that is, they are willing to accept cheerfully whatever is deemed necessary, even though they may doubt the wisdom of it.

Mr. FLETCHER. I will say, if the Senator will allow me to interrupt him, that there did appear before the committee representatives of the lumber interests from the Pacific coast and from the Gulf coast and from the Atlantic coast, and the committee agreed to the amendments which they desired to have made to the bill.

One objection urged to the bill was that it probably would give some sort of control over the operation of the mills. That was not the purpose. The main purpose is to get timber in suitable sizes for building ships and suitable sizes for carrying on the aircraft work. This necessity arises not because the people who own the timber are unpatriotic or want to hold up the Government, or anything of that kind, but frequently the timber is owned by people who are away and can not be reached. Sometimes it is owned by minors, sometimes by estates, sometimes by trustees who can not sell. Sometimes it is under mortgage and can not be released, and it is not available to the Government. On the other hand, we need the timber; we need these sizes; and this power is given to commandeer the timber in the woods, the logs; not to operate sawmills. That was not the purpose, and we do not attempt to go into that field at all. So that the bill was amended in accordance with the wishes of the gentlemen to whom the Senator refers and others who appeared before the committee, and, so far as I know now, there is no objection whatever on the part of anybody to the passage of the bill as it has been amended.

Mr. HARDWICK. Mr. President, before the Senator takes his seat, I want to ask him one question about what this bill means.

Mr. JONES of Washington. Mr. President, will not the Senator defer that for a moment?

Mr. HARDWICK. Has the Senator from Washington still the floor? I do not want to interfere with the Senator if he has the floor.

Mr. JONES of Washington. I have just a few more words to say.

Mr. HARDWICK. All right.

Mr. JONES of Washington. I will say, Mr. President, that my understanding is, and my recollection of the terms of the bill as originally introduced is, that it did give control over sawmills, and everything of that kind. This just illustrates what the trouble is with the legislation that comes down to Congress. With the purpose of the legislation everybody can agree; but the trouble is that those who frame the legislation not only try to carry out a particular purpose, but they put within the terms of the bill all sorts of authority outside of and beyond the purpose that is intended to be served by the measure.

Mr. HARDWICK. That is exactly what I had in mind, Mr. President. If the Senator will yield to me, perhaps I can get from him the information that I desire. I see that section 4 of the bill provides as follows:

> That the President is hereby authorized, during the period of the present war, * * * to issue orders to persons engaged in lumbering and in operating sawmills prescribing the dimensions of lumber and timber products which shall be manufactured in the course of such operations.

Taking that entire section and construing it together, does the Senator from Washington believe that under this bill the President can generally direct the operation of sawmills and prescribe what lengths and dimensions of lumber shall be sawed throughout this country, whether it is intended for war purposes or not?

Mr. JONES of Washington. That language sounds pretty broad. As I said awhile ago, I have not had an opportunity to read the bill since it was reported by the committee.

Mr. HARDWICK. I should like to ask the Senator from Florida, then——

Mr. JONES of Washington. The Senator may ask some one in charge of the bill about that.

Mr. HARDWICK. Will the Senator from Florida, then, give me the information he has in answer to that question? The question I ask is this: Under this bill, and particularly under section 4 of it, is the President limited, in the orders that he may issue to sawmills as to the kind and character and length and breadth of their output, to such necessities as the Government may have with relation to war, or is he generally to have a supervisory control over all sawmill operations in this country?

Mr. FLETCHER. Why, Mr. President, the effort distinctly was to avoid anything of that sort; that is, the general control over sawmills or the power to make any rules or regulations respecting the operation of sawmills. The bill refers to the necessities of the Army, the Navy, and the United States Shipping Board Emergency Fleet Corporation. At the beginning of section 4 it specifies that the President is authorized to do these things "in so far as may be necessary to insure an adequate supply of lumber and timber products required by the Army, Navy, and the United States Shipping Board Emergency Fleet Corporation." The language in the original bill, "the manner of conducting all logging and lumbering operations," was stricken out by the committee, because it was feared that that might give the broad power that the Senator suggests. That was eliminated, and as the bill is now reported that language is out of it.

Mr. HARDWICK. To get that construction plainly before the Senate, then, as the committee understands it, the contention is that the President is given this power to direct the operation of sawmills only in so far as it is necessary to secure what this country needs for war purposes?

Mr. FLETCHER. Precisely; precisely.

Mr. HARDWICK. I wanted to be informed on that.

Mr. FLETCHER. I think there is no doubt about that.

Mr. REED. But the bill does not say that.

Mr. JONES of Washington. Mr. President——

Mr. FLETCHER. It refers to that kind of operation, and the only operation authorized is the operation to secure the necessary timber for the purposes named.

Mr. REED. The Senator from Washington has the floor, and I will not interfere with him.

Mr. JONES of Washington. It was brought out before the Commerce Committee on the hearing in reference to the operation of the Shipping Board some time ago that there was one man out on the Pacific coast representing the Shipping Board in getting out the timber for building the ships; that there was another man representing the War Department getting out material for certain war purposes connected with the War Department; and that there was somebody else looking after the airplane production. Now, a system like that can result only in waste and delay and confusion.

It has never seemed to me that it was outside of the power of the departments to coordinate their efforts along those lines. It seems that there is hardly any occasion comes up but what it must be met by the creation of some new board or the giving of new authority or the employment of new agencies in order to accomplish what it would seem we have agencies enough to accomplish. But if we have not the authority to concentrate the power in one body to look after all those various interests, then we ought to grant it; and the sooner it is granted the better it will be.

It is absolutely essential to avoid waste and to avoid great loss to the lumber industry that this authority should be centralized so that one controlling body or person may supervise the getting out of timber for these various operations so as to use and conserve the timber that must be cut in order to get out the timber that we need for these particular purposes and that will be wasted unless some provision is made to take care of it. With a proper control and with a proper handling of the matter, not only can the Government get out what it needs but conserve what we must necessarily have cut after what is needed by the Government is taken.

The Senator from Oregon referred to the activities of the Industrial Workers of the World in that section of the country. In the last few days I have seen people from our section of the country, and while we have thought that that condition was very much under control the indications now are that it is likely to break out this spring and this summer as bad, if not worse, than it was before. There is a situation there which should be met, and it should be met promptly, and it should be met vigorously by the administration. The military power should be used, so far as it is possible to use it, in order to suppress this agency and this evil that is doing more in the Northwest to hinder and delay the operations of the Government than anything else.

We hear a great deal now about spies in this country. You hardly pick up a paper but you find a reference to spies, and statements that the country is filled with spies. Government officials warn us against spies and intimate that they are on every corner. If there are spies anything like what the papers would indicate, why are not the agencies of the Government doing their duty in catching some of them, and when they are caught there ought to be some drastic punishment meted out to them. If there are spies here, we ought to catch them and we ought to try them promptly by court-martial, and if found guilty we ought to mete out to them the punishment that has always been meted out to spies in time of war—they should be shot. If we do that, we will get rid of some of the spies anyhow, and the others will not do much at their nefarious work.

The same drastic methods will have to be used with the Industrial Workers of the World. A gentleman came from my State just a few days ago who told me of an incident that occurred a few weeks ago at Aberdeen, Wash. He stated that a great spruce log was taken into one of the lumber mills to be sawed up into lumber for airplanes. The great belt saw began to turn, the log moved forward, and the saw broke into a thousand pieces. It had run against an iron hasp that had been driven into the log before it was brought there. This not only ruined the saw, damaged the log, but delayed the work several days and endangered the lives of the workmen. So it is that our laboring people are really afraid to work about the sawmills. They are afraid of things like this that endanger their lives at any moment of time.

Mr. POMERENE. Mr. President——

Mr. JONES of Washington. I do not say that anybody is derelict in not finding out a thing like that, but such conditions should spur the administration and the agencies of the Government to do everything in their power to stop and suppress anything of that sort, especially when it affects the war activities of the Government. I yield to the Senator from Ohio.

Mr. POMERENE. Along the line of the information which the Senator has just been giving us I would like also to refer to what occurred at Covington, Ky., the other day when 600 horses belonging to the Government were poisoned.

Mr. JONES of Washington. I noticed in yesterday morning's paper a little dispatch down in one corner of the paper from the little city in which I lived for over 25 years. It stated that the people of Yakima had taken the secretary of the Industrial Workers of the World local about a mile out of town and had tarred and feathered him.

Mr. President, that is as peace loving and as peaceable a community as there is in the country, but the people of the localities in that section are getting desperate and they propose to take the law into their own hands unless something is done to suppress this evil that is traitorous in its conduct and most disastrous in its effect. I hope that the Government agencies will increase their efforts to suppress and eradicate these terrible evils that are threatening the very success of our armies and of our arms. Most drastic and radical methods will have to be used.

Mr. McCUMBER. Mr. President, I should like to have the Senator tell me why the people of Oregon and the people of Washington and the people of California can not take that matter into their own hands if the Government is engaged in other matters requiring all its attention. There is power in the State to deal with it. There is manhood enough in those States to deal with it. I should like to have the Senator tell me why it is not dealt with.

Mr. BORAH. Mr. President——

Mr. JONES of Washington. I yield to the Senator from Idaho.

Mr. BORAH. It is a pretty difficult situation to meet in a community without a National Guard or militia or without an army—without anyone to deal with the situation. I am very much of the opinion of the able Senator. I really know from actual, physical contact with the I. W. W. that they are about as elusive a proposition and at the same time as destructive a proposition as you ever ran up against, and it is almost impossible to deal with them unless you have a regular military force with which to operate. It should be remembered that these are not law-abiding laborers who may be dissatisfied with their wage, but they are a lawless class.

Mr. McCUMBER. Let me answer the Senator right here. I have had no occasion myself to come into physical contact with the I. W. W., but the people of my State have had opportunity to exercise their vigilance upon this class of American traitors. I will not call them American traitors, because most of them probably are foreigners. In a little town of only about four or five thousand, a year or two ago, in my State, some 600 of them congregated. They were ordered to leave. They refused. They were arrested. They refused to work. There were so many of them that there were not jails enough to take care of them, but within two days there was an organization of farmers who came to town with their shotguns, and they gave the orders for those people to leave—and they did not buy them any tickets, either—and they left. I have no doubt but that the people of the States of Oregon and California can deal with them in the same way. They got out, and they did not come back, and if they had come back there would have been a great many funerals in that part of the State.

Mr. BORAH. North Dakota evidently ran them out into some other State. All they did was to put them across the State line.

Mr. McCUMBER. Then let the next State drive them away.

Mr. BORAH. That does not solve the question at all. If the 600 men of whom the Senator speaks had been scattered over a vast area of country—timberland and forests, and so forth—as large, perhaps, as North Dakota itself, it would have been almost impossible to deal with the situation. You might have driven a few of them out, as we have driven them into Senator JONES's State sometimes from Idaho, and into Montana, but it does not solve the situation. It must be taken charge of and taken possession of, and they must be given a trial and punished.

Mr. McCUMBER. The organization should be destroyed, and you can do that.

Mr. BORAH. You can not destroy the organization. That is an intangible proposition. It is something that you can not get at. You can not reach it. You do not know where it is. It is not in writing. It is not in anything else. It is a simple understanding between men, and they act upon it without any evidence of existence whatever.

Mr. WILLIAMS. Some of them—secretaries and several others—have been arrested and dealt with. The Federal authority, of course, can not catch a man and hang him by law on suspicion.

Mr. BORAH. Another thing. The system which the Senator from North Dakota speaks of might work in one particular instance, but it would not be conducive to law and order or to the protection of human life if adopted generally throughout the country; and certainly we have not reached the point in this war or in this country where we can not in an orderly way take into custody a violator of law and punish him according to the law, and that, so far as I am concerned, I want my State to do and insist upon it doing. I do not want mob law even against the I. W. W.

Mr. McCUMBER. If the Senator from Washington will allow me just a moment, I want to take the very last sentence of the Senator, that we have not reached the condition in this country in which we can not in a regular and orderly method deal with these people. The Senator from Oregon [Mr. CHAMBERLAIN] in opening his address upon this bill this morning used this language:

> But conditions got to be such in Oregon and parts of Washington, at least, that men were afraid to go into the timber to work. It was all a man's life was worth to leave his home and go into the lumber camps for the purpose of getting out lumber that was to be used for governmental purposes.

If what the Senator from Oregon states is correct, it seems to me that we are not able to deal with this situation in an orderly way, and if we have not sufficient officials to subserve the interests and the demands of the peace-loving part of our

population, then I say that we are justified in doing exactly what the frontiersmen have had to do in many instance, organize their defense forces and destroy the criminals.

Mr. BORAH. I do not care to make a personal reference, but I have had some experience with these people. There is always a class in a community that want to take the law into their own hands. To my mind that is just another form of I. W. W.'s. That is their principal doctrine, their theory of force, and it resolves itself into a question of who can exert the greater force.

The best administration that you can possibly give to the I. W. W. organization is to demonstrate that the Government itself is strong enough and efficient enough to prosecute them and prosecute them under the law. If you appeal to brute force or to mob force, it does not accomplish anything in the way of exterminating them at all. It simply drives them into another community for the time. But when they become satisfied that law can take hold of them and prosecute them under the law to success and punish them under the law, it inspires in them a respect for government which has its effect.

Mr. McCUMBER. The Senator does not disagree with me at all. I believe in using the ordinary processes of law if they can be used, but if we have reached a condition in which we can not protect the lives of the citizens and in which we can not protect the interests of the Government in a great war, then I certainly believe in taking whatever steps are necessary to accomplish the purpose of subserving the interests of the people and protecting the Government.

Mr. BORAH. The Senator and I only disagree in one thing apparently. The Senator seems to think that mob violence is all right to be used against a mob. I utterly disagree with the doctrine. I do not believe that is the way to deal with the situation at all. I believe that we should proceed under the law and in an orderly way and prosecute them and deal with them under the law and not by mob violence. I do not want to see the people——

Mr. McCUMBER. I agree with the Senator entirely if you can do it, but you have presented here a situation that has got beyond the control of the people themselves and the law-abiding section of the country.

Mr. BORAH. I do not concede that at all. I do not say it has got beyond their control. I say there are certain forces of the Government which are necessary to deal with it, and that when they are called into action they can deal with it effectively, orderly, and under the law.

Mr. McCUMBER. We have not dealt with them, Mr. President. We have not dealt with them for a year now that we have been preparing for this war. They have checked the production of timber necessary for ships. They have systematically prevented the efficiency of labor in the construction of ships upon which the very life of the Nation depends and we have not been able, or at least we have not so far, to control them sufficiently to produce what we ought to produce for the use of the Government.

Mr. BORAH. I agree with the Senator that we have not controlled them, but I do not agree that we have not been able to do so had we gone about it in a proper way.

Mr. WILLIAMS. I should like to ask the Senator from Idaho, before he takes his seat, if he does not think that it is incumbent upon the State government to take action in the matter.

Mr. BORAH. Undoubtedly it is incumbent upon the State, and what I say is that the State is left now without any home guard or any National Guard or any militia, and they have no means by which to deal with it as effectively as they would otherwise do.

Mr. WILLIAMS. I understand that, but the State has the power in dealing with anything that takes the proportions of a mob or insurrection to call on the Federal Government for the military to execute the State decrees or the decrees of the State court.

Mr. BORAH. That is one of the ways in which I believe it may be done.

Mr. WILLIAMS. That is the way in which it should be done. One more thing. A great many things have been done by these people not in the shape of insurrection and mobs at all. It is sabotage, as they call it, driving nails into timber, and all that sort of thing, all of which are punishable under State criminal laws.

Mr. BORAH. Precisely.

Mr. WILLIAMS. But none are punishable under Federal law unless you can connect it with espionage or with treason.

Mr. BORAH. Of course the State law must administer the punishment, and after policing the situation or controlling the situation may call for the aid of the Federal Government.

Mr. WILLIAMS. It may, and whenever it does it is incumbent upon the State authorities to ask the Federal Government for that aid. Of course the sheriff has, in the first place, the right to call upon the entire population of the county, or wherever his jurisdiction is, to help him execute the law, and you can avoid the mob effect by simply having the sheriff summon all the good citizens. They cease to be a mob then. Let them get their shotguns and deal with these people to whom I have had reference, and if they find the sheriff, with a posse comitatus, is not able to do it, then there comes an appeal to the military.

Mr. JONES of Washington. Mr. President, I do not want to be understood as advocating that the National Government shall interfere with or supplant the administration of the State law; but I did want to emphasize the situation that confronts us in the Northwest, and I am glad to have it emphasized in the views stated by the different Senators. As the Senator from Idaho said, our militia is all gone and there is no authority there of a military character that we can call upon, unless the sheriff will call upon the governor and the governor call upon the National Government. That was done last year. The governor called upon the National Government and the National Government acted promptly and sent troops out there, and the I. W. W. faded away just like frost before the morning sun. We heard nothing more of them. Finally the troops were taken out and the bad situation seems to be returning. We found this difficulty in some places, with reference to the National Government: As I went out home I went through Wenatchee, in the fruit section, and the National Government had arrested a whole lot of I. W. W.'s and had turned them over to the sheriff to hold for them, and they were in the jail, and they were almost tearing the jail down. They paid no attention to the sheriff. They had no respect for the local authorities. He turned the hose on them, and that only stopped them for a little while.

The sheriff finally insisted upon some member of the home guard being sent there, and, without authority from higher authority, the captain of the home guard sent two or three men up to this jail. The I. W. W.'s happened to look out and saw a man walking along there in uniform, and one said to another, "Why, the soldiers are here," and they stopped their noise immediately and their tearing at the jail and all that sort of thing. They have the greatest respect for the uniform.

Mr. NELSON. Not respect, but fear.

Mr. JONES of Washington. Yes; they have fear; the Senator from Minnesota is right. It is not respect; it is abject fear of the uniform.

The sheriff had been trying to get the Federal authorities to take these men off his hands and prosecute them, if they were to be prosecuted, and punish them, if they were to be punished; but he could not get them to do it; they would not do it. I know he told me that day that unless they did take these men by the next day he would turn them loose.

Mr. WILLIAMS. Had these men violated the laws of the State or of the Federal Government?

Mr. JONES of Washington. The Senator from Mississippi asks whether these men had violated the laws of the State or of the Federal Government. I do not know; but I do know that they had been arrested by the authority of the Federal Government. What the charge was I do not know. They were not held by the local authorities for violating any State law, but they were held by the Federal authorities for alleged violation of some Federal law.

Mr. WILLIAMS. It seems to me, from the very fact that they were surrendered to the State authorities, that the people who had arrested them and in whose minds suspicion of their guilt had been aroused, thought they had violated a State law.

Mr. JONES of Washington. They were not surrendered to the State authorities.

Mr. WILLIAMS. They were surrendered to the sheriff?

Mr. JONES of Washington. They were simply placed in his charge as a representative of the Federal Government. They were not turned over to him as a county official or as a sheriff.

Mr. WILLIAMS. It seems to me if they had violated the laws of the Federal Government they ought to have been turned over to the United States marshal.

Mr. JONES of Washington. Of course, they should have been, but——

Mr. WILLIAMS. They could then, in the ordinary way, have found custody for them.

Mr. JONES of Washington. But there was no marshal there, and there was no deputy marshal there. The marshal was 150 miles away at Spokane. The sheriff did try to get the United States marshal to take these men off his hands, but he would not do it, but said, "Hold them; keep them there." That ought

not to have been done. As the Senator from Mississippi has suggested, the sheriff had authority to call upon every citizen of the community to help him enforce the law, and I hope that our county and State officials will do that, but I want the cooperation also of the National Government, especially in connection with the operations of the National Government. The presence of Federal troops around the various activities of the National Government will have a very salutary effect upon these people. It will do much toward preventing these nefarious practices.

Mr. KELLOGG. Mr. President, it may not have a bearing upon this bill, but as the question has been discussed by the Senator from Washington [Mr. JONES] and by the Senator from Idaho [Mr. BORAH], I wish to say that I substantially agree with those Senators.

In times of peace, of course, the State is going to maintain order through its governor and county officials, and prosecute all crimes within the borders of the State, but there are some things which State governments can not do in time of war. When this war broke out the Legislature of Minnesota made a large appropriation and appointed a public safety commission of eminent personnel, not only to maintain order but to do everything that was necessary in the State to make most effective the State resources for the purposes of this war. But the militia had been ordered away from the State, and, consequently, the State was compelled to provide a State guard, by legislative act, which involved the drilling and preparation of the men composing the State guard in order that they might be fit for service, all of which took time. Seventy-five per cent of the ore which is used in the manufacture of steel in this country goes through the Soo Canal, and about 70 per cent passes through the ports of Duluth and Allouez Bay. All private property in that section had to be protected, embracing docks, lines, and the Soo Canal. A blast of dynamite would absolutely have stopped the ore production of this country, and this section was at that time infested with I. W. W.'s. Some of them were undoubtedly traitors and spies. There was every indication of that. The only thing they were afraid of was a Federal uniform. They did not respect the civil authorities, the sheriff of the county, or an ordinary policeman. The harbors had to be patrolled. As the Senator from Idaho [Mr. BORAH] stated, the State of Minnesota could have driven them from their harbors, perhaps over into Wisconsin, but nothing would have been accomplished.

While, of course, it is not the duty of the Federal Government to preserve order in the States and to enforce State laws, or ordinarily to use the Army and the Navy to protect private property, yet in time of war it is necessary to do everything to maintain the resources of the Nation. The mines, docks, and the canals were absolutely necessary, and if they had been destroyed the industries of this country would have been paralyzed. Men, of course, should not be convicted under mob law without trial, either in time of war or at any other time, and therefore the Government in time of war should be called upon to preserve order in some instances where a State is unable to do so.

Mr. HALE. Mr. President, in the discussion so far it seems to have been taken for granted that this bill deals only with lumber and logs that are to be used by sawmills. It seems to me that the provisions of the bill are very much broader than that, and that it can apply to lumber and logs that are to be used for any purpose whatever. In my State a great deal of the spruce is used in the pulp mills. I should, therefore, like to ask the Senator from Florida whether the pulp manufacturers of the East have been heard from on this question?

Mr. FLETCHER. Mr. President, in answer to the Senator from Maine [Mr. HALE], I will say that I never heard that the pulp manufacturers desired to present their views. We had before us people who were interested in timber and in the manufacture of lumber—the sawmill people and the logging people—and they were the only ones who seemed to be concerned in this matter at all. I do not think there is any sort of proposal here to deal with timber that is used for making pulp.

Mr. HALE. I do not agree with the Senator from Florida as to that. The same kind of timber that is used in sawmills in my State is also used for manufacturing pulp.

Mr. FLETCHER. The whole subject came up by reason of the difficulty of getting timber of sufficient size for building ships and also timber of such dimensions as was needed for the building of aircraft. It has nothing to do with pulp timber.

Mr. HALE. That may be very true, but I think the Senator will agree that under the provisions of this bill the Government would have the right to take timber of any kind or description whatsoever.

Mr. FLETCHER. Only for the use of the Army, the Navy, and the Emergency Fleet Corporation.

Mr. HALE. Precisely.

Mr. FLETCHER. Where does the Army or the Navy need to deal with pulp?

Mr. HALE. The Army or the Navy may need a supply of spruce timber for whatever purpose that may be necessary, and in such case they might take it from the pulp manufacturers as well as from anybody else. There is a provision of the bill as follows:

Provided, That a reasonable supply of logs shall always be left with any mill conducting its own logging operations to insure its continued operation as a sawmill.

I see no reason why there should not be another provision inserted to the effect that a sufficient number of logs may be left for the pulp mills to conduct their business.

Mr. FLETCHER. It is more important, I think, that we should have timber with which to build ships than it is that we should have timber out of which to make pulp. We have got to have these ships and we have got to have these aeroplanes.

Mr. NEW addressed the Chair.

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Maine yield to the Senator from Indiana?

Mr. HALE. I should like to make a further statement.

Within a short time we had a joint resolution before us, which the Senate rejected, proposing to allow the Government to take control of the print-paper manufacturing business of the country. I think we ought to be very careful to know that in this apparently innocent bill the same power is not given to the Government now.

Mr. NEW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Indiana?

Mr. HALE. I yield.

Mr. NEW. I will simply say, for the information of the Senator from Maine, that I am personally acquainted with some of the witnesses who appeared at the hearing before the Committee on Military Affairs. While they are not directly connected with the pulp industry, they are collaterally associated, to my knowledge, with parties who are interested in the pulp production in Michigan and the Central West. From their relations to those people, it is a matter of inference wholly on my part that the pulp paper men were advised of the merits of the bill, and, so far as my knowledge goes, no request came from any of them for a hearing.

Mr. HARDWICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Georgia?

Mr. NEW. Certainly.

Mr. HARDWICK. I merely want to ask the Senator from Indiana what possible difference it could make whether they had any objection or not, because the only thing this bill does is to give the Government machinery to commandeer lumber and timber that it needs for military purposes for the prosecution of this war? And if that is all it does, it ought to have that power, no matter what other interests it touches or affects.

Mr. NEW. That is true.

Mr. KING. Mr. President, I desire to call attention to the same section to which the Senator from Georgia [Mr. HARDWICK] referred a few moments ago, and to express a view different from that announced by the Senator from Florida [Mr. FLETCHER]. In examining the bill very hastily—and I suppose none of us have seen it, except the members of the committee, until it was presented to the Senate a few moments ago—it occurred to me that section 4 grants power and authority that the committee did not desire to confer upon the President or the agency hereby created, and power not necessary for the stated purpose of the bill. Section 4 authorizes the President to issue and enforce orders to persons engaged in logging operations, prescribing the length of logs which shall be cut in the course of such operations, and to issue orders to persons engaged in lumbering and in operating sawmills, prescribing the dimensions of lumber and timber products which shall be manufactured in the course of such operations.

The next section provides a penal clause and makes a violation of any of the orders of the President or the provisions of the act a misdemeanor, and the offender may be fined not more than $1,000 or imprisoned not more than one year, or be both fined and imprisoned. It seems to me, Mr. President, that the fair interpretation to be placed upon section 4 is that the agency to be created by the bill may prescribe the dimensions of all timber cut by mills and all timber products manufactured in any plants operating in the United States. While the intention may be to limit the section to those firms or persons who have contracted with the Government, the language employed is not free from ambiguity. I think there is room for the contention that all

lumber plants will be placed under the control of a governmental agency.

There is a growing disposition to place all business under national supervision. Some unwise persons seem to think that whatever the Government or some petty agent of the Government touches it eo instanti becomes sacred and success is assured. Our experience demonstrates that governmental operations are costly and usually inefficient. I should be opposed to the Government taking over the sawmills and timber plants of the country, and I am opposed to enacting penal statutes to aid in controlling private enterprise.

Mr. HARDWICK. It is limited, however, if the Senator will pardon me, by this language:

In so far as it may be necessary to insure an adequate supply of lumber and timber products required by the Army, Navy—

And so forth. They would not have the right to do any of the things subsequently outlined in that section, unless it was necessary to do them in order to supply the Army and the Navy. That is a reasonable view, and I am very much inclined to oppose large grants of power.

Mr. KING. If I were sure that the construction placed upon this section by the Senator from Georgia were the only one that would be given it, I do not think I would be making this criticism of the section, but I am afraid it goes further than that.

Mr. FLETCHER. It is limited by the words "in so far as may be necessary to secure an adequate supply for the Army and Navy."

Mr. KING. I am afraid that some agent of the Government, anxious to assert his authority, may invade the manufacturing plants and give orders as to the manner in which timbers shall be cut, even though there be no contractual relation between him and the Government and neither his plant nor his logs may have been requisitioned by the Government.

Mr. HARDWICK. Mr. President, if the Senator will pardon me, if that sort of thing were done, the sawmill man would not be forced to submit to it at all, unless, as a matter of fact, the orders were given as a part of the military program to supply the military or naval necessities of the Government. If I did not think the bill meant that, I would never vote for it, and if it means no more than that, no Senator, of course, can afford to oppose it, because it is necessary to give the Government this power in order to prosecute the war.

Mr. KING. Of course, the Government must have the power to requisition whatever property, real or personal, may be necessary to aid in the prosecution of the war. It should have the power to condemn and take possession of mills as well as standing timber. But my objection is that there may be an abuse or perversion of the authority conferred by this measure and officious employees attempt to interfere with the operations of private persons.

I suggest, Mr. President, to the committee that if the bill shall go to conference, or when it shall go to the other House, that the language of this section be changed, so as to relieve it from the criticism which I am now urging against the measure.

Just one further observation, Mr. President, in view of the discussion which has occurred concerning the Industrial Workers of the World and their activities. My only reason for recurring to the subject at this time is that I have recently received a number of communications from individuals and corporations in the West who are engaged in industrial pursuits and in supplying power for manufacturing, municipal, and other purposes, urging that the National Government shall not withdraw the troops that are now stationed in many of the Western States doing police duty and furnishing protection to the plants and properties there being operated. It is urged as one of the reasons why the Government should furnish troops and afford protection to mines, smelters, railroads, and manufacturing plants that the Industrial Workers of the World are so active and are such a menace that property will be destroyed and business paralyzed if the troops are withdrawn.

It is also claimed that the Government is directly interested in the output of some of the mines, smelters, and plants now being operated, and the operation of which is threatened. The criminal acts of this disloyal and outlawed organization are known to the people of the West. I used the word "outlawed" because the members of the organization claim to be outlaws—that is, without the pale of law and not subject to law.

Members of this organization know no country, owe allegiance to no flag, and are the avowed enemies of law and order and of the civilization of our land. They are the enemies of our country, and are giving aid and comfort to our foes. They resort to all forms of violence, and have no regard for human life. Their strikes are not to secure higher wages or improved conditions for labor. They seek the destruction of our industrial system and the overthrow of our Government. If possible, they would close every factory, shut down every manufacturing plant, destroy every ship, and have our soldiers to starve in lands beyond the sea.

They do not seek work or desire to increase the prosperity of our land or of other lands. Their creed is diabolical and abhorrent to all men who love liberty and law.

They are now aiding Germany and endeavoring to create a reign of terror in the sections where they operate.

They must be dealt with in a firm and unyielding manner. There has been too much maudlin sympathy lavished upon them by silly cranks and foolish "uplifters."

There are some well-meaning persons who are dangerous to society when they attempt to deal with labor and labor questions. They become apologists for crimes and wicked industrial upheavals if they think labor is in any manner involved.

Sabotage, destruction of property by violence, strikes in which no grievance upon the part of honest labor is involved—all these things are defended and justified by some foolish, hare-brained "reformers" who worm their way into public position and who seek the limelight of publicity.

The attitude of persons of this character encourages the Industrial Workers of the World and agitators who seek the dislocation of our industrial system. In my opinion there has been too much sympathy manifested by some of the representatives of branches of the Government toward lawbreakers and lawless elements of the Industrial Workers of the World organization.

Recently a large number of Industrial Workers of the World gathered in one of the mining towns of Arizona. They called strikes, defied the law, committed many crimes, took possession of property, prevented honest men from working, and created a condition of anarchy and terror. Finally the residents of the town organized and drove the Industrial Workers of the World from their midst. It was a drastic step. It was perhaps without legal sanction. But the frightful condition brought about by the reign of the organization which knows no law became intolerable to those who had homes and property and who desired peace and opportunity to labor.

An investigation was conducted by some persons representing certain branches of the Government. I have not seen the report, but have seen references to it. If it is of the character represented, it is in my opinion too much of an apology for this criminal organization and expresses too great sympathy for its members.

The Government of the United States and the State authorities must deal with those who are spreading disloyalty, who are inciting domestic violence, and who are endeavoring to help Prussian militarism to win in this titanic conflict in a stern and relentless way. Acts which amount to treason must bring the penalty of treason. We are in war with a mighty foe, and the cowards and traitors within our own bosom must be dealt with as persons of that character should be treated in time of war.

Some of the leaders of the Industrial Workers of the World organization are now being tried in Chicago for alleged violations of criminal statutes of the United States.

The authorities, both State and National, should courageously and effectively deal with this evil. We can not constantly be menaced by an enemy so treacherous and deadly.

Recurring to the requests made that the Government continue to maintain troops in the States in order to protect property, I desire to add that I have written to a number of persons stating that the States should furnish proper police protection; that if authority had not been given to the governors of the respective States, the legislatures should be convened and adequate provision made by law for the proper police protection of the people and their property.

It may prove a heavy burden for some States, but they should not hesitate to discharge the functions required of sovereign States. I do not think that the Government ought to be called upon now, when it needs every soldier that is available, to furnish police protection in the States. Of course there may arise situations which demand Federal intervention for the protection of life and property.

In many of the Eastern States, such as New York, New Jersey, and Pennsylvania, ample provisions are made by the States themselves to protect private enterprises and the manufacturing plants as well as to furnish adequate police protection to the people. I do not think that the States ought to shirk the responsibility resting upon them and attempt to devolve upon the Federal Government the duty and responsibility of policing the States.

Of course, in view of the activities of the Industrial Workers of the World, it is obvious that something must be done. They are a menace to the peace and security of the people; they constitute a constant conspiracy; they are committing crimes daily and hourly; the organization itself is a conspiracy, and every member of the organization, by reason of membership in the organization and in view of the proclamations and the avowed purposes of the organization, is committing a crime. The States should enforce their criminal statutes, and the Federal Government should apply the criminal statutes which reach the activities of this organization.

Mr. FRELINGHUYSEN. Mr. President, I am on the Military Affairs Committee, and was present when this bill was first considered. I do not feel that I want to oppose any measure which will interfere with the aircraft program or the shipbuilding program. I am not convinced, however, that the shortage in spruce is due entirely to a lack of authority by the War Department, nor did I see or hear any evidence before the committee that the Shipping Board was not getting all the lumber it desired.

I think the shortage in spruce is due more to the bad management of the Aircraft Production Board than to a lack of authority. I think if they had had proper efficiency they could have gotten all the spruce they wanted. That is the impression that I gained from the evidence. This bill is very broad in its provisions. It has been the policy of this Government for the past 15 or 20 years to conserve the forests of the country. The bill permits the Government to go into any private forest and cut timber therein, to go into the Government lands and cut timber—for war purposes, it is true—but we should be absolutely sure, we should be convinced, that it is necessary before we empower these various agencies of Government to go into these forests and cut ad libitum, without any restrictions of forestation, without any regulations, this standing timber, because if they destroy it carelessly or wantonly the forests never can be restored. I think the Senate ought to have more evidence of the necessity of this act before it gives these broad powers to the War Department.

Mr. KIRBY. Mr. President, I am surprised that there has been so much discussion about this question here this morning. It seems to me to be a very simple one. Much of the discussion has been interesting, but it seems to me altogether beside the question.

What the Government desired was authority to use certain timbers in a certain way, to make selections of the timbers where it was found necessary to do so, to have them manufactured if the necessity required that it should be done, and to have them manufactured at a different plant than the one where the logs might have been in the first instance expected to be manufactured if the necessity requires it. The testimony before the Military Affairs Committee showed conclusively to me that there was a necessity for the exercise of this power, and the committee well-nigh unanimously reported this bill.

Mr. FRELINGHUYSEN. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from New Jersey?

Mr. KIRBY. Yes.

Mr. FRELINGHUYSEN. Will the Senator kindly show me in the evidence where there was any testimony as to the necessity for additional authority? I think the evidence all showed that there was a lack of efficiency.

Mr. KIRBY. I am not saying that the evidence did not show that there was a lack of efficiency; but the evidence showed that these airplanes have not been built, that the ships have not been built, and that we could not get the lumber. Then the people who are in charge of these things said, "We can get the lumber if we have this additional power," and all the people who manufactured lumber and all the people who own the timber said that there was no complaint about the price that the Government was offering for the timber standing or the lumber manufactured. Sometimes there is a tract of timber the owner of which is not on the ground. Sometimes the trees are found on tracts of land where you can not get in communication with the owner, perhaps. You can use that timber under this sort of a bill. You can use any timber that is desired or necessary, and nobody who owns the timber is complaining about it, and the Government says it must have it. Then why should they not have this kind of authority?

It is safeguarded everywhere. The individual owner can not lose anything. The people who are in the manufacturing part of the business have said the prices that the Government is paying are reasonable. I think the prices are exorbitant; but there was no complaint made on the part of the Government. It said, "We need these logs and timbers, we need them now, and we can get them without any further trouble, obstruction, or delay only in this way."

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Utah?

Mr. KIRBY. I do.

Mr. KING. I want to ask the Senator by what means the railroads will be constructed and machinery will be acquired for the purpose of procuring the timber? This bill, as I read it, carries no appropriation for that object.

Mr. KIRBY. Mr. President, it is not contemplated that the Government will have to go into the manufacture at all. It might find it necessary to take certain trees from certain people, to haul them to the plants that are already installed out there, or to direct that that be done, and it would be done in that way. The Government does not expect to go into the manufacturing of lumber at all, but to use the plants that are already constructed and are already engaged in that sort of industry. It seemed to me that the testimony indicated that while certain mills stated that they were perfectly willing to do everything that the Government desired to have done, yet it was not done. When they know that the Government expects to do these things itself, or to require them to be done, that it has the power to do it, there will be no further objection.

I think probably it will not be necessary to use this power at all if it is granted; and, as I understand, everybody, or almost everybody, engaged in this industry conceded that the provisions of this bill were fair; that everybody will be taken care of properly under it. The committee, some members of which are accustomed to construing laws, thought that this bill would be fair to every interest, and that every private and individual interest was properly safeguarded by its terms.

Mr. GALLINGER and Mr. KING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from New Hampshire?

Mr. KIRBY. Certainly.

Mr. GALLINGER. This spruce is to be used, if needed, in the construction of airplanes, I believe.

Mr. KIRBY. Aircraft and shipbuilding.

Mr. GALLINGER. Yes. Now, as I recall, we appropriated $640,000,000 to construct fighting aircraft.

Mr. KIRBY. Yes.

Mr. GALLINGER. Can the Senator tell me how many have been constructed?

Mr. KIRBY. Mr. President, I am not very well advised as to that, but very few have been constructed and completed here yet.

Mr. GALLINGER. They have had spruce enough to build a great many, have they not?

Mr. KIRBY. Oh, the spruce is out there, I will say to the Senator, and a great deal of spruce has been manufactured, and probably they could have gotten more spruce than has been used; but they regard this necessary, under the conditions as they exist in order to facilitate the work both of ship construction and of airplane construction.

Mr. GALLINGER. Do they use much spruce in ship construction?

Mr. KIRBY. I understand that they have to get all their big timbers from the West. The southern pine is not large enough to cut the timbers required in the construction of ships, and they must get the big timbers from out there.

Mr. GALLINGER. What puzzles me is this—and I am entirely frank about it, and do not ask any question or make any suggestion to embarrass the consideration of the bill: If they have had spruce enough to construct a good many airships, why have they not constructed more than they have now? Why are they anxious about getting spruce that can not be used for a long time at best, because it will take a long time to use up what they have on hand, as I understand the situation?

Mr. KIRBY. Mr. President, I do not so understand it; and if we do not get out this lumber until the day we need it we never will have any airships constructed. I do not know what the fact is about the amount of lumber already purchased that is available for airship construction; but I do understand that they are going forward with it now at good speed, and in such a way as will produce in great quantities the airships that we regard as absolutely necessary in the fighting yonder in France.

Mr. GALLINGER. As they have used $640,000,000—and I understand that that has been exhausted, and that they have a deficit of $100,000,000 or $200,000,000 at the present time—it seems to me they ought to have used up more spruce than they have up to this moment. I do not know what they are doing, but we are not getting any airships; that is certain.

Mr. KIRBY. I was only speaking of what is regarded as the necessity for the introduction of this bill asking for this addi-

tional power. I do not think there is any necessity for putting in the amendment proposed by the Senator from Georgia. He refers to an existing agency. It seems to be apparent from the language of the bill that an existing agency is referred to, but no agency except one designated by the President can exercise this power.

Mr. HARDWICK. Mr. President, the Senator from Oregon [Mr. CHAMBERLAIN], the chairman of the committee, contended that the language might mean just exactly that.

Mr. KIRBY. That it might mean that?

Mr. HARDWICK. Yes; that it might mean that the President could create an entirely new agency.

Mr. KIRBY. Well, it is possible that that construction might be adopted; but what is the difference? If the necessity exists, and only an agency designated by the President for the purpose can put into operation the provisions of the bill, and he can only operate in accordance with the provisions of the bill, that will protect everybody amply; so what difference does it make whether the agency is now in existence or whether it shall be created hereafter?

Mr. HARDWICK. Mr. President, if the Senator will yield——

Mr. KIRBY. Certainly.

Mr. HARDWICK. I will tell the Senator what difference it makes. We have a thousand useless commissions already and I do not want to create another one. I should like to abolish a few of those we already have.

Mr. KIRBY. I might agree with the Senator on some of that.

Mr. HARDWICK. Then, what is the need of creating a new one?

Mr. KIRBY. But here is the proposition: This bill is introduced to meet an emergency, and the people who are engaged in this operation and construction now are evidently the people who will be designated to take care of it and to go on with the operation and the construction. Certainly they would not go and hunt up somebody else to do it, under the conditions existing.

As to the objection raised by the Senator from Maine [Mr. HALE], about its interfering with pulp production, I do not think there is a possibility of that being done under this bill, as the Senator from Florida [Mr. FLETCHER] has already said. If they have logs on hand in a pulp mill that might be used and that could be commandeered under this bill for use by the Government, they certainly would not go and take them from a mill where it could not be manufactured into lumber unless it was reasonably in the vicinity of another place where it could be manufactured, and under the provisions of the bill they would be bound anyway to leave all the logs at that mill that could be reasonably required for its continued operation, whether it was a pulp mill or a lumber mill, under any fair construction of this bill.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Utah?

Mr. KIRBY. I do.

Mr. KING. The Senator from New Jersey [Mr. FRELINGHUYSEN] a moment ago stated, as I understood his observation, that there was inefficiency in the Aircraft Board, which brought about the necessity of some legislation, if any legislation of this character was required. I want to ask the Senator if, in his investigations—and I do not want him to disclose anything that would not be proper—there was inefficiency exhibited in the Aircraft Board, and if that inefficiency was found upon the part of civilian members, such as Mr. Coffin, or was found upon the part of the officers?

I want to say to the Senator that my experience in connection with some of these civilians who are offering their services to the Government has somewhat shaken my confidence in the business ability of civilians and increased my confidence in the business ability of officers of the Army.

Mr. KIRBY. Mr. President, I do not want to be in the attitude of rendering judgment about whether a particular man is efficient or inefficient, when I do not know the conditions surrounding the man, or the operations in which he has been engaged. I do not know whether a civilian or an officer might have better business ability. Whether a man has sense or not does not depend on whether he is a civilian or an officer in the Army. It never has been properly determined in that way, and it can not be determined in that way now.

It may be that some of these officers in the Army have more sense than the civilian business men. It may be that they are better qualified to do some of these things; but because a man wears the uniform of the Government of the United States it does not follow that he is a better business man than somebody else on the outside who has devoted his whole time to business and the pursuit of it.

I do not know whether there has been much inefficiency or not. I do not believe there is, in a broad and liberal way of discussing it. But if there has been inefficiency, if it has delayed the construction of the aircraft, we need the aircraft now, and this will conduce to their speedy construction. This remedies the condition and completes it so far as the Government is concerned.

I hope this bill will be passed without any further discussion. I have been surprised that there was so much. I tried for half an hour to stay out of it, but was unable to do so because of the apparent misunderstanding by some Senators of the provisions of the bill.

Mr. SMITH of Michigan. Mr. President, I desire to suggest an amendment after the word "operations," at the end of line 19, page 4.

Mr. FLETCHER. Mr. President, would it not be better if the Senator would wait until we get to that part of the bill?

Mr. SMITH of Michigan. Oh, I beg pardon.

Mr. FLETCHER. We have been talking about the amendment of the Senator from Georgia so far.

Mr. TOWNSEND. Mr. President, I do not think the reasons advanced for supporting the bill have been sufficient. They are not the real ones. I do not think any mill owner in the United States has refused to operate his mill in accordance with the demands of the Government as fully as it was possible for him to do it. I have had some correspondence in reference to this measure, and I have heard from no source that there was any disposition on the part of any bona fide lumberman or mill owner to do otherwise than act in harmony with the wishes of the Government.

That there has been inefficiency in the conduct of the Government's end of the lumber business required for airplane production there is not the slightest doubt. The evidence has been disclosed before the Military Affairs Committee, and it is overwhelming. It is known to every man who has investigated the subject. I think it is a fact, however, that in the region of the United States where spruce is grown a great deal of timber is owned either by aliens, by estates in court, or by people whose residences are not known. It is that particular timber that the Government is seeking to obtain—that is, if it is acting in good faith with this measure.

In my judgment it is a mistake to impute anything but a willingness to cooperate with the Government to the persons owning and operating the mills; but this timber which is sought to be obtained, the ownership of which is not known, could be reached by some other measure than one of this kind. I do not care to oppose the bill, however, although I dislike very much to have the excuse offered that there is some difficulty with the mills as the cause of our lack of production of airplanes. The lumbermen are not causing the delay in aircraft production, if there is delay. Sufficient spruce is and has been available for the construction of many planes. We have distressingly few.

I do not wish to criticize the Aircraft Production Board. This probably is not the time or the place to do it, and I am not prepared to do it, but I do know that the reasons given here this morning are not the real cause of the failure to produce aircraft. It is this camouflage, this misrepresentation of facts, to which I object. If, instead of creating artificial scapegoats, more airships were created from the material at hand I would be better satisfied. We all want to build airplanes. We all want to pass any kind of a law necessary to speed up production, but that speeding up can not be obtained by charging the timber and mill owners, who are operating as the Government wants them to operate, with obstructing Government operations. This bill, like many others of recent birth, is unnecessary for effective war preparation. I wish the administration would use effectively the power which it already has before it asks for more.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 9054, the Agricultural appropriation bill.

Mr. SMITH of Georgia. I think it is probable that this bill could be disposed of in a short time.

Mr. CHAMBERLAIN. I think so.

Mr. SMITH of Georgia. I would be glad to have that done, especially as that is the view of the Senator from Oregon.

Mr. SMOOT. I hope the Senator will not ask it, because I shall be compelled to object to his request. There are Senators who have told me they desire to speak on the bill to-morrow morning, and if the Senator from Oregon will bring it up at that time I have no doubt it will be passed.

Mr. CHAMBERLAIN. If the request is going to meet with objection, of course I will yield. I give notice that I shall

undertake to bring the bill up again for consideration at the close of the morning business to-morrow.

Mr. WARREN. Let me ask the chairman of the Committee on Military Affairs if he does not think there ought to be a time given to take up the calendar and consider the 15 or 18 military bills on it relating to war measures and consider them all?

Mr. CHAMBERLAIN. I think so. I think some of them are very, very important.

Mr. WARREN. Indeed they are important.

Mr. CHAMBERLAIN. And the department requests us to have them disposed of. I shall ask in due course in the next day or two that those bills shall be taken up and disposed of.

Mr. WARREN. I hope the Senator will do so, because on the subject of the draft and other matters there ought to be legislation.

Mr. SUTHERLAND. I desire at this time to submit an amendment to Senate bill 3426, which I ask may lie on the table and be printed.

The PRESIDING OFFICER. The amendment will lie on the table and be printed.

AGRICULTURAL APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

The PRESIDING OFFICER. The pending question is the motion of the Senator from Oklahoma [Mr. GORE] to suspend the rules.

Mr. SMOOT. I know that the Senator from Missouri [Mr. REED] desires to address himself to this motion. I do not just know where the Senator is. He is temporarily out of the Chamber.

Mr. HARDWICK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	Nugent	Thomas
Beckham	Hitchcock	Overman	Thompson
Borah	Johnson, Cal.	Pittman	Tillman
Calder	Johnson, S. Dak.	Poindexter	Townsend
Chamberlain	Jones, N. Mex.	Pomerene	Trammell
Culberson	Jones, Wash.	Robinson	Underwood
Cummins	King	Shafroth	Vardaman
Curtis	Kirby	Sheppard	Wadsworth
Dillingham	Knox	Sherman	Walsh
Fletcher	McCumber	Simmons	Warren
France	McKellar	Smith, Ariz.	Watson
Frelinghuysen	McLean	Smith, Ga.	Weeks
Gallinger	McNary	Smoot	Williams
Gronna	Martin	Sterling	Wolcott
Hale	Myers	Stone	
Harding	New	Sutherland	
Hardwick	Norris	Swanson	

The PRESIDING OFFICER. Sixty-five Senators having answered to their names, a quorum of the Senate is present. The question is on agreeing to the motion proposed by the Senator from Oklahoma [Mr. GORE] to suspend the rules.

Mr. BORAH. Mr. President, I know there is a Senator who desires to discuss this matter further. I do not desire to do it myself, but the Senator has been sent for. As I have not anything to say myself I can only call attention to the fact that there is a Senator who desires to discuss the matter.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Oklahoma.

Mr. BORAH. Upon that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HARDWICK. Mr. President, this bill has been discussed at some length before on both sides of the proposition, but it seems to me it is a question which involves the gravest consequences and it ought to be considered with due deliberation.

We ought to do, Mr. President, whatever is best calculated to stimulate the production of wheat in the situation in which we find ourselves now. If it be true that we can stimulate the production of wheat best by not increasing the minimum price guaranteed by law, then we ought not to increase that minimum price.

The view has been urged in some quarters that the effect of increasing the minimum price would be simply and solely to cause the farmer to hold the wheat he has already made and to hoard it or to cause it to be hoarded by some one, and for that reason it is unsafe and unwise to adopt the plan suggested by the Senator from Oklahoma.

Personally I have been inclined to the other view. With no such governmental control exercised over the price of other grains—barley, corn, and rye—and with a rapid rising price of those grains the farmer has been tempted to plant them. He would rather raise these grains at $3 than wheat at $2.20, or even at $2.50. So it has appeared to me that the wise thing to do is to follow the plan suggested by the Senator from Oklahoma and increase the minimum we are willing to guarantee the farmer. For that reason I have been prepared, although I live in a wheat-consuming rather than a wheat-producing State, to vote for a larger guaranty to the farmer with respect to this particular matter.

It seems to me, however, that the principal value of the lesson that we are learning from this whole thing is how utterly useless it is to attempt to regulate such matters by statute law at all. I think we would really be a great deal better off if we had never undertaken it in the first instance. Still we are confronted by a situation and not by a theory, and it is necessary to do whatever we think is best for the country as a whole and for the world as a whole when it comes to the disposition of this matter.

Believing, as I do, that it is absolutely for the best interests of the world, with great fields in other continents laid in ruins almost by the war, to stimulate production in this country, operating under the system that we are now operating under, I am willing to take rather extreme measures in order to stimulate that production and to increase the world's bread supply.

I do not think the Senate in voting on this question ought to look at it from a local standpoint, certainly not from the standpoint of a State, certainly not from the standpoint even of this country, but we ought to consider the world condition and the world situation; and when we consider the world condition and the world situation I believe we will be forced to the conclusion that any possible way of stimulating and increasing production is an absolute necessity at this juncture if the people of the world are to be fed and if this war is to be fought at all and if it is to be maintained at all.

Personally I feel very great reluctance to support a proposition to increase the price of bread to the consumer, but we had better furnish the consumer with bread even at a little higher price than to have the consumer unable to buy bread at any price, as he was recently unable to buy coal at any price on account of a proposition just about like this, throwing another monkey wrench into the machinery.

So, while I would rather not increase the price or raise the guaranty, yet if Senators believe, as I believe, that production will not be great enough and can not be stimulated enough without that being done, I can see no other plan or method except to support the motion of the Senator from Oklahoma.

I assume that before the vote is taken not only the Senator from Missouri [Mr. REED], but the Senator from Oklahoma [Mr. GORE], will address the Senate at length in support of that proposition and in advocacy of the motion presented by the Senator from Oklahoma. I shall expect those Senators who have served on the committee and who have had the opportunity of hearing the testimony that was given and of weighing the contentions that were made and of knowing the facts accurately as relating to this situation to give to the Senate and to the country valuable information upon which to base an opinion with respect to this matter, and that they will be able to give to the Senate itself and to the Members of the Senate valuable information upon which we can base our votes with respect to the matter.

Mr. VARDAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names.

Ashurst	Hitchcock	Overman	Stone
Baird	Johnson, S. Dak.	Page	Thomas
Bankhead	Jones, N. Mex.	Pittman	Thompson
Beckham	Jones, Wash.	Poindexter	Tillman
Borah	Kellogg	Pomerene	Trammell
Chamberlain	Kirby	Ransdell	Underwood
Culberson	Lodge	Reed	Vardaman
Cummins	McCumber	Robinson	Wadsworth
Dillingham	McKellar	Shafroth	Walsh
Fall	McLean	Sheppard	Watson
France	McNary	Smith, Ariz.	Weeks
Gore	Nelson	Smith, Ga.	Williams
Gronna	New	Smith, Mich.	Wolcott
Hale	Norris	Smoot	
Hardwick	Nugent	Sterling	

Mr. RANSDELL. I wish to announce the absence on official business of the Senator from Florida [Mr. FLETCHER], the Senator from New York [Mr CALDER], the Senator from California [Mr JOHNSON], and the Senator from Ohio [Mr. HARDING].

The PRESIDING OFFICER. Fifty-eight Senators have answered to their names. There is a quorum of the Senate present.

Mr. SMOOT. Mr. President, whenever a motion has been made to suspend the rules of the Senate, as long as I have been in the Senate I have voted against it. I have given my reasons for that course in the past, and I am not going to take the time of the Senate to repeat them, but simply to say that I never

expect to vote to suspend the rules of the Senate unless there is a national crisis involved.

In this case I do not believe that to be the case, and therefore I shall vote against suspending the rule. I do not know that it is necessary for me to go into the question of the price of wheat at this time. It has been discussed thoroughly. I know the critical condition existing in our country, and I know that something must be done to get the farmers to raise wheat, in order not only to feed the American people but to feed our allies, and it seems to me to accomplish this it ought to be done by direct legislation. If it comes up in that way I am going to support the increase, but, Mr. President, I do not feel justified in voting for a suspension of the rule.

Mr. REED. Mr. President, I desire to discuss upon its merits the question, Should the law be so amended that the price of the farmer's wheat can not be forced by the Food Administration to a point below $2.50 per bushel? I shall only speak on one point and very briefly. I do not think that we sufficiently appreciate the fact that the basis of money values has in recent months tactically changed. This is the great force back of advancing prices that few of us have fully comprehended. I think the sooner we do appreciate the truth that money has depreciated in value to an enormous extent and that business must be done upon a different money-value basis the better it will be for the country.

Mr. President, the production of gold for many years prior to 1873 was only about one-fifth what the production has been for the last 10 or 12 years. That is one of the causes for the increase in the volume of money. Since the war began the money of the world has been inflated by paper issues, so that in some of the countries of the world it is nearly nine times what it was prior to the beginning of the war. In our own country there has been an enormous inflation of gold growing out of the fact that there has been a favorable balance of trade since the European war began.

In addition to that there has been an increased coinage of silver, and in addition to that there has been a very large increase in bank currency arising from the issues of the Federal reserve banks.

Beyond all this there has been a vast multiplication of bank deposits. Everyone who has given the question study knows that an increase of bank deposits means a multiplication of what I intend to call, for the sake of a descriptive term, check currency.

There has also been an increased activity in the movement of bank deposits and the movement of money, and now on top of all that comes an enormous issue of bonds; and the issuance of bonds, as everyone who has studied the question knows, is in itself, if not actual inflation, in the nature of inflation.

So I do not think that I am at all outside the fact when I say that in my opinion the purchasing value of a dollar has depreciated in the last three years 50 per cent, and, I am inclined to think, even more than 50 per cent.

I have refrained from putting into the few remarks I have made long lists of figures that I might give. At some other time I may claim the attention of the Senate in order to state the figures in detail. If I am even approximately correct in the conclusion I have just announced, then we may as well get ready to acknowledge the fact that money has gone down. It follows that a price expressed in dollars may seem large when, in fact, the purchasing value of a dollar has so decreased that the price is not as great as it was a few years ago.

I offer that observation, and it will be found that it is true wherever we apply it to concrete facts. When we undertook to fix the price of wheat a year ago—that is, a minimum price—there were many Senators on the floor who were appalled at the proposition of $2 wheat; but $2 wheat it was at once discovered was too low, even the Garfield Commission found that it was too low. The price mentioned was for the high grades of wheat, and at their terminal markets the farmer did not realize anything like $2.20. It may be seriously questioned whether the price paid the farmer would buy as much as the price he received some years ago.

I call the Senate's attention to the fact that in the first address which he delivered to the present session of Congress the President expressly stated that the farmer had been unjustly treated. He could have had reference to nothing except wheat, because up to that time wheat was the only thing the farmer raised that had been regulated, and yet the President told us that the farmer had just cause for complaint. I do not undertake to quote his exact language, but that is, in substance, the language. I, however, want to put my appeal to the Senate in this matter upon a higher ground than even the interest of the farmers. I put it upon the ground that Mr. Hoover and every man who is concerned or interested in the wheat question has certified to us over and over again that wheat is absolutely necessary in order to win the war.

We have been told not once but hundreds of times by those occupying positions of high authority that our allies can not be fed upon corn; that they can not be fed upon rye; that they can not be fed upon barley; but that they must have wheat. Hence the American people are asked to eat great quantities of the coarser cereals in order that we may send large amounts of wheat to Europe.

Moreover, we have recently been told that there is an actual shortage of wheat for the supply of the allies and the supply of ourselves. Mr. President, we are at the spring wheat-planting time. At the prices as they existed a few days ago a farmer can make out of planting his 100 acres of land to corn approximately 50 per cent more than he can possibly make by planting it to wheat, understanding that the crops shall run on the average as they have for 50 years. He can make more money in planting his 100 acres to oats, and next year very much more money putting the land to clover or alfalfa or to tiomthy hay, than he can to planting wheat.

Under these circumstances, what is the wise thing for the Congress to do? We want more wheat. If we want more wheat, we ought not to allow a condition to exist which penalize the farmer upon every acre he sows to wheat, which makes it the most unprofitable crop he can possibly plant, which advises him in advance that when he plants wheat he is planting the crop which will bring him the least possible return. I appeal to Senators, therefore, whether this very modest and slight increase in the price of wheat is not in the interest of the whole country; is not in the interest of the consumer as well as the interest of the producer?

I need not say that I have strenuously advocated a policy of no price fixing, except to reach profiteering or gambling; but that advocacy has been overruled and we have entered upon the policy of price fixing. It is absolutely necessary, if we are to have a wheat crop that will come to the volume necessary to supply ourselves and the world, that the farmers shall be induced to plant as much wheat as can possiby be grown. If that is done, we shall have cheaper flour in the fall and we shall be out of danger of a serious bread shortage. But if we are short of wheat, prices will go up, for there never was a shortage of grain yet that did not produce very high prices to the consumer.

I hope that the proposition to suspend the rules will be adopted, so that we may be permitted to pass the amendment. Let us encourage the farmers by granting them this slight increase in the price of wheat.

That is all I desire to say, and I thank the Senate for its courteous attention.

Mr. GORE. Mr. President, on yesterday the Senator from Illinois [Mr. SHERMAN] had read into the RECORD a quotation from Mr. Cotton, who is at the head of the meat division of the Food Administration, in which Mr. Cotton declared that the price of corn was fictitious and that he hoped the price would be reduced. It is fair to assume that, in giving expression to that view, he reflected the view of the Food Administration. The price of corn has been reduced within the last few days; I believe there has been a decline of something like 30 cents a bushel in its price. As shedding some light upon that decline I ask to have read into the RECORD a telegram from the Dazey-Moore Grain Co., of Fort Worth, Tex. If the statements contained in this telegram be true, the suspicion of duplicity can hardly be avoided.

The PRESIDING OFFICER (Mr. NUGENT in the chair). Without objection, the Secretary will read as requested.

The Secretary read as follows:

FORT WORTH, TEX., *March 18, 1918.*

Hon. MORRIS SHEPPARD,
Washington, D. C.:

Ten days ago there was an urgent demand for corn; producers and dealers were told by the Food Administration that it was far behind its program of supplying Europe, and they were urged to strain every nerve to ship as much corn as possible during the next 30 days. The railroad administration was criticized for failure to supply cars, and in every way the impression was created that every bushel of corn that could be shipped before spring farm work commenced would be urgently needed. Producers and shippers of grain have responded to the appeals that were made to them. They have held back their oats and other grains and have given preference to shipping corn, never suspecting for a moment that there would be any interference with the demand for a commodity in such abundant supply as corn, of which the largest crop ever produced was raised during the crop year of 1917. It is therefore difficult to imagine the feeling of producers and shippers when all of a sudden and without warning the export demand for corn came to a sudden stop, and they are forced to sacrifice grain for which they expected to find an urgent demand. Foreign buying having been placed entirely in the hands of one buyer, the Wheat Export Co., an organization supposed to be composed of the Governments of Great Britain, France, and Italy, this organization was not naturally suspected of market manipulating. We to-day, however, are in receipt of a telegram from the Wheat Export Co. stating it to be a matter of regret

that they can not buy more corn, assigning as a reason that they are under strict instructions from the Food Administration not to do so. There are several questions presented by this situation, but the outstanding one and the question that deserves immediate and serious consideration is the good faith of the Food Administration in appealing for the largest possible movement of corn and then withdrawing the main support of the market when the heavy movement is at its height. Another question relates to the wisdom of intrusting to one man as much power as is used by the Food Administration and still another—and one of very great magnitude—is whether he has not acted in bad faith with Congress by exercising far greater powers than were conferred upon him. So far as we are personally concerned the time has come when we can not conduct our business with any degree of certainty. We never know what a day will bring forth. The immutable law of supply and demand has been suspended, competition between foreign buyers has been destroyed. Concentration and monopoly have superseded the open competitive market and producers and distributers are now at the mercy of one man, and that man is the man selected by a foreign Government to evolve a system for holding in check the prices of the surplus food produced in the United States. Please furnish copies to Senator GORE and Senator REED.

DAZEY-MOORE GRAIN CO.

Mr. GORE. Mr. President, the only point I care to make on this telegram is this: Mr. Cotton was before the Committee on Agriculture this morning. He reiterated the declaration that the price of corn was fictitious; he reiterated the hope that the price of corn would decline. Now, whether it be a concerted plan or not, evidently the Food Administration share Mr. Cotton's views, and this telegram indicates that they have been able to find ways and means to realize the hope expressed by Mr. Cotton.

The motives for that I am, of course, unable to divine. It may be that they desire to break the price of corn on the eve of the spring wheat sowing, with the hope that the relative profits will be shifted and the farmers who had intended to plant corn on the basis of the prevailing high prices will now shift to wheat, with the hope that possibly they might squeeze as much out of wheat as out of corn. Further than that I have no observation to make.

Mr. REED. Mr. President, in connection with the telegram the Senator from Oklahoma has just presented, I desire to say that when I heard that the price of corn was suddenly breaking I wired one of the best-informed grain men in the West asking the cause. I received a reply in which he stated that at this time he could not tell the cause further than that all the orders for corn which had been placed in that market from the East had suddenly been canceled and that it looked like a concert of action for the purpose of breaking the market. That is not his exact language, but that is the inference.

I am very sorry if the thing which seems to be indicated is true, and I say to the chairman of the Committee on Agriculture and Forestry that it is undoubtedly the duty of that committee at once to go to the bottom of this matter.

Mr. GORE. I will say to the Senator from Missouri that I asked Mr. Cotton this morning to furnish me the names of those who would be in a situation to tell the truth and the whole truth about this transaction.

Mr. REED. Let me ask, Who is Mr. Cotton?

Mr. GORE. Mr. Cotton is at the head of the meat division of the Food Administration.

Mr. REED. What was his business before he took that place, if the Senator knows?

Mr. GORE. By profession he is an attorney.

Mr. REED. Who was he attorney for, especially?

Mr. GORE. He was a member of the firm of Spooner & Cotton, Mr. Spooner formerly being a distinguished Member of this body, and he had a considerable clientele, as I understand, in New York City. He was examined upon that point this morning at some length, and I may say that he said that he had no experience in the production of live stock, which was the particular matter under consideration; and in connection with that the corn situation was brought out.

Mr. SHEPPARD. Mr. President, it will be observed that the signer of that telegram requested me to send copies of it to the Senator from Oklahoma [Mr. GORE] and the Senator from Missouri [Mr. REED]. This I did in compliance with the request of my constituent. The Senator from Oklahoma had the telegram published in the RECORD on his own responsibility. So far as I am concerned, I am not in sympathy with any charge of bad faith against Mr. Hoover or the Food Administration.

Mr. GORE. Mr. President, I wonder if the Senator from Texas has any knowledge as to the facts stated in this telegram?

Mr. SHEPPARD. I do not have.

Mr. GORE. Does the Senator know the gentleman who signed the telegram?

Mr. SHEPPARD. I know a member of the firm. I do not know all the members of the firm.

Mr. GORE. Does the Senator regard them as a responsible firm?

Mr. SHEPPARD. So far as I know, they are a responsible firm.

Mr. GRONNA. Mr. President, I have said all that I care to say on this subject, except that the Committee on Agriculture and Forestry has for the last five weeks held hearings for the purpose of ascertaining if there is any untruth in the statement that production is being interfered with on account both of the price fixed and the regulations promulgated by the Food Administration. As one of the members of that committee, I feel that I have done my duty. I have called to the attention of the Senate as best I could the facts as they have been presented to the committee. They were not conclusions of my own, but were the facts presented by witnesses from various parts of the United States.

It is true, Mr. President, that there is great danger of production being decreased, due in part to the price, but more so to the drastic orders being issued and by regulations which, while not directly fixing prices, by indirection do so, and constitute the real cause of the reduced price. That applies, of course, to cattle and to hogs. I do not say that it applies so much to grain. We know, however, that wheat brings a higher price in the Argentine Republic to-day than it does in the United States.

I do not think that the statement of Mr. Cotton should stand unchallenged when he states that the price of corn to-day is a fictitious price. Of course, we have placed a minimum, which has become the maximum price of wheat. It has operated absolutely as a maximum, and it can not be anything but a maximum, when it is admitted both by Mr. Cotton and by Mr. Durand, who have both testified before our committee, that the Government of the United States and the allies have pooled their interests and have but one purchasing agency. I think any Senator will see that, if this system is continued and if the Food Administration shall proceed in that way, they will cripple the industries and decrease not only the production of wheat but they will discourage the production of other cereals absolutely necessary for the successful prosecution of the war. They will succeed also in decreasing the meat supply; and, of course, nothing of that kind should be done.

Mr. President, there are a great many facts which were presented to the Committee on Agriculture which we can not take the time of the Senate to explain now, but I believe that in the main those who have spoken upon this subject have fairly presented the conditions as they exist.

Mr. SHAFROTH. Mr. President, I wish to say a few words with relation to the motion to suspend the rules proposed by the Senator from Oklahoma for the purpose of adopting an amendment to fix the minimum price of wheat at $2.50 per bushel.

The papers of last Monday tell us that the London Telegraph of the 15th instant contained a leading editorial which states that there is more necessity for our food than there is for our soldiers in Europe. It was said to be an elaborate editorial, going into details and showing the deplorable condition of shipping and the great necessity for our wheat.

It seems to me that the fact that the farmer has been feeding wheat to his stock, when it is not the usual food for them, and selling his corn, barley, and rye, is the best evidence that it is lower in price and less profitable to raise than the other cereal grains which he ordinarily produces. Human nature being the same the world over, the farmer is going to plant that crop which will yield him the most money, and will not plant that which brings him less money. Wheat averages 14.7 bushels per acres; price now, $2.20; yields per acre $32.34. Corn averages 26.1 bushels per acre; price now, $1.85; yields per acre $48.29. Rye averages 16.1 bushels per acre; price now, $2.99; yields per acre $48.14. Barley averages 24.2 bushels per acre; price now $2.25; yields per acre $54.45. Oats averages 31.2 bushels per acre; price now, 98 cents; yields per acre $30.58. The condition to which I have referred demonstrates conclusively to me that wheat is not commanding the price to which it would be entitled under the principle of supply and demand. He will therefore plant those cereals which will bring the best prices. The public will not be benefited because they will be compelled to buy the high-priced substitutes.

I believe that it is necessary to have wheat raised in large quantities in order to win this war. I think all concede that it is necessary in order to prevent starvation almost in many sections of Europe that the wheat crop should be as large as possible. That being the case, why is it that we will not remove the limit that has been placed upon the price of wheat? Why is it that we will not allow it to command that price which the application of the law of supply and demand would entitle it? In the consideration of the food-control bill last summer all conceded that only a minimum price was fixed, which would stimulate the production of wheat.

There is no danger of the farmers making a corner on wheat; the farmers never have tried to do that; every one of the corners that have been manipulated successfully in the United States has been accomplished by speculators. The object that was intended to be accomplished by the licensing of elevators and of mills was not to curb the price of wheat to the farmer, but it was for the purpose of preventing the speculation in which brokers and others indulge in endeavoring to increase abnormally the price of this staple product.

It is better for even the consumer to have wheat at a higher price than it is not to have wheat at all. Senators have said that some States have not planted up to this time within 25 per cent of the wheat they planted last year; and yet the demand is greater and is increasing, and the necessity for the wheat is growing greater all the time. It is said in my State that wheat will be absolutely out of the market after the 1st day of May. Now, is it possible that we are not going to encourage the production of that thing so absolutely necessary to the winning of the war?

A minimum price for wheat will encourage its production, but a maximum price for it will prove a failure.

Mr. President, I do not wish to delay the vote upon this measure; but it seems to me that this proposed amendment is nothing but fair and right to the farmer, and that we ought to suspend the rules and adopt the same.

Mr. GORE. Mr. President, the remarks of the Senator from Colorado have suggested one observation that I wish to make. I need not say to the Senate that I do not believe in any scheme of price fixing. In my judgment such an effort is foreordained to fail. Perhaps the oldest blunder known to the sons of men is the attempt at price fixing. The history of the effort is one dreary tale of uniform and unvarying failure, of disappointment, and ofttimes of disaster.

Whenever the attempt is made to regulate prices, the effort must inevitably work more or less mischief. I have offered the pending amendment in order to bring about a situation where we will work less rather than more mischief. I seek to minimize the mischief which must come; I seek to keep the mischief down to the irreducible minimum. That is the object of the proposed amendment.

We have been told on every hand that food is the key to the situation and that wheat is the pivotal food grain. Mr. Hoover assured us that there was a psychology about a wheaten loaf that was indispensable. There is no sufficient substitute for wheat; we have been appealed to to produce wheat in abundance on the assurance that wheat might win the war.

There is but one excuse or plea which renders the attempt at price fixing even rational. If there be some article like wheat which is of preeminent and of indispensable necessity, then fix a price upon that one article higher than the law of supply and demand would award. That will stimulate its production, and that will do all that human foresight can do to meet a crisis and to avert the possibility of disaster. Even that attempt will be attended with more or less mischief, because it throws other relations out of their proper proportion; but we ought like men to make up our minds to take those consequences whenever the necessity is overpowering.

Mr. President, what have we done? We have fixed a price on wheat. We have fixed a price on wheat, which may be needed to win this war, at a lower point than the law of supply and demand would award. Now, you can not encourage production by reducing prices. You can increase and stimulate production by increasing prices, but the reduction of prices must inevitably discourage production. Ought we to discourage the production of a grain which may be indispensable to our success in this war and to the guaranty of our destiny?

Mr. President, the fixing of a price on an article of indispensable necessity at a lower point than the law of supply and demand would award, with the hope of stimulating its production, is a transaction which, as a perfected specimen of human folly, has absolutely no competitor.

The PRESIDING OFFICER (Mr. THOMPSON in the chair). The question is, Shall the Senate suspend paragraph 3 of Rule XVI in order that the Senator from Oklahoma [Mr. GORE] may present in order the amendment proposed by him? On that question the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. GRONNA (when Mr. LA FOLLETTE's name was called). I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent, due to illness in his family, but that if present he would vote for this motion and also for the amendment proposed by the Senator from Oklahoma.

Mr. STERLING (when his name was called). I transfer my pair with the junior Senator from South Carolina [Mr. SMITH] to the Senator from Wisconsin [Mr. LA FOLLETTE] and vote "yea."

Mr. TILLMAN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

Mr. WILLIAMS (when his name was called). I transfer my pair with the Senator from Pennsylvania [Mr. PENROSE] to the Senator from New Hampshire [Mr. HOLLIS] and vote "nay."

The roll call was concluded.

Mr. DILLINGHAM. I have a general pair with the senior Senator from Maryland [Mr. SMITH], who is detained from the Chamber by reason of sickness, and I therefore withhold my vote. If at liberty to vote, I should vote "yea."

Mr. CALDER. I have a general pair with the junior Senator from Rhode Island [Mr. GERRY] and withhold my vote.

Mr. WEEKS. I find that the senior Senator from Kentucky [Mr. JAMES], with whom I have a general pair, is absent. I transfer my pair with him to the junior Senator from Iowa [Mr. KENYON] and vote "yea."

Mr. BANKHEAD. I have a pair with the senior Senator from Connecticut [Mr. BRANDEGEE]. I do not know how that Senator would vote on this question, and therefore withhold my vote.

Mr. JOHNSON of South Dakota. I have a general pair with the Senator from Maine [Mr. FERNALD]. I transfer that pair to the Senator from Illinois [Mr. LEWIS], who, I understand, would vote as I shall vote, if present. I vote "yea."

Mr. McKELLAR. I desire to announce the unavoidable absence of my colleague [Mr. SHIELDS] on public business.

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. KNOX]. In his absence, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. CURTIS. I wish to announce that the Senator from Rhode Island [Mr. COLT] is paired with the Senator from Delaware [Mr. SAULSBURY].

The roll call resulted—yeas 48, nays 22, as follows:

YEAS—48.

Baird	Henderson	New	Smith, Ga.
Borah	Hitchcock	Norris	Smith, Mich.
Cummins	Johnson, Cal.	Nugent	Sterling
Curtis	Johnson, S. Dak.	Overman	Stone
Fall	Jones, Wash.	Owen	Thompson
France	Kellogg	Page	Townsend
Frelinghuysen	McCumber	Poindexter	Underwood
Gore	McKellar	Ransdell	Wadsworth
Gronna	McLean	Reed	Walsh
Hale	McNary	Shafroth	Watson
Harding	Myers	Sherman	Weeks
Hardwick	Nelson	Simmons	Wolcott

NAYS—22.

Ashurst	Lodge	Smith, Ariz.	Trammell
Beckham	Martin	Smoot	Vardaman
Fletcher	Pittman	Sutherland	Warren
Gallinger	Pomerene	Swanson	Williams
Jones, N. Mex.	Robinson	Thomas	
Kirby	Sheppard	Tillman	

NOT VOTING—25.

Bankhead	Dillingham	Kenyon	Saulsbury
Brandegee	Fernald	King	Shields
Broussard	Gerry	Knox	Smith, Md.
Calder	Goff	La Follette	Smith, S. C.
Chamberlain	Hollis	Lewis	
Colt	James	Penrose	
Culberson	Kendrick	Phelan	

The PRESIDING OFFICER. On the motion to suspend the rules, the yeas are 48, the nays are 22. More than two-thirds having voted in the affirmative, the rule is suspended. The question now is upon the amendment proposed by the Senator from Oklahoma [Mr. GORE].

Mr. THOMAS. I call for the yeas and nays. Let us go on record.

The yeas and nays were ordered.

Mr. MYERS. Mr. President, I ask that the amendment may be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. It is proposed to add, at the end of the bill, the following:

That section 14 of the act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, be amended to read as follows:

"SEC. 14. That whenever the President shall find that an emergency exists requiring stimulation of the production of wheat and that it is essential that the producers of wheat, produced within the United States, shall have the benefits from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for wheat, in order to assure such producers a reasonable profit. The President shall thereupon fix such guaranteed price for each of the official grain standards for wheat as established under the United States grain standards act, approved August 11, 1916. The President shall from time to time establish and promulgate such regulations as he shall deem wise in connection with such guaranteed prices,

and in particular governing conditions of delivery and payment and differences in price for the several standard grades at the local elevator or the local railway market where such wheat is delivered from the farm where produced, adopting No. 1 northern spring or its equivalent as the basis. Thereupon the Government of the United States hereby guarantees every producer of wheat produced within the United States that, upon compliance by him with the regulations prescribed, he shall receive for any wheat produced in reliance upon this guaranty within the period, not exceeding 18 months, prescribed in the notice a price not less than the guaranteed price therefor as fixed pursuant to this section. In such regulations the President shall prescribe the terms and conditions upon which any such producer shall be entitled to the benefits of such guaranty. The guaranteed prices for the several standard grades of wheat for the crop of 1918 shall be based upon No. 2 northern spring, or its equivalent, at not less than $2.50 per bushel at the local elevator or the local railway market where such wheat is delivered from the farm where produced.

"This guaranty shall not be dependent upon the action of the President under the first part of this section, but is hereby made absolute and shall be binding until May 1, 1919. When the President finds that the importation into the United States of any wheat produced outside of the United States materially enhances or is likely material to enhance the liabilities of the United States under guaranties of prices therefor made pursuant to this section, and ascertains what rate of duty, added to the then existing rate of duty on wheat and to the value of wheat at the time of importation would be sufficient to bring the price thereof at which imported up to the price fixed therefor pursuant to the foregoing provisions of this section, he shall proclaim such facts, and thereafter there shall be levied, collected, and paid upon wheat when imported, in addition to the then existing rate of duty, the rate of duty so ascertained; but in no case shall any such rate of duty be fixed at an amount which will effect a reduction of the rate of duty upon wheat under any then existing tariff law of the United States. For the purpose of making any guaranteed price effective under this section, or whenever he deems it essential in order to protect the Government of the United States against material enhancement of its liabilities arising out of any guaranty under this section, the President is authorized also, in his discretion, to purchase any wheat for which a guaranteed price shall be fixed under this section, and to hold, transport, or store it, or to sell, dispose of, and deliver the same to any citizen of the United States or to any Government engaged in war with any country with which the Government of the United States is or may be at war, or to use the same as supplies for any department or agency of the Government of the United States. Any moneys received by the United States from or in connection with the sale or disposal of wheat under this section may, in the discretion of the President, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts."

Mr. GORE. Mr. President, the amendment as read at the desk is long, is involved, and sounds very formidable, but I will say for the information of the Senate that it is a literal transcript of section 14 of the food-control act passed in August last, with only four changes.

One of the changes substitutes $2.50 for $2.

Another substitutes No. 2 northern for No. 1 northern.

Another change substitutes the local elevator or local railway market for the principal interior primary markets.

Another change is a proviso for settling the question which arose some weeks ago as to whether the guaranteed price of $2 per bushel was an absolute and a maximum price or was only a minimum price, subject to increase by the President. It makes it clear that that price was prescribed by Congress as a minimum, and that it was subject to change by the President. I may add that it has since been changed by the President, being raised to $2.20.

Those are the only changes proposed by this amendment to section 14 of the food-control act.

Mr. SMITH of Georgia. Mr. President, can the Secretary read that portion of the amendment which provides for the last suggestion of the Senator from Oklahoma? The Senator from Oklahoma made four changes from the original text. I understand the first, second, and third changes to which he referred, but I did not gather the fourth change to which he referred.

Mr. GORE. I do not know that the changes appear in the amendment in the order that I mentioned. The last one I mentioned was this:

The act passed last summer carried a guaranty of $2 a bushel for wheat. It was contended by some that that was not a minimum, and was not intended by Congress to be a minimum, but that, as a matter of fact, it was an absolute price—a maximum as well as a minimum price—and was not subject to change by the President. In order to make that point perfectly clear I inserted a proviso which removed the doubt upon the subject. I may say that that proviso is now unnecessary, because the President has, as a matter of fact, increased the price. I took occasion to get an interpretation of it the best way I could.

Mr. SMITH of Georgia. Then it is that proviso that I wish to hear read. The Senator from Oklahoma was considering at one time a provision that looked toward a test in the courts.

Mr. GORE. That has been eliminated.

Mr. SMITH of Georgia. There is nothing of that sort in this amendment?

Mr. GORE. No.

Mr. SMITH of Georgia. It does not affect the status of past sales in any way?

Mr. GORE. No.

Mr. SMITH of Georgia. It was to guard against that thought on the part of the Senator from Oklahoma, to which I was opposed, that I desired to hear it.

Mr. GORE. This has no relation whatever to that. It is a different amendment.

The SECRETARY. The amendment, on page 3, line 3, reads as follows:

The guaranteed prices for the several standard grades of wheat for the crop of 1918 shall be based upon No. 2 northern spring, or its equivalent, at not less than $2.50 per bushel at the local elevator or the local railway market where such wheat is delivered from the farm where produced.

This guaranty shall not be dependent upon the action of the President under the first part of this section, but is hereby made absolute, and shall be binding until May 1, 1919.

Mr. SMITH of Georgia. Mr. President, the Secretary has not read the portion I desired to hear read; but I understand now what it is, and I do not press further my inquiry to have any more read.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Oklahoma [Mr. GORE], on which the yeas and nays have been requested and ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CALDER (when his name was called). I am paired with the junior Senator from Rhode Island [Mr. GERRY] and withhold my vote. If I were at liberty to vote, I would vote "yea."

Mr. DILLINGHAM (when his name was called). Because of my pair with the senior Senator from Maryland [Mr. SMITH], who is detained by sickness, I withhold my vote. If at liberty to vote, I would vote "yea."

Mr. JOHNSON of South Dakota (when his name was called). Making the same announcement that I made a few minutes ago, I vote "yea."

Mr. GRONNA (when Mr. LA FOLLETTE'S name was called). I desire to announce the unavoidable absence of the Senator from Wisconsin [Mr. LA FOLLETTE] on account of sickness in his family. If present, he would vote "yea."

Mr. STERLING (when his name was called). Making the same transfer as on the previous roll call, I vote "yea."

Mr. TILLMAN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

Mr. WEEKS (when his name was called). Making the same transfer as on the previous roll call, I vote "yea."

Mr. WILLIAMS (when his name was called). Repeating the announcement made by me upon the previous roll call with regard to my pair and its transfer, I vote "nay."

The roll call was concluded.

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. KNOX], which I transfer to the senior Senator from California [Mr. PHELAN], and vote "yea."

Mr. MCKELLAR. I wish to announce the unavoidable absence of my colleague [Mr. SHIELDS] on public business.

Mr. BANKHEAD. Making the same announcement as before, I withhold my vote.

Mr. SUTHERLAND (after having voted in the negative). I notice that the junior Senator from Kentucky [Mr. BECKHAM], with whom I have a general pair, is out of the Chamber. I therefore withdraw my vote.

I desire also to announce the unavoidable absence of my colleague [Mr. GOFF] on account of illness. He has a general pair with the senior Senator from South Carolina [Mr. TILLMAN].

Mr. CURTIS. I wish to announce that the Senator from Rhode Island [Mr. COLT] is paired with the Senator from Delaware [Mr. SAULSBURY].

Mr. KIRBY. I desire to announce that the junior Senator from Kentucky [Mr. BECKHAM] and the junior Senator from Nevada [Mr. HENDERSON] are detained on official business.

The result was announced—yeas 49, nays 18, as follows:

YEAS—49.

Baird	Hitchcock	Nugent	Sterling
Borah	Johnson, Cal.	Overman	Thompson
Chamberlain	Johnson, S. Dak.	Owen	Townsend
Cummins	Jones, N. Mex.	Page	Underwood
Curtis	Jones, Wash.	Poindexter	Wadsworth
Fall	Kellogg	Ransdell	Walsh
France	McCumber	Reed	Warren
Frelinghuysen	McLean	Shafroth	Watson
Gore	McNary	Sherman	Weeks
Gronna	Myers	Simmons	Wolcott
Hale	Nelson	Smith, Ga.	
Harding	New	Smith, Mich.	
Hardwick	Norris	Smoot	

NAYS—18.

Ashurst	McKellar	Sheppard	Trammell
Fletcher	Martin	Smith, Ariz.	Vardaman
Gallinger	Pittman	Swanson	Williams
Kirby	Pomerene	Thomas	
Lodge	Robinson	Tillman	

NOT VOTING—28.

Bankhead	Dillingham	Kendrick	Phelan
Beckham	Fernald	Kenyon	Saulsbury
Brandegee	Gerry	King	Shields
Broussard	Goff	Knox	Smith, Md.
Calder	Henderson	La Follette	Smith, S. C.
Colt	Hollis	Lewis	Stone
Culberson	James	Penrose	Sutherland

So Mr. GORE'S amendment was agreed to.

Mr. SHAFROTH. Mr. President, I gave notice on the 18th of March that I would move to suspend the rule for the purpose of considering an amendment to what is termed the Borland amendment to the Agricultural appropriation bill. I should like to have that considered at this time. I ask that the notice be read by the Secretary.

Mr. SMOOT. Mr. President, as I understand, the Borland amendment has already been approved in Committee of the Whole, and some Senator reserved the right to offer a motion to strike it out when the bill reaches the Senate. Would it not be the proper time to vote upon suspending the rule for this purpose when the bill gets into the Senate, rather than while it is in Committee of the Whole?

Mr. SHAFROTH. I did not hear what the Senator from Utah said.

The VICE PRESIDENT. The Chair might as well make a ruling now so as to settle the question.

There is not any Borland amendment here, but there is a certain portion of the text of the bill which has been denominated in the Senate as the Borland amendment. The state of the record is that a motion was made to strike that language from the bill. Pending the motion to strike out, certain amendments were presented and considered and disposed of; two were agreed to and one went out on a point of order. Then subsequently the vote was taken on the motion to strike it out, and it was lost.

The Chair thinks this is the rule, that that ends the matter so far as the consideration by the Senate in Committee of the Whole is concerned; that it had to be amended before the vote was taken upon the question to strike it out; and that after the question to strike out had been once disposed of in Committee of the Whole, the Senate, as in Committee of the Whole, has exhausted all of its parliamentary right. However, when the bill comes into the Senate that does not prevent the proposal to set aside the rule or a motion to strike out. What the Chair desires to make clear is that it is the opinion of the Chair that so far as this particular language is concerned, it is settled in Committee of the Whole.

Mr. WILLIAMS. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator from Mississippi will state it.

Mr. WILLIAMS. I understand there is no doubt about the fact that the Senator from Texas [Mr. SHEPPARD] gave notice that he would ask for a separate vote upon the Borland amendment in the Senate.

The VICE PRESIDENT. There is no doubt in the mind of the Chair that in the Senate a Senator can move to strike it out; he can move to set aside the rule for the purpose of offering an amendment to it, or do what the Senate may please in the matter; but as far as the Committee of the Whole is concerned, it is ended.

Mr. WILLIAMS. I asked the question because I understand the Chair's ruling not to affect a separate vote upon the proposition in the Senate.

Mr. GALLINGER. I assume the Chair rules that without a motion to amend the rule an amendment can be offered to the text in the Senate.

The VICE PRESIDENT. Oh, certainly. In other words, all the rights are preserved in the Senate, but the rights are gone in Committee of the Whole, as the Chair believes the law to be.

Mr. GALLINGER. That is absolutely right.

Mr. SHAFROTH. Do I understand the Chair holds, then, that it is not in order until the bill is in the Senate?

The VICE PRESIDENT. In the Senate.

Mr. SHAFROTH. And then it is in order for the purpose of setting aside the rule?

The VICE PRESIDENT. Certainly; every right is preserved in the Senate that obtained in Committee of the Whole.

Mr. SMITH of Arizona. Mr. President, I should like at this juncture, if in order, to offer an amendment to the bill, on page 15, which I ask the Secretary to read.

The SECRETARY. On page 15, line 9, insert, after the words "*Provided further*," the following words:

That of the sum thus appropriated $25,000 may be used for the maintenance of the United States Poultry Feeding and Breeding Experiment Station in the Salt River Valley, Arizona: *And provided further.*

Mr. SMITH of Arizona. Mr. President, just a word in explanation of the amendment.

There is appropriated "for all necessary expenses for investigations and experiments in animal husbandry, for experiments in animal feeding and breeding," and so forth, $308,680. There is also under one of the provisos of this appropriation $61,040 appropriated for experiments in poultry feeding and breeding. Inasmuch as the Government has a poultry farm in what is conceded to be the very ideal sort of land needed for the purpose, and in order to carry out that desire on the part of the Government, I have asked for this appropriation. It is immaterial to me whether it is subtracted from the $61,040 to be used for experiments in poultry feeding or breeding or whether it comes in as a part of the original appropriation.

I will only say that great difficulty has been found in experimenting in the arid country in the raising of poultry with success with the intense heat of the summer months. This is an experiment to meet diseases peculiar to poultry in that condition. Some have made great success where they have gotten a little higher altitude, but the great feeding ground is in an absolute desert country. It is in order to demonstrate that it can be done that this amendment is proposed. I think when we are encouraging the production of wheat by adding 30 cents a bushel to the price guaranteed, we might also see if we can not do something toward the industrial hen, that is a great producer of nutritious food.

Mr. BORAH. Is this adding an additional sum?

Mr. SMITH of Arizona. No.

Mr. BORAH. It is simply subtracting from the sum already appropriated and designating a certain place where it is to be expended.

Mr. SMITH of Arizona. There is a lump sum of $308,680 appropriated for three or four specified purposes. An exception is made in the bill that $61,040 may be used for experiments in poultry feeding and breeding. I am only asking that in these experiments this amount shall be given to this particular farm that the Government now has.

Mr. BORAH. The $25,000?

Mr. SMITH of Arizona. That is right.

Mr. BORAH. I do not know that I get it exactly. Out of this $61,040 the Senator desires to have $25,000 set aside for this particular poultry farm?

Mr. SMITH of Arizona. Yes, sir. I notice that Fremont County, Idaho, gets $8,000 for the equipment of a sheep experiment station, and as sheep are not one-fifth of the value of the hen product we could multiply it by the amount of the Idaho appropriation.

Mr. BORAH. The Senator is unduly sensitive about the Arizona henroost. I was not criticizing it.

Mr. SMITH of Arizona. No; on the contrary, I am not fearful about my hennery, as long as my friend's constituents stay out of my part of the country. [Laughter.]

Mr. BORAH. I simply wished to know whether it is an additional sum.

Mr. SMITH of Arizona. I said no; it is not.

Mr. THOMAS. May I interrupt the Senator. I am very glad to know that, because if it were an extra amount it would certainly pass the Senate.

Mr. SMITH of Arizona. I am inclined to think so too, but with my own care for public funds I am not asking to go beyond the general appropriation.

Mr. GALLINGER. I had forgotten about this Government appropriation that had been made for investigating the poultry business. Will the Senator state what results have come from it?

Mr. SMITH of Arizona. I can not state what results have come from it any more than I can from any other specific appropriation in all the appropriation bills.

Mr. GALLINGER. What is the Government trying to do with the hens in Arizona?

Mr. SMITH of Arizona. I imagine the Government is trying to have the hens lay eggs, and the eggs hatch chickens, and the chickens are sold when people can not get beef.

Mr. GALLINGER. But why in Arizona? Why not in New Hampshire, for instance, or any other State?

Mr. SMITH of Arizona. Probably New Hampshire ought to have such a station, but I have heard that the conditions there are such that the main question in New Hampshire would be the feeding of the hens. We have no trouble about that in Arizona. It is the diseases we are fighting.

Mr. GALLINGER. Are those diseases peculiar to Arizona?

Mr. SMITH of Arizona. I think they are. That is my information.

Mr. GALLINGER. That is something of an argument indeed.

Mr. SMITH of Arizona. That is the only ground I put it on.

Mr. GALLINGER. Was that the ground upon which the original appropriation was made?

Mr. SMITH of Arizona. I presume there was no other reason to make it except that there was a condition there that they wanted to investigate.

Mr. GALLINGER. That is what I have been wanting to find out.

Mr. SMITH of Arizona. I am unable to tell the Senator exactly why the Government started it. I can only say it has started it.

Mr. GALLINGER. If there was a disease in Arizona affecting the poultry that did not exist elsewhere, I can see very clearly that there was reason for the appropriation, and I have been seeking information on that point.

Mr. SMITH of Arizona. I am obliged to the Senator. He displays his usual liberality in these matters touching our part of the country. I can assure the Senator that from my own observation I have seen great numbers of poultry and have noted the effort to raise them at certain times in the intense heat of summer. They lose on the ranches hundreds and hundreds of them, and I imagine, without speaking by the card, that that is the condition that is being attended to.

Mr. GALLINGER. I would repeat my question if the Senator had not told me he had not any information as to what result can come from the use of this money.

Mr. SMITH of Arizona. I think it is an entirely new proposition. I do not know that such an item was ever in any other appropriation bill, but here is a lump sum appropriated and $61,040 of it may be used in the investigation of these maladies; and knowing the condition in that part of the country and having letters from a number of people in the community claiming they have met the difficulties of which I am speaking, I have asked that this appropriation be made.

Mr. GALLINGER. All right.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Arizona [Mr. SMITH].

On a division the amendment was rejected.

Mr. PITTMAN. Mr. President, a parliamentary inquiry, that I may understand the ruling of the Chair with regard to the so-called Borland provision. I offered an amendment, which is lying on the table, to that provision by way of limitation. Do I understand the Chair to hold that that is not in order until we reach the Senate?

The VICE PRESIDENT. Not until we reach the Senate.

Mr. PITTMAN. I give notice that it will be brought up in the Senate.

Mr. NORRIS. Mr. President, I should like to make an inquiry. I have not been able to find the Senator that I thought could give me the information privately. The bill contains no provision for the increase of salaries that, I think, it is conceded must be made to all the employees. It was made last year on all the appropriation bills. I did not offer an amendment in the committee and, I think, the committee did not consider it, because they had an understanding that there was a general bill coming over from the other House. I have been told to-day that the Post Office appropriation bill, which has been ordered reported, contains a provision confined to post-office employees.

Mr. WARREN. Since that time the legislative bill has passed the House with a provision covering all.

Mr. NORRIS. It covers all? That is all I wanted to know. If that is true, I have no disposition to offer such an amendment; but we ought not to put this bill in a parliamentary position where that could not be done for the Agricultural Department as well as the other departments.

The VICE PRESIDENT. If there are no further amendments as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The VICE PRESIDENT. The question is on concurring in the amendments made as in Committee of the Whole.

Mr. JONES of Washington. Except those that have been reserved.

The VICE PRESIDENT. What amendments have been reserved?

Mr. JONES of Washington. I understood other Senators had reserved some amendments. I have not reserved any myself.

Mr. GORE. I desire to have a separate vote on the committee amendment striking out the appropriation for the distribution of valuable seeds.

The VICE PRESIDENT. The question, then, is on concurring in all the amendments made as in Committee of the Whole that are not reserved. They are concurred in without objection. The Senator from Oklahoma asks for a separate vote on concurring in the amendment which will be stated.

The SECRETARY. On page 27, striking out the provision "for the purchase and distribution of valuable seeds," disagreed to in Committee of the Whole.

The VICE PRESIDENT. The question is on striking out the appropriation for the purchase and distribution of valuable seeds, beginning on line 20, page 27.

Mr. TOWNSEND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. TOWNSEND. May we have a statement by the Chair as to what we are voting on?

The VICE PRESIDENT. The Senate committee reported an amendment striking out the clause of the bill known as the purchase and distribution of valuable seeds embracing two pages and a half. The provision is well known to all Senators. That was disagreed to in Committee of the Whole. The Senator from Oklahoma is now asking for a separate vote as to whether the clause shall be stricken out or not.

Mr. GALLINGER. Mr. President, before the vote is taken I wish to occupy just a moment of the Senate's time. In the debate, when the bill was in Committee of the Whole, I suggested I had been sending seeds which were given to me by the Agricultural Department under the law to the schools largely in my State. I have probably 20 letters in my committee room from children thanking me for sending the seeds and saying that they were being used, that they had results from them last year, and asking me to send them more this year, which I have done.

I believe if the seeds were sent to the schools of every State in the Union we would have results that would be gratifying to everybody and fully justify this small expenditure, if it needed justification. I do not think it needs justification. It is a small appropriation at best. The results, so far as my observations have gone, satisfy me that no better expenditure of a small amount of money can be made than to continue the practice we have followed for so many years.

I received a letter the other day from Bryan, Ohio, which I am going to ask to have read, because it touches upon this question in a very practical way, and with the reading of the letter, if I may be permitted to ask the Secretary to read it, I shall have nothing further to say on the subject, except that I shall continue to vote to retain this appropriation in the bill.

The VICE PRESIDENT. Without objection, the Secretary will read.

The Secretary read as follows:

BRYAN, OHIO, *March 11, 1918.*

HON. JACOB H. GALLINGER,
Senate Chamber, Washington, D. C.

MY DEAR SENATOR: I have been greatly interested in the discussion on the Senate floor concerning the free distribution of garden seeds by the Government, and heartily appreciate what you said on the floor March 5, as reported in the CONGRESSIONAL RECORD of that date.

Let me take a little of your time, as I know you are a very busy man, to give a little of my personal experience on that score. Some years ago, when I lived in a small town where I was mayor and also justice of the peace, I had our Congressman send me some garden seeds for general distribution. I was pleasantly surprised by receiving a large mail bag full. I apportioned these out so that I could reach every one of the 36 sections in the township, and sent word, without telephone at that, as no system had been installed then, to the parties I had selected to receive the seeds, in each case people of small means, who were good, reliable people, who could not buy seeds as easily as those better financially situated. In three days' time every one of those packages had been called for by the parties I designated, and I had so many more calls for seeds by others that I wrote the Congressman, explaining the matter, and received a lot more. I am sure all those seeds were planted, because in the winter a farmer's wife, an old lady, came to my office and introduced herself, she being a stranger to me, and told me she had never in all her life raised finer radishes than those grown from the seed I had given her husband, that she had heard others expressing themselves as being greatly pleased with the products of the seeds planted and wished me to be sure and get her seeds again in the spring.

This, my dear Senator, is one instance where the free distribution of seeds certainly met the requirements of the Department of Agriculture. Moreover, I never knew of anyone receiving garden seeds, or flower seeds either, for that matter, who did not make use of them and were thankful to get them, for I yet attend to this to some extent.

During the course of my experience as a public-school teacher, I paid particular attention to the agricultural phase, it being one of the prescribed studies, and many a package of agricultural bulletins were selected by my pupils, with their parents' assistance, for home reading, and I had many a copy of what I called the Government horse book sent to interested farmers, also the Yearbook. I generally kept a full set of the bulletins on my desk for use in the agriculture class, also for written work, as essays, drawings, etc. I also had quite a number of the large 5 by 7 foot United States maps distributed and saw that some of them went into schoolrooms. Pupils often wrote to the Congressman asking for documents or books they thought would be of interest to them, and how proud those boys and girls were when they came to school with their mail and showed the kindly letter personally signed by the Congressman, who did not feel above being bothered by the well-meaning youngsters.

You are at liberty to use my letter in any way you deem fit, and in closing would only add that I have not the least idea that at any time any of the Congressmen referred to herein had any thought of politics in administering to our needs.

With kind regards, I remain,

Yours, very sincerely, U. G. FEGLEY.

Mr. MYERS. Mr. President, I will ask the chairman of the committee what is the amount of this appropriation?

Mr. GORE. It is about a quarter of a million dollars.

The VICE PRESIDENT. The question is on concurring in the action, as in Committee of the Whole, rejecting the amend-

ment to strike out, reported by the committee. [Putting the question.] [A pause.] The action as in Committee of the Whole is concurred in.

Mr. SHAFROTH. Mr. President, I should like to have the Secretary read a notice which I gave on the 18th instant of my intention to suspend Rule XVI of the Senate.

The VICE PRESIDENT. The Secretary will read as requested.

The SECRETARY. On March 18 Mr. SHAFROTH gave the following notice:

I hereby give notice in writing that when the Agricultural appropriation bill (H. R. 9054) is being considered in the Senate I shall move to suspend paragraphs 1, 2, and 3 of Rule XVI of the Senate, which provide that no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill or to add a new item of appropriation; that amendments proposing to increase an appropriation already contained in the bill, or to add new items of appropriation, shall, at least one day before they are considered, be referred to the Committee on Appropriations; and that when actually proposed to the bill no amendment proposing to increase the amount stated in such amendment shall be received, in order that I may propose the following amendment:

On page 91, at the end of line 16, insert the following proviso:

"*Provided*, That work required in excess of eight hours shall be paid for at the rate of one and one-half times the regular compensation of the employee, computed on an hourly basis."

Mr. SHAFROTH. Mr. President, the action of the Senate, as in Committee of the Whole, was to the effect that an amendment was rejected to strike out what is called the Borland amendment in the House bill, providing that there should be eight hours' service in a day by departmental employees. The law as it now exists provides that there shall be seven hours' service in a day and that the heads of departments shall have the right to require that the clerks or the stenographers shall work any number of hours in excess of that number without pay as the heads of the departments may care to impose.

Mr. GALLINGER rose.

Mr. SHAFROTH. Just a moment, as I desire to get through with this statement.

That leaves the question on the adoption or rejection of an eight-hour day, with the provision of existing law that there shall be a right in the person in charge of a department to require the employee not only to serve eight hours each day, but to serve any number of hours in excess of that number, without receiving any additional compensation. The proposition which is contained in the notice which I have given, and which I shall ask to have voted on, if the rule is suspended, is as follows:

On page 91, at the end of line 16, insert the following proviso:

"*Provided*, That work required in excess of eight hours shall be paid for at the rate of one and one-half times the regular compensation of the employee, computed on an hourly basis."

Now I yield to the Senator from New Hampshire.

Mr. GALLINGER. I was about to ask the Senator if he would not withhold his motion until we take another vote on striking from the bill the so-called Borland provision? I will say to the Senator that I assume, if that provision should be stricken from the bill, it would satisfy him.

Mr. SHAFROTH. Mr. President, I feel that this proposition embodies a true and just compromise of these differences. The idea of requiring people who are working seven hours a day not only to increase that number of hours to eight hours a day, but to require them to work free for hours in excess of eight hours, is something that is wrong. I think the provision which I propose is one to which the majority of the Senate should agree.

Mr. GALLINGER. But does the Senator desire to have the time-and-a-half pay in addition to that of the regular day imposed upon the Government if the present law stands?

Mr. SHAFROTH. I do not think the present law is right. I think the hours of service should be eight, with extra pay for extra time. That is my judgment with relation to that matter.

Mr. GALLINGER. If that is the Senator's view, I have nothing further to say.

Mr. SHAFROTH. Mr. President, I desire to say a few words in relation to my amendment, as I presume the amendment itself will be discussed under the motion to suspend the rules.

There has been a great controversy in the world at large, including the United States, as to the length of time that men ought to work each day. That matter has been the subject of agitation for hundreds of years. There has been, of course, a diminution of the number of hours which it had been thought best should constitute a working day. There was a time when 12 hours and even 14 hours were thought to be the proper working day for persons engaged in all kinds of labor, but the general consensus of opinion has about arrived at the conclusion that an 8-hour day is best for the employer and is also best for the employee.

In the matter of health, there is no question but that a reasonable amount of labor is requisite and that a diminution of the numerous hours of labor is necessary. That being the case, we ought to make the hours of labor as nearly uniform as we can.

We find that labor organizations have invariably insisted upon an eight-hour day. We know that is the ruling working day throughout the United States in almost all occupations. It creates discontent if some people work only seven hours and receive a full day's pay for doing so. Consequently, it is natural that those employees of the Government who work eight hours should insist that it is not fair to them that they should only have the same compensation as those who work only seven hours a day. Inasmuch as the Government ought to get good service and ought to get a fair day's service, it seems to me that what we ought to do is to amend the provision which is now in the bill and to so frame it that a provision for eight hours shall prevail, and that there shall be allowed time and a half for extra time which may be required of the employee.

The beneficial effects of that, it seems to me, must be plain to everybody. If a stenographer or clerk is required to return to the department after supper, he is not going to do that voluntarily or cheerfully; he is not going to perform good work when he has probably been disturbed in what he thinks is his right. On that account it seems to me that by the adoption of this amendment you will create contentment upon the part of the men and the women who perform this labor and you will get good work, because labor cheerfully performed is always good labor.

Mr. SMITH of Arizona. Mr. President, in that connection I desire to suggest to the Senator that it is always, or usually at least, the case that the most competent clerks, those out of whom they can get the best work in the departments, are those who will be called on to work overtime without compensation. It is those men who will be required to work extra hours, and then to have responsibility thrown upon them long after the others have gone.

Mr. SHAFROTH. I thank the Senator from Arizona for the statement. The amendment which is to be proposed, if the rule is suspended, will give the Government one hour's more time from its employees. Consequently, it is in the interest of economy; it is something that we ought to take into consideration, in view of the existing conditions which have been created by reason of the war. There is no doubt that extra time is necessary at certain periods, and especially during the present time, when work of an immense volume may have to be done at any moment. I believe the employees ought to be required to work eight hours and that they ought, in addition, to be required to work more than eight hours when it is necessary that they should do so; but, Mr. President, it is absurd to say that we shall have people coming down to the departments at night and performing work that is not within the ordinary eight hours and that they should receive no compensation whatever for performing it. That creates discontent; it makes dissatisfaction.

If there is any question of fewer hours' work, it makes those who have to perform eight hours' work say that their salary ought to be raised, because the people who work seven hours do not have to do as much work as they do. So, taking it all in all, the uniformity of a rule for eight hours' work is something which, it seems to me, would have an excellent effect upon the amount of work that can be done and also upon the contentment of the people who perform that work.

Mr. SMITH of Arizona. It is also in line with the general rule.

Mr. SHAFROTH. As the Senator from Arizona suggests, it is in line with the rule which has been recognized and established as the proper day for people to work in all occupations.

Mr. President, objection has been made to the amendment upon the ground that it would require extra compensation and an extra appropriation, and that by reason of that fact it is contrary to the rule of the Senate. This motion, however, is for the very purpose of avoiding that. It is very doubtful whether there will be any extra compensation required, because these extra hours of work may complete all the work to be done. Consequently there will probably be no extra pay by reason of it; and if there should be, then, in my judgment, it ought to be paid for.

Mr. SMITH of Georgia. Mr. President——

Mr. SHAFROTH. I yield to the Senator from Georgia.

Mr. SMITH of Georgia. Has the Senator from Colorado considered the question as to whether or not it would be better to allow extra pay for the extra hours rather than to give extra leave for the extra work done, in the latter case equalizing the entire year's work at eight hours a day?

Mr. SHAFROTH. Mr. President, I heard the Senator from Georgia speak in behalf of his amendment to the effect which he has just stated, and I am willing to say that in my judgment his

amendment is better than no amendment at all. But there ought to be an inducement to the employees—the stenographers and the clerks—by which, when they are called upon to perform extra labor, it will not be counted as a leave for them in the future, but a direct compensation and benefit to them at the time the service is performed.

You will then find that clerks will come down to the departments cheerfully to perform extra work; you will find that the inconvenience of coming after dinner will not be considered great; and that there will be cheerful and contented employees performing this work.

Then, Mr. President, we shall find that there will be no protests on the part of anyone engaged in business affairs on the outside. They will not contend that the Government is not getting a good day's work; that it is a sinecure to get into a Government job, when they know that eight hours' work has to be performed. They will recognize and realize that the Government is getting full compensation for the amount paid to its clerks and other employees.

Mr. JONES of New Mexico. Mr. President——

Mr. SHAFROTH. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I should like to ask the Senator if he has made any provision in his amendment for anyone to look after and to keep an account of this overtime, so that the heads of departments or the auditors may know how much employees ought to be paid for overtime?

Mr. SHAFROTH. Mr. President, I take it that nearly all of the departments now have officials who keep accurate time accounts of the arrival and departure of each one of the employees. I understand that is done in all the departments; and the failure of an employee to report on time, if he be even only five minutes late, is noted, and consequently must be made up in some way.

Mr. THOMAS. Mr. President——

Mr. SHAFROTH. I yield to my colleague.

Mr. THOMAS. Does the Senator make that statement from personal knowledge or from hearsay?

Mr. SHAFROTH. From hearsay.

Mr. THOMAS. I am very much surprised to hear that any one of the departments exhibits such a degree of efficiency as that.

Mr. WILLIAMS. Mr. President——

Mr. SHAFROTH. I yield to the Senator from Mississippi.

Mr. WILLIAMS. My understanding is that each foreman of a room, for the purpose of making up his efficiency report, which is very important in the consideration of the promotion or demotion of employees, keeps the time of the employees as well as notes concerning their vigilance, fidelity, and so forth. Otherwise efficiency reports could not well be made.

Mr. SHAFROTH. I know of a number of employees who are always exceedingly anxious to get to their offices on the minute set by the department for the beginning of work.

Mr. REED. Mr. President——

Mr. SHAFROTH. I yield to the Senator from Missouri.

Mr. REED. I think, if the Senator will investigate, he will find that not only is the time kept with great accuracy and great stringency, but, in at least one department that I know of, if the operator of a machine strikes a single letter wrong, it constitutes a mark against him. I think it will be found that at least nearly all of the old departments have rules that are sufficiently rigid. In the newly organized departments and bureaus, which are still in a transitory or creative condition, there may be some laxity; but I do not think you will find that to be the case in the old departments.

Mr. KIRBY. Mr. President——

Mr. SHAFROTH. I yield to the Senator from Arkansas.

Mr. KIRBY. Does the Senator understand that any department keeps a record of time lost by its employees and requires the employees to make up that time?

Mr. SHAFROTH. I understand so; yes. I know several employees who are as anxious as can be to reach their desks at the appointed time, for otherwise there would be a mark against them, and they will be required to make up the lost time or have a demerit mark placed against them.

Mr. KIRBY. If, as the Senator and as some others seem to think, a man or a woman should not do more than eight hours of work in one of these departments, why would it not be well to say they shall work only eight hours a day?

Mr. SHAFROTH. The reason I object to that is that we are at war, and it may be necessary at times to require employees to stay at their work all night; and they should stay there all night, if it is necessary.

Mr. KIRBY. Why could not others be employed to do the night work?

Mr. SHAFROTH. That would involve the employment of persons unfamiliar with the routine of the work required, and therefore there would no doubt be great inefficiency.

Mr. KIRBY. Then, eight hours a day is not as much work as anybody can do efficiently at all, provided you pay them time and a half for overtime?

Mr. SHAFROTH. Eight hours in the long run, year in and year out, is, in my judgment, the proper standard for daily hours of labor; but, Mr. President, pressure of business, the fact that something may come up which it is absolutely requisite to attend to promptly, makes it necessary that on occasions employees should work longer than eight hours. It is not going to injure a person for one night or two nights or ten nights to perform extra work, but the work should be done voluntarily and cheerfully; and it is impossible to get it done cheerfully unless extra compensation is given to the employee who is required to work extra hours. For that reason I believe that there should be provision made for overtime payment.

I want to say one further thing with relation to the appropriation. There has been a protest against the proposed amendment on the ground that it is difficult, if not impossible, to estimate how much money should be appropriated. Why, Mr. President, it is unnecessary to provide for that now. There are probably more deficiency appropriation bills presented to the Congress of the United States in these days than any other kind of measures. The first bill that we passed in the extra session appropriated $7,750,000,000 for deficiencies, and we passed another deficiency bill just a short time ago carrying over a billion dollars. Consequently, if it should develop that a larger amount of money is required to meet extra pay, it can be provided for under deficiency bills. It can also be covered in another way. There can be appropriated in the bill which provides for the salaries of the various officers of the United States a lump sum for the very purpose of meeting the extra compensation which may be paid. So that there is absolutely nothing, it seems to me, that would prevent the fair and effective operation of this proposed amendment.

Mr. WARREN. Mr. President——

Mr. SHAFROTH. I yield to the Senator from Wyoming.

Mr. WARREN. Does not the Senator think that the few times when the clerks may be called upon to work extra hours may well be charged up against the 60 days leave—30 days for general leave and 30 days for sick leave—during the year?

Mr. SHAFROTH. Well, Mr. President, that has been disputed; they do not have 60 days vacation.

Mr. WARREN. Just a moment. I do not believe that there has ever been a time, either under the stress of war or otherwise, when, as a class, the employees of any department have been called upon to work over hours to an extent that would exceed the real number of hours for which they are paid; in other words, the 60 days allowed them for regular leave and for sick leave.

Mr. SHAFROTH. Well, Mr. President, there is a possibility of 60 days leave, but nothing but 30 days is assured. The law provides that sick leave may be granted if the employee is actually sick or some member of his family requires his attention. In that event the employees can receive 30 days sick leave in excess of the 30 days regular leave; but that is not a leave of 60 days. The only leave that is given that is certain is a vacation leave of 30 days. I believe that is fair; I believe that is just; I believe it is proper; and when we consider the fact that these employees may be called upon quite frequently, especially during the period of the war, to perform extra services, it seems to me it would be an outrage to require them to work eight hours and then require them to work overtime without any extra compensation.

Mr. REED. Mr. President——

Mr. SHAFROTH. I yield to the Senator.

Mr. REED. I think the Senator has made a statement that is inaccurate; that is either the case or else my information is inaccurate. My understanding is that the clerks do not receive 30 days' vacation as a matter of right at all.

Mr. WARREN. It is a matter of absolute law, I will say to the Senator.

Mr. REED. No; I think that they receive not to exceed 30 days, and that the head of a department regulates that. I may be in error; but that is the information that has been conveyed to me.

Mr. SHAFROTH. Mr. President, I have understood the rule to be that they are entitled to 30 days' leave without anything more than the filing of an application for that leave.

Mr. WARREN. They are by law entitled to 30 days' regular leave and national holidays.

Mr. SHAFROTH. Thirty days and holidays; that is right.

Mr. WARREN. And also sick leave.

Mr. SHAFROTH. When it comes to sick leave, then the employee must be actually sick or must come within the statute permitting such leave if a member of his family is sick and requires his attention.

Mr. KIRBY. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Arkansas?

Mr. SHAFROTH. I yield.

Mr. KIRBY. Is it contemplated in the Senator's amendment that if eight hours is not required to discharge effectively the work of the office, the employee shall not be given eight hours' pay for that day, but shall make up the time on the next day?

Mr. SHAFROTH. Oh, no; the requirement is that the employees shall work eight hours a day.

Mr. KIRBY. Suppose it is not necessary to have them work eight hours in order to perform the work?

Mr. SHAFROTH. It will be found that all the departments are behind in their work. There is no danger of that being the case, and in the event a condition should arise whereby they were not required to work eight hours the force could be diminished and the work made to go around so as to keep all employed for eight hours.

Mr. WARREN. They usually get half a day on Saturday all through the summer, do they not?

Mr. SHAFROTH. Yes; they get half a day on Saturdays in the hot weather; but everybody else gets the same. Mr. President, it has been found that if those who work do not have the benefit of a limited number of hours, and do not receive the benefit of some sort of a vacation, they will have to take weeks or will have to take months, and sometimes will have to take years, to recuperate their condition. It has been recognized by physicians and by the highest authorities upon such subjects that 8 hours of labor and 30 days' vacation in the summer is a reasonable schedule.

Mr. WILLIAMS. Mr. President, the object of the motion to suspend the rules is simply to give an opportunity to the Senate to vote, notwithstanding the rules, to modify the Borland amendment as it passed the other House. The present condition of things is this: A clerk is required to work seven hours; and the Senator from Arkansas need not concern himself about his being required to work at least seven hours, except upon holidays and during his vacation. Then, too, a clerk may be called upon to work more hours, as the exigencies of the service may require, without compensation. Hitherto, considering the fact that he did not perform an ordinary day's work, but worked only seven hours, it was thought to be negligible to insert a provision for extra pay. Now, the House adopts and sends to the Senate a provision to make the clerks work eight hours a day. I think that they ought to work eight hours; I think that public employees ought to give a full day's work, just like employees of corporations or of individuals; but I think that when they are made to do that that they ought to be put upon the same footing as other laborers.

I therefore introduced the motion to give them time and a half extra pay for extra time. That motion was ruled out on a point of order. That left the Senate in this situation: It had either to adopt the Borland amendment as it came from the House or reject it. The Senate had no initiative of its own, no volition of its own, as to how the eight-hour law should be modified, limited, or framed. An appeal was taken from the decision of the Chair, and the Senate sustained the Chair. That settled that question.

I think that these employees ought to be made to give a fair day's work for a fair day's pay; and I think that eight hours is a fair day's work. The labor unions and the workingmen in the United States have all said that they would be satisfied with that; but under the present system obtaining in the departments a clerk working seven hours can be worked over seven hours without extra pay; and, with the Borland amendment, merely changing the number of hours from seven to eight, they are left in the situation where if the provision of the House bill becomes a law they can be worked over eight hours without any extra pay.

While I contend that eight hours is a fair day's work, I also contend that more than eight hours is overwork for almost anybody in any sort of business of this description or in any sort of manual labor for that matter. I suppose the Senate understands the situation; but being a Senator myself I can not resist the temptation to add perfume to the violet and to make the red of the rose still redder, and therefore have attempted to explain the sole object of the motion, which is to give the Senate itself a chance to say whether it wants the amendment or not, it having been deprived of that chance by the technical rule.

Mr. GALLINGER. Mr. President, I shall only detain the Senate for a moment. I think we are falling into rather a bad habit in that whenever an amendment is offered which is subject to a point of order we move to suspend the rules so as to make it in order. We have occupied several days discussing one motion of that kind, and I presume we shall occupy a day in discussing the pending motion, and pretty soon we shall be spending half our time in controversies over suspending the rules. I have never voted to suspend the rules, and will not do so unless there is involved a matter of great importance to the country.

Now, as regards this matter, I voted against the motion of the Senator from Texas to strike out the so-called Borland amendment. I have changed my mind on that question; and, if the Senator from Texas renews that motion, I shall vote for it, because I believe it is the easiest way to settle this question.

There are certain uncontroverted points in this controversy. The clerks are a favored class; they get 30 days' leave of absence, and they all take it; they get 30 days' sick leave, and some of them take a part of it; they get holidays with pay. There is no other class of laborers in the United States that have those privileges; so that it ought not to be made to appear here that the Government clerks are being oppressed in any way. They are satisfied with the law as it stands. I have had, I think, at least 50 letters protesting against the Borland amendment, and saying that the clerks are perfectly satisfied with the law as it stands. Why not leave it in that shape? Why not strike out the provision in the bill, the so-called Borland amendment, and let matters go along as they are at present?

Mr. SHAFROTH. Mr. President——

Mr. GALLINGER. I yield to the Senator.

Mr. SHAFROTH. The very ground upon which my motion is based is that there should be more time given by the clerks, more service performed; and, eight hours being a reasonable requirement, that that standard should be fixed; but when the clerks are called upon to work extra hours extra pay should be allowed them.

I will say to the Senator that the amendment I have proposed is perfectly satisfactory to the employees, particularly in view of the fact that they do not work only seven hours, but in many cases are required to work eight hours or more a day.

Mr. GALLINGER. Mr. President, the Senator may be well informed; but I have had numerous letters protesting against the eight-hour amendment and asking that it shall not be agreed to. I do not think the clerks are satisfied with it. They are satisfied with the present condition as it exists to-day. I have not heard a whisper of complaint along that line.

Another thing, Mr. President. These clerks are employed by the year, at $1,000, $1,080, $1,100, $1,200, $1,400, and so on. If we are to pay them upon the same basis that workmen are paid in the factories of the United States, it will be necessary to have a ledger account entered into with every clerk, and the hours and the minutes that they work overtime will have to be reckoned. It will require a force to do that The Government service is not suffering. They have called to this city about 10,000 clerks, and I do not know but 20,000 clerks, within the last few weeks, and they are all glad to come here. Many of them are getting twice as much here as they would get at home. While I sympathize with them in every right that they ought to have, I do not think we ought to become hysterical over this thing. Inasmuch as they are satisfied with the existing law, it seems to me that what we ought to do is to agree to the motion made by the Senator from Texas, to strike out the so-called Borland amendment and let the law remain as it is at the present time.

Mr. SHEPPARD. Mr. President, I have here the law on the subject of vacation and sick leave. I quote from the United States Compiled Statutes, 1916, page 96:

Provided further, That the head of any department may grant 30 days' annual leave with pay in any one year to each clerk or employee: *And provided further,* That where some member of the immediate family of a clerk or employee is afflicted with a contagious disease and requires the care and attendance of such employee, or where his or her presence in the department would jeopardize the health of fellow clerks, and in exceptional and meritorious cases where a clerk or employee is personally ill and where to limit the annual leave to 30 days in any one calendar year would work peculiar hardship it may be extended, in the discretion of the head of the department, with pay, not exceeding 30 days in any one case or in any one calendar year.

The clerks do not have this leave as a matter of right. It is simply a matter of discretion on the part of the head of the department.

Mr. WARREN. The Senator knows very well, however, that it is taken every year, and has been allowed for a great many years.

Mr. SHEPPARD. I am informed by many clerks that many of them do not get it at all.

Mr. WARREN. They do not ask for it then.

Mr. SMOOT. If they do not ask for it they do not get it. There is no clerk of the Government that ever asks for his 30 days leave of absence but that he gets it. He is entitled to it under the law, and he ought to get it.

Mr. SHEPPARD. He is not entitled to it, because the law says he is not entitled to it.

Mr. SMOOT. Yes; he is entitled to it, just exactly the same as in the case of the seven-hour provision of the law. That was suggestive on the part of Congress, and the heads of the departments obeyed it; and this is suggestive, and the heads of the departments have obeyed it.

Mr. SHEPPARD. The provision for seven hours' work a day is made obligatory.

Mr. SMOOT. Not at all, as the Senator will see if he reads the law.

Mr. SHEPPARD (reading)—

> Hereafter it shall be the duty of the heads of the several executive departments, in the interest of the public service, to require of all clerks and other employees, of whatever grade or class, in their respective departments, not less than seven hours of labor each day.

Mr. SMOOT. Oh, well, yes; not less than seven hours.

Mr. SHEPPARD. The seven-hour provision is obligatory as a minimum.

Mr. SMOOT. I was speaking about the question of working over the seven hours. There is not anything obligatory on the part of the head of any department to compel them to work more than seven hours.

Mr. SHEPPARD. That is true.

Mr. PITTMAN. Mr. President, I do not see that it is any argument against this provision that the clerks have a holiday or that they have certain hours of vacation. The fact is that very few of these clerks are worked overtime. That is an absolute fact; but that does not relieve the clerks who are worked overtime. As a matter of fact, there are just a few clerks in each department who are so skilled that it is worth while to work them overtime, and those poor clerks are worked nearly to death.

I know of instances by personal knowledge where clerks have been worked 12 hours a day, and are worked 12 hours a day now, because they are familiar with the work and no one else is. It is no answer to such a clerk to say that 99 per cent of the other clerks work only 8 hours or 7 hours. It is no answer to such a clerk to say that everybody gets 30 days' vacation. He is working 12 hours, and he is working 12 hours because the department, unfortunately, has to have him work 12 hours.

The situation is this, as has been suggested: Those that are not efficient are worked only 7 hours and those that are efficient are worked 12 hours; and because 99 per cent of them are worked only 7 hours and have a holiday, therefore the other 1 per cent have to work 12 hours without any difference in their compensation. Now, is that fair?

Mr. SMOOT. Mr. President, I will say to the Senator that what he has stated is absolutely correct. I stated on the floor of the Senate the other day that I did not think 1 per cent of the clerks in the Government employ were working over 7 hours per day.

Mr. PITTMAN. I think the Senator from Utah is right.

Mr. SMOOT. Mr. President, I want the Senator to know that I am not opposing ample pay for the clerks of the Government. That I want them to have, and I shall vote for it whenever I get a chance to do so, although I know that it ought to be provided for in a different way than we are going to do it by voting a horizontal increase. That is unscientific and never will be satisfactory. But I want to say to the Senator now that the clerks who are working 12 hours to-day are the most efficient clerks in the employment of the Government, as he has already stated, and they are the ones that are going to get the efficiency marks; they are the ones that are going to get the promotions as soon as the promotions possibly can be made by the head of the department; and that happens every week and every month of the year.

Mr. PITTMAN. Mr. President, that is something like the reward hereafter. I am satisfied that some of us here are going to get rewarded hereafter; but the only scientific way to pay a man for something he does is to pay him while he does it instead of hoping that at some time somebody will promote him so that he can get a fair wage.

Mr. SMOOT. I know that that is what they will get, and I think it is right that they should get it. I think they are the ones that ought to be taken care of the very first moment the head of the department can promote them; and all of the departments, so far as I know, are following that policy.

Mr. PITTMAN. The main object in the time-and-a-half provision is not to pay extra wages. It is to prevent people from unnecessarily working a man longer than he should work. That is the reason of it. No man is going to pay time and a half for extra-hour work unless the employee's services are absolutely necessary. On the other hand, many careless foremen will work a man overtime if it does not cost anything or does not detract from the foreman's own record. This will cost the Government practically nothing, because I should say only 1 per cent or less of these people are now worked overtime. It will not cost the Government anything; but we have just as much of a duty imposed on us to protect the 1 per cent as we have to protect the 99 per cent.

Mr. SMITH of Arizona. Mr. President, if the Senator will permit a suggestion for my own information—because I do not claim to know anything about it—can not the Senator conceive of a condition as to a future reward along this line: Are not some of these clerks in the departments of such efficiency in their present positions that the mere fact of their being indispensable in those positions would of itself prevent them from getting a higher place, because it would be robbing the one in power of the very service he needed?

Mr. PITTMAN. I have known a transfer to be refused to another department by reason of the necessity of a clerk in a particular department. I have asked for transfers from one department because they were working certain employees 12 hours a day, and the answer was that they had to have those particular employees.

Mr. GRONNA. Mr. President, as I understand the situation, the present law provides that seven hours shall constitute a minimum day's work. To say that we should enact a law compelling the clerks to work an additional hour without additional pay would simply be to say to these clerks that they are getting overpaid.

I voted for the so-called Borland amendment as amended by the Senate. When it came to the Senate it provided for an hour's increase, with no limitation. The Senate has amended the Borland amendment by providing that it shall be only for the period of the war; and, of course, the amendment which will be proposed by the Senator from Colorado, so far as the increase is concerned, would apply only to the period of the war.

I felt, Mr. President, that during the war we ought to ask the clerks to work eight hours; but if we ask them to work eight hours, and if they do work eight hours, we ought to give them additional pay. For that reason I shall vote for the motion of the Senator from Colorado to suspend the rule so as to give the Senate the right to vote as to whether or not we shall increase the pay.

The VICE PRESIDENT. The question is, Shall the Senate suspend paragraphs 1, 2, and 3 of Rule XVI in order that the Senator from Colorado [Mr. SHAFROTH] may present, in order, the amendment proposed by him?

Mr. SHAFROTH. I ask for the yeas and nays.

Mr. WILLIAMS. Mr. President, before the vote is taken, I suggest that we had better have a quorum.

Mr. SHAFROTH. That will bring a quorum.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DILLINGHAM (when his name was called). Because of my general pair with the Senator from Maryland [Mr. SMITH] I withhold my vote.

Mr. FALL (when his name was called). I have a general pair with the Senator from Kansas [Mr. THOMPSON], who is unavoidably absent. At his special request I observe the pair upon this question and withhold my vote.

Mr. FRELINGHUYSEN (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WALSH]. As he is not in the Chamber I withhold my vote.

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. As he is not in the Chamber I withhold my vote.

Mr. GRONNA (when Mr. LA FOLLETTE'S name was called). I wish to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent on account of sickness in his family. I am informed that if he were present he would vote for the motion of the Senator from Colorado.

Mr. STERLING (when his name was called). I have a general pair with the junior Senator from South Carolina [Mr. SMITH]. In his absence I withhold my vote.

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. In his absence I withhold my vote.

Mr. WEEKS (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. JAMES]. As he is absent I withhold my vote.

Mr. WILLIAMS (when his name was called). Repeating my announcement of my pair and its transfer, which announcement I ask may stand for the day, I vote "yea."

The roll call was concluded.

Mr. MYERS. Has the junior Senator from Connecticut [Mr. MCLEAN] voted?

The VICE PRESIDENT. He has not.

Mr. MYERS. I have a pair with that Senator. In his absence I withhold my vote.

Mr. JOHNSON of South Dakota. I have a pair with the Senator from Maine [Mr. FERNALD]. Not knowing how he would vote on this question, I withhold my vote.

Mr. HARDING. I inquire if the junior Senator from Alabama [Mr. UNDERWOOD] has voted?

The VICE PRESIDENT. He has not.

Mr. HARDING. I have a general pair with that Senator and in his absence I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. CALDER. I am paired with the junior Senator from Rhode Island [Mr. GERRY] and withhold my vote.

Mr. SUTHERLAND (after having voted in the negative). The junior Senator from Kentucky [Mr. BECKHAM] with whom I am paired is absent. I therefore withdraw my vote.

Mr. WOLCOTT. I desire to announce the absence of my colleague [Mr. SAULSBURY] and to state that he is paired with the Senator from Rhode Island [Mr. COLT]. I ask that this announcement may stand for the day.

The roll call resulted—yeas 33, nays 24, as follows:

YEAS—33.

Ashurst	Jones, N. Mex.	Nugent	Shields
Baird	Jones, Wash.	Owen	Smith, Ariz.
Chamberlain	Kellogg	Page	Thompson
Cummins	Knox	Phelan	Townsend
Gore	Lodge	Pittman	Watson
Gronna	McKellar	Poindexter	Williams
Hale	McNary	Shafroth	
Henderson	New	Sheppard	
Johnson, Cal.	Norris	Sherman	

NAYS—24.

Curtis	King	Robinson	Swanson
Fletcher	Kirby	Simmons	Tillman
France	Martin	Smith, Ga.	Vardaman
Gallinger	Overman	Smith, Mich.	Wadsworth
Hardwick	Pomerene	Smoot	Warren
Hitchcock	Ransdell	Stone	Wolcott

NOT VOTING—38.

Bankhead	Fernald	La Follette	Smith, S. C.
Beckham	Frelinghuysen	Lewis	Sterling
Borah	Gerry	McCumber	Sutherland
Brandegee	Goff	McLean	Thomas
Broussard	Harding	Myers	Trammell
Calder	Hollis	Nelson	Underwood
Colt	James	Penrose	Walsh
Culberson	Johnson, S. Dak.	Reed	Weeks
Dillingham	Kendrick	Saulsbury	
Fall	Kenyon	Smith, Md.	

The VICE PRESIDENT. Less than two-thirds having voted in the affirmative, the motion is lost.

Mr. PITTMAN. I offer the amendment that I offered in the Committee of the Whole and reserved for consideration in the Senate, and ask for a vote on it. I ask that it may be stated.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 91, at the end of line 16, after the word "day," it is proposed to insert "or to pay salaries of the heads of executive departments having charge of the employment of labor who require more than eight hours' labor of an employee each day, unless such employee is paid at the rate of time and a half for each hour over eight hours."

Mr. GORE. I make the point of order that the proposed amendment is general legislation.

Mr. GALLINGER. And is not estimated for.

The VICE PRESIDENT. The Chair sustains the point of order.

Mr. SHEPPARD. Mr. President, I now renew my motion to strike out lines 10 to 16, inclusive, on page 91, as amended; and on that motion I ask for the yeas and nays.

Mr. SMITH of Arizona. Mr. President, I will ask the Senator from Texas if this is a motion to strike out what is known as the Borland amendment?

Mr. SHEPPARD. It is.

Mr. SMITH of Arizona. I am glad that we have at last gotten that far in this matter.

Mr. President, I said before, and I wish to reiterate, that I voted for the eight-hour law. I voted to suspend the rules and put on the bill the provision giving pay and a half for the additional time over the eight hours required under that amendment. I was extremely anxious to see the labor at Washington equalized with the other labor of the country and to have the rule prevail here that prevails generally in all systems of organized labor in my part of the country as well as in the East. I was desirous, also, to see time and a half paid for overtime. Inasmuch as that effort has failed in getting remuneration for the clerks for the hours of labor after others have quit, I shall vote to strike out this amendment, because under it, without that provision, I think it unfair not only to the Government in requiring this extraordinary labor but very unfair to the men themselves who have to bear that burden.

I shall, therefore, with this explanation, change the vote I gave before.

The VICE PRESIDENT. The question is on the motion of the Senator from Texas.

Mr. SHEPPARD. I call for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CALDER (when his name was called). I have a general pair with the junior Senator from Rhode Island [Mr. GERRY]. On this question he would vote in the affirmative. I also shall vote that way. I therefore vote "yea."

Mr. DILLINGHAM (when his name was called). Because of my pair with the senior Senator from Maryland [Mr. SMITH], and not knowing how he would vote upon this question, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. FALL (when his name was called). I make the same announcement as on the previous roll call and withhold my vote.

Mr. FRELINGHUYSEN (when his name was called). I have a general pair with the junior Senator from Montana [Mr. WALSH]. As he is not in the Chamber, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. HARDING (when his name was called). I note the absence of the junior Senator from Alabama [Mr. UNDERWOOD], with whom I have a general pair. Being unable to secure a transfer, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. JOHNSON of South Dakota (when his name was called). I have a pair with the Senator from Maine [Mr. FERNALD]. Being unable to get a transfer, I withhold my vote. If at liberty to vote, I should vote "nay."

Mr. GRONNA (when Mr. LA FOLLETTE's name was called). I desire to make the same announcement as before, that the Senator from Wisconsin [Mr. LA FOLLETTE] is necessarily absent because of illness in his family. I am also informed that if present he would vote in the affirmative.

Mr. MYERS (when his name was called). I have a pair with the Senator from Connecticut [Mr. MCLEAN], who is absent. I do not know how he would vote on this question if present. I am not able to obtain a transfer of my pair, and therefore withhold my vote If at liberty to vote, I should vote "nay."

Mr. STERLING (when his name was called). Announcing my pair as on the last vote, I withhold my vote.

Mr. SUTHERLAND (when his name was called). The junior Senator from Kentucky [Mr. BECKHAM] appears to be absent. I have a general pair with that Senator, and therefore withhold my vote.

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. In his absence I withhold my vote. If at liberty to vote, I would vote "nay."

Mr. WEEKS (when his name was called). I have a general pair with the senior Senator from Kentucky [Mr. JAMES]. I am unable to obtain a transfer, and therefore withhold my vote. If I were permitted to vote, I would vote "nay."

Mr. WILLIAMS (when his name was called). I am informed the senior Senator from Pennsylvania [Mr. PENROSE], with whom I have a pair, would if present vote "yea" upon this proposition. I therefore feel at liberty to vote the same way without any transfer. I vote "yea."

The roll call was concluded.

Mr. DILLINGHAM. I transfer my pair with the senior Senator from Maryland [Mr. SMITH] to the Senator from Wisconsin [Mr. LA FOLLETTE] and vote "yea."

Mr. WEEKS. I transfer my pair with the senior Senator from Kentucky [Mr. JAMES] to the junior Senator from Iowa [Mr. KENYON] and vote "nay."

Mr. MYERS. I transfer my pair with the Senator from Connecticut [Mr. MCLEAN] to the Senator from Louisiana [Mr. BROUSSARD] and vote "nay."

Mr. SUTHERLAND. I transfer my pair with the Senator from Kentucky [Mr. BECKHAM] to the Senator from Pennsylvania [Mr. PENROSE], and I vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Connecticut [Mr. BRANDEGEE] with the Senator from Alabama [Mr. BANKHEAD]; and

The Senator from West Virginia [Mr. GOFF] with the Senator from South Carolina [Mr. TILLMAN].

The result was announced—yeas 40, nays 23, as follows:

YEAS—40.

Ashurst	Hardwick	Martin	Shields
Baird	Henderson	Overman	Simmons
Calder	Hitchcock	Owen	Smith, Ariz.
Chamberlain	Johnson, Cal.	Phelan	Smith, Mich.
Curtis	Jones, N. Mex.	Pittman	Stone
Dillingham	Jones, Wash.	Ransdell	Sutherland
France	King	Reed	Swanson
Gallinger	Knox	Robinson	Thompson
Gronna	McKellar	Sheppard	Williams
Hale	McNary	Sherman	Wolcott

NAYS—23.

Borah	Lodge	Poindexter	Vardaman
Cummins	Myers	Pomerene	Wadsworth
Fletcher	New	Shafroth	Warren
Gore	Norris	Smith, Ga.	Watson
Kellogg	Nugent	Smoot	Weeks
Kirby	Page	Townsend	

NOT VOTING—32.

Bankhead	Frelinghuysen	Kenyon	Smith, Md.
Beckham	Gerry	La Follette	Smith, S. C.
Brandegee	Goff	Lewis	Sterling
Broussard	Harding	McCumber	Thomas
Colt	Hollis	McLean	Tillman
Culberson	James	Nelson	Trammell
Fall	Johnson, S. Dak.	Penrose	Underwood
Fernald	Kendrick	Saulsbury	Walsh

So Mr. SHEPPARD's motion to strike out was agreed to.

Mr. GORE. I desire to offer an amendment, suggested by the Department of Agriculture.

The SECRETARY. At the end of line 11, page 90, insert:

Any moneys hereafter received in payment of charges fixed by the Secretary of Agriculture on account of such cleaning and disinfection at plants constructed therefor out of any appropriation made on account of the pink bollworm of cotton to be covered into the Treasury as miscellaneous receipts.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Oklahoma [Mr. GORE].

The amendment was agreed to.

Mr. GORE. I move the adoption of the amendment which I send to the desk, also prepared in the Department of Agriculture and sent to me. It is a companion to the amendment just adopted.

The SECRETARY. On page 91, after line 9, insert:

And provided further, That not to exceed 10 per cent of the foregoing amounts appropriated for the eradication of the pink bollworm of cotton shall be available interchangeably in the discretion of the Secretary of Agriculture among the several items under that head.

Mr. SMOOT. Mr. President, I will ask the Senator if he desires that amendment to be adopted? I notice that now all the departments are beginning to suggest the same thing in almost every lump-sum appropriation. I do not believe that it is good policy for Congress to undertake that way of legislating. I think whenever a department asks for an appropriation they ought to ask for what they really need, and there should be no part of it transferred to some other purpose. I do not believe the Senate ought to adopt the amendment.

Mr. GORE. I will say to the Senator that a provision like this is in the bill, but it relates to preceding appropriations and not to succeeding appropriations. It happened that the appropriation for the pink bollworm follows that provision which relates only to preceding appropriations. I will say to the Senator we had an amendment reported by the committee that the funds used in this inspection should be revolving funds. That was stricken out by the Senate. Now, that renders the appropriation insufficient, in view of the fact that it does not revolve, but has to be covered into the Treasury, and it would render the amount inadequate. This is intended to meet that situation. Otherwise the work of disinfecting these cars coming from Mexico, from which we import the bollworm, can not go forward. The funds might be exhausted before the end of the fiscal year. I think, in this case at least, there ought to be an exception made.

Mr. SMOOT. Of course hearing an amendment read from the desk and not having any chance at all to see it, it is almost impossible to judge of the effect of the amendment. I was speaking against the principle. It began two years ago, and it is being followed up now by all the departments, and it ought to cease.

Mr. GORE. I think the Senator is right about it, generally speaking.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. GORE].

The amendment to the amendment was agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

INDIAN APPROPRIATIONS.

Mr. ASHURST. I move that the Senate proceed to the consideration of House bill 8696, the Indian appropriation bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919, which had been reported from the Committee on Indian Affairs with amendments.

Mr. STONE. I ask the Senator from Arizona to allow the bill to be laid aside for the present.

Mr. ASHURST. I ask unanimous consent that the bill be temporarily laid aside.

The VICE PRESIDENT. The bill will be temporarily laid aside.

EXECUTIVE SESSION.

Mr. STONE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 20 minutes p. m.) the Senate adjourned until to-morrow, Friday, March 22, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate March 21, 1918.

APPOINTMENTS AND PROMOTIONS IN THE NAVY.

Lieut. (Junior Grade) Lemuel E. Lindsay to be a lieutenant in the Navy from the 5th day of June, 1917.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 7th day of March, 1918:

Frank H. Luckel and
Ralph F. Wood.

Ensign Robert H. Maury to be a lieutenant (junior grade) in the Navy from the 7th day of December, 1917.

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, from the 15th day of October, 1917:

Robert E. Hoyt,
John F. Murphy, and
Jesse W. Backus.

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, from the 1st day of January, 1918:

Clarence F. Ely and
Perceval S. Rossiter.

The following-named passed assistant surgeons to be surgeons in the Navy, with the rank of lieutenant commander, from the 15th day of October, 1917:

Harry A. Garrison,
Henry L. Dollard,
Earle P. Huff,
Harry R. Hermesch, and
Harry L. Smith.

Assistant Civil Engineer David G. Copeland to be a civil engineer in the Navy, with the rank of lieutenant, from the 27th day of February, 1918.

Carpenter Edgar S. Covey to be a chief carpenter in the Navy from the 26th day of March, 1915.

Pay Clerk Walter A. Thomas to be a chief pay clerk in the Navy from the 12th day of October, 1917.

The following-named warrant officers to be ensigns in the Navy, for temporary service, from the 15th day of March, 1918:

Charles C. Roberts,
Charles L. Allen,
Guy A. Walker,
Nicholas Kedinger,
Percy C. Becker,
Stockard R. Hickey,
Alfred E. Stulb,
Walter Hinton,
George B. Kessack,
Oscar Erickson,
John J. Bayer,
Oscar F. Bandura,
Guy McLaughlin,
Russell G. McNaughton,
Eduard G. Jahnke,
Otto Beran,
David J. Spahr,
William E. McClendon,
Fred S. Wade, and
John W. Collier.

The following-named enlisted men to be ensigns in the Navy, for temporary service, from the 15th day of March, 1918:

Enos Dahuff,
Delos A. Humphrey,
William J. Sharkey,
George H. Charter,
Edward Reavely,
Niels Andersen,
Howard C. Heald,
Robert S. Dunn,
Lawrence E. Myers,
Robert S. Smith, jr.,
John E. Hatch,

Frederick Shea,
Clarence J. Gale,
Albert Nashman,
Charles E. Olson,
Robert Martin, and
William S. Quesinberry.

The following-named ensigns of the United States Naval Reserve Force to be ensigns in the Navy, for temporary service, from the 15th day of March, 1918:

James C. White,
Edward Reynolds, jr., and
Henry O. Rea.

The following-named ensigns of the National Naval Volunteers to be ensigns in the Navy, for temporary service, from the 15th day of March, 1918:

Robert W. Rose,
Matthew L. Kelly, and
Freeman J. Condon.

Medical Inspector Frank L. Pleadwell to be a medical director in the Navy with the rank of captain, for temporary service, from the 1st day of February, 1918.

The following-named surgeons to be medical inspectors in the Navy, with the rank of commander, for temporary service, from the 1st day of February, 1918:

Charles E. Ryder,
Allen D. McLean, and
Frederick G. Abeken.

Pay Clerk Roy E. Barrett to be an assistant paymaster in the Navy with the rank of ensign, for temporary service, from the 1st day of January, 1918.

Carpenter Edgar S. Covey to be an assistant naval constructor in the Navy with the rank of lieutenant (junior grade), for temporary service, from the 1st day of July, 1917.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 21, 1918.

JUDGE OF THE MUNICIPAL COURT, DISTRICT OF COLUMBIA.

Milton Strasburger to be judge of the municipal court, District of Columbia.

DISTRICT JUDGE.

Edwin Louis Garvin to be United States district judge, eastern district of New York.

UNITED STATES ATTORNEY.

Claude R. Porter to be United States attorney, southern district of Iowa.

UNITED STATES MARSHAL.

Nicholas F. Reed to be United States marshal, southern district of Iowa.

SURVEYORS GENERAL.

Lucius Dills to be surveyor general of New Mexico.
Ingwald C. Thoresen to be surveyor general of Utah.

RECEIVERS OF PUBLIC MONEYS.

John V. Killion to be receiver of public moneys at Dodge City, Kans.

Edward J. Hughes to be receiver of public moneys at Dickinson, N. Dak.

Albert F. Young to be receiver of public moneys at Vernal, Utah.

REGISTERS OF LAND OFFICES.

Frank Langley to be register of the land office at Coeur d'Alene, Idaho.

Peter Hanson to be register of the land office at Vernal, Utah.

POSTMASTERS.

GEORGIA.

P. D. Wootten, Abbeville.
L. W. Stanford, Hamilton.
Flem C. Dame, Homerville.
P. Brooks Ford, Sylvester.
Sanford P. Darby, Vidalia.
Mary P. Dixon, West Point.

OKLAHOMA.

J. P. Ford, Konawa.

PENNSYLVANIA.

Frederic P. Laub, Bath.
John F. Henry, Cresco.

RHODE ISLAND.

James A. Wright, Wakefield.

REJECTION.

Executive nomination rejected by the Senate March 21, 1918.

M. B. Hickman to be postmaster at Coalgate, Okla.

HOUSE OF REPRESENTATIVES.

THURSDAY, *March 21, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We thank Thee, our Father in Heaven, for that finer, purer, nobler spirit, pouring itself out in a thousand kind, generous, philanthropic, altruistic, and God-like methods, to alleviate the widespread suffering thrust into the world by the ruthless and brutal methods of the enemies of civil, political, and religious liberty.

Grant, O most merciful Father, that out of it all shall come a larger, purer, grander civilization, which shall transform every child of the living God into a good Samaritan, through that love which poured itself out on the cross of Calvary for a sinful world. Amen.

The Journal of the proceedings of yesterday was read and approved.

ENROLLED JOINT RESOLUTION SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 154. Joint resolution authorizing the erection of a memorial in Washington to the memory and in honor of the members of the various orders of sisters who gave their services as nurses on battle fields, in hospitals, and on floating hospitals during the Civil War.

EXTENSION OF REMARKS.

Mr. DUPRÉ. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an address recently delivered by the governor of Louisiana, Hon. R. G. Pleasant.

The SPEAKER. The gentleman from Louisiana asks unanimous consent to extend his remarks in the RECORD by inserting an address recently delivered by Gov. Pleasant. Is there objection?

There was no objection.

RENTALS IN THE DISTRICT OF COLUMBIA.

Mr. JOHNSON of Kentucky. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to address the House for three minutes.

Mr. LITTLE. I reserve the right to object.

Mr. JOHNSON of Kentucky. It will take only three minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. Mr. Speaker, I have a letter which I received this morning, which I wish to read to the House. I read:

"WITH THE COLORS,"
WALTER REED GENERAL HOSPITAL,
Washington, D. C., March 18, 1918.

Representative JOHNSON.

DEAR SIR: I wish to complain to you about the rent profiteering in Washington.

I am a sergeant in the Aviation Corps and in the hospital with a broken leg. My wife is living in a house at 73 New York Avenue, owned by Mrs. Kearnon, 71 New York Avenue. Prior to March 1 the rent was $35. Now the rent is $60 a month for the upstairs and $50 for three rooms downstairs. Now my rent is raised and my wife is to be put out April 1, because my wife is to be a mother soon, and Mrs. Kearnon is taking advantage of my being in the hospital.

Yours, respectfully,

Sergt. NEWELL F. JOHNSTONE.

I also have a letter, received this morning, from an old woman, which I will read. I might say, in advance of the reading of this letter, that this is from a woman 76 years old, who is a widow of a Union soldier, and it is not so legibly written or so well expressed as Lord Macaulay might do it. But I will read it just as it is:

WASHINGTON, D. C., *March 20, 1918.*

Hon. BEN JOHNSON,
House of Representatives.

DEAR SIR: I being in much trouble regarding my home, having occupied same one year and seven months at rental $25 per month, in advance usually paid. I have been notified by agent in charge to vacate premises by April 15, 1918, next month, without any reason given. Six weeks ago agent raised my rent $10.50 more than been paying, by notice given in less than two weeks; came to my home saying my rent would be $25 as before, only I believed he feared trouble by some of you in authority.

I am a Civil War widow, self-supporting, 76 years old. I would be glad to confer with you and learn if anything can be done. Am unable to find another house, and must I be put out on the street? Please oblige, answer.

Yours, truly, Mrs. C. C. ABBOTT.

With that letter, Mr. Speaker, is another sheet of paper, at the top of which is pasted a slip bearing the following:

Daniel J. Sullivan, real estate, loans, and insurance, 412 H Street NW., Washington, D. C.

On this additional sheet of paper the old lady adds:

Address and name of agent in charge of home.
I would call and bring other evidence if desired.
I trust you may find some one who will take the matter up, that right may prevail and I not suffer wrongly.
Yours, sincerely, Mrs. C. C. ABBOTT.

It has been stated so often that the owners of private property are not profiteering; that tenants only——

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. KEARNS. I would like to ask the gentleman if the persons who gave these men and women notice to vacate property are the owners of the property?

Mr. JOHNSON of Kentucky. As I was about to say, these letters giving notice to quit clearly appear to be from owners and not from tenants, who are charged by owners as doing practically all of the profiteering.

Mr. KEARNS. The reason I wanted to ask that question is, as I recall the testimony submitted to the House the other day on the part of the Real Estate Exchange, that it was to the effect that all the profiteering rents in this city came from tenants who were subleasing, and, according to that testimony, this letter contradicts the statement of the Board of Exchange.

Mr. JOHNSON of Kentucky. Yes. I have called attention to these letters because they recite facts about merciless and pitiless owners.

INSURANCE FOR PRISONERS OF WAR.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to take up and pass at this time Senate joint resolution 133.

The SPEAKER. The gentleman from Texas asks unanimous consent for the present consideration of Senate joint resolution 133. Is there objection?

Mr. STAFFORD. Mr. Speaker, let the resolution be reported.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read Senate joint resolution 133, authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured, as follows:

Resolved, etc., That insurance under the act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, shall be granted by the Bureau of War Risk Insurance on application made by the person to be insured or, subject to such regulations as the bureau may prescribe, by any other person.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I understand that the purpose of this resolution is primarily to extend the protection of the insurance to those who have been taken prisoners of war, and who therefore can not avail themselves of its benefits under the present law. The gentleman proposes to offer an amendment to specify that special purpose?

Mr. RAYBURN. To cover only those; yes.

Mr. STAFFORD. Would the gentleman have any objection to having that amendment reported?

Mr. RAYBURN. No; none at all.

Mr. STAFFORD. Let the amendment be reported.

The Clerk read as follows:

Strike out the word "other," in line 2, page 2, and strike out also the period after the word "person," in line 2, insert a comma, and add the following: "Within the permitted class, as specified in section 402 of said act, provided the person to be insured has been taken a prisoner of war before April 12, 1918: *And provided further*, That no one but the insured may designate a beneficiary, and nothing in this resolution shall be deemed to change or effect the permitted class of beneficiaries or impose any obligation on the insured against his will."

Mr. STAFFORD. Mr. Speaker, reserving the right to object, as I understand the present construction of the law, any person within the classes that may be designated as beneficiaries may take out the insurance for the soldier, provided it is subsequently approved by him.

Mr. RAYBURN. They may make application, but before the insurance can be issued the application must be approved by the insured.

Mr. STAFFORD. The purpose of this joint resolution is to take care of those who are prisoners of war and who can not approve the application.

Mr. RAYBURN. Who can neither make the application nor indorse it.

Mr. CAMPBELL of Kansas. Mr. Speaker, as I understand the reading of the joint resolution, any person other than the insured may make this application. Does not the gentleman from Texas think that should be limited to the beneficiaries?

Mr. RAYBURN. I have limited it, and that is the reason for the amendment I propose to offer, so that only the people in the permitted class of beneficiaries will be allowed to make this application.

Mr. CAMPBELL of Kansas. No one except those in the permitted class.

Mr. RAYBURN. Yes.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. GARRETT of Tennessee. This does not change in any respect the character of the beneficiary?

Mr. RAYBURN. Not at all.

Mr. GARRETT of Tennessee. A case has recently been brought to my attention, in which a boy was taken from an orphan asylum and reared by a family, but the legal processes of adoption were not complied with. It is held, and doubtless properly, that the foster parents can not in such a case be beneficiaries. But it has occurred to me that there are cases of that sort which present very strong equities, and I want to ask the gentleman if his committee has given any thought to an amendment that would cover cases of that kind?

Mr. RAYBURN. We have, and I have been in communication with the department, and it is my intention within a few days to introduce a bill covering several minor details of that sort. It is our intention to try to provide by that bill that anybody who stands in the place of the parent shall be a beneficiary of this insurance, the same as the parents. That is one of the things we intend to cover in the bill that I propose to introduce.

Mr. GARRETT of Tennessee. In a case such as I have described the purpose of the committee is to make the bill broad enough to cover those who stand in the place of parents, whether the legal formalities of adoption have been gone through with or not?

Mr. RAYBURN. That is my intention.

Mr. SMITH of Michigan. Will the gentleman yield for a question?

Mr. RAYBURN. Yes.

Mr. SMITH of Michigan. I should like to inquire whether under the present law the parents or next of kin can not make application for insurance in the place of the soldier?

Mr. RAYBURN. They can make application, but before the insurance can be issued upon it, it must have the indorsement of the soldier. These boys who are prisoners of war can not be reached, even to indorse the application.

Mr. SMITH of Michigan. I understood that they could make the application, but I did not understand about the indorsement.

Mr. GREEN of Iowa. Will the gentleman yield further?

Mr. RAYBURN. Yes.

Mr. GREEN of Iowa. I did not quite understand the gentleman with reference to the change which may be under consideration with reference to the beneficiaries. Did I correctly understand the gentleman that the change contemplated would authorize the foster parents, for example, who had always cared for a boy who had become a soldier, to be made beneficiaries?

Mr. RAYBURN. It is my intention within a few days to introduce a bill that will be broad enough to cover cases of that kind.

Mr. GREEN of Iowa. I think that would be highly commendable.

Mr. RAYBURN. The present law does not cover that, and neither does this bill.

Mr. GREEN of Iowa. I have had cases called to my attention a number of times where foster parents had cared for the soldier ever since he was a small child, and yet they could get no benefits under the insurance law.

Mr. DENISON. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. DENISON. If this amendment is adopted and insurance is taken out for a prisoner, who will pay for that?

Mr. RAYBURN. It does not say. The department would hold that under the law as it now stands they do not question where the money to cover the premium comes from. The amendment specifically reads that there shall be no obligation placed on the insured by reason of some one else taking out insurance; and, furthermore, if he is in a place where he can not name the beneficiary, the policy, as far as the beneficiary is concerned, is left blank, and when he gets where he can name him he may do so. In case he dies and no beneficiary is named, the insurance would go to the estate and be distributed according to laws of the State.

Mr. DENISON. Will the gentleman yield?

Mr. RAYBURN. Yes.

Mr. DENISON. The practical effect is that the beneficiaries themselves have to pay for it.

Mr. RAYBURN. Yes; somebody besides the soldier.

Mr. KEARNS. Will the gentleman yield?

Mr. RAYBURN. I will.

Mr. KEARNS. Under the law now in force the time for taking out insurance expires April 12. Under your bill is the time extended?

Mr. RAYBURN. It does not extend the time at all.

Mr. KEARNS. Suppose that some relative of the soldier who is taken prisoner should take out insurance to-morrow, or after the bill becomes a law, how does the Government know, or the person who took out the insurance know, that the soldier is still alive?

Mr. RAYBURN. That would have to be determined.

Mr. DOWELL. Mr. Speaker, the regular order.

The SPEAKER. Is there objection?

Mr. MILLER of Minnesota. Reserving the right to object——

Mr. COX. The regular order.

The SPEAKER. But the regular order is demanded. Is there objection?

There was no objection.

The SPEAKER. The question is on the Rayburn amendment, which the Clerk will report.

The Clerk read as follows:

Strike out the word "other," in line 2, page 2, and strike out also the period after the word "person" in line 2 and insert a comma, and add the following: "within the permitted class as specified in section 402 of said act: *Provided*, That the person to be insured has been taken prisoner of war before April 12, 1918: *And provided further*, That no one but the insured may designate the beneficiary, and nothing in this resolution shall be deemed to change or affect the permitted class of beneficiaries or impose any obligation upon the insured against his will."

The SPEAKER. The question is on the Rayburn amendment.

Mr. MILLER of Minnesota. Mr. Speaker, I desire to be recognized in opposition to the amendment.

Mr. GARNER. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. GARNER. Is not the gentleman from Texas in charge of the bill entitled to the floor?

The SPEAKER. He is.

Mr. GARNER. I do not want the gentleman from Minnesota to get the floor for an hour's debate.

The SPEAKER. The gentleman from Minnesota is not going to get the floor for an hour's debate. Does the gentleman from Texas yield to the gentleman from Minnesota?

Mr. RAYBURN. Yes; I will yield to the gentleman from Minnesota five minutes.

Mr. TOWNER. Mr. Speaker, I ask that the amendment may be again reported.

The SPEAKER. Without objection, the Clerk will again report the amendment.

The amendment was again reported.

The SPEAKER. The gentleman from Minnesota is recognized for five minutes.

Mr. TOWNER. Will the gentleman from Minnesota yield to me to ask the chairman a question? I would like to ask if he has considered whether the language now used will not interfere with the present provision of law which allows an application to be made by the next of kin subject to the approval of the insured?

Mr. RAYBURN. This language was written by the counsel for the bureau.

Mr. TOWNER. The language of the amendment is that nobody but the insurer shall be allowed to name the beneficiary. Now, if that be the case, would not that constitute an interference per se with the provisions of the law which allows an application to be made by the next of kin subject to the approval of the insured?

Mr. RAYBURN. Under the present law that does not change it; nobody has a right to name the beneficiary but the insured himself.

Mr. TOWNER. I understand that, but my question is—the law now permits the application to be made for insurance by the next of kin subject to the approval of the insured, the soldier. Now, will this language stating that he only can name the beneficiary constitute an interference with that provision of the law?

Mr. RAYBURN. I can not conceive how it would. It specifically states that it does not change the law except as to the party taking out the insurance.

Mr. TOWNER. That may take care of it.

Mr. MILLER of Minnesota. If the gentleman will give me his attention I desire first to say that, listening as accurately as I could to the reading of the amendment twice by the Clerk, I do not quite see how it materially changes existing law. It may be that I did not hear it accurately. I do not see that it changes the existing order of things very much, but I will take the gentleman's word for it. If it does, we are all for it; and if it does not, no harm has been done.

I want to ask the gentleman in reference to an entirely different matter that I think should receive attention at the hands of his committee. The law providing for insurance makes the insurance available to those in the military and naval service of the United States, including nurses of the Red Cross in the hospital, units under control of the Medical Department, and certain other individuals.

At the outbreak of this war we sent to Russia a military organization consisting of officers who were commissioned but not in the Regular Establishment as we view the military forces and men who were to go as workers, and they are now in Russia under circumstances of grave peril. They went over there in furtherance of the interests of the United States to assist in the rebuilding of railways in Russia and in their operation. I have recently received a communication from quite a number of those men—they all united in signing it, and it was sent back and mailed from Japan—in which they say they have been notified by their insurance companies that their insurance is off, that their lives are not now insured, and they believe that they are engaged in military service of practically equal merit with those elsewhere engaged in military work for the United States, and they ask that they be included in this. I see no reason why they should not be.

Mr. RAYBURN. Mr. Speaker, I will state to the gentleman that that question has been discussed in our committee. It was brought up by the gentleman from Wisconsin [Mr. ESCH], and we intend to cover such a case as that in the general overhauling of the bill.

Mr. GARNER. Mr. Speaker, do all of the policies of all of the companies in the United States have a clause in them where if the insured move from one place to another they can be canceled?

Mr. RAYBURN. They do not all have that clause.

Mr. GARNER. I think I have a couple of policies that have not that clause in them.

Mr. HASTINGS. Mr. Speaker, I would like to ask the gentleman why the date April 12, 1918, is inserted?

Mr. RAYBURN. For the reason that we thought there ought to be a definite date. This is in the law now. We do not change the law as it is now written.

Mr. FESS. Mr. Speaker, will the gentleman yield for a question?

Mr. RAYBURN. Yes.

Mr. FESS. I want to ask the gentleman from Texas whether anything has been done by the committee in regard to the rehabilitation of the wounded soldier—the question we had up when the bill was under consideration before?

Mr. RAYBURN. Nothing has yet been done. Mr. Speaker, I move the previous question on the resolution and amendment to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question now is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. RAYBURN, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

INDUSTRIAL CREDITS.

The SPEAKER. The unfinished business is the third reading of the bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes. The Clerk will read the bill the third time.

The bill was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. KITCHIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 370, nays 2, answered "present" 2, not voting 57, as follows:

YEAS—370.

Alexander	Beakes	Brodbeck	Caldwell
Almon	Bell	Browne	Campbell, Kans.
Anderson	Beshlin	Browning	Campbell, Pa.
Ashbrook	Black	Brumbaugh	Candler, Miss.
Austin	Bland	Buchanan	Cannon
Ayres	Blanton	Burnett	Cantrill
Bacharach	Booher	Burroughs	Caraway
Baer	Bowers	Butler	Carew
Bankhead	Brand	Byrnes, S. C.	Carlin
Barkley	Britten	Byrns, Tenn.	Carter, Okla.

Cary	Goodwin, Ark.	Lunn	Sears
Chandler, N. Y.	Gordon	McAndrews	Sells
Clark, Fla.	Gould	McArthur	Shackleford
Clark, Pa.	Graham, Ill.	McClintic	Shallenberger
Classon	Gray, Ala.	McCormick	Sherley
Claypool	Green, Iowa	McCulloch	Sherwood
Cleary	Greene, Mass.	McFadden	Shouse
Coady	Greene, Vt.	McKenzie	Siegel
Collier	Gregg	McKinley	Sims
Connally, Tex.	Griest	McLaughlin, Mich.	Sinnott
Connelly, Kans.	Griffin	McLaughlin, Pa.	Sisson
Cooper, Ohio	Hadley	McLemore	Slayden
Cooper, W. Va.	Hamill	Madden	Slemp
Cooper, Wis.	Hamilton, Mich.	Magee	Sloan
Copley	Hamilton, N. Y.	Maher	Small
Costello	Hamlin	Mansfield	Smith, Idaho
Cox	Hardy	Mapes	Smith, Mich.
Crago	Harrison, Miss.	Martin	Smith, C. B.
Cramton	Harrison, Va.	Merritt	Snell
Crisp	Haskell	Miller, Minn.	Snook
Crosser	Hastings	Miller, Wash.	Snyder
Dale, N. Y.	Haugen	Mondell	Steagall
Dale, Vt.	Hawley	Montague	Stedman
Dallinger	Hayden	Moon	Steele
Darrow	Heaton	Moore, Pa.	Steenerson
Davidson	Heflin	Moores, Ind.	Stephens, Mich.
Decker	Helm	Morgan	Stephens, Nebr.
Delaney	Helvering	Morin	Sterling, Ill.
Denison	Hensley	Mott	Sterling, Pa.
Dent	Hersey	Mudd	Stevenson
Denton	Hicks	Neely	Stiness
Dewalt	Hilliard	Nelson	Strong
Dickinson	Holland	Nichols, Mich.	Sullivan
Dill	Hood	Nolan	Sumners
Dillon	Houston	Norton	Sweet
Dixon	Howard	Oldfield	Swift
Dominick	Huddleston	Oliver, Ala.	Tague
Dooling	Hull, Iowa	Oliver, N. Y.	Taylor, Ark.
Doolittle	Hull, Tenn.	Osborne	Taylor, Colo.
Doughton	Humphreys	O'Shaunessy	Temple
Dowell	Husted	Overstreet	Thomas
Drane	Hutchinson	Padgett	Thompson
Dunn	Igoe	Paige	Tillman
Dupré	Ireland	Park	Tilson
Dyer	Jacoway	Peters	Timberlake
Eagan	James	Phelan	Tinkham
Elliott	Johnson, Ky.	Platt	Towner
Ellsworth	Johnson, Wash.	Polk	Treadway
Elston	Jones, Tex.	Porter	Venable
Emerson	Jones, Va.	Pou	Vestal
Esch	Juul	Powers	Vinson
Estopinal	Kearns	Pratt	Voigt
Evans	Keating	Price	Volstead
Fairfield	Kelley, Mich.	Purnell	Waldow
Farr	Kelly, Pa.	Quin	Walker
Ferris	Kennedy, Iowa	Rainey	Walsh
Fess	Kennedy, R. I.	Raker	Walton
Fields	Kettner	Ramseyer	Watkins
Fisher	Key, Ohio	Randall	Watson, Pa.
Flood	Kiess, Pa.	Rankin	Watson, Va.
Flynn	Kincheloe	Rayburn	Weaver
Focht	King	Reavis	Webb
Foster	Kinkaid	Reed	Welling
Francis	Kitchin	Riordan	Welty
Frear	Knutson	Robbins	Whaley
Freeman	Kraus	Roberts	Wheeler
French	Kreider	Robinson	White, Me.
Fuller, Ill.	Langley	Rodenberg	White, Ohio
Fuller, Mass.	Larsen	Rogers	Williams
Gallagher	Lazaro	Romjue	Wilson, Ill.
Gallivan	Lea, Cal.	Rose	Wilson, Tex.
Gandy	Lee, Ga.	Rouse	Wingo
Gard	Lesher	Rowe	Winslow
Garland	Lever	Rubey	Wise
Garner	Linthicum	Rucker	Wood, Ind.
Garrett, Tenn.	Little	Russell	Woods, Iowa
Garrett, Tex.	Littlepage	Sabath	Woodyard
Gillett	Lobeck	Sanders, La.	Wright
Glass	London	Sanders, N. Y.	Young, N. Dak.
Glynn	Lonergan	Sanford	Young, Tex.
Godwin, N. C.	Longworth	Saunders, Va.	Zihlman
Good	Lufkin	Scott, Iowa	
Goodall	Lundeen	Scott, Mich.	

NAYS—2.

La Follette	Mason

ANSWERED "PRESENT"—2.

Hayes	Stafford

NOT VOTING—57.

Anthony	Drukker	Lehlbach	Schall
Aswell	Eagle	Lenroot	Scott, Pa.
Barnhart	Edmonds	McKeown	Scully
Blackmon	Fairchild, B. L.	Mann	Smith, T. F.
Borland	Fairchild, G. W.	Mays	Switzer
Carter, Mass.	Fordney	Meeker	Talbott
Chandler, Okla.	Foss	Nicholls, S. C.	Templeton
Church	Graham, Pa.	Olney	Van Dyke
Currie, Mich.	Gray, N. J.	Overmyer	Vare
Curry, Cal.	Heintz	Parker, N. J.	Ward
Davis	Hollingsworth	Parker, N. Y.	Wason
Dempsey	Johnson, S. Dak.	Ragsdale	Wilson, La.
Dies	Kahn	Ramsey	
Donovan	Kehoe	Rowland	
Doremus	LaGuardia	Sanders, Ind.	

So the bill was passed.

The Clerk announced the following pairs:

Mr. WILSON of Louisiana with Mr. CHANDLER of Oklahoma.
Mr. WALKER with Mr. GRAHAM of Pennsylvania.
Mr. RAGSDALE with Mr. FOSS.
Mr. KEHOE with Mr. ANTHONY.
Mr. PHELAN with Mr. HOLLINGSWORTH.
Mr. TALBOTT with Mr. BROWNING.
Mr. THOMAS F. SMITH with Mr. BENJAMIN L. FAIRCHILD.
Mr. OVERMYER with Mr. GEORGE W. FAIRCHILD.
Mr. SCULLY with Mr. HAYES.
Mr. BARNHART with Mr. CHANDLER of Oklahoma.
Mr. BORLAND with Mr. DAVIS.
Mr. CHURCH with Mr. DEMPSEY.
Mr. DIES with Mr. GRAY of New Jersey.
Mr. DONOVAN with Mr. LEHLBACH.
Mr. DOREMUS with Mr. FORDNEY.
Mr. MCKEOWN with Mr. EDMONDS.
Mr. BLACKMON with Mr. KAHN.
Mr. NICHOLLS of South Carolina with Mr. MEEKER.
Mr. EAGLE with Mr. PARKER of New Jersey.
Mr. MAYS with Mr. SWITZER.
Mr. OLNEY with Mr. RAMSEY.
Mr. SCHALL with Mr. PARKER of New York.
Mr. VAN DYKE with Mr. TEMPLETON.
Mr. ASWELL with Mr. WARD.

Mr. BROWNING. Mr. Speaker, I voted "aye." I have a general pair with my colleague [Mr. TALBOTT]. If he were present he would vote "aye" also, and therefore I let my vote stand.

The result of the vote was announced as above recorded.

The SPEAKER. Without objection, the House bill 10608 will lie on the table.

There was no objection.

On motion of Mr. KITCHIN, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. KITCHIN. Mr. Speaker, I move that the House insist on its amendment to the Senate bill and ask for a conference.

The SPEAKER. The gentleman from North Carolina moves that the House insist on its amendment to the Senate bill and asks for a conference.

The motion was agreed to.

Mr. GLASS. Mr. Speaker, I make the motion which I send to the Clerk's desk.

The SPEAKER. The gentleman from Virginia offers a motion in the nature of instructions to the conferees, which the Clerk will report.

The Clerk read as follows:

I move that the managers on the part of the House be instructed to insist in conference on the retention of that part of the amendment embodied in section 13 of the House bill, on page 11, which is in these words:

"SEC. 13. That the Federal reserve banks shall be authorized, subject to the maturity limitations of the Federal reserve act and to regulations of the Federal Reserve Board, to discount the direct obligations of member banks secured by such bonds of the corporation and to rediscount eligible paper secured by such bonds and indorsed by a member bank. No discount or rediscount under this section shall be granted at a less interest charge than 1 per cent per annum above the prevailing rates for eligible commercial paper of corresponding maturity, nor, in any event, unless such member bank satisfies the Federal reserve bank that it has in its possession for the purposes of such transaction insufficient commercial paper eligible for discount or rediscount under the regulations of the Federal Reserve Board made under authority of the Federal reserve act."

Mr. KITCHIN. I hope the gentleman will not insist on that.

Mr. GLASS. Mr. Speaker, when the bill just passed was first drawn to my attention it was quite obvious to me that it had been given a mistaken reference. The bill plainly was a banking and currency measure and should have been referred to the Banking and Currency Committee of the House. In this connection I want to say that the chairman and the members of the Committee on Ways and Means of the House were perfectly courteous and reasonable about the suggestion that a rereference of the bill be had. They made no objection to it. I did not insist upon a rereference, notwithstanding the fact that some of the members of the Banking and Currency Committee of the House were very anxious that there should be a reference of the bill. One reason why I did not insist upon a rereference was the very sane and fair attitude of the chairman and members of the Committee on Ways and Means. They asked the chairman and other members of the Committee on Banking and Currency to review the bill and offer suggestions, especially with reference to those provisions that brought the war-finance corporation in contact with the Federal Reserve System. Some of the amendments suggested in response to this invitation have been embodied in the bill. For instance, section 13, in my judgment, is the only thing that stands, textually, between the Federal Reserve System and utter wreck. It is the one literal safeguard which should not be abandoned or weakened. I do not believe the House or the country would desire to see the commercial banking credit system of the country impaired or menaced by the operations of an emergency system chiefly devised to refund the obligations and finance the business of public-

service corporations, railroads, war-supply enterprises, and great concerns that relate themselves to the conduct of the war. This scheme was presented by those who designed it as an emergency measure. This particular provision of the bill—I mean section 13—makes it an emergency measure. The Senate bill, as it came to the House, in a kindred provision practically made the bonds of the war-finance corporation preferential security for discounts and rediscounts at Federal reserve banks and in the open-market transactions of these banks. The Senate provision practically issued an engraved invitation to the great concerns of the country that are in need of refunding facilities to come and get priority benefits of the Federal Reserve System, largely to the exclusion of current commerce and industry. That provision of the Senate bill, together with its open-market feature, if enacted into law, might and very likely would clutter up the Federal reserve banks with unliquid securities, and to that extent impair, if not exhaust, their ability to minister readily to current commerce and industry.

Those features of the Senate bill would, in my judgment, very greatly endanger our entire commercial banking system which, in any event, must endure a great strain. I was induced to support this bill because of the very reasonable and sane attitude of the Committee on Ways and Means, reflected in its willingness to make amendments that have largely cured its defects. By no means the least important of these amendments are those especially designed to safeguard the commercial banking system of the United States.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

The SPEAKER. Does the gentleman from Virginia yield?

Mr. GLASS. I do.

Mr. MOORE of Pennsylvania. In view of that statement of the gentleman's confidence in the Committee on Ways and Means, does the gentleman think it wise to adopt this rather unusual matter of instructing the conferees in advance?

Mr. GLASS. The vital importance of this matter, the crucial nature of the question in issue, prompted me, with great reluctance, to offer this instruction. Ordinarily I do not believe in instructions, although I remind the gentleman that the Banking and Currency Committee has several times been instructed by the House on problems of vastly less consequence than the one I am now discussing. I have so often seen bills go into conference and brought back here in such a radically altered shape that I am fearful for this particular item. Gentlemen, if this House provision, this section 13, does not remain in this bill the Congress will have done a grave injury to the commercial interests of the country. It will have invited disaster.

Mr. MONDELL. Will the gentleman yield?

Mr. GLASS. I do.

Mr. MONDELL. I have great confidence in the gentleman from Virginia and in his knowledge of these matters and shall be inclined to follow him. It occurred to me, however, that I suggest to the gentleman that, in the first place, this is a rather unusual feature that might be resented, and in addition, while it is tremendously important, and I am willing to take the judgment of the gentleman from Virginia that it is perhaps the most important provision in the bill, there are other very important provisions in the bill differing widely from the bill as it passed the Senate.

Might not this situation arise? In emphasizing the insistence of the House upon this vital and important matter, might it not leave the inference that we were not so insistent on other very important matters?

Mr. GLASS. I realize the force of what the gentleman has said. That very thought occurred to me; but I have reason to imagine that a very direct "drive" will be made at this particular section of the bill, because there was at the outset very strenuous objection by the proponents of this measure to the incorporation of this provision in the bill. And while I am as averse as anybody possibly could be to inviting resentments, I would rather incur the resentment of those who would strike this section out of the bill than to feel the righteous resentment to which the country will doubtless give expression unless this provision shall remain in the bill.

Mr. KITCHIN. I would like to interrupt the gentleman a minute.

I practically agree with the gentleman that the substance of section 13 should be a part of this bill when it becomes a law; that it is essential for the protection of the Federal Reserve System; and the gentleman from Virginia fully knows my views on this section and on the relation that this bill should bear to the Federal reserve act. I trust he will withdraw his motion. I believe that I know the sentiment of the House with regard to that section as well as the gentleman's feelings about it and the feelings of the members of the Banking and Currency Committee, and I know that I know the feelings of each one of the members of the Ways and Means Committee. Therefore I can assure him that the managers on the part of the House would take care to preserve the Federal Reserve System in its integrity, and whatever we do with that section is not going to hurt the Federal Reserve System.

Mr. GILLETT. Will the gentleman yield for a moment?

Mr. GLASS. I will.

Mr. GILLETT. Would not the gentleman from North Carolina assure the House, as is often done by gentlemen having charge of a bill, that this section shall not be yielded in conference until the House has had an opportunity to express itself upon it?

Mr. GLASS. I was just about to ask the gentleman from North Carolina if he would not be willing to give the House that assurance.

Mr. KITCHIN. Well, of course, if it shall not be touched in any particular, there would be no conference on that section, and of course we would have to report a disagreement. But I can——

Mr. GILLETT. On the vital particulars?

Mr. KITCHIN. I can give this assurance to the House that the gentleman from Massachusetts [Mr. GILLETT] and the gentleman from Virginia [Mr. GLASS], and other gentlemen who desire to instruct us, will be satisfied before we come back with it.

Mr. MONDELL. Will the gentleman yield just a moment?

Mr. GLASS. I will yield to the gentleman.

Mr. MONDELL. This is a very important bill, and it is a bill with regard to which the sentiment of the House is very largely a unit, I think. It is quite different from the measure passed in the other body, not only with regard to this exceedingly important section but in regard to other sections. I assume that the gentleman from North Carolina [Mr. KITCHIN] and his conferees would not agree either to a vital modification of this section or of other vital sections without giving the House an opportunity to express its opinion.

Mr. KITCHIN. I think the gentleman can——

Mr. COOPER of Wisconsin. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Wisconsin rise?

Mr. COOPER of Wisconsin. May I ask the gentleman from Virginia [Mr. GLASS] a question?

Mr. GLASS. You may.

Mr. COOPER of Wisconsin. Is it not a fact that, where a motion like the motion offered by the gentleman from Virginia has been offered and agreed to by the House and sent over to the Senate with the bill itself, the Senate has refused to have a conference until that was modified?

Mr. GLASS. I had occasion to look that up some time ago, when the House was wise enough to instruct the Banking and Currency Committee in a certain matter, and I found only one instance in which the Senate long ago declined a conference in circumstances of that sort.

Mr. COOPER of Wisconsin. I remember it was brought up here on the floor, but I do not recall when, and that precedent was, I think, the one that was cited, and the contention was that if the Senate should send over here a bill with its conferees already instructed not to consent to anything except what the Senate has already adopted, you might as well not have a conference.

Mr. GLASS. That is usually stated when a proposition like this is up.

Mr. KITCHIN. Let me say that I think with the assurances I have given the gentleman from Virginia [Mr. GLASS] and the gentleman from Wyoming [Mr. MONDELL] and the gentleman from Massachusetts [Mr. GILLETT], the gentleman from Virginia could well withdraw his motion with respect to the section.

Mr. MONDELL. I understand the gentleman from North Carolina [Mr. KITCHIN] to say that neither this section nor other sections will be greatly amended.

Mr. KITCHIN. I said with regard to this section, which is so vitally important to the preservation of the Federal Reserve System in its integrity, that I would not come to an agreement in conference until gentlemen who had made these objections—that is, who seemed to favor this instruction—were satisfied with the action that the House conferees would take on it.

Mr. GLASS. With that statement, Mr. Speaker, I am willing to withdraw the motion.

Mr. McFADDEN. Will the gentleman yield just a moment?

Mr. HAYES. Will the gentleman yield for a moment?

Mr. GLASS. Yes.

Mr. HAYES. Mr. Speaker, I just desire to say that I fully agree with the statement in all respects made by the gentleman from Virginia [Mr. GLASS]. I think this provision as it appears in the bill is one of the best, if not the best, amendment of all the amendments that the Ways and Means Committee put on it

I think the provision could well be strengthened, but I should hate to see it modified in any way so that it would weaken it.

Mr. GLASS. Well, that is precisely my position, Mr. Speaker.

Mr. McFADDEN. Will the gentleman yield?

Mr. GLASS. I yield to my colleague.

Mr. McFADDEN. I wanted to call the gentleman's attention to the fact that in the past when conferees have been instructed to maintain "the substance," or, in this instance, "assurances to that effect," the conferees have exceeded that authority; that the insertion of the word "substance" gives the conferees great latitude; and that almost the same condition that is presented here was presented when we last instructed the conferees on the Federal reserve act, in connection with the collection-charges provision amendments, with which the gentleman is familiar, because he was one of the conferees who, I contend, violated that very instruction given by this House to maintain a certain amendment to the bill——

Mr. GLASS. I will say to my colleague that I was wiser than he, and did not use the broad language which he unhappily used in the case cited. The House had an opportunity to pass on the dispute, and did not agree that the conferees disobeyed instructions. In this motion I have not asked for the retention of the "substance" of section 13, but its text.

Mr. McFADDEN. I was simply calling the gentleman's attention to the fact that the gentleman from North Carolina [Mr. KITCHIN] used the word "substance" this morning when he said that the "substance" would be maintained, so as to not injure the Federal Reserve System.

Mr. GLASS. Mr. Speaker, I feel confident that I can rely on the assurance given by the gentleman from North Carolina. I wanted that assurance. I am glad the gentleman from Massachusetts [Mr. GILLETT] anticipated me in asking it; and, having received it, I withdraw the motion to instruct.

The SPEAKER. The gentleman withdraws the motion, and that is the end of it. The Clerk will announce the conferees.

The Clerk read as follows:

Mr. KITCHEN, Mr. RAINEY, Mr. DIXON, Mr. MOORE of Pennsylvania, and Mr. GREEN of Iowa.

LEAVE OF ABSENCE.

Mr. OVERMYER, by unanimous consent, was granted leave of absence for one week, on account of important business.

INCREASED COMPENSATION TO EMPLOYEES, POST OFFICE DEPARTMENT.

Mr. GARRETT of Tennessee. Mr. Speaker, by direction of the Committee on Rules, I send up House resolution 290 (H. Rept. No. 397).

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House bill 9414, entitled "A bill granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes"; that there shall be not to exceed three hours of general debate, to be divided between those supporting and those opposing the bill. At the conclusion of such general debate the bill shall be considered for amendments under the five-minute rule, and during such consideration it shall be in order, the general rules of the House to the contrary notwithstanding, to offer and consider as additional sections the following:

"I.

"That to promote the conservation of food products and to facilitate the collection and delivery thereof from producer to consumer, and the delivery of articles necessary in the production of such food products to the producers, the Postmaster General is hereby authorized to conduct experiments in the operation of motor-vehicle truck routes in the vicinity of such cities of the United States as he may select, and under such rules and regulations as he may prescribe, and the cost of such experiments, not exceeding $300,000, may be paid by the Postmaster General out of any unexpended appropriations of the Postal Service, and the Postmaster General shall report the result of such experiments to the Congress at the earliest practicable date.

"SEC. —. That the Secretary of War may, in his discretion, deliver and turn over to the Postmaster General from time to time, and without charge therefor, for use in the Postal Service, such aeroplanes and automobiles or parts thereof as may prove to be, or as shall become, unsuitable for the purposes of the War Department; and the Postmaster General is hereby authorized to use the same, in his discretion, in the transportation of the mails and to pay the necessary expenses thereof out of the appropriation for inland transportation by steamboat or other power boat or by aeroplanes or star route.

"SEC. —. That from and after the passage of this act the Postmaster General, in his discretion, may require the payment of postage on mail carried by aeroplane at not exceeding 24 cents per ounce or fraction thereof."

"II.

"SEC. —. That hereafter the balance to the credit of any one person in a postal-savings depository, exclusive of accumulated interest, shall not exceed $3,000. Noninterest-paying deposits shall not be accepted. All laws inconsistent herewith are hereby repealed.

"SEC. —. That section 6 of the act approved June 25, 1910, is hereby further amended so that the proviso in said section shall read as follows: '*Provided*, That in order that smaller amounts may be accumulated for deposit, any person may purchase for 10 cents, from any postal savings depository, specially prepared adhesive stamps to be known as "postal savings stamps," and attach them to a card which shall be furnished for the purpose. A card with 10 postal savings stamps affixed shall be accepted as a deposit of $1 either in opening an account or in adding to an existing account, or may be redeemed in cash.'

"SEC. —. The additional compensation granted by the provisions of this bill shall be paid out of the revenues of the Post Office Department. If the revenues of the said department shall be insufficient to meet the appropriations made by this act, a sum equal to such deficiency of the revenue of said department is hereby appropriated, to be paid out of any money in the Treasury not otherwise appropriated, to supply said deficiencies in the revenues for the Post Office Department for the year ending June 30, 1919, and the sum needed may be advanced to the Post Office Department upon requisition of the Postmaster General."

After the bill shall have been perfected in the Committee of the Whole House on the state of the Union, the same shall be reported to the House, with such recommendation as the committee may make, whereupon the previous question shall be considered as ordered upon the bill and all amendments thereto for final passage without intervening motion except one motion to recommit.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. NORTON rose.

The SPEAKER. Does the gentleman yield?

Mr. GARRETT of Tennessee. In a moment. Can I arrange with the gentleman from Kansas [Mr. CAMPBELL] upon some time?

Mr. CAMPBELL of Kansas. I think 20 minutes on a side will be satisfactory.

Mr. GARRETT of Tennessee. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The gentleman from Tennessee is recognized for 20 minutes and the gentleman from Kansas [Mr. CAMPBELL] for 20 minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, if I may have two or three minutes without interruption, I think I can explain this rule, which upon its face may seem to be somewhat complicated, but which really is not very complicated.

The purpose of the rule is to make in order for consideration the bill H. R. 9414, granting increase of compensation to certain officials, employees, and laborers in the Post Office Department and in the Postal Service, and for other purposes. It is commonly referred to as the Moon-Madden postal bill. It provides for an increase in pay to postal clerks, and so forth.

The Committee on the Post Office and Post Roads this morning indicated to the Committee on Rules its desire that there should be made in order for consideration two other bills that have been favorably acted upon by that committee, to wit, Senate bill 2718, with certain amendments that the House committee had agreed upon, and H. R. 8637, with certain amendments that the House committee had agreed upon; and so the Committee on Rules, being agreeable to making these in order for consideration, determined that the simplest way to bring them before the House would be to quote the language of those bills in the rule itself, and that has been done. If gentlemen will obtain copies of Senate bill 2718 and House bill 8637 they will see the bills which the committee has reported in this resolution outside of H. R. 9414.

Mr. WALSH. Mr. Speaker, I want to ask the gentleman from Tennessee this question: That, having originally provided in the rule that there should be three hours' debate on the Moon-Madden bill, does he think it would be exactly fair to bring in two other very important measures in this rule without increasing the time for debate?

Mr. GARRETT of Tennessee. The Committee on Rules considered that, and the committee thought that three hours for general debate would still be sufficient, assuming that, of course, there would be liberal debate granted under the five-minute rule upon these propositions.

Mr. WALSH. But the Committee on Rules provided for three hours' debate originally upon the Moon-Madden bill, so called.

Mr. GARRETT of Tennessee. It did.

Mr. WALSH. And these two other bills which have been tacked on to the rule which the gentleman has offered are very important measures, and if taken up in the ordinary course would undoubtedly consume more than three hours.

Mr. GARRETT of Tennessee. I will say to my friend that that was discussed in the committee. I think I violate no confidence in saying that there was some suggestion that the debate be cut to two hours on the whole proposition. Finally it was decided that there should be three hours.

Now, if there is any other gentleman who wants to ask me a question on the rule itself, I will be glad to yield.

Mr. NORTON and Mr. BURNETT rose.

Mr. GARRETT of Tennessee. I yield first to the gentleman from North Dakota [Mr. NORTON].

Mr. NORTON. I would like to inquire of the gentleman from Tennessee if the gentleman thought that bringing in a rule of this kind, containing these two additional bills, was really fair

to the House? It occurred to me that the rule should have been printed. The bills that the gentleman has mentioned have been pending for some time, but I have not been able to secure copies of them, and at the desk no provision has been made for Members to secure copies.

Mr. GARRETT of Tennessee. In answer to that I will say it has been understood for many days that this resolution as to increasing compensation of postal employees would follow immediately after the conclusion of the war finance corporation bill. Word reached the committee late yesterday afternoon, and not all the members of the committee then, that consideration was also desired of these other bills at this time. There was not time to have it printed unless we had disarranged the whole program.

Now I yield to the gentleman from Alabama [Mr. BURNETT].

Mr. BURNETT. As I understand from the reading of the rule, it is not the purpose of the committee, nor does the rule, as I understand it, operate as a limitation on the offering of other amendments that are germane?

Mr. GARRETT of Tennessee. Not at all.

Mr. BURNETT. It makes these amendments germane without cutting off the right of Members to offer other amendments that are germane?

Mr. GARRETT of Tennessee. No. It merely makes them in order.

Mr. STEENERSON. Was it not the understanding of the Committee on Rules that the Committee on the Post Office and Post Roads had requested this kind of a rule? The Committee on the Post Office and Post Roads had a meeting and authorized the chairman to request a rule on the salary bill—on the original salary bill; but, as a member of the Committee on the Post Office and Post Roads, I never heard that the chairman of the committee was authorized to ask for a rule on the other bills, and what I want to know is whether the Committee on Rules so understood it?

Mr. GARRETT of Tennessee. The Committee on Rules understood that these measures had been reported favorably from the Committee on the Post Office and Post Roads. The chairman of the Committee on the Post Office and Post Roads came before the Committee on Rules and suggested that they be made in order on this proposition. Whether he did it by direction of the committee or upon his responsibility as chairman I do not know.

Mr. STEENERSON. It must have been on his own motion, because the Committee on the Post Office and Post Roads authorized the chairman to ask for a rule on the salary bill.

Mr. GARRETT of Tennessee. Had the Committee on the Post Office and Post Roads acted favorably upon these two other bills?

Mr. STEENERSON. I do not know. I doubt it. I made a minority report on that truck proposition; that is, if it is the same bill. I can not tell whether it is or not, from what I could hear of the reading of it.

Mr. MOON. Will the gentleman from Tennessee yield a moment?

Mr. GARRETT of Tennessee. I yield to my colleague.

Mr. MOON. In the first place, the rule was offered by the gentleman from Illinois [Mr. MADDEN], who, as a Member of the House, had a right to go before the Committee on Rules and make the request for its consideration. The Committee on the Post Office and Post Roads then formally directed the chairman of that committee to make the request. The chairman did not see fit to change the resolution of the gentleman from Illinois [Mr. MADDEN]. So he went before the committee with the gentleman from Illinois [Mr. MADDEN] and requested the rule on the original bill—House bill 9414. Then the chairman, as he had the right, asked the committee on his own initiative—after having talked with a number of the members of his committee—and requested that these two measures mentioned, with reference to motor trucks and the postal-savings bank, be also added for consideration at this time, because the Committee on the Post Office and Post Roads had acted favorably on both of those measures, and they had been favorably reported to the House. Now, it is a saving of time and a much more sensible proposition to consider all this legislation at one time than to have three separate measures up for consideration.

Mr. STEENERSON. I simply want it understood that the Committee on the Post Office and Post Roads had not acted on the question of consolidating these three bills into one, as this rule does.

Mr. MOON. The Committee on the Post Office and Post Roads have given no consideration at any meeting of the committee to the question of consolidating these bills.

Mr. GARRETT of Tennessee. I wish to say that independent of that the view of the Committee on Rules is that if these propositions are to be considered—and we understand that undoubtedly there would be pressure for their consideration—it is better to consider them now, and it is a saving of time to consider them now.

Now, how much time have I remaining, Mr. Speaker?

The SPEAKER. The gentleman has 11 minutes.

Mr. RAMSEYER. Will the gentleman yield for a question?

Mr. GARRETT of Tennessee. A question about the rule?

Mr. RAMSEYER. Yes.

Mr. GARRETT of Tennessee. I yield to the gentleman.

Mr. RAMSEYER. Do I understand that all the provisions of the rule were placed in the rule at the request of the chairman of the Committee on the Post Office and Post Roads, or were some of them placed in the rule on the initiative of the Rules Committee?

Mr. GARRETT of Tennessee. None were placed in the rule on the initiative of the Rules Committee. All that the Rules Committee have reported is that which the committee understood the Committee on the Post Office and Post Roads had previously reported favorably.

Mr. EMERSON. Will the gentleman yield?

Mr. GARRETT of Tennessee. I yield to the gentleman from Ohio.

Mr. EMERSON. Does the rule provide the order in which the bill and these other propositions shall be considered? I can not get a copy of the rule to read it.

Mr. GARRETT of Tennessee. The salary increase bill will be considered first. These other bills will come in as sections at the end of that bill.

I reserve the remainder of my time, Mr. Speaker.

Mr. CAMPBELL of Kansas. Mr. Speaker, there is nothing unusual or revolutionary about this rule. In the first place, it makes in order the bill for increase of pay for those employed in the Postal Service as distinguished from the postal clerks. The bill will give the House an opportunity to consider the increase of the pay of rural carriers and railway mail clerks and others known as employees in the Postal Service. This, of course, should be done.

This morning the chairman of the Committee on the Post Office and Post Roads notified the Committee on Rules that two important measures had been under consideration by the Committee on the Post Office and Post Roads, one of them a Senate bill and one of them a House bill, and asked the Committee on Rules to permit the House to consider those bills as amendments to the bill for which the original rule had been asked; and in direct answer to the gentleman from Ohio [Mr. EMERSON], who wanted to know which of these bills would be considered first, I will say that the bill to be considered is the bill for the increase of the pay of the postal employees. These other bills are to be offered as amendments to that bill under the five-minute rule. They are made in order by this rule. Otherwise they would be ruled out on a point of order, not being germane to the bill. This rule simply makes them in order as amendments to the bill increasing the salaries or pay of the postal employees. That is all the rule does. It simplifies the business of the House.

I sincerely hope that the rule will be agreed to, and that the bill increasing the pay of the postal employees will be passed. It is for the House to consider these amendments. They are simply made in order, that is all. The House can reject them or vote them in as it sees fit.

Mr. ROBBINS. Will the gentleman permit a question?

Mr. CAMPBELL of Kansas. Yes.

Mr. ROBBINS. It is quite evident that so far as the Madden-Moon bill, increasing the compensation of rural carriers and mail clerks is concerned, there is a universal demand for that bill.

Mr. CAMPBELL of Kansas. Yes.

Mr. ROBBINS. Now, it is proposed to attach these other bills as riders to that bill?

Mr. CAMPBELL of Kansas. *Not as riders.* They will be in order as amendments. The House can accept or reject them, as it sees fit.

Mr. ROBBINS. But would we not be compelled to accept the other two in order to get the first bill through?

Mr. CAMPBELL of Kansas. Not at all.

Mr. GARRETT of Tennessee. There will be a separate vote on each amendment.

Mr. CAMPBELL of Kansas. The Members of the House can vote down these amendments if they see fit. If a majority of the House is in favor of them, I take it they will be attached to the bill. If a majority of the House is against them, they will undoubtedly be defeated.

Mr. ROBBINS. There will be ample opportunity to consider these measures?

Mr. CAMPBELL of Kansas. Yes; undoubtedly. I yield the remainder of my time to the gentleman from New York [Mr. SNELL].

Mr. GARRETT of Tennessee. May I ask the gentleman from Kansas, can he let me have 5 minutes of his time? I have 15 minutes promised on this side.

Mr. CAMPBELL of Kansas. How much time have I remaining, Mr. Speaker?

The SPEAKER. The gentleman has 17 minutes remaining.

Mr. SNELL. I will be glad if the gentleman will let the gentleman from Tennessee have five minutes.

Mr. CAMPBELL of Kansas. I yield five minutes to the gentleman from Tennessee and the remainder of the time to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, of course, as originally intended, this resolution was to cover only House bill 9414, which simply provided for an increase in the compensation of certain officials and employees of the Post Office Department; but, as I understood, and as the committee understood from the chairman of the Post Office Committee, this other matter had been favorably reported by the committee, and they desired to have it considered at this time; and the rule, as I understand it, simply makes it in order to consider these other things as amendments, and it is simply before the House to take such action as it sees fit and can adopt or reject any or all of it.

Last year, when the House increased the compensation of various employees of the Government, it was intended to increase the compensation of the employees of the Postal Department the same as in other departments.

But on account of a technical ruling by the Treasury Department certain employees of the Post Office Department did not receive the increase. Therefore, these men have been going along this past year trying to meet increased living expense without the increase in pay that various other employees of other departments have received. And it has been not only manifestly unfair to them but absolutely detrimental to the Postal Service, on account of the number of resignations from the service, on account of our failure to give them the much-needed increase that would enable them to meet the increased cost of living in all parts of the country. Our people are accustomed to high efficiency in the Post Office Department, and the efficiency depends entirely upon the men of experience and older in the service, and these men are leaving the service at an alarming rate on account of the failure to act on this salary increase and better opportunities offered in other lines of work at the present time. I am informed that one-third of the employees of the Washington post office have resigned during the last year in order to take advantage of better opportunities offered in other departments of the Government service. And there are a great many others in all parts of the country that will soon do this unless we act on the salary question at an early date and give them the increase that the character of their work so richly deserves. And for the sake of right and justice to the individual employee and continued high efficiency in the Postal Service, I ask for immediate consideration and adjustment of these salary questions. Every one here well knows that the whole country is interested in this legislation. There are no other Government employees that come in so close touch with the people in city, village, and town as the members of the Post Office Department. There are no other employees in whose condition the people everywhere are so vitally interested, and I think I can truthfully say there are no employees, who year after year, winter and summer, hot or cold, wet or dry, continuously render such honest, conscientious, and courteous service as the employees of the Post Office Department.

The Post Office Committee has given very careful consideration to the question and voluminous hearings on the subject of salaries. There appeared before it representatives of every department of the service from all over the country. In addition 132 individual Members of Congress have appeared before the committee and requested this increase in pay for the postal employees and the early consideration by the House.

Mr. WALSH. Will the gentleman yield?

Mr. SNELL. I will.

Mr. WALSH. Has the Post Office Committee held voluminous hearings and filed a voluminous report on the other two measures that have been tacked on by the rule?

Mr. SNELL. It was originally intended to bring in only a rule making increase in salaries of this department in order, but at the request of the chairman of the Post Office Committee the other matters referred to were added to the rule this morning, and I can not inform you as to the hearings on the same.

Mr. WALSH. Does the gentleman understand that the Post Office Committee is unanimous on the other two propositions?

Mr. SNELL. I understood it was a unanimous report.

Mr. WALSH. One is a Senate bill.

Mr. SNELL. I so understand, and that it has been approved by the Senate.

The provision of the bill I am specially interested in is that part which provides for the increased compensation to be paid to the employees of the Postal Service, and the provision in the bill which makes it effective immediately upon its passage. Therefore, I believe it is only fair to the employees of this department that this rule and bill should be acted upon at once, and also that it tends toward increased efficiency of the whole service that this rule should be adopted and the matter receive the immediate consideration by Members of this House.

Mr. EMERSON. Will the gentleman yield?

Mr. SNELL. I will.

Mr. EMERSON. I have been listening for some reason why the other two bills were tacked on to the original Madden bill.

Mr. SNELL. It was at the request of the chairman of the Post Office Committee, who thought it was important legislation and it would not take any more time to consider it now than some time latter, and for that reason it was reported by the Rules Committee. Mr. Speaker, how much time remains on this side?

The SPEAKER. The gentleman has seven minutes remaining.

Mr. SNELL. I yield five minutes to the gentleman from North Dakota [Mr. NORTON].

Mr. GARRETT of Tennessee. Would it be agreeable to the gentleman if I should yield five minutes to the gentleman from Pennsylvania [Mr. KELLY]?

Mr. NORTON. It would.

Mr. GARRETT of Tennessee. I yield five minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Speaker, this rule, if adopted, will give an opportunity for the consideration of a measure that should have been passed months ago. On the first day of this session I introduced a measure providing for a 25 per cent increase for all postal employees in order that these faithful public servants might receive compensation which would in some degree enable them to meet the situation caused by the skyrocketing prices of the necessities of life.

When the Post Office appropriation bill was under consideration I urged immediate action. Since this bill was reported by the committee I have gladly exerted myself to secure the favorable action of the Rules Committee. Now, this rule and the measure are under consideration, and both should be passed by a unanimous vote.

Mr. Speaker, it is a far cry from the beginning of postal service in this country to the present, when the United States Postal System excels any service in the world, its work every day a miracle of achievement. The history of that progress is a record of faithful work and arduous efforts on the part of those employed in the Postal Service.

Still the claims of those who have made the success of the United States system have been neglected. There has been but one increase in their pay in the last 40 years and that was 10 years ago. I maintain that a living wage in 1907 can not be made to cover the cost of living in 1917. The men in the Postal Service have been attempting an impossible task. It is unjust to force them longer to endure such a condition.

I have heard men talk about the necessity of a surplus in the Post Office Department. I submit that the Post Office Department was never intended as a money-making institution. It was established to give efficient postal service. You might as well ask how much money our public-school system is making or what dividends are paid by the fire departments. You can not translate such service into dollars and cents.

In 1885 Congress reduced postage rates when there was a deficit in the department. Newspapers were rated at a cent a pound and in some cases sent free. Franked matter from Governmetn offices was sent out by the ton free of charge. Rural free delivery was established when it was known to all that it would not pay expenses. There was a reason for all this. It was to make the Postal Service a profit-sharing association for the benefit of all the people. Its dividends were to be paid in a more intelligent, enlightened citizenship.

Any talk of a surplus means nothing. The Postmaster General states in his report that there was a surplus of $9,000,000 last year. But First Assistant Postmaster General Koons, in the hearings before the Post Office Committee of this House stated that there was a loss of $72,000,000 on second-class matter; that franked matter would have cost $20,000,000; and that the rural free delivery routes ran behind about $36,000,000.

Figuring these together you have a total which is as correctly the yearly surplus of the Post Office Department as any other figure that can be given. It equals as much as the entire Post

Office equipment of the United States, post-office buildings, sites, and equipment.

In other words, there is 100 per cent dividend. No man can justly contend that no increase should be granted postal workers because it would result in a deficit. The first requirement is efficient service, and that can only be obtained through postal employees who are fairly paid and fairly treated.

The present rate of compensation of postal employees has resulted in enforced resignations at an alarming scale. Here is what the postmaster at Pittsburgh, Pa., writes me in urging the passage of this measure:

> The situation in this office at the present time is such as to make it almost hopeless for the Postal Service to keep its full quota of clerks and carriers. During the past year many of the higher-salaried clerks and carriers resigned, owing to the fact that they could secure much higher wages outside the service.

This condition is in evidence in almost every post office in the country, and in the Railway Mail Service as well. At the Pittsburgh terminal railway post office, from June 1, 1917, to February 15, 1918, 627 railway post-office clerks left the service or refused to accept appointments; 59 joined the Army; so that 569 left the service from all other causes. The reason is not hard to find. Substitute railway mail clerks are paid $2.22 a day when they work. The porters around the railroad station, some of whom can not even read or write, are paid $3.40 a day. Such a humiliating situation should not exist for a single day.

Mr. Speaker, the employees of Uncle Sam are entitled to at least a living wage. The postal employees have not been receiving it. The fact is that their salaries have been cut in two by the mounting cost of living.

I hold in my hand the report of the Bureau of Labor Statistics, which states that the cost of food has increased 31 per cent in the past year alone. In the past 10 years the price of almost every necessary of life has doubled, and still not one cent has been added to the compensation of postal employees. Increases have been made by private employers. The Bureau of Labor Statistics reports that increases from 38 to 58 per cent have been made in some industries, but the United States Government has lagged behind instead of being in the lead. This bill gives an opportunity to help remedy this intolerable situation.

The reclassification sections of this bill will be most beneficial. It is not generally known that the letter carrier usually puts in nine years of service before he reaches the present maximum of $1,200. That means an average salary of $742 a year. At the same time he is required to perform duties which require brains, ability, and determination. This bill raises the lowest rate to $1,000 and the maximum to $1,500. It will be a worthy step toward fair treatment of faithful employees and increased efficiency.

The measure itself should be amended so that it be made permanent law, and not a temporary measure. There is no just reason for making it apply only to the war period. Then, too, it should provide expressly for the employees who are to receive the higher rates under the new classification. Let us make this a real measure of justice and of permanent benefit.

Mr. Speaker, I number some of my oldest and best friends among the postal employees. I know them and their conditions and their fidelity to duty. They work harder and receive less money in proportion than any other class of Government employees; but they are loyal and faithful, and their efforts to secure additional compensation have been modest, seemly, and worthy of all commendation.

I have here a letter addressed to me by Benjamin F. Metz, president of the Pittsburgh Branch, National Association of Letter Carriers. In it he says:

> I have just noted in the newspaper that the Rules Committee, of which you are a member, has favorably reported a special rule for the consideration of the postal salary-increase measure. To-night, as I write this letter, the heart of every postal employee feels lighter, for he knows that at last this measure is to be given due consideration and that justice will be done these faithful employees. I want to extend to you the earnest thanks of every postal worker. Five years ago—in 1913—you helped splendidly in defeating a provision which would have endangered the Sunday-closing act. Time and again since then you have been our staunch friend and at the same time have fought the battles of the workers of all classes and conditions. You have well earned the gratitude of every believer in justice and a square deal, and the association which I represent extends thanks in full measure.

Mr. Speaker and gentlemen of the House, I am glad to stand here and urge support of this measure. It is just recognition of worthy service. It is the square deal translated into action. It will put new heart into a host of hard-working, efficient employees. It will show that this Republic is not ungrateful to its own faithful servants. It will add to postal efficiency and make the Postal Service of greater usefulness than ever before in this critical period of American history. It will be an act worthy of this House of Representatives, and I hope it will pass without a dissenting vote.

Mr. NORTON. Mr. Speaker, if this rule in the manner in which it has been brought in can be justified, then any rule and any hodgepodge method of legislation can be justified. Personally I have no objection to the Madden bill. I am in favor of the Madden bill. As far as I know I am in favor of the other two bills, but the gentleman from Tennessee [Mr. GARRETT] attempts to justify a rule that brings unexpectedly on the floor of this House legislation that is not at all germane to the legislation that Members were given to understand the House would consider here to-day.

Mr. MOON. Mr. Speaker, will the gentleman yield?

Mr. NORTON. In just a minute. Why not bring in a bill here, under a rule throwing it open to all character and kinds of legislation, if, as the gentleman from Kansas [Mr. CAMPBELL] suggests, such procedure would be justified on the ground that it would "expedite" legislation? The reason that the House has had almost since it was first organized among its rules of procedure the rule that amendments which are not germane to the principal legislation brought before the House shall not be in order is to protect and safeguard the public from carelessly considered legislation as well as from undesirable and dangerous legislation.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. NORTON. Certainly.

Mr. GARRETT of Tennessee. Is the gentleman interested in a bill which has been reported from the Committee on Agriculture authorizing the purchase of seed wheat?

Mr. NORTON. I am very much interested in it. I have wanted that it be enacted long before this time. Let me ask the gentleman why he did not bring that bill in here under this rule as could have been done?

Mr. GARRETT of Tennessee. I want to suggest to the gentleman that he better let us get along and get to that bill quickly.

Mr. NORTON. Why was not that bill made in order under the rule?

Mr. GARRETT of Tennessee. Because it had no relation to the Postal Service at all. There is a rule which has been reported to consider that bill, and if the gentleman will let us get to it, we will get to it quickly.

Mr. NORTON. The gentleman could just as properly have brought in that bill under this rule as to make in order the bill to authorize experiments in motor-truck and aeroplane delivery of mail.

Mr. MOON. Mr. Speaker, will the gentleman yield?

Mr. NORTON. Yes.

Mr. MOON. The gentleman says he is in favor of the Madden bill?

Mr. NORTON. Yes.

Mr. MOON. He is opposed, I take it, to the balance of the bill?

Mr. NORTON. The gentleman has no right to suppose that at all. His supposition can only be founded on his imagination and is not correct.

Mr. MOON. What part of this bill does the gentleman call the Madden bill?

Mr. NORTON. I call the bill H. R. 9414 the Madden bill.

Mr. MOON. That is the committee bill. The Madden bill has never been reported to this House.

Mr. NORTON. That is substantially what is frequently spoken of as the Madden bill.

Mr. MOON. No; it is not in substance the Madden bill. There is just one section of the Madden bill on this bill.

Mr. NORTON. Then I will say to the gentleman that I am in favor of the committee bill, H. R. 9414, the bill that it has been generally understood by the membership of this House was to be considered here to-day. I am opposed to this rule because the bringing in of a rule of this kind is a dangerous method of legislative procedure. If that procedure is to be followed in the House, while you may not get any bad legislation in this particular case, it will inevitably result in saddling onto the country legislation jokers—very undesirable legislation; legislation of a kind and character that would not receive favorable consideration in the House if proper and regular legislative procedure in the House were adhered to. I believe that if we are to maintain any order of legislation in this House this rule should be voted down. If these bills that have been suddenly tacked on here are to be considered by the House, they should be brought before the House under the regular and safe procedure of the House, and all Members of the House should have full and fair notice of their consideration in the House.

The SPEAKER. The time of the gentleman from North Dakota has expired.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. HARRISON].

Mr. HARRISON of Mississippi. Mr. Speaker, the gentleman from North Dakota [Mr. NORTON] takes a very peculiar attitude touching this rule. He says that he is for the Madden bill, but he is against the rule. This rule is the only way in which the Madden bill can be considered, and it is certainly not without precedent in this House.

Mr. NORTON. Mr. Speaker, will the gentleman yield?

Mr. HARRISON of Mississippi. Yes.

Mr. NORTON. Does the gentleman mean to tell me that it is necessary, to consider the Madden bill, to bring in a rule here placing in order two bills not germane to the Madden bill?

Mr. HARRISON of Mississippi. Oh, I once heard a story of a dog running after a rabbit. After the dog had pursued the rabbit over hill and dale, through wood and field, and finally tired to exhaustion, the rabbit fell a prey to its pursuer. The dog, first, bit the rabbit, then licked the rabbit, and finally the rabbit said, "If you are a friend, why bite me? If a foe, why caress me."

Now, if the gentleman is a friend of the employees in the Postal Service of this country he can not be against this rule. Let me cite the gentleman to an occasion here some three years ago, when we brought in a rule for the Agricultural appropriation bill that made in order the standardization of grain, the cotton-warehouse bill, and the cotton-futures act. And, if I recollect correctly, the gentleman made a speech for that rule and voted for it. We did not understand there was any opposition on the part of the gentleman then. Those matters were not germane to the then pending question any more than is this aeroplane experimental transportation or the motor-truck experimental proposition to the main question. But both are very necessary legislation and can very appropriately be considered at this time.

Now, Mr. Speaker, there can be no doubt that the postal employees of this country in the first and second class post offices should be reclassified and be allowed an increase of pay. No opposition can possibly arise to the slight increase provided for the fourth-class postmasters. Last year we gave an increase in pay to practically all employees in the District of Columbia, but the postal employees did not get an increase, notwithstanding the fact that the living cost has very materially increased. Why, I understand that the rural carriers are resigning at the rate of 50 per cent more than they were during normal times; that last year 6,000 rural carriers in the United States resigned their positions because they were not remunerative. That is a bad condition and we ought to remedy it. These men perform a great service; they do it at times under very adverse conditions, fighting storms, bad roads, and hundreds of other inconveniences. The upkeep of their teams or machines and the general increase in cost of living is so great that certainly we should give these employees a reasonable increase. The adoption of this rule is the only way to do it.

Mr. Speaker, the aeroplane has come to stay. In a few years immediately following the war these aeroplanes and the men in that service will be utilized in carrying the mail from city to city. It is well that at this time we begin an experimental service, so that the system in time can be perfected. Why, I can not believe the gentleman from North Dakota would object to the provision in the bill that will permit the farmers of North Dakota to load their dairy and farm products on motor trucks at their front gates and carry them into the city, there to be sold. I have always thought the gentleman was a friend of the farmers of his section, but certainly if he opposes that provision in the bill—and that seems to be the one that he is driving at—he is doing the farmers of his section a very great injustice. [Applause.]

Mr. NORTON. Will the gentleman yield?

Mr. HARRISON of Mississippi. I will yield to the gentleman.

Mr. NORTON. The gentleman knows he is making an unfair argument.

Mr. HARRISON of Mississippi. I think it is right along the line the gentleman has pointed out.

Mr. NORTON. The gentleman knows he is not making a fair argument, and he knows that I never said anything in opposition to the merit of the three measures mentioned.

Mr. HARRISON of Mississippi. Here is what I understood the gentleman to say. Let us see if I am correct. The gentleman is criticizing the Rules Committee because they are tacking on two other propositions to the Madden bill. One of those propositions is to try out an experimental motor system, so that the farmers of North Dakota and elsewhere can carry their dairy products and their farm products to market. The other provides for an experimental aviation service. Now, the gentleman is opposing these provisions. He says he would have no criticism of the Rules Committee if they had brought in a rule merely to make in order the Madden bill. Do I misunderstand the gentleman?

Mr. NORTON. If the gentleman will yield.

Mr. HARRISON of Mississippi. I yield.

Mr. NORTON. My argument was that when a rule is brought in and it is announced to 435 Members of this House that a certain bill is to be considered, and Members who are here and Members who are not understand that, that it is not a proper procedure to bring in two other bills under that rule.

Mr. HARRISON of Mississippi. We are providing the means to do the farmers some good in this country, as well as giving to a class of governmental employees a very deserved increase in their pay. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. SNELL. Mr. Speaker, I yield one minute to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker, I fully appreciate the additional drain upon the Treasury this measure entails. I am also cognizant of the stupendous claims this war era demands and the uneasiness created in the minds of the public how we are to meet all the obligations. I agree that it is a time of all times when individual and Government must economize and conserve, as well as exercise the maximum energy in production. These considerations might lead to a conclusion that at this time there should not be an attempt to reclassify the Postal Service. I know opponents of this measure can make strong representations along this line.

But, Mr. Speaker, in this case, as in all others, real economy is not measured by size of the pay roll. If it was, then the smaller it is the greater the economy. The thing demanded in all Government service is the highest degree in efficient results. The Government will always stand ready to pay for service and pay a figure commensurate with the demands entailed. The Postal Service is the one great institution that brings the citizen and Government face to face. Every time a citizen enters the Federal building he is within the shelter of Uncle Sam; he faces one of Uncle Sam's live representatives; he transacts his business with his Government. He may not be fully aware of the stupendous operations of the lines of communications between citizen and citizen, whether living in the same city or county or whether in the remotest parts of the back country and, it may be, of the world. He certainly does not realize the most rigid responsibilities, under the severest penalties, the most exacting regulations as to character of service, hours of service, and details demanding a degree of ability above the average and a type of character suited to dealing with the public that is able to insure decent and cordial treatment in spite of the daily provocation to display the opposite, due to fickle public in its unreasonable demands. This service demands gentlemanly conduct, no matter what the provocation may be. This entails a higher than the average ability. The rate of pay in the Postal Service is too low. This bill promises a rating more commensurate with the importance of the country's work, more in keeping with the demands of efficient public service, and more adapted to the character of ability required to insure public satisfaction. I shall vote for it in the belief that the real economy the Nation demands is that which will insure the greatest efficiency and will place the Nation's public service on a plane where the maximum effort will be assured. I shall hope to see steps taken to insure relief in other channels in these days of high cost of living, such especially as will grant relief to the few surviving Union soldiers still among us.

Mr. GARRETT of Tennessee. I have only one more speech.

Mr. SNELL. I have one more.

Mr. GARRETT of Tennessee. Does the gentleman desire me to proceed now?

Mr. SNELL. Yes.

Mr. GARRETT of Tennessee. I yield five minutes to the gentleman from Mississippi [Mr. CANDLER].

Mr. CANDLER of Mississippi. Mr. Speaker, this rule is liberal and absolutely fair. It simply provides for giving the House of Representatives an opportunity to consider certain measures which it specifically points out. One of them is the bill H. R. 9414; the others are the two bills which have been mentioned, to wit, Senate bill 2718 and House bill 8637, both of which have been reported to the House by the Post Office Committee. It does not cut off any right of amendment of any kind or description, but it gives the House an opportunity to promptly take them up for consideration, with full opportunity to offer amendments for the consideration of the House when they are taken up. Now, the criticism of the gentleman from North Dakota [Mr. NORTON] is certainly unjust in view of the fact that these bills are both very short. They can be read and easily understood in a very short space of time. He will have

opportunity to offer amendments to them, if he sees fit to offer them for consideration. If they were long and extensive in their provisions and difficult to understand and had complicated questions involved in them, then the criticism which he offers might be justified, but in view of the fact that they are short, simple, and easily understood the criticism, it seems to me, is without merit. Now, in this bill, H. R. 9414, of which this rule, if adopted, will give us prompt consideration, I want to call attention to the fact that it contains a provision which is as follows: "That carriers in the Rural Free Delivery Service shall receive 15 per cent per annum increased allowance up to and including those receiving $1,200 per annum, and $24 per mile per annum for each additional mile over 24 miles." This is a just recognition of the honest, efficient, and faithful service being rendered by these employees of the Government of the United States who carry the mails day by day to the homes of the people. The Post Office Department states that there are no more efficient, faithful, honest, and competent employees in the Postal Service than are the rural letter carriers. They travel their routes amid the snows, sleets, and freezing cold of winter, as well as the intense heat and driving rains of summer. Whether the roads are good or bad, whether the clouds are dark and dreary or the sunshine is bright and cheerful, you will find these efficient public servants faithfully discharging their every duty to the delight and comfort of their patrons to whom they carry always the welcome visitor—the daily mail—carrying not only the important business mail but the sweet and affectionate messages of husband to wife, of mother to son, of sweethearts to each other, thus helping the commerce of the Nation in prompt delivery of business mail and making the people happy in prompt dispatch of personal mail. The carrier is thus a public benefactor deserving our kindest consideration. [Applause.]

The expenses of the rural letter carriers have increased enormously, and the facts absolutely show that they have increased to such an extent in increased cost of equipment, feed for his horses, and so forth, that their necessary and unavoidable expense takes away a very large part of the salary which they are receiving, and at the present time, by reason of that fact, many of them are resigning. A few days ago I was in the Post Office Department and I saw a postmaster there from a distant State who came into the Post Office Department to confer with the representative of the Fourth Assistant Postmaster General, who has, to a considerable extent, the management of the Rural Free Delivery Service, in reference to securing the services of carriers, and he said that in his office they were resigning day by day, and that he could not keep them in the service. That when vacancies occurred the substitute would try it for a while and quit, and he was having a lot of trouble to give the people prompt and necessary service. I wish I had time to longer discuss this situation. I hope this just and equitable provision will appeal to all, and when considered unanimously pass. [Applause.] Now, I call attention to another provision in this bill. It is in reference to fourth-class postmasters, and is as follows:

SEC. 3. That postmasters of the fourth class shall receive the same compensation as provided by law prior to the passage of the act of Congress, "An act to provide revenue to defray war expenses and other purposes," approved October 3, 1917, except that they shall receive 100 per cent of the cancellations up to and including $100 quarterly.

This is a just and very reasonable provision. I introduced a bill myself on December 5, 1917, in which it was provided that fourth-class postmasters receive "all of the first $100 cancellation of stamps in his office" and a percentage of additional cancellations, and also "such a sum for rents, fuel, and lights as in the discretion of the Postmaster General may be just and right." I wish this latter provision in my bill was in the pending bill. It is not, but I am glad the first provision for the $100 cancellation is in the pending bill. The fourth-class postmasters have to pay all the expenses of their business. The Government pays the expense of the first-class post offices and second-class post offices and third-class post offices, but when it comes to the fourth-class post office the postmaster has to pay for his rent, he has to pay for his light, and he has to pay for his fuel and all of the expenses of his office. Do you think that just and right? I do not. For the fourth-class postmaster to receive the $100 cancellation provided for in the bill to be considered under this rule is at least some recognition of the faithful service which they are performing throughout the country. They should receive it, and I trust you will vote for this rule, so the bill can be considered and this provision enacted into law. They are resigning because they can not afford to discharge the duties required of them for the remuneration which they are receiving at the present time. Do them, at last, this tardy partial justice. [Applause.]

There are other provisions in the bill in reference to city carriers, postal clerks, railway mail clerks, laborers, messengers, and other efficient employees to which I direct your attention, but my limited time forbids my discussing them in detail. I know you will examine them and by voting for this rule give the House an opportunity to consider them, and upon consideration to do what is deemed just, honest, equitable, and right by all whose interest is in any way involved in the several provisions of the bill. To adopt the rule secures consideration. Therefore let us vote to adopt it. I thank you. [Applause.]

Mr. SNELL. Mr. Speaker, I yield the balance of my time to the gentleman from Missouri [Mr. DYER].

Mr. GARRETT of Tennessee. If the gentleman will permit me a moment.

The SPEAKER. The gentleman from New York yields the remnant of his time to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. The gentleman yielded me five minutes.

The SPEAKER. The gentleman from Tennessee [Mr. GARRETT] is recognized for one minute, then.

Mr. GARRETT of Tennessee. Mr. Speaker, I would like to have the attention of the House, if I may, on this proposition. In this bill, House bill 9414, the department clerks are covered. It is the understanding that the department clerks, having been taken care of in the amendment that was provided to the legislative appropriation bill, the committee is going to move to strike them from this bill when the time arrives.

Mr. SNELL. Mr. Speaker, I yield the balance of my time to the gentleman from Missouri [Mr. DYER].

The SPEAKER. The gentleman from Missouri [Mr. DYER] is recognized.

Mr. DYER. Mr. Speaker, I am in favor of this rule because it gives the House an opportunity to enact legislation of urgent necessity for the postal employees of the Government. The gentleman from Mississippi [Mr. HARRISON] stated that many men had found it necessary to resign from the service because of the small pay they had been receiving. This is true not only as to the service in the country and small post offices, but especially so in the large cities. Many valued and experienced employees in the post office at St. Louis, Mo., have found it necessary to leave the service because they were not able to live decently and provide necessities and education for their families. Not only, Mr. Speaker, have many been compelled to resign because of the poor pay, but also many others have had to leave due to the fact that the Post Office Department has been applying the gag rule, so much criticized years ago. Postal employees have been called before their superiors and condemned, criticized, and abused unmercifully in many instances because of the connection that the postal employees have with organizations that have for their purpose the betterment of the service. I believed that when Congress enacted the antigag law in the Sixty-second Congress that the postal officials would respect it. That law was enacted August 24, 1912, and is found in section 6 of the Statutes at Large, and, in part, is as follows:

The right of persons employed in the civil service of the United States, either individually or collectively, to petition Congress or any Member thereof, or to furnish information to either House of Congress or to any committee or member thereof, shall not be denied or interfered with.

Notwithstanding that law, the postmaster of the post office at St. Louis, Mo., on December 15 last, had printed and distributed to all the employees a "special notice and warning to all employees." This notice prohibited any employee from furnishing information on any matter pertaining to the business of the office or the needs of the employees to any persons outside of the service unless permission was first had from either the Post Office Department or the postmaster. This order, in effect, forbids the right of post-office employees to petition Congress, their Representatives in Congress, or any committee of Congress regarding their betterment or their grievances, or to ask for investigation, and so forth, for the purpose of improving the service. In other words, the right given by the Congress to postal employees in the law referred to is being ignored and denied, so far as the Post Office Department is able to do. In fact, it is in effect a repeal of the law of the United States by the executive department of the Government. Congress voted for this law by a large majority of its Members, and I am sure that they want it respected even by the Postmaster General and his subordinates, who are wont to rule with an iron hand over the many faithful and efficient clerks, carriers, and other employees of the Postal Department.

The Postmaster General is opposed to employees acquainting the public with the true state of affairs within the service, yet he maintains a publicity bureau in the department, the sole function of which is to boost the present postal administration. One example of the activity of this news bureau is the fact that on the 22d of December last, three days before Christmas, it sent out a statement to the effect that, though the Christmas

mail was 25 per cent heavier than ever before, it was worked up with little or no delay. This notice was sent out three days before the Christmas mail was really received. In other words, the department's press agent had the mail all disposed of before the mail was in the post offices. We all know that the Christmas mail, unless it be for distant points, is not mailed three days before Christmas. It is evident, therefore, that the press bureau of the Postmaster General does not always furnish information or facts, but ofttimes misinformation. Practically the only way to obtain correct information is from the splendid men and women who work in minor positions and who know of the difficulties of rendering efficient service because of the fault or faults being higher up. What Congress wants to know is how to give the country better service than we are now receiving and have been receiving for a number of years in the Post Office Department. If the post-office clerks and carriers and the members of organizations of which these men and women are members are to be denied the right to petition Congress and to write their Representatives the true situation, then there is not much hope for an improvement in the horrible service that we are now receiving in the Post Office Department.

I am unable to understand how the President, knowing these conditions and the violation of this act of Congress, as he must, permits it, for we have the views of the President concerning such matters of record. From his work on Congressional Government, published some years ago, I find this language:

> Unless Congress have and use every means of acquainting itself with the acts and disposition of the administrative agents of the Government the country must be helpless to learn how it is being served, and unless Congress both scrutinize these things and sift them by every form of discussion the country must remain in embarrassing and crippling ignorance of every force which it is most important it should understand and direct.
>
> The informing function of Congress should be specially preferred, even to its legislative function. The argument is not only that the discussed and interrogated administration is the only pure and efficient administration, but, more than that, that the only well self-governing people is that people which discusses and interrogates its administration.

Mr. Speaker, I am personally acquainted with hundreds of the efficient employees in the post office of my city, St. Louis. They are men and women of integrity and ability; they have been giving most efficient service; their pay has been and is very small. These employees are as good citizens in every respect as we have in our city. Many of them have served in their positions for many years. This bill will give to them some increase in their salaries. It is not enough, considering the conditions in which we are at present living. This bill provides only for this increase during the next fiscal year, but I understand it is the intention of the Post Office Committee to offer an amendment to make this provision for increase a permanent law. If no member of the committee does so, I shall myself offer it, believing, as I do, that the needs are not only temporary but are permanent. I congratulate the Committee on Post Offices for bringing in this bill. It speaks the sentiment of Members of Congress generally as to needs of an increase in pay for the postal employees. It is another evidence of the fact also that the House of Representatives is willing to assume the responsibility for legislation for the benefit of the Postal Service and its employees, even though it has not the support of the Postmaster General and other officials of that department whose judgment and action he controls. I mean, of course, his principal assistants and the postmasters throughout the country whose appointments are made more on the ground of their partisanship than their ability to handle this great department of the Government.

The SPEAKER. The time of the gentleman has expired. The question is on agreeing to the rule.

The question was taken, and the rule was adpoted.

Mr. MOON. Mr. Speaker, I ask unanimous consent that the time provided for general debate on this bill be controlled by the chairman of the committee and the ranking gentleman on the other side, the gentleman from Minnesota [Mr. STEENERSON].

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the time for general debate on this bill be divided half and half between himself and the gentleman from Minnesota [Mr. STEENERSON]. Is there objection?

There was no objection.

PRINT OF INDUSTRIAL CREDITS BILL.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that 1,000 copies of the Senate war finance corporation bill as it passed the Senate, together with the House amendments, be printed.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that 1,000 copies of the Senate finance corporation bill as it passed the Senate and also as it passed the House be printed. Is there objection. [After a pause.] The Chair hears none.

INCREASED COMPENSATION, EMPLOYEES POST OFFICE DEPARTMENT.

Accordingly the House automatically resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 9414, with Mr. CARAWAY in the chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 9414) granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes.

Mr. MOON. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. MOON. Mr. Chairman, there is no question that we approach that gives more difficulty than the settlement of the question of salaries. And in this particular department of the Government it is, perhaps, more difficult than elsewhere, by reason of the fact that the compensation of employees in the Postal Department is computed in so many various ways. A flat per cent, perhaps, would not do justice to the greater portion of the employees in that department, as it would in the other departments, because of the fact that under the law as it exists and the discretion that is in the department with reference to some of these salaries, and the arbitrary rule fixed as to the manner of computing salaries in others, makes it impossible to utilize any one rule for the control of the salaries. I think it is hardly necessary for me to say that we can not now justly measure the compensation of employees of the Government by the rules that existed when the living conditions of the country were better than they are now. Nor is it necessary for me to advise this House, because it is well known to us all, as to the increased cost of living, and therefore the inadequacy now of a salary that obtained during the period when living was cheaper.

The committee has attempted, and it has done the best it can, the adjustment of the salaries of the postal employees. It is understood by the House that there is a distinction between the departmental employees and the postal employees. When we speak of the employees of the Government in the department, we mean those employees engaged in the service of the Government at the seat of government. When we speak of the Postal Service, we mean the whole service performed by the Post Office Department throughout the United States and in those foreign countries where it has a service.

As I remarked in the beginning, it is exceedingly hard to arbitrarily fix a just rate of compensation. No one wants to give more than is just, because we all want to protect the Government and the people the best we can in the proper distribution and the use of the revenues. Nor does any just man want to give less than ought to be given. Now, perhaps it is true that the cost of living has advanced 33 per cent; some people think it has increased more than that. A salary that was adequate before that advance is not now adequate, and yet we have not undertaken to cover by the increase in this bill the full cost of living.

But we have, in the figures fixed, required some measure of sacrifice on the part of employees, and we have fixed only the salaries that we think meet the present condition.

Mr. HELM. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. HELM. The gentleman refers to the increased cost of living. Does not that also affect those who do not work for the Government as well as those who do work for the Government?

Mr. MOON. Of course it does. There is no question about that. But we are not dealing with the salaries of those who do not work for the Government.

Mr. HELM. I grant you that is true, but the men who do not work for the Government, the men who have not got Government jobs, and have to eke out their own living—those men have to sustain the increased cost of living to their families and then have this added burden of aiding these people covered by this bill, and that results in increased taxes on them.

Mr. MOON. Well, they may pay a little of it, but not much. People in that fix do not pay much revenue to any government.

Mr. HELM. Mr. Chairman, will the gentleman yield further?

Mr. MOON. I will answer your question, but I do not want the gentleman to put a speech in my remarks. It is true we are not dealing with the people outside of the Government employ, and it may be true that the salaries on the outside are not increased in proportion with those that we propose to increase, but I think that wherever a man is worthy of his employment he should receive a just measure of pay, and we can not in this House take outside salaries as a rule or standard of adjustment of salaries of the men who give their time and

brains to the United States service, but it is perhaps also true that salaries in general have increased much.

Mr. HELM. Will the gentleman yield for another question?

Mr. MOON. For a question; yes.

Mr. HELM. What will the aggregate increase of this bill amount to?

Mr. MOON. I will answer that after a while. I will reach that before I finish and put in the RECORD as Exhibit C a statement from the Post Office Department as to increased cost and expense under this bill.

Now, Mr. Chairman, when we come to the consideration, as we do in this bill, of the salaries of rural carriers, I want to observe that in my judgment, and that is the view of the department, if the rural-carrier system or service of the United States were placed on a contract basis, embracing the 43,800 routes in the United States, the mail could be carried over them successfully under that system at a decrease of more than $20,000,000 to this Government below the cost at which it is now carried.

It is also true that upon many of the routes the service is of short duration and on some long, but the diversity of routes in the United States, due to the diversity in the topography of the country, is such that it is absolutely impossible for a committee or for any Government to fix a rule that will be exactly just to all in all cases.

Mr. RAMSEYER. Mr. Speaker, will the gentleman yield?

Mr. MOON. In a moment.

Now, for this service there has been gradually an increase of compensation, until the salaries now, on a standard route of 24 miles, are $1,200 per annum, and they go down in proportion to the decrease in the length of the route.

This bill provides for an increase of 15 per cent upon the salary of each carrier under the existing conditions, and it provides for $24 per mile for every mile per annum traveled in excess of the standard route of 24 miles.

"Why," you ask this committee, "do you make that increase?" The answer has been made before the subcommittee of the Committee on the Post Office and Post Roads by 151 Members of this House. It has also been made by a vast number of others, and the facts have been furnished by the department. The cost of maintaining vehicles and the horses that draw them, where they are horse-drawn vehicles, has gone up nearly 100 per cent in many sections of the country, and that has increased the cost of living in many sections of the country, and, of course, the cost of living has gone up to those carriers. So to-day, according to the proof as it is laid before the committee, the salaries are perhaps 25 per cent less than they were two years ago, although measured in dollars and cents they are the same. We have felt that it was but just to these men who were performing this service and have no other means of subsistence that they be cared for, in part at least, as to the increased cost of the service that they are required to maintain.

Now I yield to the gentleman from Iowa.

Mr. RAMSEYER. The gentleman spoke of the contract system for the rural mail. We hear a good deal about that from the Post Office Department. Why do they advocate the contract system for the rural carrier and never say a word about applying that system to the city carriers and the railway-mail clerks? Would you save money in the delivery of city mail on the contract system, and in the same way in the Railway Mail Service?

Mr. MOON. The gentleman does not understand me as advocating that system. I am simply stating the naked facts, as taken from the reports of the department and the information that we have. I have not a bit of doubt that if every bit of it were placed under contract it could be done at a less figure than now, because you can not handle the vast number of men in that service as easily as contractors could handle them. Officials of the Government of the United States, while always regarded as exceedingly competent, are not always competent and are not always careful supervisory officials. They are not personally interested.

Mr. RAMSEYER. Would not the same reason for placing the rural-delivery mail under the contract system apply to the city-delivery mail?

Mr. MOON. It might. I was speaking of the contract system. If the gentleman will allow me to digress for a moment——

Mr. RAMSEYER. If there is a difference, what is it?

Mr. MOON. I do not know that there is a material difference. But, talking about putting the Post Office under the contract system, I had once a written proposition from men who were backed by property worth $100,000,000 to take the Postal System of the United States—the transportation of the mails—and, still retaining it under the dominant control of the Postmaster General and in obedience to the law, it proposed to take over all these offices and, under a contract to reorganize the system and to pay every dollar of expense of the whole Post Office Department, including the whole Postal Service and the departmental service, and turn over a profit at the end of a year of $15,000,000 to this Government; and they claimed they could put in their own private pockets $20,000,000 for their own use. Whether it can be done or not I do not know. I refer to it merely as an idea of contract and the possibilities that may arise under a service where it is contracted for rather than an official service like this. Of course, I know it could not be done under the law and the Constitution, so far as the full control of the whole department is concerned, nor would it be advisable in all respects if it could be done.

Mr. SMITH of Michigan. Will the gentleman yield for a question?

Mr. MOON. Yes.

Mr. SMITH of Michigan. Is there any other country that has its mail delivered under a contract system such as the gentleman has in mind?

Mr. MOON. I do not know. Some countries have pretty much the same system as ours. Ours is borrowed largely from other countries.

Mr. SMITH of Michigan. The gentleman has not in mind any country that delivers its mail by contract?

Mr. MOON. No; not to any greater extent than we do. We have a contract system for the star routes. The star-route service is costing less in proportion than the rural service.

Mr. SMITH of Michigan. There are not very many star routes now.

Mr. MOON. That is an illustration, right in our own country, of the difference between the two systems. The one is just as efficient as the other. There is no question about that. We stand here protecting our carriers in this service in our districts, and we know—every one of us who has thought about it at all—that a better service could be rendered for less money; but this is a fixed service and we are not going to quit it, and I am not proposing to do so.

Mr. SMITH of Michigan. In colonial days the mail was delivered in this country under a contract system, was it not?

Mr. MOON. I am not familiar with that old system. I do not know how it was done. I was not here then. [Laughter.] But I must pass from that. I feel justified in recommending to the House this rural-carrier proposition, and I do it only upon the ground that it is necessary in consequence of the method and system now adopted for the carrying of the mail to readjust these salaries.

Mr. HAMLIN. Will the gentleman yield for a question?

Mr. MOON. I yield to the gentleman from Missouri.

Mr. HAMLIN. The gentleman very properly and correctly said a while ago that the reason for these proposed increases is on account of the increased cost of living.

Mr. MOON. Yes.

Mr. HAMLIN. I notice that the first part of this bill, H. R. 9414, provides that it shall be in effect during the period of the war and for 90 days after the proclamation of peace, and so forth.

Mr. MOON. Yes.

Mr. HAMLIN. Does the gentleman contemplate that there will be such a great change within 90 days after peace is declared as will obviate the necessity for this increase?

Mr. MOON. I think it was regarded as hardly wise to make this a permanent increase. Yet we wanted to carry it perhaps beyond the terms of an annual appropriation bill, as the increase adopted the other day with reference to other employees was.

Conditions are entirely different in time of war than they will be afterwards, and I assume that within 90 days after peace there will be a great difference from the way things are during the war.

Mr. HAMLIN. The gentleman may be right, but my idea is that it will take 6 months or 12 months, and perhaps longer, after the end of the war before we see any material difference.

Mr. MOON. It may be 12 years before we see peace. I do not know anything about that. Now I want to pass from that section.

Mr. HASTINGS. Before the gentleman passes from that section will he yield for a question?

Mr. MOON. Just for a question. I do not want to take up much time here, and I want to get on with this bill.

Mr. HASTINGS. Does the provision giving $24 per annum for each additional mile over 24 miles apply to motor-drawn as well as horse-drawn vehicles?

Mr. MOON. It applies to all alike.

Mr. HASTINGS. Just one other question. On page 2——

Mr. MOON. Wait until we get to page 2.
Mr. HASTINGS. It is not the same section.
Mr. MOON. All right, if it is in the same section.
Mr. HASTINGS. I want to ask about the increase to letter carriers in the city delivery service.
Mr. MOON. I have not gotten to that yet. Wait until I get there.
Mr. HASTINGS. I wanted to ask if that applied to village delivery as well as city delivery.
Mr. MOON. No. Villages and cities are not the same thing.
Mr. HASTINGS. I know; but I do not see where there is any provision for an increase in the compensation for village delivery.
Mr. MOON. There is none.
Mr. HASTINGS. That is what I wanted to know.
Mr. MOON. The gentleman is right about that. There is no such provision. Now, passing from this, I want to go to the section that provides for the compensation of clerks. That is an illustration of the fact that you can not properly compensate, either by a flat or graduated scale, all of the officials of the department. The clerks have certain fixed salaries. At this time they enter the first grade at $800 and go on through the grades continuously. Now, this bill does not give the clerks or carriers—and I may discuss the two together—the 15 per cent increase, but it gives promotion to the clerks and to the carriers. Instead of entering the service at $800 a year they will enter at $1,000, and they are promoted up to the highest grade. Now, this is the section that is known as the Madden section of the bill. It is a matter with which my friend, the gentleman from Illinois [Mr. MADDEN], is very familiar, and which I want him to discuss more at length than I do. The increase provided by this method of payment, this automatic promotion that is provided for in this bill, I am advised by gentlemen who have looked into it, will amount to about 15 per cent. Some think it will be 18 per cent. I take it that it is hard to tell exactly what the increase will be, because we do not know exactly what the number of clerks will be of the different grades.
Mr. GORDON. An increase from $800 to $1,000 a year is an increase of 25 per cent, is it not?
Mr. MOON. Yes; but that does not run all the way through.
Mr. GORDON. That was the only instance the gentleman mentioned, and that is an increase of 25 per cent.
Mr. MOON. I understand that.
Mr. MADDEN. If the chairman will permit me, when you go from $1,400 to $1,500 at the top, you would not call that an increase of 25 per cent?
Mr. MOON. Oh, no. I want to say that you have got to count the increase upon the whole—the aggregate increase.
Mr. BLACK. In order that the House may clearly understand this reclassification, is it not a fact that each class is raised $200 per annum?
Mr. MOON. Oh, no.
Mr. GORDON. The gentleman just said from $1,400 to $1,500. That is $100.
Mr. MOON. Some of them are raised $200 a year, but not all. This is an increase that is going to cost the Treasury a good deal of money. I will ask permission to place in the RECORD a statement from the Post Office Department in reference to the cost to the Government of the increase in the salaries, including this very provision which the gentleman here is discussing. It is a more intelligent statement of the approximate cost than I could make, because I am not as familiar with it as they are. It is well for the House to know what the position of the department is in reference to this measure. I do not understand that the department is opposed to the increase of salary. They may be opposed perhaps to the amount, but not to the principle of increase. Under the statement of the department, which I am going to place in the RECORD, it will show that the whole increase under the bill would be about $25,685,000 for the first year. If gentlemen desire to examine the details of it they will find in that statement the approximate cost of this measure.
Now, in this brief and disconnected presentation of the bill to the House, I want to refer later to the increase provided for assistant postmasters. Additional compensation to postmasters at the first and second class post offices is not provided for in the bill. I intend to move to strike out the words "departmental clerks" in this bill so that there will be no conflict between this bill and one passed a few days ago in the House. We provide also for watchmen, messengers, and laborers, as provided for in section 2, of 15 per cent increase. That is on the same theory that we have already discussed.
Mr. HASTINGS. Will the gentleman yield?
Mr. MOON. Yes.
Mr. HASTINGS. Will the gentleman state what the substitute carriers now get?
Mr. MOON. They get 35 cents. I am taking up the sections and briefly considering them, because I can not discuss them in full.
The provision for fourth-class postmasters in section 3 is badly worded, and is not printed exactly as it came from the committee. I am going to offer an amendment. It was not intended to appropriate any of the increased postage on first-class matter for war revenue—that is, the excess over 2 cents. The purpose was to amend the existing law under which for the first quarter they receive 50 per cent of $100 salary, and so on. We propose to amend it so as to double the compensation, by allowing 100 per cent instead of 50 per cent on first $100, and I will offer an amendment to that effect.
Mr. EMERSON. Will the gentleman yield?
Mr. MOON. Yes.
Mr. EMERSON. I want to inquire about the grades, on top of page 2.
Mr. MOON. I have gone over that and prefer not to go back to it. I am on another section of the bill.
Mr. CARTER of Oklahoma. Will the gentleman yield?
Mr. MOON. Yes.
Mr. CARTER of Oklahoma. I want to ask the gentleman about the fourth-class postmasters. I did not catch how he proposed to make the increase.
Mr. MOON. Of the first $100 that is collected by cancellation in the fourth-class office the postmaster gets now 50 per cent. We are providing that he shall have 100 per cent. I will offer an amendment to change the language, as it does not seem exactly what the committee intended.
Mr. CARTER of Oklahoma. Under the present language he would get the war revenue on first-class matter, the additional cent?
Mr. MOON. Yes; and that is why I may offer an amendment.
Mr. CARTER of Oklahoma. This bill carries nothing for the increase of clerk hire.
Mr. MOON. The law provides for that now.
Mr. CARTER of Oklahoma. I meant to speak of clerks at the second and third class post offices.
Mr. MOON. I am obliged to my friend from Oklahoma for referring to the third-class post offices. The committee has not seen fit to make any recommendation in reference to that office. In fact, it has made no recommendation for additional compensation except for the fourth-class offices, and that for obvious reasons. A third-class postmaster gets between one and two thousand dollars per annum. If he gets in the office receipts between $1,900 and $2,100 he gets a thousand dollars per annum, and so on up until you reach $2,000. He is allowed under the law not in excess of $500 for rent, $100 for fuel, and he is allowed compensation, in the judgment of the Postmaster General, for hire of assistants in the office. That must of necessity be left within the discretion of the Postmaster General.
Mr. CARTER of Oklahoma. Is there any limitation on the amount of clerk hire that the department can allow him to expend?
Mr. MOON. Yes; there is a limitation on that. I have forgotten the exact amount, but the gentleman can find it by reference to the postal laws. I think it is $800 in larger third-class offices. The Postmaster General fixes that in conformity to the service performed in the office, and the necessities of the service. There are various provisions affecting various conditions. As a whole, we did not feel it necessary to increase the salaries of these gentlemen that may reach $2,000 per annum.
Mr. CARTER of Oklahoma. I do not think it would be necessary to increase the salaries, but if what some of these officials state is true they certainly are not getting sufficient for clerk hire.
Mr. MOON. I can not give the gentleman the amount, because the amount is within the discretion of the Postmaster General. Such an allowance is made as seems to be necessary to meet the conditions, and must be left that way. Sometimes there are very unusual conditions in the office, and extra men would be allowed at one place that would not be allowed at another. You can not have a general rule covering the whole country as to the pay of the third-class postmaster when there is such a difference in the service, such a difference in the character and value of the service.
Mr. RUSSELL. Will the gentleman yield?
Mr. MOON. Yes.
Mr. RUSSELL. Is not the limit allowed for clerk hire in third-class post offices largely based on appropriations made by Congress for that purpose?
Mr. MOON. Of course. While the statute gives the Postmaster General discretion in dealing with this question of

clerk hire, and so forth, if the appropriation does not carry enough money, of course the Postmaster General can not comply with the requests, but I think the appropriation act this year will carry it.

Mr. RUSSELL. I have frequently been advised by the gentleman in charge of salaries, and so on, that he believes that this was a legitimate demand in favor of an increase, because of an increase in business, but that I will have to wait until next July, because the appropriation was not sufficient.

Mr. MOON. Unquestionably where it is not sufficient the Postmaster General can not carry out the mandates of the statute.

Mr. HASTINGS. Will not the gentleman change his statement from saying that he has frequently been told that by the Post Office Department to saying that he has been invariably told that?

Mr. RUSSELL. I think "frequently" covers the gentleman's statement as well.

Mr. MOON. That is a row between the Post Office people and you gentlemen.

Mr. HASTINGS. I have never had any other reply from the Post Office Department than that the appropriation was exhausted, and that we would have to wait until after June 30.

Mr. MOON. If they have not the money they can not supply it. That means simply this, as a rule, that you are asking more than you ought to in some places.

Mr. HASTINGS. I know of one case where there is a third-class post office——

Mr. MOON. I can not yield.

Mr. HASTINGS. Just a minute.

Mr. MOON. No; not a minute.

Mr. HASTINGS. Let me just make this statement—where they were allowed the great sum of $5 a month for clerk hire, and they were generous enough to increase it to $6.

Mr. MOON. It is possible that that is a case where they ought not to have even allowed $5. [Laughter.]

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. KEARNS. I desire to call the attention of the gentleman to page 2, the latter part of section 1.

Mr. MOON. I have passed that. I do not want to go back to a discussion of that. The gentleman will excuse me. What does he want to know?

Mr. KEARNS. I see you have taken care of all the clerks with the exception of 120 chief clerks.

Mr. MOON. Chief clerks?

Mr. KEARNS. Yes; that this bill does not increase their salaries.

Mr. MOON. It is not our intention to increase the salaries of the chief clerks, the supervising officials, in this bill. They start in at about $2,000.

Mr. KEARNS. You have increased the salaries of grade 10 clerks to $2,000, getting the same as these chief clerks.

Mr. MOON. Who has?

Mr. KEARNS. Grade 9 at $1,900, grade 10 at $2,000.

Mr. MOON. Oh, those are the automatic promotions of the postal clerks.

Mr. KEARNS. Oh, that is what they are.

Mr. MOON. Of course, to the supervisory gentlemen we are not giving any attention at all. They are getting enough now.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. MOON. I do not want to take all of this time in general debate. How much time have I consumed, Mr. Chairman?

The CHAIRMAN. The gentleman has consumed 35 minutes.

Mr. MOON. I must not yield for many more questions, though I will yield now to the gentleman from Illinois.

Mr. DENISON. The first section of the bill provides that clerks in the sixth grade, as I understand it, with salaries running from $1,000 to $1,500, shall have a certain increase. Will the gentleman state how many clerks there are now and what the salaries are?

Mr. MOON. There are the same number of classes. I will leave that question for the discussion of the gentleman from Illinois. I have discussed it already. I have passed from that several times and I can not go back to it.

I come now to section 4, which provides:

That the Postmaster General shall have authority to investigate conditions arising from contracts in the star route and screen wagon service with a view to adjusting compensation and adjust the same in cases where the facts disclose the necessity for such adjustment.

Owing to the conditions existing in every branch of the service which are at such variance with the conditions that existed at the time the contracts were made, it is thought best to let the department readjust these matters so that the department would pay really the value for the service that it is having done.

I may say, Mr. Chairman, that there are a number of other contracts, printing contracts, in which contractors are losing all of their fortunes in attempting to carry out contracts with the Government. It is well for us to make men stand by their contracts and make the securities stand by them, but where conditions have so radically changed as to overwhelm a contractor in attempting to carry out a contract, and where the Government if it were to make a contract to-day could not make it for twice the amount that it had made the contract for previously, we have thought it well in the interest of equity and good conscience to allow the Postmaster General to readjust these contracts as to the screen-wagon service and the star route service, and I have no doubt that this bill ought to be amended in that respect to cover other contracts.

Mr. OLIVER of Alabama. Does the gentleman feel in view of the fact that the department has not shown much liberality in matters of this kind in the past that this provision protects the interest of star carriers sufficiently?

Mr. MOON. I think so. The star carrier nor the screen-wagon man has any legal right to demand any action at all.

Mr. OLIVER of Alabama. I appreciate that as a matter of law that is true, but in view of the further statement of the gentleman that many of these have made improvident contracts growing out of the large increase in necessary expenses, would it not be prudent to insert a provision to the effect that if the star carrier is dissatisfied with the adjustment offered he may, on giving 60 days' notice in writing, have the right to surrender his contract?

Mr. MOON. No; never. You take away from the Government its right to confer all the power upon the other contractors. We do not intend to deprive the Government of the right to hold a man to a contract who ought to be held. We are simply giving the right to the Government, in a case where it would be bad conscience not to do it, to correct it. The other way you simply say to the Government of the United States: "You can make a contract, and the contract you have made shall be binding upon you but not upon the other side."

Mr. OLIVER of Alabama. Since you have left such a broad discretion in the department and provided no real increase, it occurred to me it ought to be safeguarded.

Mr. MOON. You have got to make the statute directory or you have got to make it mandatory, and you never ought to make a mandatory statute on the department for the release of contractors who are under bond and securities to perform a duty for the Government.

Mr. FIELDS. Will the gentleman yield?

Mr. MOON. I will.

Mr. FIELDS. Does not the gentleman think it might be well to guarantee to the star-route carrier a certain increase, the same as you have guaranteed to the rural carriers?

Mr. MOON. Why, no. The star-route contractor is dealing at arm's length with the Government. He is a contractor; he has entered into a contract for the purpose of making money out of the Government, and if he fails it is his misfortune. The other man is the servant of the Government, performing that duty which he is directed to do. There is no analogy between the two, in my judgment.

Mr. FIELDS. Both are performing services for the Government.

Mr. MOON. And, as suggested, there are different star-route services. The service is by no means the same always. No; we can not afford to make the Government powerless in these matters by mandatory statute, but we can afford to vest discretion in the executive officers of the Government to relieve where the conditions are unjust, inequitable, and it is a mercy to the contractor.

Mr. FIELDS. I realize the force of the chairman's argument with regard to what might grow out of permitting contractors to surrender their contracts, but it is a fact that the star-route carriers are poorly paid.

Mr. MOON. That is their fault and nobody else; they made the contract.

Mr. FIELDS. In cases where there have been abnormal increases——

Mr. MOON. That is just what we intend to relieve. There are instances, some of them before this House now, where the conditions have been so radically changed since the contract was made that it would be entirely unjust for the Government to hold the contractor to the contract, but it will not do to give relief in cases of that kind to pass a general statute and throw down the bars and let every man go over who wants to do so. There must be discretionary power lodged in the department and not a mandatory statute forcing the department to abrogate Government contracts at the will of the man making the contract.

Mr. FIELDS. Most all of the arguments in favor of the increased compensation for the various Government employees have been based upon the ground of the increased cost of living within the last few months. Is not that the fact in the case of the star-route carrier?

Mr. MOON. Possibly so, but the gentleman fails to catch the very clear, just, and legal distinction between the two classes of services.

Mr. FIELDS. Oh, well, I am not taking advantage of a legal technicality——

Mr. MOON. I make a contract with you. I may release you from it, but you have no right to demand it. The Government makes a contract with an individual for the carrying of mail. It may be a hard contract, but the Government, controlled by the Congress—it can not act without its authority—ought to have the right to ameliorate the condition; but we ought not to give the contractor himself the right to say what shall be done or shall not be done, because it would be but an idle performance for the Government to make the contract. Now, when you come to a servant of the Government, a man who is paid by salary, he has got no voice in it at all, but you give or take from him as you see fit in the way of salary.

Mr. FIELDS. But he enters into a contract with the Government when he accepts the position, and you enter into a contract with the star-route carrier, and if you increase the one because of the increased cost of living why not increase the other?

Mr. MOON. The gentleman and I are so far apart as to our understanding of the character of the services and the obligations existing in the one case under contract and the other as a discretionary pay by the Government to its employees that there is no room whatever to discuss that question. The fact that we say as a Congress that our employees in the Postal Service ought to have more money because of that condition is no sort of an argument to relieve a man who has gone into a contract with his eyes open to perform a certain duty.

Mr. FIELDS. Here is a man who went in with his eyes wide open, too.

Mr. MOON. He can not act alone at his will.

Mr. FIELDS. He can, but the star-route carrier can not. You are giving an increase to a man who can get out and go if he wishes, but you refuse to give it to a man who can not get out.

Mr. MOON. No; we are not refusing, but we are refusing to let a star-route man make a contract and then come in and say he will not perform it.

Mr. FIELDS. I am not suggesting you do that, but I am simply suggesting that you guarantee an increase in compensation to the man who can not get out if you are going to guarantee an increase in compensation to a man who can get out.

Mr. MOON. That is exactly what this section does. It guarantees it in the discretion of the department. Every case rests upon its own merits. And it would be unwise to make a general law to cover all cases. Now, Mr. Chairman, I want to say only a word about this motor-truck proposition. It is a bill that has met the approval of the Senate and the Post Office Committee and is on the calendar here for consideration. We thought it wise to have it placed under the rule in this bill. This bill is not a mere salary bill; it is a general legislative bill.

The department insists that if it is permitted under the provisions of this bill to run these motor trucks from the cities into the country that they will gather up the products of the country and bring them into the market at much less price than the farmer himself could do. The farmer has a small amount of fruit or vegetables or grain, and he does not feel like quitting his work to carry it into the city in a wagon and lose a day, inasmuch as the cost would be too great and the value of his time and his team would be too great, while the motor truck can take it into the city and deliver it to his commission merchant and he will obtain something out of it, whereas it would perish upon the farm. And then the accumulation of farm products of this sort and of other kinds in a large city, where there is a great demand for food, would reduce the price of food to the masses of the people. And if this Government ought to do anything it ought to encourage every movement possible to secure to the citizens of this country the means of a good living as cheaply as possible.

Mr. GALLAGHER. Will the gentleman yield for a question?

Mr. MOON. I will yield.

Mr. GALLAGHER. You stated a few moments ago that the possible amount of increase in the salaries estimated by the department is something like $25,000,000.

Mr. MOON. Twenty-five millions for the first year, I believe, and $35,000,000 for the next year and $48,000,000 for the next.

Mr. GALLAGHER. What I wanted to get at is this: Can you give the House any idea of the possible increase in the amount of revenues derived from first-class postage?

Mr. MOON. That will be derived from first-class postage?

Mr. GALLAGHER. Yes, sir.

Mr. MOON. I think from the best estimates that the amount of first-class postage under the new law——

Mr. GALLAGHER. Annually.

Mr. MOON. Yes. It is purely a guess. Nobody can tell you; but it is estimated that it would be $20,000,000 to $30,000,000.

Mr. GALLAGHER. It will not make much difference, then, with the revenues of the department?

Mr. MOON. It will make some difference, I imagine. And I think under this truck proposition there will be a considerable source of revenue to the Government as well as benefit to the people. I will place in the RECORD as Exhibit A to my remarks statement from the Fourth Assistant Postmaster General.

Now, there are one or two other sections that I wish to refer to. You will remember that we passed in the last Congress a provision that gave 10 or 15 per cent—10, I believe—to increase to persons drawing salaries from $480 to $1,000. By some sort of construction—I know not what, but perhaps upon the technical theory that the section would apply to those who went into the service after the passage of the law rather than those who were in it—the comptroller has held that these people were not entitled under that act to that increase. We have put a provision in this bill that is retroactive in its character and requires the payment of money to those people for the last year. It is not right that those employees, getting a little, low salary, up to $1,000, should be deprived of the compensation that we intended by an unjust ruling of a Comptroller of the Treasury when men getting other and larger and better salaries all over this country got the benefit of that act.

Mr. EMERSON. Will the gentleman yield?

Mr. MOON. Yes.

Mr. EMERSON. Did you discuss section 3 at all? What difference does that make at the present time?

Mr. MOON. Does the gentleman mean that one for the purpose of carrying out the provisions of the act?

Mr. EMERSON. It relates to cancellation up to $100 for fourth-class postmasters. How does that change the present law?

Mr. MOON. I have discussed that.

Mr. EMERSON. I did not hear the gentleman, although I was sitting here all the time.

Mr. MOON. Well, I explained to the gentlemen, I think, that under the present law the fourth-class postmaster gets 50 per cent of the first quarter $100 cancellations in the office. Now we are changing it so as to give him 100 per cent. Then I remarked, too, in that connection that the language did not, perhaps, carry out the view of the committee fully, and that there would be an amendment offered there. And I further suggested that it was not the intention of the committee, clearly, to give in this estimate the benefit of the revenue that arises between the 2 and 3 cent postage, the extra 1 cent being intended for war purposes.

Now, Mr. Chairman, there is another section which is made in order under the rule, and that is to increase or permit the increase of deposits in the postal savings banks from $2,000 up to $3,000. I have a very interesting report from the department on that question, which I will place in the RECORD as Exhibit B to my remarks. A very large amount of revenue was placed on deposit in these banks after the change was made a year or two ago as to the limit which they could make of deposits. We were advised that people desired to deposit very large sums, as expressed at almost every office in the country daily, and that many millions of dollars more can be collected and paid into the postal savings by this very change in the act.

When we come to these sections of the bill which I have been briefly discussing and presenting to you in an impromptu way, the members of the committee will take pleasure in giving a more extended explanation.

Mr. LOBECK. Will the gentleman yield?

Mr. MOON. I yield to the gentleman from Nebraska.

Mr. LOBECK. At the present time we have about 5,700 postal-savings institutions; that is, where you can receive money out of 56,000 money-order offices in the United States. Have you given it study; and, if so, do you not think it well to increase the number of these postal money-order places?

Mr. MOON. Well, we have not given any consideration to that, and the department, so far as I know, has not. And what the effect of that would be I do not know and what the cost would be I do not know.

Mr. Chairman, I have said all I desire to say about this bill at this time, and I now ask the gentleman from Minnesota [Mr. STEENERSON] to use some of his time.

EXHIBIT A.

MOTOR-TRUCK DELIVERY IN POSTAL SERVICE.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE POST OFFICE AND POST ROADS,
Washington, D. C., September 4, 1917.

The committee met, pursuant to call, in the committee room, Hon. John A. Moon (chairman) presiding.

STATEMENT OF HON. J. I. BLAKSLEE, FOURTH ASSISTANT POSTMASTER GENERAL.

The CHAIRMAN. Gen. Blakslee, please explain these bills in full.

Gen. BLAKSLEE. This experimental legislation is intended to ascertain whether or not a system of collection and delivery of mail that does not exist to-day is practicable. If the experiment is a success—

It will provide a direct means of communication and conveyance between mailing patrons in cities and rural territory that it is not possible to provide at minimum cost to the Postal Service or to the patron at this time.

It will assist in the effort to reduce the cost of living by eliminating useless and expensive operations in the postal means of communication between producer and consumer.

It will permit the producer to continue production and the labor incident thereto instead of suspending production or labor while conveying produce to consumers.

It will extend the postal zone of collection-and-delivery service in the vicinity of large cities to the point where the actual farmer-producer is domiciled rather than to where only suburban residents and nonproducers live.

Routes 50 miles in radius from the central post office rather than routes 6 miles in radius from the nearest substation of the central post office. Thus the local parcel-post zone rate of approximately one-half cent per pound will apply whereas a charge of first-zone rate, of 1 cent per pound, is now made within such radius.

Only 288 of the present 43,562 existing rural routes emanate from the 50 largest cities in the United States, and of this number of routes none originates at New York City, Philadelphia, Brooklyn, San Francisco, Newark, Jersey City, or Worcester, Mass., or any of the substations or branch offices thereof.

The postal patron in any of the 50 cities will directly benefit from the increased service and improved methods of communication with the genuine rural population and vice versa when the proposed legislation shall have been enacted and the maximum facilities provided. All other communities, wherever found, likewise and in proportion to their population.

This legislation will increase the revenues of the Postal Service. It will also increase the cost of operation of the Postal Service. It will, if efficiently administered, show a net income to the Postal Service under present weight limits and postage charges or conveyance of parcel-post mail only. Any revenues from conveyance of first, second, or third class that may be carried would be net.

It will permit of a practical use of the highways upon which millions of dollars for improvements have been expended and for which nearly $85,000,000 of Federal funds have been appropriated.

It will reduce the cost of postage on farm products and thereby increase the amount forwarded through the mails. Thus equalize the balance of trade between farmers and consumers which at this time is not equalized in a ratio of about 8 to 1 against the farmer.

It will provide a legitimate means of extension of parcel-post mail facilities into territory where no mail service is possible at this time and where there is no means of conveyance except that which is the property of and is operated by the producer, always at serious loss to himself and to the public that depends upon maximum efficient production.

Specific answers to questions propounded by Mr. Madden and other members of the Committee on the Post Office and Post Roads of the House of Representatives, relative to H. R. 5640.

What size truck will be used?

Maximum 1-ton capacity.

What will such a truck cost?

One-half ton, $455. One ton, $1,860.

What daily mileage will it make?

Average 100 miles per day.

What will it cost to operate?

At present cost of gasoline, tires, and materials, $1,800 to $2,200 a year; driver, $1,200; total, $3,400.

Of what does such cost consist?

One hundred miles per day, 313 days a year, 31,300 miles.

ONE-HALF TON TRUCK.

12 miles per gallon of gasoline, 2,609 gallons at 25 cents	$652.00
31,300 miles on tires, at 1½ cents per mile	465.50
31,300 miles—repairs, at 1 cent per mile	313.00
Oil, grease, and incidentals, at ¼ cent per mile	78.00
Garage rental, at $7 a month	84.00
Depreciation, 25 per cent	114.00
Interest on investment	22.50
Total	1,729.00
Salary of driver	1,200.00
	2,929.00

ONE-TON TRUCK.

10 miles per gallon of gasoline, 3,130 gallons at 25 cents	782.50
31,300 miles on tires, at 1½ cents per mile	468.50
31,300 miles—repairs, at 1 cent per mile	313.00
Oil, grease, and incidentals, at ¼ cent per mile	78.00
Garage rental, at $7 per month	84.00
Depreciation, 25 per cent	465.00
Interest on investment	93.00
Total	2,284.00
Salary of driver	1,200.00
	3,484.00
Per day	11.13
Per mile	.11
Per pound, based on 1 ton per day	.0055

Depreciation, 25 per cent. Actual use of car, three years, and sale or exchange value at end of that period.

Note all estimates are maximum costs, at present high prices for labor and equipment, although it is believed that a one-half ton car will be utilized in a majority of instances, as it will transport not more than approximately one-half ton each way, while being capable of overload capacity, if necessary, in emergency.

To carry one-half ton each way, as contemplated, on a 50-mile route, out and return, the cost would be	$7,765
Plus labor	1,200
Total	2,965

Or 9.46 per day, or $0.095 per mile, or 0.0047 cent per pound.

What will be the salary of the driver?

Maximum, $1,200 per annum, he to provide his own substitute and pay for same within his salary.

What plan is contemplated to assemble the material at the producing point?

Regular schedules, giving time of arrival at points where produce may appear for transmission, producer to supply containers for protection pending arrival of the carrier. In fact, similar treatment as now prevails in the collection and delivery of mail on rural routes.

What will be the plan of disposing of the supplies?

The same treatment as now prevails in the disposition of produce handled on rural routes, with the additional direct supervision of a rural agent—employee of the post office or the postmaster—who will be expected to encourage direct commercial relations between producer and consumer; to increase the quantity of mailable matter carried; to recommend amendments of route or schedule to accommodate patrons; to insure efficiency of operation, eliminating indirect service, superfluous handling, treatment of undelivered or spoiled produce; to keep record and issue bulletins of produce and supplies, with prices thereof, to producers and consumer patrons; to provide for regularity of service when daily supply can be secured from any given number of producers for direct delivery to any given number of consumers.

It is not contemplated in this measure to do anything more than provide the cheapest, most direct, and most efficient possible mail service; to collect supplies from producers and to deliver the same to consumers.

NOTE.—This would apparently increase the costs of operation as an overhead charge, but the service rendered should pay for itself through increased returns above the estimated income.

Is the Government to solicit trade?

No. It will advertise the mail facilities that will promote trade; publish the names of producers and consumers; the amount of produce that can be supplied by producers and the prices therefor as listed by producers. Also, the names of the consumers and the quantities of produce required by each, and, if stated, to set forth the price the consumer is willing to pay. This is at present effective in the "Farm to table" movement already attempted.

Is it contemplated that the Government shall guarantee payment of those supplying the goods?

Only as provided in the Postal Laws and Regulations relative to C. O. D. parcels.

What charges are to be made for the service?

Parcel-post mail rates.

How many places are there in the country at which this system can be operated during the entire year?

It is impossible to state in detail, although it is certainly feasible at any point where fairly good roads appear. The regularity of service is subject to weather conditions. I am inclined to believe that if I could accurately answer this question, and some of the others that follow, there would be no need for an experiment.

Should the department not make some extra charge to the producer for the special transportation of his products?

Absolutely not. Producers and other mail patrons are already overcharged for mail service for the benefit of other mail users who do not pay the cost of their mail service.

What saving to the consumer will be made by the adoption of this plan?

The consumer in any city where no rural delivery exists will save nearly 50 per cent of the postage now paid on any article presented for mailing on the highway or in the villages located on the highway traversed by this service. Indirectly the consumer will save the difference in a reduced price that may be set between the consumer and a producer with whom the producer now has no business relations, and the higher prices he may be compelled to pay to the limited number of producers with whom the consumer is now in direct contact through the mails.

Possible revenues based upon the establishment of one route 100 miles long, carrying 1 ton, or 2,000 pounds, of produce per day.

2,000 pounds at parcel-post rate (about one-half cent per pound), $10 for 313 days a year		$3,130.00
Operating cost of one-half ton:		
Vehicle to convey one-half ton each way, 50 miles	$1,740.15	
Salary of employee	1,200.00	
		2,940.15
Profit		189.85

What will be the overhead charges in connection with each route?

The proportionate cost of supervision, inspection, and indirect expense incident to postal facilities at the point where the service is established, and the services of any agent or employee assigned to duty in connection with the operation of the route. As this can not be definitely fixed until a route is established, it is impossible to state the exact amount.

If it be true that eight parcels move from city to farm to one from the farm to the city, how will this be remedied by putting on more vehicles?

If the number of vehicles be increased, the number of parcels carried will increase, and, whether the ratio be 8 to 1 or some other, the patron will benefit and the revenues of the Postal Service increase in proportion.

Who is responsible to the purchaser for decayed goods?

Perishable articles are transported in the Postal Service at owner's risk.

Will the Government be in the same position as the railroads—responsible for the loss?

No.

How many new employees will be required under the plan?

One per vehicle per route.

Would they be under civil service?

Probably not during the period of the experiment.

What percentage of the road mileage of the country as a whole will be available for this service?

Of the 2,230,000 miles of highway in the United States, about 160,000 miles have been improved, of which 150,000 miles, or 7 per cent of the total mileage of the country, is available, although it is not impracticable to use some fairly good dirt or sand-clay roads not considered as improved in this statement.

Rank.	City.[1]	Gross receipts.
	Salary $8,000:	
1	New York, N. Y	$33,621,845
2	Chicago, Ill. (2)	27,289,366
3	Philadelphia, Pa	9,492,089
4	Boston, Mass. (5)	8,952,077
5	St. Louis, Mo. (16)	5,716,044
	Salary $6,000:	
6	Pittsburgh, Pa. (6)	4,339,126
7	Detroit, Mich. (3)	4,011,411
8	Cleveland, Ohio (3)	3,961,309
9	Brooklyn, N. Y	3,954,865
10	San Francisco, Cal	3,617,946
11	Kansas City, Mo. (4)	3,589,388
12	Cincinnati, Ohio (17)	3,163,989
13	Minneapolis, Minn. (4)	3,120,251
14	Baltimore, Md. (10)	2,992,676
15	Buffalo, N. Y. (2)	2,748,700
16	Los Angeles, Cal	2,437,555
17	Milwaukee, Wis. (6)	2,173,214
18	Washington, D. C. (11)	2,140,222
19	St. Paul, Minn. (3)	1,964,415
20	Indianapolis, Ind. (13)	1,820,709
21	Omaha, Nebr. (7)	1,691,211
22	Newark, N. J	1,644,504
23	Denver, Colo. (5)	1,601,045
24	Seattle, Wash. (7)	1,563,177
25	Atlanta, Ga. (6)	1,545,165
26	New Orleans, La. (2)	1,425,403
27	Rochester, N. Y. (4)	1,394,325
28	Louisville, Ky. (4)	1,349,999
29	Dallas, Tex. (11)	1,338,817
30	Des Moines, Iowa (7)	1,306,470
31	Columbus, Ohio (8)	1,303,803
32	Portland, Oreg. (3)	1,220,474
33	Toledo, Ohio (9)	1,137,578
34	Providence, R. I. (1)	1,075,982
35	Richmond, Va. (9)	967,163
36	Memphis, Tenn. (6)	911,825
37	Hartford, Conn. (1)	882,423
38	Nashville, Tenn. (12)	832,898
39	Syracuse, N. Y. (5)	807,218
40	Jersey City, N. J	793,203
41	Akron, Ohio (6)	773,593
42	Dayton, Ohio (17)	762,465
43	Albany, N. Y. (1)	761,701
44	Springfield, Mass. (2)	761,451
45	New Haven, Conn. (8)	727,765
46	Grand Rapids, Mich. (10)	721,231
47	Jacksonville, Fla. (5)	675,471
48	Salt Lake City, Utah (8)	670,229
49	Houston, Tex. (5)	644,927
50	Worcester, Mass	632,000
51	Spokane, Wash. (11)	613,818
	Salary $5,000:	
52	Oklahoma, Okla	594,668
53	Birmingham, Ala	578,231
54	Oakland, Cal	561,145
55	Springfield, Ohio	519,115
56	Harrisburg, Pa	514,844
57	Chattanooga, Tenn	514,346
58	Lincoln, Nebr	507,511
59	Scranton, Pa	505,225
60	San Antonio, Tex	504,829
61	Bridgeport, Conn	501,248
62	Peoria, Ill	501,009

[1] Figures in parentheses indicate rural routes.

EXHIBIT B.

MEMORANDUM FOR THE THIRD ASSISTANT POSTMASTER GENERAL.

JANUARY 7, 1918.

The Postal Savings System can be made of much greater service by a few statutory changes, which I am confident Congress would promptly authorize as war legislation.

A larger limit on deposits: This would mean more hidden money put to work. Deposits doubled after May 18, 1916, when the limit was raised from $500 to $1,000. From July 1, 1916, to June 30, 1917, the net increase was $46,000,000, as against $20,000,000 the year before. Old depositors who had been choked by the former limitation were first to increase their savings. Deposits in 1917 went ahead 53 per cent while the gain in individual depositors was only 12 per cent. Thousands of depositors are now up to their interest-bearing limit and want a chance to deposit more.

Congress should be asked to authorize the acceptance of interest-bearing deposits up to $3,000. It would be unwise, in my judgment, to remove the limit altogether, but sufficient latitude should be given to cover reasonable demands. Noninterest-bearing accounts should not be accepted even if they could be had. Fair dealing with the public requires at least the payment of our present rate of interest on all deposits when 4 per cent money, with equal security, is being eagerly sought by the Government. While preparing this memorandum a letter has been placed on my desk from the postmaster at Albany, Oreg., stating that a depositor at his office who has $1,000 on deposit wants "to place about two or three thousand more in his name and that of his wife who also has $1,000 in interest-bearing certificates."

In 1917 the Postal Savings System was run at a profit to the Government of $955,000. It should be more this year if the service is broadened to meet the reasonable demands of the public. While the service was not intended as a money-making adjunct of the department, still the case gets stronger when a more efficient service to the public would incidentally bring a larger revenue to the Government.

Postal savings cards: A postal saving card has one stamp embossed on it and spaces are left for adding nine adhesive 10-cent postal savings stamps, so the card when filled has a redemption value of $1. Postmasters are required, therefore, to keep an account of cards as well as stamps. A card should be gotten up inexpensively and serve merely as a form to which 10 10-cent adhesive postal savings stamps may be added. No record of it would then be necessary and it could be utilized for advertising purposes. But, strange to say, it will require an amendment to the original postal savings act to eliminate the embossed stamp. While this is a small matter in one way, still by making the cards nonaccountable stock much printing and accounting expense would be done away with.

EXHIBIT C.

FEBRUARY 13, 1918.

Additional cost, fiscal year 1919, if the provisions of H. R. 9414, introduced by Judge Moon by direction of the Committee on the Post Office and Post Roads, are enacted into law.

	Additional cost.
Reclassification: Entrance salary $1,000 instead of $800, as at present. Automatic promotions to $1,500:	
Clerks, first and second class offices	$3,351,000
City letter carriers	3,303,125
15 per cent increase to assistant postmasters, $1,200 and below; 10 per cent increase to assistant postmasters, $1,300 to $1,800, inclusive	433,950
Watchmen, messengers, and laborers	259,875
Printers, mechanics, skilled laborers	9,270
Motor vehicle service employees	65,525
Substitute clerks	428,700
Substitute letter carriers	585,700
Additional cost account compensation of 100 per cent on first $100 cancellation to fourth-class postmasters instead of 100 per cent on first $50, as now provided	1,900,000
15 per cent increase to clerical employees at third-class offices	300,000
15 per cent increase to persons employed under separating allowances	109,500
15 per cent increase to persons employed under cleaning allowances (first and second class offices, janitor service)	30,000
For railway mail clerks	4,563,800
For rural carriers	10,300,000
For post office inspectors	45,750
Total cost fiscal year 1919	25,686,195
Total cost fiscal year 1920	36,912,795
Total cost fiscal year 1921	48,338,795
Total additional cost for first three years	110,937,785

The CHAIRMAN. The gentleman from Tennessee [Mr. MOON] has used 55 minutes. The gentleman from Minnesota [Mr. STEENERSON] is recognized for one hour and a half.

Mr. STEENERSON. Mr. Chairman and gentlemen of the committee, this bill is not very systematic. It is not drawn to scale. It is like a great many other legislative propositions—the result of compromises in the Committee on the Post Office and Post Roads, and, of course, it seems to me that in the eyes of some it is rather subject to criticism.

The first part of the bill, which relates to the compensation of rural carriers, I think originated very largely in a bill that I introduced, although I am aware of the fact that about 150 other gentlemen, Members of the House, introduced similar bills. Anyway, the subcommittee that prepared the bill considered, out of courtesy to me as a member of it, the bill which I introduced, which provided for equipment allowances for rural carriers. But the majority of the whole committee concluded that there should be an increase in compensation. They did not agree to the idea of having equipment allowances, and so we find here that the compensation of rural carriers who receive not to exceed $1,200—that is to say, those carriers who have a route not exceeding the standard route—shall have an increased compensation of 15 per cent, or $180.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. REAVIS. Can the gentleman tell me whether anything is allowed the rural carrier for the upkeep of his equipment or the feed of his horses?

Mr. STEENERSON. I will tell you. He is not allowed anything.

Mr. REAVIS. What is the city carrier allowed?

Mr. STEENERSON. My recollection is that he is allowed something, I think either $300 or $400 or maybe $500. I do not remember the exact figures.

Mr. REAVIS. Can the gentleman give any good reason why the carrier in the city should be allowed $300 or $400 or $500 for upkeep of equipment while the rural carrier is allowed nothing?

Mr. STEENERSON. Reasons were given. They were not my reasons. But reasons were given by the department officials.

Mr. RAMSEYER. Are you talking about mounted or unmounted carriers?

Mr. REAVIS. Mounted carriers.

Mr. STEENERSON. There are carriers who are mounted, not on horseback, but there are carriers who have vehicles. It was stated that the expense of maintaining an automobile in a city, or even horses, was higher than in the country.

Mr. REAVIS. In other words, the department believed that an automobile run over a country road would not consume as much gas and oil as an automobile run over the paved streets of a city?

Mr. STEENERSON. I am not going to argue that question with the gentleman. I was simply giving information.

Mr. REAVIS. I am not asking the gentleman's judgment. I am asking whether the department left the impression with the committee that the upkeep of an automobile, run with gas and oil, would be cheaper in the country than in the city, going over country roads rather than city streets?

Mr. STEENERSON. I suppose it would cost less in the country.

Mr. LOBECK. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. LOBECK. Usually the mounted service furnished in the cities is for the outlying districts, where the streets are not paved.

Mr. STEENERSON. I believe that is right. The gentleman comes from Nebraska, whence the other gentleman comes.

Mr. LOBECK. I have no objection to what the gentleman from Nebraska says, although he was intending to show by his remarks that the streets of the cities were all paved.

Mr. STEENERSON. Now, with regard to this compensation, in addition to the $180 to be allowed to the ones receiving the maximum, we have provided an additional compensation for every mile over 24 miles. Under the present law a rural carrier may be required—and a great many are required—to carry the mail for more than 24 miles, but they get the maximum, $1,200, up to 30 miles. A large number of routes in the Northwest are 28 and 30 miles, but the carrier can only get a maximum of $1,200. There is a law that authorizes the department to make compensation, and which requires it where the route is more than 30 miles, at the rate of $24 a mile.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. SNYDER. Is it not a fact that under the present law the carrier who makes less than 24 miles has his salary reduced to the extent of $24 per mile per annum?

Mr. STEENERSON. It is reduced; but more than the gentleman suggests.

Mr. SNYDER. Twenty-four dollars per mile per annum.

Mr. STEENERSON. It is reduced more than that.

Mr. SNYDER. That is my understanding.

Mr. DOWELL. Mr. Chairman, will the gentleman yield for a question?

Mr. STEENERSON. The compensation is fixed in the resolution——

Mr. SNYDER. I am speaking of the present rule.

Mr. STEENERSON. I am speaking of the present law. I might as well give it to you now.

Mr. SNYDER. I would like to have it.

Mr. STEENERSON. It was in the joint resolution which continued the appropriation bill for the fiscal year 1916. It was passed on March 4, 1915, because the Post Office appropriation bill had failed. It provides that on and after July 1, 1915, the compensation of each letter carrier for serving a rural route of 24 miles and over six days in the week shall be $1,200 per annum, payable monthly; on routes 22 miles and less than 24 miles, $1,152; on routes 20 miles and less than 22 miles, $1,080; on routes 18 miles and less than 20 miles, $960; on routes 16 miles and less than 18 miles, $840; on routes 14 miles and less than 16 miles, $720; on routes 12 miles and less than 14 miles, $672; on routes 10 miles and less than 12 miles, $624; on routes 8 miles and less than 10 miles, $576; on routes 6 miles and less than 8 miles, $528; on routes 4 miles and less than 6 miles, $480.

Now, you will observe, if you take those figures, that the difference between these different distances is more than $24 a mile; it is closer to $50 a mile on a shorter distance. For instance, the difference between 6 and 8—I had a table prepared, but I have not got it with me now—I think it amounts to about $58 or $60, the increase per mile.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. STEENERSON. I should like to finish my answer first. Then I will yield to the gentleman from Michigan.

There is another law which I should have quoted in this connection. My recollection is that it is discretionary to allow $24 a mile between 24 and 30 miles, but I know it is mandatory to allow $24 a mile where the route exceeds 30 miles. Now, this proposed bill provides that they shall receive $24 a mile for the additional miles over 24.

Mr. SNYDER. That is quite correct. What I had in mind was that where a man had been assigned to a route of 24 miles, and thereafter at some time the route was decreased a mile, and did not come into the range of one of the grades that the gentleman has mentioned, then the reduction would be based on $24 per annum for the mile taken off the route.

Mr. STEENERSON. Does the gentleman claim that to reduce a 26-mile route to 24 miles would carry such a decrease?

Mr. SNYDER. What I contend is that if a 24-mile route as originally laid out was reduced to 23 miles then the $24 per mile per annum would apply.

Mr. STEENERSON. I think it is more than that. I think the reduction is more.

Mr. SNYDER. It is that much, anyhow.

Mr. STEENERSON. Because you know that $1,200 for 24 miles, which is the standard route, is $50 a mile. Now, if you reduce that 2 miles, or reduce the 24 miles to 22 miles, the rate for the 22 miles is $1,152. That is a reduction of $48.

Mr. SNYDER. That is what I contend—$24 a mile. If it is reduced 2 miles, and the reduction in salary is $48, that is $24 a mile, just exactly what the gentleman says.

Mr. STEENERSON. Yes; it would be $48 less for the 2 miles. That is correct. Now I want to yield to the gentleman from Iowa [Mr. DOWELL], who has been on his feet for some time.

Mr. DOWELL. Getting back to the question submitted by the gentleman from Nebraska, is it not true that since the routes have been extended by the department, in the last year or so, it is necessary for the rural carrier not only to equip and keep an automobile but also to keep horses and wagons to deliver the mail at times when the automobile can not be used, which is usually several months of the year in many of the districts?

Mr. STEENERSON. In the latitude where I live he not only has got to keep a horse and wagon but a span of horses and a sleigh, because in the winter months the road is not suitable for one horse.

Mr. DOWELL. Does not that necessarily double his expense by way of equipment and upkeep, since the expansion of these routes?

Mr. STEENERSON. That would seem to be obvious.

Mr. SMITH of Michigan. Now, will the gentleman yield?

Mr. STEENERSON. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. Along the line of the inquiry of the gentleman from Nebraska, when the gentleman explained the pay of the rural carrier, will the gentleman now please tell us how much the city carrier gets and how his compensation is fixed? The rural carrier seems to have his compensation fixed by mileage, and the upkeep of the city carrier and his pay must necessarily be fixed in some other way. How much does he get? Is it as much as the rural carrier gets, or more?

Mr. STEENERSON. He gets more.

Mr. SMITH of Michigan. Why is that?

Mr. STEENERSON. I think they pay him more now because the law requires it.

Mr. DENISON. Will the gentleman yield for a question?

Mr. STEENERSON. Yes.

Mr. DENISON. I desire to ask the gentleman from Minnesota a question which I think will bring out a defect in the bill as it is now reported.

Mr. STEENERSON. Very well.

Mr. DENISON. The bill now provides for an increase of 15 per cent on salaries up to and including $1,200?

Mr. STEENERSON. Yes.

Mr. DENISON. And $24 a mile for all miles over 24 miles?

Mr. STEENERSON. Yes.

Mr. DENISON. Say that a carrier is now delivering mail over a route 31 miles long. His salary is $1,224 a year.

Mr. STEENERSON. Yes.

Mr. DENISON. And he will not get the benefit of the 15 per cent increase. His salary under this bill would amount to $1,368; that is, $1,200, and $24 per mile for 7 miles.

Mr. STEENERSON. If that interpretation is correct, why, yes.

Mr. DENISON. It is bound to be correct.

Mr. STEENERSON. Up to $1,200 they get the 15 per cent increase.

Mr. DENISON. But he is now making $1,224 for traveling 31 miles; so his salary under this bill will amount to $1,368, whereas the man who has a route only 30 miles long now will get the 15 per cent increase and $24 per mile for 6 miles, or $1,524 under this bill; so a man traveling only 30 miles will get under

this bill $1,524 while the man traveling 31 miles will get $1,368.

Mr. STEENERSON. The language is 15 per cent increase up to and including those who receive $1,200.

Mr. DENISON. Yes.

Mr. STEENERSON. The case the gentleman has in mind is that of a man who receives more than $1,200. He is not within that description.

Mr. DENISON. The case I have in mind is the case of a man whose route is 31 miles who gets a salary now of $1,224, so he would not get the 15 per cent increase.

Mr. PLATT. Why would he not get the additional $24 per mile for the miles between 24 and 30?

Mr. DENISON. He would undoubtedly get that.

Mr. ROBBINS. He would get that under this bill.

Mr. STEENERSON. But the gentleman's contention is that he would not get the 15 per cent.

Mr. PLATT. No; he would perhaps not get the 15 per cent, because his salary is $1,224. I am not quite sure how that would be interpreted, but he would get six times $24 for the extra mileage up to 30 miles.

Mr. DENISON. Yes.

Mr. PLATT. That will give him $1,368, if my figures are right.

Mr. DENISON. The man who now travels 30 miles gets $1,200, while the man who travels 31 miles gets $24 for that additional mile, or $1,224. Now, the man who travels 24 miles and gets $1,200 will get the benefit of the 15 per cent increase, and the man who travels 31 miles will not get the benefit of it.

Mr. PLATT. But he will get the $144.

Mr. DENISON. Whereas the man who travels 31 miles will get $1,368.

Mr. STEENERSON. The gentleman from Illinois has pointed out a possible interpretation of the language which, if it bears that construction, will deserve consideration and ought to be corrected before we get through with the bill.

Mr. PLATT. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. PLATT. They have been revising rural routes all over the country and increasing the length of them from 24 to 30 miles, or nearly that. By doing that they have saved the immense sum of $1,500 in one of my counties. If you are going to give $24 increased pay for every mile a man travels between 24 miles and 29 miles, where is the profit going to be in the lengthening of the routes?

Mr. STEENERSON. That is one reason why we thought we would make it so that would not be done. As is provided now, a man will travel 30 miles without extra pay, and the object was to stop that.

I might say that this matter of decrease is, of course, a matter of administration. Of course we can not compel the administration to do things that we would like to. We can make general rules. The administration of the rural service has been the cause of a great deal of complaint. I have received marked copies of newspapers containing complaints from the gentleman's own State, the western part of New York, where they have abandoned the rural free-delivery routes because nobody could carry the mail, and they have had to perform the service by star route. But, of course, it is impossible to prevent poor administration where they persist in it.

Mr. PLATT. Under the present arrangement if they lengthen 10 routes that are now 24 miles in length to 29 miles in length they save the salary of one man, which is $1,200. Every time they lengthen a route they save 5 miles. In 10 routes they can drop a route out, but with this provision in that inducement is taken away, as it should be, because it makes many of the routes too long for good service.

Mr. STEENERSON. Yes.

Mr. RAMSEYER. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. RAMSEYER. I should like to ask the gentleman about the application of section 3 of the act approved March 3, 1917, making appropriations for the Post Office Department, increasing the salaries of $480 and less, 15 per cent; over $480 up to $800, 10 per cent, to this bill?

Mr. STEENERSON. I think the gentleman had better discuss that in his own time.

Mr. RAMSEYER. I want the gentleman's opinion on it.

Mr. STEENERSON. I am not prepared to give any opinion.

Mr. RAMSEYER. If a carrier now gets 15 per cent on his $480 salary, does he under this bill get 15 per cent on the $480 plus the $72?

Mr. STEENERSON. I guess he would not; I do not think he would be given that unless we stretch the law a good ways.

Mr. RAMSEYER. We are proposing to legislate, and I think we ought to know about it.

Mr. STEENERSON. I will say that it is a negligible question, because there are so few of those that it does not amount to anything. There would not be more than two or three hundred in the United States of these $480 men.

Mr. RAMSEYER. The act I referred to includes all those who get between $480 and $720. I do not object to the increase, but I want to know just what increase they are to receive under this bill.

Mr. STEENERSON. There are very few, and the question has never occurred to me, and so I am not prepared to discuss it. If there is anything in it, I hope the gentleman will offer an amendment to correct it.

Now, in regard to the administration of the Postal Service, as I have said to the gentleman from New York, we can only give a general rule. I know that there are more complaints to-day about the Postal Service, about the service we are getting, than ever before. I have never known so much dissatisfaction expressed by the public as with the service that they are now getting. I want to take this occasion to say, too, that although I have been very closely studying the postal service for the last 15 years I have been in Congress, I believe that the complaints that have come in can in no way be founded upon any lack of efficiency or fidelity on the part of employees. I want to repeat what I have said often, that the postal employees, from the highest to the lowest, are a very faithful, honest, and effective corps of men. They are trying to do everything possible in the very best way, but it is a fact that few people realize that their burdens have been greatly increased in recent years. We have in the last few years practically gone into a new line of business, that of freight transportation. Why, the last time that I got any statistics, which is about a year ago, the amount of parcels exceeded a billion, and the average was 1 pound and 11 ounces, or practically 2 pounds, making more than 2,000,000,000 pounds of that class of mail, which is really package freight. It is all thrown on the carriers.

The rural carriers especially are loaded down with these things. We have added to their duties in various other ways. The postal savings law and the money orders have been extended so that the work of the postal employees has been increased. The Railway Mail Service has perhaps been the greatest sufferer from the overloading, so to speak. I read in the Star night before last a reference to the delay in the first-class mail between Washington and New York. I heard a distinguished Senator from Illinois say that it took 12 days now to get a letter from Chicago to his office. The explanation given last night in the Star by Second Assistant Postmaster General Praeger was that it sometimes took a day and a half, according to the stamp on the envelope, for a letter to get to the railway mail clerk.

The clippings are as follows:

[From the Washington Star, Mar. 20, 1918.]

TO AVOID THE DELAY IN MAIL DELIVERIES LOCAL BUSINESS MEN USE SPECIAL STAMPS ON LETTERS ADDRESSED TO NEW YORK.

Washington banks, department stores, and other mercantile houses are resorting to the use of special-delivery stamps in order to insure quick delivery of letters in New York.

While Washington business men are not disposed to be too hard on the mail service, there is a general feeling that somewhere between here and New York, both coming and going, something is slowing up tremendously the delivery of letters.

"All of our important mail is now being sent by special delivery," the president of one of the city's largest banks declared to-day. "We started the use of the special delivery stamps on our ordinary mail recently in order to be sure that it was delivered in New York on the first delivery.

"This is the only way we can be sure of such early delivery now," he continued. Other institutions have adopted the same practice here.

SUSPECT CAUSE OF DELAY.

It is generally believed by business men that the Railway Mail Service is responsible for the slowing up in mail facilities between here and New York.

Letters mailed in New York after business hours formerly were delivered in Washington on the first mail to the business sections of the city next morning.

To-day such letters are scattered over the various deliveries of the day.

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[From the Washington Star, Mar. 20, 1918.]

PRAEGER DEFENDS RAIL MAIL SERVICE—DECLARES WAR AND PARCEL POST FLOOD POST OFFICES, CAUSING DELAY—TEST FOR BUSINESS MEN.

Denial that the Railway Mail Service is to blame for any delay in the delivery of letters between here and New York was made to-day by Otto Praeger, Second Assistant Postmaster General, and officials of the Railway Mail Service.

While specifically pointing out that no blame must be attached either to the Washington or the New York City post office, owing to the tremendous difficulties they are laboring under as the result of war con-

ditions, Mr. Praeger declared that the records of the Railway Mail Service show that the Washington city post office has recently turned over to the Railway Mail Service letters 26 hours after they were postmarked.

These particular letters were addressed to points south.

The records will show, it was declared, that certain letters bound north, postmarked here 10 a. m., were not delivered to the Railway Mail Service until 3 p. m. that afternoon, in the meantime two or three other trains to New York having left the Union Station. In one instance 200 letters addressed to New York business houses were involved.

MAIL SWAMPS OFFICES.

No blame, however, is attached to the Washington city post office by the Post Office Department. The great volume of war mail and the tremendous growth of the parcel post has literally swamped more than one city post office in the country.

The Washington city post office is hit worst of all owing to the fact that this city is the origin of tons and tons of war literature issued by the Government.

The local post office, also, is short handed on account of many men having gone with the colors. For these reasons Post Office Department officials believe that the people of Washington should be lenient over any delay that may arise, either now or in the future, in the transportation and delivery of letters going to and fro between here and New York.

Three truck loads of Easter hats, mailed from a St. Louis firm to various small towns in Virginia and Maryland, are instanced by officials as a sample of what the Washington city post office, the Railway Mail Service, and the entire Post Office Department are up against at this time.

RAIL CLERKS INCREASED.

The Railway Mail Service, it was stated, has increased the number of men who "work" the Washington mail on the trains from New York. No men have been taken off, it is asserted. The Baltimore & Ohio Railroad recently removed a train which left here at 2.30 o'clock each morning. This added to the difficulties confronting the service.

Another thing which is causing delay of letters sent to New York is the fact that local carriers, in collecting mail late at night, miss getting letters on the Pennsylvania train leaving Washington daily at 12.10 a. m. Letters that miss this train must wait until 7.25 a. m.

New York is having her troubles with the mails, too. Records of the Railway Mail Service will show that letters have been sent from New York to Washington on the Pennsylvania train No. 109, leaving New York at 8 a. m. which were postmarked 2 o'clock, 6 o'clock, and 9 o'clock p. m. the evening before. This train is due to arrive in Washington at 1.45 o'clock p. m. If it arrives late there is little wonder that letters do not get delivered here the same day, it is declared.

WALL STREET MAIL SUFFERS.

Many of the letters involved were letters mailed from the Wall Street district.

Further, in the instance in question the train was late and the letters could not be delivered in Washington that day, and the next day was Washington's Birthday, so it was still another day before the letters were delivered.

The use of special-delivery stamps can in no way accelerate the transportation of letters in so far as the Railway Mail Service is concerned, Mr. Praeger pointed out. Washington banks, department stores, and other business establishments have recently resorted to the use of the special-delivery stamps to make sure of immediate delivery in New York of important letters.

"The special-delivery stamp has no effect on the Railway Mail Service," Mr. Praeger said.

"The only function and purpose of the special-delivery stamp is to expedite the delivery of a letter by the city post office."

TEST FOR BUSINESS MEN.

Railway Mail Service officials suggested that business men test the truth of this statement by a novel test, as follows:

Take the original letter and mail it at the city post office.

Then take a carbon copy of the letter, carry it to the mail box on the "fence" guarding the train gates and drop the letter in that box.

Collections are made from this box up until 10 or 15 minutes before the mail trains leave the station.

Officials expressed the hope, however, that business men would not take to mailing their New York letters by means of the Union Station letter box on the fence, as this would practically transfer the city post office to the concourse of the Union Station.

Trains containing railway post offices leave Washington for New York, as follows: 12.10 a. m., 7.25 a. m., 9 a. m., 11 a. m., 3 p. m., 7 p. m., and 10.40 p. m.

In addition to these regular mail trains there are express trains which may be caught by the mails. If a letter is so lucky as to hit one of these trains, it may get to New York in surprisingly quick time, even these days.

The headlines of the article, and the substance of it bears them out, were to the effect that the Assistant Postmaster General blames the parcel post for the delay in the first-class mail, and I believe he has the right idea. I think the cause is there. We have undertaken to do a large package-freight business, constantly increasing the size of the package and decreasing the rate at which it shall be carried within certain zones, so that the work of carrying freight has interfered with the work of carrying the first-class mail. I am as good a friend of parcel post as anyone in the House, yet I do not believe that it is the prime object for which the Postal Service was created. The law gives to the United States a monopoly on carrying first-class mail. No one can carry a letter for pay without incurring the penalty of fine or imprisonment, for we forbid anyone except the United States doing it. So far as parcels or packages are concerned, however, the carrying of them is free. Anybody can undertake that business. That argues to my mind that we owe a higher duty to the first-class mail than we do to this other business, because the field is open to everyone to engage in it. Besides that the rate of compensation, as indicated by the postage required, is so much higher as to make that the most profitable branch of the service; and if it be true, as indicated in the interview with the Second Assistant Postmaster General, Mr. Praeger, that the parcel post has interfered with and delayed the first-class mail, I say it is deplorable and it is a mistake. It seems to me there ought to be a separate department, the same as they have in England, if we are going to carry on that large business.

Mr. SMITH of Michigan. Could not they give sufficient help to put out this first-class mail before the parcel post is taken care of as freight?

Mr. STEENERSON. They are doing their best; but the fact is, as Mr. Praeger says, that the delay that occurs in the first-class mail is attributable to the parcel post.

Mr. SMITH of Michigan. Does he not say anything with regard to the lack of help?

Mr. STEENERSON. No; although I believe that is one cause. It was charged before the committee that the Railway Mail Service is crippled because they have discharged 1,200 mail clerks, but he defended that and explained that that did not occasion any delay; that these separations formerly made on the railway post-office cars were now made in the terminals. I think that does not wholly justify us in saying that the reduction in the number of railway mail clerks has not caused some delay; but the opinion of the official who has direct charge of the transportation of the mails by the railroads is entitled to some consideration, and he says in an interview that the first-class mail delay is caused, to some extent, by the overloading of the mails by the parcel post. The load exceeds the capacity of the equipment and facilities.

Mr. EMERSON. Is it not a fact that the service is crippled a great deal because many of the Government employees are quitting the service to get higher pay?

Mr. STEENERSON. Perhaps they are, but I have not discovered that to be the case. The gentleman may have discovered it; but the First Assistant Postmaster General, Mr. Koons, was examined before the committee on that very subject, and he introduced statistics showing that the resignations were about the same—very slightly greater—than in prior years, so that I do not think that that is a material cause.

Mr. E. J. Ryan, of the Railway Association, who is keeping close watch on the service, comes out with this statement, also published in the Star:

SAYS MAIL DELAY IS GENERAL CONDITION—E. J. RYAN, OF RAILWAY ASSOCIATION, GIVES THREE REASONS FOR CONGESTION.

That the delay in mails is not only between Washington and New York, but general throughout the country, is stated to-day by E. J. Ryan, president of the Railway Mail Association, who gives the following reasons:

First. The mails are worked in terminals rather than on the trains while en route.

Second. In practicing false economy, he says, the Post Office Department has instituted a method of cutting down railway mail space on the trains and employing a smaller force to work on the trains.

Third. Trained men are being put on the surplus list, while inexperienced men, at lower salaries, are being taken into the service without regard for civil service.

Mr. Ryan said that he can support these statements with specific instances, which have already been brought to the attention of the post-office authorities. In explaining the situation from the viewpoint of the railway mail association, he said:

"The statement that the delay of mails is only between New York and Washington is an error, as reports show that mails are being delayed practically throughout the entire service. Delayed mails exist on lines not so congested as the railroads operating on the Atlantic seaboard. The fact is that the policy of curtailing space for distributing mails en route in the railroad mail cars, and also reductions in the number of railway postal clerks, who performed this very important work of the Postal Service, is the real cause for the present situation. The war is not to blame.

"POLICY HAS BEEN ADOPTED.

"This policy has been adopted and was actually in effect for months before this country entered the struggle and before the abnormal demands arose which now burden the transportation system. Even now there should be but very little, if any, delay in mails upon their arrival in Washington. Mail cars are attached to passenger trains, not to freight trains. Frequent regular train service exists between New York and Washington.

"Six trains with mail cars arrive in Washington each day from New York. Twelve trains carrying mails in closed pouches, but without mail cars or clerks, arrive each day from New York. Eight trains carrying mail, mail cars, and clerks leave Washington each day for New York, and also eight trains carrying closed pouches without mail cars or clerks."

I shall not now speak of the clerks' and carriers' salaries in city-delivery offices, because that is a subject which the gentleman from Illinois [Mr. MADDEN] will discuss, and he can give us the information. He has made a study of it. I shall not trespass upon that part of the subject.

There is one remarkable thing about the bill as it now comes to us under this rule, and the chairman of the Committee on the Post Office and Post Roads has discussed it, and that is this matter of motor-truck service. The bill was before the Post Office Committee and was favorably reported, although

I was opposed to it and made a minority report, which I want all of the Members to see. It is a part of the same pamphlet that contains the majority report. The thing I want to impress upon your mind especially is this: You hear every once in a while some eloquent Member of Congress of long service and experience say that the House of Representatives ought to be careful of its own dignity and its rights, that we must not yield to encroachments upon our prerogatives. Here is a bill that is remarkable in this respect. It is an appropriation bill—not a regular annual appropriation bill, but a special appropriation bill—originating in the Senate. It comes over to the House and against my protest was reported and put on the calendar, and now comes in by special rule with the unanimous report of the Committee on Rules. Ever since Congress was organized under the Constitution it has been contended in our behalf that appropriation bills come within the scope of the constitutional provision that provides that revenue bills shall originate in the House. Of course, an appropriation bill is not a revenue bill; it is a thing that follows a revenue bill, for if you appropriate you must impose revenue laws. So the practice grew up that all regular appropriation bills originated in the House. Of course, if you construe the Constitution strictly, it may be said that these could originate just as well in the Senate.

Mr. SMITH of Michigan. Does the gentleman say that he made a report in this case?

Mr. STEENERSON. Yes.

Mr. FARR. It is Report No. 159?

Mr. STEENERSON. On Senate bill 2718. There is a Senate report and a House report and a minority report by myself. This is not very important in itself, but if the Senate is going to establish a precedent to make special appropriation bills and send them over here without objection, then you have laid the path open to have regular appropriation bills come over from that end of the Capitol.

Mr. MOON. Mr. Chairman, will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. MOON. I observe the gentleman discussing the action of the Senate in making an appropriation. This is not a Senate bill.

Mr. STEENERSON. Oh, yes, it is; it is a Senate bill.

Mr. MOON. Just a part of this bill is a Senate bill.

Mr. STEENERSON. Oh, that is simply camouflage. It is the first time that I have used the word, but I will get used to it after a while.

Mr. MOON. The gentleman shows that he does not know what it means.

Mr. STEENERSON. The Senate bill is word for word what is in this rule, and there is no concealment of that fact, and we are thereby laying a foundation for the Senate to make special appropriation bills and send them over here for us to pass upon afterwards, thus violating the spirit of the Constitution, as I contend and as I have stated in my minority report. If you allow that, the next thing will be for them to originate all appropriation bills, and the House of Representatives, elected by the people, will be playing a very insignificant rôle. Now, what is the use of coming in here every once in a while talking about the dignity of the House and that we must vindicate our rights, that we must not act as registers of the will of the other end of the Capitol, and all that sort of thing.

Mr. BOWERS. Be rubber stamps.

Mr. STEENERSON. And then come right down on your elbows and your knees and abandon to the Senate——

Mr. MOON. Will the gentleman yield?

Mr. STEENERSON. And abandon a practice that was condemned by so great a man as William H. Seward, of New York. I cited him here. He made a very able report in the Thirty-fourth Congress on this very subject.

Mr. MOON. I just want to remind my colleague on the committee that the House bill on this subject of motor trucks is No. 5640 and that the Senate bill is 2718, and we amended the Senate bill and added the aviation feature to it, so, as a matter of fact, the bill 2718 is the product of the House exclusively.

Mr. STEENERSON. It is the same thing the gentleman stated once before, that he contends it is not the Senate bill because they have embodied it in this rule, but the bill is on the calendar, reported to the House, and, as I say, I have a minority report right here. But aside from that here we have then a bill to provide for a motor-truck service for certain cities. The object, they say, is to cheapen the cost of living. I point out in my minority report that it appears from the testimony of Mr. Praeger and Mr. Blakslee, and from the Senate report on a similar bill, that eight parcels travel from the city to the farm to one parcel traveling from the farm to the city. Now, the object, they say, is to increase the number of parcels coming from the farm to the city and therefore they want to increase the number of vehicles. Now, there are seven empty vehicles to one loaded one traveling from the farm to the city. Now, if they can make 12 empty vehicles and 1 loaded one they think it will have a tendency to increase the amount of transportation or the amount of freight from the farm to the city by these means. In these times when we are taxing ourselves very heavily it seems to me gross extravagance to appropriate $300,000, nearly $1,000 a day for every working day in the year, in order to enable the Postmaster General to make this experiment when the Second Assistant Postmaster General comes out in the public press and says that first-class mail is now delayed by reason of the large quantity of parcels that have been thrown upon the mail service since the war began. We are overloaded with freight parcels now and, therefore, they say they want to encourage new transportation from the farm by having them ship cabbages, chickens, and so forth.

Mr. PLATT. Will the gentleman yield?

Mr. STEENERSON. I will.

Mr. PLATT. The gentleman has referred to the appropriation for motor vehicles.

Mr. STEENERSON. That is embodied in this rule.

Mr. PLATT. As I understand, and I have had some talk with the Post Office Department on this very matter, the routes already established have been great successes, far more so in that they have developed the business that does not go on rural routes.

Mr. STEENERSON. If they have experimented and know it is a success, what is the use of asking $300,000 for an experiment?

Mr. PLATT. They have not enough money to establish any great number of them up to this time; but their claim is—I talked the matter over with the Fourth Assistant Postmaster General—that up to the present these routes very much more than pay for themselves and they can be established as a commercial proposition.

Mr. STEENERSON. The Second Assistant Postmaster General, like many other departmental officers, is gifted with a vivid imagination.

Mr. PLATT. The Fourth Assistant.

Mr. STEENERSON. The Fourth Assistant, Mr. Blakslee, has an imagination that is second to none in the Government service. Now, that illustrates how they figure it out. Do you suppose you will ever get through with increase in the cost of these experiments? I do not. What is the experience in regard to the parcel post generally? There is a pamphlet on my table of evidence taken before the Senate committee which shows the manner in which they figure out the profit on the parcel post. Is the gentleman familiar with that?

Mr. PLATT. No.

Mr. STEENERSON. Does the gentleman know they figure out two-thirds, if not three-fourths, of the parcels were delivered without extra cost to the Government? They never allowed a cent for the parcels which were delivered to the cities where they had the carriers. They only put on a little extra where they had special carriers or special conveyances for the parcels. Because most of the packages were delivered by regular carriers and vehicles they figured that these were delivered "without extra cost" to the Government.

They are just like a railroad manager who would say, "I carry 10 passengers in a car, and I can just as well carry 40 more for nothing, because it does not cost anything." Now, that is the way they figure out that the Parcel Post Service is profitable. They loaded it on the carriers and said it cost nothing. They will figure out, no doubt, that this experiment in carrying farm products to the city will be profitable. If so, it is not necessary to appropriate this money, because they have already made the experiment.

Mr. PLATT. If the gentleman will permit, while I agree with him as to the figures they have already submitted as to the parcel-post profits, in general you can take a mail route extending 50 miles or 100 miles, running back and forth, and keep books on that route and tell whether it pays or not. It seems to me that ought to be a simple thing as compared with the whole.

Mr. STEENERSON. The gentleman may explain that in his own time. I do not believe they will keep correct figures. This is a pet scheme of their own, and they want to expend $300,000 on it; and they will come in to prove that it did not cost hardly anything to do it and that it will cheapen the cost of living. They have been engaged in cheapening the cost of living for the last four or five or six years, and if they keep on cheapening it as they have in the last five or six years I do not know

where we are going to get the money to pay for it. A few more such victories over high prices and we are undone.

It can be proven that the cost of living to the farmer to-day has been doubled. A few years ago, before this great reform was inaugurated, a farmer could go to the mill and get his wheat ground for a toll of 1 peck on a 2-bushel sack. I am old enough to remember when in southern Minnesota I used to take from the farm a load of wheat to the mill, and the miller would come with his toll dish of a peck and take a peck out of each bag. That is 12½ per cent to transform it into flour. How much does he get under this administration? A farmer gets back about 60 per cent. He pays 40 per cent to the middleman.

That is the way they have cheapened the cost of living to the farmer, and if you keep on with these experiments, piling up taxes at the rate of $300,000 a year, $1,000 a day for this experiment, and keep on transferring all activities to some Government agency that wants higher salaries like these rural carriers and all the clerks—and they need it—the result will be that you will increase the cost of living and increase the profit of the middleman, whether he be a Government agent or a private citizen.

Now, in conclusion, I do not care whether you pass that bill or not, but I feel it my duty to point out to you what it is. It is absolutely necessary, if we are going to maintain the Postal Service, both in the cities and in the country, that these salaries or compensations should be increased, and for that reason I am in favor of them.

Now, Mr. Chairman, I reserve the balance of my time. [Applause.]

Mr. MOON. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROUSE].

Mr. ROUSE. Mr. Chairman, on the 12th day of this month a great patriotic mass meeting was held in Covington, Ky., where certain resolutions were adopted, that were addressed to the President of the United States, and to the Senate and House of Representatives, and in my time, and in order to save time, I ask unanimous consent that the resolutions be printed in the RECORD.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to print the resolutions referred to in the RECORD. Is there objection?

There was no objection.

The resolutions are as follows:

I, Stephens L. Blakely, do hereby certify that I am Commonwealth attorney for the sixteenth judicial district of Kentucky and that I presided as chairman at a mass meeting of the citizens of Kenton County held in Covington on the 12th day of March, 1918; that the opening prayer was made by the Rev. T. J. McCaffrey, a Catholic clergyman; and that benediction was pronounced by the Rev. Joseph W. Hagin, a Christian minister; that Rev. I. Cochrane Hunt, a Presbyterian minister; the Hon. Edward O'Hara; Rabbi David Philipson, of the Rockdale Avenue Temple, of Cincinnati, Ohio; the Rev. John F. Hickey, a clergyman; and the Hon. John B. O'Neal addressed the mass meeting on the subject presented in the accompanying resolution. That the accompanying resolution was prepared and read by the Hon. John B. O'Neal and then unanimously adopted.

I further certify that there were present at said meeting about 2,000 reputable citizens of Kenton County, and that there were, according to my information and belief, about 1,000 persons who were unable to enter the hall and who held a mass meeting on the streets outside the hall; that the meeting was called for the expressed purpose of presenting this resolution, and that it is my information and belief that those persons outside the hall favored the adoption of this resolution.

STEPHENS L. BLAKELY,
Commonwealth Attorney, Sixteenth Judicial District.

Subscribed and sworn to before me by Stephens L. Blakely, this the 16th day of March, 1918.

[SEAL.]

A. B. WALKER,
Notary Public, Kenton County, Ky.

To the President, the Senate, and the House of Representatives of the United States of America:

We, the people of Kenton County, Ky., brought together by an awakened sense of the dangers which threaten this Nation, and by the earnest desire of doing what we may to avert those dangers, solemnly declare our unfaltering loyalty and devotion to our country and our unshaken confidence in the ultimate triumph of freedom and righteousness in this war.

We are deeply sensible of the magnitude of the task imposed upon this Government by the state of unpreparedness in which we were found by an enemy which was prepared at every point, and for the manner in which that great task has been undertaken we feel and express a profound appreciation.

That in the face of imminent dangers we were totally unprepared for defense was a national folly, but a calamity not without its uses, if we learn from it that the American people may not with safety to their institutions, their lives, and their honor sleep in the face of peril, be indifferent to every warning, rely upon a fancied isolation, and fatuously take to their bosoms reptiles whose purpose it is to sting, and whose stings are deadly.

We know at last that this Nation has enlisted in a life and death struggle for freedom against oppression, for civilization against a barbarism which science has made only more brutal; that we are not fighting for the abstract principle of democracy alone, but are fighting in our own defense.

We owe to our heroic allies, who have protected us while we slept, aid and cooperation without measure; we know that the awakened might of the American people thrown into this fight will be of incalculable benefit to the cause of humanity, but we can no longer blind ourselves to the truth that we are fighting in defense of our freedom, our homes, our wives, and our children; and we believe it to be the duty of this Government to impress this vital truth upon all Americans who do not already know it.

In the light of the world's dearly bought knowledge of German treachery in peace and German brutality in war, we hold that the safety and happiness of this and future generations demand that this war shall be relentlessly prosecuted to the end; that "peace without victory" would mean a mere truce, to be employed by a ruthless foe, secretly active, in the practice of every device of treachery and corruption.

And in the light of our knowledge of the scope of the German scheme of world supremacy, we believe that it would be folly to doubt that at the end of such a truce we should be fighting for our lives against a Germany as cunning, as brutal, as mad with the lust of power, as is the Germany to-day, but a Germany refreshed and strengthened through German commercial policy and diplomatic villainy.

And we regard it as a self-evident truth that "peace without indemnities" means simply the leaving of the loot in the hands of the thief; that such a truce would mean that in a little while the defenders of the rights of mankind would be fighting again, but under the handicap of exhausted resources and unproductive territories, while brutal Germany attacked with the added power derived from stolen resources and even stolen men.

The purpose of Germany to dominate the world will be merely halted for a short while unless German power is destroyed in this war.

We believe that a free, intelligent, and brave people may well be trusted with the knowledge of all conditions of vital concern to their lives and liberties, and that an unwillingness to alarm loyal citizens, or to give offense to such as are not loyal, be their proportion great or small, has at this time no place in a sound policy.

We believe that every condition which is a menace to us at home or abroad should be frankly recognized and sternly dealt with, and we are completely persuaded that when this is done the certain result will be an aroused and determined people, inspired by just indignation and undaunted in the face of known dangers, a people ready to make any sacrifice to win this war, a people which, knowing what it must do, will do it without fear or question.

Of the vital truths to which we have too long turned an indifferent ear, and to which our safety demands that we be keenly alive, the conditions existing among our so-called German-Americans is perhaps the most important.

We believe and declare as the truth that of our millions of citizens of German extraction many are true and loyal Americans, justly entitled to all honor and to full fellowship with American patriots.

We know that it is equally true that others have not understood or sought to understand American institutions; that they are content to live and thrive among us, caring nothing for our trials and dangers, reading German, thinking German, revering all things German, out of sympathy with us, and in this time of need helping us grudgingly or not at all, forming at all times a fruitful soil for the sowing of the infamous lies of the German propaganda; sullenly quiet now, but potentially dangerous in the event of disaster to our arms, an alien crew richly deserving at all times social and commercial ostracism at the hands of all true Americans.

A third element is actively doing the work of Germany in America.

The fact that we have shared with them without stint all the privileges of American citizenship has not prevented them from spreading the German propaganda, organizing treasonable associations, preaching sedition, and acting as spies, incendiaries, and dynamiters. Prating of freedom of speech, while they speak of treason, they move among us freely, and do us deadly harm while as American citizens they invoke the protection of our laws.

It has at last been forced upon our knowledge that in common with the rest of the world we have for many years been subjected to the sinister workings of an institution infinitely evil, made up of the German spy system and the German propaganda.

We know that the agents and instruments of this foul scheme, unexampled in all the history of national or individual villainy, whether those agents are German ambassadors or German-Americans, are the miners and sappers, the vanguard of a brutal German soldiery.

We know that while we have been blind to the perils within our very homes—while we have welcomed all who came among us, and shared with them all the blessings of our free institutions—this unspeakable iniquity, the vilest enterprise ever conceived by a perverted and criminal intelligence, has labored ceaselessly among us to compass our destruction.

And we know that it labors among us now, with an ever-increasing boldness.

We feel that at this late day there is no need to describe this monstrous tissue of corruption, further than to say that it is a fit instrument for the furtherance of Germany's cruel and crafty scheme of world domination—that so widespread and various are its destructive activities that its service attracts and embraces criminals and criminal organizations of every grade, while much of its hellish work is done by mere dupes and fools.

We believe that the wise regulations, established for the conservation of food and fuel, are potent and even vital instruments in the development of our defense; we pledge ourselves to the observance of those rules, and urge the enactment of laws which will adequately punish those who willfully violate them.

We hold that the agent of Germany, who plots the destruction of a factory or warehouse with the purpose of destroying munitions or provisions necessary to the support of our troops or of our allies, or who plots the destruction of a ship with its cargo of innocent lives, is a thing unfit to live, and that to extend clemency to such a one simply because the plot has failed is no more wise than it would be to spare a cobra because its first stroke had missed its victim.

We believe that our safety demands the stern suppression of those, traitors and fools alike, who preach the doctrines of pacifism and nonresistance at this time, when we can preserve our liberties and the honor and lives of our women and children only by fighting for them with a united determination to win, and with our full and unhampered power.

We believe that we should not longer postpone a full reckoning with the dangers which assail us at home, and that to bear ourselves leniently toward sedition or treason is to invite disaster.

We have learned enough of German designs and German agents to know that generosity, kindness, and mercy find no echo in the black hearts of German spies, traitors, and murderers—we know that this rule holds good through all that evil crew, from ambassadors to soapbox preachers of sedition, and that when we find them at work among us our safety demands their destruction.

We bespeak for labor now and at all times a just and generous consideration, and a consideration commensurate with the indispensable and tremendous part which honest labor must play in the development and support of our national defense.

We recognize and claim for labor the right to organize for the furtherance of its every legitimate interest, but we denounce as a traitor deserving of death one who at the behest of our enemy or in the furtherance of personal and selfish designs obstructs in any way the great and patriotic work which labor must do for our salvation.

Wherefore, in the name of the millions of loyal American citizens who believe as we believe and in the name of the brave men whom we must sustain while they fight for our homes and our women, we call upon our Government for the enactment of laws which will recognize the truth that they who preach pacifism and nonresistance in this hour are public enemies; that each is more dangerous to our armies than a regiment of brutish Huns.

For the enactment and merciless enforcement of laws which will recognize the patent truth that they who plan or accomplish the destruction of supplies necessary for the sustaining of American citizens, American soldiers, or America's allies are murderers striking at the heart of a great Nation, for whom the punishment of speedy death is not only just but necessary.

For the enactment and merciless enforcement of laws, which by penalties of life imprisonment at hard labor, or death by hanging, will crush and destroy every form of sedition or treason and wipe out in America the last vestige of that evil thing through which arrogant and brutal Germany strives to pave the way for her armed hordes of robbers, rapists, and murderers.

For the enactment of laws which will make impossible the dissemination of German lies through the medium of German-language newspapers, magazines, and pamphlets.

For the enactment of laws which will wipe out of existence associations which openly or covertly prevent or delay the assimilation of citizens of German extraction.

For the enactment of laws which will recognize and punish adequately, as a dangerous public enemy, one who by spreading German-hatched lies, or by other means, attempts to interfere with the operation of the conscription laws.

For laws which by drastic penalties and rigid enforcement will destroy every phase of the system by which a cunning and cruel enemy strives to hamper our defense.

We do not present this petition without reflection. We believe that at this day the great mass of the loyal citizens of these United States are awake to the dangers herein indicated; that they are ready to face and overcome them and aid whole-heartedly in the enforcement of a system of laws enacted to that end.

We confidently assert that there is a nation-wide realization of the truth that peace-time laws, made at a time when we were ignorant of Germany's designs, and of the extent and character of the German propaganda, are pitifully inadequate for our present needs.

We submit that aside from all questions of danger to our very existence as a Nation, the continued activity among us of the bold and insolent agents of arrogant and brutal Germany is an intolerable insult, to which a free people may not longer be expected to submit.

We shall win this war. The spirit which animates this greatest of free nations will not brook defeat.

We have a precious heritage to guard, and we shall guard it.

Our women and our children shall not know the horrors of a German triumph, but let it not be said of us that we prolonged this war a single day or sacrificed the life of a single brave man because we permitted our power to support our soldiers and our allies to be impaired, because we hesitated at hanging those who would have stabbed our defenders in the back and made of us the victims of German domination.

Mr. ROUSE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back nine minutes.

Mr. STEENERSON. I yield 30 minutes to the gentleman from Illinois [Mr. MADDEN], a member of the committee. [Applause.]

Mr. MADDEN. Mr. Chairman and gentlemen, I shall be very much pleased if the Members present will refrain from asking questions until I can explain the provisions of the bill, and then at the end of 20 minutes I shall be glad to devote myself to answering any questions, but up to that time I would like to go on with an explanation of the bill H. R. 9414.

There seems to have been some controversy as to whose bill this is, and in order to clear up any misgivings as to whose name ought to be carried in the bill, I want to say that it is a committee bill. It is prepared by the Committee on the Post Office and Post Roads and bears the name of the chairman, who had the right to have his name attached to it as the result of the work of the committee over which he presides. I am but a very humble member of the committee and have no desire for any distinction in connection with any work I do on the committee. I make no claim to superiority of thought or work or deed, and I want everybody to distinctly understand that if there is anybody jealous of proprietary ownership in this or any other bill, I am not the one. All I want to do is to have an opportunity to work, and I am glad to have that opportunity.

Now for the bill. First, this bill provides that for and during the period of the war and for 90 days after a certain percentage of increase shall be granted to certain employees of the Post Office Department. There are about 270,000 men and women in the Post Office Department, and, of course, whatever increase in compensation may be granted them is going to involve the expenditure of a lot of money. But the expenditure of a lot of money does not mean anything if we intend to do justice. If there was but a single individual involved in the principles that are laid down in this bill, I venture to say that no man in the United States would object to the increased compensation recommended by the bill, but merely because there are two hundred and seventy thousand and odd men and women involved in it it may be said it costs too much money. Now, the money does not concern me. It is justice that is at stake. [Applause.] And if it is just to deal on this proposition with one employee, it is equally just to deal with 270,000 employees. The question of justice is the question with which we are to deal, not with the volume of money that is involved. We are fighting a world war for justice regardless of cost in either men or money. Who will deny our right to do justice to the men in the Postal Service?

Now, this bill provides at the outset that it shall only continue in force until 90 days after the proclamation of peace. I want to be frank with the House. I am in favor of eliminating that temporary provision of the bill. I want to see the law made permanent. [Applause.] I believe the justice of the case demands it. It says that for this period, brief or long, as the case may be, the rural carriers, the maximum salary of whom is $1,200, shall receive 15 per cent in addition to what they now receive. Now, the reason why it says up to $1,200 is that $1,200 is the highest pay. If $1,500 was the highest pay, this 15 per cent would go to the $1,500, because that is what it does in other cases where the compensation of the men employed in the service is $1,500.

Then it provides that, in addition to the 15 per cent, we are to pay $24 per mile per annum for each mile that a rural carrier travels over 24 miles. He gets nothing now. That is the difference between what the bill proposes and what the existing law provides, so that if a man to-day traveled 30 miles and delivers the mail on that route for $1,200 a year, he will receive under the provisions of this bill $1,524 a year, or $324 a year more. I think that is sufficient explanation of that.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I would rather not until I get to the end of these matters. I think it will be better to make a consecutive statement. Then I will yield.

Now, with respect to the city clerks and carriers I want to say that in 1907 the Congress enacted what is known as the classification law. Under that classification law the clerks and carriers were placed in six classes. The first class was paid $800 a year, and these men were automatically promoted from $800 a year, which was the entrance salary, up to $1,200; and in that classification law there was a provision for special clerks, ranging up to $1,300 and $1,400, so that to-day we have classes in the carrier and clerk service running from $800 to $1,400 a year.

This bill proposes to continue the classification of these men. But it starts them in at $1,000 a year instead of $800 a year, and lands them finally at $1,500 a year instead of $1,400 a year. That is the story. They get no percentage increase. They simply retain their classification. They received no percentage increase last year when the employees of every other branch of the Government had their salaries increased. They were not considered as worthy.

Now, why should we treat the clerks and carriers on a different basis from other branches of the service?

I will tell you why. It is said that we ought not to pay men in the Postal Service more than is being paid in other branches of the Government service. I do not agree with that, and I have a reason for my disagreement, and I am going to tell you what it is.

To begin with, the men who enter the other branches of the service enter to perform routine work, and their hours of labor are eight per day, and they continue to go up from class to class and receive additional compensation as they move from one class to another. But they never have to work more than 8 hours a day, whereas the clerks and carriers are compelled to be on call for duty 10 hours every day. Not that they have to work 10 hours, but they must be on call. A man might just as well be at work as on call, and some men would a good deal rather work than be sitting around waiting for the hour to come when he should begin work.

Now, why are these men required to be on call? Because the trains come in at such hours that it is impossible for them to work a straight eight-hour day. In addition to that, every clerk in a first or second class office is required to learn the schemes of distributing the mail. What is the scheme of distributing the mail? It is throwing the letters which come in the post office into a given box, so that they may be dispatched for early delivery to their points of destination.

These men are required to take examinations in the study of these schemes, and it takes them two hours every day during all the period of their employment in the Postal Service to study these schemes, and they study them in their own time and at their own expense after working hours. So that these

men are working not 8 hours a day but 12 hours a day, and the character of their service is totally different from that of men and women employed in every other branch of the Government service. They are required to be examined every 30 days on the question of efficiency. They are required to stand an average of 99 per cent perfect in the distribution schemes. They are required to learn and commit to memory anywhere from 3,000 to 10,000 names of post offices; and when they have learned 10,000 names of post offices, so that they can dispatch the mails with the greatest rapidity to these towns, they are given a new scheme, and the most important thing they have then to do is to forget the old scheme while they are learning the new one; and when they have learned a second scheme they are given a third, until most of these men learn every post office in the United States.

Does anyone deny the right of better compensation to men who devote their time to such a service? It is characteristic of these men to do the thing that is best to be done for the service. They are devoted to it. They have made it what it is. Their devotion, their integrity, their untiring labor, their determination to make the department popular with the people have made this department the great department that it is. [Applause.]

Now, I am not going further into that. Then we have the railway mail clerk, who goes out from place to place, assuming the danger of travel on railroads. He works all night, while we are asleep, in order that we may be able to have our mail delivered early in the morning. He has to buy his food when he reaches his destination. He sometimes is on his trip for 18 hours on a stretch, and while the average hours of employment of a railway postal clerk are said to be only six hours and a half daily, yet, on the whole, there is no employment anywhere that shatters the nerves of men to the extent that this service does. Theirs is a hazardous employment, extra hazardous, and it is hard work, and they are required to study these schemes.

It is true that in their case they have the time allowed them for the study of the schemes, but it is no easy matter for men to commit to memory thousands of names of post offices in order that they may be able to perform the duties devolved upon them by their work in such a way as to give the quickest and best possible service to the people by whom they are employed.

Then when they get into the service and have reached the highest standard of efficiency a reorganization of the service frequently finds these men turned out of the places they have reached by reason of their efficiency, and they are required to take a transfer to some unknown place, in some other section of the country; to give up the home that they have saved the money to buy; to leave their family and their friends; or, if they are unable to take the transfer which is suggested to them by the department on account of these reorganizations, they are compelled to take a place in a terminal station at $200 a year less than they were formerly receiving. This after long years of worthy service. No other business in the world demands such sacrifices from the men employed in it as does this great service. These men are willing and glad to make the sacrifices. But, you say, why do they not enter some other service? Well, they have entered this service with the hope of making it their life work. They have learned to be experts and they are experts, but what they have learned in order to make them most efficient in the Postal Service is of no value whatever in any other service in the world. They have learned nothing that is of use in commercial life, and they can not find employment in commercial life as the result of the knowledge which they have acquired in the postal service. And so while they are experts, they have but one employer to whom they can sell their labor, their brains, and their expert knowldege, and that employer is the Government of the United States.

We men on this floor speak for the Government of the United States. Then the question is, Shall we speak justly, shall we give the consideration that the case of these men justifies, shall our consideration of their case be on the basis of how it affects the Treasury or on the measure of justice involved? Are they entitled to increased compensation for the work they do? Have they rendered service that justifies their employer in saying, "Well done, thou good and faithful servant"? If they have, then why should we not do what every other employer in the Union does to-day, recognize their right to increased compensation? Shoes that a year or two ago you could buy for $3 a pair now cost $7 or $8 a pair. It costs almost twice as much for a suit of clothes as it did two or three years ago. House rents have gone up beyond recall. Everything that goes into the expense of maintaining a family has gone beyond the reach of the ordinary man. The man who could live in comfort four or five years ago on a salary of $1,200 to-day finds himself living not on the ordinary necessaries of life but having to give them up and live in the most meager way. Seventy per cent of the men in the Postal Service in the great cities work nights. They are at work when we are asleep. They work nights for over 20 years before they earn the right to a day job. The day jobs come to the men employed in the Postal Service in the great cities by reason of seniority of service. Does anybody deny that it is much more agreeable to work in the daytime than it is to work at night? Does anyone deny that in working nights and giving up the social fabric of life these men are making sacrifices? Does anyone deny that the families of these men would be glad to have them at home in the evening? Does anyone deny that the children of these men rarely see them? Because while the children are at school or at play these men are asleep at home, and while their children are asleep at home these men are at work at night. You can not give too much consideration to these men if you want to-do them justice. [Applause.]

And the period of the war for these increased compensations would not be just. They should be permanent. They are not excessive, and the recommendation of the Post Office Committee is not only reasonable but less than just.

We provide also for assistant postmasters. To-day assistant postmasters receive 50 per cent of the salary of the postmaster, but for the first time we have made it 65 per cent of the salary of the postmaster. Who will deny that these worthy men, who act as assistant postmasters throughout the country, doing the executive work of these important offices, are entitled to some consideration?

We provide also for the watchmen, the printers, the chauffeurs, the messengers, the janitors, the women in the post offices, the per diem employees, and the charwomen; and in case we have missed anybody by enumeration we provide that all employees of the Post Office Service not specifically enumerated are to be covered by the terms of this increase in compensation.

Mr. BOOHER. Will the gentleman permit me to ask him a question?

Mr. MADDEN. Certainly.

Mr. BOOHER. I notice that the bill names all the employees except the carriers in the villages.

Mr. MADDEN. The village delivery service is in an experimental stage. There are only a certain number of villages to which delivery service has been given. The appropriation for that service is made in bulk, a lump sum, and the compensation paid to the men who act as carriers there is fixed by the Postmaster General. But the terms of this section of the bill increase the compensation which the Postmaster General has already fixed, by making it 15 per cent higher than it is to-day.

Mr. BOOHER. Does that cover these employees?

Mr. MADDEN. Absolutely. Every employee in the Postal Service, whether he is mentioned by name or not, is absolutely covered.

Mr. BOOHER. That is what I wanted to know.

Mr. GALLAGHER. Is it not a fact that there is an efficiency record kept on these people and that before they will be promoted they will have to pass this efficiency examination?

Mr. MADDEN. The men have to stand 99 per cent at every 30-day examination or they are demoted.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Wisconsin.

Mr. COOPER of Wisconsin. What salaries do janitors get?

Mr. MADDEN. Nine hundred dollars a year for the Postal Service; but if they are employed under the Treasury Department they get $55 a month; but we have covered the Treasury Department janitors in this bill, in the hope that the House will agree with us that we have done the right thing in providing for them.

Mr. COOPER of Wisconsin. Not many years ago, in fact quite recently, the janitors in the city post office in my home did not get $900 a year.

Mr. MADDEN. They do not get it now, because the janitors in the post office of the gentleman's city are Treasury Department employees.

Mr. COOPER of Wisconsin. Does this bill make any provision for them at all?

Mr. MADDEN. It does. It puts them on the same basis as the janitors in the Postal Service.

Mr. COOPER of Wisconsin. It gives them only 15 per cent increase.

Mr. MADDEN. It gives them 15 per cent.

Mr. COOPER of Wisconsin. I am in favor of the increases which are given in this bill, but I do not think an increase of only 15 per cent to a janitor in my city or in any other city who gets only $55 a month is a sufficient increase. A man who gets $600 a year, with an increase of 15 per cent, will then get only $690, and that is not a living wage in these days.

Mr. MADDEN. I agree with the gentleman exactly. He ought to get more.

Mr. COOPER of Wisconsin. He ought to get more. Now, why should not a man who is as poor as that, and is obliged to support himself and his wife and children on $600 a year, get more than a $90 increase? Why make any man work all day for the United States Government for $690 a year.

Mr. MADDEN. I will say in reply to my friend from Wisconsin that we did not have jurisdiction over the men that he refers to, but we assumed the jurisdiction in order that we might do something for them. Now, I can not yield further. We assumed jurisdiction, but I believe the Appropriation Committee allowed $120 a year to these men in addition to what they were receiving. So it has no place in this bill.

Mr. LOBECK. Will the gentleman yield?

Mr. MADDEN. Yes; briefly.

Mr. LOBECK. In the Treasury Department they pay on an average $600 for laborers that work on the outside of the halls in the Federal buildings of the post office. Laborers on the inside are getting on the average——

Mr. MADDEN. Nine hundred dollars a year, but that is under the Post Office Department.

Mr. FARR. Has the Post Office Committee got jurisdiction of the firemen?

Mr. MADDEN. No; they are under the Treasury Department.

Mr. FARR. They will not get the 15 per cent.

Mr. MADDEN. They will not get that in this bill, but the general bill passed a few days ago will give them each $120 more than they now get.

Mr. LARSEN. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. LARSEN. In my town the assistant postmaster receives $620, and one clerk—the chief clerk—under the terms of this bill would receive $1,500. The assistant postmaster at the present time gets a half of the salary of the postmaster.

Mr. MADDEN. The assistant postmaster——

Mr. LARSEN. I have not finished my question.

Mr. MADDEN. I know what the gentleman is going to say, that he will get less than the chief clerk. But he can transfer himself from the position of assistant postmaster to that of clerk and take his job. He would not get anything under any circumstances unless the committee decided to give assistant postmasters consideration. There is no reason why assistant postmasters should get a higher percentage than anybody else. If he is unfortunate enough to occupy a position which is not up to the grade of the clerk, he can take the place of the clerk.

Mr. KEARNS. Will the gentleman yield?

Mr. MADDEN. Very briefly.

Mr. KEARNS. I understood the gentleman to say a while ago that all the clerks in the mail service in the Post Office Department had increased compensation under this bill.

Mr. MADDEN. Everybody is increased under the bill that works for the Post Office Department—everybody; you do not have to stop to enumerate them.

Mr. CARTER of Oklahoma. The gentleman does not include third-class postmasters.

Mr. MADDEN. We do not take postmasters into consideration at all; they are not employees.

Mr. KEARNS. There are 120 chief clerks.

Mr. MADDEN. Every man receiving compensation below $1,800 is increased.

Mr. CARTER of Oklahoma. What is the increased compensation for clerks at third-class post offices?

Mr. MADDEN. Third-class offices have no clerks. The clerk hire is allowed by the Postmaster General out of a lump-sum appropriation that is placed at the discretion of the Postmaster General.

Mr. CARTER of Oklahoma. They are not increased?

Mr. MADDEN. Not unless the Postmaster General increases the compensation of the postmasters. They are not clerks, but are paid out of the amount that is allowed to the postmaster. I want to call attention to the fact that we have fixed an eight-hour day for laborers who work in the Post Office Department, and that is something that they never had before. [Applause.] In the last bill passed by Congress last year there was an increased compensation of 5 to 10 per cent. It was provided that men receiving up to $1,000 in the Post Office Service should be the beneficiaries of that compensation, but the Comptroller of the Treasury ruled that the increased compensation could not apply to any person in the Post Office Service, no matter whether he came within the range of salary or not, if he had been in the service before the 3d of March last year. So while men who have been in the service for years and were experts were denied the right of increased compensation, the men who came in after the 3d of March received it. We have a provision in this bill that is retroactive and which provides that the men who were denied the right of increased compensation, which Congress intended they should have, shall be paid from the 1st of July last up to the time this law becomes effective. So they are provided for.

One more thing. We provide for an increased compensation to fourth-class postmasters. To-day the law provides that fourth-class postmasters shall have all of the cancellations up to $50, 60 per cent up to another amount, 50 per cent over a certain amount, and 40 per cent over a certain other amount.

This bill provides that the fourth-class postmasters are to receive all cancellations up to $100, and that the present law shall be effective in every other respect, so that now under the provisions of this bill in fourth-class offices where the cancellation amounts to $100 a quarter, every dollar of that will go to the fourth-class postmaster, and he will thereby receive $80 a year more than he is receiving to-day. If he has more cancellations than $100 per quarter he will receive the same percentages on these cancellations that he receives to-day under existing law.

Now, I want to pay my compliments to the members of the Post Office Committee for the uniform courtesy they have shown to me in connection with the work on which we have been engaged. A draft of this bill and an agreement to the terms of the bill has been no easy matter. We have reached our conclusions as the result of compromise. Sometimes we have not agreed happily. But before we got through we were all happy and all a single family, and, although there may be members of the Post Office Committee who are opposed to this bill, and have the right to express their views as I claim the right to express mine, I shall not find fault with any man on the committee or elsewhere if he does not agree with me. I believe that this bill is a good bill, except that its provisions for increased compensation are temporary instead of permanent. [Applause.]

Mr. CARY. Mr. Chairman, I ask unanimous consent to extend my remarks upon this bill in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOON. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. BELL].

Mr. BELL. Mr. Chairman, in the 20 minutes allotted to me I regret to say that I will not have time to discuss all of the provisions of the bill that I would like to, and there are therefore some that I shall not attempt to discuss. Your committee had this legislation under advisement for more than two months. We had extended hearings and representatives were there from all branches of the Postal Service, from the rural free-delivery associations, from the railway mail clerks' association, and the post office, and the city letter carriers, as well as the fourth-class postmasters. About 150 Members of Congress appeared in person before our committee indorsing this legislation.

The first provision of the bill refers to the Rural Free Delivery Service and provides that carriers in that service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum, and $24 per mile per annum for each additional mile over 24 miles. At the present time a rural carrier's compensation for a standard route of 24 miles is $1,200. There are quite a number of routes in the United States more than 24 miles in length. Some of them are as much as 28 and 30 miles in length, and for these extra miles more than 24 miles the carrier gets absolutely nothing. We must all agree that that is not fair to the carrier. We provide a flat increase of 15 per cent up to and including the $1,200 salary, and $24 per mile for the excess miles above 24. The average compensation of rural carriers is $1,174 per annum. Out of this compensation he must pay for his equipment, for a horse and buggy, and the maintenance of both, and in some instances—and I know that this is true in my own district—some carriers must use two horses because of road conditions. I have had some statements furnished me which would show that the expense of some of the rural carriers throughout the country is almost as much as the compensation they are receiving from the Government. This, as a matter of course, has caused quite a number of resignations, and from July 1, 1917, to December 30 of the same year there were 3,705 resignations in the Rural Free Delivery Service.

Mr. HELM. How many of those resignations were due to enlistment in the Army or as a result of conscription?

Mr. BELL. That I do not know; but I think the percentage is small. I do not know just what it is. I am sorry that I can not give the gentleman that information.

Mr. MADDEN. Mr. Chairman, will the gentleman yield there for a suggestion?

Mr. BELL. Yes.

Mr. MADDEN. I want to say to the rural carriers of the country that they have no better friend anywhere in America

than the gentleman from Georgia [Mr. BELL], who has devoted himself, in season and out of season, to the promotion of justice to these men. [Applause.]

Mr. BELL. I thank the gentleman for that statement.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. BELL. Yes.

Mr. DYER. I just want to supplement the statement of the gentleman from Illinois in what he said in respect to the gentleman from Georgia as a friend of the rural carriers by saying that the gentleman from Georgia is one of the best friends of the Postal Service employees in the big cities and the country over that we have ever had on the Post Office Committee. [Applause.]

Mr. ALMON. As I understand, those rural carriers drafted into the military service do not resign, but they are given a leave of absence and a substitute is put in their place until their return.

Mr. BELL. They can resume their work at the end of the war. Mr. Chairman, there are 43,444 rural routes in the United States. There are 43,318 carriers. There are more routes than there are carriers for the reason that a carrier can carry two routes; that is, three times a week. Hence the difference in the number of carriers and the number of routes. The average mileage on the 43,444 routes in the United States is 25.29. So you can see the large number of routes that are more than 24 miles, which the carriers now only receive $1,200 for carrying. Here is an item that I believe is of interest to us all and that we will appreciate. The cost of delivering mail over the rural routes in the United States, with the large number that we have, is only 15 cents per mile. It costs the Government of the United States only 15 cents per mile to deliver the vast quantity of mail that it does now to the rural sections of the country, and this service, in my judgment, is the greatest blessing the people in the rural sections have received from their Government in a hundred years.

The daily average covered, in miles, is 1,103,662. The annual mileage covered is 338,824,387. The rural mail is delivered every year in the United States to 5,882,797 families, representing 27,000,000 people. So you may see that with an annual appropriation of not more than $53,000,000 you are delivering at the doors of the people in the rural sections to one-fourth of the population of the United States.

I regret to take issue with the distinguished chairman of the Committee on the Post Office and Post Roads when he made the statement that the star service was as good service as that of the rural free delivery. The distinguished chairman must have been dreaming and thinking about the service that we had just after the Civil War. There is no comparison between the service of the rural free delivery and that of the star-route service, and I would dislike very much, and I hope I will never live to see the day that the Government of the United States will go back to the old star-route contract service. [Applause.] The cost of the Rural Free Delivery Service to each patron annually in the United States is only $1.95. Something was said about the salaries of the assistant postmasters of the first and second class. They were paid——

Mr. DOWELL. Will the gentleman yield?

Mr. BELL. Yes, sir.

Mr. DOWELL. Did the committee consider the question of making an allowance for the upkeep or for the expense of the carrier rather than the additional expense of the carrier at the present time?

Mr. BELL. We did consider that; yes, sir. We thought it would be very much better to provide a flat increase up to salaries of $1,200, and then give them increase for the mileage over 24 miles, than to have the equipment allowance, because it would be less work for the department and more satisfactory to the carriers.

Mr. DOWELL. Could not there have been a limited amount for upkeep and expenses that would have covered all of the carriers in the country?

Mr. BELL. Well, I think so; yes. But, as I have said, I think the increase we have given the carriers is very much more satisfactory to them and to the department.

Mr. DOWELL. Is it sufficient? Under the increase the gentleman has just given I think the expenses are something in the neighborhood of $600 per annum for each carrier?

Mr. BELL. Yes.

Mr. DOWELL. The added increase will not take care of that expenditure?

Mr. BELL. Well, it will in most instances, I think, and possibly in all of them.

The salaries of assistant postmasters in first and second class post offices could not, under current law, exceed 50 per cent of the postmaster's salary. We provide an increase of 15 per cent for these assistant postmasters, and they are entitled to it. My observation teaches me that the assistant postmasters in first and second class post offices, in many instances, do really more work and have more responsibility than the postmaster himself.

Mr. SLOAN. Will the gentleman yield?

Mr. BELL. Yes.

Mr. SLOAN. Is that 15 per cent on the assistant postmaster's salary or 15 per cent of the principal's salary that is granted to the assistant?

Mr. BELL. No; they are entitled to 15 per cent where they receive salaries up to and including $1,200 per annum.

Mr. SLOAN. Assistant postmasters?

Mr. BELL. Yes, sir. But they can not get more than 50 per cent of the postmaster's salary now.

Mr. SLOAN. And they get under your bill 65 per cent of the postmaster's salary?

Mr. BELL. They get 15 per cent added to the amount which they get.

Mr. SLOAN. Of their own salary or 15 per cent of the principal's salary?

Mr. BELL. Of their own salary.

Here is the section that I want to call special attention to—section 4, which says:

That the Postmaster General shall have authority to investigate conditions arising from contracts in the star route and screen and wagon service with a view to adjusting compensation and adjust the same in cases where the facts disclose the necessity for such adjustment.

That is the only way by which we felt the star contractors, who are now suffering in the flesh on account of the low bids submitted and the contracts accepted, on account of the high cost of living, could be helped, and the only way by which we could do anything for them, and we were obliged to leave it in the discretion of the Postmaster General. Under the present law, if a contractor refuses to carry his contract further it becomes the duty of the sureties on that contract to carry that mail. If they refuse to do it, then the Government proceeds to collect the amount on the bond.

Mr. DOWELL. Does the gentleman know how many of these contracts could be modified under the provisions of the bill just referred to?

Mr. BELL. No. That would take a personal investigation by a representative of the department in order to find that out.

Mr. DOWELL. Did the committee make an investigation as to the condition of these contracts and as to what it would cost the Government to revise the contracts in accordance with the provision of the bill?

Mr. BELL. They did not undertake that, but they allow the Postmaster General and give him discretion to change these contracts where the circumstances justify it, and the investigations will be made by representatives of the department.

Mr. DOWELL. In other words, if the contract was made before the war on terms that the contractor could not comply with because of the high cost of living, the Postmaster General is permitted to make a change in that contract to fit the present conditions? Is that the purpose of this?

Mr. BELL. That is correct. That is the intention of this provision.

Mr. SLOAN. For what period are these contracts of which you speak usually drawn?

Mr. BELL. For a four-year period.

Mr. PLATT. Is the gentleman going to touch upon the $300,000 appropriation for motor mail routes before he concludes?

Mr. BELL. I will hardly have the time to do that, I guess. I only wish I had the time to do so.

Mr. HELM. Will the gentleman yield for a question?

Mr. BELL. Yes.

Mr. HELM. Are the increases provided for in this bill annual increases or do they increase year after year?

Mr. BELL. Which particular branch of the service do you refer to?

Mr. HELM. In other words, I understood the chairman to say that this would make an increase of $26,000,000 next year. What are the probable increases year after next?

Mr. BELL. He was referring then to city carriers, I think.

Mr. HELM. What is the estimated annual increase as the result of the passage of this bill?

Mr. BELL. Well, about $30,000,000.

Mr. HELM. That is for the first year?

Mr. BELL. Yes.

Mr. HELM. What will it be for the second year?

Mr. BELL. It would be more, but I would not undertake to give the exact figures.

Mr. BLACK. I can give the figures, if the gentleman will yield.

Mr. BELL. I will be glad to do that.

Mr. BLACK. The increase, if the bill is passed as it stands, will be for the first year $25,000,000 plus, and for the next year $36,000,000, and for the third year $48,000,000, and for the fourth year $53,000,000, in round numbers.

Mr. HELM. What about the fifth year?

Mr. BLACK. Well, it reaches the peak of cost about the fourth year.

Mr. BELL. Mr. Chairman, let me inquire how much time I have to my credit?

The CHAIRMAN (Mr. GOODWIN of Arkansas). The gentleman has four minutes left.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BELL. Yes.

Mr. GRAHAM of Illinois. Some time ago there was a bill in the House for the relief of a screen-wagon contractor in Kansas City. I presume that this bill will cover his case?

Mr. BELL. It does. I would like to say to the gentleman, too, that that was one of the cases that attracted my attention and caused me to ask the committee to put that provision in the bill. It was particularly that case at Kansas City, Mo., and I have some cases in my district which should have readjustment.

Mr. GRAHAM of Illinois. Did the committee have its attention called to other specific instances?

Mr. BELL. I do not think the committee did, as a whole, but I think individual members did.

Mr. GRAHAM of Illinois. There is no doubt of the equity in that case?

Mr. BELL. No; I have no doubt of it.

Mr. CARTER of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. BELL. Yes.

Mr. CARTER of Oklahoma. I would like to ask the gentleman a question about the compensation of employees in third-class post offices.

Mr. BELL. I yield to the gentleman.

Mr. CARTER of Oklahoma. Is it the gentleman's contention that the bill does not carry any increase to employees of third-class post offices?

Mr. BELL. It is my understanding that it does not carry any increase to employees of third-class post offices.

Mr. CARTER of Oklahoma. What is the explanation of this language, beginning in line 17, "and all other postal employees not enumerated in section 1 whose rate of compensation is $1,200 or less per annum shall receive 15 per cent increase in their compensation"?

Mr. BELL. My understanding is that clerks in post offices of the third class are not strictly postal employees under the Government service, but are selected by and through the postmaster himself and paid through the postmaster.

Mr. CARTER of Oklahoma. I have a statement made by the Postmaster General, which has been handed to me by the gentleman from Texas [Mr. BLACK], in reference to the bill H. R. 9414, which is the bill under consideration, and in his statement of the amount of appropriation necessary to carry out the increase he says, "15 per cent increase to the clerical employees at third-class offices, $300,000."

Mr. BELL. These clerks are paid through the postmasters, as I understand it, and they are not strictly postal employees of the Government. They are paid out of an allowance, a lump-sum amount, a lump-sum appropriation, and it is in the discretion of the Post Office Department as to how much will be allowed to any particular post office for that purpose.

Mr. CARTER of Oklahoma. That lump-sum appropriation is $2,000,000, as I understand it?

Mr. BELL. Yes; I think so.

Mr. CARTER of Oklahoma. Fifteen per cent of that would be $300,000. That is the amount the Postmaster General estimates as necessary to increase the salaries of the postal employees 15 per cent.

Mr. BELL. The increase here is to the postal employees. These are not, in a sense, postal employees, but they are employed by the postmaster, and paid by him, and partly out of his own pocket sometimes.

Mr. CARTER of Oklahoma. Evidently the Postmaster General construes that differently, in view of his statement in connection with the bill. Does not the gentleman think those employees are entitled to have their compensation increased along with the others? I believe they are about the poorest paid of all.

Mr. BELL. I would be willing to support something for these people because I think they are entitled to it.

Mr. CARTER of Oklahoma. The gentleman thinks they should be taken care of in the bill?

Mr. BELL. Yes; I think so.

Mr. LOBECK. Mr. Chairman, will the gentleman yield?

Mr. BELL. Yes.

Mr. LOBECK. In line 2 assistants in first and second class post offices are mentioned, and then they are not mentioned afterwards, where they belong, whether in first or second class offices. They might be in the third class.

Mr. BELL. Assistant postmasters in offices of the first and second classes are paid direct by the Government.

Mr. LOBECK. But the language here would indicate that any post-office clerk employed in the post-office service would be entitled to this increase. Unless it is amended, it seems to me it might be construed in that way.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MOON. Mr. Chairman, I yield to the gentleman one minute more.

Mr. CARTER of Oklahoma. Well, in reply to what the gentleman from Nebraska [Mr. LOBECK] said, this latter language does not seem to connect up with the language in the first part of the section.

Mr. LOBECK. That is what I was referring to.

Mr. CARTER of Oklahoma. Evidently these officials' salaries would be increased under this bill.

Mr. BELL. Does the gentleman mean clerks in third-class offices?

Mr. CARTER of Oklahoma. Yes. At least if the Postmaster General so construed it. Now, my friend knows that these people are really about the poorest paid in the public service.

Mr. BELL. Yes; they are poorly paid, but they are employed by the postmasters themselves, and that portion of their compensation paid by the Government is paid to the postmaster and paid out by him to the clerks in his office.

Mr. RANDALL. The clerks in third-class post offices are not employees of the Post Office Department at all. They are employees of the postmaster. He fixes the salary of his clerk and pays it himself, and most of it is paid out of his own pocket. The Post Office Department has nothing to do with the amount of it.

Mr. CARTER of Oklahoma. But the Post Office Department has something to do with the amount of it, because it makes the allowance for clerk hire at that particular point.

Mr. RANDALL. Certainly; but that is no indication of the salary the clerk receives. The postmaster pays a portion of the salary out of his own pocket.

Mr. CARTER of Oklahoma. The postmaster would not be permitted to pay it unless he had an employee there.

Mr. RANDALL. Certainly; but he pays a part of it out of his own pocket.

Mr. LOBECK. He has to write to the Postmaster General to get this clerk.

Mr. ALMON. Is not that clerk a post-office clerk?

Mr. RANDALL. He is not paid a salary as a post-office clerk.

Mr. BELL. The gentleman from California is correct in his statement. I am glad to see such universal approval, on both sides of the aisle, of this bill. I feel that it is a meritorious measure, and I trust it will pass without a dissenting vote.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. HAMLIN having taken the chair as Speaker pro tempore, a message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had, on March 21, 1918, approved and signed bills of the following titles:

H. R. 175. An act to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915 and for prior years, and for other purposes"; and

S. 3752. An act to provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

INCREASED COMPENSATION TO EMPLOYEES OF THE POST OFFICE DEPARTMENT.

The committee resumed its session.

Mr. STEENERSON. I yield to the gentleman from New York [Mr. SWIFT].

Mr. SWIFT. Mr. Chairman, I note with much gratification the legislation proposed in the pending bill for the improvement of the conditions of the employees in the Postal Service. I have attended hearings on the bill and registered my approval of its purposes and objects, particularly those relating to the increase of compensation.

The Postal Service is the one great department of the Government with which the public is thoroughly familiar, and therefore is the most popular branch of the Government service. The expansion of postal facilities by the incorporation of the parcel-post act and the Postal Savings System has been universally approved by the people.

The letter carriers and clerks in the City Delivery Service must be high-minded men of exceptional physical ability and, moreover, possess unusual intelligence to pass the prescribed civil-service examination before they can enter the service. Their duties are arduous and exacting and require the exercise of uniform patience and courtesy. The discipline of the service is extremely strict and the penalties imposed for infraction of the rules is rigorous and severe.

They are intrusted with the collection and delivery of the mail, which contains securities of great value and carry messages of sorrow and joy to the people in every walk of life. The trusted messengers of the people, they are and must be men of high character and integrity, possessed of personal traits whereby they can render satisfactory service to an exacting public.

Postal employees should receive compensation commensurate with the responsibility of the duties they perform and should likewise be granted every reasonable consideration to encourage the rendition of high-grade service. I am confident the people will welcome the passage of this legislation, as is evidenced by the adoption of affirmative resolutions by numerous civic and other nonpartisan organizations throughout the country. It is my earnest hope that the Congress will adopt in the near future more comprehensive remedial legislation than that outlined in the pending bill.

I shall continue to give this bill my unqualified support and trust that some small measure of justice will be granted to the splendid body of men in the Postal Service by the prompt enactment of the pending bill into public law.

Mr. MOON. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. TAGUE] five minutes.

Mr. TAGUE. Mr. Chairman, in the few minutes allotted to me I will not attempt to go into the bill in general. I do want to say, however, that it is a very pleasing thing that so many Members of the House are alive to the real situation that confronts the men who are employed in the Post Office Department. That is one of the reasons why your committee have worked so hard to bring in a bill that will pass in this Congress. I would go even further than this bill goes, if I had my way, and make a further increase in many of these salaries. I would also wipe out that provision in the bill which makes it apply only during the war. If the speeches that have been made here to-day in behalf of the employees of the Post Office Department are any criterion to go by, then I think it will be in keeping with the minds of the Members of this House to adopt an amendment which will be offered wiping out the limitation and making these increases permanent law.

Mr. DYER. Will the gentleman yield for a question?

Mr. TAGUE. Yes.

Mr. DYER. Do I understand that amendment will be offered by the committee?

Mr. TAGUE. No; I did not say that. But I understand the amendment is to be offered.

Mr. DYER. I hope it will be offered and I hope it will pass.

Mr. TAGUE. Mr. Chairman, this bill aims to bring about partial justice to the men who serve in the post offices of the country. This branch of the service is to my mind nearer and closer to the people than any other and at the same time altogether different from any other branch of the public service. The men who enter the employment of the Post Office Department have to wait years before they have an opportunity to earn even a fair day's pay. They enter the department first as substitutes and are obliged to report at the post office every morning after they have been called to do substitute work. Some days some of them earn barely enough to pay their car fare back and forth from and to their homes. Then when they enter the permanent service they receive $800 a year, and it is five years before they reach the point where they are getting anywhere near a compensation sufficient to take care of their families.

Not alone that, but 75 per cent of all the service of the clerks in the post offices is performed during the night. My colleague on the committee [Mr. MADDEN] has told you that these clerks are compelled to work 8 and 10 hours. They are also obliged to work the time that it takes them to make the efficiency tests. Add to this the time it takes in going back and forth to and from their work, and in many instances the total amount is more than 12 hours in each day.

They enter this service young, active, virile men, able to meet the efficiency tests, able to meet any demand that is made upon them. They enter the service with a vigor and determination to do something for the Government and to perform good service. What do they receive in return? By the character of the work which they do they grow old in service before they are old in years, prematurely old by the labor they have to perform under artificial light, many times in insanitary workshops, working day and night, laboring earnestly for the mere pittance that they receive.

The carriers work in all kinds of weather; in rain or sunshine, in cold and heat, and many times under very trying conditions.

When they have grown old they are either demoted temporarily or discharged immediately from the service of the Government and are unfit to perform service in any other department. That is because the service is different from any other service. There is no other employer in the country that employs men to do that same service. They have no competitor; they can not sell their services to any other employer; the moment they cease to be of value to the Government of the United States that moment they cease to be of any earning value to themselves or their families. [Applause.]

There are a number of reasons, valid and substantial reasons, why the Congress should as speedily as possible enact legislation granting wage increases for post-office clerks, city letter carriers, railway mail clerks, and other deserving postal employees.

It is not exactly accurate to say that postal clerks and city letter carriers are seeking a wage increase. A wage restoration is the more exact term. The present maximum wage standard for these groups of workers was fixed in 1907. Every upward jump of the cost of living since that time—and there have been many—has operated as a wage reduction for these men. Hence any increase in their compensation at this time would merely place them in the same status they were in a decade ago when Congress fixed the existing maximum wage standard.

One of the best arguments in favor of a higher wage for postal employees is found in the report from the House Post Office Committee submitted to the House in January, 1917, in support of the committee action in recommending a relatively small number of increases for special clerks and supervisory employees. It reads:

1. The high cost of living, which bears heavily on the employees whose salaries are stationary and fixed by law.
2. The fact that these employees serve an apprenticeship as substitutes for an average period of four years at an approximate wage of $35 per month, or $420 per annum, during their period of substitution. When they receive a regular appointment they start in at an annual salary of $800, and if they render satisfactory service they must serve five years in regular employment before they reach the $1,200 grade, or a total of nine years from the time that they enter the service. During the nine years these employees average $742.22 per annum. Their work is not only hard and laborious but it requires men of exceptional ability and character to perform the duties in the efficient manner required of employees by the rules of the Post Office Department.
3. The committee is of the opinion that these promotions will tend to improve the service by giving encouragement to the employees who will profit thereby.

The above argument, while in this instance is only applied to a few of the employees, can with equal justification be applied to all.

Contrary to the general belief, post-office clerks and city letter carriers and other postal employees do not enjoy Saturday half holidays at any time throughout the year. Neither have they the benefit of a 30-day vacation or sick leave. Their vacation is limited to 15 days, and they must suffer a loss of pay for the time they lose from work on account of sickness.

NIGHT WORK.

The question of night work is a large one in the life of every post-office clerk. Approximately 70 per cent of the post-office clerks are compelled to work at night, because of the fact that most business houses and other large patrons of the post office do not deposit their mail until after the close of the business day.

The night work, performed as it is by the clerks standing at a letter case or pouch rack, working under artificial light, with the eyes constantly employed, deciphering all kinds of addresses, is unnatural, detrimental to health, and seriously impairs the eyesight.

Night work constitutes the most discouraging feature that confronts men entering the Postal Service. It cuts them off from all of the natural social life of the community; it destroys the possibility of happy home life, depriving the head of the family of the opportunity to enjoy his leisure hours with his family.

Contrary to the practice prevailing in the Government Printing Office and in the British postal service, the Government does not grant any time or wage differentials to men in the post offices who must toil at night.

RESIGNATIONS.

Although the First Assistant Postmaster General told the House Post Office Committee there were but few resignations above the normal number from the Postal Service, there is posi-

tive evidence to the contrary. Postmaster Chance, of Washington, made this public statement:

Since the war started this office has lost more than 140 experienced men, and these places can not be filled by men without previous knowledge of the Postal Service.

This is a typical situation. The superintendent of mails at Chicago makes exactly the same complaint—the efficiency of the mail service is affected because experienced men are quitting for more attractive work and more attractive wages elsewhere. Any practical post-office man knows that it takes from three to five years to train a distributor. It is a shortsighted policy indeed for the Government to permit these trained, experienced men, whose work is essential in the daily task of keeping the Nation's mail in motion, to slip out of the service because of the lack of substantial recognition from the Government of their worth as workers.

Nor is this exodus from the service confined to the older and more experienced employees. In practically all of the larger offices there is great difficulty in securing auxiliary and substitute employees. I quote from an ad in the "want-ad" column of the Chicago News:

One thousand post-office clerks; examination January 28, 1918; apply thirteenth floor, Federal building.

Mr. Boyd, head of the State employment department of Illinois, made this public statement with reference to the difficulty of securing employees in the Chicago post office:

We are sending them—

Chicago post office—

men every day, but they can not keep their men. Those men are put in as substitutes at 35 cents an hour. As soon as they have been there long enough they are put on regularly at 27½ cents an hour. They are given a big scheme to study after their working hours. If it is a day shift, they work 11 hours, and the night shift works 13 hours.

The following news clipping from the Seattle paper describes a condition that is general:

RESIGN POST-OFFICE JOBS TO WORK IN SHIPYARDS.

Twelve special-delivery carriers, the entire force of the Seattle, Wash., post office, to-day served this notice on the postmaster:

"We quit December 31 to go to work in the shipyards on New Year's Day for more money."

Here is a typical letter of resignation from a clerk who is quitting the service because of the few opportunities it presents for advancement:

MACON, GA., *February 22, 1918.*

Mr. T. F. FLAHERTY,
Washington, D. C.

DEAR SIR: I am leaving the Postal Service because it is absolutely no satisfaction to me to remain in it longer, and because the future looks better on the outside. I think that the United States Postal Service offers the least inducement of anything I know of that a young man can drift or can get into, and especially at this time. Those who remain in it and those who may get into it surely have my sympathy. I am the fifth man to resign at this office this month. What do you think of that for an office of this size. Three of them regulars and two subs.

With very best wishes,
Yours, fraternally, (Signed) C. A. HARDY.

Here is another letter of the same character, written by D. B. Finley, who, after five years' service in the city division of the Louisville (Ky.) post office, resigned February 1, 1918:

LOUISVILLE, KY., *February 1, 1918.*

DEAR FRIENDS: I am leaving the Postal Service because I feel that there is no future here for me, as I have neither personal nor political influence that might be brought to bear whereby I might be elevated from the ranks of the workers and placed in one of the more lucrative positions in the Postal Service.

I say this advisedly, because I wish you to understand that I believe firmly that under present conditions no clerk, however proficient he may be in his profession, and no matter how long and assiduously he might have worked at his duties, will either receive day work or elevation from that large body of clerks who are working when others sleep for salaries that do not compensate them for the hardships of night work and the long hours that must be devoted to scheme study.

(Signed) DANIEL BOOTH FINLEY.

UNITED STATES POSTAL EMPLOYEES MOST EFFICIENT.

This is a fact that is not generally known. Statistics show that the postal employees of the United States are more efficient with respect to handling a greater quantity of mail than the employees of the English, French, or German postal systems. In the United States the average number of pieces of mail matter handled per employee was 51,000; in Germany, 25,000; in France, 38,000; in England, 31,000. This tabulation was made in 1908, but I am quite sure the ratio in favor of the United States still holds good, despite the statements of the Postmaster General that the insistence on the part of the employees to maintain their organizations is crippling service efficiency.

INCREASE GRANTED TO OTHER EMPLOYEES.

The postal employees were the only large group of Government employees excluded from the wage increases voted to other Government employees by the Sixty-fourth Congress. In a number of declarations various governmental agencies, particularly the Council of National Defense, has urged private employers to take into consideration increased living costs in fixing wages. It is incongruous, to say the least, for the Government to advise private employers to adopt such a policy and then fail to follow an equally enlightened policy in conducting its own establishments.

I invite your attention to the ruling made by the shipyard labor adjustment board in settling labor disputes between the employers and the shipbuilders. This covers all wooden shipyards south of Baltimore and all steel shipyards south of Newport News on both the Atlantic and Gulf coasts:

(1) Eight hours shall constitute a day's work from Monday to Saturday, inclusive: *Provided,* That during the months of June, July, and August the working day on Saturdays shall be four hours.
(2) Work in excess of these periods on any week day shall be counted as overtime and paid for at the rate of time and one-half.
(3) Work in excess of 60 hours a week for any employee shall not be permitted, except on repair work or when ordered by the Navy Department or the Emergency Fleet Corporation or to protect life or property from imminent danger.
(4) Work on Sundays and the following holidays shall be paid for at the rate of double time: New Year's Day, Washington's Birthday, Decoration Day or Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, and Christmas Day.
(5) Men employed on the night shift shall receive compensation 5 per cent higher than is paid to those employed on the day shift.
(6) Employees engaged on repair work in or upon vessels undergoing repair shall receive double time for all overtime on week days as defined above, as well as on Sundays and the specified holidays.

Assuming that the above award is a fair standard, it is significant to note that the Government in its conduct of its post offices does not even approach this standard. For instance, post-office clerks do not receive Saturday half holidays at any time during the year. Neither do they receive time and a half for overtime. It is true they are paid for overtime, but only at the prevailing rate of pay, and because of this it is difficult to make the department properly administer the eight-hour law, and excessive overtime service is imposed on distributors. Neither is there any weekly maximum number of hours set for a post-office clerk. Many of them are forced to work in excess of 60 hours weekly. As before stated, there is no wage differential for the men employed at night.

The following resolution, adopted at the convention of the American Federation of Labor held in Buffalo last November, is an expression from the organized workers of the country favorable to an increase in pay for post-office clerks and city letter carriers of not less than 25 per cent:

Resolution No. 110.—By Edward J. Gainor, president of the National Association of Letter Carriers, and Thomas F. Flaherty, secretary-treasurer of the National Association of Postal Employees.

Whereas the salary standard of letter carriers and post-office clerks fixed by Congress more than 10 years ago still remains the same; and
Whereas the cost of living during this period has advanced an average of approximately 100 per cent; and
Whereas this increase in the cost of living has operated to all intents and purposes exactly the same as a 50 per cent reduction in wages; and
Whereas the postal employees were the only class excluded from the horizontal wage increase granted to Government employees by the last Congress, notwithstanding the fact that the Post Office is the only governmental department operated upon a self-sustaining basis, its most recent audit showing an annual surplus in excess of $9,000,000; and
Whereas postal employees are highly specialized workers functioning in a Government monopoly, performing a service which gradually unfits them for employment elsewhere, with no hope of selling their skill to a competing private industrial establishment; and
Whereas despite this fact there have been resignations from the service in such numbers as to seriously cripple its efficiency, delaying the dispatch and delivery of all classes of mail, imperiling the business efficiency of the country at a time when such business efficiency is most needed; and
Whereas because of its oppressive labor policy the Post Office Department has been unable to keep its working force recruited to a proper standard: And therefore be it

Resolved, That the American Federation of Labor, in convention assembled, deeply deplores this self-evident injustice to a deserving class of public employees, and it urges upon Congress the immediate enactment of a law increasing the pay of these employees not less than 25 per cent; and be it further

Resolved, That the executive council be instructed to cooperate with the officers of all affiliated postal organizations to have the justice of this case brought forcibly to the attention of Congress; and be it further

Resolved, That a copy of this resolution be mailed to each Congressman and Senator by the secretary of the American Federation of Labor.

With regard to other wage increases that have been granted, page 122 of the December Monthly Review of the United States Bureau of Labor Statistics shows that the average increase of wages in 13 classes of industries during the year from October, 1916, to October, 1917, was 18.1 per cent, and the December, 1916, Monthly Review shows that between October, 1915, and October, 1916, there was an average increase of 20.2 per cent. Similar reports for every month in the last two years have shown constantly increasing wages. The report of the New York State department of labor for November, 1917, shows that wages have increased from a ratio of 100 in August, 1915, to a ratio of 170 in November, 1917, with a ratio of increase in the number of employees from 100 to 120, or nearly 50 per cent increase within the last two and a half years.

Latest statistics of the Department of Labor are borne out with regard to food and other items of cost of living by Bradstreets reports. These reports show the cost of living, based on 100 different items, has advanced from a ratio figure of 12.08 in December, 1916, to 16.91 in November, 1917, or 32 per cent in 11 months. This is probably the best estimate that can be made of the exact increase in the cost of living.

About one-half—or 50 per cent—of the pay check is spent for food, which has advanced 86½ per cent in three years.

Assuming that all other items in the family budget have remained stationary in price, it would require pay increase of 43 per cent to break even, as against the cost of living in 1914.

What has happened to the cost of coal, shoes, clothing, and about everything else is only too well known.

Conservatively figured, the cost of living has advanced in the past three years about 75 per cent.

Were it not for the wise and energetic work of the United States Food Administration many of these prices would now be very much higher than they are. This is particularly true of flour, bread, sugar, and all canned goods.

The United States Bureau of Labor Statistics, in its report of the cost of living in the District of Columbia, shows that $1,082.80 is the least possible amount on which a family could live decently in 1916. This necessarily means that with an increase of more than 30 per cent since 1916, the majority of the Government employees have lowered the standard of living greatly, they are not living decently, that they are piling up debts which they have not any hope of paying, and that literally thousands are working nights and Sundays to make ends meet.

Because this large and important group of workers is unable to bring its grievances sharply to the attention of the Congress and the public is no valid reason for ignoring its pleas for relief year after year. These men have been patient; they have been long-suffering. Their case is a just one. Will the Congress not recognize this fact by the immediate enactment of legislation granting the postal workers increased compensation?

By unanimous consent the following Members were given leave to extend their remarks in the RECORD: Mr. DYER, Mr. MADDEN, and Mr. STEENERSON.

Mr. MOON. Mr. Chairman, I ask unanimous consent that all gentlemen who have spoken or may speak on the bill may have the right to extend their remarks in the RECORD.

The CHAIRMAN (Mr. GOODWIN of Arkansas). The gentleman from Tennessee asks unanimous consent that all who have spoken or may speak may extend their remarks in the RECORD.

Mr. DOWELL. Does that include those who had time but have not got the opportunity to occupy it?

Mr. MOON. Mr. Chairman, I withdraw the request, because I doubt whether it could be made in committee. It will have to be made in the open House. I yield to the gentleman from Arkansas [Mr. CARAWAY].

Mr. CARAWAY. Mr. Chairman, I am, in the main, in sympathy with this measure. There are glaring inequalities in it. They should be corrected. I shall offer amendments, if others do not, to reach some of the most flagrant. I want, however, to discuss more particularly the question of rural letter carriers. It is fundamental that honest effort coupled with sobriety and economy should produce a competency. Every man who toils, whether in office or shop, in the forest or the field, produces wealth enough to maintain himself and care for his family and educate his children. No one should be required to spend his strength in the service of his fellow man either as a producer or distributor of wealth and himself be denied a decent maintenance while he toils and a competency when age shall come. Any economical system or condition that denies to the toiler these rewards is unjust and indefensible. And yet that very condition prevails with reference to rural letter carriers. The wages paid will barely maintain the carrier and family and keep up his equipage. I sincerely doubt that it will do that under the present conditions. I know he can make no provision against misfortune, disease, or old age. It matters not how earnestly and conscientiously and intelligently the carrier may serve, the end promises no more than the beginning—a bare maintenance, if that. There are no grades or classes to which he may look forward to promotion. There is nothing in the future to which he may look for relief except a sense of justice in Congress, and heretofore that has been lacking. The cost and maintenance of his equipage now consumes about one-half of his pay. His family must then be fed and clothed, his children educated, and the future provided for on an income that does not exceed the cost of a buggy and two horses and their upkeep. Put it more bluntly, he must maintain his family, feed, clothe, and educate his children, on what it costs to feed his horses. I hardly think a condition that puts a family on a level, so far as the cost of maintenance goes, with the upkeep of a team is a just condition. And I, for one, protest against it with all the vehemence with which I am endowed. I know this condition is not right. I know that we can not justify it.

I have had the good fortune to spend one-half of my life in the country. I hope to spend there the most of the remaining part of it. I know well the conditions of the average country community. I know with what eagerness the family looks forward to the arrival of the rural letter carrier. I know how the days are made brighter when letters come, and I know something, also, of the sense of disappointment when they do not come. These conditions I speak of are of normal times. How much more, then, is the arrival of the rural letter carrier looked forward to by the family since war has come, since every family, or nearly every one, has a son with the colors, some yet in training, others already beyond the seas. I know, too, with what sympathy and cheer the letter carrier performs his duties. I have had the pleasure of accompanying many of them on their rounds. I have yet to know of one who was not faithful to his duties and courteous to every patron on his route.

It seems to me that if there is anyone who is a friend of the whole community, it is the letter carrier, who on his daily rounds distributes the mail that brings happiness or sorrow to nearly every patron on his line. I know conditions have wonderfully improved in most communities whenever a rural route has been established to serve their needs. I know, too, that most of these routes are too long, the work on them too irksome. What kind of men are these carriers that they should be discriminated against as employees of our country? Are they less patriotic than those in other lines of employment? Are they less intelligent and faithful than the city letter carriers, whose future is more or less cared for in the provisions of this bill? Are their duties less arduous? Are their responsibilities less grave? We can answer "no" to each of these queries. The rural letter carrier has to be the equal if not the superior of the city letter carrier in point of intelligence, in adaptability, in courtesy, in patience, in faithfulness, in the discharge of duties under adverse circumstances. He must not only take up and distribute the mail; he must perform most of the functions, if not all, of the fourth-class postmaster. Why, then, with all these responsibilities and multifarious duties, should he be compelled to spend for the instrumentalities by means of which he discharges his duties one-half of all that he receives in compensation for his labors? No one expects the mail clerk to have built and equipped and operated at his own expense the car in which is transported the mail. No one requires the postmaster to build and equip the office for the distribution of mail, and even the mounted city letter carriers are supplied with their full equipment. All of these perform duties no less arduous, no less responsible than the rural letter carrier, and all receive more compensation with better opportunities for advancement than he. All of them work under conditions more conducive to health, to pleasure, to comfort than he. Whoever imagines that the driving for six days in every week over a route from 25 to 30 miles in length, much of it over roads that are but barely passable, is a pleasant task when weather is fair, and how much more must it become a burden in bad weather, in the cold, amid the snows of winter.

Add to this from 200 to 500 patrons that must be served, each one entitled to all the considerations of a citizen of this great Republic, each one with his little wants, his little errands to be run, and each one a friend of the rural letter carrier and demanding that courtesy and consideration that a friend has a right to expect from a friend and that all invariably receive from the rural letter carrier. Consider all these and then say that $1,200 a year maximum pay, one-half of which must be expended for equipage, is ample compensation for these services. It is not right and we can not justify ourselves if we demand these services and shall refuse adequate pay to this highly patriotic and deserving class of governmental employees. I know that sometimes it is said that rural letter-mail service does not pay. By that is meant that it returns no profit in money to the Post Office Department.

But this Government is not a business institution. It owes service and should render it. If it ceases to do that it ceases to be a just Government. Every citizen is entitled to equal service, and you people who live in cities and who insist that there shall be a mail delivery every hour or two during the day, and then begrudge fair compensation to the carrier who delivers one mail a day to the farmer, have a rather peculiar viewpoint, it seems to me. I do not contend for hourly delivery of mail to the farmer, not that he is not entitled to receive it as much as the

man in the city, but because of the conditions I do not urge it; but I do urge that every farmer that can be reached is entitled to daily mail delivered at his door, and that the agent of this Government that delivers his mail is entitled to as much consideration and compensation as the man who delivers the mail to the banker, to the lawyer, or to the doctor within the city; and I hope that this is the day when we may unite our efforts to effect this even-handed justice. I want to see the rural letter carrier as generously dealt with as the clerk or city carrier. I want justice done all employees, both city and country, and I shall introduce amendments to secure this. I want to see this Government recognize the truth that the laborer is worthy of his hire; the Government equip the rural letter carrier as it provides for those who serve it in other fields. [Applause.]

Mr. MOON. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. GALLIVAN].

Mr. GALLIVAN. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. GALLIVAN. Mr. Chairman, because I believe that the salaries of the Postal Service are disgraceful and that some of the conditions under which the men and women engaged in the service savor of slavery, I am for this bill whole-heartedly. [Applause.] I wonder if it has occurred to some of the members of this committee that when a postal employee leaves the service under any suspicion he can never again work for Uncle Sam except as a soldier. There is no other branch of the service of which that can be said. In that respect I think it is regrettable that a wage comparison has recently been submitted by an official of considerable importance in our Government, one of eminent responsibility, namely, the distinguished Postmaster General, in which he refers to the present scale of wages granted postal employees, and takes a decided stand against any increase at this time.

Referring to present wages granted postal employees and taking a stand in opposition to any increase in these salaries, which he characterized as "selfish demands," the Postmaster General closes a sweeping indictment by insisting that "they are justly compensated, receiving more than three times as much as those fighting in the trenches, who must of necessity suffer the hardships of warfare and sacrifice their all if necessary."

To any person of refined instincts the impropriety of attempting to inject such evidence as a basis of wage comparison must be painfully apparent. Offensive enough in times of peace, it becomes doubly so when our country is in war. Americans are not Hessians, and it will be a sorry day for this Nation when we seek to estimate the service our soldiers are rendering on a wage basis. At an hour when every normal American feels the thrill of his country's call, when he feels himself lifted and exalted to deeds of sacrifice and self-denial, it comes with poor grace for an administrative official of this Government to offer money and money considerations as the chief motive that prompts such sacrifice. Were this true we may well be apprehensive for the future of this Republic.

It is only fair, however, to the great army of postal employees, and all other workers for that matter, to completely refute the argument advanced by Postmaster General Burleson. Postal employees do not receive three times as much wages as "the soldiers in the trenches," and the absurdity of this assertion may well discredit any further statements coming from the same source. Under present conditions it is doubtful if they receive as much. The compensation of the men assigned to service, in both the Army and Navy, has been materially increased, and quite properly so, by recent act of Congress, and inviting opportunities have been thus opened for capable men. A generous Government has sought to provide for every contingency affecting the material and moral welfare of our forces on land and sea.

The pay of enlisted men in the Army ranges from a minimum of $30 a month up to $81 a month, with some nine intervening grades that may be attained upon evidence of merit and ability. Additional ratings which carry from $2 to $9 per month may be achieved by evidence of especial proficiency in various lines of service. Continuous service is also rewarded by increased compensation, such increases ranging from $3 to $24 per month, according to grade and length of service.

The rate of pay granted in the Navy is slightly higher than in the Army. Beginning with a minimum rating of $32.60 per month, paid to apprentice seamen of the third class, the compensation allowed for the enlisted personnel of the Navy reaches a maximum of $83 per month as the base pay. Intervening grades with varied rates of compensation range between, and these grades may be won by satisfactory evidence of merit and application. Each reenlistment carries a material addition to the base rate of pay granted, and in like manner premiums are allowed for each good-conduct medal a man holds. Ample provisions are also made for special duties or unusual assignments.

It is to be particularly remembered, however, that these quoted rates of pay represent a sum over and above all expense of food, clothing, and shelter, such as a worker in civil life is called on to bear. Explaining this very point, the Official Bulletin of January 11, 1918, says: "An enlisted man in active service has no necessary personal expenses except for barber and laundry. Uniforms, underclothing, shoes, hats, quarters, medical attendance, and subsistence are supplied them at Government expense." In short, the pay of the postal employee is gross, while that of the enlisted man is net; a fact that seems to have completely escaped the attention of the Postmaster General, judging by the comparison he offers. It is well to also remember that the enlisted man may purchase such materials as tobacco, postage, confectionery, and incidentals of individual taste at the post exchange for cost.

Ample provision is also made for free hospital service, without loss of compensation, and in addition thereto the Government has recently instituted a system of war-risk insurance to cover cases of death or disability contracted in the service. Both in the Army and Navy there has long been in operation a comprehensive and equitable plan of retirement, something that is sadly wanting in the Postal Service. Quoting again from the Official Bulletin, this plan is as follows:

RETIREMENT IN THE UNITED STATES ARMY.

Enlisted men can apply for retirement after 30 years of service. They are retired on 75 per cent of the monthly pay drawn at the time of retirement and $15.75 a month additional in lieu of allowances.

RETIREMENT IN THE UNITED STATES NAVY.

Enlisted men are retired after 30 years' service and are paid three-fourths of total pay and allowances they received at date of retirement and cash in lieu of quarters and subsistence.

Similar provisions are made for the retirement of Army and Navy officers.

In thus providing for the comfort and well being of the splendid men giving service in the Army and Navy, we have done as a Nation only that which we are under moral obligation to do. We should conceive the service as a summons, to which our fellow citizens, our family and ourselves stand ready to answer on call, and we should guard its welfare with an alert and lively concern. Our devotion should not cause us to neglect or deal unjustly with another class of deserving public employees, nor should we be mislead by a mean, invidious, and altogether unjustifiable comparison, even when it comes from a member of the President's Cabinet. Unworthy indeed was the motive that prompted a comparison in the wages of postal employees and the boys in the Army, but now since the issue has been dragged in, let me repeat that the statement of the Postmaster General is in nowise sustained by the facts in the case. Postal employees do not receive three times as much pay as the soldier. In fact they do not receive as much, and many plans for the protection of the soldier could be profitably borrowed by the Post Office Department. I will not pursue this uninviting comparison further and I would not have done so at all had I not felt that the unwarranted statement of the Postmaster General should not go unchallenged. Sufficient answer is this fact: If the average postal employee could count on a balance of $30 net after his indispensable overhead expenses were settled then there would not be the widespread discontent in Mr. Burleson's Postal Service that exists at the present time. [Applause.]

I submit herewith as part of my remarks two statements printed in the Official Bulletin of January 11 and January 14, 1918, containing the rates of pay of officers and enlisted men in the Army and Navy of the United States:

COMPLETE FACTS AND FIGURES ABOUT UNITED STATES NAVY PAY ROLL, SUMS PAID VARIOUS GRADES OF OFFICERS AND ENLISTED MEN, WITH DETAILS OF HOW, WHEN, AND WHERE THEY GET MONEY.

The actual pay roll of the fighting forces of the United States is now nearly $100,000,000 per month.

This sum is disbursed by the pay officers of the Army and Navy in the form of checks or currency or by the Treasury Department in the form of family allotments as compensation for services rendered according to the scale of pay prescribed by law for the uniformed defenders of the Nation.

This figure does not include "family allowances" which are paid by the Government toward the support of the families of enlisted men, under specified conditions, nor does it consider any of the special compensatory features of the military and naval insurance act, under which $176,150,000 was appropriated.

THE NAVY DECEMBER PAY ROLL.

For the purpose of informing the public accurately as to the system of pay in the Navy the following authorized statement has been issued by the Committee on Public Information:

In the month of December approximately $17,000,000 was disbursed as monthly compensation for the services of the some 300,000 officers and men who constitute the uniformed force of the United States Navy.

This was the regular Government pay and did not include any amounts that might have been paid under the war-risk act as family allowances or other compensation provided for under the terms of that act.

The system of pay in the Navy is complicated by a large number of ranks and ratings, as well as financial rewards for special merit and service. The duties of the Paymaster General of the Navy comprise not only the system of accounting and disbursement on account of monthly compensation, but all that relates to the purchase, custody, and issue of all supplies for the Naval Establishment and the keeping of the accounts. Except for the contracting and the purchase of supplies, these duties are delegated to the various officers of the Pay Corps.

PAYMENTS MADE TWICE A MONTH.

Payments to officers and enlisted men are made twice each month, to officers on the 15th and last days and to enlisted men on the 5th and 20th. It is optional with each man whether his payment is in cash or by check on the Treasurer of the United States. On foreign stations payments are made in the currency of the country the ship is visiting at the time of payment, the money being issued and charged at its official or customhouse equivalent in United States currency.

For the payment of public bills and to enable officers and men to make remittances each supply officer has a checking account with the Treasurer of the United States and necessary funds are deposited to his credit upon receipt of requisition. Requisitions are addressed to the Paymaster General and approved and forwarded by the commanding officer of the ship or station.

When a ship is in home waters cash funds are obtained by cashing a check at one of the Subtreasuries or Government depositories or by shipment of money upon direction of the Paymaster General.

GETTING CASH IN FOREIGN PORTS.

When in a foreign port cash funds are obtained through the negotiation of a Government bill of exchange. The supply officer of the fleet, division, or ship, after making inquiry of bankers, merchants, and the United States consul, negotiates a bill at the best obtainable rates, receiving the proceeds in gold or silver coins of the country. A bill of exchange is drawn on either the Secretary of the Navy or the fiscal agent of the United States at London, advantage being taken of the best rate.

Family allotments of men of the Navy are paid by the Navy disbursing officer, calling for the writing of some 100,000 checks per month, payable to relatives in all parts of the country. Because of the multiplicity of detail attached to this feature of pay a system of automatic accounting has been devised and a few Government clerks now transact this business with neither confusion nor delay.

ASSIGNMENTS OF PAY.

Assignments of pay are made out in duplicate on cards on board ship or at the station at which the grantor is serving, one copy being retained for record and the other forwarded to the Navy disbursing officer for payment. These cards are filed alphabetically in the following groups: $5, $10, $15, $20, $25, $30, $35, $40, 45, $50, and miscellaneous. Checks with the amounts, $5 to $50, printed in are used.

Stencils are cut for all allotments, having the name and address of the allottee, the name of the grantor, with ship or station on which he is serving, and, in the case of the miscellaneous group, the amount of the allotment in words and figures. Thus everything except the signature of the disbursing officer is either printed or stenciled on the checks. The machine which prints in from the stencils has a capacity of 4,000 checks per hour.

OPERATION OF POSTING MACHINE.

A posting machine, operated by two young women, is used for comparing printed checks with the cards, thus preventing error. This machine has a capacity of 35 checks per minute. The cards and checks pass through this machine on belts, each set pausing before the eyes of the clerk and giving her sufficient time to make the comparison. If correct, the number of the check is automatically stamped on the card, thus keeping the account, and the disbursing officer's signature is printed in facsimile. The law demands that there be on all Government checks the actual handwriting of an official, so all of these checks have to be signed by an employee in the disbursing officer's department. For this an electric duplicating pen is used, the officer putting a fountain-pen signature on 10 checks by one movement of his hand. A rapid writer may sign 4,000 checks per hour by these means.

ANNUAL BASE PAY OF OFFICERS.

All commissioned officers of the active list of the Navy receive the same pay and allowances according to rank and length of service. Officers of the Medical, Pay, and Construction Corps, chaplains, civil engineers, and professors of mathematics have the relative ranks of the various grades of the line, the annual base pay of each grade being as follows:

Admiral (in command of fleet)	$10,000
Vice admiral (second in command of fleet)	9,000
Rear admiral, upper half	8,000
Rear admiral, lower half	6,000
Commodore	6,000
Captain	4,000
Commander	3,500
Lieutenant commander	3,000
Lieutenant	2,400
Lieutenant (junior grade)	2,000
Ensign	1,700

To each commissioned officer below the rank of rear admiral is allowed 10 per cent of his yearly base pay for each five years of service in the Army, Navy, and Marine Corps, but not exceeding in all 40 per cent. Additional provision is made by law that the pay of a captain shall not exceed $5,000, a commander $4,500, and a lieutenant commander $4,000 per annum.

SEA AND FOREIGN SHORE DUTY.

An officer on sea or on shore duty beyond the continental limits of the United States receives while so serving 10 per cent additional of his pay.

An officer on shore duty where no Government quarters are furnished is paid $12 per month for each of the number of rooms to which his rank entitles him, that is:

	Rooms.
Rear admiral, upper half	9
Rear admiral, lower half	8
Captain	7
Commander	6
Lieutenant commander	5
Lieutenant	4
Lieutenant (junior grade)	3
Ensign, warrant officer, and nurse	2

Varying allowances for heat and light, depending upon the month and place of duty, are allowed for the number of rooms actually occupied, but not exceeding the number to which an officer's rank entitles him.

Aids to rear admirals of the upper half are each paid $200 per annum, and aids to rear admirals of the lower half $150 each per annum.

STUDENT NAVAL AVIATORS.

Officers of the Navy appointed student naval aviators and while detailed for duty involving actual flying in aircraft receive the pay and allowances of the rank plus 35 per cent increase thereof, and those officers who have qualified as naval aviators shall, while so detailed, receive the pay and allowances of their rank plus 50 per cent thereof.

Boatswains, gunners, pay clerks, machinists, carpenters, sailmakers, and pharmacists are known as warrant officers, and are paid as follows:

	At sea.	On shore.	Waiting orders.
First 3 years' service	$1,500	$1,125	$875
Second 3 years' service	1,625	1,250	1,000
Third 3 years' service	1,750	1,625	1,125
Fourth 3 years' service	2,000	1,750	1,250
After 12 years' service	2,250	2,000	1,500

Warrant officers on shore duty receive the same allowances for quarters and heat and light as an ensign.

After six years from date of warrant these officers are, if duly qualified, commissioned chief warrant officers and receive the pay and allowances of ensign. After 6 years from date of commission each commissioned warrant officer with a creditable record receives the pay and allowances of a lieutenant (junior grade), and after 12 years from date of commission the pay and allowances of a lieutenant.

Warrant officers while attached to a seagoing ship are paid a ration allowance of 40 cents per day.

All officers in the Regular Navy are required to provide their own uniforms and to pay for subsistence both ashore and afloat.

THE ENLISTED PERSONNEL.

The enlisted personnel of the Navy is of various classifications, depending upon their duties. Entry into the service is usually made in the lower ratings and the men are advanced upon the establishment of qualifications for the higher ratings. The following tables show the classifications and the base monthly pay of each rating during the present war as provided by the act of May 22, 1917:

Chief petty officers.

Chief master at arms	$77.50
Chief boatswains' mates	61.00
Chief gunners' mates	61.00
Chief turret captains	72.00
Chief quartermasters	61.00
Chief machinists' mates	83.00
Chief electricians	72.00
Chief carpenters' mates	61.00
Chief water tenders	61.00
Chief yeomen	72.00
Chief storekeepers	61.00
Chief pharmacists' mates	72.00
Bandmasters	63.20
Chief commissary stewards	83.00
Chief printers	72.00

Any of the above-named chief petty officers who has served as such for one year with credit is given what is known as a "permanent appointment," which increases his base pay to $83 per month.

Petty officers, first class.

Master-at-arms, first class	$52.00
Boatswains' mates, first class	52.00
Gunners' mates, first class	52.00
Turret captains, first class	61.00
Quartermasters, first class	52.00
Boilermakers	77.50
Machinists' mates, first class	66.50
Coppersmiths	66.50
Shipfitters, first class	66.50
Electricians, first class	61.00
Blacksmiths	61.00
Plumbers and fitters	55.50
Sailmakers' mates	52.00
Carpenters' mates, first class	52.00
Water tenders	52.00
Painters, first class	52.00
Storekeepers, first class	25.00
Pharmacists' mates, first class	52.00
Yeomen, first class	52.00
First musicians	47.60
Commissary stewards	72.00
Ships' cooks, first class	66.50
Bakers, first class	55.50
Printers, first class	52.00

Petty officers, second class.

Master-at-arms, second class	46.50
Boatswains' mates, second class	46.50
Gunners' mates, second class	46.50
Quartermasters, second class	46.50
Machinists' mates, second class	52.00
Electricians, second class	52.00
Shipfitters, second class	52.00
Oilers	48.70
Carpenters' mates, second class	46.50
Printers, second class	46.50
Painters, second class	46.50
Storekeepers, second class	46.50
Yeomen, second class	46.50
Ships' cooks, second class	52.00
Pharmacists' mates, second class	46.50

Petty officers, third class.

Master-at-arms, third class	$41.00
Coxswains	41.00
Gunners' mates, third class	41.00
Quartermasters, third class	41.00
Electricians, third class	41.00
Carpenters' mates, third class	41.00
Painters, third class	41.00
Storekeepers, third class	41.00
Yeomen, third class	41.00
Pharmacists' mates, third class	41.00

Seamen, first class.

Seamen gunners	36.60
Seamen	38.40
Firemen, first class	46.50
Shipwrights	35.50
Musicians, first class	43.20
Ships' cooks, third class	41.00
Bakers, second class	46.50
Hospital apprentice, first class	38.40

Seamen, second class.

Seamen, second class	35.90
Firemen, second class	41.00
Musicians, second class	41.00
Buglers	41.00
Ships' cooks, fourth class	35.50
Hospital apprentice, second class	35.90

Seamen, third class.

Apprentice seamen	32.60
Firemen, third class	36.20
Landsmen	32.60

Messmen branch.

Stewards to commanders in chief	72.00
Cooks to commanders in chief	61.00
Stewards to commandants	72.00
Cooks to commandants	61.00
Cabin stewards	61.00
Cabin cooks	55.50
Wardroom stewards	61.00
Wardroom cooks	55.50
Steerage stewards	46.50
Steerage cooks	41.00
Warrant officers' stewards	46.50
Warrant officers' cooks	41.00
Mess attendants, first class (United States citizen)	41.00
Mess attendants, second class (United States citizen)	35.50
Mess attendants, third class (United States citizen)	37.00
Mess attendants, first class (not United States citizen)	38.40
Mess attendants, second class (not United States citizen)	37.00
Mess attendants, third class (not United States citizen)	32.60

In addition to the pay as provided in the above tables the following amounts are also paid monthly to each enlisted man who is qualified to receive them:

One dollar and fifty cents for each successive reenlistment for four years within four months of date of honorable discharge from previous enlistment.

Five dollars and fifty cents for first reenlistment and $3.30 for each subsequent reenlistment, if citizen of the United States and completed previous enlistment.

Two dollars and twenty cents if a seaman gunner.

Two dollars and twenty cents if a graduate of a petty officers' school.

Five dollars and fifty cents to a steward or cook who holds a certificate of qualification and is a citizen of the United States.

Eighty-three cents for each good-conduct medal a man holds.

EXTRA MONTHLY COMPENSATION.

The following extra monthly compensations are paid to men who perform the transient duties specified:

Five dollars to a seaman in charge of hold.

Five dollars to a coxswain of a steam or motor launch.

Five dollars to a captain of a gun's crew.

Five dollars to a "jack-of-the-dust."

Five dollars to a lamplighter.

Five dollars to a messman.

From $10 to $30 to a mail clerk, the amount depending upon the complement of the ship.

From $2 to $10 to a man who qualifies at target practice as a gun pointer, the amount depending upon the caliber of the gun.

From $1 to $3 to a signalman.

From $10 to $20 to a tailor or tailor's helper, the amount depending upon the complement of ship.

PAY OF SPECIAL DUTIES.

For special duties or details the following compensations are paid:

One dollar and twenty cents per hour to divers for the actual time spent under water.

Thirty-three cents per day to seamen detailed for duty as firemen.

Five dollars per month for submarine service.

One dollar per day (but not exceeding $15 per month) spent submerged in submarine, if qualified for torpedo work.

A man detained beyond the expiration of his enlistment receives one-fourth additional of all pay while so detained.

A man receives a gratuity of four months' pay if he reenlists within four months and presents an honorable discharge from his last enlistment.

Each enlisted man receives on first enlistment an outfit of clothing and small stores free of charge. Any articles subsequently drawn are issued at cost price.

Enlisted men are subsisted by the Government. Men on detached duty are furnished cash in lieu of subsistence.

Men discharged are either furnished transportation to their homes and all expenses while en route or are paid 4 cents per mile for the total number of miles from place of discharge to their homes.

On board each ship of the Navy and at each station on shore is maintained a commissary store at which may be purchased at cost price such articles as are usually sold in civilian stores and shops.

Officers on the retired list receive three-fourths of their active-duty pay.

Enlisted men are retired after 30 years' service and are paid three-fourths of total pay and allowances they received at date of retirement and cash in lieu of quarters and subsistence.

Officers and men of the Naval Reserve Force and the National Naval Volunteers while on active duty receive the same pay and allowances as those of same rank and length of service in the Regular Navy.

When first called into active service in time of war or national emergency a uniform gratuity of $150 is allowed each officer of the Naval Reserve and $60 each enlisted man.

COMPLETE FACTS AND FIGURES ABOUT UNITED STATES ARMY PAY ROLL, SUMS PAID VARIOUS GRADES OF OFFICERS AND ENLISTED MEN, WITH DETAILS OF HOW, WHEN, AND WHERE THEY GET MONEY.

The actual pay roll of the fighting forces of the United States is now nearly $100,000,000 per month.

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This figure does not include "family allowances," which are paid by the Government toward the support of the families of enlisted men under specified conditions, nor does it consider any of the special compensatory features of the military and naval insurance act, under which $176,150,000 was appropriated.

For the purpose of informing the public accurately as to the system of pay in the Army the following authorized statement has been issued by the Committee on Public Information.

ARMY PAY NEARLY BILLION A YEAR.

The total pay of the United States Army for the month of December was approximately $78,580,800.

Disbursements on account of the pay of officers and men of the Army are now at the rate of about $950,000,000 per year. These figures consider solely the pay disbursed by the Quartermaster Department and do not include family allowances or compensation for disability of soldiers, provided for by the military and naval insurance act and paid by the Government through the War-Risk Insurance Bureau of the Treasury Department.

Following is a comprehensive statement of the system of pay of the Army authorized by the Quartermaster General:

The Quartermaster General of the Army, under the direction of the Secretary of War, is charged with the duty of providing for the payment of the officers, enlisted men, female nurses, field clerks, and civilian clerks of the Quartermaster Corps on duty at places other than in the office of the Quartermaster General. Due to the lack of office buildings necessary to take care of the increased number of employees required to carry on the business of the Army at Washington, it has been necessary to lease many privately owned buildings for office purposes. The Finance and Accounting Division of the Office of the Quartermaser General is charged with the details of providing funds, and interior administration in connection with the payment of the Army, and is now located in a large apartment house at the corner of Fifteenth and M Streets NW.

INTRICATE AND DIFFICULT TASK.

The intricate task of paying the officers and men of the United States Army, made more difficult by the wide expansion of the past six months, is being satisfactorily accomplished. To prevent failure to meet the monthly compensation of every man in the service, no matter where he may be located, liberal sums are furnished the various disbursing quartermasters in order promptly to meet the Army pay rolls with their extraordinary demands for funds.

The officers and enlisted men of the Army are paid at the end of each month, or as soon thereafter as possible, by the disbursing officers of the Quartermaster Corps, in cash or by check, at their stations or in the field.

If on duty in France they are paid in French currency or by United States checks, as officers and men may elect.

PAY OF ENLISTED MEN.

The pay of enlisted men depends on their grades, ratings, and length of service. From June 1, 1917, and continuing during the term of the war the pay of enlisted men is as follows:

Men receiving $30: All privates, the Army entering grade.

Men receiving $33: First-class privates, men promoted to act in minor noncommissioned officer capacity.

Men receiving $36: Corporals, saddlers, mechanics, farriers, and wagoners, and musicians of the third class.

Men receiving $38: All sergeant grades in the line, which include Infantry, Field Artillery, Coast Artillery, and Cavalry; cooks, horseshoers, band corporals, and musicians of the second class.

Men receiving $44: Sergeants of the various corps of the Engineers, Ordnance, Signal Corps, Quartermaster Corps, and Medical Department; band sergeants and musicians of the first class.

Men receiving $48: Battalion sergeant majors, squadron sergeant majors, sergeant majors (junior grade), sergeant buglers, master gunners, and assistant band leaders of the line.

Men receiving $51: Regimental sergeant majors, regimental supply sergeants, sergeant majors (senior grade), quartermaster sergeants of the Quartermaster Corps, ordnance sergeants, first sergeants, electrician sergeants of the first class, assistant engineers and battalion sergeant majors, and battalion supply sergeants of the Engineers.

Men receiving $56: Sergeants, first class, of the Medical Department.

Men receiving $71: Hospital sergeants, master engineers of the junior grade, and engineers

Men receiving $81: Quartermaster sergeants of the senior grade of the Quartermaster Corps, band leaders, master signal electricians, master electricians, master engineers of the senior grade, and master hospital sergeants.

ASSIGNMENT TO SPECIAL DUTIES.

These are the established grades of the enlisted men, but they may variously be assigned to such special duties as chauffeurs, switchboard operators, cobblers, clerks, camoufleurs, sanitary inspectors, draftsmen, stevedores, accountants, plumbers, and such other occupations and trades as are necessary to meet the requirements of Army service.

In addition to the rates of pay for enlisted men heretofore mentioned, supplemental pay or allowances are made as follows:

(1) Increased pay is allowed for continuous service, computed under what is known as "enlistment period." An enlistment period ordinarily represents a period of three or four years, dependent upon the law in effect at date of enlistment. There are seven such periods, covering a period of service of from 1 year to more than 18 years provided for, and the increases range from $3 to $24 per month, according to the grade and length of service. Men in the grade of private calling for $30 per month are increased $3 per month during the second enlistment period, an additional $3 during the third enlistment period,

and $1 per month for each additional enlistment period to include the seventh enlistment period. Men above the $30 grade and up to and including the $38 grade are entitled to $3 per month additional pay for each enlistment period from the second to the seventh for each successive enlistment period. Men above the $38 grade are entitled to $4 per month additional pay for each enlistment period from the second to the seventh.

SOME ADDITIONAL RATINGS.

(2) Enlisted men of the Coast Artillery, below the grade of mess sergeant, are entitled to the following additional ratings, according to established individual qualifications: Casement electricians, observers of the first class, plotters, and coxswains, $9 per month; chief planters, observers of the second class, chief loaders, gun commanders, and gun pointers, $7 per month; enlisted men of the Field Artillery—expert first-class gunners, $5 per month; first-class gunners, $3 per month; and second-class gunners, $2 per month; enlisted men of the Cavalry, Engineers, and Infantry—expert riflemen, $5 per month; sharpshooters, $3 per month; and marksmen, $2 per month; enlisted men of the Medical Department—surgical assistants, $5 per month; nurse (enlisted man), $3 per month; and dispensary assistant, $2 per month.

(3) Enlisted men of the Signal Corps, while on duties which require them to participate regularly in aero flights, assuming that they have rating of aviation mechanician, receive 50 per cent increase in their monthly pay.

HOUSING AND SUBSISTENCE.

(4) All enlisted men, while on detached duty not in the field where there are no Army quarters available, receive in addition to their pay $15 per month to cover the expense of housing and also a suitable allowance for subsistence and for heat and light.

(5) Enlisted men, if serving in a foreign country or beyond the continental limits of the United States (Porto Rico, Hawaii, and Panama Canal Zone excepted) receive 20 per cent increase in pay computed on the base pay and service pay prevailing prior to June 1, 1917, when an act of Congress increased, for the "term of the emergency," the pay of all enlisted men in amounts ranging from 50 per cent to 8 per cent.

(6) Enlisted men attached to the United States Military Academy are entitled to the same pay and allowances as other enlisted men of the Regular Army of the same grade and additional compensation provided for performing certain duties upon detail therefor in orders.

THE PAY OF OFFICERS.

Officers of the Army are paid according to rank held by them. A second lieutenant receives $141.67 initial pay per month; first lieutenant, $166.67; captain, $200; major, $250; lieutenant colonel, $291.67; and a colonel, $333.33, with an increase of 10 per cent, known as longevity pay, for each period of five years of service, provided that such increase shall not exceed 40 per cent.

The pay of a brigadier general is $6,000 per year; major general, $8,000; lieutenant general, $9,000; and a general, $10,000. These officers receive no increase for continuous service.

All officers are entitled to be furnished public quarters, with fuel and light, but if these can not be provided the officers receive a commuted money value of the same. The allowance for quarters for a second lieutenant is 2 rooms, or $24 per month; for a first lieutenant, 3 rooms or commutation of $36 per month; a captain, 4 rooms or commutation of $48; major, 5 rooms or commutation of $60; lieutenant colonel, 6 rooms or commutation of $72; colonel, 7 rooms or commutation of $84; brigadier general, 8 rooms or commutation of $96; major general, 9 rooms or commutation of $108; lieutenant general, 10 rooms or commutation of $120; and a general, 11 rooms or a commutation of $132. All receive a suitable allowance for heat and light, dependent upon the locality of their stations and the season. While on foreign service officers receive an increase of 10 per cent of their base pay and longevity pay.

AERIAL "FLIGHT" INCREASES.

Aviation officers of the Signal Corps, or officers attached to the Signal Corps, while on duty which requires them to participate regularly and frequently in aerial flights are entitled to an increase in the pay of their grade under their commissions as follows: Aviation officers, 25 per cent; junior military aviators, 50 per cent; military aviators, 75 per cent. Each junior military aviator and each military aviator duly qualified and serving has the rank, pay, and allowances of one grade higher than that held by them under their commissions, provided that the ranks under their commissions are not higher than that of captain.

For deeds of valor recognized by acts of Congress officers and enlisted men receive certificates of merit, which entitle them to an additional compensation of $2 per month.

ALLOWANCES AT RETIREMENT.

Enlisted men can apply for retirement after 30 years of service. They are retired on 75 per cent of the monthly pay drawn at the time of retirement and $15.75 a month additional in lieu of allowances.

Officers are retired for disability or after 64 years of age and receive 75 per cent of the pay of the grade held at date of retirement.

An enlisted man in active service has no necessary personal expenses except for barber and laundry. Uniforms, underclothing, shoes, hats, quarters, medical attendance, and subsistence are supplied them at Government expense. Such materials as tobacco, postage, confectionery, and incidentals of individual taste may be purchased at the post exchange at cost.

Officers while in hospital are charged $1 per day for subsistence. They are not entitled to clothing or equipment and are required to subsist themselves, purchasing their supplies either from the quartermaster or through the ordinary channels of trade.

Mr. STEENERSON. Mr. Chairman, I yield four minutes to the gentleman from Nebraska [Mr. REAVIS].

Mr. REAVIS. Mr. Chairman, I want to call the attention of the committee to what I believe is a very glaring injustice done to rural carriers. As I understand the existing law from the answers made to me by the gentleman from Minnesota [Mr. STEENERSON], city carriers are allowed from $200 to $500 a year for the upkeep of their equipment when required to use wagons or automobiles, but the rural carrier is allowed nothing by way of upkeep. It so happens that the reorganization of the rural routes in my district requires every carrier to have two sorts of equipment, an automobile and a team of horses. I am frank to say that the mental operations of the Post Office Department have always been more or less a mystery to me, and I have never been able to receive any satisfactory explanation of the proposition that it is advisable to grant a city carrier from $200 to $500 a year for the upkeep of his equipment that is used on paved streets and allow a rural carrier nothing. It must be patent to anyone who is at all familiar with the conditions that a rural carrier driving country roads in all sorts of weather is more justly entitled to an upkeep and equipment charge than a city carrier, though the city carrier gets little enough. I have in my hand the average upkeep charge of the carriers in my district who are required to operate both an automobile, or rather a Ford, and a team of horses and a wagon, and the average charge in that district is $241.83 per year for the automobile and $396 for the team of horses and wagon, or a total upkeep charge of $637.83, figuring nothing for depreciation. I find in this average charge 410 bushels of grain for the year 1917, amounting to $287, or a little more than 50 cents a bushel. It can not be purchased to-day for twice that amount. I find a charge of 8 tons of hay at $12 a ton. It can not be purchased to-day for $16 a ton. The maximum salary drawn by any of these men is $1,200 a year, so that more than half the salary is consumed by the upkeep charge the department requires. It seems to me that the United States can not afford to employ men in this character of service where they run anywhere from 18 to 24 miles a day every day in the week, excepting Sunday, over all sorts of country roads, subject to all character of inclement weather, for a net return of less than $600 a year. I shall at the proper time offer an amendment to remedy this condition, and I trust that it may receive favorable consideration.

Mr. STEENERSON. Mr. Chairman, I yield two minutes to the gentleman from Michigan [Mr. MCLAUGHLIN].

Mr. MCLAUGHLIN of Michigan. Mr. Chairman, I am sorry that this bill does not provide for a larger increase to the employees, but I am pleased to see that it does one thing that the bill we considered a few days ago providing increases for some of the Government employees did not do. This increase will be added to the amount that the carriers and clerks are receiving now by virtue of the 5 and 10 per cent increase that we intended for the postal employees by the action taken by the Congress last year. I understand that there was a ruling of the Post Office Department that deprived postal clerks of the advantage it was intended that they should have by the action taken a year ago. That was certainly a forced and very harsh ruling and worked a great injustice to postal employees. And I heartily agree with the remarks made by the gentleman from Nebraska [Mr. REAVIS] to the effect that common justice would dictate an allowance to rural carriers for upkeep of equipment. In my district many of them are compelled to keep double equipment—an automobile for a part of the year and horses for the remainder of the year. They can not dispose of one when they are using the other. It is necessary for them to keep both and the upkeep of all their equipment depletes their salaries to a point at which the Government ought not to ask any one to work. We heard a good deal sometime ago about the efforts of the Committee on Appropriations; that it was preparing a bill to provide increases for clerks, and we expected a bill that would provide reasonable increases. In my judgment the increases carried by that bill were not reasonable; the increases were all less than they should have been; and I regret that the increases provided by this bill are not larger.

Several gentlemen have spoken of the need of increases of salaries of rural carriers and of proper allowance for expenses—spoken better than I am able—so I shall not occupy time along that line. I am allowed only a minute or two more and I wish to urge additional increases—more than this bill provides—for clerks and janitors. There are too many low-salaried clerks; too many clerks, capable, faithful, long in the service, who are receiving and even if this bill becomes law will receive salaries much too small. In very few cases does the Postal Service provide liberal salaries, but perhaps liberality can not be expected of the Post Office Department.

There certainly should be reasonable compensation for all employees, but this can not be said as to many of the clerks, nor can it be said as to janitors. Compensation of these places ought to be materially increased and now is the time for such increases. Additional compensation carried by this bill would be low even in normal times; during these times of abnormal expense of living refusal of larger increases is a great injustice to capable and deserving employees. I trust the committee and the House will promptly act with some measure of justice toward these men. Lack of time does not permit me to speak of other sections of the bill relating to compensation of men in other branches of the Postal Service.

Mr. STEENERSON. Mr. Chairman, I yield one minute to the gentleman from Oklahoma [Mr. MORGAN].

Mr. MORGAN. Mr. Chairman, I wish in this general debate to express my approval of the purposes of this bill. I should like to see it enacted into law at the earliest date possible. It has been delayed too long. It should have been passed long ago. Congress has been derelict in its duty. But it is better late than never. So I am glad that the Committee on the Post Office and Post Roads has at last brought before the House a bill to increase the salaries and pay of postal employees. I am glad that its benefits extend to railway mail clerks, clerks in all post offices, city carriers, postmasters, including those in fourth-class offices, and among all there are none more deserving of the increase than the rural-route carriers.

While approving the bill in general, I have some criticisms to offer:

The first is this: The increase in pay provided is not permanent. The increase of pay, as the terms of the bill provide, shall continue only "for and during the period of the war and for 90 days thereafter," as determined by the proclamation of the President. I can not understand why the Committee on the Post Office and Post Roads concluded to place this limit in the bill. I can not understand upon what basis the committee reached this conclusion. The increase is not large. It is very moderate. It should, therefore, have been made permanent. The department is constantly in need of new men for this service. The fact that the increased pay is only temporary will not tend to attract good, reliable new men into the service. More than that, it is unjust to the men in the service. They are left in a state of doubt and uncertainty. They will not know how long the increased pay is to last, and, very naturally, this will be unsatisfactory. According to the showing which has been made to me, especially as to the pay received by rural-route carriers, they are entitled to an increase of pay entirely independent of the continuation of the war. Their pay is too small for times of peace. The same may be said of the compensation of postmasters in fourth-class offices. For many years they have not received pay corresponding to the important service they have been rendering or sufficient to adequately compensate them for the work required of them.

The same may be said of the great majority of the postmasters of the first, second, and third classes, their clerks, railway mail clerks, and city carriers. The increased pay granted in this bill seems to have been based by the committee solely upon the increased cost of living as the result of the war. But the percentage of increased pay is much less than the percentage of increase in the cost of living since the beginning of the war. In other words, the increase in pay provided in this bill is not at all commensurate with the advance in the cost of living since the beginning of the war. The committee has not, therefore, done full justice to the various classes of post-office employees.

The increased pay is to stop within 90 days after the close of the war. This is not right. If there is to be any limit at all, it should be much longer than 90 days. It should not be less than one year, and, in my judgment, should be much longer than that. The 90-day limit is wholly illogical. The committee certainly knows that there can be and will be no material reduction in the cost of living within 90 days after the close of the war. It may take years before prices will get down to the level of peace times. Indeed, I have seen it stated by numerous prominent people that food products and other things in common use will remain high a number of years after the war closes. This may be a matter of guesswork.

But we do know that prices will not drop down to a peace basis within 90 days after the close of the war. We are gradually adjusting ourselves to war prices. The tendency is to reach an equilibrium in prices of all the various articles in common use. That can not be accomplished in a day. The same process will go on in the adjustment of prices after the war. It is therefore illogical to base an increase of pay upon increased cost of living and discontinue the increased pay before there can possibly be any appreciable decrease in the cost of living. Still, this is what the committee bill does. It ought to be amended in this respect.

The war conditions have been exceptionally burdensome upon rural route carriers. They have a double burden to bear. Their ordinary living expenses have increased, the same as other employees of the Post Office Department; but in addition to this they have a team to feed or an auto to keep up. They have an equipment to purchase, maintain, and operate. The cost of horses, vehicles, autos, feed, and the cost of maintenance and operation have all increased heavily. All this means just that much reduction in their salaries. The burden upon them is heavy, indeed.

There are 43,318 rural-route carriers in the United States. They deliver daily mail to more than 27,000,000 of our people. They are, as a rule, high-grade, intelligent, faithful, and patriotic public servants. Upon them rests the responsibility of performing a very important part of the public service. The pay they receive should be such as will attract to and hold in this service men who are capable of rendering the most efficient and satisfactory service. Mr. Chairman, it would be poor policy to keep the compensation of rural carriers so low as to drive capable men from the service. This danger must be avoided. Finally, we must not overlook the fact that the great agricultural interests are involved in this proposition. The rural carriers serve the farmers. They constitute one-third of our population. As never before this war has brought home to us the importance of the expansion of our agricultural interests. To do this we must, among other things, make the farm attractive.

The American farmers are intelligent. They demand good mail service. To this they are entitled. Any deterioration in the mail service for the rural districts would be a hindrance to agricultural development, and in this way unfavorably affect our national strength.

I believe we have the best postal system in the world. Our policy should be to improve it all along the line. Let us give adequate pay to all our postmasters in the large and small offices, to our clerks in all grades and divisions of the service, to our railway mail clerks, whose duties are most important and hazardous, to both our city and rural carriers, and to all, however humble they may be, who contribute to the success of our great Postal Service.

Mr. STEENERSON. Mr. Chairman, I yield one minute to the gentleman from Pennsylvania [Mr. ROBBINS].

Mr. ROBBINS. Mr. Chairman, I vote most earnestly, heartily, and willingly for this bill. The only objection or criticism I have of it is that it does not grant a sufficient increase of pay to the rural carriers. [Applause.] In western Pennsylvania and through that part of the United States located in that latitude, these carriers must not only have one horse but they must have two horses, and if they have an automobile they must maintain also two horses and wagon and an automobile. Now, to maintain that sort of equipment, and I have here the statistics from the various carriers throughout the twenty-second district of Pennsylvania, showing that it costs them over $50 a month to maintain two horses and vehicle, and over $60 a month to maintain an automobile, leaving less than $40 a month upon which to support themselves and their family, so that the Government is not paying these men a sufficient sum to enable them to maintain themselves, educate their children, and live respectably, according to the American standard of living, under this scale of wages.

This bill is entitled "A bill granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service." It deals first with rural carriers, and grants an increase of 15 per cent to all those receiving $1,200 per year or less, and $24 per mile for each mile traveled over 24 miles, which is established as a rural-mail route, so that the carrier who serves a route 30 miles in length will receive $1,320 per year hereafter. This is a substantial advance in pay. The suburban carriers are given, in addition to this advance, an allowance for the upkeep of their conveyances. There is no reason why such aid should not be given the rural carriers, who have rougher roads and greater distances to contend with, and I shall at the proper time move an amendment to this bill granting an allowance of $25 per month to each rural-mail carrier toward paying the cost of the conveyance he must use in his service in carrying the mails. This is right and just, and should be granted to these faithful employees of the Government.

The bill also grants an advance to the clerks and all other employees in first and second class post offices. These increases are proper, and when it is remembered that this is the first increase of pay granted since 1907, it will be readily understood for what inadequate pay these employees are now working. The cost of the necessaries of life are now from 100 to 400 per cent higher than they were when their present wage scale was established. The third-class offices are not referred to in this bill for the reason that the pay of the employees in post offices of this class is left entirely by existing law in the hands of the Postmaster General, and it is fair to assume that he will fix the compensation of all these employees on relatively the same basis that this bill fixes the employees of second-class offices.

The bill establishes an eight-hour day for all employees in the Postal Service. This is a great and substantial benefit to these now overworked public servants. Fourth-class postmasters are by this bill given all cancellations up to $100 per quarter, or at least $400 per year when the cancellations equal

that sum. A very proper recompense for this class of postal employees, who not only do all the work but furnish the building, together with light and heat free to the Government.

Another very just provision of this bill is that contained in section 4, which allows the Postmaster General to relieve star route and screen wagon carriers from the hardship of contracts entered into before prices advanced, which now render further compliance with their contracts impossible without great financial loss. I know men in my district, Mr. Chairman, who will be bankrupt unless the relief here given can be invoked. As well might we expect a man to pay rent on a house that had burned down as to carry out a contract made in 1914 on the basis of the prices then prevailing. This great Government is not unjust. It does not ask for the "pound of flesh."

There is one great omission, however, in this legislation. The Postmaster General, in his annual report, page 25, in referring to the act of 1917, which establishes a new system of accounting, whereby the accounts of the small offices are all kept in the larger ones, instead of in the department at Washington, says:

Under this statute the smaller post offices, known as district offices, now obtain their postage stamps and supplies and render their accounts through a central accounting postmaster in each county.

This is a new feature. An entire change. A vast amount of additional work is, by this method, imposed on the postmasters of the county-seat post offices. No provision is made to pay for this new work. The already overworked postmasters of these accounting offices must do all this work and keep all these accounts without any pay therefor. This is unfair and unjust. I should like to know whether there is a reduction in the force here in Washington by reason of this shift of work? There are in Westmoreland County, Pa., 114 post offices and 53 rural routes and in Butler County, Pa., 46 post offices and 62 rural routes—in 1916—in my congressional district. Yet the postmasters at Greensburg, Pa., and Butler, Pa., must keep the accounts with these offices without any extra pay for the services rendered.

This is an unjust burden, and I shall try to amend this bill to correct this wrong. If the post office is now self-sustaining and indeed profitable, as the Postmaster General claims it is, why continue these pinching economies and unfair practices? Let us aim, gentlemen, by this law to do justice to all the employees of the great Post Office Service wherever found or in whatever capacity they serve.

The post office is the great educational branch of our Government. The daily visit of the citizen to the post office or the coming of the rural carrier to his door is about the only evidence he has in a tangible way of the benefits of the General Government.

May we not fondly hope that our postal department may hereafter be regarded by our citizens not only as a dispenser of knowledge but as a great public institution that treats equitably, justly, and liberally its faithful employees from the humblest to the highest alike.

Mr. STEENERSON. Mr. Chairman, how much time have I left?

The CHAIRMAN. The gentleman has one minute.

Mr. STEENERSON. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. FARR] sufficient time to make a request.

Mr. FARR. Mr. Chairman, I am heartily in accord with the propositions embodied in this legislation and am happy at the opportunity afforded me by voice and vote to favor the reclassification of the grades of the clerks and carriers in first and second class post offices and in the Railway Mail Service, so that the long-serving, experienced, faithful, and hard-working men shall receive the additional financial reward to which they are so justly entitled. I am also in full sympathy with the increase for the other employees of the post office and the rural mail carriers.

The cost of maintaining the equipment of the rural carrier, whether motor or horse power, has become so great that their salaries have been depleted to a point that leaves them a bare sum for subsistence. Contrary to the views of many, the cost of this upkeep of vehicles, horses, or motor cars and the purchase price of the same is entirely paid from the salaries of the rural carriers, for which no allowance is made by the Government. As a result of this burden of expense on the rural carrier five appointments have been made on one route in one year in the district which I have the honor to represent.

It is a pleasure also for me to support the appropriation for experiments in the motor-truck delivery of food products suggested by Fourth Assistant Postmaster General Blakslee. Indeed, Mr. Blasklee has already demonstrated by experimental parcel-post motor-truck routes now in operation that the experimental stage has been passed and that this service, where rendered, is not only an undoubted success, but that its possibilities for the benefit of the people are almost incalculable.

One of the great weaknesses to-day is the lack of transportation facilities. Great quantities of food may be grown and a large output made of manufactures, but they are of no avail unless they are gotten to the markets and the consumers. Vast quantities of corn remain in the bins of the farmer in the West that are needed in the East. Early vegetables by the thousands of tons are ready in the South and wanted in the North. Lack of transportation is the obstacle in the way, and an unnecessarily higher cost of living the result.

It was not the lack of coal during the recent hard winter that caused such hardship, but the inability to place the coal where it was needed. I cite these as instances of conditions in food products and other material things that have affected nearly every part of our country for some years and aggravated by war conditions. They must be remedied not only to lessen the burden upon the people, but to enable us to win the fearful war in which we are engaged. The development of the parcel post truck-line system and extension of these routes throughout the country will be a tremendous factor in the improvement of these serious conditions.

Mr. STEENERSON. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. CLARK] sufficient time to make a request.

Mr. CLARK of Pennsylvania. Mr. Chairman and members of the committee, the mere fact that since 1907 there has not been any change in the pay of postal employees except in 1912, when the compensation of men in the first grade was made $800 per annum instead of $600, takes the question of now increasing their salaries out of the debatable zone, in my opinion.

This bill is the outgrowth of an exhaustive investigation by the committee reporting it, and it is here for approval or disapproval. Information concerning it has come to me in various ways—verbally, by written communications, and by investigations—and two facts are apparent.

First. There appears to be influential opposition to its passage.

Second. There is a widespread popular demand that salaries ought to be regraded and increased.

The opposition, in part, condemns the methods used to secure results; that is, through employees' organizations, unions.

In a departmental report commenting on these organizations, their journals, and conventions it is asserted that they "are devoted almost entirely to matters of selfish interest" and that "the organized postal employees are making many selfish demands"; that these organizations "are fast becoming a menace to public welfare and should no longer be tolerated or condoned"; and furthermore that "the interests of the employee will always be protected by public sentiment."

Criticisms made and suggestions offered, after a full, unprejudiced, and intelligent investigation, are entitled to consideration, may be reviewed, and this, too, without reflecting on motive.

These organizations will in their own way and in due time answer all these statements. Personally the one that interests me greatly is the one that public sentiment will protect the employee. How is public sentiment created? How is it made effective? The answer is obvious: Through organizations; there is not much accomplished these days without them.

Lawyers have their bar associations and, in some instances, fix their minimum fees.

Doctors have their county organizations, establish standards of professional ethics, and regulate charges. School-teachers unionize for the betterment of themselves.

In all the arts and crafts, industries, and commercial activities there are organizations.

There are scientific, literary, religious, labor, employers, aye, and political and partisan organizations. How do we hold our seats here? By party organization. What are we; what is our status? We surely are not officers within the exempting clause of the war-revenue bill. We may be "Federal employees." If so, must not our organized political work cease? If continued, it may become a menace to public welfare.

Recently Members on both side of this House earnestly contended that they and others were bound by party platforms. If true, it is important. Let me apply it. These carriers are wage earners, are they not?

In a national platform of 1912 we find this:

There should be no abridgment of the right of wage earners and producers to organize.

And in fulfillment thereof was there not in 1914 enacted legislation limiting the operation of restraining orders in injunctions? And in the platform of 1916 is there not reference to all this, and a reaffirmation of it in these words:

We have secured to the workingman the right of voluntary association for his protection and welfare.

All other organizations are permissible, it is said, but men and women who are Federal employees, and especially post-office employees, must not organize to reach desired results.

It seems to me that they come within the scope of their constitutional privileges vouchsafed in the first constitutional amendment, passed September 26, 1789, at the first session of the First Congress—the right "to assemble and to petition for a redress of grievances."

At all events they have been doing so for a long time. Growing out of their agitation and discussions, a meeting was held at Milwaukee in 1889, and the next year what might be called their first national convention was held at Boston, Mass. What did the delegates do? They discussed their grievances, and a petition was sent to Washington, bearing 50,000 names. Result: Relief prayed for.

At the present time there are many organizations of Federal employees: International Typographical Union, International Printing Pressmen's Union, Stereotypers' and Electrotypers' Union, International Brotherhood of Bookbinders, International Association of Machinists, Patternmakers' League, International Molders' Union, Steel Plate Framers' Association, Plate Engravers, and not even one strike. Postal employees—I do not know when or where or to what extent, if any, governmental efficiency has been impaired by them. As near as I can learn, they have conducted themselves in a law-abiding, peaceful, and orderly manner. If there has been bloodshed, force, or rioting, or serious injury to the service, we ought to know it, and then "public sentiment" might prevent a recurrence.

The method used to create public sentiment and grant relief is secondary and of little importance in passing on this bill. It is merit and not method that should guide us.

Has the pending measure any merit? The postal carriers must live decently, must pay their bills; they are temperate, frugal, and trustworthy; they perform their daily tasks punctually, braving the storms of winter and enduring the excessive heat of summer; they are not wealthy; their character is good; their service of great public benefit, invaluable; most of them have families to support, children to feed, clothe, and educate; they are human, like the rest of us, and enjoy, as we do, something over and beyond the absolute necessities of life, but their indulgence is greatly restricted or altogether eliminated.

Their qualifications, their service, their wants and necessities demand a decent compensation, and this is not to be determined by comparisons, by what some others may receive in another kind of governmental work.

It is a separate and distinct proposition, apart from all others. We have Biblical authority that the workman is worthy of his wage. What shall it be? How are wages to be fixed?

Honesty, experience, efficiency, the kind of work performed, skill, intelligence, the cost of living are factors to be considered in determining what is a just compensation, and this should not be limited to barely enough to eke out an existence.

Those postal carriers, clerks, janitors, all are faithful public employees. I think it was stated at one of the hearings before the committee having the bill in charge and by one of the Assistant Postmasters General in substance that they were as fine a body of men as could be found in Government service.

We personally know the character of these men; that it is good. We are familiar with their duties. A knowledge of what their wants and necessities are we acquire from varied sources.

I read with absorbing interest parts of the printed reports of the hearings, and gained useful information by so doing, both as to the attitude of the Post Office Department and the merits of the contemplated legislation. The testimony presented led me into the homes of these employees. I learned something of their lives and their families. If I did not have evidence from any other source, I found enough to convince me that their claims are just. I was somewhat confused by statements in the department's report of 1917 and in the reports of the hearings with reference to the increase of pay for the postal employees.

The First Assistant Postmaster General states the policy of the department on page 231 of the December, 1917–January, 1918, hearings to be the "effort of the department to fix the standard rates of pay for the different classes of work at from 15 per cent to 30 per cent above the average rates paid for similar service by the leading commercial institutions of the country," as set forth in the department's report for the fiscal year of 1916, and adds that "the same policy was outlined last year before the legislative committee during the hearings on the legislative, executive, and judicial appropriation bills," and is the policy now. Very well, let it be so. Let it become effective and not merely an intent.

The Fourth Assistant Postmaster General says, "If the employees at this time are not compensated at 15 per cent above the salaries paid by private employers for work of as exacting character, we are willing to recommend any increase that will bring them up to that basis. We are not opposing any increase in the salaries of postal employees"—see page 270 of the hearing. I said in the beginning that there is a wide-spread popular demand for an increase. I am justified in this from the fact that nearly 150 Members of this House, representing approximately 40 States, appeared before the committee and expressed themselves in favor of an increase. These Members reflect the sentiment of thousands of their constituents.

Now, what do we find? The department, through its chosen spokesmen, favors an increase. The employees have asked for it. A fair proportion of this House are for it. All there is left is to put the bill through. The only question is, What shall that increase be? I fear that the bill does not provide enough. On that subject I have some evidence that may be useful.

Desirous of securing first-hand information, I formed some questions and sent them out for answers and received several replies, all of the same tenor. The following will be sufficient to show the inadequacy of present pay:

STATEMENT OF A RURAL CARRIER.

Statement of Arthur A. Sedgwick:
What is your salary? $1,200.
Do you own a house? Yes; 40-acre farm.
What is it worth? $3,000.
What taxes do you pay? $35.
If you rent, how much do you pay per month?
What is your yearly expense for clothes, shoes, etc.? $200.
How many children have you living with you? One.
How many and who are they in your family whom you have to support? Wife, one child, and my father 87 years old.
What does your fuel cost per year? $90. Light? $12.
What does your food for family cost per year? $300.
What do your subscriptions for papers and magazines cost per year? $10.
What is your yearly church expenses? $75.
Do any members of your family contribute anything for family expenses? No. If so, how much?
How many contribute? None.
How many of your children go to school? One.
How old are your children? One child, 16 years.
How many horses have you? Two.
What are the horses worth? $225.
Cost per month or year for their feed? $428 per year.
Cost per month or year for shoeing? $50 per year.
Detail expenses—that is, give items concerning these expenses? Oats, hay, straw, horse tonic.
Cost of vehicle? $85. Repairs per year? $50 per year.
Who bears the expense of the outfit and keep? I do.
State any other expenses you have. Doctor bills; go to see my friends once in a while; and use a little gasoline.

Signed by ARTHUR A. SEDGWICK.

If I didn't have a farm to work from 4 o'clock in the morning till 8 at night I would run behind.

ARTHUR A. SEDGWICK.

STATEMENT OF CITY CARRIER.

Statement of Charles H. Burger:
What is your salary? $1,200 per year.
Do you own a house? Yes.
What is it worth? $3,000.
What taxes do you pay? $26.90.
If you rent, how much do you pay per month?
What is your yearly expense for clothes, shoes, etc.? $261.
How many children have you living with you? Three.
How many and who are they in your family whom you have to support? Four—wife and three children.
What does your fuel cost per year? $75. Light? $10.
What does your food for family cost per year? $624.
What do your subscriptions for papers, etc., cost per year? $5.
What is your yearly church expense? $20.
Do any of your family contribute anything for family expense? No.
If so, how much?
How many contribute? None.
How many of your children go to school? None.
How old are your children? Twins, 3½ years; baby, 18 months.
State any other expenses you have. Interest on property mortgage, $138; fire insurance, $5; life insurance, $70; water rent, $17; dentist and doctor bills, $30.

Signed by CHARLES H. BURGER.

One other similar report carefully analyzed shows that the amount of pay devoted to food for the family allowed each member 7 cents per meal.

The rural carrier has a laborious task to perform. He is a post office on wheels or runners. He has to perform many duties—make change for postage, carry parcels, and do his work regardless of snow-bound or well-nigh impassable mud roads.

The services of the city carrier are indispensable. Both classes are patriotic, and desire to subscribe for liberty bonds, to the Red Cross funds, and other war activities. How can they do it? They can not do much now. Their salaries have been in effect cut in two; they have been subjected to meatless, wheatless, and sweetless days, and to some extent to in part eatless days.

It has been said that the proposed increase will require a large amount of money. Suppose it does; men have got to live,

and these men are rendering full service for what they may receive.

I would cut out from the bill the time limitation and make the increase permanent.

The service is now being crippled because men are leaving it to receive better compensation elsewhere. The Postal Service should be kept up to the highest standard; its functions are most useful whether regarded as a commercial utility or an educational one.

Mr. Chairman, the men whose duty it is to deliver the mails must be well cared for. Their burdens are growing, both in the service and in the cost of supporting their families. The increased cost of living is phenomenal and unparalleled. I venture to prophesy that there will not be a dissenting voice in the passage of this bill, because it is so meritorious and appeals so strongly to our sense of justice.

Mr. STEENERSON. I yield to the gentleman from Montana [Mr. EVANS].

Mr. EVANS. Mr. Chairman, I am in sympathy with the principle of this bill. There are, however, glaring inconsistencies in the measure that should be corrected. The first paragraph of the bill limits the increase of pay to the rural carriers to a period of time extending 90 days after the termination of the war, while, if my interpretation of the language of the bill is correct, the pay herein provided for city delivery carriers and other postal employees is made permanent. I am personally of the opinion that this whole measure should be made a permanent law, and we would thus avoid being called upon every year to make an increase for the employees of the Government. A few days ago we passed in this House a measure carrying an increase to certain of the employees of the Government, which increase ranged from 25 per cent to those drawing very low salaries down to 6 per cent to those drawing $2,000 per annum. I had the honor to be a member of the subcommittee that reported that bill. While that matter was under consideration before us there was much diversity of opinion as to the increase that should be made. Personally I voted for an increase of $15 a month, or $180 a year, to each of the 200,000 employees involved in that bill.

It was, however, the judgment of the committee, after much consideration, that $120 per annum, or $10 a month, should be granted. While I thought the amount too small, I gave the measure my hearty support, because I thought it was a step in the right direction; and I feel, Mr. Chairman, that the present bill is a step in the right direction, though I do not deem it adequate to meet the situation. It is true this bill will entail an outlay to the Government of about $30,000,000, which, with the $29,000,000 voted in the bill we passed a few days ago, seems a very large increase in the pay of Government employees. When you consider that these two bills affect at least 440,000 employees, the increase per man is not very great. I have always maintained that as a rule, speaking by and large, the Government employee is the poorest paid person in the land considering his experience and qualifications. On the other hand, it is my judgment that the Government should be a model employer and should not ask men to work for a wage on which a self-respecting man can not live and support his family. Any industry, any institution, any economical system, or any government that denies to its employees such a reward is unjust and indefensible. It is my judgment that the allowance provided in this bill for rural carriers is wholy inadequate, and while it is a material increase over the present pay I do not believe Congress can justify itself in asking these men to render the service they do, under the conditions imposed upon them, for the pay herein granted, much less their present compensation.

In answer to a question submitted to the gentleman from Minnesota [Mr. STEENERSON], I understood him to say that city carriers are allowed from two to four hundred dollars a year for the upkeep of their equipment, when required to use wagons or automobiles, but that rural carriers are made no such an allowance for the upkeep of their equipment. To me that is a glaring defect either on the part of Congress or on the part of the Post Office Department. I can not understand why a carrier whose equipment is used only on city streets, which are generally paved or kept in good condition, should be allowed compensation, while the rural carrier, who must use his vehicles on country roads, should be denied such an allowance, and if the opportunity presents itself in further consideration of this bill tomorrow I hope to offer an amendment to remedy that defect.

It must be apparent to anyone at all familiar with the conditions that a rural carrier must meet that he is more justly entitled to an upkeep allowance than is a city carrier, and by that I do not mean to say that the city carrier is not entitled to this allowance; on the contrary, I believe he is, but I believe the rural carrier is entitled to a larger allowance for such upkeep, and, as I understand the matter, now he gets none. The present law allows the rural carrier $1,200 a year. He is compelled to provide his own equipment, which often consists of one or two horses and a wagon and an automobile. Figures have been submitted to this House showing that the average charge for the upkeep of a team of horses and a wagon is $250 a year, and for an automobile more than $350 a year, figuring nothing for depreciation. That allows the man for his services less than $600 a year. These men work six days in the week. They make their route of from 20 to 30 miles every day regardless of the inclemency of the weather, and we ask them to accept from us a pitiful sum of $50 a month net on which to live and support their families. This bill, if it passes, will increase that allowance to some extent but still does not give them adequate compensation. I hope this bill will be amended to increase the compensation particularly to rural carriers, and that it will be amended in such a manner as to make it a permanent law and when so amended will pass.

More than 200,000 employees are affected by this bill, and there are no more loyal or efficient employees in the world than this 200,000. Upon them rests the responsibility of performing a very important part of the public service, and they are entitled to receive such compensation as will attract and hold capable people in the service. The American people are probably the most discriminating people in the world. They demand good mail service as they demand good service in every other line, and they are entitled to it. We probably have the best Postal Service System in the world, and our policy should be to improve it. It is not a money-making scheme, and the pittance that we save by denying to these employees adequate compensation for this work reflects no credit upon the Government or the American people. For these and many other reasons that I might state I am earnestly in favor of the passage of this measure.

Mr. MOON. Mr. Chairman, how much time has the gentleman from Minnesota left?

The CHAIRMAN. He has none.

Mr. MOON. How much time have I left?

The CHAIRMAN. Two minutes.

Mr. MOON. I yield a minute to the gentleman from Louisiana [Mr. WATKINS].

Mr. WATKINS. Mr. Chairman, on the 14th of December, 1917, I inserted in the RECORD in connection with the amendment which I offered to the Post Office appropriation bill, a statement showing the increased cost of living from 1914 to 1917, and for the purpose of getting these facts and figures in their proper place in the RECORD here in the consideration of this bill I ask unanimous consent that those remarks incorporated at that time be incorporated in the RECORD now in this connection. At the same time I wish to have incorporated in the RECORD the statement made by J. W. Whitfield, president of the Old Dutch Market, showing the increased cost of living within the last year, which statement will show the necessity for the increase of the compensation of the rural free-delivery carriers, the post-office clerks, letter carriers, and fourth-class postmasters.

HOW FOOD PRICES HAVE ADVANCED HERE DURING THE LAST FOUR YEARS.

Statistical testimony regarding the increased cost of living on the commodities which Government workers must buy in order to live was given by J. W. Whitfield, president of the Old Dutch Market (Inc.).

Mr. Whitfield recited the prices on a list of 61 commodities under the heading, "Grocery, beef, pork, and vegetables," giving the prices for December, 1914, 1915, 1916, and 1917. He pointed out that the average increase on all items in this list for the three-year period from 1914 to 1917 was 92.1 per cent. The average increase for the two-year period, 1915 to 1917, was 98.6 per cent. The average increase for the one year, December, 1916, to December, 1917, was 55.6 per cent.

Mr. Whitfield explained that while these figures are for December, 1917, they are in all reasonable probability averaging as high, if not higher, to-day.

GROCERIES GO UP 90.1 PER CENT.

He showed that the average increase on all items in the list of groceries for the three-year period was 90.1 per cent; for the two-year period, 76.6 per cent; and for last year alone, 44.4 per cent. He said that 58 per cent of the total increase from December, 1914, to December, 1917, was put on during 1917.

In regard to all items under the heading of beef, he said that the average increase for the three-year period was 55.6 per cent, for the last two years 62.6 per cent, and for last year alone 63.3 per cent. Mr. Whitfield pointed out that prices were lower in 1915 and 1916 than in 1914, and that the increase during the last year was very radical on these products.

In discussing pork products, Mr. Whitfield said the average increase on all items shown on his list for the three-year period was 104 per cent, for the two-year period 118 per cent, and that over 60 per cent of the total increase was put on in 1917.

Regarding butter, eggs, and cheese, Mr. Whitfield figured the average increase on all items for the three-year period, 44.2 per cent; for the two years 1915 to 1917, 51.4 per cent; and for last year alone, 21.4 per cent. He said the prices were lower in 1915 and 1914, and the general increase has been about the same for the last two years.

VEGETABLES UP 200 PER CENT.

The average increase on vegetables during the three years, he said, had been 200 per cent. From 1915 to 1917 it was 228 per cent and last year alone it was 79.3 per cent.

He said the advance on vegetables had been the most radical in the business. He invited special attention to the prices on potatoes and cabbages. His table showed that potatoes sold in 1914 for 15 cents a peck, in 1915 for 23 cents, in 1916 for 50 cents, and in 1917 for 38 cents. The price on cabbage in 1914 was one-half cent a pound; in 1915, 1 cent a pound; and for the last two years, 4 cents a pound.

Mr. Whitfield argued that these advances in prices for foodstuffs, coupled with similar advances for clothing, shoes, and other necessities, make it impossible for the low-salaried Government employees to meet necessary expenses. In reply to a number of questions he said that as his concern sells directly to thousands of Government employees he has first-hand information regarding how hard it is for them to make their salaries cover the needs of life.

[From the CONGRESSIONAL RECORD, Dec. 14, 1917.]

Mr. WATKINS. I offer an amendment.

The CHAIRMAN. The gentleman from Louisiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

"Amendment offered by Mr. WATKINS: Page 23, line 9, after the word 'thereof,' strike out '$53,000,000' and insert '$66,250,000.'"

Mr. WATKINS. Mr. Chairman, in discussing the proposition of increasing the pay of rural free-delivery carriers when the bill was under general debate the statement was made on the floor that a special subcommittee of the Committee on the Post Office and Post Roads was investigating the question so as to determine as to what would be a reasonable amount to add to the compensation of the rural free-delivery carriers as well as post-office clerks. The gentleman from Indiana, in discussing that question, intimated very strongly that in all probability if any increase was allowed it would not be more than 15 per cent. This amendment calls for an increase of 25 per cent. I have carefully estimated the expenses of the rural free-delivery carriers, and I am satisfied that no increase of less than 25 per cent will be adequate. I have made a compilation of figurts, showing not only the living expenses of the rural free-delivery carriers but also their expenses incident to the maintenance and upkeep of their vehicles—whether motor propelled or horse drawn—and the expense of maintaining the animals when they have to use horse-drawn vehicles. These figures show that foodstuffs have increased from 50 to 200 per cent in three years; gasoline, 100 per cent; provisions, as follows:

		1914	1917
Bacon	per pound	$0.20	$0.45
Ham	do	.18	.35
Lard	do	.08	.23
Macaroni	do	.07	.12
Cheese	do	.18	.35
Butter	do	.25	.50
Flour	do	.04	.07
Sugar	do	.05	.10
Onions	do	.03	.06
Rice	do	.07	.10
Grits	do	.03	.06
Black-eyed peas	do	.07	.12
Codfish	do	.15	.24
Bread	do	.05	.10
Beef (fresh)	do	.17	.35
Pork (fresh)	do	.20	.40
Irish potatoes	per peck	.22	.50
Sweet potatoes	do	.20	.45
Eggs	per dozen	.25	.45
Tomatoes	per can	.08	.12
Sirup	per gallon	.65	.90

Laborers' wages have increased 100 per cent. The price of cotton and other agricultural products having increased in like proportion, there is a great inducement for rural free-delivery carriers to engage in other vocations.

This same statement applies in reference to letter carriers, as well as to rural free-delivery carriers, except as to stock, feed, and gasoline.

I regard an increase of 25 per cent for rural free-delivery carriers as most reasonable and just, and insist that the amendment do pass.

Mr. MOON. Mr. Chairman, I presume that my friend from Louisiana is not serious in offering this amendment. His amendment increases the appropriation $16,000,000. That is a question that ought to be and will be considered very carefully by the committee and a report made before passed on by the House. His proposition does not go to the extent of increasing the salaries or furnishing pay for equipment to rural carriers, but just adds $16,000,000 to the general appropriation, which could not possibly be used, if the amendment were passed, under the present law without an increase of the salaries and allowances for equipment. It seems to me that it is entirely useless to increase the gross sum of appropriations when there is no law to authorize its application anywhere. It would be an idle thing on the part of the House, and I presume the gentleman only offered it for the purpose of submitting some remarks and not with the idea that it would be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The time of the gentleman has expired. The gentleman from Louisiana asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. HELM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HELM. There were three hours allowed for general debate on this bill I would like to inquire how much of that time was consumed by those opposed to the bill.

The CHAIRMAN. That is not a parliamentary inquiry. The Chair does not know.

Mr. HELM. Let us make it a personal inquiry, then. Was there any time allotted to those who were opposed to the bill?

Mr. MOON. Mr. Chairman, if you will permit me I will state to the gentleman from Kentucky that the time was to be equally divided between those who were for the bill and those who were against it. The gentleman from Minnesota [Mr. STEENERSON] had the time for those who were against the bill.

Mr. HELM. I understand that application was made of him by the gentlemen opposed to the bill, and they were unable to secure time. I was advised the gentleman from Georgia requested time and was told that all the time was allotted.

Mr. MOON. Time on this side was allotted.

The Clerk read as follows:

Be it enacted, etc., That for and during the period of the war and for 90 days after the proclamation of peace by the President the increased allowance for postal employees in addition to the compensation now received by them shall be as follows:

That carriers in the Rural Free Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum and $24 per mile per annum for each additional mile over 24 miles.

That after the passage of this act clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into six grades, as follows: First grade, salary $1,000; second grade, salary $1,100; third grade, salary $1,200; fourth grade, salary $1,300; fifth grade, salary $1,400; sixth grade, salary $1,500. Clerks and carriers shall be promoted successively to the sixth grade.

That hereafter the salaries of railway postal clerks shall be graded as follows: Grade 1 at $1,100; grade 2 at $1,200; grade 3 at $1,300; grade 4 at $1,400; grade 5 at $1,500; grade 6 at $1,600; grade 7 at $1,700; grade 8 at $1,800; grade 9 at $1,900; grade 10 at $2,000.

Mr. MADDEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Massachusetts makes the point of order that there is no quorum present.

Mr. MOON. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. CARAWAY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9414) granting increased compensation to certain officials, employees, and laborers in the Post Office Department and the Postal Service, and for other purposes, and had come to no resolution thereon.

LEAVE TO EXTEND REMARKS.

Mr. MOON. Mr. Speaker, I ask unanimous consent that all gentlemen who have spoken on this bill may have leave to revise and extend their remarks in the RECORD.

The SPEAKER. The gentleman from Tennessee——

Mr. LITTLEPAGE. How about those who have not?

Mr. MOON. I will amend that so as to ask unanimous consent that all gentlemen who may desire to do so may have five legislative days in which to extend their remarks in the RECORD on this bill.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that all those who may desire to do so may have five legislative days in which to extend their remarks in the RECORD on this bill. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. MOON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 28 minutes p. m.) the House adjourned until to-morrow, Friday, March 22, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. TILLMAN, from the Committee on Pensions, to which was referred the bill (H. R. 10924) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, reported the same without amendment, accompanied by a report (No. 398), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolution, and memorials were introduced and severally referred as follows:

By Mr. DOUGHTON: A bill (H. R. 10925) to furnish all uniforms, accouterments, and equipments required for any officer of the military forces of the United States at cost prices; to the Committee on Military Affairs.

By Mr. NORTON: A bill (H. R. 10926) authorizing and directing the President to fix the prices for gasoline, kerosene, and other fuel oils, and to provide for the regulation of the production, storage, and sale of same, and for other purposes; to the Committee on Agriculture.

By Mr. JOHNSON of Washington: A bill (H. R. 10927) to authorize and empower the Secretary of the Navy to enter into and contract for the construction of a water-pipe line from a point in the city of Port Angeles, Wash., to the Navy submarine base on Ediz Hook; to the Committee on Naval Affairs.

By Mr. DYER: A bill (H. R. 10928) to amend sections 10 and 37 of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916; to the Committee on Military Affairs.

By Mr. ELSTON: A bill (H. R. 10929) to add certain lands to the Sequoia National Park, Cal.; to the Committee on the Public Lands.

By Mr. MONDELL: A bill (H. R. 10930) for the inclusion of certain lands in the Wyoming National Forest, Wyo.; to the Committee on the Public Lands.

By Mr. FLOOD: Resolution (H. Res. 291) for the consideration of S. 1553; to the Committee on Rules.

By Mr. GALLIVAN: Memorial of the General Court of the Commonwealth of Massachusetts, requesting the President and the Congress to devise and enact measures for the drafting of aliens; to the Committee on Military Affairs.

By Mr. ROGERS: Memorial of the General Court of the Commonwealth of Massachusetts, requesting the President and the Congress to devise and enact measures for the drafting of aliens; to the Committee on Military Affairs.

By Mr. TAGUE: Memorial of the General Court of the Commonwealth of Massachusetts, requesting the President and the Congress to devise and enact measures for the drafting of aliens; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. TILLMAN: A bill (H. R. 10924) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; to the Committee of the Whole House.

By Mr. COX: A bill (H. R. 10931) granting a pension to Frederick Munzer; to the Committee on Invalid Pensions.

By Mr. FOCHT: A bill (H. R. 10932) granting a pension to Laura D. Bricker; to the Committee on Pensions.

By Mr. GARD: A bill (H. R. 10933) granting a pension to Mary Calkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10934) granting a pension to Fountain Tankersley; to the Committee on Pensions.

Also, a bill (H. R. 10935) granting a pension to Mollie Hoover; to the Committee on Pensions.

Also, a bill (H. R. 10936) granting a pension to Ollie H. Hill; to the Committee on Pensions.

Also, a bill (H. R. 10937) granting a pension to John C. Ferneding; to the Committee on Pensions.

Also, a bill (H. R. 10938) granting an increase of pension to Fannie H. Smith; to the Committee on Pensions.

Also, a bill (H. R. 10939) for the relief of Henry C. Williams; to the Committee on Military Affairs.

By Mr. KEY of Ohio: A bill (H. R. 10940) granting a pension to Denton Whipps; to the Committee on Invalid Pensions.

By Mr. McANDREWS: A bill (H. R. 10941) granting a pension to Eliza J. St. Clair; to the Committee on Pensions.

By Mr. MAPES: A bill (H. R. 10942) granting a pension to William A. Hartley; to the Committee on Invalid Pensions.

By Mr. MOTT: A bill (H. R. 10943) granting an increase of pension to Carrie E. Dennis; to the Committee on Pensions.

By Miss RANKIN: A bill (H. R. 10944) granting a pension to Annie Veuve; to the Committee on Pensions.

Also, a bill (H. R. 10945) granting an increase of pension to Mary P. McIntire; to the Committee on Pensions.

By Mr. SHERWOOD: A bill (H. R. 10946) granting a pension to Myrtle Collver; to the Committee on Invalid Pensions.

By Mr. SHOUSE: A bill (H. R. 10947) granting a pension to Carl P. Biehler; to the Committee on Pensions.

Also, a bill (H. R. 10948) granting a pension to Vinton Myrick; to the Committee on Pensions.

Also, a bill (H. R. 10949) granting an increase of pension to William H. Beal; to the Committee on Invalid Pensions.

By Mr. WILSON of Illinois: A bill (H. R. 10950) granting a pension to Thomas R. Tracy; to the Committee on Pensions.

By Mr. WOODYARD: A bill (H. R. 10951) granting an increase of pension to George W. Burchard; to the Committee on Pensions.

Also, a bill (H. R. 10952) granting an increase of pension to William A. Byus; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolution of the National Woman's Party, Pennsylvania Branch, urging that Congress investigate the conduct of the officials of the District of Columbia who endeavored to coerce women trying to secure suffrage; to the Committee on the Judiciary.

By Mr. CAREW: Resolution of the Practitioners' Society of New York, indorsing the Owen bill (S. 3748) and the Dyer bill (H. R. 9563); to the Committee on Military Affairs.

By Mr. DALE of New York: Petition of H. Planten & Son, of Brooklyn, N. Y., favoring the payment of the excess-profits tax in installments; to the Committee on Ways and Means.

By Mr. ELSTON: Resolutions adopted by the Joint Fish Commission, representing Oakland, Berkeley, Alameda, Richmond, and other cities on the east side of San Francisco Bay, requesting Federal action to reduce the price and increase the supply of fish; to the Committee on Agriculture.

By Mr. EVANS: Resolution of the Live Stock Division of the National Food Administration of Montana, urging the use of the Missoula County buffalo pasture for grazing, and also the use, under certain restrictions, of national parks for the same purpose; to the Committee on the Public Lands.

By Mr. HAWLEY: Resolutions adopted by 62 churches, organizations, and mass meetings in the first congressional district of Oregon, favoring war prohibition; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Petition of Westerly (R. I.) Central Labor Union, protesting against Borland eight-hour amendment; to the Committee on Appropriations.

By Mr. LUNDEEN: Petition of Electrical Workers' Union of Minneapolis, stating that the Twin City street car situation is becoming alarming, and urges immediate action by Congress and the Federal Government, and further states that labor will do its utmost to avoid trouble at this time, further asking a square deal for labor; to the Committee on Labor.

Also, petition of organized labor of Minneapolis, urging immediate action by the Federal Government in their behalf in connection with the street car controversy and the recent failure of the Federal mediation board to settle that controversy, further stating that at a mass meeting in Minneapolis and St. Paul March 20 the sympathetic strike was up for general discussion, further stating that the Teamsters' Joint Council, George Guider, president, joins in the petition; to the Committee on Labor.

By Mr. MOON: Papers to accompany House bill 10910, for the relief of Thomas A. Jenkins; to the Committee on Pensions.

By Mr. OSBORNE: Memorial of the Presbytery of the United Presbyterian Church, Whittier, Cal., in favor of prohibition of intoxicating liquors during the war; to the Committee on the Judiciary.

By Mr. PRATT: Petition from Rev. George C. Poole and sundry other citizens of Millport, N. Y., urging the immediate enactment by Congress of a war-prohibition measure; to the Committee on the Judiciary.

By Mr. SWITZER: Petition of the D. Zenner Co. and 30 others for extension of time for payment of excess-profits taxes; to the Committee on Ways and Means.

By Mr. WOODYARD: Petition of the Little Kanawha and Ohio Valley Medical Society, the Tyler County Medical Society, and the Ritchie County Medical Society, all of West Virginia, fixing the grades of the commissioned officers of the Medical Corps; to the Committee on Military Affairs.

SENATE.

FRIDAY, *March 22, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, the truth that Thou hast revealed unto men is the pledge of Thy favor, and in itself is the covenant that Thou dost make with those who are willing to follow the truth. As we seek to apply the great principles that Thou hast made known unto men to our civil government we pray Thy direction and Thy guidance and blessing, not only here in this place where we shape the policy of the Nation, but we pray Thee to bless those who represent us on the battle field, that they may be protected by Thy kind providence, that they may be inspired by the loftiest and highest ideals of Christian citizenship, that they may be preserved from danger, and that they may be given the supreme privilege of winning a great victory for humanity and freedom and truth. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the bill (S. 3689) authorizing the Postmaster General to cancel or readjust the screen-wagon contract of H. H. Hogan at Kansas City, Mo.

The message also announced that the House had passed the bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House insists upon its amendment to the bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes, asks a conference with the Senate on the bill and amendment, and had appointed Mr. KITCHIN, Mr. RAINEY, Mr. DIXON, Mr. MOORE of Pennsylvania, and Mr. GREEN of Iowa managers at the conference on the part of the House.

The message also announced that the House had passed the joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured, with amendments, in which it requested the concurrence of the Senate.

MESSAGE TO THE RUSSIAN SOVIET.

Mr. WADSWORTH. Mr. President, on March 14 the American Association of Foreign Language Newspapers addressed a cable message, with the permission of the Secretary of State, to the Russian Soviet at Moscow. The message is so excellent in spirit and in expression that I ask unanimous consent that it be printed in the RECORD without reading.

There being no objection, the cablegram was ordered to be printed in the RECORD, as follows:

THE RUSSIAN SOVIET,
Moscow, Russia:

Seven hundred and thirty-four American newspapers published in 33 different foreign languages stand as one behind the message the President of the United States of America has sent your body. These newspapers have a combined circulation of about 10,000,000 copies per issue and reach all races and peoples who have come to this glorious Republic to enjoy religious and political freedom and liberty, regardless of race or creed. They beseech you not to deal with autocratic governments, whose sole purpose it is to destroy civilization as we know it. The readers of our papers hold these principles of liberty to be their greatest blessing and, to secure them, have come to the United States from the different nations now devastated by these autocrats for selfish motives of royalty and to uphold the brutal god of militarism. Many of these readers come from the various parts of Russia. They love their mother country and pray to you, and through you to their kinsmen, not to put the shame of defeat on themselves and their people.

We ask you in the names of the millions of people who depend on the news of our papers to stand with us for the honor of our adopted country and our allies, of which your nation is one, in defeating the greatest enemies of civilization in the history of the world. We pray for your success and assure you of our aid in bringing about a glorious victory at arms. At your back the entire American Nation stands as a stone wall. With the termination of an honorable and lasting peace we pledge you our assistance in building up again your unhappy nation. Do not make the mistake of accepting a peace that will destroy your country, your homes, and your people.

LOUIS N. HAMMERLING,
President American Association of Foreign Language Newspapers (Inc.).
FRAND D. GARDNER,
Secretary American Association of Foreign Language Newspapers (Inc.).

Committee: C. Edmond Belisle, publisher L'Opinion Publique, French daily, Worcester, Mass.; J. E. Bernier, proprietor L'Avenir National, French daily, Manchester, N. Y.; G. Boberg, manager Svenska Tribunen-Nyheter, Swedish weekly, Chicago, Ill.; L. C. Frank, publisher New Yorske Listy, Bohemian daily, New York; Israel Friedkin, publisher Jewish Morning Journal, daily, New York; V. A. Geringer, manager Svornost, Bohemian daily, Chicago, Ill.; Jacob Ginsburg, president Jewish World, daily, Philadelphia, Pa.; E. M. Grella, publisher Giornale Italiano, Italian daily, New York; Charles K. Johansen, publisher Nordstjernan, Swedish semiweekly, New York; P. S. Lambros, proprietor Greek Star weekly, Chicago, Ill.; N. A. Mokarzel, publisher Al-Hoda, Syrian daily, New York; Dr. D. Moldovan, president Romanul, Roumanian daily, Cleveland, Ohio; C. L. Orbach, publisher Slovak V Amerike, Slovak daily, New York; John R. Palandech, publisher United Serbian, Serbian weekly, Chicago, Ill.; Michael Pasvolsky, publisher Russkoye Slovo, Russian daily, New York; Frank Ruszkiewicz, publisher Dziennik dla Wszystkich, Polish daily, Buffalo, N. Y.; Vladimir Spatny, manager Denni Hlasatel, Bohemian daily, Chicago, Ill.; Matti Tunhunen, business manager Tyomies, Finnish daily, Superior, Wis.; Frank J. Svoboda, publisher American, Bohemian daily, Cleveland, Ohio; Swan J. Turnblad, publisher Svenska Amerikanska Posten, Swedish weekly, Minneapolis, Minn.; D. J. Vlasto, publisher Atlantis, Greek daily, New York; Leon F. Wazeter, publisher Wolna Polska, Polish daily, New York.

PETITIONS AND MEMORIALS.

Mr. GALLINGER presented a petition of the William Orr Club, of Dover, N. H., praying for the freedom of Ireland, which was referred to the Committee on Foreign Relations.

Mr. WEEKS. I present a resolution adopted by the General Court of the Commonwealth of Massachusetts relating to the drafting of aliens. I ask that it be printed in the RECORD and referred to the Committee on Military Affairs.

There being no objection, the resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD as follows:

[The Commonwealth of Massachusetts, in the year 1918.]

Resolutions requesting the President and the Congress to devise and enact measures for the drafting of aliens.

Whereas there are in the United States thousands of aliens between the ages of 21 and 31 years who, though physically fitted for military or naval service, are exempt from all liability to be drafted during the present war, which condition is unjust and inexpedient: Therefore be it

Resolved, That the General Court of Massachusetts hereby requests the President and the Congress of the United States to devise and enact suitable measures for drafting resident aliens other than enemy aliens of proper age for the military service of the United States; and be it further

Resolved, That copies of these resolutions be sent by the secretary of the Commonwealth to the President, to the President of the United States Senate, to the Speaker of the National House of Representatives, and to the Senators and Representatives in Congress from this Commonwealth.

—

OFFICE OF THE SECRETARY,
Boston, March 9, 1918.

A true copy of resolutions adopted at the present session by the Senate and House of Representatives of Massachusetts in General Court assembled.

Attest:

ALBERT C. LANGLEY,
Secretary of the Commonwealth.

Mr. CALDER. I ask to have printed in the RECORD a resolution adopted by the New York Board of Trade and Transportation favoring a national budget system, and that it be referred.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

[Rooms of the New York Board of Trade and Transportation, 203 Broadway, New York City.]

At the monthly meeting of the New York Board of Trade and Transportation held this day, Wednesday, January 9, 1918, Mr. Edward F. Cole, for the executive committee, submitted the following preamble and resolution, which was duly considered and unanimously adopted, viz:

A NATIONAL BUDGET SYSTEM.

Whereas it is alleged that national legislative waste reaches hundreds of millions of dollars annually in the United States resulting from a multiplicity of Appropriation Committees in the House of Congress; that 50 or more of the countries of the world, including Great Britain, France, Germany, Argentina, Austria, Italy, Japan, Australia, and Canada, have budget systems; that the President of the United States, former President Taft, and many other strong public men urge the adoption of such system; and

Whereas House joint resolution 178, now pending, creates a commission to report a plan for the adoption of a national budget system: Therefore be it

Resolved, That the New York Board of Trade and Transportation very cordially approves the purpose of House joint resolution 178 and respectfully petitions Congress that it be adopted.

A true copy. LEE KOHNS, *President.*
Attest:
[SEAL.] FRANK S. GARDNER, *Secretary.*

Mr. PHELAN presented a petition of the California Congress of Mothers and Parent Teachers' Association, of Oakland, Cal., praying for the enactment of legislation whereby American women marrying aliens will not be compelled to forfeit their citizenship, which was referred to the Committee on Immigration.

Mr. GRONNA. I have a telegram from producers of wheat in some of the leading spring-wheat States, showing the cost of production of wheat. I ask that the telegram may be printed in the RECORD without reading.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MINNEAPOLIS, MINN., *March 21, 1918.*

Hon. ASLE J. GRONNA,
Washington, D. C.:

Whereas the price of No. 1 northern wheat was fixed by the President of the United States at $2.17 per bushel for the 1917 crop and a correspondingly lower price fixed for other grades; and

Whereas the same prices have been likewise fixed for the 1918 crop; and

Whereas if it be assumed that the 1917 prices were reasonable and adequate under the conditions existing as to the 1917 wheat crop it is manifest that a consideration of various factors that will enter into the cost of producing the 1918 wheat crop will make it necessary for a higher price to be fixed for said 1918 crop in order that the producers may be equitably and justly dealt with, such factors, among others, being increase in cost of twine approximating 75 per cent, increase in cost of farm machinery, undoubted increase in cost of farm labor owing to scarcity because of the fact that thousands of the young men heretofore engaged in farm labor in wheat-producing States have been drafted into or have volunteered for military service of the United States: Now, therefore, be it

Resolved, That the official representatives of the States of Minnesota, South Dakota, North Dakota, and Montana, in conference assembled pursuant to call at the city of Minneapolis, Minn., this 20th day of March, 1918, do hereby respectfully request that the President of the United States reconsider the prices fixed for the 1918 wheat crop and either raise the price by proclamation or urge the passage of the Gore amendment to the Agricultural appropriation bill.

H. N. OWEN, *Chairman*.

THE CORN SITUATION.

Mr. SHEPPARD. I have here a letter from Hon. Herbert C. Hoover in reference to a telegram from the Dazey-Moore Grain Co., Fort Worth, Tex., to myself, which was put in the RECORD yesterday afternoon at the request of the Senator from Oklahoma [Mr. GORE] and which related to the corn situation. I ask that the letter be set out in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES FOOD ADMINISTRATION,
Washington, March 21, 1918.

Hon. MORRIS SHEPPARD,
United States Senate, Washington, D. C.

DEAR SENATOR SHEPPARD: I am in receipt of a copy of telegram addressed to you by the Dazey-Moore Grain Co., of Fort Worth, Tex. Your correspondent is evidently much misinformed on the subject. If the Dazey-Moore Grain Co. made any commitments on behalf of the allied buyers I am sure these gentlemen will complete the bargain. If, on the other hand, they speculated against allied necessities, I am sure they deserve no sympathy.

You will recollect that, due to the blizzard weather from December to mid-February, there was an entire shortage in the corn movement of the country. The allied buyers had been unable to obtain more than 30 per cent of the allied requirements of corn during this whole period. You are also probably aware that corn can not be shipped overseas after the 1st of April until the germinating period has elapsed. Furthermore, a large tonnage of allied ships was waiting in our ports for foodstuffs, and the most urgent demands possible were being made upon us to secure their loading with some kind of human food and at once.

Through the energy of the railways a considerable number of cars were placed in the corn belt in the latter part of February, and it had been the hope of all of us that the corn movement would be sufficiently large to fill the cumulated domestic demand and the pressing necessities of the allies for shipment prior to April 1. A few days' experience, however, showed that the outstanding and long-delayed domestic contracts covered nearly all of the arrivals at the market, and the allies were unable to secure from day to day even a quarter of their necessities in time to load their empty ships and to enable their dispatch from seaboard before the 1st of April.

They appealed to me in this situation and to overcome a most distressing emergency I suggested to their buyers that they should form a committee of grain dealers in each of the various interior terminals and arrange with these committees to divert to the allies as large a proportion of the arrivals as possible by special trainloads at the voluntary sacrifice and delay of the outstanding contracts for domestic consumption and to continue this until the boats could be loaded.

These arrangements were carried out by the allied buyers, and immediately their pressing demands were filled they, in accordance with the understanding with us, stopped this committee buying and instructed all committees that they would complete any outstanding commitments that were still pending.

I think you will agree that the setting up of these committees and the diversion of the domestic traffic in interference with the ordinary demand and supply is not a measure that should be carried a moment longer than the actual pressure of complete necessity. It was terminated at the earliest possible moment. The arrangements did overcome a very grave situation, but did so with great inconvenience to our domestic consumers and was obviously rightly terminated as quickly as possible.

The whole transaction was carried out with the public knowledge of every grain exchange in the United States and therefore the general public. It was carried out as a war necessity, and your correspondent draws wholly wrong conclusions.

I take it that the allies must be fed, even if it causes some inconvenience to grain dealers; and I have found that few of them do not willingly fall into necessary war service.

In case any public notice is taken of this would you be good enough to introduce this letter?

Yours, faithfully,
HERBERT HOOVER.

ILLNESS OF SENATOR BROUSSARD.

Mr. RANSDELL. Mr. President, in view of the serious illness of my colleague I desire to have read the telegram which I send to the desk.

The VICE PRESIDENT. The Secretary will read.

The Secretary read the telegram, as follows:

NEW IBERIA, LA., *March 21, 1918.*

JAMES L. MURPHY,
Interstate Commerce Commission, Washington, D. C.:

Senator's condition much improved. He has gained. We entertain no fear.

Mrs. R. F. BROUSSARD.

STEAMBOAT-INSPECTION SERVICE.

Mr. VARDAMAN, from the Committee on Commerce, to which was referred the bill (S. 2104) to amend sections 4402, 4404, and 4414 of the Revised Statutes of the United States, reported it with amendments and submitted a report (No. 323) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GALLINGER:

A bill (S. 4170) granting a pension to Edward J. Jordan (with accompanying papers); to the Committee on Pensions.

By Mr. HARDING:

A bill (S. 4171) to appropriate the sum of $10,000 to erect a monument to mark the grave of Maj. Gen. William S. Rosecrans; to the Committee on the Library.

A bill (S. 4172) granting an increase of pension to Thomas C. Simmons; to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 4173) granting a pension to Cora C. O'Neill; to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 4174) in relation to chief clerk and others in the Steamboat-Inspection Service; to the Committee on Commerce.

By Mr. SMITH of Arizona:

A bill (S. 4175) granting an increase of pension to Thomas Ewing; to the Committee on Pensions.

By Mr. CALDER:

A bill (S. 4176) granting an increase of pension to Sarah J. Wood; to the Committee on Pensions.

By Mr. PHELAN:

A bill (S. 4177) making the laws relating to navigable waters nonapplicable to diversion for irrigation of water from Colorado River by Imperial irrigation district and for the approval of new works by the Secretary of War; to the Committee on Irrigation and Reclamation of Arid Lands.

AMENDMENT TO INDIAN APPROPRIATION BILL.

Mr. GRONNA submitted an amendment proposing to pay $75 to each man, woman, and child of the enrolled members of the Menominee Tribe of Indians upon application to the superintendent therefor, etc., intended to be proposed by him to the Indian appropriation bill, which was ordered to lie on the table and be printed.

LEAVE OF ABSENCE.

Mr. SMITH of Michigan. Mr. President, I ask unanimous consent that I may be given leave of absence for 30 days in order that I may visit my son, who is in the Army and is now on sick leave in southern California.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Is there objection to the request of the Senator from Michigan? The Chair hears none, and the request is granted.

CIVIL-SERVICE EXAMINATIONS—CONFERENCE REPORT.

Mr. McKELLAR submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 117) amending the act of July 2, 1909, governing the holding of civil-service examinations, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, and 3, and agree to the same.

KENNETH MCKELLAR,
REED SMOOT,
Managers on the part of the Senate.

H. L. GODWIN,
C. D. CARTER,
Managers on the part of the House.

The report was agreed to.

WAR-FINANCE CORPORATION.

The VICE PRESIDENT laid before the Senate the action of the House of Representatives insisting upon its amendment to the bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes, and requesting a conference with the Senate on the bill and amendment.

Mr. SIMMONS. I move that the Senate disagree to the amendment of the House, agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. SIMMONS, Mr. STONE, Mr. WILLIAMS, Mr. PENROSE, and Mr. LODGE conferees on the part of the Senate.

WAR-RISK INSURANCE.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department,"

approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured.

Mr. SIMMONS. I move that the Senate disagree to the amendments of the House and request a conference with the House on the disagreeing votes of the two Houses thereon, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. WILLIAMS, Mr. SMITH of Georgia, and Mr. SMOOT conferees on the part of the Senate.

PUBLICATION OF CASUALTIES OF AMERICAN EXPEDITIONARY FORCES.

Mr. NEW. I move that the Senate proceed to the consideration of Senate resolution 211.

The VICE PRESIDENT. Does the Senator move or ask unanimous consent?

Mr. NEW. I move.

Mr. CHAMBERLAIN. May I ask the Senator what is the calendar number?

Mr. NEW. Two hundred and eighty-eight.

The VICE PRESIDENT. Is there objection?

Mr. SMITH of Georgia. Let the resolution be read before consent is given.

The VICE PRESIDENT. The resolution will be stated.

The SECRETARY. Senate resolution 211, requesting the War Department to inform the Senate if the Department has issued orders for publication of the names only when giving casualty lists of the American Expeditionary Forces abroad.

Mr. MYERS. Is it a question of unanimous consent or is it a motion?

Mr. NEW. A motion.

Mr. JONES of New Mexico. Mr. President——

The VICE PRESIDENT. It is a resolution coming over from a preceding day, and it is entitled to consideration by the Senate.

Mr. MYERS. I wish to say that when the Senator from Indiana [Mr. NEW] made a request for the consideration of this resolution the other day I objected, simply because I am opposed to the resolution. I did not care to have it considered by unanimous consent, for I was not in favor of it. If the request is for unanimous consent, I will object at this time, but if it is a motion I shall not oppose the motion, because I realize that the Senator——

The VICE PRESIDENT. The motion is not in order at the present time. Only unanimous consent is in order.

Mr. BRANDEGEE. Mr. President, a parliamentary inquiry. The morning business is not yet closed?

The VICE PRESIDENT. It is not yet closed.

Mr. BRANDEGEE. It can come up after the morning business.

The VICE PRESIDENT. The Chair was in error. It is not a resolution coming over from a preceding day. It was the report of a committee and is on the calendar, and at the close of the morning business is subject to a motion to be taken up, but is not now subject to a motion to take it up. That can only be done by unanimous consent.

Mr. NEW. I withdraw it and will make the suggestion later.

The VICE PRESIDENT. The introduction of bills and joint resolutions is still in order.

After the transaction of further routine business, which appears under appropriate headings,

The VICE PRESIDENT. Is there further morning business? The morning business is closed.

Mr. NEW. I move that the Senate proceed to the consideration of Senate resolution 211.

Mr. JONES of New Mexico. I should like to inquire of the Senator from Indiana if the consideration of the resolution is likely to consume very much time?

Mr. NEW. I think not.

Mr. JONES of New Mexico. On yesterday I gave notice that I would like to submit some remarks this morning at the conclusion of the morning business, if I could obtain permission of the Senate to do so.

Mr. NEW. I think the resolution will not require much time.

The VICE PRESIDENT. The Senator from Indiana moves that the Senate proceed to the consideration of Senate resolution 211.

Mr. MYERS. Mr. President, when the senior Senator from Indiana [Mr. NEW] asked unanimous consent for the immediate consideration of the resolution the other day I objected, because I was opposed to the resolution, and I did not care to have it come up by unanimous consent when I was present and opposed to it. I realize, however, that the Senator from Indiana [Mr. NEW], for whom I have very high regard and the kindliest personal feeling, is entitled to have this resolution considered at some time, and I shall not oppose the motion.

I have some objections to the resolution, and if the resolution is brought before the Senate I shall briefly state the objections. It will not take long, I will say for the benefit of the Senator from New Mexico.

Mr. BRANDEGEE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BRANDEGEE. Is the motion to proceed to the consideration of the resolution at this time a debatable motion?

The VICE PRESIDENT. The Chair was about to remark that all motions made before 2 o'clock are to be determined without debate.

Mr. MYERS. Then I have nothing more to say at this time.

The VICE PRESIDENT. The question is on the motion of the Senator from Indiana to proceed to the consideration of Senate resolution 211.

The motion was agreed to.

The VICE PRESIDENT. The Chair lays before the Senate the resolution, which will be read.

The Secretary read Senate resolution 211, submitted by Mr. NEW on the 9th instant, as follows:

Whereas it has been stated in the public press of this date that the War Department in publishing the casualty lists of the American Expeditionary Forces now abroad will hereafter give names of soldiers only, withholding announcement of their residence and next of kin: Therefore be it

Resolved, That the War Department be requested to inform the Senate if such an order has been issued, together with the reasons for it, if not inconsistent with the interest of the service.

Mr. JONES of New Mexico. Mr. President——

The VICE PRESIDENT. The Chair would feel it to be the Chair's duty to recognize in the first instance the Senator from Indiana, if he wants to discuss the resolution.

Mr. NEW. Mr. President, it does not appear to me that the consideration of this resolution ought to require much time. It simply calls upon the War Department to furnish the Senate with certain information, "if not inconsistent with the interests of the public service." If the resolution is not couched in perfectly respectful terms, it is simply because my acquaintance with the English language is not broad enough to do it. There is no other purpose in the resolution than to determine in the minds of the Senate whether there are sufficient reasons for withholding the names and home addresses of American soldiers who are killed or injured abroad. I should like to add to that that this list is printed in full by the British newspapers, it is printed by Canadian newspapers, and I have here before me a list taken from a Washington paper of day before yesterday copied from a Canadian paper giving the names of American soldiers killed or injured with their post-office addresses—G. F. Fyfe, Los Angeles, Cal., killed; H. S. Ashbaugh, Moxahala, Ohio, gassed; and so on. I can not see why, if that list is published in newspapers printed on this continent in the English language and sent through by them to us, there can be any impropriety or any harm done by permitting American newspapers to do the same thing.

As I said, this resolution asks in the most respectful way possible that the Senate be informed of the reasons for withholding these lists "if not inconsistent with the public interest." If it is inconsistent with the public interest, the War Department can probably convince the Senate of that fact, but I think the Senate and the people through the Senate are entitled to that information.

There is a great confusion of names. For instance, here in one list that I have I find a certain name. I know three men of that name in different parts of the country—one in Virginia, one in Michigan, and the Senator from Nebraska [Mr. HITCHCOCK] called my attention to a third, who lives in Omaha. Here is the result of an investigation started by one American newspaper: "John Collins" is reported as among the Americans killed. This paper has gone to the trouble of making inquiries in various cities—Detroit, Cleveland, New York, Cincinnati, Philadelphia, Chicago—and finds that in Chicago there are 103 men of that name, in New York 142, in Detroit 32, in Cleveland 18, in Cincinnati 18, and in Philadelphia 83. That shows there are probably 3,450 John Collinses in the United States. I can see no objection to furnishing the information to the public that the John Collins who was killed was John Collins, of Detroit, or John Collins, of New York, as the case may have been, and thereby quieting the fears of the parents or next of kin or friends of the numerous John Collinses who are in the Army and unhurt.

In one of the New York papers there were given the names and addresses of four Frank Kellys, one Frank Kelly having been reported among the list of killed and injured. There were four in the city of New York, all of them in the Army.

Mr. CALDER. Will the Senator allow me to state that those four Frank Kellys were all members of the same company?

Mr. NEW. Yes; all in the Army and in one company from the city of New York.

There has been a great deal of comment on this order among the newspapers. I have personally received a large number of letters and telegrams from people objecting to it, hoping that it might be modified, and if it is not inconsistent with the interests of the public service, Mr. President, I think the order should be modified, and in a respectful way I suggest the War Department might inform the Senate and the public through the Senate if there is need for such an order.

Mr. SMITH of Michigan. If the Senator will allow me——

Mr. NEW. I yield.

Mr. SMITH of Michigan. At the time of the sinking of the *Tuscania*, I think every Senator was literally bombarded with telegrams to ascertain whether or not certain soldiers who were on that ship were saved or lost. I had a great deal of experience with that situation. It was reported that hundreds of Michigan people had been lost when that ship went down. It took me several days to ascertain for the relatives and friends of those men whether or not they were among the saved. There was only one way that I could give them the information which they desired, and that was the home address of each of those survivors. Not even the father's or the mother's name was given, but the home address was given. I took the pains to ascertain from the record who was saved, in order that I might in that way know with practical certainty who was lost. I sent hundreds of telegrams in reply to anxious inquiries about the fate of those soldier boys.

I agree with the Senator from Indiana [Mr. NEW] that more information than is now given should, if possible, be given. These soldiers have loved ones at home, and fathers and mothers are entitled to know promptly the fate of their boys. To withhold that information is to add untold agony to the sufferings of loyal and patriotic people who have already suffered much and who have made this great contribution to the American cause.

I desire to commend in the highest terms the efforts of the Senator from Indiana to find the basis of this extraordinary rule. If there is logic and reason and sense in it, of course we shall bow without complaining; but, so far as my information goes, it merely operates to wound the feelings of those affected and seriously affect the attitude of people at home toward the war and its consequences, if they can not find out as soon as possible the fate of their loved ones. They suffer the double penalty of doubt and anguish. I hope the resolution of the Senator from Indiana will prevail.

Mr. POMERENE. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Ohio?

Mr. NEW. I yield to the Senator from Ohio for a question.

Mr. POMERENE. Mr. President, I did not intend to ask a question. I was going to make a statement of fact, with the Senator's permission.

Mr. NEW. I yield for that purpose.

Mr. POMERENE. The statement I desire to make seems to me to justify the resolution.

On Sunday evening last I received a telegram from Ohio, which was sent me in the interest of and on behalf of a distressed father, who had seen in the casualty lists the name of a young man whom he believed to be his son.

I immediately took the matter up with the War Department and found there was no one there who could give me the desired information. On Monday morning I again inquired, and found that the name of this father's son, fortunately, was not in the casualty lists; that the name was that of another young man—the names being almost identical—who lived in a city in the far South.

Now, it does seem to me that there was no reason why this father in Ohio should be thus disturbed, and there was no reason why the father in the South should not have the information when it related to his own son. Personally I see no reason, looking at it with my limited knowledge of military affairs, why this information should not be given out as heretofore. If there is a military reason for not doing so, I have no doubt we shall learn it in response to the resolution which the Senator from Indiana has presented.

Mr. WEEKS. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Massachusetts?

Mr. NEW. I yield to the Senator from Massachusetts.

Mr. WEEKS. I think the Senator from Ohio [Mr. POMERENE] has stated the gist of this whole matter in the last sentence which he uttered. If there is a military reason, of course, no one wishes to force any other action than that which has been taken; but I did not have the opportunity to hear the Senator from Indiana [Mr. NEW] make his preliminary statement, and I should like to call to the attention of the Senate the fact that it is still the practice in Great Britain and in Canada to publish with the name of the soldier either the organization with which he was connected or his residence or the nearest of kin, so that it can be easily determined who he is and from what section he comes. Under that practice such an instance as that stated by the Senator from Ohio could not occur.

I think there is every reason, so far as I know, from a military standpoint why this information should be furnished the public, and I therefore hope the resolution of the Senator from Indiana will be adopted.

Mr. NEW. Mr. President, I will say to the Senator from Massachusetts that I read such a list, though I did not read it in extenso. I have, however, such a list here, which has been published in the Canadian papers and reprinted in the papers in this country, of Canadian soldiers and American soldiers who were killed abroad. I can see no reason why it will furnish the Kaiser any particular information to know that Frank Kelly, who was reported killed, was Frank Kelly, of New York, or Frank Kelly, of Omaha, while such information would furnish relief to the minds of the parents of Frank Kelly in New York if it is Frank Kelly of some other place who happens to have been the victim of that casualty.

If there are good military reasons, Mr. President, why this information should not be furnished, no man in the Senate will more willingly defer to them than will I; but in the absence of a good reason, I think it is information which the public should receive.

Mr. KNOX. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Pennsylvania?

Mr. NEW. I yield to the Senator from Pennsylvania.

Mr. KNOX. I would suggest to the Senator from Indiana—and I offer it as an amendment—that for the sake of clarity the words "if not inconsistent with the interest of the service," should be stricken out of the third and fourth lines and inserted in the first line after the word "requested," so that it will read:

That the War Department be requested, if not inconsistent with the interest of the service, to inform the Senate if such an order has been issued, together with the reasons—

Then, I would suggest an additional amendment by inserting after the word "for" the words "such order."

Mr. NEW. I accept the amendment. I also suggest that the date mentioned in the resolution ought to be corrected. The preamble of the resolution reads:

Whereas it has been stated in the public press of this date—

The preamble should be amended to read, "from the newspapers of recent date," or the newspapers of the date of the calendar day on which the resolution was introduced, and I shall ask that the modification be accepted without objection.

Mr. SMOOT. Mr. President, I desire to suggest to the Senator from Pennsylvania [Mr. KNOX] that he move to insert the words which we always use in resolutions of this character—"if not incompatible with the public interest"—rather than the language he has suggested—"if not inconsistent with the interest of the service."

Mr. KNOX. I think it is immaterial which language is used.

Mr. SMOOT. If the Senator feels that there is no difference, very well.

Mr. NEW. I have no desire to bring out anything which is inconsistent with the interests of the military service.

Mr. SMOOT. Then I will ask the Senator from Indiana if it would not meet with his approval to strike out in the first line of the preamble the words "this date," and insert "March 9," as that was the day the newspapers published the information?

Mr. NEW. That is what I was endeavoring to suggest.

Mr. SMOOT. Then I will also suggest to the Senator that instead of having the resolution read, "*Resolved*, That the War Department be requested," would it not be better that he frame it so that it will read, "*Resolved*, That the Secretary of War be requested," rather than the War Department?

Mr. NEW. I will accept that amendment.

Mr. SMOOT. Then, Mr. President, on lines 2 and 3 the Senator has used the language "together with." It seems to me that it would be better if the resolution read:

That the War Department is requested to inform the Senate if such an order has been issued, and, if so, the reason for it—

Rather than "together with."

Mr. NEW. I accept that amendment. It is the spirit of the resolution in which I am interested and not its language.

Mr. BORAH. Mr. President, may we have the resolution read now as it is proposed to modify it, in order that we may know how it stands in its perfected state?

The VICE PRESIDENT. The Secretary will read the resolution as modified.

The SECRETARY. As proposed to be modified, the resolution reads:

Whereas it has been stated in the public press of March 9, 1918, that the War Department in publishing the casualty lists of the American expeditionary forces now abroad will hereafter give names of soldiers only, witholding announcement of their residence and next of kin: Therefore be it

Resolved, That the Secretary of War be requested, if not inconsistent with the interest of the service, to inform the Senate if such an order has been issued; and if so, the reasons for such order.

The VICE PRESIDENT. The question is on agreeing to the resolution as modified. All in favor will say "aye"; those opposed, "no."

Mr. MYERS. Mr. President, I would like to have the privilege of saying a few words on the subject, as I have made some objection to the resolution. Has the result of the vote been announced?

The VICE PRESIDENT. No.

Mr. MYERS. Then, if the result has not been announced I wish to say a few words. I do not hope to change the result; but I would not care to indulge in the futile task of making remarks after the result of a vote had been announced. I will take but a few minutes of the Senate's time, and in the beginning I wish to say that I have the very greatest respect, the highest regard, and the kindliest personal feelings for the esteemed Senator from Indiana [Mr. NEW], the author of this resolution.

It is a very unusual thing for me to object to a request for unanimous consent for the immediate consideration of a measure before this body, and it was with regret that I did so the other day when the author of this resolution asked for unanimous consent for its immediate consideration. My reason for doing so was that I was opposed to the resolution when it was offered, and when I read of it and heard about it it impressed me unfavorably, and I did not care to be present when unanimous consent for its immediate consideration was asked without expressing my dissent from the terms of the resolution.

I realized that the Senator from Indiana was entitled to consideration of his resolution, and when he moved to-day for its consideration I intended saying in the few remarks that I had in view to make that if he were asking unanimous consent I would have to object again, because I was opposed to the resolution; but if he were making a motion I would have nothing to say against his motion to take up the resolution for consideration. I only had a few words to say in opposition to the resolution, and I felt I could express my views in regard to the resolution after it should be laid before the Senate for disposition. I will now proceed to do so.

On the day after this resolution was introduced and request was first made for unanimous consent for its immediate consideration, the following article appeared in the Washington Post with regard to the resolution:

Gen. March made the following statement:

"Gen. Pershing sent a cable to the effect that a protest had been made to him by the French Government against the publication in the United States of the data in the form it has been published. The Government said it was giving valuable information to the Germans.

ALLIES WITHHOLD CASUALTY DATA.

"The French system is to publish no casualties whatever. After three years of war this has been found the safest course to pursue. The names of the men are communicated to the mayors of the towns, who communicate the information personally to the relatives.

"The British publish casualties without any information that connects a man with any organization or with any particular action.

"Gen. Pershing regards it as of the utmost importance that casualties be not connected with the fighting, as it is going on in such manner as to provide the enemy with information.

"It is the patriotic duty of Americans to support Gen. Pershing in this. Get back of him."

The same article further said:

Gen. McIntyre, the War Department censor, explained further yesterday some of the reasons which made it necessary to conceal this information from the enemy. He pointed out that the enemy regarded it as of the utmost importance to ascertain as nearly as possible the line of battle of its opponents and the make-up of the opposing units.

Much of this information, he said, was obtained by the enemy airplanes, raiding parties, spies, etc., but in addition to this there were German agencies at work supplying information from neutral and other countries, particularly from the home country of the rival troops.

It is said that information of this character travels with incredible rapidity. It is not impossible that information printed in the newspapers here is dispatched to Germany via neutral countries by some dummy code or other ingenious means.

Particular stress was laid by the French Government on the published reports here concerning the number of Americans killed and put out of action by the German gas attack of March 1. For reasons not divulged this information appears to have done considerable harm, according to Gen. Pershing.

These articles, as I have said, appeared in the Washington Post, the morning after this resolution was introduced, upon which occasion the esteemed author of the resolution asked unanimous consent for its immediate consideration, to which objection was made by the Senator from Mississippi [Mr. WILLIAMS], and the resolution went to a committee. I do not believe that a paper of the standing and character of the Washington Post would print these interviews, purporting to quote the language of Gen. March and Gen. McIntyre unless they were authentic; and if authentic, these high officials of the War Department have already given the reasons which caused the making of the order in question.

If that is correct, if the order was issued at the request of Gen. Pershing, I do not care what Gen. Pershing's reasons are; I do not care what are the facts that caused him to make the request; if Gen. Pershing, our commander in chief in Europe, says that this is necessary or advisable and asks that it be done, I, for one, am willing to grant his request without a word.

Gen. Pershing is or is not competent to conduct the campaign which has been intrusted to his care in Europe. If he is competent, I think that he ought to have his way about it, without being compelled to disclose his reasons to this body. If he is not competent, I think he ought to be recalled and some competent man put in his place. That is my view of the matter, and it does seem to me that the War Department ought to be allowed to make some move or take some step without being criticized for it or called to account for it and made to give its reasons to this body.

I confess that I am not in sympathy with what appears to me to be a manifest disposition in this body continually to criticize the War Department, to call it to account, and make it give its reasons to the Senate or to the Senate Committee on Military Affairs for nearly everything that it does, or at least for a great many of the things that it does. It seems to me that we ought to go on the assumption that the War Department is competent to attend to some things, some part of its business, without being called to account by this body; and when I read a plain statement, which undoubtedly was an authentic, verbatim interview, published in a reputable newspaper as coming from Gen. March, the Chief of Staff, and Gen. McIntyre, the Chief of the Censorship Bureau of the War Department, it did seem to me that that was enough, without going further and requiring them to account to this body for their reasons in so small a matter as this.

I say "small matter," because it is relatively small. Of course, the parents and other relatives of our soldiers in France like to learn all they can about them, but assurance has been given by the War Department that in addition to publishing the names, the specific information about who the party is who has suffered a casualty, his full name and where he resides, is immediately telegraphed by the War Department to his nearest of kin, whoever that may be in this country, to his father or mother or wife or guardian. Of course, uncles and cousins and aunts in different parts of the country may be anxious to know who is John Jones, reported dead or wounded, and may be restive; but if the parent or the wife gets this information by telegram immediately from the War Department, and Gen. Pershing says that no more information should be given out, it seems to me that uncles and aunts and cousins and other distant relatives might be allowed to be restive for a few days until they may hear from the next of kin, who is promptly notified.

Mr. BRANDEGEE. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Connecticut?

Mr. MYERS. I yield with pleasure.

Mr. BRANDEGEE. Do either of the generals whom the Senator quoted from the newspaper state that it would be dangerous to publish the town or city from which the soldier came who was killed?

Mr. MYERS. I have just read the interviews.

Mr. BRANDEGEE. I followed it the best I could, but I did not see that the interviews said anything about the residence. What earthly reason there could be for withholding from the Germans the information that John Smith, who was killed, came from Chicago rather than New York, is beyond me; but it may be within the knowledge of our General Staff. If so, I would not want to extract it. But if they have no reason we do not ask them to give it, and if they have a good one, if they give it, it will be sustained, and if they have a bad one it ought to be overruled.

Mr. MYERS. Those interviews were given out, and the main reason they give is that Gen. Pershing has requested it. If he has requested it, that reason is good enough for me. I do not want him to give any further reason; and I must say that I

am not in sympathy with what seems to me to be a manifest disposition in the legislative branch of the Government to call the War Department to account for nearly everything it does. We have investigations, we have resolutions, we have criticizing speeches. I notice that in the House of Representatives some Member has introduced a resolution to investigate the sinking of the *Tuscania*, to learn why it was sunk. The reason it sank, as I understand, is that it was torpedoed by a submarine; but they are not satisfied with that. They want to know, I suppose, why the submarine torpedoed it. I see that some ship went to sea a short time ago and sank, and that there is an announced intention of introducing a resolution to investigate why it was sent to sea and why it sank; and we have investigations about nearly everything the War Department does, it seems. While I do not impugn the motives of those who are more critical than I, it does seem to me that from the beginning of this war the War Department has been subjected to an undue amount of criticism. If it does a thing, it is criticized. If it does not do a thing, it is criticized.

When the cantonments were located in the South there was a wholesale, broadside, avalanche of criticism for locating the most of those cantonments in the South, and partisan reasons were intimated on the part of some. It was criticizingly asked, "Why was this done?" "Why were nearly all the cantonments put in the South?" Then, last winter, when the hard winter came on, unusually cold weather, there was a broadside of criticism because a few of those cantonments were located in the North—one in Massachusetts, where it was said to be too cold for the soldiers to be drilled. "Why were not all those cantonments located in the South, where the weather was mild," was asked by critics of the War Department.

Mr. POINDEXTER. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Washington?

Mr. MYERS. I yield, with great pleasure.

Mr. POINDEXTER. Warm weather is coming on now pretty soon, and I should like to know if they have succeeded in getting any cotton uniforms for summer wear for the soldiers?

Mr. MYERS. There is another subject for criticism and investigation and resolutions. I suppose there will be an investigation of that. I suggest that the Senator from Washington offer a resolution to investigate that weighty question.

I am speaking in the best of feeling for Senators who take a different view about these matters. The Senator from Indiana [Mr. NEW] may wonder why I have taken his innocent little resolution, as he regards it, as an object of my opposition, and have said that we should draw there a line against criticism. Well, there had been so much investigation, so much criticism of the War Department that when I heard this resolution it seemed to me it was uncalled for and in line with the general spirit of criticism that pervades this body and that we might as well oppose some of these movements in that direction, for I regard the great majority of them as wholly unjustified. If the spirit of criticism of the War Department in Congress keeps up I think we might as well make a clean sweep of it and adopt a resolution and cable it to Gen. Pershing ordering that each night he is to map out a program of the movements of his troops for the next day, what he is going to do, what moves he is going to make, and require him to cable it over here and lay it before this body at 12 o'clock noon each day, and let this body approve or disapprove it and wire back its approval or disapproval. Of course, he would not be bound by it, but there would be as much merit in it as has been in some of the resolutions and criticisms that have been launched at the War Department from this body.

I believe that the entente allies and the United States have the most gigantic problem of all the ages of the world in their undertaking to defeat Germany and her allies in this war. I regard the central powers as already half victorious in this war. They have fought their way already half way to victory. When this war began the central powers were assailed on each side, the east and the west. They had powerful opposition on each side. To-day, after nearly four years of warfare, every vestige of opposition on the east side of the central powers is wiped out of existence, conquered, subdued. Not one vestige of opposition remains on the east side. Of course that is not the side on which the strongest opposition was made; but whatever it was has been conquered, and in addition to conquering that opposition the central powers have thereby gained control of almost unlimited fields of material resources and supplies, which probably put the central powers on as good a footing as to supplies and give them as strong a defense against starvation as the entente allies and the United States. I have been giving these matters serious consideration, and it does seem to me that with the most supreme and gigantic effort which we must make to reverse the operations of war on the western front and to put victory on our side in the remaining half of this war we ought to some extent follow our leaders without so much quibbling and criticism and without so much of a disposition to call them to account—to call them on the carpet, you might say—before this body and its committees, and make them give their reasons for nearly everything they do. I believe it is time we were getting together in better spirit and taking the judgment of the men at the head of the War Department and the judgment of Gen. Pershing in the field as being worth something and adopting it as our judgment, and pulling together instead of continually criticizing and pulling apart. Surely the War Department is competent to do something without interference from this body and its committees.

Those are the reasons why I have opposed this resolution. The sum and substance of it may be expressed in the one statement that Gen. Pershing has requested it, and that is enough for me. I think we should do everything in our power to back up Gen. Pershing instead of making him give his reasons for what he is doing so we may decide whether he is right or wrong. Trust him to know something. Trust him to do something right.

The VICE PRESIDENT. The question is on agreeing to the resolution as amended.

The resolution as amended was agreed to.

CONSIDERATION OF MILITARY BILLS.

Mr. JONES of New Mexico obtained the floor.

Mr. CHAMBERLAIN. Mr. President, will the Senator yield to me for just a moment?

Mr. JONES of New Mexico. I yield.

Mr. CHAMBERLAIN. There are at least 29 measures reported out of the Military Affairs Committee that are very essential to the prosecution of this war. The department has urged action on them, but somehow or other we have not been able to get these measures up. I am going to serve notice on the Senate now that if I can not get opportunity to take these bills up in the morning hour I am going to ask, to-morrow or next day, to displace the Indian appropriation bill, unless I can arrange with the Senator from Arizona [Mr. ASHURST] to consent to let me get these bills in. I think their passage is essential, and I think the Senate will agree with me that they ought to be put through. Many of them have not yet passed the House. They must be acted upon by the Senate and then taken up in the House later.

Mr. SMOOT. Mr. President, I entirely agree with the statement made by the Senator from Oregon. I do not believe that at 2 o'clock there will be any objection on the part of the Senator from Arizona to laying aside the Indian appropriation bill temporarily and proceeding with the bills mentioned by the Senator. If there were any real necessity for the passage of that bill within a given time, then, of course, it would be another matter, but no harm can come even if that bill is not passed for two weeks.

Mr. CHAMBERLAIN. I believe not.

Mr. SMOOT. I think the Senator is absolutely correct in his position.

Mr. FLETCHER. Mr. President, with the permission of the Senator from New Mexico——

Mr. JONES of New Mexico. I yield.

Mr. FLETCHER. May I suggest to the Senator that instead of waiting until to-morrow, then, we undertake to proceed immediately after the address of the Senator from New Mexico to take up the military bills?

Mr. CHAMBERLAIN. I shall undertake to arrange that with the Senator from Arizona.

Mr. FLETCHER. I think it very important to go right on with them at once, rather than wait until to-morrow, if the Senator from Arizona is willing to have that done.

Mr. ASHURST. I did not hear the remark of the Senator from Florida.

Mr. FLETCHER. I was inquiring if, after the Senator from New Mexico concluded his remarks, the Senator from Arizona would consent to laying aside the Indian appropriation bill in order to dispose of some of these military bills?

Mr. ASHURST. Of course, after the unfinished business, which is the Indian appropriation bill, is laid before the Senate at 2 o'clock, should the chairman of the Committee on Military Affairs or any member of the Committee on Military Affairs assert to the Senate that the passage of a certain bill is very important, I would ask unanimous consent that the Indian appropriation bill be laid aside for two hours or three hours; but I wish in all courtesy to have it understood that I can consent to nothing that would displace the Indian bill as the unfinished business.

Mr. CHAMBERLAIN. Mr. President, I will say to the Senator that I will not ask that, because the Senator has always been

very courteous about allowing these bills to be considered; but I do think they ought to be considered by the Senate.

Mr. ASHURST. Very well.

SHORTAGE OF SUGAR AND COAL.

Mr. JONES of New Mexico addressed the Senate. After having spoken for some time,

Mr. VARDAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Kellogg	Ransdell	Thompson
Beckham	Knox	Shafroth	Tillman
Borah	Lodge	Sheppard	Townsend
Calder	McCumber	Simmons	Trammell
Curtis	McKellar	Smith, Ariz.	Underwood
Fall	Martin	Smith, Ga.	Vardaman
Gronna	Nelson	Smith, Mich.	Wadsworth
Henderson	New	Smoot	Warren
Johnson, Cal.	Norris	Sterling	Weeks
Johnson, S. Dak.	Overman	Sutherland	Williams
Jones, N. Mex.	Page	Swanson	Wolcott
Jones, Wash.	Pittman	Thomas	

Mr. SHEPPARD. I announce that the senior Senator from Arkansas [Mr. ROBINSON], the junior Senator from Arkansas [Mr. KIRBY], and the senior Senator from California [Mr. PHELAN] are detained on official business.

Mr. WARREN. I wish to announce the absence of my colleague [Mr. KENDRICK]. He is absent from the city on public business. I will let this announcement stand for the day.

The PRESIDING OFFICER. Forty-seven Senators have answered to their names, not a quorum. The Secretary will call the names of the absentees.

The Secretary called the names of the absent Senators, and Mr. FRANCE, Mr. HARDING, and Mr. POMERENE answered to their names when called.

Mr. FRELINGHUYSEN, Mr. HARDWICK, Mr. COLT, and Mr. GALLINGER entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-four Senators having answered to their names, a quorum of the Senate is present. The Senator from New Mexico will proceed.

Mr. JONES of New Mexico resumed his speech and was interrupted by

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Senator from New Mexico will please suspend. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919.

Mr. ASHURST. I ask unanimous consent that the unfinished business be laid aside until the hour of 4 o'clock this day.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The Senator from New Mexico will proceed.

Mr. JONES of New Mexico resumed his speech. After having spoken for some time,

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KING in the chair). The absence of a quorum having been suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, S. Dak.	Page	Thomas
Chamberlain	Jones, N. Mex.	Pittman	Thompson
Curtis	Jones, Wash.	Ransdell	Tillman
Dillingham	King	Robinson	Trammell
Fall	Lodge	Sheppard	Wadsworth
Fletcher	McKellar	Smith, Mich.	Watson
France	Nelson	Smoot	Williams
Gallinger	New	Sutherland	
Henderson	Overman	Swanson	

Mr. McKELLAR. I desire to announce the unavoidable absence of my colleague [Mr. SHIELDS] on public business. I ask that this announcement may stand for the day.

Mr. SUTHERLAND. My colleague [Mr. GOFF] is absent on account of illness.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Thirty-four Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absent Senators.

The Secretary called the names of the absentees, and Mr. GERRY, Mr. GRONNA, Mr. JOHNSON of California, Mr. KIRBY, Mr. NUGENT, Mr. POINDEXTER, Mr. SHAFROTH, Mr. TOWNSEND, and Mr. VARDAMAN answered to their names when called.

Mr. BORAH, Mr. SIMMONS, Mr. WOLCOTT, Mr. STERLING, and Mr. MCCUMBER entered the Chamber and answered to their names.

Mr. VARDAMAN. A great number of Senators have gone down to see the aviation performance this afternoon, and, if it is agreeable to the Senator from New Mexico, I should like to move an adjournment, that the balance of us might go.

Mr. SMITH of Georgia and Mr. BANKHEAD entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty Senators have answered to their names. A quorum is present. The hour of 4 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 8696.

Mr. ASHURST. I ask that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from New Mexico will proceed.

Mr. JONES of New Mexico resumed and concluded his speech, which is, entire, as follows:

Mr. JONES of New Mexico. Mr. President, on December 11, 1917, the senior Senator from Massachusetts [Mr. LODGE] introduced and the Senate passed the following resolution:

Resolved, That the Committee on Manufactures be directed to inquire into the causes of the shortage of sugar and coal and report to the Senate thereon, together with their recommendation of any steps which they may deem it necessary to take with a view of remedying the conditions and, if possible, preventing their recurrence.

The Committee on Manufactures met on December 12 and appointed a subcommittee consisting of Senators REED, VARDAMAN, LODGE, KENYON, and myself to carry out the directions of the resolution. The subcommittee at once entered upon the performance of its duties, and on December 14 began the examination of witnesses. This examination continued, with but very few intermissions even during the holidays, until January 23 of this year. On the day after the taking of the testimony had been concluded the subcommittee met for the purpose of considering its report. No conclusion was reached other than that further consideration of a report should be deferred until after the testimony should have been printed. After a considerable lapse of time the chairman notified the members of the subcommittee that he was having prepared a tentative statement of facts regarding the coal situation. On February 25 the subcommittee met for the purpose of considering this tentative statement of facts, but inasmuch as other important questions were pending in the Senate, only a short session was held and no conclusion reached. On that day this statement reached the public press and was much commented upon. There has been no subsequent meeting of the subcommittee. At this meeting we were informed by the Senator from Massachusetts that, according to previous announcement, he would address the Senate upon the subject which the committee had had under consideration, on Wednesday, the second day thereafter. On this last-mentioned day the Senator, in pursuance of this notice, in a carefully prepared speech, which required about two hours in its delivery, presented his views both upon the facts which had been under investigation and the conclusions which appeared to him to flow therefrom.

My experience in this body has been so limited that I am not qualified to pass upon the propriety of the act of the Senator in discussing these questions at that time. It would seem, however, that the Senate, by the passage of the resolution and its reference to a committee which was subsequently authorized to employ reporters and incur the expense of printing its record desired a serious investigation of the subject matter and the benefit of the joint judgment of at least a majority of the whole committee. So far as I am advised, there is no reason why this result should not have been obtained. It would also seem that inasmuch as the Senator from Massachusetts has given complete expression to his views without conference with the members of the committee, that it is now impossible for the committee to take up the record, give it judicial consideration, and present a report in what I understand to be the usual way. The Senator in his speech not only discussed the immediate questions of sugar and coal, but entered into a general arraignment of nearly all the activities of the Government.

The public press discussed this speech at considerable length and its tendency has been to bring into disrepute not only the Food and Fuel Administrations but many other departments. From the Congressional Directory I have obtained the information that the Senator from Massachusetts was graduated from Harvard College in 1871 and from Harvard Law School in 1875; was admitted to the bar in 1876, and in the same year received a degree of Ph. D. from Harvard University; that his profession is that of literature; that he has published a large number of historical and biographical works, some of

which I have read with much pleasure and, I hope, some edification. I find also in the Directory that he is a member of a number of literary societies and has received the degree of LL. D. from no less than seven of the best-known educational institutions in the country. He has occupied many positions of honor in the Republican Party and at its national conventions. He served two terms as a member of the House of Representatives of the Massachusetts Legislature, was four times elected a Representative in Congress, took his seat in the Senate March 4, 1893, and since that time has been a Member of this body.

Any statements emanating from a man with such an honorable career must create a profound impression upon all those who are permitted to hear or read them. The speech was delivered in a most pleasing and incisive manner. Its language was of the purest diction, and as a whole might be classed as a literary jewel studded with gems perfectly cut and highly polished. It would seem almost sacrilegious to mar its beauty, and I assure you that it is with a feeling of much temerity that I undertake to make any comment thereon. Only impelling reasons, in no wise personal, would tempt me to do so. Inasmuch, however, as I am forced to believe that the expressions and affirmances of the distinguished Senator tend to discredit the services of a vast number of patriots who are serving our country in this crisis and to discourage the great host of American citizens who are making sacrifices in order to preserve this Republic I can not remain silent.

Mr. President, I have attended practically all sessions of the subcommittee and have given to the matters under investigation as much thought and study as time and opportunity would permit, and I can not agree in the main with the Senator from Massachusetts upon some of the most important facts which he discussed nor with many of his most important conclusions. I feel it my duty, therefore, not only to the officials involved but the country generally, to mitigate, if possible, the evil influences which naturally follow erroneous statements from such a distinguished source. I crave, therefore, the indulgence of the Senate while I dwell as briefly as possible upon the statements and conclusions of the Senator from Massachusetts and also upon what I conceive to be a proper deduction from the record made up by the Subcommittee on Manufactures.

The Senator at the threshold of his argument calls to mind some of the general economic conditions of the world which existed prior to the war in Europe, and also the same economic conditions as changed by the war between August, 1914, and April, 1917. He points out that after the Spanish War an era of prosperity, not only in the United States but in other countries, was entered upon and that the prosperous condition of the people brought about a greater demand for all commodities entering into human consumption. He also very definitely sets forth the increase in the circulating medium through vastly increased production of gold and the expansion of credits and of currency based on gold. From these causes it was rightfully contended that commodities in general would be advanced in price. We are given the changes in price of 35 articles of food which took place between the year 1900 and the year 1910. From this it appears that 32 articles had increased and only 3 decreased in price during the 10-year period, and that the increase of all averaged 40 per cent of the 1900 prices. This tendency in prices was gradual and continued until the beginning of the European war. The effect of the European war upon prices is so graphically pictured by the Senator that I quote from him, as follows:

> Such, then, was the economic situation in regard to prices, which had existed for some 15 years, when the war broke out in Europe. That war brought with it a necessary reduction of the purchasing power of the nations involved, but this effect, tending to lower prices, was gradual in its operation, and, although it will undoubtedly be felt with intense severity after the close of the war, it has thus far in no degree offset the other effects which the war produced. Millions of men—it has been estimated as many as 40,000,000—were taken by the war in the course of three years from the class of producers and were converted into consumers. Other millions were taken from reproductive industries and forced into industries wholly nonproductive; that is, industries which were engaged in making shells and explosives, for example, which were immediately destroyed and which, of course, earned nothing. This absorption of millions of men in war and war industries produced inevitably a great shortage of labor in all the ordinary and reproductive occupations. There could be no more powerful cause than this for a violent advance in prices, and this movement was still further accelerated by the increase of the circulating medium in Europe through the issue of paper currency and the expansion of national credits, and in this country by the pouring in of enormous quantities of gold to pay for the purchases made by the belligerent nations. The general upward movement of prices, therefore, which had been going on steadily before the war was greatly and abnormally quickened by the unnatural effects of war conditions.

It is not pointed out, however, how much prices were advanced by reason of the European war, and while he states that they were abnormally quickened by the unnatural effects of war conditions, that fact does not seem to have made any permanent impression upon his mind. Immediately following the quotation just made, the Senator says:

> This was the situation which confronted us when we entered the war last April and when we undertook to check the operation of these great economic forces by the artificial and arbitrary methods of law and by Executive action. It was proposed to reduce prices in spite of the overwhelming economic forces which were working always steadily and relentlessly toward their advance and at the same time to stimulate production.

Again the Senator says:

> The fixing of prices simultaneously with the stimulation of production, which was the enterprise we undertook * * * proceeded on the pleasant theory that high and advancing prices were not due to deep and irresistible economic causes, but were wholly owing to the fact that somebody was making undue profits. Undoubtedly there were people who were making exorbitant profits, but this was not the case with the great volume of business. Profits on an advancing market were good, but they were kept within bounds by corresponding advances in the wages of labor and in all running expenses, as well as by the good sense and intelligence of the mass of those engaged in business.

It is contended that the theory which has been acted upon by Congress was based on exceptions and not on the general rule and is, therefore, vicious. It is also contended that the slaughter of all makers of undue profits would undoubtedly check speculation and tend to give stability to prices, but would not stop their advance, which arises from fundamental and universal economic causes which can not be suppressed by "laws or decrees or even by lungs and language." The conclusion is, therefore, easily reached that attempts to lower prices by Executive decree or by law can not with the present economic forces at work possibly succeed.

On the other hand—

The Senator says—

> a great deal can be done to stimulate production. If production is stimulated, then the natural laws, which are much more powerful than Congresses and Presidents, begin to work. A large production will certainly steady prices and prevent famines. If carried to the point of oversupply, it will lower prices, and it is the only thing that will. Therefore we should have addressed ourselves to the stimulation of production, and if anything could be done to lower prices it could be done in that way.

To my mind the Senator has not given us an adequate picture of the conditions as they existed at the time of the passage of the food and fuel legislation nor has he correctly stated the objects of that legislation. No one can successfully contend that prices steadily advancing owing to fundamental natural economic laws can be permanently lowered by laws or decrees. The 35 articles of food heretofore referred to during the 10-year period from 1900 to 1910 advanced on an average of 4 per cent per annum, while during the one year, 1915, the index number of all commodities, as shown by the statistics of wholesale prices issued by the Department of Labor advanced more than 23 per cent. During the year 1916 all commodities made a further advance of more than 32 per cent. As compared with prices in December, 1915, Bessemer pig iron in 1916 had increased 142 per cent, steel billets 203 per cent, and barbed wire 80 per cent. In June and July, 1916, No. 2 hard winter wheat at Kansas City sold at less than $1 per bushel. In November of the same year No. 1 northern spring wheat was selling at Minneapolis at $2 per bushel. As compared with 1915, the price of granulated sugar during the year 1916 averaged nearly 24 per cent higher in price. During the last five months of 1916 in many instances prices of coal were more than doubled. Pittsburgh run-of-the-mine coal in Cincinnati increased from $2.20 per ton in August to $4.50 per ton in December. At the same time New River smokeless coal increased from $2.60 to $6.10 per ton. Pocahontas coal at Norfolk increased from $3.25 per ton in August to $6 per ton in December. From May to December in 1916 the price of coke was more than doubled. In 1914 the average price of copper was 13 cents per pound and during 1916 the price averaged 27½ cents per pound—during a portion of the year it was more than 34 cents per pound. No official data are readily obtainable as to prices of these various commodities during the early part of 1917, but it is safe to assume that they were as high and even much higher than the prices above mentioned on April 6, 1917, when the United States was forced into a world war.

The resolution which declared that a state of war existed between this country and the German Government pledged all our resources to the prosecution of the war. That this pledge was made in good faith received concrete affirmances in the various bills which were passed during the next few months making appropriations for the conduct of the war. These various appropriations and authorizations for the first fiscal year, not including the sums of money provided to be advanced to our allies or our ordinary expenses, amount to the stupendous sum of $12,413,452,720.41. When we recall that prior to the European war the total productive income of the United States did not exceed $40,000,000,000 per annum and that the net income of the entire country after the payment of living expenses probably did not exceed $5,000,000,000, we can

realize in some degree at least the extent to which production must be increased if we should put into the war the commodities necessary to carry it on according to the standard set by these appropriations.

In this undertaking an unlimited demand for many commodities was created, and, taking into consideration the necessities of our allies, a demand for many commodities was created which could not be satisfied with any facilities then existing or which could be supplied in the near future. In addition to this, we began calling, and are still calling, men in vast numbers from the ordinary productive pursuits of life and forcing them, in an economic sense, to become consumers only or engaged in what usually is termed nonproductive industries. These were the conditions and these the future prospects which confronted the country on August 10, 1917, when the food and fuel legislation was enacted. In these circumstances it seems to me that it would have been the height of folly to have depended upon the natural laws of supply and demand for the regulation of prices. I do not believe with the Senator from Massachusetts that "profits were kept within bounds by corresponding increases in the wages of labor and in running expenses, as well as the good sense and intelligence of the mass of those engaged in business." In many lines of industry strikes were occurring because the operators were reaping unheard-of profits and the laborers not receiving their just share. The prices of food, fuel, clothing, rents, and all the necessaries of life were advancing and still advancing to such an extent that the laborer, although receiving what in previous years would have been considered high wages, was not satisfied. Contractors were declining to make bids upon work for the Government because they did not know what would be the cost of either material or labor. It was known to everyone that many months, and perhaps several years, would elapse before production under the greatest stimulation could overtake the demand. Without some regulation of the prices of the necessities of life there would have been an ever-increasing cycle of higher prices, and it would have been impossible for the War or Navy Departments to make estimates of the cost of ships, munitions of war, or the expenses of maintaining our soldiers and sailors, as the effectiveness of appropriations could not be ascertained. Notwithstanding what has been done, much uncertainty has existed, and still exists, as to the value in war of the appropriations made by Congress, and unless something had been done to regulate prices chaotic conditions only would have obtained. I can not, therefore, agree with the Senator that the purpose of the legislation of August 10, 1917, was an attempt to lower steadily advancing prices brought about through any natural economic causes. The purpose, as I view it, was to stay the hands of greed and avarice which had practically seized every industry contributing directly to the war, until, at least in some measure, production might be stimulated and overtake the demand. That such a purpose could be accomplished by what the Senator calls "legislative artifice and Executive action," in my judgment, has been accomplished, as I hope to demonstrate by an examination of the activities of the Food and Fuel Administrations.

The Senator from Massachusetts says months have elapsed since we entered upon the experiment of reducing prices and at the same time increasing production and that the time has come when we can profitably discuss the results. The legislation regarding food and fuel became a law on the 10th of August, 1917, and the investigating committee began its work on the 14th of December following, a period of four months having elapsed. It is impossible, of course, to determine in so short a time the actual effect of efforts to increase production of a crop which is produced only annually, as is the case of sugar, but careful reasoning from cause to effect will indicate the probable results.

The Senator after a lengthy discussion of the sugar problem reaches the conclusion that the shortage of sugar was artificial and caused by the attempt to establish artificial prices and by interfering to some extent with distribution, and he finds "two central facts as a result of the policy adopted by the Food Administration in regard to sugar to have been a slight reduction in the price from the high point reached in August and a scarcity of sugar, amounting in some cases to a famine." The Senator says:

> Admitting that there would have been high prices at the period I have described, there can be no doubt that with the higher prices there would have been sufficient sugar in all parts of the country for the normal consumption of the people of the United States, and that they would rather have paid a higher price and had some sugar.

If these contentions be true, the millions of our patriotic citizens who have voluntarily made self-denial in order to conserve sugar should feel a just resentment and the Food Administration be subjected to censure.

Let us therefore examine the evidence as to the shortage of sugar and why it occurred. There is no doubt but what there was during the last three months of the year an actual shortage in the supply of sugar in many sections of the country. In certain sections and at certain periods sugar could not be obtained except in small quantities and in some cases none was to be had. There is no evidence that there were any supplies of sugar above normal in any section of the United States. That there was a shortage there can be no doubt, but the Senator says that it was artificial, and this assertion is of such great import that it is worthy of careful examination. It was attempted at the hearings and also by the Senator in his speech to demonstrate by statistics that there was an abundance of sugar. These statistics submitted by the Senator upon analysis do not appear to me to be convincing. At the time these statistics were prepared they were largely in the estimate stage so far as the supply available for the last three months of last year was concerned, and there are serious discrepancies in their alleged demonstrations.

In the first place, no statistics were or are available as to the great stock of sugar in the country which had been sold by the refiners or the beet-sugar factory and which was or is in the warehouses of the jobber or stores of the wholesale grocer or shops of the retailer or the household of the consumer. For all statistical purposes sugar disappears as soon as it is sold by the primary manufacturer and is thereafter referred to as "invisible stock." Except for the two special surveys made by the Department of Agriculture on August 31, 1917, and December 31, 1917, at the instance of the Food Administration itself, the amount of this invisible stock in the country at any one time is a subject of guesswork, and yet at the same time there is enough leeway here to account for the difference between plenty and scarcity.

Another important matter on which there are no statistics available is the amount of domestic beet sugar carried over from the beginning of the year. Figures are available for the entire beet crop of 1916–17, but when we try to figure the supplies for the calendar year 1917 we do not know what proportion of this beet-sugar crop was sold by the factories before January 1, much less what was in transit to the consumers.

In the same way there have been no figures presented as to what proportion of the 1917–18 crop of domestic beet sugar was available before January 1, 1918. It is here that I think the Senator made a fundamental error in attempting to demonstrate by statistics that there was an abundant amount of sugar in the United States. In figuring the amount of sugar available during the three autumn months of last year, he states that the Louisiana crop was 271,339 long tons and the United States beet-sugar crop was 734,577 tons. These figures, as shown by the table on page 2728 of the RECORD, are the figures for the 1916–17 crop, which in both cases began to be harvested in the fall of 1916, was marketed in the winter of 1916–17, and was completely disposed of before last summer. No better illustration could be asked of the danger of statistics in the hands of those of us who are not thoroughly conversant with the subject.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I do.

Mr. LODGE. Do I understand the Senator from New Mexico to say that the beet-sugar crop for the year which has just closed was not 734,000 long tons?

Mr. JONES of New Mexico. The year is not just closed.

Mr. LODGE. I mean the year 1917. They call it 1916–17 or 1917–18, but they only include, as the Senator well knows, the month of December.

Mr. JONES of New Mexico. It is just that point that I am trying to make clear, that we do not know how much of that sugar was available during the month of December. We can only tell what was estimated for the entire year, but I do not happen to have any definite statement here of what was actually produced of beet sugar for the entire crop of 1917–18.

Mr. LODGE. The crop of 1917–18 is not in, and, of course, neither the Senator nor anybody else knows anything about that.

Mr. JONES of New Mexico. I have the figures here for the crop of 1916–17.

Mr. LODGE. What I mean to say is that I took the last figures for a complete year, and that was the year completed on the 1st of December, 1917.

Mr. JONES of New Mexico. The Senator is quite right.

Mr. LODGE. That is, 11 months of 1917 and 1 month of 1916. I understood the Senator to say that I had taken the figures for 1915 and 1916.

Mr. JONES of New Mexico. No; but the figures which the Senator took were the figures for the year 1916–17.

Mr. LODGE. One month for 1916 and 11 months for 1917.

Mr. JONES of New Mexico. It so happens that the one month in 1916 runs into 1917, and we have no data which divide that portion of the crop which was produced and consumed in 1916 from that portion which was produced and consumed in 1917.

Mr. LODGE. I took the official figures for the year given by Willett & Gray and by the department.

Mr. JONES of New Mexico. I am not making any war upon those figures; they were the estimates given at the time; but I am attempting to show that such figures give us no information upon which we can rely as to the actual supply of sugar which was available for the calendar year 1917.

Mr. LODGE. As to that there may be a difference of opinion, but they were the best figures we had.

Mr. JONES of New Mexico. Unquestionably so. I am not attempting to say that the Senator from Massachusetts did not obtain the best information he could get, but I am attempting to present the proposition that by any statistics which are available it is impossible to demonstrate a shortage of sugar or an abundance of sugar for the calendar year 1917.

Mr. LODGE. That, of course involves a difference of opinion, and not of figures.

Mr. JONES of New Mexico. For instance, the Senator used the estimates of the year 1916–17, showing 271,000 tons as the Louisiana crop, but when that crop was actually produced and its yield actually ascertained, it had dwindled to 225,000 tons.

At this point Mr. VARDAMAN raised the question of a quorum, and the roll was called.

Mr. JONES of New Mexico. Mr. President, I was proceeding to try to get before the Senate information which will be absolutely convincing that there was an actual shortage in the supply of sugar available for the year 1917, and that this actual shortage was not artificial and brought about through the activities of the Food Administration.

The domestic crops which were actually available for the relief of the shortage in the last three months of last year were such portions of the domestic beet crop and Louisiana cane crop of 1917–18 as could be manufactured and marketed before January 1. The latest estimates of these crops are 750,000 tons and 225,000 tons, respectively. But those familiar with western conditions know that it is impossible to manufacture and market the entire beet-sugar crop before January 1, so that only an indeterminate portion of this crop, which was particularly and unfortunately late, was available at the time of the scarcity.

In the important matter of consumption the figures of the Senator from Massachusetts again illustrate the unreliability of a statistical demonstration such as he undertakes. His figures are based on Mr. Hoover's estimate of a normal consumption of 3,700,000 tons. While this was a proper estimate, actual consumption in the United States turned out to be 3,954,000 tons, an increase of 295,000 tons over the corresponding figures for 1916. It is true, as I have previously stated, that the statisticians treat sugar as having passed into consumption as soon as it leaves the factory where it is manufactured, without regard to whether it is eaten, put into preserves, hoarded by the consumer, or still in transit, but this only adds to the uncertainty of attempting to ascertain the amount of sugar actually in the country by any statistics available.

I think it advisable to put into the RECORD the table to which I have referred which appears on page 2728 of the RECORD, and ask that this may be done without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Sugar crops of the world.

[From Weekly Statistical Sugar Trade Journal.

The following are our latest estimates:

	Harvesting period.	1917–18	1916–17	1915–16
		Tons.	*Tons.*	*Tons.*
United States:				
Louisiana	October to January	225,000	271,339	122,763
Texas	do	2,000	6,250	1,000
Porto Rico	January to June	475,000	448,567	431,335
Hawaiian Islands	November to July	525,000	573,302	522,895
West Indies, St. Croix	January to June	7,500	7,787	11,750
Cuba	December to June	3,200,000	3,023,720	3,007,915
British West Indies:				
Trinidad	January to June	70,000	70,831	64,231
Barbados, exports	do	55,000	55,000	65,000
Jamaica, exports	do	30,000	28,331	15,143
Other British West Indies	do	35,000	30,000	35,371
French West Indies:				
Martinique, exports	January to July	35,000	34,443	38,925
Guadeloupe	do	35,000	36,160	34,110
San Domingo	January to June	145,000	130,171	126,058
Mexico	December to June	35,000	50,000	65,000
Central America	January to June	25,000	15,000	35,000
South America:				
Demerara, exports	{October to December {May to June	20,000	101,650	113,224
Surinam	October to January	15,000	15,000	13,000
Venezuela	October to December	15,000	15,000	7,000
Ecuador	October to February	8,000	8,000	7,567
Peru	do	265,000	250,000	262,849
Argentina	June to November	153,000	84,069	142,200
Brazil	October to February	375,000	300,000	194,000
Total in America		5,847,500	5,570,680	5,333,432
British India (consumed locally)	December to May	2,750,000	2,623,000	2,631,000
Java	May to November	1,800,000	1,596,174	1,198,557
Formosa and Japan	November to June	450,000	436,026	405,227
Philippine Islands, exports	do	273,250	210,000	332,153
Total in Asia		5,273,250	4,868,200	4,539,952
Australia	June to November	265,000	192,831	159,681
Fiji Islands, exports	do	100,000	100,000	90,000
Total in Australia and Polynesia		365,000	292,831	249,681
Egypt (consumed locally)	January to June	100,000	101,832	98,964
Mauritius	August to January	224,000	209,169	215,528
Reunion, exports	do	45,000	45,000	45,000
Natal	May to October	115,000	114,580	112,081
Mozambique	do	50,000	55,000	50,000
Total in Africa		534,000	525,581	521,573
Europe, Spain	December to June	6,000	6,000	6,359
Total cane-sugar crops		12,025,750	11,263,292	10,683,997
Europe, beet-sugar crops	September to January	3,764,000	4,456,408	5,077,760
United States, beet-sugar crop	July to January	750,000	734,577	779,756
Canada, beet-sugar crop	October to December	12,500	12,500	17,641
Grand total cane and beet sugar		16,552,250	16,466,777	16,659,154
Estimated increase in the world's production		85,473		

EUROPEAN BEET CROPS.

From information at hand we estimate the European beet crops as follows:

[Tons of 2,240 pounds.]

	Possible yield, 1917–18.	Yield, 1916–17.
Germany	1,200,000	1,350,000
Austria-Hungary	700,000	800,000
France	210,000	181,385
Belgium	125,000	135,031
Holland	210,000	269,180
Russia	900,000	1,158,920
Sweden	100,000	150,000
Norway	(1)	.....
Denmark	115,000	112,800
Italy	90,000	140,000
Spain	110,000	125,092
Switzerland	4,000	4,000
Roumania	(1)	15,000
Servia	(1)	.....
Bulgaria	(1)	15,000
England	.....	.....
Total Europe	3,764,000	4,456,408

No data.

Mr. JONES of New Mexico. This table is taken from the Weekly Statistical Sugar Trade Journal of January 10, 1918, and gives an estimate of the sugar crops of the world, the various countries which produce sugar, and the estimated amount of the yield in each. I call attention to the practically stationary production of the world for the three years therein given. The right-hand column is the crop for 1915–16, which for the most part, as shown by the harvesting periods, is harvested in the calendar year of 1916. The middle column is the crop of 1916–17, at the close of which we experienced the sugar shortage now under discussion. The left-hand column is the estimate for the crop of 1917–18, now being harvested, but which, with the exception of a portion of the United States beet-sugar crop, the Louisiana crop, and certain other unimportant exceptions, was not available to relieve any shortage before the 1st of January.

There are some things we do know. Prior to the European war England had derived the largest part of her supply of sugar from Germany. Russia and France were exporters of sugar. Java exported a very material portion of the world's supply. Last year Russia exported no sugar; France had changed from an exporter to an importer; and, of course, no sugars were exported from Germany or Austria. Owing to the lack of tonnage, very little sugar was obtained from the Philippines. France, Italy, and England were making greatly forced reductions in the consumption of sugar. Nine hundred thousand tons yet remain in Java because it can not be transported. It is estimated that the sugar actually obtained for France, Italy, and England was 2,000,000 tons below normal consumption. Canada and all the neutral countries of Europe, several countries of South America, and British Africa were bidding in the American market for sugar. The supplies in all those countries, so far as information is obtainable, indicated less than normal supplies and limitation upon consumption. Had there been sugar obtainable in the United States it is evident that these neutral countries, and especially our allies, would have purchased it. These exports of sugar from the United States were either made or contracted for prior to the organization of the Food Administration, and contemplated exports of sugar to our allies were actually curtailed through the activities of the Food Administration. No criticism of the Food Administration has been made for its failure to curtail exports of sugar further than was done. In fact, the Food Administration had no legal authority to limit exports. On the other hand, it appears that through the international committee, which had been arranged by the Food Administration, imports of sugar from various countries were being received almost continuously during the last three months of last year, as will appear by a table of such receipts and the allocations thereof, which was put in evidence, and which I ask to be inserted in my remarks without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Purchases and allocation of sugar by the International Sugar Committee, Dec. 10, 1917.

Date.	Amount. Bags.	Amount. Tons.	Kind.	Price.	Allotment.
Sept. 27	5,000	714	Cuba, 96°	5⅞ c. & f.	Warner.
28	5,000	714	do	do	Do.
Oct. 1	15,000	2,142	do	do	Do.
3	10,000	1,428	do	do	Federal.
4	5,000	714	do	do	Do.
8	5,000	714	do	do	Do.
15	13,300	1,900	do	do	Do.
18	31,700	4,528	do	do	American Sugar Refining Co.
15	.....	1,500	Peru, 96°	do	{1,163 American Sugar Refining. {300 Warner.
22	674	96	Cuba, 96°	do	American Sugar Refining Co.
22	740	34	Surinam, 89°	5⅞ duty paid. American Sugar Refining Co.	
22	700	35	Venezuela, 89°	do	
23	10,000	1,428	Cuba, 96°	5⅞ c. & f.	McCahan.
23	.....	700	Philippine Islands, 96°	6.90	{3,735 American Sugar Refining. {2,517 Federal.
24	.....	7,420	Philippine Islands, 88°	5.75 (6.90 basis)	1,883 Warner.
Nov. 2	805	120	Cuba Mols., 89°	4⅞ c. & f.	American Sugar Refining Co.
14	.....	2,200	Peru, 96°	5½ c. i. f. (6.881 duty paid)	Canada.
14	.....	425	Cuba, 96°	5⅞ c. & f. (6.90 basis)	American Sugar Refining Co.
14	.....	1,000	Philippine Islands, 96°	6.90	568 American Sugar Refining Co., 432 Warner.
14	.....	760	do	6.90	American Sugar Refining Co.
14	.....	160	Venezuela, 89°	5.75 duty paid	Do.
15	.....	725	Cuba, 96°	5⅞ c. & f.	Warner.
15	.....	2,715	do	do	Federal.
15	.....	450	Demerara, 95°	5.644 c. i. f.	Canada.
16	120	12	Surinam Mols., 89°	5⅞ duty paid	American Sugar Refining Co.
16	1,550	221	Cuba, 96°	5⅞ c. & f.	Do.
19	7,825	625	Venezuela, 96°	5.644 c. i. f.	Warner.
20	215	12	Costa Rica, 89°	5⅞ duty paid	American Sugar Refining Co.
20	.....	500	Peru, 96°	5⅝ c. i. f.	Do.
20	2,386	343	Cuba, 96°	5⅞ c. & f.	Do.
20	1,773	250	do	do	Warner.
21	.....	100	Brazil, 89°	4½ c. i. f.	American Sugar Refining Co.
23	.....	3,500	Porto Rico, 96°	5.90 c. i. f.	Arbuckle.
27	.....	80	Surinam, 96°	5⅝ c. i. f.	Federal.
28	.....	3	Peru, 96°	6.88 duty paid	American Sugar Refining Co.
30	275	40	Santo Domingo, 96°	5⅝ c. i. f.	Warner.
30	20,000	2,857	Cuba, 96°	5.70 c. & f.	American Sugar Refining Co.
Dec. 5	6,305	500	Venezuela, 96°	6.90 duty paid	Warner.
5	1,800	257	Cuba, 96°	5.70 c. & f.	Do.
5	70	10	do	6.70 duty paid	Do.
6	250	35	do	do	American Sugar Refining Co.
6	332	48	Santo Domingo, 89°	4.50 c. & f.	Do.
6	.....	800	Peru, 96°	5.90 c. i. f.	Canada.
10	15,000	2,143	Cuba, 96°	4 7/16 c. & f.	Not yet allotted.

Mr. JONES of New Mexico. Other evidence of a shortage is not wanting. The Department of Agriculture has recently made a statement upon this subject, in which it is said:

The returns of the food survey made on August 31, 1917, indicated that the total stocks of sugar on hand on that date were 26.4 per cent smaller than the stocks on hand August 31, 1916. According to a partial tabulation of the returns from the survey made four months later, namely, on December 31, 1917, the stocks on hand on that date were 55 per cent smaller than the stocks on hand December 31, 1916.

The half-yearly supplies referred to in this report of the Agricultural Department are the imports less exports and first-hand stock, so that on the 31st of August, 1917, the stocks of sugar in first, second, and third hand were approximately 125,000 tons below normal. This in itself would account for a sugar shortage in the face of practically normal arrivals.

The fact that after October 1 millions of people in the country were *not able to buy* all the sugar they wanted and that no sugar existed beyond the supplies made available would seem to be some evidence on the point. The following table, which I ask to be inserted without reading, was compiled by Dr. Pearl, of the Food Administration, from data obtained from the Department of Commerce, and is illuminating on the subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Consumption of sugar by half years.

	First half.	Per capita.	Second half.	Per capita.	Total.	Total per capita.
	Short tons.	*Pounds.*	*Short tons.*	*Pounds.*	*Short tons.*	*Pounds.*
1914	2,386,830	48.2	1,825,296	36.8	4,192,315	84.9
1915	2,361,448	47.2	1,895,286	37.6	4,212,123	83.9
1916	2,394,261	47.1	1,703,379	33.3	4,097,649	80.3
1917	2,650,527	51.4	1,778,162	34.1	4,428,689	85.5
Average	2,448,268	48.4	1,800,775	35.4	4,232,692	83.6

Mr. JONES of New Mexico. From this table it appears that there was a shortage in the last half of the year 1917 of 1.3 pounds per capita over the normal average of four years, or, based upon the half year, a shortage of about 300,000 tons. The larger consumption of the first half of the year can well be attributed to the increased prosperity of the workers and the average below normal of the last half was for this reason more real than would appear.

The large canning campaign of the Department of Agriculture, the unusual exports of condensed milk and other provisions containing sugar, all contributed to even greater shortage in ordinary domestic consumption than the apparent 300,000 tons in the last half of the year.

The charge made by the Senator is that the shortage of sugar was due to the official acts of the Food Administration, or, as the Senator states it, "The shortage of sugar was artificial and caused by the attempt to establish artificial prices and by interfering to some extent with distribution."

A complete refutation of this position is found in sugar-trade circulars published during the summer and fall. From these it appears that the sugar shortage, instead of being due entirely to the acts of the Food Administration, after its establishment on August 10, was in fact pending and imminent on that date and had been publicly and generally predicted by those who made it a business to follow the statistics of the world's sugar supply prior to the time when any controversy regarding these matters arose. The presumption is that those trade circulars state the facts as the people engaged in that line of industry saw them at the time; and the statements there can not be influenced by any testimony or divergence of views which has arisen subsequent to that time and which appeared upon the hearing of this matter.

I read into the record of testimony a number of these circulars from the refinery whose officers afterwards appeared as the most hostile critics of the Food Administration. From these circulars it appeared that as far back as July 2 the statement was made:

The simple fact is that Cuba is getting to the end of her crop, and available unsold supplies are steadily diminishing. On the other hand, there is no slackening in the demand.

On July 19 this same trade circular said:

It is only a question of how long the remaining stocks (in Cuba) will last in the face of the demand from Europe and the United States.

On July 2 it pointed out that the usual fall supplies from the Philippines could not be moved for lack of ships.

On August 6, four days before the passage of the Food Administration bill, there was a specific prediction of an early exhaustion of sugar supplies. The market was described as running wild, reserve stocks as being steadily depleted, and Europe and ourselves competing for the remaining stocks in Cuba, which were relatively small and in few hands. The difficulty of transporting sugars from Java was referred to, and the conclusion was reached that:

It is now apparently too late to forestall the shortage which threatens us between now and November 1.

There was another comprehensive review of stocks and possible supplies on August 31, all pointing to the same conclusion that cane supplies would soon be exhausted, a forecast which was repeated on October 10. By October 24 the shortage was acute, and this trade circular ascribed it not to any acts of the Food Administration but to the total exhaustion of the supplies which are now assumed to have been so abundant and to "the way the statistical position has worked out based on supply and demand."

Manifestly, the Food Administration, which came into being in August, was projected not into the seasonal conditions of a normal market but into difficulties already acute and impending. The only reply which the author of these circulars could make to this obvious conclusion was that they showed, as far in advance as July 2, that it was known that "an extraordinary effort must be made to keep the market supplied," but even assuming that the Food Administration failed to meet this extraordinary condition, this is a far different conclusion than that the entire shortage was manufactured by or due to the acts of Mr. Hoover and his associates.

Let us now consider the effect of the refusal of the Food Administration to pay more than 6.90 for the remnant of the old crop of Cuban raw sugar. The Food Administration claims that the available supplies were negligible in quantity, that the price offered was not only fair but high, that any purchase in the ordinary way would have resulted in a disproportionate advance in price, and that by adherence to this price of 6.90 it finally secured practically the entire supply. I consider that these claims are supported by the testimony.

It seems to me that the case against this contention is based upon a confusion of dates. As early as September 19 two of the large refineries of this country were closed for lack of supply of raw sugar—the Franklin Refinery, of Philadelphia, on September 15 and the Arbuckle Bros., in Brooklyn, on September 19. It was not until October 1 that the agreement was entered into, which is now blamed for the shortage, under which the refiners agreed that they would not purchase except through the international sugar committee of the Food Administration. According to the testimony this was not actually signed until October 10, after a majority of the refineries had closed for lack of supplies. In the meantime the international sugar committee had begun purchasing what sugar was available. They began September 27 and purchased small lots continuously up to the date of the hearings. The table of their purchases, which has just been introduced, completely refutes the claim that there was any considerable period in which no purchases were made.

This table shows that the international sugar committee bought sugar at frequent intervals at this price of 6.90, or its equivalent, from Cuba, Peru, Surinam, Venezuela, Philippine Islands, Demerara, Costa Rica, Brazil, Porto Rico, and Santo Domingo. The purchases were only of small lots, because only small lots were available; but the fact that they were able to purchase and sellers from all these various countries were willing to sell supports the contention that by a firm adherence to their price they cleaned up all the available remnants, a conclusion which was confirmed so far as Cuba is concerned by a telegram from the American consul general put in evidence by Mr. Hoover.

The most that can be claimed is that there was delay in the arrival of foreign sugars to this market. That there was delay is denied in the record; but whatever the fact is, the total amount of sugar involved in the delay did not amount to eight days' supply for the American people, and the fact that it was all transported and consumed before the period of shortage was over should finally bury the whole of this argument. If it was delayed, it was only delayed to a period when the shortage would have been more acute than during an earlier period of the same shortage. But even assuming the view of the worst faultfinder, that it was delayed, we can examine briefly a few of the advantages attained by these delays. The first and immediate effect was to put a stop to speculation in sugar; the price of 6.90 New York was held pending the new crop, which comes in at about 6 cents. The second effect was that it paved the way, at a reasonable level, for the assessment of a proper price, both for beet-manufactured sugar and for the new Cuban crop. If the price had been allowed to race upward to 20 cents at retail for refined sugar, we should not likely have made any contract at 4.60 Cuba or 6 cents New York for raw sugar.

Another matter on which I differ radically in my view of the testimony from that of the Senator from Massachusetts is his contention that the price fixed upon beet sugar prevented it

from coming east of the Alleghenies, and that when this price was finally raised the beet sugar followed the natural law of supply and demand and began to move. These contentions were made in the most emphatic language.

As I understand the testimony, the supply of beet sugar was at no time subject to follow the law of supply and demand, but was entirely in the hands of a distributing committee at Chicago charged with the duty of securing its equitable distribution. To have fixed a price on a product and then leave its distribution uncontrolled would have been contrary to the fundamental principles upon which Mr. Hoover testified he acted.

The agreement establishing this beet-sugar distributing committee was put in evidence. Under clause 5 of the agreement the committee was given power to equalize the net proceeds among all the beet-sugar producers, so that neither the question of freight advantage or disadvantage nor the question of increased price concerned any individual producer. In other words, the beet-sugar industry of this country was pooled and sugar went where it was sent by the distributing committee.

If it be now contended that this committee did not do its utmost in relieving the scarcity where it was most acute, or that the difficulties with which it claimed to be confronted were in part imaginary, it is a little unfortunate that no member of this committee was given an opportunity to testify.

As in other cases, I am grateful that the record contains some scraps of correspondence written at the time, because, to my mind, these are far more illuminating than the contentions made after the matter has become the subject of controversy. The fact that these letters were introduced by the Senator from Massachusetts as exhibits in a complaint of one of his constituents does not, of course, detract from their value.

I quote here and comment upon several of these letters and telegrams, showing that the beet sugar was controlled, as far as distribution is concerned, by the committee in Chicago; that this was well known at the time; that after other sources for all New England failed an attempt was made to get this sugar over into the Atlantic seaboard, and a large quantity of it did go there; that the reason why more did not go was because it was absolutely impossible to obtain transportation, but that any statement that when the price was raised on beet sugar it then began to flow into the Atlantic States can not be supported. The price had absolutely nothing to do with it. The distribution was entirely in the hands of this committee in Chicago.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. THOMPSON in the chair). Does the Senator from New Mexico yield to the Senator from Colorado?

Mr. JONES of New Mexico. I yield.

Mr. THOMAS. I should like to inquire of the Senator whether the subcommittee received any testimony in explanation of this somewhat unusual condition. Last November and December beet sugar, which, as the Senator knows, is produced in large quantities in Colorado, was selling in the city of Denver at 8.15, and at the same time cane sugar, which must be transported something over 2,000 miles from the nearest seaboard point to reach Denver, was selling at 8.5, a difference of 10 cents per hundred in favor of the domestic product.

Mr. JONES of New Mexico. There was no testimony taken upon the identical statement made by the Senator from Colorado, but I think I can reason from the testimony which was taken and furnish a cause for the situation which he has just named.

The cane sugar to which the Senator doubtless refers was what is known as the plantation granulated sugar, which went up from Louisiana. That crop of sugar was expected to have gone into New England to meet the demand there, and the price was agreed upon by the refiners and by the planters of Louisiana in such a manner, taking care of the freight rate, that it was expected and agreed really that one-half the supply should be sent to the Atlantic seaboard to the refiners; but owing to those prices and owing to the shortage of the supply of sugar in the Mississippi Valley—and, to my mind, this demonstrates the actual shortage not only in one section of the country but in all sections of the country—the fact that there was a shortage of the beet-sugar supply in the Middle Atlantic States made a demand for the plantation granulated, or the yellow sugar produced by the plantations in Louisiana, and it must have been that supply of cane sugar which was selling at 10 cents below the price of beet sugar.

Mr. THOMAS. It is true the first time in the history of the beet-sugar producing section with which I am familiar that cane sugar was selling in the market at less than beet sugar.

Mr. JONES of New Mexico. I quite agree with the Senator, and my own observation has been the same as his.

This correspondence shows that on October 13 the distributing committee at Chicago issued a circular, beginning as follows:

CHICAGO, *October 13, 1917.*

Owing to extremely late beet-crop operations in all beet-sugar producing sections, transportation conditions difficult beyond parallel in this country, and exhaustion of cane stocks through the efforts of America to furnish her allies, especially France, with most urgently needed supplies, an acute scarcity exists throughout this country.

Every conceivable effort will be made to relieve this condition, but supplies will inevitably continue inadequate for several weeks, and every section should willingly accept its portion of the war burden.

Two points are noticeable here. First, the reference to the exhaustion of cane stocks, and, next, to the statement that an acute scarcity exists "throughout the country"—not, as now contended, that there was an abundance of supplies west of the Alleghenies. On October 20 the sugar-distributing committee authorized the public announcement that the beet-sugar industry would come to the rescue of New England and North Atlantic States during the existing exhaustion of cane supplies, but adds a reference to the "extremely difficult transportation conditions."

On October 22 the brokerage company conducting the correspondence quotes a leading beet-sugar producer as saying, "I think it would be advisable for you to notify all customers that shipments on orders filed with us are seriously delayed, account of our inability to secure equipment from the railroads." The brokerage company itself adds that "nothing can be gained by buyers or brokers in their efforts to secure shipments faster than is humanly possible for producers to make them. Furthermore, many factories have not yet commenced operations, account lateness of season."

On October 22 the brokerage company telegraphed to Boston, "No beet consignments obtainable for any territory," which is further evidence of the widespread scarcity and not of discrimination against New England. This was confirmed by the letter of the next day, which still fails to show any discrimination against the East, but describes the general situation as follows:

We understand from the above that, owing to many factories not yet being in operation and the inability of those now operating to secure cars, the Food Administration sugar-distributing committee is now holding many orders recently submitted to them, which they will gradually pass upon only as increasing quantities of the new-crop sugars become available.

On October 25 the Boston firm was notified that these orders were being held up, not by the Food Administration at Washington, but by the committee at Chicago, and it would seem only fair to have stated this in connection with the bare statement that orders were being held up. The telegram giving the information and reasons therefore is as follows.

Orders you submitted are being held up by Food Administration sugar-distributing committee, account increasing delay in securing beet supplies, due to greater acuteness in car situation, arising from imperative necessity for first moving and saving grains. Will advise further soon as possible. Meanwhile please discontinue soliciting or submitting additional business.

In the absence of a more searching investigation of transportation conditions than has been undertaken, I see no reason why these contemporaneous statements should not be accepted at their face value. They certainly show no disposition to reject eastern orders arbitrarily, but, on the contrary, every intention of dealing equitably with a mass of difficulties compounded by the unexpected lateness of the beet-sugar crop and the difficulties of transportation.

It is true that the natural market for beet sugar is west of the Alleghenies, and that the general plans of the Food Administration contemplated that it should be marketed in its customary territory, depending on Louisiana to furnish its accustomed quota of raw sugar for the eastern refineries. As soon as this expectation was disappointed other steps were taken. To twist this statement of a general policy into a deliberate plan to keep an abundance of beet sugar west of the Alleghenies, while the East was suffering from an acute shortage, appears to me to be a distortion of the evidence.

Had the Food Administration the same advantage as its investigators to see in perspective the various phases of the situation after they had actually developed, I do not doubt that other steps might have been taken in time to equalize conditions more nearly. That the Food Administration failed in any particular to take the steps which seemed reasonably necessary at the time, as various unforeseen conditions followed in rapid succession, I am not convinced.

Now, let us apply the Senator's theory of distribution under the law of supply and demand. Given that there was a shortage of sugar, the economic problem naturally arises,

is distribution of sugar to be placed upon a basis of the highest bidder, or is there to be some form of control by which, for such sugar as is available, all may purchase alike—the poor as well as the rich? As the Senator states, the law of supply and demand in sugar has been interfered with. That law, to the minds of many, is as irrefutable as the law of gravity and as sacred as the laws of Moses. On the other hand, it would appear to the ordinary mind that given a shortage in supplies, the law of supply and demand becomes beneficial to only those members of the community who have sufficient money to follow it in its upward course. Under those circumstances the law of supply and demand is a distributing agent to the rich and not to the poor. It is truly a conservation measure, but it is a conservation measure for the rich and not for the poor, for the simple reason that the poor in their suffering do without and, therefore, there is less of the commodity demanded.

If the retail price of sugar had settled at 25 cents a pound under the influence of supply and demand, it means that there would have been enough sugar at that price. That is to say, enough for those with the money to pay that price. But there are a vast number of people in this country to whom 25-cent sugar would have been just as sterile a pleasure as that portrayed by the Senator from Massachusetts.

The people of America were very patient under the existence of a condition by which there was doled out to them an occasional pound or two of sugar at a reasonable price. I am not quite sure whether they would have been so patient at seeing sugar held at a price entirely beyond their own means, but which permitted the more fortunate classes to have continued to purchase at will. If the studies of the Senator on the economic problems of the French Revolution throw any light on the "psychology of the crowd" under these circumstances, I hope he will give us the benefit of his erudition.

The Senator indulges in much literary merriment in discussing the question as to how high the prices of sugar would have gone had there been no control. Practically every witness who was an expert in the sugar business gave evidence that at the time Mr. Hoover began his work there was virtually a runaway market, and that it was necessary to close the Food Exchange in New York to prevent utter demoralization. These experts were in practical agreement that if there had been no control of prices sugar would have sold at retail from 20 cents to 25 cents per pound and even much higher. The eminent Senator merrily suggests that while these experts were predicting higher prices they might have predicted that they would have been still much higher and in such wise he would detract from or even destroy the value of this testimony. To the common mind, however, it would seem that the value of testimony coming from those who have spent years in the study of supply conditions and prices are of much greater value than the prediction or prophecy that such prices would have been only slightly higher coming from one who is only a United States Senator and whose activities outside of this Chamber have been in literary pursuits. I do not believe that membership in this body equips one to become an expert in all lines of industry and competent to criticize the opinions of others as to conditions of an industry in which they have specialized and to which their lives have been devoted.

The Senator from Massachusetts would infer that the producers of sugar had not been sufficiently kept in mind, that production was not sufficiently stimulated, and he says that the beet grower was certainly not considered when the arrangement was made fixing the price of beet sugar. The eminent Senator does not point out how these producers would have received any benefit from a larger price. The beet-sugar manufacturers who possessed the major portion of our domestic supplies when the shortage came on had already contracted for their beets at fixed prices—in fact, these contracts were made in practically all cases before the beets were planted. Anything that they received over and above the normal price for sugar would have been a profit to them and not the producer. The cane sugars of Hawaii, Porto Rico, and Cuba, so far as they existed, were already in the hands of the refiners and dealers, with the exception of some small and isolated parcels. The sole group of producers who might have participated in famine prices were those of Louisiana, where a comparatively small amount of sugar is produced. These producers were taken into consultation and the prices established by voluntary agreement with them were considered fair. There was no complaint from the Louisiana producers.

Mr. President, in view of what was done by the Food Administration and the manner in which it was done, with reference to so-called price fixing, it is difficult to conceive that anything resulted other than a benefit to the great mass of American consumers and without injury to the producers.

In August the manufacturers of beet sugar were brought together and voluntarily agreed to reduce the price of beet sugar below the then prevailing market, and that that lower price should not only obtain for the beet sugar then available, but for the new crop which was expected to begin coming in in October following. The beet growers were not affected, but the profits of the manufacturers were curtailed.

The refiners of cane sugar had been reaping very large profits by selling the refined granulated sugar at a price much in excess of the cost of the raw sugar and the cost of refining. The Food Administration brought these refiners together and they entered into a voluntary agreement which provided that the differential to be obtained between the cost of raw sugar and the selling price of the refined sugar should not exceed $1.30 per 100 pounds, a differential much less than that which the refiners had previously obtained.

The price which the Food Administration was willing to pay for the remnant of raw sugar in Cuba and South American countries, while more than fair from the standpoint of profit to the producers, and almost a cent a pound higher than that afterwards agreed to, reduced the price at which those sugars were being purchased, prevented the price from reaching a much higher figure, and did not ultimately reduce the supply by any appreciable quantity. The price of Hawaiian sugar was based upon the New York price of Cuban sugar, and if the price agreed upon for Cuban sugar had not been maintained, but had been permitted to be increased, necessarily the price of all sugars must have been increased in proportion. Moreover, the reduction in the price of Cuban sugar at that time was an important factor in enabling the international committee to subsequently enter into another voluntary agreement with the Cuban Government planters and dealers which insured a less price and a reasonable price for the entire new crop which it was expected would begin arriving late in December.

At this point, Mr. President, we may profitably pause to consider some other effects of the last-named voluntary agreement between the allied Governments, the Food Administration, and the Cuban Government, by which the price is determined at which the 1918 Cuban crop is to be purchased. It has been shown that the allied Governments must draw larger amounts from our West Indian supplies in 1918 than ever before, and that they were drawing in 1917 on a scale uncontemplated before the war. The proper and natural thing to do was to sit down together and determine how the sugar was to be distributed amongst the nations, that we should have no scrambling and ill feeling about its distribution. But a thing perhaps more important than this has been effected by this contract. The shipping in the world is limited. The present supplies of sugar to the United States from the West Indies are limited to from 200,000 to 250,000 tons per month. The Cuban harvest comes on more rapidly than we can find ships to carry it. There are 450,000 to 500,000 tons of sugar on the wharf in Cuba. The stocks will probably increase to 1,000,000 tons before its high peak is passed in Cuba. Had this contract not been entered into, instead of the price being 4.60 cents in Cuba for raw sugar it would probably have been 2 cents to the speculator, the Cuban mills would have been closed down, we would have been faced with labor disturbances in Cuba and the danger of total loss of the sugar for not only this year but of next year's crop. On the basis of the international contract for the purchase of the sugar it has been possible to form a syndicate of American bankers to advance a loan of $100,000,000 to carry over the sugar until delivery can be obtained throughout the year. These are business arrangements necessitated by the total dislocation of trade during the war.

The law of supply and demand does not maintain when there is a stricture in transportation. There would have been a glut in sugar and a demoralization of the producers in Cuba. There would have been a scarcity with excessive prices in the United States at the same moment.

It is difficult to see how this price fixing by the Food Administration for sugar which was to be sold by the refiner or manufacturer to the trade can meet with any objection from the Senator in view of his expressed attitude regarding the so-called Peabody prices with reference to coal. These sugar prices were fixed voluntarily by the refiners and the manufacturers; they were only maximum prices; they made a large reduction from the then prevailing prices and prevented increased prices for the future. It will be recalled that the so-called Peabody prices for coal resulted from a voluntary agreement of the operators to fix a maximum price which was below the then prevailing open price, and in considering that action the Senator from Massachusetts says:

> The arrangement * * * made a very large reduction * * *. There was no attempt to fix a minimum price or an absolute price * * * the operators could make any price they pleased (below the price named) which gave sufficient elasticity * * *. The whole scheme * * * was a wise scheme, because it interfered as little as possible with the ordinary laws of trade and yet cut off undue profits.

It can not be said that the Food Administration thus far has done any act which had a tendency to decrease production. On the other hand, the prices agreed upon for all domestic sugars and for the coming Cuban crop were all fixed by agreement with the producers interested, and therefore must have been such as would enable them to continue production. During the hearings before the subcommittee it appeared that the Food Administration was at that time dealing with the question of the price which the growers of sugar beets should obtain for their product, and it has recently been announced in the public press that the Food Administration is insisting that the beet growers of Colorado and other Rocky Mountain States shall receive not less than $10 per ton for their beets. This is more than twice the price which beet growers received a few years ago, and if this price be fixed it will undoubtedly stimulate production.

Without speculating as to what has been accomplished in the way of preventing further increases of price, we know that the price of sugar to the consumer has actually been reduced about 2 cents per pound. Every cent on the cost of sugar means $8,000,000 per month to the American people. Three months of famine prices at even an advance at retail of 10 cents per pound would have cost our consumers over $200,000,000.

In view of all the foregoing, are we not warranted in saying that if the Food Administration does no other single act it has justified itself many times over for its masterly dealings with the sugar problems?

I shall not dwell at length upon the personnel of the Food Administration. Attempts were made at the hearings to have it appear that the organization was composed of men not suited to perform the services imposed upon them. All suggestions that the sugar experts who were brought into the organization had used their positions for personal gain or had shown favoritism in their actions were completely discredited. I believe it to be firmly established by the evidence that these men performed their duties impartially, wisely, without hope of personal gain, and with an eye single to the performance of a useful and patriotic service. The Senator from Massachusetts casts no aspersions upon them, but does not refer to them in any commendatory terms. The Senator does compliment in laudatory terms the Director of the Food Administration. He refers to Mr. Hoover as one eminently fitted for the position to which he was appointed and highly commends the work of the Food Administration in dealing with all subjects except that of sugar. We are not permitted, however, to pass on with these pleasing encomiums, for the Senator reminds us that the committee only investigated the question of sugar.

Now, Mr. President, let us turn to what the Senator from Massachusetts chooses to designate "the painful annals of the coal question." At the beginning of the European war in 1914 there was an ample supply of coal in the United States at a reasonable price. As the war progressed the allied countries, as well as the neutral countries, came into the American market for the purpose of obtaining supplies of various commodities much in excess of what they had been doing theretofore. This increased demand was particularly evident in a great number of the manufacturing industries of this country. An enormous demand was made upon the plants producing basic materials as well as the various fabricating plants. Our exports of all products in 1916 reached the enormous total of $5,482,641,101, as compared with exports of $2,113,624,050 in the year 1914, an increase of $3,369,017,051. The increase of manufactured products necessarily required a corresponding increase in the production of coal. In 1914 the production of coal, including both anthracite and bituminous, was 513,525,477 tons. In 1915 this was increased to 531,619,487 tons and in 1916 further increased to 590,098,175 tons. The increased output of coal, as well as the increase of other commodities, necessitated a corresponding increase in transportation. Until the latter part of 1916 the coal operators and the transportation companies were able to meet the demand. Coal was being produced at a reasonable cost and it reached the consumer at a reasonable cost. Finally, however, in the latter part of 1916 the ever-increasing demands upon transportation in the varied lines of industry reached the point where it was practically impossible for the railroads of the country to carry forward all the traffic offered and at the same time furnish the facilities for the distribution of the ever-increasing output of coal. In the summer of 1916 resolutions were passed by the Congress directing the Federal Trade Commission to inquire into coal conditions. The first resolution related to anthracite and the second resolution to bituminous. Reports of these investigations were submitted to Congress, the last bearing date of June 20, 1917. These reports and other evidence presented to the subcommittee disclosed a most startling situation. Prices of coal in some instances had increased at least 500 per cent above the cost of production and 300 per cent or 400 per cent above the price for which the coal had previously sold. In the coal industry it is customary for the operators to contract with large industrial consumers for three-fourths and even more of the output of the mines. These contracts ordinarily are made annually and terminate on the 1st of April. Prior to the 1st of last April many industries under these contracts previously made were securing their coal at a fairly reasonable price. But the domestic consumers and the smaller industries were dependent upon what is known as "free coal," and even the larger consumers who had been increasing their plants and expanding their activities were dependent upon this free coal for their additional supply. It became apparent that the supply of free coal was inadequate to meet the pressing and urgent demands, and the railroads were unable to furnish cars in such quantities as would prevent a shortage. The distributing agencies were primarily concerned with furnishing coal to their old customers, and many of the new industries, and old industries with respect to their extensions, were unable to secure an ample supply even at the enormously increased prices.

Out of the coal trade speculation arose and dealers in coal frequently paid demurrage upon cars in order to hold the coal for higher prices. These cars of coal became footballs in the arena of speculation. The consignees were frequently changed as often as five or six times and in some instances the original consignee became the reconsignee after the cars of coal had been passed through the hands of four or five other consignees, and without the cars being removed from the same terminal. About April 1 of last year a vast number of consumers had entered into contracts for a yearly supply following the 1st of April, 1917, at these enormous prices. This was substantially the situation of the coal industry at the time the United States entered the war. It is needless to say that the entry of the United States into the war added enormously to the unfavorable conditions which already existed. It was at once evident that almost immediately an additional heavy strain would be put upon the coal and transportation industries. Something of the condition and the importance of an ample supply of coal at a reasonable price may be gathered in brief from a few of the many letters which were presented to the Senate on July 5, 1917, by the senior Senator from Ohio [Mr. POMERENE]. I shall only call attention to a few of these letters, but for more detail information would refer to the speech of the Ohio Senator delivered at that time. They show the enormously increased prices and the manner in which the increased cost of coal affected the price of all steel products and other commodities requiring coal in their production. They also show the enormous prices which were being demanded for what was called "free coal." One of these letters was from Cleveland, Ohio, and is as follows:

During the year 1916 and up to April 1, 1917, our company paid Zettlemeyer Coal Co. $2.15 per ton, delivered in our bins at the market house, for Youghiogheny slack from mine 299, produced by the Pittsburgh Coal Co., and that we are now paying, from the same source and to the same company, $5.45 for the same coal, and even at this price we are unable to make contracts for any period.

Another letter from Erie, Pa., is as follows:

A year ago bituminous slack was being sold at a good profit at around $1.40 a ton at the mines. Since the coal dealers arbitrarily raised the price last winter the operators have taken the cue and now have the price up around $4.50 a ton at the mine, or an advance of 250 per cent.

As you know, their actual excess cost over last year is only 25 or 30 cents a ton.

It takes a little over a ton of coke to make 1 ton of pig iron, so that pig iron legitimately went up $8 or $9 when coal went up.

It takes, for some grades of steel, a ton of coal to convert the pig into the finished product of steel, and in some cases it takes more. Therefore, bring down the price of coal to where it belongs and you will bring down the price of everything.

Another letter from a steel company is as follows:

The contract price of standard Connellsville coke at the ovens, for the period of six months or a year, ranged from $2.20 to $2.30 per ton up to November, 1916. At that time the price for spot coke began to advance rapidly, and it became increasingly difficult to contract for future deliveries at any price. It is now impossible to make any contracts for future delivery of coke, all purchases being made at spot prices for immediate delivery.

During the past week the price reached $15.50 per ton, ovens, and the last quotation on last Saturday was $13.50 per ton, ovens.

Making the largest allowances in every direction, the price of $2.30 per ton may be distributed as follows: For 1½ tons of coal at $1.20 per ton, $1.80, and for coking 50 cents per ton. As a matter of fact, 1 ton of coke should be made from 1¼ tons of standard Connellsville coal. The normal profit on this coal is about 15 cents per ton.

To produce 1 ton of pig iron requires about 1¾ tons of standard Connellsville coke, making the cost of coke without freight $2.85 per ton of pig iron.

The smelting of ferroalloys requires a still larger amount of coke per ton. For example, to smelt a ton of 20 per cent spiegel requires 1½ tons of coke, making the cost (at the $2.30 price of coke) $3.45.

At the prices now asked for coke, namely, $13.50 per ton, the cost of coke per ton of pig iron is $17.10, an increase of $14.25 per ton since last October.

On the same $13.50 basis for coke the cost to smelt a ton of spiegel is $20.25, an increase of $16.80 per ton since last October.

Some quotations of prices under date of June 18 at Cleveland are as follows:

Pocahontas lump	$6.50
Pocahontas egg	6.25
Pocahontas mine run	5.25
Kentucky lump	4.75
West Virginia splint nut and slack	4.75
Hocking Valley lump	4.75
Hocking Valley mine run	4.25
No. 8 Pittsburgh 2-inch lump	4.75
No. 8 Pittsburgh slack	4.75

Above quotations are all f. o. b. mines and subject to change without notice.

It should be borne in mind that the freight charges for carrying coal had not undergone a substantial change. The cost of producing coal had scarcely any advance as compared with the advance of prices. During the early half of the year 1917, owing to enormous prices, a large number of new mines were opened up, known in the trade as "snowbird mines." Many of these mines were attempted to be operated by those not experienced in the industry. Often coal near the surface and containing much of impurities was put upon the market. The cost of opening these mines was reported as a part of the cost of the output of the small tonnage of coal, and these operators were insistent that the small output of coal should not only pay for the development of the mine and the mining of coal but a large profit upon the expenditure as well as the investment in the coal lands. The older and efficiently operated mines were increasing their output at these greatly advanced prices, but were not willing in most cases to share the advances with those who performed the manual labor of mining the coal.

This was the situation on August 10 when the fuel law was enacted. This law gave to the President the authority to control the coal industry. Almost immediately thereafter the President, in conjunction with the Federal Trade Commission, entered upon the ascertainment of a fair maximum price for coal. The Federal Trade Commission, as well as other branches of the Government, had previously made extensive investigations as to cost of production in all the more important coal fields of the country. As a result, on August 21 the President determined tentative or provisional prices for bituminous coal covering the largest productive fields. Without reading, I wish to have printed in the RECORD the order of the President establishing these prices for bituminous coal:

The PRESIDING OFFICER (Mr. HENDERSON in the chair). Without objection, permission to do so is granted.

The order referred to is as follows:

THE WHITE HOUSE,
Washington, 21 August, 1917.

The following scale of prices is prescribed for bituminous coal at the mine in the several coal-producing districts. It is provisional only. It is subject to reconsideration when the whole method of administering the fuel supplies of the country shall have been satisfactorily organized and put into operation. Subsequent measures will have as their object a fair and equitable control of the distribution of the supply and of the prices not only at the mines but also in the hands of the middlemen and the retailers.

The prices provisionally fixed here are fixed by my authority under the provisions of the recent act of Congress regarding administration of the food supply of the country, which also conferred upon the Executive control of the fuel supply. They are based upon the actual cost of production and are deemed to be not only fair and just but liberal as well. Under them the industry should nowhere lack stimulation.

WOODROW WILSON.

	Run of mine.	Prepared sizes.	Slack or screenings.
Pennsylvania	$2.00	$2.25	$1.75
Maryland	2.00	2.25	1.75
West Virginia	2.00	2.25	1.75
West Virginia (New River)	2.15	2.40	1.90
Virginia	2.00	2.25	1.75
Ohio (thick vein)	2.00	2.25	1.75
Ohio (thin vein)	2.35	2.60	2.10
Kentucky	1.95	2.20	1.70
Kentucky (Jellico)	2.40	2.65	2.15
Alabama (big seam)	1.90	2.15	1.65
Alabama (Pratt, Jaeger, and Corona)	2.15	2.40	1.90
Alabama (Cahaba and Black Creek)	2.40	2.65	2.15
Tennessee (eastern)	2.30	2.55	2.05
Tennessee (Jellico)	2.40	2.65	2.15
Indiana	1.95	2.20	1.70
Illinois	1.95	2.20	1.70
Illinois (third vein)	2.40	2.65	2.15
Arkansas	2.65	2.90	2.40
Iowa	2.70	2.95	2.45
Kansas	2.55	2.80	2.30
Missouri	2.70	2.95	2.45
Oklahoma	3.05	3.30	2.80
Texas	2.65	2.90	2.40
Colorado	2.45	2.70	2.20
Montana	2.70	2.95	2.45
New Mexico	2.40	2.65	2.15
Wyoming	2.50	2.75	2.25
Utah	2.60	2.85	2.35
Washington	3.25	3.50	3.00

NOTE.—Prices are on f. o. b. mine basis for ton of 2,000 pounds.

Mr. JONES of New Mexico. On August 23 the President issued an order regarding the prices for anthracite coal, which I ask may be printed in the RECORD without reading.

The PRESIDING OFFICER. Without objection, permission to do so is granted.

The order referred to is as follows:

The following regulations shall apply to the intrastate, interstate, and foreign commerce of the United States, and the prices and margins referred to herein shall be in force pending further investigation or determination thereof by the President.

JOBBERS' MARGINS.

1. A coal jobber is defined as a person (or other agency) who purchases and resells coal to coal dealers or to consumers without physically handling it on, over, or through his own vehicle, dock, trestle, or yard.

* * * * * * *

4. Effective September 1, 1917, the maximum prices per ton of 2,240 pounds free on board cars at the mines for the grades and sizes of anthracite coal hereinafter specified shall not exceed the prices indicated in paragraph 5 when such coal is produced and sold by the Philadelphia & Reading Coal & Iron Co., Lehigh Coal & Navigation Co., Lehigh & Wilkes-Barre Coal Co., Hudson Coal Co., Delaware & Hudson Co., Scranton Coal Co., Lehigh Valley Coal Co., Coxe Bros. & Co., Pennsylvania Coal Co., Hillside Coal & Iron Co., Delaware, Lackawanna & Western Railroad Co., Delaware, Lackawanna & Western Coal Co., Susquehanna Coal Co., Susquehanna Collieries Co., Lytle Coal Co., or the M. A. Hanna Coal Co.

5. The grades and sizes for which the maximum prices are specified are as follows: White ash anthracite coal of the grade that between January 1, 1915, and January 1, 1917, was uniformly sold and recognized in the coal trade as coal of White ash grade; Red ash anthracite coal of the grade that between January 1, 1915, and January 1, 1917, was uniformly sold and recognized in the trade as coal of Red ash grade; and Lykens Valley anthracite coal that is mined exclusively from the Lykens Valley seams and of the grade that between January 1, 1915, and January 1, 1917, was uniformly sold and recognized in the coal trade as coal of Lykens Valley grade.

White-ash grade:	
Broken	$4.55
Egg	4.45
Stove	4.70
Chestnut	4.80
Pea	4.00
Red-ash grade:	
Broken	4.75
Egg	4.65
Stove	4.90
Chestnut	4.90
Pea	4.10
Lykens Valley grade:	
Broken	5.00
Egg	4.90
Stove	5.30
Chestnut	5.30
Pea	4.35

6. Producers of anthracite coal who are not specified in paragraph 4 shall not sell the various grades and sizes of anthracite coal at prices that exceed by more than 75 cents per ton of 2,240 pounds free on board cars at the mines the prices enumerated in paragraph 5: *Provided*, That any producer of anthracite coal who incurs the expense of rescreening it at Atlantic or Lake ports for transshipment by water may increase the price thereof by not more than 5 cents per ton of 2,240 pounds.

7. Producers of anthracite coal specified in paragraph 4 of these regulations shall not sell anthracite coal to producers of anthracite coal not specified in paragraph 4.

8. Dealers and selling agents shall not sell coal produced by the producers included in paragraph 4 on the basis of the prices fixed at the mine for coal produced by producers not specified in said paragraph.

WOODROW WILSON.

THE WHITE HOUSE, *August 23, 1917.*

Mr. JONES of New Mexico. This was the situation which existed when Mr. H. A. Garfield was appointed by the President to the position of Fuel Administrator. It was evident that many problems existed and that to solve them it would be necessary to bring into an organization men of experience, men from different branches of business activities, and also those who were familiar with the economics of the trade and of distribution. The Senator from Massachusetts would have us believe that this was not done, and in expressing himself uses some very strong language. In one connection the Fuel Administration is referred to as a "bureau largely composed of amateurs." In another place he says: "Upon this conflicting and difficult situation the untried men known as the Fuel Administration was suddenly imposed." In another connection he uses the phrase "ill-considered and violent action of the Fuel Administration."

That these characterizations are unjustified will become apparent by reference to the personnel of the Fuel Administration. Owing to the fact that these attacks upon the Fuel Administration, and especially of the director, have a most deleterious tendency, I think it wise for us to have some rather extended information regarding this chief of a most important activity of our country in these perilous times. Our patriotic citizens are not willing to put responsible trust in irresponsible hands.

I intended to ask, Mr. President, that an article which is taken from the Daily Financial America, published in New York City on February 26 of this year, be read at the desk. I shall not, however, ask that that be done, but will say that it contains a brief biography of the business experiences and record of the Director of the Fuel Administration. I think it is im-

portant that the country should have it, and I ask that it may be inserted in the RECORD without reading.

The PRESIDING OFFICER. In the absence of objection, permission to do so will be granted.

The matter referred to is as follows:

[News article from Daily Financial America.]

BUSINESS EXPERIENCE OF GARFIELD SET FORTH—FUEL ADMINISTRATOR'S LIFELONG FRIEND DETAILS MANY ACTIVITIES IN WHICH HE WAS PROMINENT.

The business experience of Dr. Harry A. Garfield, Federal Fuel Administrator, is detailed at length by one of his lifelong friends in the following letter to a business man of this city:

"Reply to your favor of January 17 has been delayed by the press of more important matters connected with the efforts to clear up railroad congestion so as to permit of a better movement of coal.

"In your letter you inquire, first, where Mr. Garfield learned anything about the coal business, and, second, where he learned anything about any business. As a lifelong friend of Mr. Garfield, it gives me pleasure to reply to your inquiry as follows:

"Mr. Garfield was admitted to the bar and began the practice of law in the city of Cleveland in June, 1888. His extensive business acquaintance brought him a large business practice in which he was associated with the most experienced and successful business men in Cleveland.

"Replying first to your first question, his intimate knowledge of the coal business, through personal experience with that business, was acquired, as manager, with Calvary Morris, a successful and extensive coal operator, of whom doubtless you have often heard as manager of the syndicate of Cleveland business men which undertook and carried to a successful conclusion the development of large coal mines in the Piney Fork district of Ohio and connection of those operation by a railroad with a Lake Erie port. This syndicate was organized about February, 1901, and the development of its mining properties and of the railroad occupied Mr. Garfield's time and attention almost exclusively for nearly two years until a control of the completely developed properties was disposed of to the Lake Shore & Michigan Southern Railway. For some years thereafter Mr. Garfield remained, at the request of the purchaser, a director and vice president of the mining company.

"Replying now to your second question, very shortly after the beginning of practice in Cleveland, Mr. Garfield undertook and carried to a successful consummation the construction of the Garfield Building, at that time the largest and even to-day one of the largest office buildings in Cleveland. This building was constructed and owned by a corporation, among whose stockholders are some of the most successful business men of that city. Mr. Garfield had entire charge of the building contracts, the financing of the cost of the business, and the negotiation with tenants. From its completion to the present time the building has been a great success and Mr. Garfield is still one of the directors of the owning company. The building was constructed under a long-term ground-rent lease of land owned by John D. Rockefeller, with whom Mr. Garfield personally conducted all negotiations leading to the execution of the lease.

"Contemporaneously with the construction of the Garfield Building Mr. Garfield was actively interested in the organization of the Cleveland Trust Co. This trust company has been signally successful as one of the strongest and most ably managed financial institutions of Cleveland, and Mr. Garfield was one of its directors, its vice president and counsel, as well as a member of its executive committee from the date of its organization until 1904, when he retired from practice.

"Mr. Garfield, in connection with some other Cleveland gentlemen, undertook the organization of the Conneaut Water Co., which, at that time, was financially embarrassed, reorganized and refinanced it and developed it into a very successful company, which to-day and now for many years has furnished the city of Conneaut, Ohio, with an adequate and satisfactory water supply.

"From the time he began practice, Mr. Garfield had entire charge of a large estate. This estate included improved and unimproved real estate in the city of Cleveland, interests in various Lake Michigan iron mines, in a well-known Cleveland shipbuilding company, and other business activities.

"For several years Mr. Garfield was a member of the executive committee of the Cleveland Chamber of Commerce, was president of the chamber in 1898, and as chairman of its building committee conducted the construction of its present building.

"From 1897 to 1908 Mr. Garfield was chairman of the national committee on the reorganization of the Consular Service of the United States. This committee, as you doubtless know from your interest in business, was made up from representatives of the chambers of commerce and boards of trade of the 12 largest American cities, and conducted a very active campaign in efforts to improve our Consular Service and place it upon a basis where it could be more useful and helpful to American business interests. To this work Mr. Garfield devoted much time and attention, including frequent visits to Washington, until the successful accomplishment of its object in 1906.

"Mr. Garfield was instrumental in organizing and was for years the most active guiding spirit in the Citizens' Association of Cleveland. This organization was formed for the purpose of improving political conditions in Cleveland, watching the conduct of the business affairs of the city, and informing the voters relative to the merits of various municipal business policies and of candidates for municipal office. It was successful in freeing the city from the control of the so-called McKisson ring.

"The foregoing are only special instances of the business activities of Mr. Garfield, which I feel will interest you as furnishing rather specific answers to your very natural desire to learn his business experience. You, of course, can appreciate that his general practice as a successful lawyer in a city like Cleveland, which has grown so rapidly during the last 30 years, must necessarily have given him very wide general business experience. After 16 years of practice, Mr. Garfield had acquired a sufficient competence to enable him to retire from practice and to accept, in 1904, an invitation to become a member of the faculty of Princeton University. A few years later he was unanimously elected president of Williams College, of which both he and his father were graduates. Among the trustees of Williams at that time were J. Edward Simmons, president of the Fourth National Bank of New York; Eugene Delano, a member of Brown Bros., bankers; and Francis Lynde Stetson, the well-known corporation lawyer, of New York City. As one of the trustees myself of Williams, I can assure you that Mr. Garfield's success as president of Williams has been as remarkable in guiding the business interests of the institution as in the conduct of its educational activities, and has given the greatest satisfaction to all the members of the board of trustees, including the gentlemen I have just mentioned above.

"As, like yourself, I was always a great admirer of Gen. Garfield, it is pleasant to furnish you this evidence that his oldest son has, in every way, sustained the reputation of an honored father. In this connection you may be interested in reading an interview with Floyd W. Parsons, of the Coal Age. Like yourself, Mr. Parsons seems at first to have had some doubt of the wisdom of Mr. Garfield's courageous action in recently suspending for five days the use of coal in order to meet the acute situation which the breakdown in a portion of our American transportation system had produced, both for us and our allies, in the present war. This interview you will find in the New York Times of Wednesday, January 23, on the first page, and entitled 'Curb on industry may be continued.' You have doubtless noticed that the Director General of Railroads has indorsed the policy advocated by Mr. Garfield and has authorized the placing of embargoes on many of the most important eastern coal-carrying roads against the acceptance of any freight other than food, fuel, and certain necessary munitions."

Mr. THOMAS. Mr. President, may I ask the Senator if that account includes the qualifications of Mr. Nims?

Mr. JONES of New Mexico. This does not. I will state to the Senator this relates only to the director of the Fuel Administration, Dr. Garfield.

Mr. THOMAS. Mr. Nims seems to be the chief subordinate and the practical dictator in fixing prices. I understand his qualifications to be that he wrote a work on unfair competition, and was a classmate of Dr. Garfield's.

Mr. JONES of New Mexico. I will state, Mr. President, that the information which the Senator from Colorado has is not in accord with the question of fixing prices generally, as established before the investigating committee. The prices for bituminous coal, fixed on August 21 by order of the President, were fixed two days before Dr. Garfield was appointed, and were fixed upon information obtained by the Federal Trade Commission during several months of previous investigations. The prices for anthracite coal were fixed on August 23, the very day that Dr. Garfield was appointed Fuel Administrator. Precisely what was the connection of Mr. Nims with the transaction, I am sure I do not know.

Mr. THOMAS. I think the prices to which the Senator from New Mexico has just referred were very satisfactory, and that it was the subsequent disturbances that were not so satisfactory.

Mr. JONES of New Mexico. I apprehend the Senator refers to the very recent disturbances, such as were indicated in the telegrams read by the Senator from time to time.

Mr. THOMAS. Yes; those which have closed about half the mines of my State.

Mr. JONES of New Mexico. I will say that the very recent orders have not been submitted to the committee and have received no consideration from the committee; and it would be impossible for me to either affirm or deny their reasonableness or anything connected with them.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from New Mexico yield to the Senator from New Hampshire?

Mr. JONES of New Mexico. I yield to the Senator from New Hampshire.

Mr. GALLINGER. Did I understand the Senator correctly to say that the article from some publication which he asked to have printed as a part of his remarks gave the business experiences and qualifications of the Fuel Administrator?

Mr. JONES of New Mexico. I so stated.

Mr. GALLINGER. I did not suppose that Dr. Garfield had had much business experience. Has he had?

Mr. JONES of New Mexico. Mr. President, that is just why I have asked to have that article printed in the RECORD. There is a prevailing opinion over this country that Dr. Garfield is a mere college professor. I wish to state in this brief way that he only became a college professor after a long and honorable career as a lawyer and as a business man, and after he had made enough money so that he could afford to be a college professor.

Mr. GALLINGER. Of course, his being a lawyer would not necessarily lead us to the conclusion that he knew much about business; but that may be so.

Mr. JONES of New Mexico. I certainly, and with great pleasure, invite the attention of the Senator from New Hampshire to the information which he will obtain from reading the article when it is printed in the RECORD.

Mr. GALLINGER. I shall be very glad to read it.

Mr. JONES of New Mexico. I am sure the Senator will, and I have no doubt that he, along with many others, will be much enlightened by reading that article.

It is true that the information just furnished—I refer to the article taken from Financial America—comes from a letter written by a lifelong friend of Mr. Garfield. The facts stated in this letter can not be disputed, and that they should come from a lifelong friend adds to their value.

It would be difficult to suggest better qualifications for a Fuel Administrator than those possessed by Mr. Garfield. Here is a man of large general business experience and special experience in the coal industry, a splendid organizer, and no direct interest, in a large way, either as a producer or consumer. The Senator from Massachusetts designates a large producer of coal as one eminently fitted to deal with all the problems which have confronted the Fuel Administrator. Such a suggestion as applied to other war activities has encountered most violent criticism from many Senators upon this floor. The report in this case establishes that if such were done it would have met with violent opposition. I quote from the testimony:

The CHAIRMAN. What do you think, Mr. Thorne, of the proposition of men fixing prices on the thing which they themselves either produce or consume in large quantities?

Mr. THORNE. It is absurd, unjust, unreasonable, contrary to the whole spirit of American and English jurisprudence. I do not like to accuse these people of being dishonest or crooked, but Judge Cowan gave me a very apt illustration of the point involved there. He said, "You might just as well put a nigger in a watermelon patch and tell him, 'Now, don't you steal no mellons'; the temptation would be too great."

Of course, it is eminently proper that the responsible chief of such an important bureau should surround himself with able advisors possessing expert knowledge with respect to the different lines of activity. The Fuel Administrator has adopted this plan.

I have here a short statement regarding each one of the chiefs of divisions and those occupying responsible positions in the Fuel Administration, which I ask to insert in the RECORD without reading. There are about a dozen of them referred to, and it is shown that they are experts in the various lines in which they are to deal in connection with the Fuel Administration.

The PRESIDING OFFICER. Without objection, the statement will be printed in the RECORD.

The statement referred to is as follows:

R. S. Neely, business manager of the United States Fuel Administration, was taken by Mr. Garfield from the position of assistant manager of the Ford Motor Co., Long Island City. Including this connection he has had about 20 years of experience in office and sales management, this service having been with the Michigan Sugar Co., the National Cash Register Co., the Michigan State Prison, in the capacity of chief clerk of that institution, and the Gleaner Farmer's organization of Michigan as field organizer.

S. A. Taylor, formerly dean of the mining school of the University of Pittsburgh, was, prior to his appointment in the United States Fuel Administration, a consulting mining engineer in Pittsburgh. He has been in the mining business for about 44 years.

John P. White, labor representative of the United States Fuel Administration, was president of the United Mine Workers of America for several years. He has worked in mines ever since he was a lad of 10 years. He resigned from the presidency of the United Mine Workers of America to take his present position. He is handling all labor matters for the United States Fuel Administration.

Rembrandt Peale, formerly of the firm of Peale, Peacock & Kerr, has been in the coal business as an operator in the central Pennsylvania bituminous fields, in Clearfield County, for about 30 years. He is at present operators' representative with the United States Fuel Administration.

James B. Neale, coal operator in the anthracite and soft coal fields of Pennsylvania, with the firm of Thorn, Neale & Co., is now anthracite adviser to Mr. Garfield.

F. M. Whitaker, director of inland transportation, representing the Director General of Railways, attached to the Fuel Administration, was born in Clermont County, Ohio, September 9, 1867. He entered the services of the Pittsburgh, Cincinnati, Chicago & St. Louis Railway at Cincinnati in 1883, and went with the Kanawha Dispatch fast-freight line two years later as telegraph operator and clerk. He was successively rate clerk, chief clerk, acting manager, and manager of the Kanawha Dispatch. He was appointed assistant freight traffic manager of the Chesapeake & Ohio Railway at Cincinnati in 1896, then freight traffic manager, vice president and traffic manager, and since 1910 has been vice president in charge of traffic, with headquarters at Richmond, Va. Mr. Whitaker is also vice president in charge of traffic for the Hocking Valley Railway, the Chesapeake & Ohio Railway of Indiana, and the Chesapeake & Ohio Northern Railway.

G. N. Snider, transportation adviser to the United States Fuel Administrator and head of the Fuel Administration's transportation division since November 1, 1917, was born in Spring Valley, N. Y.; educated in the Nyack (N. Y.) High School and the New York University School of Law, being admitted to the bar in New York in 1906. He entered the employ of the West Shore Railroad in its general freight department in December, 1899. In February, 1902, he was transferred to the coal traffic department of the New York Central Lines, East, becoming chief clerk in the same department in 1907, assistant coal traffic manager in 1911, and coal traffic manager in 1917, which office he now holds. In June, July, and August, 1917, he assisted Mr. Rembrandt Peale in the organization and operation of the Tidewater Coal Exchange for the bituminous coal shippers and the eastern railroads moving that coal to tidewater.

W. S. Blauvelt, adviser to Mr. Garfield on coke, has spent about 20 years with the Solvay Process Co., of Detroit, Mich., and the Semet-Solvay Co. of that city in the handling of coal and producing of by-products in manufacture of coke. He was with these interests from 1898 until 1916. Since that time he has been a consulting engineer along these lines. He was also at one time president of the Michigan Gas Association.

J. D. A. Morrow, in charge of apportionment and distribution in the United States Fuel Administration, was formerly assistant secretary of the Federal Trade Commission for about a year when Mr. Hurley was chairman of that commission; was commissioner of the Pittsburgh Coal Producers' Association for about one year, and later general secretary of the National Coal Association since its organization, with headquarters in this city.

S. L. Yerkes, assistant to Mr. Morrow and in charge of southern fields, was graduated at Center University, Danville, Ky.; was fuel agent of the Queen & Crescent Lines and the Cincinnati, New Orleans & Texas Pacific Railway for a number of years, and has had practical knowledge of coal operation, sales, and distribution for the past 15 years.

G. C. Foedisch, in charge of bunker and export coal and Shipping Board requirements for the United States Fued Administration, was for 15 years connected with the firm of Whitney & Kemmerer, Stephen Girard Building, Philadelphia, in charge of bituminous coal sales.

Mr. JONES of New Mexico. In addition to these experts in charge of various divisions of the work the director was given the right under the law to bring to his assistance, and has brought to his assistance, the Federal Trade Commission, with its great organization. Moreover, the director has had the cooperation and counsel of experts in the various departments of the Government with which the Fuel Administration must necessarily deal, and also of Mr. F. S. Peabody, who is connected with the Bureau of Mines in the Interior Department and who has been so highly and properly complimented by the Senator from Massachusetts. With such an organization composed of such men and of numerous other experts in coal and transportation, and with such assistance and counsel from other departments the country should feel convinced that this very important function of the Government reposes in experienced, skillful experts and competent men.

Now, Mr. President, we have before us the situation on the 23d of August and the forces which were assembled to deal with it. At this time the production of coal was only about 68 per cent of the capacity of the mines. Production had reached its lowest level for the year and the largest contributing cause was the justifiable dissatisfaction of the miners. Cost of living in general had made accentuated advances. The coal operators were reaping enormous and extortionate profits and were not willing that the miners should obtain a reasonable or even modest share of the golden harvest of dollars which the operators were reaping. Of course what has just been said does not apply to all of the operators, but it does apply to a very large number, and by reason of those conditions the output of coal was not only not being increased but enormously decreased. To this situation the Fuel Administrator first directed his attention. Operators and mine workers were brought together. Our dependence upon coal for the prosecution of the war was explained. It was firmly insisted that in the present crisis there should be neither union nor nonunion; that for the period of the war all controversy between operators and mine workers must cease. The appeal was heeded, and production steadily rose until winter set in, in spite of the fact that, as some thought, Government had laid a blighting hand on legitimate profits.

The Senator from Massachusetts reviews the coal situation as he sees it and says:

The Fuel Administration entered and proceeded to fix a price which made it impossible to work many mines.

I refer, I will state to the Senator from Colorado, to the condition as it appeared before the subcommittee appointed for the investigation.

The Senator from Massachusetts also refers to this as "reckless price fixing," and as an undertaking to "fix an abnormally low price for coal." Again he says:

Even if we admit that they kept prices down, which is purely guesswork, they brought a coal famine with its nominal fixed price.

These assertions may properly be classed as "important, if true."

The subcommittee did not take testimony as to prices to domestic consumers in many sections of the country, but it is obvious that if they were not materially lowered it was because of one or both of two factors. In many cases the wholesale and retail dealers were demanding exorbitant profits. Doubtless, however, the cause which contributed most to maintaining high prices was the fact that these dealers had contracted for their coal at the very high prices which prevailed last April. The wise decision of the President and the Fuel Administrator not to interfere with existing contracts illustrates the just and equitable policy of this administration to interfere only when clearly necessary with business pursuits. That the wholesale price of coal not under contract at the mine was cut at least in half there can be no doubt.

Nor can it be said, generally speaking, that the price of coal as fixed by the President was "abnormally low." As heretofore stated, these prices were fixed by the President upon information as to cost obtained after several months' investigation by the Federal Trade Commission and by other departments of

the Government. It appeared in evidence that under these prices there were reaped profits which prior to the war would have been dreamed of only by the most avaricious. One very intelligent witness, Mr. Thorne, who was referred to by the Senator from Massachusetts in complimentary terms and as a man speaking from actual knowledge, appeared before the committee, gave detailed information, and insisted, and I believe established, that in many sections of the country the prices fixed were abnormally high. It was stated in the order of the President that the prices fixed were only provisional and subject to change. This invited coal operators to produce their cost sheets and present evidence as to the reasonableness of the prices. And, strange as it may seem, at the time of the hearing, out of all the coal fields only 80 individuals or groups of operators had appeared claiming that the prices in their cases were too low. After investigation of 40 of these complaints, and upon the ex parte showing of the operators themselves, it was found that in almost every case only slight increases were justified. These 40 complaints in which adjustments had been made at the time of the hearing involved not more than 3½ per cent of the value on the basis of the President's prices of the total coal output, and the increases allowed out of an estimated value of the total production of $888,000,000 did not exceed $30,000,000. These few operators who were permitted these advances in price were operating mines in districts, or particular parts of districts, in which the conditions affecting the cost of mining were more difficult than in the States as a whole. Doubtless many of these mines could not have been operated at all in normal times and under normal competitive conditions so as to show any profit upon their operation.

Nor can it be said that these prices so fixed decreased production. Notwithstanding labor troubles, car shortage, and unusual weather conditions the output of coal during the year as compared with 1916, the largest year of production previously recorded, increased for bituminous coal over 42,000,000 tons and for anthracite coal over 12,000,000 tons, making a total increased production of over 54,000,000 tons.

Notwithstanding the extraordinary labor troubles which reached the maximum in August, the increase for the months of September, October, and November, as compared with the same months of the year 1916, for both kinds of coal amounted to nearly 10,000,000 tons, about two-thirds of which was bituminous coal, but in December there was a shortage of nearly 2,000,000 tons, due to the extreme weather and car shortage. The modern coal car carries on an average about 50 tons of coal. If this total increase were put into one solid train that train would be over 8,000 miles in length and would make two solid trains from Washington to Berlin. Several witnesses testified that they had not heard of a single mine which had closed down on account of the President's order fixing prices, and I challenge the Senator to point to a single instance found in this record where there were idle miners and idle mines and idle cars.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Colorado?

Mr. JONES of New Mexico. I yield.

Mr. THOMAS. I think that statement is true, and it seems to me to be one of the strongest possible arguments against interfering with the prices established by the President. If the mines had been permitted to operate under them I have no doubt the increase of output would have been kept up during the entire war.

Mr. JONES of New Mexico. Mr. President, I am quite sure that there are views which to my mind have not made a sufficient impression upon many Senators. I have not been able to attend the sessions of this body all the time during the discussion of the Agricultural appropriation bill, but I heard statements made in the discussion of that bill which to my mind not only did not convey a right impression as to the operation of the economic laws but which, if fully understood and keenly realized, would cause different action on the part of many Members of this body. The principle announced I stated a short time ago in connection with the workings of the law of supply and demand with regard to sugar. If you once admit that there is a shortage of the commodity, that the demand can not be supplied, no matter for what cause, then the law of supply and demand becomes merely a distributing agent for those with the money with which to pay the price; and to depend upon the law of supply and demand to act as a distributing agent of coal in a time when there is an actual shortage of coal will mean that the rich should keep warm and the poor should freeze. I submit that no Member of this body would wish such a result to be brought about.

Mr. THOMAS. Mr. President, on the contrary, I fully concur with the sentiments of the Senator; and his position only serves to strengthen my conviction that there should have been no interference with the prices fixed by the President and upon which business had adjusted itself, because, as the Senator has already said, the increase in production was visible at the time that order went into effect, and there was therefore a plentiful supply of coal, subject only to distribution. Now, if the prices are fixed so low that the average mine must close because the price which the Fuel Administration permits the owner to get for the product is less than the cost of production, there is a shortage, and in consequence of that shortage the law of demand and supply would operate by an increase of the price; and as a consequence the commodity, to the extent to which it has been produced, will be available only to the rich, and the poor will be obliged either to go without it or help themselves in ways which the law does not recognize.

A Senator said here a few days ago that some coal at $3 was a great deal cheaper than no coal at $2—a sentiment in which I heartily concur. If the orders which have succeeded those of the President result as they have, at least temporarily resulted in Colorado, the increase of production will not only be arrested but the scale will go in the other direction. Hence, I think that the law of economics which the Senator announces is a sound one in time of war, but it emphasizes the importance of noninterference with an established statutory price, or a price fixed by Executive order, which is found to be a working price.

Mr. JONES of New Mexico. Mr. President, I am very glad to find out that I misapprehend the position of the Senator from Colorado. But the Senator from Massachusetts [Mr. LODGE] strongly contended that there should have been no price fixing, and that the price fixing which was indulged in was an abnormally low price and was the cause of a famine in coal, and because I heard so many remarks in this Chamber recently about letting the sacred law of supply and demand have full sway I was misled by the remarks made by the Senator from Colorado.

Mr. THOMAS. Mr. President, I must plead guilty to great sympathy with the general view that the attempt to regulate prices by law is bound to prove a failure. I am satisfied that in times of war, if the necessities of life are supervised by Government agency and a price commensurate with the prices of everything entering into production is kept in view, it may be well to fix a maximum price beyond which profiteers can not go. Even then, however, I believe that experience will demonstrate that the only way in which prices can be kept down to a level within the reach of all is the way which England has pursued; that is, by the Government acquisition of large supplies of the necessaries of life and their distribution at times when price levels rise too high in the market. Of course that carries with it a loss to the Government, unquestionably, and that loss must be met by taxation, but I shall be very agreeably surprised if ultimately we shall not be compelled to regulate prices in that way before the war is over.

Mr. JONES of New Mexico. Mr. President, the remarks of the Senator from Colorado are most interesting, and I agree with him that except for the war I should not be in favor of interfering at all with the operation of the law of supply and demand, because then we would be dealing with steadily increasing or decreasing markets, and steadily increasing or decreasing supplies. Whether or not some other course should be pursued by the Government will always remain a question in the minds of many. There is no doubt that the working out of these problems in an unusual way and under unusual conditions must carry with it some elements that will not meet with general satisfaction. The question as to the fixing of a maximum price involves a good many questions. How high shall the maximum price be? Shall it be large enough so that the inefficient mines may operate? Shall it be large enough so that inexperienced men may invest their capital in a new enterprise? Or shall you put it low enough so that only the efficiently operated mines may continue? And during the time when there is a shortage of cars, should those cars go to the inefficiently operated mines, or should they go to the others, and perform the highest service?

These are all practical problems, and should be dealt with in a practical way by practical men; and this suggestion will lead to the conclusion which I shall make at the close of my remarks. Beginning with the 16th of June last the Geological Survey has tabulated by weeks the capacity of the coal mines of the country, the output, and the causes of failure to produce at the maximum capacity of the mines. These tabulations I have obtained and ask to have them inserted in the RECORD without reading.

The PRESIDING OFFICER. Without objection, consent is granted.

The matter referred to is as follows:

Factor contributing to fluctuation of bituminous-coal output during period of week ended June 15, 1917, to week ended February 9, 1918.
Compiled from weekly and monthly statements by the United States Geological Survey.]

Week ended—	Total tonnage produced.		Per cent of full-time output.		Per cent of loss on account of—				
	Tonnage per week.	Average per working day.	Produced.	Total loss, all causes.	Car shortage.	Labor shortage and strikes.	Mine disability.	All other causes.	No cause given.
June 16	11,092,748	1,848,791	74.8	25.2	17.1	3.3	3.7	0.2	1.0
June 30	10,948,802	1,824,800	69.7	30.3	21.1	4.5	3.2	.1	1.4
July 14	11,417,185	1,902,864	76.5	23.5	15.0	3.9	3.8	.1	.7
July 21	10,963,627	1,827,271	73.7	26.3	16.9	4.4	3.7	.2	1.1
July 28	11,008,672	1,834,779	75.7	24.3	13.9	5.5	3.8	.6	.4
August 4	10,439,865	1,739,977	75.8	24.2	13.6	6.2	3.4	.7	.1
August 13	10,503,169	1,750,528	73.8	26.2	12.7	9.5	3.5	.5	.1
August 18	9,831,075	638,513	67.2	32.8	10.6	18.8	2.4	.6	.4
August 25	10,395,630	1,732,772	74.2	25.8	10.3	10.9	3.1	.8	.8
September 1	10,787,867	1,797,978	77.1	22.9	10.3	6.9	3.9	.8	1.0
September 8	[1]9,495,612	[1]1,798,602	79.8	20.2	6.5	7.8	5.1	.4	.2
September 15	10,795,357	1,799,223	78.0	22.0	9.8	8.0	3.0	.9	.2
September 22	10,397,978	1,732,996	71.9	28.1	9.4	11.7	3.4	.8	2.8
September 29	10,916,113	1,819,352	74.3	25.7	10.8	8.1	3.7	.7	2.4
October 6	10,616,053	1,769,343	74.2	25.8	9.2	9.3	4.3	.7	2.3
October 13	10,766,977	1,794,496	76.9	23.1	13.0	3.7	3.5	.6	2.3
October 20	9,979,180	1,663,197	65.8	34.2	11.5	15.1	2.6	.1	4.9
October 27	10,688,313	1,781,385	74.9	25.1	14.8	5.9	3.8	.3	.3
November 3	10,802,841	1,800,474	75.4	24.6	14.5	5.7	3.6	.3	.5
November 10	11,116,356	1,852,726	77.8	22.2	15.3	3.6	2.7	.3	.3
November 17	11,325,202	1,887,534	75.5	24.5	19.2	2.6	2.2	.2	.3
November 24	11,232,922	1,872,154	74.2	25.8	20.2	2.2	2.8	.3	.3
December 1	10,341,482	1,870,000	74.8	25.2	18.6	2.6	4.5	.3	.4
December 8	11,118,181	1,853,030	73.6	26.4	19.3	2.5	3.9	.3	.4
December 15	8,438,549	1,405,426	57.7	42.3	30.8	3.7	6.2	.9	.4
December 22	10,013,118	1,668,852	68.4	31.6	24.7	2.6	3.5	.5	.7
December 29	8,913,855	1,782,771	75.4	24.6	9.1	10.1	3.7	.7	.3
January 5	9,376,000	1,875,000	73.1	26.9	18.1	3.1	4.4	.9	.7
January 12	10,136,000	1,689,000	65.4	34.6	25.0	2.9	4.3	2.0	.4
January 19	8,566,000	1,428,000	55.8	44.2	35.5	2.2	4.5	1.4	.6
January 26	10,100,000	1,683,000	66.1	33.9	26.6	1.5	4.7	1.0	.1
February 2	9,488,000	1,580,000	60.6	39.4	29.2	1.8	6.8	1.2	.4
February 9	10,111,000	1,685,000	64.4	35.6	27.7	1.7	4.6	1.0	.6

[1] Difficult to calculate because of irregular observance of Labor Day.

Mr. JONES of New Mexico. From this table we get the information as to the total tonnage produced and the average per working day, the per cent of full-time output, and the per cent of total loss from all causes. The causes given are "Car shortage" in one column, "Labor shortage and strikes" in another column, and "Mine disability," "All other causes," and "No cause given" in other columns. Of course the most potent causes of loss arise from car shortage, labor shortage, and mine disability, none of which involve the price of coal. In the column headed "All other causes," up to the week ending January 12, 1918, we find that "all other causes" vary from one-tenth to nine-tenths of 1 per cent. When it is considered that this column includes loss on account of weather conditions and other causes, it is demonstrated that there could have been no substantial decrease in production on account of price fixing. Even this table does not fully indicate the severity and effect of the car shortage as it affected the congested northeastern section of the country. This section includes the highly industrialized Northern Atlantic Coast States and New England. Owing to the deficiency in shipping, these States were largely dependent upon all-rail coal. This coal originated principally along the lines of the Pennsylvania and Baltimore & Ohio railroads. I have obtained information from these railroads regarding the percentage of loss in coal production, by weeks, on each of these roads, owing to car shortage, beginning with the week of December 8 and terminating with the week of February 23, and I request that this table may be printed without reading.

The PRESIDING OFFICER. Without objection, that will be done.

The matter referred to is as follows:

Percentage of bituminous coal production lost on the Baltimore & Ohio and Pennsylvania Railroad lines due to car shortage, by weeks, beginning with week ending Dec. 8, 1917.

Week ending.	Baltimore & Ohio R.R mines.	Pennsylvania R. R. mines.
Dec. 8, 1917	53.5	23.4
Dec. 15, 1917	61.1	27.5
Dec. 22, 1917	60.6	41.4
Dec. 29, 1917	19.5	29.2
Jan. 5, 1918	63.0	26.5
Jan. 12, 1918	44.3	18.4
Jan. 19, 1918	63.7	34.6
Jan. 26, 1918	49.5	22.0
Feb 2, 1918	60.3	28.8
Feb. 9, 1918	61.5	29.6
Feb. 16, 1918	39.3	22.1
Feb. 23 1918	45.1	23.1

Mr. JONES of New Mexico. Under the prices fixed by the President, as readjusted by the Fuel Administration, there was a steady increase in production each month over the corresponding month of the previous year until December, with its unprecedented weather conditions, was reached. But there was an arbitrary limit on the output of bituminous coal, over which the Fuel Administration had no control, and which up to January of this year was not under the direct control of the Government. This limit was established by transportation conditions. Senator LODGE says that "the mines could not work to capacity because they could not get cars." The Fuel Administration was absolutely without authority over the railroads. All of its efforts to increase production were dependent upon the ability of the mines of the country to secure an adequate and continued supply of cars. So far as bituminous coal is concerned, that car supply has not been available at any time since the Fuel Administration was organized. The factors of labor supply and price inducement were comparatively negligible in controlling the output of bituminous coal, because at no time has either of these factors been allowed to operate without the limitation imposed by a shortage of cars.

The economic pressure that might have been brought to bear by an industry driven to extreme under the pressure of an enormous demand, a short supply, and soaring prices, to secure transportation service that would have allowed an increase in the output could have been no stronger than the economic pressure brought to bear by the unprecedented demand for coal at the price fixed by the Government and the willingness of the operators to furnish it. No matter how high the price might have gone through the unrestricted law of supply and demand, the limit on the output of bituminous coal must still have been reached when the limit of transportation service was reached. It is futile to speculate as to what steps might have been taken by the railroads to meet the demand provided coal prices had been allowed to soar to $10, $20, or $30 per ton at the mouth of the mine. No amount of competitive economic pressure could have overcome the hard physical fact confronting the railroads of the country that their facilities were not adequate to care for the enormous increase in war traffic which was suddenly thrust upon them.

The Senator says:

> If we had let alone the system of distribution so long established, we should have been saved from the chaos and confusion into which we were thrown by the Fuel Administration.

The Fuel Administration, soon after its organization, saw that conditions in the coal industry would make it impossible for it to undertake to establish a new scheme or system of distribution during the winter of 1917–18. In a statement submitted

to the committee, Fuel Administrator Garfield made it clear that by far the greater part of the 1917–18 coal production moved along normal lines through normal channels from the mines to the ultimate consumer. He said:

The coal year of 1917 was well under way before the Fuel Administration was created. The distribution of the coal output, which was largely under contract for delivery during the year, had already been arranged upon a peace-time basis. It was necessary that this peace-time basis be adjusted to meet the war demands. But it was quite as necessary that no action should be taken which would throw the entire fuel situation into chaos.

I quote:

President Wilson, in announcing his original prices for bituminous coal, recognized this situation, and said there would be no immediate wholesale interference with contracts already made.

Prices were at their highest when most of these contracts were made, and up to date there has been but a small proportion of the coal output available for distribution outside of these contracts. Many contracts, of course, have run out, but a large majority of the coal mined is still sold under contracts running until April 1, 1918.

The activities of the Fuel Administration from the very beginning have been directed toward supplying the extraordinary war demand for coal on the part of the Government itself and those branches of industry which the Government has called into war service. With the entire coal output inadequate to supply all the demands of the country, it has been necessary, of course, to make readjustments to supply the war demand. Upward of 10,000,000 tons of coal have been furnished to the Army, Navy, and other Government departments. Other millions of tons were essential to supply the increased and new demands of industries directly engaged in production for war purposes. In large measure these requirements have been met. Had these industries been left to the tender mercies of the relentless law of supply and demand and the usual avenues for distribution there would have indeed been chaos and confusion. The coal would have gone to the highest bidder, without any consideration of the necessities of the war. Any industry willing to pay the price would have obtained coal, regardless of the uses to which it might be put. The limited supply of coal for domestic consumption would have warmed the rich and left the poor to suffer and freeze. The truth is that the distributing machinery, to which the Senator refers in such laudatory terms, was wholly inadequate to meet the conditions which confronted the country. Substantial evidence that this machinery had "fallen down" lies in the fact that not until the late summer was any provision made for supplying coal to the Northwestern States. Had it not been for heroic interference with the workings of this distributing machinery a reasonable supply of coal for that section of the country, which must be furnished during the season of navigation, would have failed; and I apprehend that at such action no one would have been more ready to criticize the administration than the Senator from Massachusetts.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield to the Senator from Utah.

Mr. KING. Does not the Senator think that some of the—as I was about to characterize them—foolish priority orders had something to do with the breaking down of transportation, to use the Senator's expression?

Mr. JONES of New Mexico. Mr. President, I am just about ready to discuss that question.

Mr. KING. I beg the Senator's pardon.

Mr. JONES of New Mexico. I think I shall explain something which has doubtless confused the Senator from Utah as well as many other Senators.

Mr. KING. If the Senator will pardon me, however, before proceeding with that, I shall not press for an answer now. My observation of the results of the Fuel Administration's orders has been this—and the information which I have received confirms my own observation—that instead of stimulating production the orders of the Fuel Administration have acted as a sort of a wet blanket upon production. They have closed down, in a number of places, mines that were in operation; and it looks to me as though the Fuel Administrator had tried to place all coal operators upon a Procrustean bed and to draw out and cut off to suit the limits of that bed, forgetting that in some sections you have to mine at a great depth and the cost of coal production is very much greater than in other coal mines in near-by sections; that instead of taking into account the difference in the cost of production, instead of taking into account the different industrial situations, there has been an effort to reduce all mines to a dead level and to secure the utmost uniformity in prices. Does not the Senator think that that has been the cause of chaos and confusion and has resulted in closing down mines and in preventing the output which otherwise would have gone into the market to satisfy the demands of the public?

Mr. JONES of New Mexico. Mr. President, I am sorry the Senator from Utah has not heard my entire discussion.

Mr. KING. I regret very much that I was unable to do so. I was in a committee meeting.

Mr. JONES of New Mexico. The question which the Senator asks is, of course, a most interesting and important one; and I think I have made it perfectly plain in previous discussion that under the prices which were fixed by the President no mines were closed down because of the price.

A few of the operators made application to have the prices increased so far as they applied especially to them, and in every instance the price was increased; but it was also found that the reason why any increases were granted was because the particular operators were laboring under special difficulties, and that, as a whole, the prices were not only high enough but in many cases they were abnormally high.

The question recurs, and will always be a very practical question, as to where your maximum price shall be and how far inefficiency shall be allowed to control the question of price; and the suggestion which I have to offer is that these things must be dealt with according to the facts in the particular case. I agree that no one blanket order, fixing an absolute price, is equitable or justified, and the prices fixed by the President were not absolute. They were merely maximum prices, beyond which the operators should not charge.

Mr. KING. Mr. President, if the Senator will pardon me, I agree with him in his statement that some of the prices were abnormally high. I think in many instances the Fuel Administration has been too generous and has fixed a maximum limit that allowed too great a profit and bore too heavily upon the consuming public. I agree with him, further, that each particular case ought to stand on its own merits and be judged according to the facts in that case. But I was under the impression, from my observation and from information which I daily receive, that the Fuel Administration has too often attempted to establish a uniform price, and that now the plan is to divide the country off into zones and to fix a certain price for a certain zone, forgetting that in those zones—and many of those zones will be very large in territorial area—conditions are divergent, and what would be a fair price for A would be a very unfair price for B.

Mr. JONES of New Mexico. Mr. President, I have expressed my views upon those matters. I am sorry the Senator was not here. I have consumed much more time than I expected, and I believe I will ask the indulgence of the Senator that I may proceed.

Mr. KING. I will read with great pleasure what the Senator has said on that point.

Mr. JONES of New Mexico. I hope, at the same time, the Senator will gain some information along that line.

Substantial evidence that this machinery had "fallen down" lies in the fact that not until the late summer was any provision made for supplying coal to the Northwestern States. Had it not been for heroic interference with the workings of this distributing machinery a reasonable supply of coal for that section of the country, which must be furnished during the season of navigation, would have failed; and I apprehend that at such action no one would have been more ready to criticize the administration than the Senator from Massachusetts.

Such action would not have been necessary provided there had been ample transportation. Had transportation been unlimited, I think there can be no doubt but what the ordinary machinery for distribution would have expanded and met all demands. I have no doubt that the mines in operation would have increased their output so as to furnish an ample supply for everybody.

It is my belief that the question as to the causes of a shortage of coal and the high prices can be answered with one word—transportation.

The subcommittee did not enter upon an investigation of the transportation problem. Only a few isolated facts appear in the testimony, and I shall not attempt to discuss in extenso this most troublesome question. It is easy enough, with a partial and restricted view, to find fault, whereas upon the more comprehensive view a different conclusion might be reached.

Priority orders are referred to with much emphasis as a great impediment to transportation, and it is insisted that they should have been left in the hands of the priority board. This statement, made by the Senator from Massachusetts in connection with the discussion of the Fuel Administration, has a tendency to create a wrong impression and was probably made by the Senator owing to a confusion in his mind as to the facts. In order to clarify this question, it has been necessary to go outside

the record, and upon such investigation as I have been able to make I reach the conclusion that the function and source of these orders have been misunderstood.

There are three methods of action, all of which are loosely called priorities, and all of which seem to have been discussed by him without distinguishing among them. Of the three forms of priorities about to be described only one—that first to be discussed—has in any way a relation to transportation or can in any way affect the transportation situation.

(1) PRIORITY OF MOVEMENT UPON RAILROADS.

By a rider to the naval appropriation bill of August 29, 1916, the interstate commerce law was amended to the effect that in time of war precedence should, upon the demand of the President of the United States, be given over all other traffic for the transportation of troops and material of war. There is no claim that the President ever made any demand of this sort. After the beginning of war in April, 1917, various representatives of the Government, chiefly from the War and Navy Departments and Shipping Board, requested of various railroads that preference or priority should be given for the transportation of commodities needed in the activities of those departments. While apparently in the absence of a demand by the President the railroads were not compelled to grant these requests, they not unnaturally wished to do so, feeling that to carry out the requests was a patriotic duty. The railroad war board, a voluntary committee of five railroad presidents, had been selected by the representatives of many railroads to coordinate and supervise the operation of the railroads in an effort to make the general railroad transportation system of greater use in war emergency. As a part of the organization of this board the car-service commission was intrusted with the duty and power of assigning freight cars for the transportation of commodities in special instances. The system of so-called "blue tags" was put into effect under authority of the war board. In carrying out this system blue tags or envelopes were given by the railroads to representatives of different Government departments upon the understanding that cars containing shipments of commodities for Government purposes which the representatives of the Government desired to have preferred in movement over the railroads to ordinary freight should be marked with the blue tags so as to insure such priority of movement. After this system had been in effect for some time it was found that the blue tags were being used excessively, and at least in some cases were being passed along to people holding contracts with the Government, so that these latter people could blue tag their shipments. This excessive use of the blue tags undoubtedly contributed to a considerable extent, and perhaps to a very great extent, to the subsequent congestion of traffic upon the railroads.

By an act of Congress approved August 10, 1917—Public, No. 39, Sixty-fifth Congress—the President was authorized, through such persons as he might designate, to direct that such traffic or shipments as in his judgment were essential to the national defense should have preference or priority in transportation by any common carrier. The President designated for this purpose Judge Robert S. Lovett, president of the Union Pacific Railroad. Judge Lovett issued very few orders of the sort contemplated by the act. One order issued by him was the so-called lake priority order, giving preference or priority in the shipment of coal to lake ports for transshipment thence by water to the Northwest. The shipments affected by this order were all from points west of Pittsburgh, and did not contribute to the bad congestion which developed on the railroad lines terminating in Atlantic ports.

(2) PRIORITY ORDERS OF THE PRIORITIES COMMITTEE OF THE COUNCIL OF NATIONAL DEFENSE.

This committee neither claimed nor exercised any jurisdiction over orders for preference or priority in movement. The committee had no statutory powers and could accomplish whatever it did accomplish only by the patriotic response of manufacturers and others to its requests and recommendations. These recommendations related chiefly to the preference in furnishing raw materials or necessary finished products to such manufacturers and contractors as were working upon the production of commodities needed by the Government. This committee issued a large number of such recommendations and requests, but they had no appreciable bearing upon the transportation situation, as they did not carry any right to priority of movement. If any of them were accompanied with a preference in movement it was through the independent issue of blue-tag priorities by or under authority of the Railroad War Board.

(3) SO-CALLED PRIORITY ORDERS ISSUED BY THE FUEL ADMINISTRATION.

An order of this kind is merely an order for a coal producer or mine operator to ship coal to some public utility, a Government department, or some industry engaged in work deemed essential to the conduct of the war or to supply a shortage of coal needed for domestic uses. These orders had and could have no effect upon the transportation situation. Such an order merely directed the mine to ship its coal, or a certain quantity of coal, to A instead of B. It made no difference to the railroad whether the coal was going to A or to B, and the order carried no preference of movement respecting the shipment after the cars left the mine. The cars were taken by the railroad and handled by it as would be any other cars.

Of such orders a total of only 394 were issued. Of these 394, 117 were for an important steel plant, an important powder company, and for the shipment of coal to the city of Washington for Government requirements. Besides these orders, strictly so-called, the Fuel Administration made a great many requests to coal producers to ship coal to designated consumers, and such requests were usually granted by the producers. Like shipments on the orders, these requests in no way affected the railroad situation. Compliance therewith by a coal producer meant merely, as in the case of an order to ship, that his coal was consigned to one concern instead of to some other concern.

Occasionally, though rarely, the Fuel Administration did request the commission on car service to supply to a particular mine coal cars to enable such mine to comply more promptly with a request or an order from the Fuel Administration to ship coal to a designated consumer. These requests for assigned cars, however, did not carry with them any preference or priority in the movement of cars upon the railroads, nor did they affect or contribute to the congestion upon the railroads. The total number of cars thus assigned over the entire United States upon requests from the Fuel Administration totaled only 576 cars per day. It appears, however, that the car service commission arranged without requests from the Fuel Administration for the assignment of an additional number of coal cars in certain cases, totaling 1,134 cars per day. These cars, like those assigned on request of the Fuel Administration, were not entitled to preference in movement and therefore played no part in producing railroad congestion.

The figures above relative to assigned cars do not include the order issued early in January for the shipment of 500 cars of bituminous coal daily to New England, for which the Director General of Railroads ordered cars to be assigned. However, no one has yet strenuously objected to that particular order.

It thus appears that the responsibility for any confusion or congestion in transportation arising from priority orders rested and should have rested upon the railroad war board, because of its first authorizing and then continuing the use of the so-called "blue tags." This board consisted of five railroad executives designated by the officials of the various railroads, and I have not been able to ascertain that they made any effort to curtail the use of such orders. Had they been convinced that orders should not be issued, it would have been easy to secure their cancellation. Doubtless a simple request of three Government officials—the Secretary of War, Secretary of the Navy, and the chairman of the Shipping Board—would have secured the desired results. I am not advised as to why such requests were not made. I would not have it inferred that I am convinced that such requests should have been made or that the issuance of such orders should have been discontinued. There may have been ample and cogent reasons why the railroad war board permitted matters to go on as they did. Without knowing all the conditions, circumstances, and factors entering into the very complex problem of transportation and without the full point of view and expert knowledge of those in authority, judgment and criticism should be withheld. And in this connection I desire to express my disapproval of all attempts, here or elsewhere, by means of partial investigation, with limited information and with restricted view, to cast aspersions and adversely criticize those upon whom responsibility is imposed and who are endeavoring to do their utmost to serve the country in this hour of peril.

It is suggested by the Senator that the fundamental trouble of the railroad situation arose from the fact that when the war broke out the railroads were 10 years behind the requirements of peaceful times; that bad results had followed the manner in which freight rates had been dealt with during a considerable period of years, and it would seem therefrom responsibility for the railroad situation is intended to be put upon the Interstate Commerce Commission; and it is sought now to blame the Government because it did not address itself solely to the railroad problem. What should have been done by the Government was not pointed out. That a mere raise in freight rates would not have met the difficulties which afterwards developed must be apparent. Inasmuch as the Senator has not criticized the taking over by the Government of the operation of the railroads it is inferred that this action should have been taken immediately

after the declaration of war. To have done this would have been to follow the example set by England. On the very day that England made a declaration of war that Government assumed complete control of the railroads. I submit, however, that if any such immediate action had been taken by our Government it would have been impossible, in view of the expressed belief of the Senator from Massachusetts, that ordinary business should be interfered with as little as possible, to have convinced him of its necessity. In fact, it is intimated that Government control has been a failure. The Senator states that the real car difficulty existed six months ago, and then says:

Between last summer and the present moment a Director General with the largest powers has been appointed to take charge of the railroads of the country, and yet here is the condition on the first of this month.

The Director General was not appointed until January 29, and the first of the month referred to was the 1st of February following. That there was a sinister purpose in using the indefinite language "between last summer and the present moment" a Director General has been appointed, I will not assert, but the casual reader would doubtless receive the impression that the railroads of the country had been completely under Government control for a period of about six months and that the Director General had been tried and found wanting. To use the language "between last summer and the present moment" for the purpose of fixing the date, January 29, is unusual and decidedly novel.

Let us now consider briefly the order issued by the Fuel Administration on January 17. This is referred to by the Senator from Massachusetts as the "reckless order closing down factories and industries of all sorts for five days." To the mind of the Senator there was no excuse or reason for the issuance of this order, and it is simply characterized by the word "reckless." The committee did not make an investigation as to the causes which lead to the issuance of this order further than to listen to a short and necessarily incomplete statement by the Director of the Fuel Administration. In the absence of such thorough investigation it would seem to be commendable to withhold criticism. That there were weighty reasons for the order we should assume. That some good came from it all must agree. The event has passed, and only a brief review of some of the causes and some of the results will be undertaken. A short view can be obtained in an excerpt from a speech delivered by the Director before the Williams Alumni Association of the New York branch on February 16, 1918. From that address I quote the following:

Beginning with December 8, winter laid its grip upon the land, and by the middle of January had virtually paralyzed our transportation system, but winter was not entirely responsible, perhaps not even chiefly responsible. Week by week during the latter part of the year, the records showed a menacing increase in production of war material. By our very strength as a great manufacturing Nation we were fast breaking down the transportation system on land and preventing its development at sea. We had orders for more material than we could hope to carry away. The condition will be best understood when we reflect upon the fact that our foreign commerce had increased since 1913 from two billions to nine billions of dollars. The commodities represented by this enormous increase had to be carried on the railroads and then on the ships. Five thousand additional locomotives annually would hardly have met the normal requirements. But during each of the past two years we had actually placed on our rails little more than one-half the required number, while in 1915 only 1,251 were received. The rest we sent to France and to Russia. Is it any wonder that loaded cars stood on the tracks for weeks and even months? From week to week the congestion increased. Nearly one-half of the thousands of cars thus clogging the railroads were laden with coal. This coal failed to reach destination, and empty cars failed to return to the mines.

At this point Mr. THOMAS raised the question of a quorum and the roll was called.

Mr. JONES of New Mexico. Mr. President, I shall not require a very much greater length of time to conclude the remarks which I had planned to submit. At the time the suggestion of the absence of a quorum was made I was reading an excerpt from an address of the Fuel Director regarding the celebrated order of January 17, which gives some views as to why the order was issued and what was accomplished by it. I proceed with the reading. I am sorry that all Senators now present could not have heard the first part of it:

One must keep constantly in mind the fact that the production of coal is a transportation proposition. The immediate effect of this railroad congestion was to deprive people of coal necessary to prevent them from freezing and to keep from the ships carrying our base of supplies abroad the coal necessary for their bunkers. It needs no argument to demonstrate the necessity of keeping people from freezing and of furnishing coal for ships if the war is to be successfully prosecuted. Week by week the number of vessels waiting for bunker coal in our harbors was increasing until by the middle of January the total was appallingly large, especially so when one reflects upon the necessity of an immediate and constant contact between armies in the field and the base of supplies. As a result of the closing order of January 17, 480 ships carrying over 2,000,000 tons of food, fuel, munitions, and other war supplies were bunkered and sent from our ports. This is the record from January 17 to 29, inclusive. Forty of those vessels carried food; 71 carried coal, oil, and gasoline; 369 were laden with munitions and other war supplies. Within a week after the order of January 17 went into effect, all ships ready to sail were bunkered. A normal number only remained at anchor, and the flow of supplies vital to our armies had been reestablished. Important as these facts are in themselves, they are cited merely to bring vividly before you the nature of the economic crisis which was upon us by the middle of January.

That you may have the whole picture let me approach the situation from another angle. Almost without exception the manufacture of war material was at its highest point about the 1st of December. To cite a few only of the most important articles, shipments of steel plates fell nearly 50 per cent from the 1st of December to the middle of January with but one partial recovery in the interval. Without steel plates we can not build ships and without ships we can not carry out our program. The loss in shipment of merchant bars was still greater. Even projectile steel dropped nearly 45 per cent during this period. The plotted curves of weekly shipments of all steel products look like a cubist representation of Niagara; the 1st of December marking the beginning of the drop and the middle of January the bottom. Had this decline been permitted to continue our most essential war industries would inevitably have been closed down, but not in an orderly fashion. Cooperation demands the sharing of losses as well as of gains. It is noteworthy that the upward trend was resumed for the week ending January 28.

But figures and diagrams are not essential to my thought. It was only necessary to perceive the destructive force of abnormal production to know that it was vital to the successful prosecution of the war to bunker our ships, to provide coal for domestic consumers, and, so far as the manufacture of war material was concerned, to "stop, look, and listen." The thought I would bring home to you is this: The Fuel Administration, believing in the democratic ideal, asked not that some but that all participate in the sacrifice necessary to save us from our own prosperity. Then the American spirit arose and asserted itself. There was no crushing of the weak in a great scramble, but all stopped except the few appointed to absolutely necessary work.

The reaction of the American people in the face of the greatest crisis which this generation has been called upon to face proved them true inheritors of the American spirit and practical advocates of the principles of democracy. They have demonstrated that free action and willing cooperation are more effective than autocratic compulsion. They imposed restraints upon themselves which the entire Army of the United States could not have forced upon them.

That the order was not wholly without justification may reasonably be inferred from the fact that after the effects of its operation in this country were known a similar order was issued and made effective in Canada.

The Senator from Massachusetts refers to this action of the Fuel Administration as "ill considered and violent." He presents reports from two industries showing the value of fuel saved in tons and the value in dollars of the loss of wages, loss of production, and the loss to stockholders, and says that these two examples represent thousands of other industries throughout the country.

The Senator inserted in his remarks, without reading, an editorial from the New York Times. This editorial refers to figures compiled for the Director General of Railroads which indicated the value of the coal saved in certain localities and the loss as measured by dollars in wages and production. The editorial criticizes this report made by an expert to the Director General. It will be observed, however, that the report to the Director General contained the same kind of information as the two illustrations of the effect of the order presented by the Senator from Massachusetts and which says "are examples representing thousands of industries." The criticisms upon the report by the editor and copied in the RECORD were not read, were not emphasized, and as they do not support the evident conclusion which the Senator had in mind it is possible they were inserted through mistake.

The editorial, in discussing this report, says:

Although the report is by an expert, it is not above criticism.

The article is given the heading of "Profit and loss of coal saving." Proceeding, it says:

Only in form is it a debit and credit statement and there are omissions which lessen its worth. The 18 cities for which profit and loss are estimated are all eastern cities necessarily, for the suspension was in the East. The loss in the East had compensation in the West, both directly and indirectly, in the gain to the West of the betterment of transportation. The greatest and fatal omission is that of the worth of breaking the ocean blockade. What was it worth to get hundreds of cargoes of supplies across the seas? What was it worth to have the movement of coal made nearly normal? What was it worth to relieve the railroad congestion, the real motive of the coal order?

And may I add: What was it worth to bring to full capacity the manufacture of steel plates, projectile steel, and war munitions? What was it worth to bring to the shipyards ample supplies for the building of ships? What was it worth to increase the output of clothing for the armies in France and the armies assembled in the cantonments? What was it worth to say to the soldiers in France the first consideration at home is their welfare and their support? What was it worth to the mothers of our country to say to them that their boys, who are making the supreme sacrifice, shall be sustained? What was it worth to bring to the business interests of this country a keen realization of the actualities of war? What was it worth to say to France, Italy, Serbia, Belgium, and England that their sacrifices for the preservation of world civilization shall not be in vain? What was it worth to say to them that when we pledged the whole of our resources to the conduct of the war we meant what we said? What was it worth to say to Imperial Germany that the

whole of America is willing to stand at attention, cease ordinary industry, and in patriotic fervor watch the increasing glow of furnaces, listen to the ceaseless movement of trains, watch the departure of ships, all for the purpose of sustaining this war and convincing the imperialistic autocracy that civilization shall not be crushed and that democracy shall endure? A balance sheet showing only debits and credits in dollars is incomplete. There are some things which can not be valued in dollars.

Mr. President, the Senator from Massachusetts informs us in conclusion that he has discovered in this investigation three matters which seem to him to have had a very injurious effect upon all operations of the Government. One of these, he says, has given rise to the danger of acting upon theories based upon exceptional cases and not upon general conditions. He refers to "profiteers." The definition of this word is subjected to critical analysis, and its linguistic and etymological defects are suggested. He finally concludes that the word has a meaning all its own, which is fully understood, and is content, therefore, to use it.

It is admitted that some profiteering has been done and is perhaps being done, but not to such an extent that the sacred law of supply and demand should be interfered with in order to curb those practices. The remedy suggested is individual criminal prosecution of those thought guilty. If the word is to be given the meaning generally understood and comprehends all those who are demanding unreasonable profits, such a remedy, in the opinion of many, would be inadequate and ineffectual to suppress these practices, at least with respect to the two commodities which we have had under investigation. I am willing to agree that the universality and flagrancy of profiteering are not so apparent at the present time as when the food and fuel legislation was enacted, and it is futile to speculate as to what might have been the case except for the legislation. It may be that in the course of time shame and public disfavor, as suggested by the Senator, would have accomplished the desired results. But such was not the belief of a vast majority of the Congress and, as I believe, of a vast majority of the people.

In the sugar trade there are in this country about 350,000 retailers, 10,000 wholesalers, and an unknown number of jobbers and dealers. In the coal trade there are 5,000 operated large mines, 15,000 smaller ones, and a host of jobbers and dealers. It is substantially admitted that practically all these were demanding what we now conceive to have been unreasonable prices. The practical difficulties of criminal prosecutions do not seem to have been taken into consideration but are evident to all practical lawyers. It might not be very difficult to frame an indictment, but establishing a case would be more serious. I believe, therefore, that the legislation is fully justified, and that it has been far better and far more effectual to carry out the plan authorized by the legislation, as has been done by the Food and Fuel Administrations.

The second matter referred to as having a very injurious effect upon all operations of the Government relates to the question of essential and nonessential industries. It is admitted that during the war distinction must be made between the essentials and nonessentials. In discussing the method of making a practical distinction the Senator uses language which should be adverted to and the intended meaning of which can not escape even the casual reader. He says: "Where is the line to be drawn if you are going to enter upon a harsh and destructive treatment of many industries because some person in Washington dressed in a little brief authority chooses to define them as 'nonessential'?" He refers to "needlessly imposing additional deprivations and suffering" and "destruction of normal business," also "needless, useless sacrifices forced upon them by blunders of administration," "common injury inflicted by their own Government," "arbitrary power," "darken the life of children," "suddenly depriving them of all innocent and legitimate amusements," "loose talk about essential and nonessential industries," "blindly acted upon."

It should be kept in mind that such language is used in discussing a subject which it is said affects all departments of the Government. No direct charges are made that all departments of the Government have entered upon a harsh and destructive treatment of industry and are needlessly imposing deprivations and suffering, forcing needless and useless sacrifices, blindly acting upon mere loose talk, or suddenly depriving the children of all innocent and legitimate amusements and seeking to darken the lives of children, but the stilletto innuendos flowing from the use of such language are obvious.

The third matter referred to as affecting all operations of the Government is the legislation and administrative actions deduced from talk about profiteering and nonessential industries, and we are gravely told that if "you lower any more than is absolutely necessary the normal business activity of the country you are at the same time lowering the earning capacity of the country; you are lowering the saving capacity; you are drying up the sources from which your revenue by taxation must come and to which you must look for your loans." "The fear which was acute in certain quarters that somebody might make money if carried into irrational action dictated by prejudice and passion is entirely incompatible with raising the money." "It is much better to allow people to make profits, even if in some cases there are unreasonable profits, which can all be taken by taxation, than to deprive them of both profits and employment and bring business to stagnation and despair."

In this connection we are not relegated to a discovery of the innuendo, but are boldly told: "This seems to be something which is wholly overlooked." I must confess that this statement came to me with much surprise and astonishment. I had thought that the wholesome platitudes uttered by the Senator were accepted by all the departments of the Government. I had not thought that they had been overlooked. I had thought that every reasonable effort was being made to protect the business interests of the country, to enable labor to have its employment, to promote the comfort and prosperity of everyone so far as possible, to require the least sacrifice, and I am indeed sorry and extremely regretful that a contrary view should be sent forth by such an eminent and analytical judge as the Senator from Massachusetts.

Mr. President, there is another element in this remarkable speech which I feel should be referred to, yet I regret the necessity of doing so. In discussing the extensive organization of the Fuel Administrator and the delegation of powers to the State fuel administrators, he says, so far as he can learn—

> The only absolute qualification required of these last gentlemen is that they should be Democrats.

Again he says:

> It is not the duty of an administrative officer to promote political fortunes.

Also:

> The duty of any man, high or low, charged with the conduct of the war or any portion of it is to win the war and not to promote other measures which are purely social or political.

Referring generally to the food and fuel legislation and the purpose in carrying out its provisions, the Senator says:

> Unfortunately the reduction of the cost of living has a most enticing sound. Success in such an undertaking is obviously popular, and popularity has meanings and results which I need not explain, certainly not to a body like the Senate. Therefore, in the search for popularity, the difficult, if not the impossible, was undertaken, and the simple and direct method of aiding the war situation and of at least stabilizing prices was set aside or pushed into the background.

In another connection the Senator uses this language:

> I do blame them for making promises which never could be fulfilled and in searching for something popular.

Mr. President, I shall not consume the time of the Senate in presenting the facts heretofore established in this body to show that the administration has not been entering upon activities for the purpose of providing positions for Democrats. Nor shall I point out the impartiality and nonpartisanship shown in calling to the service of the Government the thousands of men and women who are devoting their time to the faithful and patriotic services of the country. The Senator has criticized substantially every branch of the Government, and would leave the impression that incompetence everywhere is to be found. I realize the futility of trying to convince some people that a Democrat is capable of any public service. There are still some people who feel that Republicans are the only ones competent to carry on this Government, and that they have a perpetual right to do so. Democrats are looked upon as mere interlopers, ought not to exist at all, and those so thinking confine their thoughts and efforts to belittling accomplishments of Democrats, however commendable, and suggesting that efficiency can only be found in Republicans. To convince such as these that anything is being done even in the conduct of the war without ulterior purpose or in a proper manner is impossible. To convince those who themselves are saturated with partisanship to such an extent that they only view political consequences in the consideration of all subjects is likewise impossible. We should not judge such people too harshly, because, perchance, they may be so constituted that it is both physically and mentally impossible for them to be or think otherwise. The Senator from Massachusetts may not be in such category, but I think it is extremely unfortunate that the efforts to reduce the cost of living should be characterized by him as a search for popularity, and that such popularity has meanings and results which he need not explain to a body like the Senate.

Now, Mr. President, let us take up this speech by its four corners and get a comprehensive view, so that we may discover its purport, if we can. Specific adverse criticisms are directed

against a large number of public officials occupying responsible positions. Among them are those who constitute the vast organization of the Fuel Administration, the Federal Trade Commission, the Interstate Commerce Commission, the Director General of Railroads, the Food Administration, so far as it dealt with sugar, and then in general "all operations of the Government."

There can be found no commendation of the acts of anyone now performing the duties referred to except the Food Administration with respect to dealings other than with sugar, and as to such other dealings he says he has made no investigation.

There are no words of encouragement for the sugar refiners and dealers who voluntarily reduced prices and sacrificed profits which would have reached stupendous sums, and there are no words of commendation of the mine workers who made important concessions in order to insure a continued and increased production of coal during the war, nor of the mine operators and the railroad operatives who brought about an enormous increase in the production of coal in 1917, far in excess of any previous record. There are no words of commendation for the host of men and women who, at great personal sacrifice, are serving the country. There are no words of commendation for the various industrial operators who have entered the service of the Government upon agreement for large reduction of prices. There is no recognition of the vast and invaluable service of the War and Navy Departments or the Shipping Board. I do not call attention to these matters for the purpose of having it appear that the Senator from Massachusetts is scolding indiscriminately. Here we have an example of studied and deliberate word lashing, and there may be some deep and controlling purpose which I am unable to fathom. I observe one train of thought constantly recurring throughout the speech, and which seems to constitute the controlling solicitude of the author. At every turn we are admonished that business should be interfered with as little as possible, that the laws of supply and demand should be accorded unhampered sway, that profits should be relied upon to increase production, that business should be permitted to control itself, all interspersed with frequent innuendos that those charged with responsibility at this time would enjoy if they did not seek the woeful spectacle of business unnecessarily hampered, uselessly interfered with, needlessly shackled, and utterly demoralized. Just why such an effort should be entered upon I do not know, but doubtless it will occur to some casual readers that the silent appeal and solicitude were not wholly disconnected with the thought of future political campaigns.

Mr. President, the resolution which brought on the investigation of sugar and coal directed that the committee should report their recommendation of things necessary to be done with a view of remedying conditions. The Senator from Massachusetts specifies a very large number of conclusions and suggestions, but inasmuch as he finds that the policies of the Food Administration brought on a famine in sugar and that the Fuel Administration should be abolished, it seems that all other suggestions may be laid aside. In connection with the fuel discussion, and I have no doubt the inference was intended to apply to all other things discussed, the Senator quotes the expression often heard:

It is easy to criticize and find fault—what would you have substituted?

And then adds:

That question, in my opinion, can be as easily answered as asked.

Here is a cocksureness expected to be found in certain species of young college graduates but not looked for among matured statesmen or professors of literature. If all the questions presented in this investigation can be as easily answered as asked, we wonder whether the investigation brought any enlightenment or whether the answers were ready before the investigation, and whether the investigation was the cause of this remarkable speech or only afforded the occasion.

Mr. President, the conclusions which I have reached are not in accord with those of the Senator from Massachusetts. The Directors of the Food and Fuel Administrations are men splendidly equipped, having both natural and acquired executive ability as administrators of high order, and were well chosen for their respective positions. The organizations have brought together a large number of expert business men who, through toil and study, have reached eminent position in the respective lines of industry with which they are to deal. All are serving the country solely for patriotic reasons. There is no inducement of a pecuniary nature. The great majority receive no salaries and pay their own living expenses. They are devoting their whole time to this service. They are even endangering their health. The problems confronting them are recognized as important and perplexing. Day after day, night after night, the combined wisdom and skill of these organizations is devoted to the solution of these problems, to meeting changed conditions, and if these problems can be dealt with so as to overcome the myriad difficulties presented and interfere with business as little as possible these organizations will do it.

The remedy therefore is, let these organizations alone. If they need more power, give it. Do not badger and heckle them. On the other hand, help and encourage them. Let us not say to the world that the affairs of our Government at this time are in incompetent hands. To the contrary, let us tell the truth and say to the world that the resources of this country are being successfully mobilized for the purposes of the war. Let us encourage the toilers in the mines and fields and those engaged in the essential service of transportation. Let us encourage the women in the land who are striving and on whom we must depend to conserve food for ourselves and our allies. Let us assure business in general that we have not entered upon an era of willful destruction. Let us not say to the taxpayers that their contributions are supporting inefficiency. Let us say to all those who are making sacrifices in this emergency that their efforts are not in vain. Let us uphold the hands of all those who are serving us in these hours of dire distress, and pray almighty God to sustain and strengthen them. Let us all be Americans; let us come together; let us work together; let us counsel together, so that this Republic "shall not perish," but shall remain "the land of the free and the home of the brave."

Mr. CHAMBERLAIN. Mr. President, I had hoped to bring up some of the military legislation this afternoon, but because of the lateness of the hour, and because I feel confident that I can have it considered to-morrow, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Saturday, March 23, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *March 22, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in Heaven, look down from Thy throne of grace, with favor upon the entente powers at the front, who may be at this moment engaged in a death struggle which promises the greatest battle of the ages, not only for the numbers engaged but for the great principles involved, aganist an insidious foe who would turn back the tide of civilization and subjugate all lovers of liberty to the power of might.

Give strength, courage, victory to our arms, that right may live and wrong die, to the honor and glory of Thy holy name, and thus for the good of all mankind.

Let Thy favor descend upon these soldiers gathered here to-day at this Capitol. Be with them now, and be with them when they face the enemy, and bring them, without the loss of any, we beseech Thee, home to us again, and everlasting praise shall be Thine. Amen.

The Journal of the proceedings of yesterday was read and approved.

SCREEN-WAGON CONTRACT OF H. H. HOGAN, KANSAS CITY, MO.

Mr. BORLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate bill 3689.

The SPEAKER. The gentleman from Missouri asks for the immediate consideration of Senate bill 3689. Is there objection?

Mr. WALSH. Mr. Speaker, can it be reported?

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (S. 3689) authorizing the Postmaster General to cancel or readjust the screen-wagon contract of H. H. Hogan at Kansas City, Mo.

Be it enacted, etc., That should the Postmaster General find as a fact that the screen-wagon contract of H. H. Hogan, of Kansas City, Mo., was entered into prior to the entrance of the United States into the war with Germany, and that the prices agreed to be paid in said contract are at the present time inequitable and unjust by reason of the increase in the cost of materials and labor employed in the performance of such contract, the Postmaster General is authorized, in his discretion, with the consent of the said H. H. Hogan and his bondsmen, to cancel the same or to readjust the terms of said contract in such manner as to relieve the contractor from the hardships being by him suffered on account of such increased costs and expenses.

The SPEAKER. Is there objection?

There was no objection.

Mr. SAUNDERS of Virginia. What is the request, Mr. Speaker?

The SPEAKER. The request is to consider this bill that has just been read.

Mr. SAUNDERS of Virginia. Has it been reported from a committee?

The SPEAKER. Yes; it is a Senate bill.

Mr. SAUNDERS of Virginia. Has it been reported back by a House committee?

The SPEAKER. Yes. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. BORLAND, a motion to reconsider the vote whereby the Senate bill was passed was laid on the table.

ENROLLED JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following joint resolution:

H. J. Res. 154. Joint resolution authorizing the erection of a memorial in Washington to the memory and in the honor of the members of the various orders of sisters who gave their services as nurses on battle fields, in hospitals, and on floating hospitals during the Civil War.

CIVIL-SERVICE EXAMINATIONS.

Mr. GODWIN of North Carolina, by direction of the Committee on Reform in the Civil Service, presented for printing under the rule the conference report on Senate joint resolution 117, amending the act of July 2, 1909, governing the holding of civil-service examinations, as follows:

CONFERENCE REPORT (NO. 402).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 117) amending the act of July 2, 1909, governing the holding of civil-service examinations, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, and 3, and agree to the same.

H. L. GODWIN,
C. D. CARTER,
Managers on the part of the House.
KENNETH MCKELLAR,
REED SMOOT,
Managers on the part of the Senate.

ORDER OF BUSINESS.

Mr. LONERGAN rose.

The SPEAKER. For what purpose does the gentleman from Connecticut rise?

Mr. LONERGAN. I rise to ask unanimous consent that after completing the consideration of the pending bill pension bills may be next in order for consideration.

Mr. GILLETT. Does the gentleman mean to-day?

Mr. LONERGAN. Yes; if we finish the pending bill to-day.

The SPEAKER. If you set a time to-day, that would be pertinent, but the House by special order set to-morrow for the consideration of the Unanimous Consent Calendar.

The gentleman from Connecticut asks unanimous consent that if the House gets through with the pending bill in time to-day omnibus pension bills be taken up. Is there objection?

Mr. WALSH. Reserving the right to object, Mr. Speaker, there is no particular hurry about passing these pension bills. The House has passed a number of such bills that have gone away from here, and we have not seen anything of them since, and for the present I object.

The SPEAKER. The gentleman from Massachusetts objects.

LEAVE TO ADDRESS THE HOUSE.

Mr. FULLER of Illinois rose.

The SPEAKER. For what purpose does the gentleman from Illinois rise?

Mr. FULLER of Illinois. To ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent to proceed for two minutes. Is there objection?

Mr. MOON. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Tennessee demands the regular order. The regular order is that the House automatically resolves itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9414.

CALL OF THE HOUSE.

Mr. SNELL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from New York makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and fifty-five Members are present, not a quorum.

Mr. KITCHIN. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from North Carolina moves a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Fairchild, G. W.	LaGuardia	Ramsey
Aswell	Farr	Lenroot	Rowland
Baer	Fess	Littlepage	Sanford
Blackmon	Flood	McCormick	Schall
Bland	Focht	McKeown	Scott, Pa.
Carlin	Fordney	Mann	Scully
Chandler, Okla.	Garland	Meeker	Slemp
Crago	Gordon	Nelson	Smith, T. F.
Curry, Cal.	Heintz	Norton	Stephens, Nebr.
Davis	Hollingsworth	Olney	Talbott
Dempsey	Huddleston	Overmyer	Temple
Dies	Johnson, S. Dak.	Parker, N. J.	Van Dyke
Drukker	Kehoe	Parker, N. Y.	Walker
Eagle	Kinkaid	Powers	Wilson, La
Estopinal	Kreider	Ragsdale	

The SPEAKER. On this call 369 Members, a quorum, have answered to their names.

Mr. KITCHIN. I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will unlock the doors.

INCREASED PAY FOR POSTAL EMPLOYEES.

Under the rule the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9414) granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes, with Mr. CARAWAY in the chair.

Mr. MADDEN. Mr. Chairman, I wish to inquire whether the bill is to be considered by sections or by paragraphs.

The CHAIRMAN. By sections.

Mr. MADDEN. So that a whole section will have to be read before an amendment will be in order?

The CHAIRMAN. Yes.

Mr. BLACK. I ask unanimous consent that the bill be read by paragraphs for amendment.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the bill be read by paragraphs for amendment, instead of by sections. Is there objection?

Mr. MOON. I object.

The Clerk read as follows:

That carriers in the Rural Free Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum and $24 per mile per annum for each additional mile over 24 miles.

That after the passage of this act clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into six grades, as follows: First grade, salary $1,000; second grade, salary $1,100; third grade, salary $1,200; fourth grade, salary $1,300; fifth grade, salary $1,400; sixth grade, salary $1,500. Clerks and carriers shall be promoted successively to the sixth grade.

That hereafter the salaries of railway postal clerks shall be graded as follows: Grade 1 at $1,100; grade 2 at $1,200; grade 3 at $1,300; grade 4 at $1,400; grade 5 at $1,500; grade 6 at $1,600; grade 7 at $1,700; grade 8 at $1,800; grade 9 at $1,900; grade 10 at $2,000.

Mr. MADDEN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MADDEN: On page 1, line 3, strike out all after the word "that" up to and including the word "follows" in line 6, and insert in lieu thereof the following:

"Hereafter the compensation of postal employees shall be as follows."

Mr. STAFFORD. I reserve a point of order on the amendment.

Mr. MADDEN. Under the ruling of the gentleman from Virginia [Mr. SAUNDERS] while presiding over the Committee of the Whole House on the state of the Union when the urgent deficiency bill was under consideration, when it was sought to add increased compensation for the department employees and for Government employees in all branches of the service outside of the Postal Service, he held that it would be in order to strike out, but that it would not be in order to add to a section

similar to this. I maintain that under the ruling of the gentleman from Virginia the point of order is not good.

The proposition contained in the amendment which I suggest makes this law permanent rather than for the period of the war. I suggest to the Chair that it is perfectly in order to entertain an amendment of this character, and that the point of order of the gentleman from Wisconsin should not be sustained.

The CHAIRMAN. Does the gentleman from Wisconsin [Mr. STAFFORD] desire to be heard on his point of order?

Mr. STAFFORD. Mr. Chairman, I merely reserved the point of order. I thought the gentleman wished me to reserve it so that he could discuss the merits of his proposition.

Mr. MOON. The gentleman from Wisconsin can discuss the point of order if he desires.

Mr. STAFFORD. If it is the purpose of the committee to make this bill permanent law for all time, to fix these salaries for the future, I have no objection. I understood that the purpose of the bill was to provide temporary relief for postal employees on account of conditions caused by the war. If it is the purpose of the chairman of the committee and other members of the committee to bring in an amendment increasing the salaries of all the postal employees for all time, why of course I am not going to obstruct it by a point of order, which I consider would be well taken on the ground that it is not germane.

Mr. MOON. The gentleman from Wisconsin need have no apprehension on this question. There is no collusion between the members of the committee about it. The committee were of the opinion that this bill should be temporary in its character. It is purely an emergency proposition. The conditions existing now may not exist a year from now, or when the war is ended, and it is not our purpose to fix these salaries permanently, but to meet the present conditions. I am very glad to have the gentleman make the point of order.

Mr. STAFFORD. I am not going to make the point of order.

Mr. MOON. I will make the point of order.

Mr. STAFFORD. I only wished to obtain the opinion of the chairman of the committee on the merits. I withdraw the point of order.

Mr. MOON. I make it.

The CHAIRMAN. The Chair is inclined to think the point of order is well taken and sustains it.

Mr. MADDEN. I appeal from the decision of the Chair.

The CHAIRMAN. The gentleman from Illinois appeals from the decision of the Chair. The question is, Shall the decision of the Chair be sustained?

The question being taken, on a division (demanded by Mr. Cox) there were—ayes 89, noes 134.

Accordingly the decision of the Chair was overruled.

Mr. MADDEN. Mr. Chairman, I desire to discuss the amendment.

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. CLAYPOOL. I demand tellers.

The CHAIRMAN. The gentleman from Ohio rose too late. The gentleman from Illinois had been recognized.

Mr. COX. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. COX. Is this the proper time to offer an amendment to the amendment of the gentleman from Illinois?

The CHAIRMAN. When the gentleman from Illinois has used his time, then the gentleman from Indiana will be recognized.

Mr. MADDEN. Mr. Chairman, in the discussion of the justice of the amendment which I have offered I wish to quote no less a personage than the President of the United States. In a communication to the democracy of New Jersey at a banquet held there on the 20th instant, the President of the United States sent a letter of felicitation, in the course of which he said that new conditions are upon us, that old times no longer exist, that old conditions can no longer prevail, and that men must deal with questions hereafter on the basis of justice. In the time allotted to me for the discussion of this amendment I propose to read the last paragraph of the letter of President Wilson to the Democrats of New Jersey, and I wish to apply his advice to the members of the Democratic Party on the floor of this House. The President said:

Let the Democratic Party in New Jersey therefore forget everything but the new service which they are to be called upon to render. The days of political and economic reconstruction which are ahead of us no man can now definitely assess, but we know this, that every program must be shot through and through with utter disinterestedness, that no party must try to serve itself, but every party must try to serve humanity, and that the task is a very practical one, meaning that every program, every measure in every program, must be tested by this question, and this question only: Is it just, is it for the benefit of the average man, without influence or privilege; does it embody in real fact the highest conception of social justice and of right dealing, without respect of person or class or particular interest? This is a high test—

Says the President—

It can be met only by those who have genuine sympathy with the mass of men and real insight into their needs and opportunities and a purpose which is purged alike of selfish and of partisan intention. The party which rises to meet this test will receive the support of the people, because it deserves it.

Very sincerely, yours, WOODROW WILSON.

These are the words of the President of the United States. They apply as well to the measure now before this House as they apply to the occasion that is past, or the future, and I appeal to you men on the Democratic side of this House to follow the words of the President of the United States in dealing with this question that has for its purpose the dealing out justice to a class of men who by their service are entitled to the favorable consideration of the American people. [Applause.]

Mr. COX. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Strike out the words "for and" in line 3, page 1, and strike out all of line 3 after the word "the," and all of line 4 down to and including the word "President," and insert the following: After the word "the" in line 3, "fiscal year, 1919."

Mr. MADDEN. Mr. Chairman, I make the point of order that the subject matter of the amendment, which is said to be an amendment to my amendment, is not germane to my amendment and has no relation whatever to it. It is not an amendment to the amendment at all.

Mr. COX. The gentleman from Illinois seeks to amend the paragraph 1 of section 1 by striking out certain language in the paragraph and inserting certain language. Now, granting that the gentleman's amendment is germane to the subject matter, then my amendment, which seeks to amend the same identical paragraph to which his amendment applies, is certainly germane.

Mr. REAVIS. Is not the gentleman's amendment an amendment to the bill rather than to the amendment of the gentleman from Illinois?

Mr. COX. No; I think it applies directly to his amendment.

Mr. REAVIS. It might be a substitute, but it is not an amendment to the amendment of the gentleman from Illinois.

Mr. TOWNER. Mr. Chairman, I desire to call the Chair's attention to the fact that the amendment offered by the gentleman from Indiana is a motion to strike out a part of the language of the bill that is also included in the motion to strike out by the gentleman from Illinois. For that reason it can not be considered at this time. His motion is not to strike out a part of the amendment of the gentleman from Illinois, but a motion to strike out a part of the language that is included in the amendment of the gentleman from Illinois to strike out and insert. Of course, the amendment of the gentleman from Indiana is proper for consideration and can be considered after this is disposed of, but it is not an amendment to the amendment of the gentleman from Illinois.

Mr. COX. The gentleman from Iowa answers his own argument when he says that the amendment of the gentleman from Illinois is a motion to strike out a part of paragraph 1, section 1. My amendment strikes out some of the same language that the amendment of the gentleman from Illinois strikes out. He moves to strike out and insert and I move to strike out and insert. I strike out a part of the same language that the amendment of the gentleman from Illinois strikes out.

Mr. TOWNER. That is true, but the amendment of the gentleman from Indiana is not to strike out a part of the amendment of the gentleman from Illinois or change it.

Mr. COX. Both strike out the same language.

Mr. TOWNER. That is very true, and so it is an amendment to the bill and not an amendment to the amendment of the gentleman from Illinois.

The CHAIRMAN. The Chair is of the opinion that the amendment of the gentleman from Indiana is not an amendment to the amendment of the gentleman from Illinois, but a substitute.

Mr. COX. Then, Mr. Chairman, I offer it as a substitute.

The CHAIRMAN. The Chair will hold that in order.

Mr. STAFFORD. Mr. Chairman, let us have the amendment again reported.

Without objection, the amendment was again reported.

Mr. COX. Now, Mr. Chairman and gentlemen of the committee, I hope no one here will get the idea that I am opposed to a reasonable increase for the postal employees. The paragraph in the bill as reported by the committee provides that this shall be an increase until 90 days after the close of the war. The

amendment of the gentleman from Illinois proposes to make it permanent law. The substitute which I have offered only provides for an increase for the fiscal year of 1919.

Now, gentlemen, in all candor, in all seriousness, I do not believe that we ought to make fish of one and fowl of another of the Government employees. This House last week passed a measure appropriating $29,000,000 for the increased pay of various clerks of the various executive departments and branches of the Government, but it was for only one year, for the year 1919. Now, how in the world can we justify ourselves in voting to increase their salaries only for one year and voting here to permanently increase the salary of the postal employees of the United States? I put it to every Member here whether or not it is fair or unfair. There is bound to come a day of retribution and reckoning in this country. Of that there is no question on earth. This bill is carrying an appropriation of between thirty and thirty-two million dollars. I am wondering day by day, night by night, where the money is coming from to pay these enormous expenditures that are now being imposed upon us as a result of this war.

The salaries sought to be increased may not be too high. I feel sure of one proposition, and that is that they are not too high as to the rural carriers. I have full confidence on that proposition. What we ought to do is to increase the salary of all postal employees this year, because we can not tell whether the war is going to break up in the year 1919 or not. If it does, the high cost of living on which all of these increases are bottomed will fall out of the argument, because prices are bound to come down, and I want to ask you gentlemen if you would be willing to vote these increases of salary to these postal employees under conditions that obtained a few years ago, when the cost of living was so low? Is it not in the interest of the Treasury of the United States that we conserve our resources and only increase the salary for a period of one year, and at the end of that time, if the same conditions exist, it will be an easy matter to increase their compensation for the next year.

Mr. CARTER of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. COX. For a question.

Mr. CARTER of Oklahoma. Has the gentleman noticed that on page 2, line 1, with reference to the delivery service and others, it is permanent law?

Mr. COX. If it is enacted in that form, it will become permanent law. I am against that, and I am only trying to get before the committee that what we ought to do is not to make permanent law, but to increase salaries for the fiscal year 1919, awaiting conditions at the close of that time. If present conditions continue, then it is no trouble for the House to offer a provision such as this that I have offered to you this morning; and if my amendment prevails, I intend to follow it up and move to strike out the provisions that proposed to make the remainder of this permanent law.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. MOON. Mr. Chairman, it is with much regret that I heard the gentleman from Illinois [Mr. MADDEN] make this motion. There was much difference of opinion about whether there ought to be any bill here at all with reference to these postal employees, but there was a general compromise of that question, and I was struck with utter astonishment when the gentleman from Illinois assumed a position against the committee in this matter. The second part of this section carries more money than any other part of it—that with reference to the clerks—and perhaps it may be permanent law. I know a number of gentlemen have yielded their judgment on this matter out of deference to the gentleman from Illinois, and therefore I can not refrain from the expression of a profound surprise at his rebellion against the committee on this bill. The purpose of this legislation is to meet a temporary emergency—the increase in the cost of living that has arisen since the war and that arose before the war as the result of public conditions. We do not expect that condition to last for all time. This is not a period in which salaries should be made permanent, but they may with propriety be raised to the per cent indicated in the bill in deference to the existing conditions. It is alone an emergency measure. It is not intended as a permanent measure. In normal times, when the necessities of life were as low as they were a few years ago, the salary of $1,200 was entirely sufficient, and the salaries of the other clerks were sufficient. We are raising them now in order to meet unexpected conditions, and I think it is a very unwise thing to undertake to legislate permanently at this time. The committee all thought so. There was no dissent there. This bill was reported unanimously. Whatever the differences may have been on sections of the bill between Members during its discussion and pendency, they come out on this question unanimously.

Mr. STEENERSON. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. STEENERSON. While that is true, I would ask the gentleman if there was not some discussion in the committee when the consideration of the bill was finished at which it was announced, I think by the chairman of the committee, that every member of the committee would be at liberty to propose an amendment to any part of the bill?

Mr. MOON. Of course. Every member of the committee is at liberty legally to do that without any announcement by the chairman or anyone else; and I am not questioning the right to do it, but was just questioning the propriety among gentlemen on account of our implied agreement. Passing from that propostiton, I want to stay that it would be very unwise for us to attempt now to make permanent legislation as to postal employees, when just a day or two ago we passed a bill that made the legislation temporary as to the department employees, in every department of the Government, including the Postal Department. What a senseless position it would put this House in to go before the country with a bill already passed that provides an increase temporarily for the department clerks of the Post Office Department and a permanent raise for the field service! It would simply make a lot of idiots of you before the public, and that is just what you would be if you did it.

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. RUBEY. I notice on page 2, in the second paragraph, it says—

That hereafter the salaries of railway postal clerks shall be graded as follows.

Is not that permanent law?

Mr. MOON. It possibly may be permanent law, but the railway mail clerks' section is a section that we will deal with when we reach it.

Mr. RUBEY. In the first paragraph, on page 2, I find the language:

That after the passage of this act clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into six grades, as follows.

Is not that permanent law?

Mr. MOON. I think that the section of the bill that makes the bill applicable during the war is the controlling section, and when all the others are applied to it they are all made temporary.

Mr. RUBEY. With all due deference to the gentleman, I believe we are fixing it to be permanent law as to these others and making the rural-carriers' provision temporary.

Mr. MOON. I do not care what the gentleman believes about it; I am merely expressing my opinion.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. MOON. Mr. Chairman, I ask unanimous consent to proceed for two or three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOON. Mr. Chairman, I have made these observations as chairman of the committee. It is utterly immaterial to me personally what you do about it. I do not want to be placed in the position of having supported in the House a bill that gives to the departmental clerks of the Post Office Department a temporary increase in salary and then on the next day come in and give the field men in the service a compensation that is permanent in its character.

It looks like a lot of school children instead of sensible men handling the question; that is all. I want to say another thing. You want this legislation. If you undertake to make this permanent, I question very much whether you get any of it or not.

Mr. CRAMTON. Mr. Chairman——

The CHAIRMAN. Does the gentleman oppose the amendment? I believe the gentleman is a member of the committee.

Mr. CRAMTON. I am not now a member of the committee.

Mr. TAGUE. Mr. Chairman, I am a member of the committee.

The CHAIRMAN. The Chair will recognize the gentleman from Massachusetts.

Mr. TAGUE. Mr. Chairman and gentlemen of the committee, I am going to risk the propriety of differing with the opinion of the members of the Committee on the Post Office and Post Roads in voting to strike out this amendment and voting against the substitute offered by the gentleman from Indiana. There was a difference of opinion, and there is still a difference of opinion, among the members of the Committee on the Post Office

and Post Roads as to whether or not this should be permanent legislation. I for one, Mr. Chairman, believe that the time has come when the employees of this department should have their cause pleaded on the floor of this House and that they should come into that which belongs to them, justice at the hands of this Congress. [Applause.] To-day there are no employees of the Government of the United States who have so little opportunity to come before the Congress and ask for justice as have the employees of this department. Every time they voice their opinion as to what they want they are immediately met by an autocratic power that takes away from them in defiance of law their right to appeal to the Congress of the United States. It is nothing new that this legislation should come before this body. For three years since I have been on the committee the appeal has been made to the committee to give the employees of this service a raise in their wages, and each year it has been voted down. Now, what are the conditions here? Last year we voted to give the employees of the Government a raise in their wages of 10 per cent, but by a decree handed down the employees of the Postal Service were deprived of the opportunity of receiving the 10 per cent raise. That is the reason the first section of this bill was made to read "that for and during the time of the war," so that we could go back and do justice to the men in the Post Office Service.

Mr. REAVIS. Will the gentleman yield?

Mr. TAGUE. I will.

Mr. REAVIS. Who is it who repeals the acts of Congress?

Mr. TAGUE. Oh, there is but one power to repeal an act of Congress, and that is the Postmaster General, and as he pleases. [Laughter.] The words "for and during the time of the war" are put in the bill for the explicit purpose of dealing and treating fairly with these employees, and when this bill was before the committee it was directed that all employees of the service should receive this compensation. I want to say, Mr. Chairman, without breaching the confidence of the committee, that when the question came as to making this permanent legislation the vote was decided by one vote, by a vote of 9 to 9. So, Mr. Chairman, you can see that the members of the Committee on the Post Office and Post Roads believe it should be permanent legislation. And why not permanent legislation? Here are employees giving service to the Government in a capacity unlike that of any other called for by the Government, unable to advance after they enter the service of the Government, and they can never get beyond the amount of money and salary stated in law. They can not enter any other branch of the service, either, unless they resign from the Post Office Department.

Mr. MILLER of Minnesota. Will the gentleman yield for an inquiry?

Mr. TAGUE. I will.

Mr. MILLER of Minnesota. I observe in the latter part of the same section the rural carriers as well as the city carriers are divided into classes and a limit fixed for each class. The bill does not state, so I assume it is intended to leave their graduation into the classes entirely to the Postmaster General, and from what the gentleman has just said, would it be too much to assume that perhaps he would keep men down to the low classes with a low salary when he made up the increased pay, instead of letting them go up into the higher classes and receive the higher salary?

Mr. TAGUE. It is automatic promotion each year.

Mr. MILLER of Minnesota. Is that fixed by law?

Mr. TAGUE. Yes. Now, Mr. Chairman, I dislike to differ with the members of my committee on this subject, but I have differed with them before on things which I thought should be corrected. I believe the time has come in this country when we are being called upon to spend billions of dollars and every branch of labor in the country is receiving advance in wage, not of 15 per cent, not of 10 per cent, but of 40 and 50 per cent, with the cost of the necessaries of life going higher, to raise the wages of the employees of this department in fair proportion to the advance given to private employment all over the country. I believe this can and should be done with the passage of this bill and by making it permanent legislation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOON. Mr. Chairman, I ask unanimous consent that all debate close upon this amendment in five minutes.

Mr. GALLIVAN. Mr. Chairman, I object.

Mr. MOON. Mr. Chairman, I move that debate close on this amendment in 10 minutes.

The CHAIRMAN. The Chair has not put the request for unanimous consent. The gentleman from Tennessee asks unanimous consent that all debate on this amendment close in five minutes.

Mr. GALLIVAN. Mr. Chairman, I object.

Mr. MOON. Mr. Chairman, I make the point of order that debate has already been exhausted under the rule on the Madden amendment and it must be voted upon.

Mr. CRAMTON. Will the gentleman permit an observation? There are many of us who desired to speak yesterday but the time was almost wholly consumed by gentlemen of the committee. I ask if the gentleman will not withhold his request?

Mr. MOON. I am willing to give any sort of time we have under the rule, but I do not propose that gentlemen shall override me under the rule. You have the right to have more time on the Cox amendment, and I do not object to more time being taken on this amondment but I just wanted to assert the rights of the committee under the rule. I ask unanimous consent that all debate be concluded upon the amendment that has been made to this section in 20 minutes.

Mr. TOWNER. Mr. Chairman, reserving the right to object, does the gentleman ask unanimous consent or make a motion?

Mr. MOON. I am going to make a motion if I do not get consent.

Mr. TOWNER. I think that probably we can reach an agreement that will be fair. I think the gentleman understands that there are a great many Members who did not have an opportunity of speaking yesterday on the bill. I think most of those would be satisfied with five minutes. I did not take any time yesterday myself in general debate, and I would like five minutes.

Mr. MOON. I have no objection to the gentleman having time. This section contains not only this provision as to the time in which the bill shall run, but it contains the amount to be paid to the rural carriers and it contains the automatic promotion of clerks and carriers. Now, in order that everybody may be accommodated as to the matter, I move that the debate close upon the whole of this section, with all amendments thereto, within one hour from now.

Mr. MADDEN. I hope that motion will not prevail, Mr. Chairman. I wish to see if we can reach an agreement.

Mr. DYER. Regular order, Mr. Chairman.

The CHAIRMAN. The regular order is that the gentleman from Tennessee [Mr. MOON] moves that all debate on this section and all amendments thereto close in one hour.

Mr. HELM. Mr. Chairman, reserving the right to object——

The CHAIRMAN. This is not a matter of unanimous consent. This is a motion. The question is on the motion of the gentleman from Tennessee [Mr. MOON].

The question was taken.

The CHAIRMAN. In the judgment of the Chair, the noes seem to have it.

Mr. COX. A division, Mr. Chairman.

Mr. MOON. Now, Mr. Chairman, I am going to stand here and enforce the rules of this House.

Mr. COX. Division, Mr. Chairman.

The CHAIRMAN. The gentleman from Indiana [Mr. COX] demands a division. The question is on the motion of the gentleman from Tennessee [Mr. MOON].

The committee divided; and there were—ayes 94, noes 125.

So the motion was rejected.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word of the amendment.

The CHAIRMAN. Does the gentleman from Tennessee [Mr. MOON] demand tellers?

Mr. MOON. No; I do not care anything about it. However, I want the gentleman to understand when he offers an amendment to strike out the last word he has got to talk on the subject of striking out the last word, and nothing else.

Mr. DOWELL. Mr. Chairman, I rise in opposition to the substitute.

The CHAIRMAN. The gentleman from Iowa [Mr. DOWELL] is recognized for five minutes.

Mr. MOON. How is the gentleman recognized?

Mr. DOWELL. In opposition to the substitute.

Mr. MOON. I make the point of order that debate is exhausted on the original amendment.

The CHAIRMAN. The gentleman makes the point of order that debate is exhausted in this amendment.

Mr. FIELDS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kentucky [Mr. FIELDS], a member of the committee, is recognized.

Mr. FIELDS. Mr. Chairman, I am not a member of the committee, but I have an amendment.

Mr. DOWELL. Mr. Chairman, I beg to differ from the Chair. I was recognized, and it was so stated by the Chair.

The CHAIRMAN. Well, the Chair recognized the gentleman for the purpose of striking out the last word. Is that the motion?

Mr. DOWELL. That was my motion. I want to say just a few words at this time, and I want to call the attention of this committee——

Mr. MOON. Mr. Chairman, I make the point of order the gentleman has not said what the last word was that he was going to strike out.

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from Tennessee is out of order.

Mr. DOWELL. Will the Chair permit me to ask him a question?

The CHAIRMAN. All debate on this amendment has expired, and the question is on agreeing to the amendment by way of substitute offered by the gentleman from Indiana [Mr. COX].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment of the gentleman from Illinois [Mr. MADDEN].

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. QUIN. Mr. Chairman, I ask for a division.

Mr. MOON. Mr. Chairman, I suggest that we ought to have a division.

The CHAIRMAN. The gentleman from Tennessee demands a division.

The committee divided; and there were—ayes 182, noes 44.

So the amendment was agreed to.

Mr. BLACK. Mr. Chairman, I have an amendment that I want to offer.

Mr. MADDEN. Mr. Chairman, the adoption of the amendment I suggested necessitates another one.

The CHAIRMAN. The gentleman from Texas [Mr. BLACK] is recognized. He is a member of the committee.

Mr. BLACK. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Strike out, on page 2, beginning with line 1, the balance of the section down to section 2 on line 14, and in lieu of the matter stricken out insert the following language:

"That clerks in the first and second class post offices and letter carriers in the City Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum, and 10 per cent per annum where their salaries are in excess of $1,200 but not in excess of $1,800 per annum.

"The railway postal clerks shall receive an increase of 15 per cent per annum up to and including those receiving $1,200 per annum and 10 per cent where their salaries are in excess of $1,200 but not in excess of $1,800 per annum: *Provided*, That nothing herein shall authorize the Postmaster General to discontinue promotions of clerks in first and second class post offices or carriers in City Delivery Service or railway postal clerks from grade to grade under the provisions of the classification acts fixing the compensation of those employees in these branches of the Postal Service."

Mr. BLACK. Mr. Chairman, the purpose of this amendment is to strike out the so-called Madden reclassification plan and insert the same percentage increase on these particular classes of employees as is provided for the other class of postal employees. I ask unanimous consent that I may be allowed to proceed for 15 minutes and present an intelligible statement.

Mr. MOON. Reserving the right to object, I want to suggest that this is quite an important amendment. Now, there will be other amendments offered. A good many gentlemen will want to discuss the matter, and I ask unanimous consent that every gentleman who desires to offer an amendment to this section offer it now, and that the debate on the whole section close in one hour.

The CHAIRMAN. The gentleman from Tennessee [Mr. MOON] asks unanimous consent that all amendments to be offered to this section be offered now, and that the debate on the same close in one hour. Is there objection?

Mr. HELM. Mr. Chairman, reserving the right to object, who will control that time?

Mr. MOON. I will amend my suggestion by further asking that the Chair control the time, and let the gentleman from Texas [Mr. BLACK] have 20 minutes if he desires.

Mr. MADDEN. Reserving the right to object, I fear that if all the amendments are pending at once, when we come to vote nobody will know what the amendment is, nobody will know just exactly what he is voting on, and so I prefer to see the amendments acted on upon their merits after proper discussion is had upon them, and let them all be disposed of in that way, instead of all being pending at once.

Mr. MOON. Mr. Chairman, I make a further suggestion. I made the proposition because I wanted to give all the time we could to gentlemen who have amendments, and have the discussion as lengthy as they want it; but if they do not want it, I will try to see that the rule is enforced.

Mr. MADDEN. I would like to make this counter suggestion to the gentleman——

SEVERAL MEMBERS. Regular order!

The CHAIRMAN. The regular order is demanded. The gentleman from Texas [Mr. BLACK] is recognized for 15 minutes.

Mr. CRAMTON. Mr. Chairman, consent for that has not been given.

Mr. BLACK. I hope the gentleman will not object.

Mr. CRAMTON. I would not object under any other conditions.

The CHAIRMAN. Objection is made. The gentleman is recognized for five minutes.

Mr. STEENERSON. I hope the gentleman from Michigan will not object.

Mr. BLACK. Mr. Chairman, I agree to all that has been said in praise of that great body of employees who compose the personnel of the Postal Service. They are undoubtedly an efficient, hard working, and loyal body of workers, and deserve the good things which have been said about them during this debate.

I agree that these employees should have an increase in their compensation, and such has been my emphatic position, both in the Committee on the Post Office and Post Roads and here in the House.

I believe that whatever increases that are made should be just and liberal in amount and fair, both to the employees of the Postal Service and to the people of the United States, who furnish the revenue to maintain and sustain the Post Office Department. And I believe further that whatever law is passed on this subject should not extend for a longer period than the duration of the war and a reasonable time thereafter.

In my opinion now is no time to undertake to provide for permanent increases in the salaries of Government employees, because there is bound to come a period of readjustment after the war, the effect of which it would be impossible to judge with any degree of accuracy at the present time. No one knows and no one can tell what will be the size of the war debt owed by the United States when this great war shall have been brought to an end.

If we should pass a permanent law now providing for the reclassification of Government employees or should make these percentage increases permanent, then we Members of Congress have had experience enough to know that it will be well-nigh impossible to reduce the salaries, even though the revenues of the Post Office Department and the Government should imperatively demand it and living conditions should justify it after the war is over. Congress should not permit any class of Government employees, postal employees or otherwise, to take advantage of the abnormal conditions which now prevail as an excuse for permanent reclassification or permanent increase in pay. It would be unwise to do so, and it would not be just and right to the taxpayers, who are going to be burdened with a weight of taxation never dreamed of before in this country. Gentlemen, we had just as well awake to some stern realities. The taxes are coming. They can not be avoided, and the taxpayer is going to demand his day in court, and he ought to have it, and the quicker he demands it the better it will be for the whole country. There is an urgent need this very hour for the spirit of economy to fasten itself upon this Congress and the executive departments of the Government, and make itself felt in the reduction of public expenditures wherever it may properly be done. When peace does come and we can take an inventory of our resources and our ability to pay and can approach these things from an ordinary and a normal basis, then it would be a good time to go into a consideration of the whole subject of reclassification of the salaries of Government employees, with a view of permanently raising the compensation of the employee who is receiving too little and lowering the salary of the one who is receiving too much. There is not the slightest doubt in my mind that there is a substantial number of Government employees who are receiving too small pay, and, on the other hand, I feel quite as sure that there are some whose compensation is quite enough.

But, despite some inequalities which exist, we must realize that with so many problems immediately connected with the war pressing for attention, a just solution of this problem can not be successfully undertaken at the present time and must wait the coming of the day when the country is at peace again and conditions are more normal than at the present hour. Therefore percentage increases for the period of the war and a reasonable time thereafter are more feasible and proper, to my way of thinking, than an attempt at permanent legislation on the subject. Most of the bill which we are now taking up for consideration is framed upon that idea and understanding, and as to that much of the bill, if it is adhered to, I am in sympathy and accord and will give it my free and willing support; but there are some other provisions of the bill, to which I will presently advert, to

which I am emphatically opposed and will endeavor to amend so as to make these particular portions conform to the general intent and purpose of the measure and make it a well-rounded bill and fair to all alike.

Now, as to those provisions of the bill which increase the salaries of rural carriers 15 per cent per annum and increase the salaries of other miscellaneous postal employees, such as assistant postmasters, printers, watchmen, and so forth, to the extent of 15 per cent where their salaries are not in excess of $1,200 and 10 per cent where the salaries exceed $1,200 and do not exceed $1,800, and which provide for increased compensation for postmasters at fourth-class offices, I intend to lend my support, but I dissent from that part of the bill which, instead of giving the postal clerks and carriers in first and second class offices and railway mail clerks the same percentage increases as are given to other postal employees, seeks to reclassify them and raise the salary of each grade $200 per annum. The reclassification plan, if put into effect at the present time, would be making favorites of these particular classes of postal employees, to a more or less extent, and would therefore be an unjust discrimination against others who are just as worthy and efficient and whose work is fully as important to the Postal Service. Now, in order that Members of the House may understand what this proposed reclassification plan will do and the changes in compensation which it will bring about and the additional expenditure which it will fasten upon the revenues of the Postal Department I will mention some details of the present classification law and point out the changes that the passage of this bill as it now stands would accomplish.

Clerks and carriers in first and second class offices are now divided into five grades, and the compensation of each grade is as follows:

Second grade, salary $800; third grade, salary $900; fourth grade, salary $1,000; fifth grade, salary $1,100; sixth grade, salary $1,200.

One of the paragraphs of the bill which we are now considering would reclassify these clerks and carriers at first and second class offices into six grades and would fix the compensation of the respective grades as follows:

That after the passage of this act clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into six grades, as follows: First grade, salary $1,000; second grade, salary $1,100; third grade, salary $1,200; fourth grade, salary $1,300; fifth grade, salary $1,400; sixth grade, salary $1,500. Clerks and carriers shall be promoted successively to sixth grade.

The railway mail clerks are now classified into 10 grades, with compensation fixed as follows:

GRADES OF RAILWAY MAIL CLERKS.

Grade 1, at not exceeding $900; grade 2, at not exceeding $1,000; grade 3, at not exceeding $1,100; grade 4, at not exceeding $1,200; grade 5, at not exceeding $1,300; grade 6, at not exceeding $1,400; grade 7, at not exceeding $1,500; grade 8, at not exceeding $1,600; grade 9, at not exceeding $1,700; grade 10, at not exceeding $1,800; chief clerks, at not exceeding $2,000.

If this bill is passed in its present form and not amended by the amendment which I have offered, then they would be reclassified into 10 grades, and the compensation of each grade would be increased $200 per annum, and would hereafter be as follows:

Grade 1, at $1,100; grade 2, at $1,200; grade 3, at $1,300; grade 4, at $1,400; grade 5, at $1,500; grade 6, at $1,600; grade 7, at $1,700; grade 8, at $1,800; grade 9, at $1,900; grade 10, at $2,000.

I have offered an amendment which, if adopted, will put all of these employees that are proposed to be reclassified on a percentage basis of increase and leave their classification just as is now provided by existing law. In other words, if a clerk or carrier is now receiving $1,200 per annum—and there are about 44,000 of them who are actually receiving that much—then under my amendment they would receive an increase in salary of $180 per annum. My amendment which I have offered reads as follows: Strike out, on page 2, beginning with line 1, the balance of the section down to section 2, and in lieu of the matter stricken out insert the following:

That clerks in the first and second class post offices and letter carriers in the City Delivery Service shall receive an increase of 15 per cent per annum up to and including those receiving $1,200 per annum, and 10 per cent per annum where their salaries are in excess of $1,200, but not in excess of $1,800 per annum.

That railway postal clerks shall receive an increase of 15 per cent per annum up to and including those receiving $1,200 per annum, and 10 per cent per annum where their salaries are in excess of $1,200 but not in excess of $1,800 per annum: *Provided*, That nothing herein shall authorize the Postmaster General to discontinue promotion of clerks in first and second class post offices or carriers in City Delivery Service or railway postal clerks from grade to grade under the provisions of the classification acts fixing the compensation of those employees in these branches of the Postal Service.

Now, the inquiry which will naturally arise at once in this connection is, What will be the difference in cost to the Government between the bill as it now stands and what it will be if the reclassification provisions are stricken out and my amendment is adopted? That is a fair inquiry, and I will be glad to give the House the information. But before I start in to give the figures I will frankly state that if my amendment is adopted, the cost for the first year will be more than would be the cost if the bill is adopted with its reclassification plan, provided, of course, that the bill is not loaded down with amendments before it passes.

But this reclassification plan, as proposed in the bill, is one of ascending costs, and will cost more the second year than the first, and more the third year than the second, and more the fourth year than the third, and would about reach the peak of costs in the fourth year of its operation. For instance, the officials of the Post Office Department say that the increased cost of the salaries of clerks and carriers alone in first and second class offices the first year under the classification plan will be about $7,000,000, the second year it will be about $14,000,000, the third year about $21,000,000, and the fourth year about $24,000,000, and after that will be about the same in cost each year, except as to increases which will result from the normal expansion of the Postal Service. But probably the whole thing will be best illustrated by a comparison in cost for four years, the fourth year being the year when the peak of increased costs will be reached under the reclassification plan as now proposed in this bill.

If my amendment is adopted and all of these employees are put on the 15 and 10 per cent increase in compensation, and the present automatic-promotion law retained, the additional cost of the first four years of salaries to be paid to postal employees over that which they would receive under present law without increases would be approximately as follows:

First year, total amount of increase	$30,594,175
Second year, total amount of increase	31,838,150
Third year, total amount of increase	33,013,490
Fourth year, total amount of increase	34,263,490
Total cost of four years	129,709,305

If my amendment is not adopted and this bill is enacted as it now stands, and this permanent reclassification plan, with its ascending cost for four years, is retained in the bill, and no other increasing amendments are adopted, then the additional cost to the postal revenues over that which is now paid will be for the next four years approximately as follows:

First year, total amount of increase	$25,686,195
Second year, total amount of increase	36,912,795
Third year, total amount of increase	48,338,795
Fourth year, total amount of increase	53,000,000
Total cost of four years	163,937,785

Therefore the difference in cost, even assuming that the war will go on and we will continue the percentage increases for a period of four years, would be the difference between—

$163,937,785
129,709,305

34,228,480

I submit that $34,228,480 is a good deal of money, and we should do some very mature thinking before we saddle that much additional expense on the Postal Service, and without being able to look ahead and see what the conditions will be; and if, happily, the war should end sooner than a period of four years—and we all believe that it will end sooner than that—and the cost of living should again reach normal standards, and Congress should find that it was not necessary to longer retain these percentage increases, then the saving of my amendment would be a great deal more than I have stated. But, even assuming that it will be necessary and proper to continue these percentage increases of 15 and 10 per cent for a period of four years, the difference in cost for that four years will be, as I have stated, more than $34,000,000.

Undoubtedly some Members of the House, in listening to the speeches which some of the Members have made during the course of this debate, have gained the impression that a large number of the postal employees are in the lower grades and are receiving the smaller salaries, but that is a mistake. The most of them, by reason of the automatic promotion law now in existence, have already reached the higher grades, and would certainly receive a substantial increase in salary under the percentage basis which I have proposed, an increase which should be satisfactory, and I believe will be, to most of the employees.

Take the clerks in first and second class offices, for instance:

There are 1,977 in the $800 grade. They would receive $100 per annum increase by the automatic-promotion law and $120 by my percentage amendment, making $220 increase in all.

There are 2,000 in the $900 grade. They would receive $100 per annum increase by the automatic-promotion law and $135 by my percentage amendment, making $235 increase in all.

There are 3,300 in the $1,000 grade. All of this grade of clerks in first-class post offices and 85 per cent of them in second-class offices would receive $100 per annum increase by the automatic-promotion law, and all of them would receive $150 by my percentage amendment.

There are 9,000 in the $1,100 grade. Eighty-five per cent of this grade of clerks in first-class post offices would receive $100 per annum increase by the automatic-promotion law, and all of them would receive $165 increase by my percentage amendment.

There are 19,500 in the $1,200 grade. All of these clerks would receive $180 per annum increase under my percentage amendment.

Take the carriers in the first and second class offices as a further illustration:

There are 2,673 in the $900 grade. They would receive $100 per annum increase by the automatic-promotion law and $135 by my percentage amendment, making $235 increase in all.

There are 1,262 in the $1,000 grade. All of this grade of carriers in first-class post offices and 85 per cent of them in second-class offices would receive $100 per annum increase by the automatic-promotion law, and all of them would receive $150 increase by my percentage amendment.

There are 5,237 in the 1,100 grade. Eighty-five per cent of this grade of carriers in first-class post offices would receive $100 per annum increase by the automatic-promotion law, and all of them would receive $165 increase by my percentage amendment.

There are 23,606 in the $1,200 grade. All of these carriers would receive $180 per annum increase under my percentage amendment.

Mr. HASTINGS. Are these clerks and carriers promoted because of length of service?

Mr. BLACK. Under the law as it now stands they are automatically promoted from year to year in second-class offices up until the fourth grade, and in the first-class offices up until the fifth grade, and after that 85 per cent are promoted in the second-class offices up to the fifth grade, and 85 per cent in the first-class offices are promoted automatically to the sixth grade.

Mr. HASTINGS. Because of length of service?

Mr. BLACK. Yes.

Mr. SAUNDERS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BLACK. I am sorry that I can not yield now, because I want to finish my statement and my time is limited.

Mr. SAUNDERS of Virginia. I wanted to ask the gentleman something in reference to what he has said.

Mr. BLACK. Very well, I yield.

Mr. SAUNDERS of Virginia. I will wait until later.

Mr. BLACK. I wanted to use this further illustration in discussing my amendment. There are about 44,000 clerks and carriers in the Postal Service who are now receiving $1,200. Under my amendment they will all receive 15 per cent increase in salary, which will be $180 per annum increase, and this will make their salaries $1,380 a year, and it seems to me that will be a substantial increase.

Members of the House would probably be interested to know what is the average salary received by postal clerks and letter carriers, and the latest figures that I have seen from the Post Office Department place the average annual salary of post-office clerks at $1,081.33 and of letter carriers at $1,114.35.

It is more than that now, because the general average has been raised since these figures were compiled, because of the normal effect of the automatic-promotion law.

The following table will show the figures for the railway postal clerks:

Average salary of railway postal clerks.

Fiscal year ended June 30—	Average salary.
1910	$1,164
1911	1,170
1912	1,174
1912 (Sept. 30) (Reclassification act effective Oct. 1, 1912)	1,173
1913	1,239
1914	1,265
1915	1,320
1916	1,380
1917	1,414
1917 (Nov. 15)	1,433

It will be observed that the above figures show an increase in this average compensation of 23.1 per cent since 1910.

And in a statement which First Assistant Postmaster General J. C. Koons made to the Subcommittee on Post Offices and Post Roads, while it was holding hearings on this subject, he said that since 1907, when the classification act for postal clerks and letter carriers was passed, that the average salary of post-office clerks has increased $269 per annum, or 32.42 per cent, and the average salary of the city letter carrier has increased $226.59, or 25.18 per cent. These increases result from the automatic promotions of clerks and carriers in the service from year to year and by reason of abolishing grade No. 1.

Now, the question arises, Are these increases enough under present abnormal conditions? And to that question I answer, "No."

I believe that percentage increases should be given as set out in the amendment which I have offered to help meet the higher cost of living which now prevails. If at the end of the fiscal year 1919 conditions should demand still further percentage increases, then I would be in favor of giving them; but I do not believe that we should go into a permanent reclassification of a portion of these employees at the present time, nor do I believe that we should make this bill permanent law as to the percentage increases in salaries. I have already given my reasons and I will not repeat them.

Undoubtedly a considerable number of Government employees do not expect us to adopt permanent reclassification at the present time.

In the February issue of the Federal Employee, the official magazine of the National Federation of Federal Employees, the following statement appears:

RECLASSIFICATION OF SALARIES AND POSITIONS.

It is not believed that Congress will take favorable action at this session on any bill providing for general reclassification of salaries and wages in any branch of the service. In all probability they will grant percentage increases and postpone action on general reclassification measures until the next session, when necessary information will be available on which to base such measures. The various local Federal employees' unions have been called on to submit information—statistics, recommendations, etc.—with regard to a general reclassification measure, so that the National Federation of Federal Employees at its next convention may adopt a specific measure and get the support of all branches of the service for one bill. If you have any ideas on this subject do not fail to send them in. All suggestions and plans will be considered.

CONCLUSION.

Now, I want to reiterate that I have the very highest esteem for the postal employees as a class of workers and the warmest praise for their service in the Post Office Department. If this bill is limited in its effect to the period of the war and for a reasonable time thereafter and carries reasonable percentage increases, I shall gladly support it. Otherwise I shall feel compelled from a sense of duty to vote against it. If only the postal employee was to be considered in a matter of this kind we might easily respond to almost any demand for salary increase which he might make, unless it was one which was over and beyond all limits of sense and reason, but it must be remembered that we have no postal revenues except what the people pay, and therefore in all good conscience a Representative must bear in mind their interests as well as those of the employee.

The amendment which I have offered, taken in connection with the other sections of the bill, will entail an expenditure of more than $30,000,000 a year upon the postal revenues, and I submit that is as far as we ought to go under present conditions.

As a member of the Committee on the Post Office and Post Roads, I have given this subject considerable investigation, and what I have said represents my deliberate judgment, and I purpose to follow out this judgment in the further consideration of this bill, believing that in so doing I am discharging my duty to the postal employees as well as the people whom I have the honor to represent.

Mr. CARTER of Oklahoma. I ask that the gentleman's time be extended five minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that the time of the gentleman from Texas be extended five minutes. Is there objection?

Mr. STAFFORD. Reserving the right to object, is it not possible to arrange some time for the consideration of this most important paragraph? There will be various amendments offered. I think we ought to have an agreement as to the time.

Mr. MOON. I have done my best to get you gentlemen on the other side to agree to a limitation of debate, but you have refused to do it.

Mr. STAFFORD. Oh, no; if the gentleman will permit me——

Mr. MOON. You went into the work of striking out some language that the chairman had used.

Mr. STAFFORD. If the gentleman will permit, the only objection that was made to the request by the gentleman from Tennessee as to the length of time for consideration of amendments to the paragraph was to that part which referred to

taking a vote on all of the amendments at the close. Now, there are a number of bona fide amendments to be offered to this important section.

Mr. MOON. The gentleman from Illinois, the most interested Member in this section, as I understood him, wanted the regular order and to proceed with the amendments in order.

Mr. MADDEN. As far as the vote on the amendments. I am willing to have time given to each amendment.

Mr. BLACK. This is an important subject, and I think we ought not to pass over it without due consideration.

Mr. MOON. Mr. Chairman, I am not feeling very good this morning about these Republicans who voted on the proposition a while ago, but I am not going against them when they want to talk, for I know that nothing does them so much good as to get an opportunity to talk. [Laughter.]

Mr. MADDEN. Mr. Chairman, by consent of all concerned, I want to say that, as far as I am concerned, I have three other amendments that I want to offer. They go to the section we have under discussion, and after that I have not any amendments to suggest. I would like to have the gentleman from Texas [Mr. BLACK], a member of the committee, given such time as he thinks he ought to have to discuss the pending amendment.

Mr. BLACK. I think it will not take over 15 minutes.

Mr. MADDEN. Then I would like to have, Mr. Chairman, an agreement as to the length of debate, and I want to ask the chairman of the committee if we can come to an agreement for 20 minutes debate on each of the three succeeding amendments, and then vote at the end of the 20 minutes' debate on each one?

Mr. FIELDS. Vote on all the amendments together?

Mr. MADDEN. No; on each amendment.

Mr. FIELDS. Would that preclude the offering of other amendments and debate upon them?

Mr. MADDEN. Not at all.

Mr. MOON. What total length of time does the gentleman from Illinois suggest?

Mr. MADDEN. I would suggest an hour on the three amendments.

Mr. CRAMTON. Reserving the right to object, I want to suggest that yesterday the debate practically was all consumed by members of the committee, and up to date to-day it has been the same. Some of us who really wanted to say something pertinent on the last amendment could not get a minute. I have no objection to the gentleman from Texas taking what time he wants, which I am advised he can use to advantage, but I do submit that it is not proper to give all the time to the members of the committee, and then have the chairman of the committee chop it off. If other Members can have something to say as well as the members of the committee I will not object.

Mr. KEATING. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is, is there objection?

Mr. CRAMTON. I object.

Mr. MADDEN was recognized.

Mr. MOON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I will yield.

Mr. MOON. Mr. Chairman, I do not want the House to be tied down strictly to the rules of the House if it does not want to. I have no objection, personally, to any length of debate on this section or any other, nor do I care how the House votes in connection with this bill or any other bill. If you want to fix the time for debate I will not suggest it myself, but let other gentlemen suggest it, and I will make no objection to it.

Mr. CRAMTON. Mr. Chairman, in view of the statement of the gentleman from Tennessee, which to my mind greatly modifies the situation, I will withdraw my objection to the extension of time for the gentleman from Texas.

Mr. MADDEN. Then, Mr. Chairman, I yield to the gentleman from Texas.

The CHAIRMAN. The question is on the request of the gentleman from Texas to proceed for 15 minutes. Is there objection?

Mr. STAFFORD. Reserving the right to object, if the gentleman is permitted to go on for an additional time, will the opposition have the same amount of time?

The CHAIRMAN. That is not in the power of the Chair to determine.

Mr. NOLAN. Mr. Chairman, I object.

Mr. MADDEN. Mr. Chairman, the fallacy of the argument of the gentleman from Texas [Mr. BLACK] is, to begin with, that he seeks to repeal the reclassification act entirely.

Mr. BLACK. Mr. Chairman, will the gentleman yield for a moment?

Mr. MADDEN. Yes.

Mr. BLACK. My amendment provides that the automatic promotions shall not be suspended. It remains just the same.

Mr. MADDEN. It would, in effect, then, repeal the classification law passed in 1907 in the case of the clerks and carriers and in 1912 in the case of the railway postal clerks. There is no justice whatever in dealing with the men in this branch of the Postal Service on the basis of percentage in increase in their pay. They were not granted that increase last year when everybody else was. They were compelled to wait for further legislation. The legislation is now pending. It ought to be adopted. The amendment of the gentleman from Texas [Mr. BLACK] would destroy every future hope of every man engaged in the Postal Service, or those branches of the Postal Service to which his amendment applies.

Mr. HAMLIN. Mr. Chairman, will the gentleman yield for a question for information?

Mr. MADDEN. Yes.

Mr. HAMLIN. If the bill is passed as it is written, containing the gentleman's proposition, what would be the average increase of these postal employees?

Mr. MADDEN. The average increase would be about 15 per cent.

Mr. HAMLIN. And the increase on all the others is about what?

Mr. MADDEN. About 15 per cent.

Mr. HAMLIN. Fifteen and ten, is it not?

Mr. MADDEN. It ranges from 25 per cent down, according to the compensation they receive, so that it averages close to 15 per cent—about 16 per cent.

Mr. BLACK. How is it that it reaches such a peak of cost beyond the computation?

Mr. MADDEN. I presume that the men get into the higher grades after an average of service, and that, of course, increases the expenditure, whereas if they remain in the same class all the time and only receive 15 per cent increase in their pay it would cost more to increase them on the percentage plan to-day than the present plan costs, whereas it will cost more under the present plan in the years to come than it does under the percentage plan. These men, it may just as well be understood, have to serve on the average four years as substitutes. They earn on the average during the substitute period $35 a month. It takes them five years after they are regularly appointed to reach the highest grade. That is nine years, and during all of the nine years they receive an average compensation under the present law of $742.22.

Mr. CARTER of Oklahoma. Mr. Chairman, is it not a fact that those classes who now get $800 are raised to $1,000 and those who get $1,300 are raised to $1,500?

Mr. MADDEN. Yes.

Mr. CARTER of Oklahoma. I think that will make an average of about 19 per cent.

Mr. MADDEN. No; it does not.

Mr. CARTER of Oklahoma. Eight to ten would be 25 per cent.

Mr. MADDEN. Yes.

Mr. CARTER of Oklahoma. And 13 to 15 would be 13 per cent.

Mr. MADDEN. The gentleman may have his figures, I have mine. I believe that the only just method of treating these men in the Railway Mail Service and in the Postal Service, for clerks and carriers, is under the classification act which it is proposed to reenact with a higher grade of salaries.

Mr. CARTER of Oklahoma. I want the information, because I follow the gentleman as near as I can about these matters; but what is the reason for making a different raise with these clerks than with the others?

Mr. MADDEN. There is no one else in the service that is classified except the men in the Postal Clerical Service, the Carrier Service, and the Railway Mail Service. All of the other men are working from month to month on the same standard day. These men are classified, justly so, because the hours demanded of them average 12 every day.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HELM. Mr. Chairman and gentlemen of the committee, I suppose a person who opposes this bill as I do, and who will vote for those propositions that relieve it as much as possible, as I shall do, and vote against it finally, as I shall do, had just as well undertake to stop the water from running over Niagara Falls. He had just as well try to beat back the tide of the ocean. I am not afraid to be in the minority when I know I am right. There is sufficient bait on this hook for every man in here to take under the hook, cork, sinker, and line. I have never seen, during the time that I have been serving in Congress, the membership as ravenous, absolutely ravenous and

clamoring for pork as they are on this proposition. Now, here we are in the middle of a tremendous war, gentlemen. Your Committee on Military Affairs will report a bill amounting to $10,000,000,000. The Committee on Naval Affairs will report a bill of about $1,300,000,000. The Interstate and Foreign Commerce Committee authorized the issue of $500,000,000 for the railroads. The Ways and Means Committee chartered a financial corporation of $500,000,000 capital, and authorized the issuance of $2,000,000,000 credit, all to be raised by sale of Government bonds. Summing it all up the appropriations this year will amount to about $15,000,000,000. Is there one dollar that you will appropriate by this bill necessary for the conduct of this war? In other words, when the demands of this Government for the preservation of its very life are the very heaviest——

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. HELM. No; I have only five minutes. When the demands of this Government are the very heaviest for the purpose of preserving the Republic, Congress, without hesitation, without hardly an opportunity for a man to oppose it, passes an appropriation that runs in its fourth year up to about $60,000,000 for men who are now supported by the Government and who, in my opinion, if left alone and not agitated by men who are interested in stirring and agitating up matters of this kind, would be perfectly contented and willing to serve for the compensation they are now receiving.

When the shipbuilders strike, some men arise on this floor and denounce them. When the coal miners strike, these same men will get up here and say it is absolutely criminal, and every one of these disturbances have their incipiency, their beginning, right here in the Congress of the United States. Agitation in such matters as this is simply the cue passed on down the line to these other men; they decide to strike and you say they are not good American citizens, they ought to be put in the penitentiary, that they ought to be punished; and I am not defending strikers; I am far from it; but I want to see the American Congress some time while this war is on awaken to the fact that it takes money to wage war, that the United States is the last solvent belligerent country engaged in this war, that we must not only finance our war, but we have got to loan the money to the other allies in order to buy munitions of war.

As a means of raising war revenue the postage on letters was increased from 2 to 3 cents, the price of every postal card was raised from 1 to 2 cents. If this bill passes, every cent of revenue that was raised by this increase in postage will go, not in part payment of the prosecution of the war, but to increase the salaries of Government clerks and carriers in whose interest this bill is brought forward.

War conditions are driving women and girls into the fields as farm laborers. In some sections of the country women are taking the place of men as section hands on the railroads. Under such circumstances and conditions the office-holding class ought to share rather than add to the burden of the taxpayer and wage earner.

The Washington newspapers, conscious or otherwise, are doing the country irreparable injury by the continued agitation for increase in salaries of Government clerks and employees. Many of the strikes throughout the country during this crisis are traceable directly to the propaganda carried on by the Washington papers to boost the salaries of the Government clerks and employees. Every labor organization in the country has its representatives here, who are watching every opportunity to press demands for like advances in wages for the members of the innumerable labor organizations scattered through the country. The eyes of not only the Republic, but of the world, are focused on Washington as a reservoir of patriotism and self-sacrifice, to the end that the Government may be administered in such a manner as to guarantee the successful prosecution of the war.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. Mr. Chairman, I would like to ask unanimous consent, with the consent of the chairman of the Committee on the Post Office and Post Roads, if we can have, say, an hour's general discussion on section 1 of the bill and then let amendments be offered at the end of the discussion, so that each man will have a chance to say something on this section of the bill.

Mr. FIELDS. Mr. Chairman——

The CHAIRMAN. Wait until the Chair puts the request. The gentleman from Illinois asks unanimous consent that there be one hour of discussion on section 1 and all amendments thereto——

Mr. STAFFORD. Oh, no!

The CHAIRMAN. One moment.

Mr. MADDEN. I asked unanimous consent that there shall be one hour's debate on section 1 of the bill; that the discussion on the amendments to be offered to the bill later shall be confined to 10 minutes on each amendment.

Mr. HASTINGS. Reserving the right to object——

The CHAIRMAN. Just wait a moment until the Chair states the question. The gentleman from Illinois [Mr. MADDEN] asks unanimous consent that there shall be one hour of general discussion on section 1 and that at the expiration of that time amendments may be offered and there be 10 minutes debate on each amendment, after which the amendment shall be voted upon. Is there objection?

Mr. MOON. Mr. Chairman, reserving the right to object, when the gentleman from Massachusetts [Mr. TREADWAY] was talking to me about the matter a while ago I authorized him to say to the gentleman from Illinois that, as far as I was concerned, there might be one hour further discussion upon this bill; but I did not mean at the end of that hour amendments could come in and be discussed for 10 minutes under the rule as it now exists. That would be simply giving an hour of general debate and then the regular time as authorized under the rule. I am willing that one hour be given to the discussion of the bill and that any amendment may be offered in that time that gentlemen desire to offer, and, at the end of the hour's debate, then the vote be taken on amendments without further discussion.

Mr. MADDEN. I do not think there will be a good many amendments upon this first section of the bill; but I think if we can agree on an hour of general debate in connection with it and then agree that there shall be one speech of five minutes for and one of five minutes against each amendment we will get along pretty well.

Mr. MOON. Well, that is the rule now.

Mr. MADDEN. But we are not enforcing it.

Mr. MOON. You have been enforcing it on me.

Mr. MADDEN. Oh, no; we did not enforce anything on the gentleman.

Mr. MOON. I do not know how many amendments you are going to propose.

Mr. MADDEN. I do not think there will be many amendments, Mr. Chairman.

Mr. SMITH of Michigan. Will the gentleman from Illinois yield?

Mr. MOON. I do not like to have an hour's general debate and then a debate under the five-minute rule. I am not objecting to taking the hour in which time the amendments can be offered so that we can have a vote on the amendments at that time. I just want to save time and give opportunity for debate to gentlemen who desire to do so.

Mr. GILLETT. This is a matter of interest to both sides which men would like to debate, and I think it is fair and reasonable that they should have an opportunity to debate it, as the gentleman undoubtedly agrees.

Mr. MOON. Does the gentleman have any idea how many amendments there will be?

Mr. MADDEN. I do not know. I have three amendments to offer—that is all I propose to offer.

Mr. COX. I have one amendment.

Mr. MADDEN. Well, one amendment I propose to offer is one to perfect the section, due to the fact that the committee adopted one amendment and there should not be any objection to that amendment.

Mr. MOON. How would it satisfy the gentleman to take an hour for general debate and amendments, too?

Mr. MADDEN. Make the other half hour in connection with the amendments when they are pending, will you?

Mr. REAVIS. Mr. Chairman, reserving the right to object, I believe it would be utterly unfair to those who have amendments that they desire to offer in good faith to deny them the right to present their amendments and have them voted on at the conclusion of the debate on that amendment. I therefore object.

The CHAIRMAN. The gentleman from Nebraska [Mr. REAVIS] objects, and the gentleman from Massachusetts [Mr. TREADWAY] is recognized for five minutes.

Mr. TREADWAY. Mr. Chairman, I am heartily in favor of the Moon-Madden bill. It seems to me that we have waited long enough to do justice to a very large class of employees throughout the Government service whose faithfulness has been well established in every branch wherein this bill is applicable. As has been frequently stated on the floor, it is over 10 years since any adjustment has been made of salaries of postal employees, and no one will deny that during that period of time there has been a very marked increase in the cost of living. It is very essential that something should be done to retain the

personnel. I happen to know of numerous instances where men have become absolutely disgusted with Postal Service conditions and have resigned from positions where their service has been valuable to the Government, and accepted others in order to better their living conditions. We do not need to paint, Mr. Chairman, any pictures of conditions under which these men serve.

The rural carrier goes out over his line in winter and summer, in heat and cold, rain and snow. The railway mail postal clerk is continually exposed, both to danger and to the hardships of travel, requiring long absences from home. The city carrier is also obliged to face the inclemencies of the weather in his routine work. All of these men are serving at very moderate rates of compensation. In fact, there is no feature of the Postal Service that is appealing to men to enter it at the present time.

Certainly we can do justice to these men by these moderate increases. As the gentleman from Illinois [Mr. MADDEN] said yesterday, if any one of these men was in your or my employ and asked for an increase there would be no question of its being granted. Why does not that same rule apply to the thousands in the Government service? Why should we not do justice to them as well as to one individual employee? I do not agree with the attitude of the chairman of the committee that this is a war-emergency measure. The committee has acted wisely in striking out that feature of section 1 and incorporating a permanent basis of additional pay in the various postal lines of service. We have had in New England recently a good deal of complaint of the Postal Service. This has come, in large measure, from the fact that we have sapped the ambition of the men in all branches by the attitude of the department toward them and toward these increases in salary. I noticed only a few days ago that the Postmaster General made a statement whereby he showed that he was quite proud of the fact of the large surplus in the postal receipts. It strikes me that it is a bookkeeping surplus, pure and simple, but if there is a surplus let us put it to the right use. These men have helped earn that surplus by giving their best, by giving faithful service, and, therefore, it seems to me that we as representatives of the Government can do no better than to recognize that faithful service by granting such increases as are called for in this bill.

I have been in favor of this legislation since it was first brought forward, and have twice appeared before the Committee on the Post Office and Post Roads, offering statistics and designating the organizations in my district that would be directly affected by these increases. I also have frequently stated my attitude to the men themselves and am very glad of this opportunity to add a further word in their behalf.

The requirements of their duties are very exacting, and they must be men of excellent habits and character to satisfactorily perform the duties demanded of them. They merit this recognition from the Government, and I hope that this bill will be speedily enacted into law.

Mr. SABATH. Mr. Chairman, I am opposed to the amendment offered by the gentleman from Texas [Mr. BLACK], because I believe the committee, after having given due consideration to this bill, has reported a fair, just, and reasonable increase to the large number of deserving Government employees. With the amendment adopted on the floor of this House making the increase permanent, I believe we have a fair and just bill. The gentleman from Indiana [Mr. COX], in whom I have the utmost confidence, stated on the floor of this House a few moments ago that the first provision, namely, the provision for an increase of the rural free delivery, was a fair, just, and reasonable increase. And I want to assure him that if he is certain that that increase is a deserving, justifiable, fair, and reasonable increase for that branch of the service, it surely is reasonable when it applies to the clerks and letter carriers in the large cities, which are covered by the provision which is aimed to be amended by the amendment of the gentleman from Texas [Mr. BLACK]. I have observed that the gentleman from Texas in his amendment is not endeavoring to amend the first provision of this bill, which applies to the Free Rural Service, and I am satisfied that if he were acquainted with the services that are rendered by the clerks as well as letter carriers in large cities he would not offer his amendment, and that he would not begrudge them the small increase which is provided for in this bill.

The gentleman from Texas [Mr. BLACK], as well as the gentleman from Kentucky [Mr. HELM], know that the people in the large centers to-day are obliged to pay three times as much for cotton goods as they did two years or three years ago, and the gentlemen from the West know that we are obliged to pay much higher prices for wheat and for corn, and for other necessaries of life. And in view of these tremendous increases that the people residing in the cities are obliged to pay for sustenance and for the necessaries of life, it is absolutely necessary that some step be taken by which these small salaries shall be increased so that they can maintain themselves and provide for their families.

I know, and, in fact, I am satisfied, if these gentlemen who oppose the increases on the part of some of the Government employees were familiar with the tremendously increased prices that the people are obliged to pay in the cities for the necessaries of life, they would not hesitate for a moment to grant the small increase for the men that are earning less than $1,500, $1,800, or even $2,000.

That the price of necessities of life has steadily increased is conceded and known to all. In many instances food has increased from 50 to 100 per cent, and, due to the high cost of cotton, wool, and leather, not only clothing, shoes, women's and children's dress, but all articles needed and required have tremendously increased in price. Shoes have increased 100 per cent, woolen goods 100 per cent, and cotton goods from 150 to 300 per cent. In view of these unjustifiable high prices that the people are obliged to pay for these articles, it is the duty of the Government to increase the salaries and wages of its employees, as it is the duty of all other employers.

The reasonable increases that are provided for in this bill, which I believe has been carefully prepared, and which, as I stated before on the floor of the House, with the amendment adopted makes it a bill that each and every Member should vote for, and the amendment of the gentleman from Texas [Mr. BLACK] should not prevail.

Mr. Chairman, due to the low salaries paid to the actually overworked post-office employees many of them have been obliged to seek other employments so as to be able to make both ends meet. In that way the department has lost many good and experienced men. In addition a great number of these patriotic employees have entered the military and naval service of the United States and consequently the Post Office Department is handicapped.

Only a short time ago my attention was called to a notice which the collector of water rents is sending out to thousands of Chicagoans with the bills, which I herewith insert:

SAVE YOUR DISCOUNT.

Unavoidable delays in handling and delivering the mails are occurring and will increase, due to shortage of help, occasioned by skilled post-office employees gone and going to war.

Many discounts will be lost, due to such delays, unless you mail remittances covering water bills at least five days before expiration of discount periods.

Therefore please remit early and save your discount.

Approved:

W. J. McCOURT,
Superintendent of Water, Chicago, Ill.

And I also submit a communication received in connection with this notice which will bear out the statements made by me:

The reason assigned by the city collector is only partially correct. It is true that some of these men have been drafted, but by far the greater number have left to seek more attractive employment elsewhere. Owing to the meager wage, excessive overtime, and unnecessary night work the Chicago post office can not keep its force recruited up to the proper strength.

It has been stated that the delays in handling the mail are due to the Railway Mail Service. In this connection please observe that these statements sent out by the superintendent of water do not require any handling by the Railway Mail Service. It is local delivery pure and simple, and the delays are caused by the shortage of help and the breakdown in the spirit of the men in the Chicago post office.

E. J.

Mr. BLACK. Mr. Chairman, a parliamentary inquiry.

Mr. MOON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Tennessee will state his parliamentary inquiry.

Mr. MOON. Has not the debate already been exhausted on this amendment?

The CHAIRMAN. It has.

Mr. BLACK. I call for a vote, then, on the amendment.

Mr. TAGUE. Mr. Chairman——

Mr. BEAKES. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized to strike out the last word.

Mr. MOON. Mr. Chairman, if the debate is exhausted on this section, we ought to have a vote.

The CHAIRMAN. The gentleman has an amendment he desires to offer.

Mr. MOON. An amendment to the amendment?

The CHAIRMAN. To strike out the last word.

Mr. MOON. Which is really a pro forma amendment.

The CHAIRMAN. The gentleman has been recognized.

Mr. FIELDS. Mr. Chairman, the gentleman was recognized before the parliamentary inquiry was made.

Mr. MOON. I do not want to cut the gentleman off from his speech at all. I want to come to a vote as soon as we can.

Mr. BEAKES. Mr. Chairman and gentlemen of the committee, I regret that my voice is not strong enough to-day to reach all of you, but I shall strive to make it do so. I feel deeply on this subject. During the five years I have been in Congress I have devoted myself largely to the betterment of the Post Office Service. I saw service 24 years ago under the Cleveland and McKinley administrations as postmaster. I made a study of the post-office question at that time. I have always taken a deep interest since.

I want to say to you, gentlemen, that the men who were drawing $1,200 a year 20 years ago are getting $1,200 to-day, with no prospect of a raise. I am talking about the carriers of the country. One thousand two hundred dollars was the limit. They say to you that you ought to put them on a par with men who have been getting $1,500 or $1,800, or have a prospect of a raise such as the department clerks have in considering a percentage of increase in pay.

We have attempted to reclassify the clerks and carriers so that they may in time have a raise to $1,500 salary. One thousand five hundred dollars now is not half as much as $1,200 was 20 years ago, when the carriers and the clerks got $1,200.

It is a condition, not a theory, that confronts us. In all the cities of this country we find the best men in the service getting out because they can get more money elsewhere. The men who have passed the prime of their usefulness stay. The men who can not earn more than $1,200 stay, but the men—and there are thousands of them—who can earn more than $1,200 are getting out of the service, because for over 20 years they have seen nothing done to keep their salaries up with the rising cost of living.

We want to keep up the morale of the force. We want to fix it so that it is not required in all the big cities of the country to go out into the country seeking carriers because the people of the city know that the cost of living is so much higher than the salaries received that they will not apply for these positions.

Take, for instance, the city of Detroit. In three months 100 of their carriers resigned. The postmaster of the city of Detroit is writing out to the postmasters all over the State of Michigan asking them to send in men who could act as carriers, because they can not get them in Detroit. What is the result? The service is being demoralized, because men unfamiliar with the work, men unfamiliar with the cities, are forced to take the places of the best men in the service, who have to get out in order to make a decent living for their families. [Applause.]

The CHAIRMAN. All debate on this amendment has expired.

Mr. BOOHER. Mr. Chairman, may we not have that amendment reported again?

The CHAIRMAN. Without objection, the amendment will again be reported.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Strike out, on page 2, beginning with line 1, the balance of the section down to section 2, on line 14, and in lieu of the matter stricken out insert the following language:

"That clerks in the first and second class post offices and letter carriers in the City Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum, and 10 per cent per annum where their salaries are in excess of $1,200 but not in excess of $1,800 per annum.

"The railway postal clerks shall receive an increase of 15 per cent per annum up to and including those receiving $1,200 per annum, and 10 per cent per annum where their salaries are in excess of $1,200 but not in excess of $1,800 per annum: *Provided*, That nothing herein shall authorize the Postmaster General to discontinue promotion of clerks in first and second class post offices or carriers in City Delivery Service or railway postal clerks from grade to grade under the provisions of the classification acts fixing the compensation of those employees in these branches of the Postal Service."

The CHAIRMAN. The question is on agreeing to the Black amendment.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. BLACK. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 18, noes 110.

So the amendment was rejected.

Mr. MADDEN. Mr. Chairman, I have an amendment that I wish to offer.

Mr. CROSSER. Mr. Chairman——

The CHAIRMAN. Is the gentleman from Ohio a member of the committee?

Mr. CROSSER. No.

Mr. MADDEN. Mr. Chairman, I have a right to offer the amendment.

Mr. CLARK of Florida. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CLARK of Florida. Has anybody any rights here except the members of the committee?

Mr. MADDEN. I think we have preferential right on the committee.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] is recognized to offer an amendment. The Clerk will report his amendment.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Page 1, strike out lines 7 to 10, inclusive, and insert in lieu thereof the following:

"Each carrier in the Rural Free Delivery Service now receiving a compensation of $1,200 or less shall receive in addition thereto 15 per cent of the amount of such compensation and $24 per mile per annum for each mile by which his route shall exceed in length 24 miles."

Mr. MADDEN. Mr. Chairman, I desire to say, in connection with this amendment that it becomes necessary to perfect the language of that paragraph on account of having adopted the amendment in the first paragraph of the bill making the language of the bill permanent. It simply provides a change in the language to correspond with the permanent language of the law, and makes clear exactly what is meant by the compensation to be allowed to the carriers in the Rural Delivery Service. It makes no change whatever in the purpose of the paragraph as proposed by the committee, but simply clears up the doubt that might exist on account of having adopted the first amendment which I offered.

Mr. AUSTIN. Mr. Chairman, I wish to offer an amendment to the amendment.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. STAFFORD. As I understand, the present scale of pay of rural free carriers for routes in excess of 24 miles and up to 30 miles is $1,200.

Mr. MOON. Mr. Chairman, a parliamentary inquiry——

Mr. STAFFORD. The gentleman can not take me off the floor by a parliamentary inquiry.

Mr. MOON. I think the gentleman from Wisconsin is right about that. Go ahead.

Mr. STAFFORD. Unless the gentleman really wishes to make an inquiry in all good faith——

Mr. MOON. That is all right. I will make an inquiry that will be in good faith, but I will await the gentleman's pleasure.

Mr. STAFFORD. The rural carriers on routes above 30 miles up to 36 miles get an additional $24 for each mile or major portion of a mile above 30 miles. Is that correct?

Mr. MADDEN. They get additional pay for each mile over 30 miles.

Mr. STAFFORD. Therefore, under the amendment proposed by the gentleman a carrier who travels 30 miles will be getting $1,344, while a carrier who has a route 31 miles long will be getting $1,372, a much greater increase than the carriers on the shorter-distance routes will receive.

Mr. MADDEN. No; I think the gentleman does not understand the language.

Mr. STAFFORD. I understand the language very thoroughly.

Mr. MADDEN. Here is what happens to-day: The compensation of a carrier who has a 24-mile route is $1,200 a year.

Mr. STAFFORD. Up to 30 miles.

Mr. MADDEN. Up to 30 miles. Now, additional compensation for any mile over 30 miles is not considered a part of the salary. Under this amendment we propose to continue that. We propose to pay 15 per cent additional on the $1,200 received, and then $24 a mile for each additional mile above 24, no matter how many miles it may be, so that, when a man gets the compensation provided for in this section of the bill, for a 24-mile route he will receive $1,380; for a 30-mile route, he would receive $1,524; for a 31-mile route, under this provision of the bill, he would receive $1,548; and for a 32-mile route he would receive $1,560, and so on.

Mr. STAFFORD. I admit that I do not understand the gentleman's amendment if the salaries to be paid to rural carriers on the routes stated by the gentleman from Illinois will increase the compensation $300 or more.

Mr. MADDEN. That is exactly what it does. Now I yield to the gentleman from Virginia [Mr. SAUNDERS].

Mr. SAUNDERS of Virginia. The gentleman's amendment, as I caught it, or as I comprehended his statement about it, was merely a consequential amendment.

Mr. MADDEN. That was all. Simply to clear up——

Mr. SAUNDERS of Virginia. It was intended to provide that the increased compensation that these rural carriers should receive would be permanent.

Mr. MADDEN. Yes.

Mr. SAUNDERS of Virginia. Having in mind that in the preceding paragraph you have already provided for the permanence of compensation of all postal employees—and rural carriers certainly are postal employees—what is the necessity for this consequential amendment?

Mr. MADDEN. The language of the paragraph if it were not amended would read like this:

That carriers in the Rural Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum, and $24 per mile per annum for each additional mile over 24 miles.

That would be on the theory that it was for and during the period of the war and 90 days thereafter.

Mr. SAUNDERS of Virginia. But you have stricken that out.

Mr. MADDEN. We have stricken that out. Hence it was necessary to modify the language of the succeeding paragraph.

Mr. SAUNDERS of Virginia. What I wanted to point out was this: I do not think this is needed at all——

Mr. MADDEN. I think it is, because you have already provided in the preceding paragraphs that these postal employees, all of them, shall receive this advanced compensation as a matter of permanent law. It certainly does not hurt it to put in this language.

Mr. CLARK of Florida. May I ask the gentleman a question?

Mr. MADDEN. Yes.

Mr. CLARK of Florida. I want to ask the gentleman from Illinois if there are any rural carriers now getting over $1,200 a year?

Mr. MADDEN. There may be cases where they do on some of these motorized routes.

Mr. CLARK of Florida. I want to get some additional information.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CLARK of Florida. I ask unanimous consent that the gentleman have one minute more.

The CHAIRMAN. The gentleman from Florida asks unanimous consent that the time of the gentleman from Illinois be extended one minute. Is there objection?

There was no objection.

Mr. CLARK of Florida. If it is true that none are receiving over $1,200 a year, why the necessity of having that language in the bill at all? In other words, would the gentleman have any objection to striking from his amendment the words "now receiving a compensation of $1,200 or less"?

Mr. MADDEN. No; I have not the slightest objection to having the language so modified as to meet the views of gentlemen who know more about the rural carrier service than I do. The only purpose I have in mind is to see that the rural carrier service is properly protected on account of the amendment first adopted. I do not know whether the language of the amendment is going to meet the case or not, and I would prefer to have the matter referred to the gentleman from Georgia [Mr. BELL], who has given this matter consideration.

Mr. CLARK of Florida. I want to offer an amendment.

Mr. MADDEN. I would suggest that the gentleman from Florida confer with the gentleman from Georgia [Mr. BELL], who has been giving consideration to this matter.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. I wish to be recognized in opposition to the amendment.

Mr. CLARK of Florida. Will the gentleman permit me to offer an amendment to the amendment?

The CHAIRMAN. That is not in order yet. The gentleman from Wisconsin is recognized in opposition to the amendment.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

Mr. STAFFORD. Mr. Chairman, I have been recognized, and I decline to yield for a parliamentary inquiry. The amendment as reported by the committee and also the amendment submitted by the gentleman from Illinois [Mr. MADDEN] works an injustice to a large number of rural carriers. Under the existing law rural carriers receive a maximum of $1,200 for a route 24 miles in length, extending up to 30 miles, and $24 additional on routes in excess of 30 miles for each mile or major fraction thereof above 30 miles. The proposal reported by the committee provides for giving $24 in addition to the 15 per cent to all carriers on routes of 24 miles up to 30 miles.

Mr. MADDEN. No.

Mr. STAFFORD. That is what the paragraph says. Let me read the language as reported by the committee. This is a composite bill, the most awkwardly phrased and unworkable bill that I have ever seen presented by any committee of the House.

Mr. MADDEN. That is because we did not have any geniuses on the committee.

Mr. STAFFORD. Because it was thrown into the House one afternoon without being first put into the basket and given careful consideration by the committee as introduced.

Now, the words are, the carriers of the Rural Free Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum and $24 per mile for each additional mile over 24 miles. The great majority of carriers are receiving $1,200 for a route of 24 to 30 miles. Under this amendment they will receive 15 per cent increase, and in addition to that receive $24 for every mile besides that. Take a carrier who has a route 30 to 35 miles who is receiving now $24 for each mile in excess of 30 miles. He will not only receive the 15 per cent in addition to his present pay but will receive also $24 more for every mile above 24 miles. It is not the purpose of this committee to present any such unfair proposition as that. I think the committee ought to devise some workable scheme whereby all these carriers will receive the same regular increase proportionate to the work they perform. When you have such an unworkable plan whereby you give some 15 per cent plus $24 a mile and another 15 per cent plus 24 plus 24, that is unworkable.

I took occasion last night to figure out what under the committee amendment the scale of wage would be as reported, and the 25-mile route carrier would receive $1,224 and 15 per cent additional of his present salary of $1,200.

Mr. MADDEN. No; he would not.

Mr. STAFFORD. There is no question from the phraseology that the carriers of the Rural Free Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum. Who are they? They are not only those covering 24 miles but those up to 30 miles, and they get 15 per cent increase and $24 for every additional mile from 24 to 30. And, in addition to that, those performing 30 and 36 miles would get $24 for each mile above 24 and 15 per cent of their present salary, which includes $24 a mile for each mile traveled above 30 miles. This House does not intend to present any such inequitable proposition as that.

Mr. McCLINTIC. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. McCLINTIC. Does this take in motor vehicles? They cover routes up to 50 miles. Would not that take in this class?

Mr. STAFFORD. We have also motor carriers who are covering routes of 50 miles or more, and receiving salaries of $1,800. They would receive $24 a mile for every mile above 24 miles.

Mr. McCLINTIC. And this section would include it?

Mr. STAFFORD. Yes; we are running wild with the Government money, going pell mell in extending increases where they are not justified. The way we are going it will cost the Government $50,000,000 before we conclude the work this afternoon; we are going at the rate of $5,000,000 every hour.

Mr. BANKHEAD. Mr. Chairman, I offer the following amendment to the amendment.

The Clerk read as follows:

After the word "mile," where it last appears, insert "or major fraction thereof based on actual mileage."

Mr. BANKHEAD. Mr. Chairman, I trust that the gentleman from Illinois and the chairman of the committee will accept this amendment. In the event that the amendment offered by the gentleman from Illinois [Mr. MADDEN] prevails it would provide, in addition to an allowance of 15 per cent increase on salaries of rural carriers, an additional allowance of $24 per mile per annum for each additional mile over 24 miles. The purpose of my amendment is to provide equitable compensation. As a matter of illustration, if a carrier's route was 24.9 miles, under the provision of the bill he would not be entitled to any compensation whatever for that fraction of a mile that he would have to cover every day in the year. Under existing law governing compensation over 30 miles they are entitled to so much per mile for each mile "or major fraction thereof." The purpose of my amendment is to make it apply to routes of over 24 miles or major fraction of a mile as it will develop by actual measurement. It seems to me, Mr. Chairman, that it is a thoroughly equitable and just arrangement for compensation.

Mr. MADDEN. Mr. Chairman, I am willing, as far as I am concerned, to accept the suggestion of the gentleman from Alabama.

Mr. BANKHEAD. Then, Mr. Chairman, I do not propose to take any more time if the proponent of the amendment is willing to accept it.

Mr. COX. Mr. Chairman, I ask unanimous consent that both the amendment and the amendment to the amendment be reported.

The CHAIRMAN. Without objection, the Clerk will report the amendment as it would read if amended.

The Clerk read as follows:

The Madden amendment as proposed to be amended by the Bankhead amendment: Page 1, strike out lines 7 to 10, inclusive, and insert in lieu thereof the following: "That each carrier in the Rural Free Delivery Service now receiving a compensation of $1,200 or less shall receive in addition thereto 15 per cent of the amount of such compensation and $24 per mile per annum for each mile or major fraction thereof based on the actual mileage by which his route shall exceed in length 24 miles.

The CHAIRMAN. The question is on the amendment to the amendment.

The question was taken, and the amendment to the amendment was agreed to.

Mr. OLIVER of New York. Mr. Chairman, I have an amendment which I desire to offer.

The CHAIRMAN. Is it an amendment to the amendment?

Mr. OLIVER of New York. No.

Mr. CLARK of Florida. Mr. Chairman, I have an amendment to the amendment which I desire to offer to the amendment of the gentleman from Illinois, adding, after the word "miles," the following language:

Provided, That motor carriers shall receive 10 per cent per annum additional to what they are now receiving.

The CHAIRMAN. The gentleman from Florida offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amend the Madden amendment by adding, after the word "miles," at the end of the Madden amendment, the following: "*Provided*, That motor carriers shall receive 10 per cent per annum additional to what they are now receiving."

Mr. CLARK of Florida. Mr. Chairman, I do not care to discuss it at any length or to detain the committee. The fact is, however, that those who are at all acquainted with this service know that in a great many sections of the country the roads are bad and these motor carriers have to provide their own automobiles and are absolutely responsible for the delivery of the mails. Some of the routes are over 50 miles in length. They are not to get any benefit from the $24 a mile extra which is given to the ordinary rural carriers who use horse-drawn vehicles. These people, with their routes over 50 miles in length, many of them, over rough roads, find it extremely expensive in keeping up their cars, and I call the attention of the committee to the fact that in sparsely settled sections of the country where the roads are not very good, or so good as they are in New England and other more thickly populated sections of the country, where the carrier has a route, say, of 50 miles or more, he must start out in the morning, and there are no garages every few miles, as there are in other sections of the country. His car is liable to break down 25 miles away from home, and the only way in the world to get the car repaired is to get it back to the town from where he started, as that town probably has the only garage there is in that section. He is forced, then, to hire teams or cars or something in order to make his rounds and get his mail delivered on time. Most of the carriers in my section of the country are forced to own and keep two separate cars and keep them in condition in order to carry out the terms of their contract.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. STAFFORD. I was wondering whether there could be any confusion on the administration of the law because of the designation in the amendment of "motor carriers" with those rural free delivery carriers who for nine months of the year, as is quite general in western and northwestern sections of the country, and I imagine in many other parts of the country, use an automobile for delivery on rural free delivery routes and during the winter season for three months use horse-drawn vehicles. During those nine months they may be considered motor carriers.

Mr. CLARK of Florida. I hardly think so, because motor routes and horse-drawn vehicle routes are clearly differentiated in the department. I think a motor carrier would be understood by the language in the amendment.

Mr. STEENERSON. This particular service is the contract service, is it not? It is all under contract—they agree to carry it for so much?

Mr. CLARK of Florida. Oh, no; I do not understand it that way. There are motor carriers appointed under the civil service the same as the horse-drawn vehicle carriers are.

Mr. STEENERSON. It is a motor route?

Mr. CLARK of Florida. Yes; but they are appointed under the civil service the same as the others are. This would give them, I think, about $1,980.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. MADDEN. Does the designation indicated in the amendment of the gentleman from Florida specify clearly enough just what class of rural carriers would be affected by the provisions of his amendment?

Mr. CLARK of Florida. I think it does. There is a very clear differentiation in the department.

Mr. MADDEN. I did not know whether there was or not.

Mr. CLARK of Florida. I think there is.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. COX. It strikes me that the query propounded by the gentleman from Wisconsin [Mr. STAFFORD] is important. For instance, in my own State I know several counties that happen to have good roads the year round, where rural routes are all carried by automobiles.

Mr. CLARK of Florida. Yes.

Mr. COX. They are the ordinary rural routes, 24 miles in length, and possibly some of them up to 30 miles.

Mr. CLARK of Florida. I will say to the gentleman that I know a good many in my own district that are horse-drawn routes where they use a motor car.

Mr. COX. I think what the gentleman is trying to get at is where the routes are 50 miles or over and to increase the pay there.

Mr. CLARK of Florida. Yes.

Mr. COX. Would it not be a little better to add that phrase to the amendment?

Mr. CLARK of Florida. I would not object to the gentleman offering that amendment.

Mr. COX. I think that would clarify it.

Mr. CLARK of Florida. Then I ask unanimous consent to put those words into the amendment—"motor carriers on routes of 50 miles or more."

The CHAIRMAN. The gentleman from Florida asks unanimous consent to modify his amendment in the manner indicated. Is there objection?

There was no objection.

Mr. KNUTSON. What would be the average compensation of these motor carriers under the gentleman's amendment?

Mr. CLARK of Florida. About $1,980 a year.

Mr. KNUTSON. Why should these carriers receive $1,980 and our rural mail carriers in the Northwest, who are forced to buck blizzards and maintain three or four horses and an automobile, receive only $1,320?

Mr. CLARK of Florida. Because I think their expenses are much more than the others.

Mr. KNUTSON. Wherein are their expenses greater?

Mr. CLARK of Florida. If the gentleman owns a car and buys gasoline he ought to know.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. ALMON. Mr. Chairman, I offer an amendment to the amendment——

The CHAIRMAN. We have not disposed of this amendment. The Clerk will report the amendment as modified:

The Clerk read as follows:

Mr. CLARK of Florida modifies his amendment by inserting after the word "carriers" the words "on routes of 50 miles or more," so that as amended it will read: "*Provided*, That motor carriers on routes of 50 miles or more shall receive 10 per cent per annum additional to what they are now receiving."

The CHAIRMAN. The question is on the Clark amendment.

Mr. STEENERSON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman arise?

Mr. STEENERSON. To oppose the amendment.

The CHAIRMAN. The gentleman from Minnesota.

Mr. STEENERSON. Mr. Chairman, as I understand this amendment applies to routes established under the proviso of the joint resolution of March 4, 1915, which reads as follows:

Provided, That in the discretion of the Postmaster General the pay of carriers who furnish and maintain their own motor vehicles and who serve routes of not less than 50 miles in length may be fixed at not exceeding $1,800 per annum.

Now, these are substantially contract routes. The Postmaster General has the discretion to not exceed $1,800, and they agree to that rate, and it is fixed by him. Now, it seems to me this would change the contract and allow them a pay more than they had agreed to perform the service for.

Mr. CLARK of Florida. Will the gentleman yield for a question or a suggestion?

Mr. STEENERSON. Yes.

Mr. CLARK of Florida. I do not understand there is any contract about this matter at all any more than any other employee of the Government. All of these motor carriers are appointed under civil service. They are examined the same as the others, and their compensation is fixed by law, the same as the others.

Mr. STEENERSON. Oh, no; it is fixed by the Postmaster General, and the compensation is within his discretion.

Mr. CLARK of Florida. It is fixed by him under the authority that the Congress has granted him, so it is fixed by law after all.

Mr. STEENERSON. These regular carriers' salaries are fixed by law, but these so-called motor routes——

Mr. CLARK of Florida. I want to say to my friend there is absolutely nothing of what we usually understand as a contract in it. They take the civil-service examination, it is competitive; they have to stand that examination, and I want to call attention to the fact that they are the only ones in this bill whose salaries are not increased a particle.

Mr. STEENERSON. If the gentleman desires to increase the discretion of the Postmaster General to allow them more it might be very well——

Mr. CLARK of Florida. But we are trying to exercise some discretion of our own right now in enacting this law.

Mr. STEENERSON. But you are applying it to the class of carriers who actually agree to perform a service at so much per year, whether $1,800 or what it was.

Mr. RAMSEYER. The law is they shall not receive to exceed $1,800.

Mr. STEENERSON. In the discretion of the Postmaster General.

Mr. RAMSEYER. Now, as a matter of fact, what do they receive?

Mr. STEENERSON. Most of them receive $1,800. I do not think it would be advisable to impose upon the Government the obligation of paying them more than they agree to accept. It is true they are civil-service appointees, so far as being eligible to the position, but before they accept the position they agree to perform the service at that rate.

Mr. WALDOW. One of the provisions of this bill is to provide for an increase in the compensation of the employees of the Post Office Department. Would not that cover the men the gentleman from Florida has in mind?

Mr. STEENERSON. I do not think that applies to star route carriers, which are the same as motor route carriers. They are contract men; they are not salaried employees at all.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment to the amendment offered by the gentleman from Florida.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. CLARK of Florida) there were—ayes 34, noes 61.

Mr. CLARK of Florida. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Florida demands tellers. Eleven gentlemen have arisen, not a sufficient number.

Mr. CLARK of Florida. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The gentleman from Florida makes the point of order there is no quorum present. The Chair will count. [After counting.] One hundred and fifty-four gentlemen are present, a quorum.

Mr. HAMLIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HAMLIN. Does not the vote now come on the Madden amendment as amended?

The CHAIRMAN. On the amendment to the Madden amendment.

Mr. ALMON. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment to the amendment, which the Clerk will report.

Mr. ALMON. By striking out "fifteen" in line 3 and inserting the word "twenty."

Mr. AUSTIN. Mr. Chairman, I move to strike out the word "twenty" and insert "twenty-five."

Mr. SAUNDERS of Virginia. Mr. Chairman, I make the point of order that is an amendment in the third degree.

The CHAIRMAN. The point of order is sustained. The Clerk will report the amendment offered by the gentleman from Alabama.

The Clerk read as follows:

Amendment to the Madden amendment offered by Mr. ALMON: In the third line of the Madden amendment strike out the word "fifteen" and insert in lieu thereof the word "twenty," so it will read:

"That each carrier on rural free-delivery routes now receiving compensation of $1,200 or less shall receive in addition thereto 20 per cent of the amount of such compensation," etc.

Mr. ALMON. Mr. Chairman, I have offered this amendment for the purpose of correcting, in a measure at least, a very glaring inequality in this bill against 43,318 rural mail carriers, who carry daily letters, newspapers, and parcel post to 5,882,799 families on the farms, representing 27,000,000 people, or one-fourth of our population.

This bill increases the salaries of city letter carriers, post-office clerks in the first and second class offices, and the railway mail clerks at least 20 per cent, and some of them 25 per cent, and only provides for a 15 per cent increase for rural carriers. Many of the Members of this House have expressed deep and profound sympathy and friendship for the rural carriers. Some of them have almost brought tears to the eyes of the Members of the House as they have told of the hardships endured by these carriers. Sympathy and friendship will not pay for horse feed, groceries, shoes and clothing or for the education of the carrier's children.

Now, I am going to give you an opportunity to show your friendship and sympathy for these worthy and faithful men by voting for my amendment providing for a 20 per cent increase in their salaries during the war, on account of the increase in the cost of living, and to equalize the salaries of the postal employees. [Applause.]

Provision in this bill for the payment of $24 per mile per annum on routes from 24 to 30 miles in length should not be regarded as an increase. It should have been the law all the time. It was never right to pay a carrier on a 30-mile route the same as one on a 24-mile route.

Other Government employees are provided with everything necessary to the performance of their duties, while rural carriers are required to provide and maintain, at their own expense, all necessary equipment. It necessitates an average initial outlay of about $600 and an average of $50 per month thereafter under present conditions.

There is a general demand from every part of the country for an allowance for equipment for rural-mail carriers, but there is no provision for it in this bill.

Mounted city letter carriers are allowed the entire cost of equipment and maintenance, amounting, as I am advised, in many cases to $1,000 per year. Rural carriers have no chance of promotion. They must give first consideration to their equipment, which must be kept in good condition to render efficient service. The support of their families and the education of their children must be made second to this.

An enormous amount of parcel post has been added since their compensation was fixed, and a heavy increase in the ordinary mail matter. They are exposed to all kinds of weather. When they start out on their trip, with several hundred people to serve, they must continue regardless of the weather or the condition of the roads. I have traveled over most of the routes in my district during the winter months, and I know of the difficulties the rural carriers encounter and the hardships they endure. With such weather as we had last winter, with the thermometer 10° to 15° below zero in the Southern States and 40° to 50° below in the Northern States, they must have suffered many hardships—oftentimes not sufficiently clad to protect them from the bitter cold.

The rural carriers in my district have sent me itemized accounts of the cost of maintenance of horses and vehicles for 1917, and they average $50 per month, or one-half of their salary, counting nothing for depreciation. Since their salary was fixed the price of corn has increased from 50 cents to $1.50 or more per bushel, and oats in about the same proportion; hay from $15 to $30 or more per ton. So they are affected more than other employees of the Government on account of the increased cost of the necessaries of life.

It is not surprising that 3,705 rural carriers resigned during the last six months of 1917 in order to enter other employment at better wages. As they resign, their places are taken by men without experience and whose service can not be as satisfactory to the Government, or the people they serve, as that of experienced carriers.

We should give the people in the country, as well as in towns and cities, the very best possible mail service, especially now, when so many of them are anxiously awaiting news from loved ones in the Army, some of whom are already fighting in the trenches in France. They are entitled to the very best service. [Applause.]

The rural carrier is in a sense the farmer's postmaster, as well as his carrier. He discharges practically all the duties of a fourth-class postmaster.

The Post Office Department is more than self-sustaining. The increase in postal rates was not for the support of the Post Office Department, but to raise money to assist in paying the expenses of the war.

Wages of carpenters, bricklayers, stonemasons, farm labor, and so forth, have more than doubled during the last few years on account of the increased cost of living. Then why should we withhold from these faithful, deserving, and worthy rural carriers a just and reasonable compensation for their services. "A laborer is worthy of his hire," no matter where he works. [Applause.]

CITY LETTER CARRIERS, POST OFFICE CLERKS, AND RAILWAY MAIL CLERKS.

The bill reclassifies and readjusts the salaries and provides for the promotion of the city letter carriers, clerks in first and second class post offices, and railway mail clerks, as provided

in the bill introduced by Mr. MADDEN, of Illinois, at this session of Congress.

These postal employees are as faithful and efficient men as can be found in any department of the Government. Under present conditions they are entitled to an increase of compensation, but no greater than the rural carriers. Let us do justice to them equally.

CLERKS IN THIRD-CLASS POST OFFICES.

If provision can not be made in this bill for a fair compensation for clerks in third-class post offices, then I am in favor of doing it in some other way. They are now paid out of an allotment from a lump-sum appropriation, which heretofore has been inadequate and insufficient, and the postmasters have been forced to add to it out of their own salaries, which is not right and should not be expected or required.

FOURTH-CLASS POSTMASTERS.

Everybody, I believe, agrees that fourth-class postmasters, who are not allowed anything for office rent or anything else, are paid less for their time and work than anyone else in the service of the Government. No change in the method of their compensation has been made for half a century. This bill very properly gives them increase of compensation, in that it allows them 100 per cent of cancellations up to and including $100 or less quarterly, instead of $50 under existing law, based on postal rates prior to recent act increasing postal rates to defray war expenses.

STAR ROUTE CARRIERS.

Many star route carriers made contracts when the cost of living and equipment was very much less than it is now, and are carrying the mail at a heavy loss. Justice and equity suggest that the Government should make additional allowance in such cases. The purpose of section 4 of this bill is to authorize the Postmaster General to adjust the compensation of such star route carriers.

Congress has made reasonable increase in the compensation of all the other employees of the Government on account of the increased cost of all the necessaries of life. We should do the same for the postal employees.

In conclusion I want to say if some of the postal employees are to be given an increase of 20 per cent, as provided in this bill, then let us give it to all of them. But if some are to be given only 15 per cent increase, then let it be 15 per cent to all alike. All I ask is that justice be done to the rural carriers as well as to the other postal employees. [Applause.]

Mr. QUIN. Mr. Chairman——

The CHAIRMAN. Does the gentleman rise in opposition to the amendment?

Mr. QUIN. Yes, sir. [Applause.]

I hope this House will give me its attention for five minutes. There has in all this debate, up until this hour, but one Representative appeared here to say a word for the taxpayers of this Republic. I now stand up to speak for the people who must pay the bills which Congress makes against them. The gentleman from Kentucky [Mr. HELM] stated some pertinent facts to this Congress. This country is engaged in this great conflict at present with all its resources taxed, with the people in every walk of life taxed to the utmost limits, and the American Congress, disregarding those people who pay the taxes, goes into a carnival of extravagance in an effort to increase the salaries of these people who hold the lifetime positions of civil-service clerks, rural carriers, and city letter carriers, throughout this Republic, and thinking not for the man who has to foot the bills.

Do you know that under this bill you have made permanent law by your amendment here to-day that all of this increased postage that you have put upon the American people is taken away, and $7,000,000 in addition? This bill increases the salaries of all civil-service postal employees to the extent that the increase alone for the first year is $33,000,000 and the fourth year the increase is $60,000,000. The increased taxes that they are paying by postage, 3 cents on a letter instead of 2 cents, amounting to $26,000,000 annually, the people who pay it willingly and patriotically believe these extra postage stamps are going to help foot the bills for this war; but instead of doing that it is telling the farmer who puts 3 cents on his letter, the merchant, the blacksmith, the clerk, the banker, whoever the taxpayer is, that the man who brings his letter to him is receiving that extra 1 cent that he has to put on every letter which he sends. The letter carriers themselves would not ask the farmers nor any other people to do that. I will not vote to take that extra cent on each letter from the farmer and give it to the letter carrier. [Applause.]

Do you know, my friends, that when the people of this country realize that with this $15,000,000,000 that this Congress is bound to appropriate this year to meet the expenses of the Government and to prosecute this war, with the $29,000,000 that you put on the bill the other day to increase the salaries of the department clerks in this city and elsewhere, which I voted against, and then you come here in one wild swoop and put on this increase, that they will not approve it?

A MEMBER. Mr. Chairman——

Mr. QUIN. I can not yield to a gentleman who seems to have no regard for the people who pay the bills, and who tells the farmer of his district that the rural carriers ought to get $1,600 a year, when that poor farmer is doing well when he goes out with his children and works from daylight in the morning until the dewy eve if he makes a living, even with his wife and children working in the field with him.

It strikes me that the gentlemen who were so impatient here and who were so rampant to give the organized forces of civil-service employees a regular grand handbag of the Treasury have disregarded the third-class post offices, where they have not the civil-service organization to back them. There is not a line in this bill to give the poor clerk in the third-class post offices, who gets about $15 or $25 a month from the Government and $10 or $15 from the postmaster himself, an increase. If you pretend to be so righteous and holy and want to do what is right about it in this bill, give the third-class postmasters a chance to give their clerks a decent living wage while you are running wild here to-day, increasing all of these $1,200 clerks, and $1,400 clerks, and $1,800 clerks, and $2,000 employees, and leaving the poor little fellow that is getting $25 a month that works—not 8 hours a day, but 12 or 14 hours a day—in the third-class post offices of this country no increase at all.

There is one good feature in this bill, and that is the one giving the fourth-class postmaster some increase. The other features of this bill, facing the great emergency that we do, are all wrong. I shall vote against the bill.

You do not increase the poor star-route contract carrier. He does not get half as much as the rural carrier—holding a lifetime job. Why do you not increase his salary? Is it because he belongs to no organization?

We are calling on all of our citizens back home to make sacrifices for the war. The people are willingly doing that. I now call on the rural carriers, the city carriers, and all other postal employees to make the same sacrifice. I know the cost of living is high, but we must all bravely meet the emergency. The cost of taxes is high, too. Instead of increasing the salaries of employees of the Government, I prefer to get more rural routes established in my district—to get daily mail to the farmers. We can not expect to get new rural routes established if you vote all the money into increasing the salaries of the clerks and letter carriers. There are many applicants for every rural-route vacancy in my district at the present salary of $1,200 a year.

I shall vote to protect the taxpayers of this Republic. I shall vote to conserve the resources of this country, and to maintain the liberties of the people, and to protect the civilization of America by preventing, so far as I can, these raids on the Treasury of the people. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. SAUNDERS of Virginia. Mr. Chairman, I ask unanimous consent to speak for five minutes on this amendment.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. MOON. Mr. Chairman, I ask unanimous consent that at the conclusion of the remarks of the gentleman from Virginia [Mr. SAUNDERS] a vote shall be taken on the pending amendment.

Mr. EMERSON. A vote shall be taken on what?

Mr. MOON. On the pending amendment.

Mr. EMERSON. That is the Madden amendment?

Mr. MOON. Yes; I think so.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that at the conclusion of the remarks of the gentleman from Virginia [Mr. SAUNDERS] a vote be had on the Madden amendment and amendments thereto.

Mr. AUSTIN. I understood that the gentleman from Tennessee having this bill in charge asked unanimous consent that we have a vote on the Almon amendment.

Mr. MOON. I said the pending amendment. I do not know which it is. It seems every amendment offered to increase the pay of the carriers will get votes.

Mr. AUSTIN. I shall ask to have five minutes at the conclusion of the remarks of the gentleman from Virginia.

The CHAIRMAN. The gentleman will be recognized.

Mr. SAUNDERS of Virginia. Mr. Chairman, this bill provides an increase of compensation for rural carriers, clerks in

first and second class post offices, letter carriers in City Delivery Service, railroad postal clerks, assistant postmasters in first and second class post offices, postmasters of the fourth class, and other employees in the Post Office Department and the Postal Service. Further, it provides that the conditions that have arisen under the contracts in the star route, and screen-wagon service shall be investigated, with a view to affording compensation, and adjustment in all of the cases, where the facts disclose the propriety and necessity for such adjustment.

Having in mind the circumstances under which these advances will be afforded, no one can successfully maintain that the recommendations of the committee err in the direction of prodigal extravagance. Quite the contrary. In most instances, the compensation proposed should be somewhat advanced, in order that it may be made commensurate with the increased cost of living, and I propose to support all proper amendments providing for such advances. Officials in the Government service are affected to the same extent as employees in civil life, by the continually advancing cost of living. Indeed, some of these employees are much harder hit than employees in civil life, for the reason that as a part of their job, they are required to maintain a necessary outfit of motor, or horse-drawn vehicles. This is particularly true of the rural carriers. The work of the employees in this branch of the Postal Service has been made more onerous in comparatively recent years, by a vast increase in the quantity of mail matter proper, and further by the establishment and development of the parcels post. Many of the carriers who were able to serve their routes 10 years ago with a very modest equipment, frequently on horseback, with a small bag for carrying the letters, newspapers, and other mail, now find themselves confronted with the necessity of operating wheeled vehicles through the greater portion of the year, and maintaining two horses at least, for motive purposes. Nor is this all. In addition to the need for a far more extensive outfit, the carrier has found that the cost of maintaining that outfit, has increased by leaps and bounds.

Corn that was formerly 85 cents, or a dollar a bushel, now sells for $2 and more a bushel. Hay that was eighteen to twenty dollars a ton, now sells for $40, or more. Other articles have advanced in like proportion. Should a carrier endeavor to serve his route in part by motor car, he finds that as compared with 10 years ago, gasoline has advanced two or three hundred per cent. Moreover the cost of maintenance of a motor car, is not a mere matter of gasoline charges. Such a car requires in the course of a year, considerable repair work, and the cost of this repair work is advancing all the time. Nor are carriers who seek to avail themselves of the modern motor car in order to expedite deliveries on their routes, able to confine themselves to the use of motor cars only. In a large proportion of the States, notably in Virginia, and many other Southern States, and particularly in the mountain areas of those States, a motor car can not be operated more than from six to nine months a year, under the generally prevailing weather and road conditions. Hence the carriers who undertake to use such a car, must provide and maintain for the service on their routes, both vehicles and horses in addition to the car. During the winter months, and at times during the bad weather in other seasons, the carrier must abandon his motor car, and revert to the more primitive method of transporting his mail in a horse-drawn vehicle. Many of the carriers in my district have given statements in detail as to the cost of their outfits, and the maintenance of the same. I have taken pains to examine these statements, some of them relating to service in the mountainous sections, and others to service in the comparatively level counties at the other end of the district. They all agree in substance, though differing in details. Corn may be cheaper in one county than in another, but where corn is cheaper, oats, or hay may be higher. Hence, as stated, the maintenance charges are in substantial agreement.

The cost of a carrier's outfit differs somewhat, in the several counties composing my district. Horses apparently are cheaper in some counties, than in others. The original, as well as the maintenance cost of the motor vehicles used, seem to be practically the same in all of the counties. In the statements submitted, an allowance is made for depreciation. This item of course is intended to provide a replacement fund for wornout horses and apparatus, whether the latter is a motor, or a horse-drawn vehicle. The routes in my district are as a rule from 21, to 26 miles in length, many of them over exceedingly rugged country, where the roads are bad, and the winters long and severe. It has been frequently stated that a large proportion of the rural carriers work on an average about four hours a day. How this claim originated, or upon what basis it rests, I am utterly unable to comprehend. The carriers in my district require in the main from six to eight hours a day to make their trips, and while of course those who use motor cars are enabled under favorable conditions to serve a route in a much shorter time, such carriers are at greater expense, by reason of the fact that they must maintain a double outfit, as compared with the carriers who use horse-drawn vehicles exclusively. The figures given by the carriers are interesting, and instructive, and I will cite a few of them, making the citations from the different counties of my district, in order that a composite picture of the value of a rural carrier's job in that portion of Virginia, may be accurately presented.

One carrier reporting from Franklin County uses two horses and one vehicle on his route. He puts the value of these horses at the very modest estimate of $315. The value of his vehicle and harness are respectively placed at $28, and $15. The cost of oats, corn, and hay for feed for a year is given at $456, repairs and horseshoeing are stated at $12.50, and other feed and expenses at $54. His allowance for depreciation is put at $50. The aggregate of these items is $572.50.

This carrier's route is 21.3 miles, and his gross salary is $1,080. The net balance for the support of the carrier and his family is $507.50—or something over $40 a month. In that community oats are 75 cents a bushel, corn $1.50 per bushel, hay $35 a ton.

I take an illustration from another county in my district, a mountain county, where the carrier likewise uses two horses, and one vehicle. The aggregate cost of horses, vehicle and harness is put at $430. The cost of feed, horseshoeing, vehicle repairs, and depreciation, is put at $665. The net balance for the support of this carrier, and family is $315. In that section, corn costs $2 a bushel. The cost of other items is not given.

The next illustration is taken from the extreme eastern portion of my district, where the roads are fairly good, and the route is 24 miles long. On that route, the carrier uses a car for nine months in the year, and a horse-drawn vehicle during the remaining three months. His aggregate necessary outfit therefore, is one motor car, two horses, and one vehicle. The cost of his motor car is put at $395. The upkeep of the same for nine months, including depreciation, is $313. The value of his horses and vehicles is placed at $275. The cost of upkeep for same for three months, including depreciation, is $225. The total cost of upkeep is $538, leaving $662 for the carrier, or about $55 a month. In that section, gasoline is 27 cents a gallon, oats a dollar a bushel, corn $2 a bushel, hay $40 a ton.

Another illustration is taken from a mountain county, where a motor vehicle can be used for six months in the year. This carrier has a route of about 23 miles, and a salary of $1,152. He maintains two horses, and one vehicle. The cost of this outfit is placed at $350, and maintenance of the same at $300. Maintenance of his motor car is put at $200. This carrier has a net salary for the support of himself and family of $652 a year. Gasoline costs him 34 cents a gallon, oats $1.10 a bushel, corn $2.05 a bushel, and hay $18 a ton. The next illustration will be taken from the central portion of my district, where there is a fairly good system of hard, and dirt roads. This carrier has a 24-mile route, and a $1,200 a year salary. He maintains two horses, and two vehicles. The cost of his outfit is put at $370, repairs on, and maintenance of same, $788.50, leaving something like $411.50 a year for the support of carrier and family. In that section, oats cost 98 cents a bushel, corn $2 a bushel, and hay $42.50 a ton. The following figures relate to a county in the extreme western end of my district, a very mountainous county, where the roads are practically dirt roads, and very bad. This carrier has a route of 24.7 miles, and a gross salary of $1,200. He maintains two horses, and one vehicle. The cost of his outfit is placed at $411. The total cost of maintenance and repairs at $725. The net balance for support of carrier and family is $475. In that community oats are from 90 cents, to a dollar a bushel, corn $2 a bushel, and hay $22 a ton.

One more illustration will be taken from a mountain county, where the roads are rough, and bad. In this case, the carrier has a 23-mile route, and a salary of $1,152. He uses two horses, and two vehicles. The cost of his outfit is put at $464.50. The cost of their upkeep at $552, leaving $600 for the support of carrier and family. In this community oats cost $1.25 a bushel, corn $2 a bushel, and hay $40 a ton. It will be noted upon inspection of the figures given, that while some of the items may be questioned, the valuation placed on the prime cost of the vehicles, horses and harness, are in all cases moderate and reasonable. The depreciation figure may be challenged, but in no cases is that an extravagant item. The cost of horse feed is the market cost, and the items for repairs are always moderate. The cost of gasoline where a motor vehicle is used, is always the market price. Whatever changes might be made in a critical readjustment of the items embraced in the totals submitted, the conclusion that will be reached in all of these cases,

will be that these totals are substantially correct, and that a rural carrier serving a full route, after the payment of maintenance costs and charges on his outfit, receives something like five or six hundred dollars a year for living purposes, that is, for the support of himself and family. In other words, he is working at wages that represent from $40 to $50 a month, in the discharge of duties which require the qualities of fidelity, industry, sobriety, intelligence, and integrity. There are so many jobs in civil life which pay better salaries to men possessing these qualities, that it is no wonder that resignations from the rural carrier service are multiplying. In many instances, owing to the conditions of the roads, the work is very arduous, since Uncle Sam's mail must be carried under practically all weather conditions. The figures given afford the most cogent reasons for an increase in the compensation of this great army of faithful employees who are doing their bit in an important branch of the Government service, and who whether the winds blow high, or low, plod their way through storm, and rain, and icy blizzards, and deliver the mail with unfailing regularity on their routes.

I submit Mr. Chairman, that a position which calls for the qualities required in a rural carrier, and to which are attached duties of the onerous and responsible character which I have indicated, justifies a living wage. This wage is provided by the amendment which will be adopted to this bill. The case for increase of compensation for the clerks in the first, and second class post offices, the assistant postmasters in such offices, the letter carriers in the City Delivery Service, and the railway postal clerks, is also a strong one.

These employees are not required to maintain an elaborate, and expensive outfit, nor are they in the main exposed to the hardships of outdoor service, but they discharge important, and responsible duties, and are rigidly held to a high standard of efficiency. The railway mail clerk often has to work while others are asleep. He is exposed to the dangers of rail travel at all times. His hours of service are frequently long, and his duties are exacting and nerve wrecking. The service is a hazardous and dangerous one, and there is no class of our civil employees which more justly deserves a liberal compensation, than the railway clerks. One feature of their service, and a most undesirable one, is their liability to sudden transfers. A railway mail clerk may develop efficiency to the last degree, but that efficiency will not save him against translation to another and undesirable run. He may have been on a run for years, and bought a home, with the fond hope of permanent establishment in that locality, only to find after a few years of life in the community of his choice, that he must choose between a transfer to a new and remote section, with all the inconveniences that attach to a sudden change of location, or the loss of his position. Having in mind the dangers of this service, the high degree of expert knowledge required, and the liability to sudden transfers, who will gainsay the justice of the moderate increase in the salaries of the railway clerks that this bill will afford? Like all other employees of the Government, they are affected by that high cost of living which has justified the increase of compensation which has been given to the employees of the railroads, and the great industrial enterprises.

It is a pleasing thing to recognize that the men who work in the first, and second class post offices, and as carriers in the City Delivery Service have not been overlooked.

They too, and deservedly, have been included within the benefits of this measure. It has been stated as a fact that the maximum wage for these workers was established something like 10 years ago.

Since that time the cost of living has steadily advanced. This advance has operated in effect a wage reduction for these employees. Indeed the character of the service required of many of these employees, the uncertainty of promotion, and in many cases the exacting work at night, has caused such an exodus of workers in many of the cities, that the proper work of the offices in those localities has been seriously crippled. The adjustments, and increase of compensation afforded by this bill, are designed to retain efficient employees now in the service, and to attract other workers to fill the vacancies constantly arising.

The new salaries, after all, if the comparison is made with the old salaries, do not present a case of real increase. The purchasing power of the new salaries under present conditions, will be no greater than the purchasing power of the salaries of 10 years ago. As some one has remarked, this is in reality a restoration, not an increase of salaries. Another situation provided for by this bill, is an increase of compensation for the third-class postmasters, and the clerks in those offices. Having in view the meager allowance for clerk hire in the third-class offices, an allowance which the postmaster is compelled in most if not all cases to supplement out of his own slender salary, it has been an occasion of wonder to all who are cognizant of the facts, that the postmasters in these offices have been able to retain their clerks against the attractions of other employments. Indeed in many instances they have been unable to do so. The hours of service are long, the work itself is laborious and confining, and the compensation for clerks in these offices, as compared with the wages paid to employees doing a like amount of work in other clerical positions, is wholly inadequate.

The contention is often made that the fourth-class postmasters are perhaps the most poorly paid employees in the Postal Service. No change in the method of computing their compensation has been made in 50 years.

While other postal employees are working 8 hours a day, third, and fourth class postmasters must work from 12, to 14 hours. They furnish their quarters, and pay for their fuel, and light. The salaries of fourth class postmasters run from a minimum of a few dollars a month, to a maximum of something like $80 a month. In a fourth class office of the maximum compensation which, it may be noted, is just below the minimum for a third class office, the work is fully as arduous as that in a third class office.

The average compensation in the fourth class offices has been placed at $500 a year, out of which light, heat, clerk hire, and any other running expenses must be paid. Like all other persons, the fourth class postmasters place their request for an increase of compensation upon the admitted, and striking advance in the cost of living. The bill provides that postmasters of the fourth class shall receive the same compensation as provided by law prior to the act of 1917, except that they shall receive 100 per cent of the cancellations up to and including $100 quarterly. This increase is so moderate, and so reasonable, that I fancy not a voice will be raised in opposition to this section of the bill.

There is another class of persons who have been more severely hit by the high cost of living, than perhaps the clerks, and other employees in the Postal Service. I refer to the star-route contractors.

In my judgment there is no more meritorious section of this bill than the one which undertakes to afford relief to these parties. I would not favor a proposition which sought to compel the Government to supplement the amount of a star-route bid to such an extent that the contractors would be guaranteed a profit. The equities of the case do not call for such a guaranty, nor is that what is proposed to be done by this section. Many of the star-route contractors are men of small means who undertook these contracts on a very narrow margin of profit. In a number of cases the margins were so close, that the contractors were in substance hiring themselves and their teams to the Government, at a very moderate wage. These contracts were made one year, or more ago. Since that time we all know that great changes have occurred throughout the entire country in the items of living cost for man and beast. A very large proportion of the Members of this body represent country districts, and are familiar with the conditions I am describing. I think I am justified in appealing to these Members to confirm all that I have said with reference both to the small margin of possible profit in a large proportion of these contracts, and the plight in which the contractors now find themselves, in consequence of supervening conditions. Many of these contractors are discharging their contracts at a daily, and ruinous loss.

The CHAIRMAN. The question is upon the Almon amendment.

The question being taken, the Chairman announced that the noes appeared to have it.

Mr. ALMON. Division, Mr. Chairman. Come on, boys, and vote for 20 per cent!

The committee divided; and there were—ayes 97, noes 28.

Mr. COX. I demand tellers, Mr. Chairman.

Tellers were refused, four Members, not a sufficient number, rising to second the demand.

Accordingly the amendment was agreed to.

The CHAIRMAN. The question now recurs on the Madden amendment.

Mr. EMERSON. May we have that reported as amended?

The CHAIRMAN. Without objection, the Clerk will report the amendment as amended.

The Clerk read as follows:

Amendment by Mr. MADDEN as amended: Page 1, strike out lines 7 to 10, inclusive, and insert in lieu thereof the following: "That each carrier in the Rural Free Delivery Service now receiving a compensation of $1,200 or less shall receive in addition thereto 20 per cent of the amount of such compensation, and $24 per mile per annum for each mile or major fraction thereof based on actual mileage by which his route shall exceed in length 24 miles."

The CHAIRMAN. The question is on the Madden amendment as amended.

Mr. RANDALL. Mr. Chairman, I offer a substitute.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Substitute for the Madden amendment offered by Mr. RANDALL: Strike out lines 7 to 10, inclusive, on page 1, and insert: "That carriers in the Rural Free Delivery Service who receive under existing law a salary of $1,200 or less per annum shall after the passage of this act receive in addition thereto $24 per mile per annum for each mile or major fraction thereof by which his route shall exceed 24 miles and not exceed 30 miles: *Provided*, That all carriers in the Rural Free Delivery Service shall receive 20 per cent in addition to the salary fixed by law when such salary shall not exceed $1,500, and 10 per cent in addition thereto where such salary exceeds $1,500 per annum."

Mr. RANDALL. Mr. Chairman, this amendment agrees exactly with the Madden amendment as amended, with the exception that it provides that the additional $24 per mile for the extra mileage shall end at 30 miles. Under the present law, carriers are paid $24 per mile for a route exceeding 30 miles, and the intention of the committee—and the error was called to our attention by the gentleman from Wisconsin [Mr. STAFFORD]—was that the $24 per mile extra should be paid for those routes on which the carriers travel over 24 miles and not exceeding 30 miles. In addition to that, a 10 per cent increase is given for motor-route carriers similar to that suggested by the amendment of the gentleman from Florida [Mr. CLARK].

The Rural Mail Service is entitled to the most liberal consideration of this House, because it makes rural life attractive. Attractive rural conditions may help to save the world from starvation. We need more people on the farms. Every dollar that we give to making rural life appeal to people who live in towns helps to make the world safe for democracy and democracy safe for the world.

Mr. SMITH of Michigan. Mr. Chairman, I offer the following amendment to the substitute which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment to the substitute offered by Mr. SMITH of Michigan: Strike out the words "twenty-four dollars" and insert in lieu thereof "fifty dollars."

Mr. SMITH of Michigan. Mr. Chairman, I shall not detain the House but a short time on this amendment. In presenting it I want to say that when all the rest of the Government clerks are getting an increase in salary, and when manufacturers and employers are increasing the wages they pay to their employees, I do not see the policy of paying a person $50 a mile for carrying the mail the first 24 miles and only $24 a mile for all the distance over 24 miles.

The hardest part of the route is the increased mileage over 24 miles, and just why the carrier should carry his mail for just half of the rate he gets for carrying the first 24 miles looks inconsistent. I think it is worth more to carry the mail that added distance. I think these men work just as hard to cover that distance and are entitled to the same compensation and the same rate they get for the other part of their route. For that reason I hope the amendment will prevail.

So much for that. I wish further to state that I am in favor of increasing the pay of our postal clerks and rural carriers. There are several reasons which especially appeal to me why this should be done. I wish to mention one or two at this time. The first is that I think their services are worth more than they are getting at the present time, according to what is paid other laborers doing this kind of work. They must especially fit themselves for this service, find themselves, furnish an outfit, keep it in repair, be punctual, assume responsibility and accuracy. Who ever heard of a rural mail carrier getting rich? That does not happen in the carrier business.

Another reason is that it is simple justice, as was explained by the gentleman from Illinois [Mr. MADDEN], the author of the bill, and who has worked so hard to present this bill and bring it before the Congress. We have voted to increase the salary and compensation of all other Government clerks and employees, and why not the postal clerks? Is it fair to do that? It is simply discriminating against the postal employees to raise the pay of all others who work for the Government and leave them out.

Another thing, and that is that employers of every kind and in all classes of business are increasing the salaries of their employees, and why not the Government increase the pay of its employees? Is it that the Government is less able or the postal clerks less entitled to an increase? No reason has been given why the pay of the others should be increased that will not apply to them. Again, and perhaps the best reason and the one most frequently given, is that of the increased cost of everything the carrier must pay for, everything he gets, and this applies to the doctor, the rents, his upkeep, and clothing, as well as his food. If he attends the picture show, he pays more; and I think if anyone needs to have diversion it is the laboring and the small-salaried man. Why can not Uncle Sam afford to pay more now than he formerly did? We have increased the price of postage on all classes of mail matter. The Government is getting more for the work done, and it is only fair that the employees who do the work should participate in this added revenue and income.

If I were to make any criticism of this bill, I would say the increase is not enough. It was proven before the committee, what we all know to be a fact, that the 15 per cent provided by this bill does not begin to meet the increased cost of living and supplies the carriers are compelled to furnish to carry on the work. The average increased cost of living since the war is said to be 68 per cent. I think it is 100 per cent. But be that as it may, I am sure that the increased compensation provided by this bill will leave a deficiency at the end of each year which the carrier will have to make up. I think the rural carrier—and I will apply it to every postal and other employee of the Government—is entitled to such a wage and compensation that he can live well, buy a home, educate his children, and lay up something for old age. A workman must receive such a wage to be at his best and render good and efficient services.

Mr. Chairman, I know there are those who will say that, if they are not getting enough and can do better elsewhere, why do they not quit and get other employment? Well, that question is, in the first place, not a fair one. A person who has especially fitted himself for a position and has worked at it for a term of years can not seek other employment which is entirely different from that which he has formerly done. There is no work which fits into that of postal clerk or mail carrier. The mail carrier's job is different from that of any other, and there is none like it, so that when he quits it he is not ready to take up other different work. In this connection may I say that many rural carriers and other postal clerks are quitting the service and seeking better employment, and we may sooner or later be confronted with the proposition of competing not only with other employers but with other branches of the Government service to get help to do this work? There are 270,000 employees in the Postal Service. They are among our best citizens. We must treat them fairly. They are necessary in the proper conduct of carrying on the Government. Business men want them, the boys in the trenches want them, and we must have them to help win the war. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment to the substitute of the gentleman from California offered by the gentleman from Michigan [Mr. SMITH].

The amendment to the substitute was rejected.

Mr. DENISON. Mr. Chairman, I desire to offer a slight amendment for the purpose of perfecting the text, and I want to know whether I should offer it to the Madden amendment or whether I can offer it to the language after the Madden amendment is voted on. It is to insert two words right after the language "$1,200 per annum," which is in the original bill, and which is also in the Madden amendment, as I understand.

The CHAIRMAN. The Chair thinks it is better to offer it to the Madden amendment after the substitute is voted on. The question is on agreeing to the substitute offered by the gentleman from California.

The substitute was rejected.

Mr. DENISON. Mr. Chairman, I offer the following amendment to the Madden amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. DENISON offers an amendment to the Madden amendment: Page 1, line 9, after the words "per annum," insert the words "exclusive of mileage allowance."

Mr. DENISON. Mr. Chairman, I offer this amendment for the purpose of correcting what I think is an error in the bill, and I would like to have the attention particularly of the committee, because I think it ought to be in the bill; otherwise there will be an injustice done. The bill now provides for a 20 per cent increase for all rural carriers receiving up to $1,200 per year. There are a great many carriers whose routes are 31 miles, and their salary amounts at the present time to $1,224 a year if they travel 31 miles. Therefore, if a man is traveling 31 miles now he will not get the benefit of the 20 per cent, whereas if he has only 24 miles he will get the benefit of it. The result will be that a man traveling 30 miles or less will get a greater salary than a man traveling 31 or 32 miles.

Mr. RAMSEYER. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. RAMSEYER. I understand the gentleman's amendment is in line 9, after the word "annum"?

Mr. DENISON. Yes.

Mr. RAMSEYER. That would not amend the Madden amendment at all.

Mr. DENISON. Is not that in the Madden amendment?

Mr. RAMSEYER. The word "annum" is in there, but it is not in line 9..

Mr. DENISON. My intention is to insert in the Madden amendment, after the words "per annum," the words "exclusive of mileage allowance."

Mr. EMERSON. There is a "per annum" in both lines 8 and 9.

Mr. DENISON. It is to be inserted after the words "per annum" in the Madden amendment. Here is what I mean: If a man is traveling 31 miles, he will get a salary of $1,200 and $24 for the extra mile above 30 miles, which makes his salary $1,224. Under this bill he will receive an increase of $24 per mile for the 7 miles above 24 miles, which amounts to $168 in traveling 31 miles, and his total salary will be $1,368. The man who is traveling 30 miles will get a salary of $1,200, and he will get an increase of 20 per cent, or $240, and then he will get pay for the 6 miles at $24 per mile, making $144 additional; and you see that the man who travels 30 miles will get about $216 more salary than the man who travels 31 miles. Therefore this amendment ought to be adopted, so as to exclude the mileage allowance in determining the carrier's salary. If it is adopted, I think the bill ought to pass, so the postal employees will get something near the compensation for their services that they are justly entitled to.

Mr. MADDEN. Mr. Chairman, I desire to change the language of my original amendment by adding the words "per annum" after the word "less," and I accept the amendment of the gentleman from Illinois.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] asks unanimous consent to modify his amendment by inserting the words "per annum" in the place indicated.

Mr. DENISON. Mr. Chairman, I would like to hear that read with my amendment.

Mr. MADDEN. The words "per annum" should have been put in after the words "twelve hundred dollars or less."

The CHAIRMAN. Without objection, the amendment will be reported as amended by the suggested amendment.

The Clerk read as follows:

Mr. MADDEN asked to modify his amendment by inserting the words "per annum" after the word "less" in the second line, so that it will read, "That each carrier in the Rural Free Delivery Service now receiving a compensation of $1,200 or less per annum shall receive in addition thereto," etc.

The amendment offered by Mr. DENISON proposes to insert, after the words "per annum," the words "exclusive of mileage allowance," so that as amended the amendment will read "each carrier in the Rural Free Delivery Service now receiving a compensation of $1,200 or less per annum, exclusive of mileage allowance, shall receive in addition thereto 20 per cent of the amount of such compensation," etc.

The CHAIRMAN. The question is on the amendment to the amendment offered by Mr. DENISON, of Illinois.

Mr. COOPER of Wisconsin. Mr. Chairman, that seems to me, from hearing the amendment read and listening to the statement of the gentleman from Illinois [Mr. DENISON], to be a meritorious amendment.

Mr. STEENERSON. I agree that the gentleman from Illinois [Mr. DENISON] is correct, and that that ought to be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DENISON] to the amendment of the gentleman from Illinois [Mr. MADDEN].

The question was taken, and the amendment to the amendment was agreed to.

Mr. AUSTIN. Now, Mr. Chairman, I offer the following amendment to the amendment of the gentleman from Illinois [Mr. MADDEN].

The Clerk read as follows:

Mr. AUSTIN offers the following amendment: On page 1, line 8, strike out "twenty" and insert "twenty-five."

Mr. SAUNDERS of Virginia. Is that a proposition to strike out the "twenty" that we have just agreed to?

Mr. AUSTIN. Yes.

Mr. SAUNDERS of Virginia. That can not be done now.

Mr. AUSTIN. Why not?

Mr. SAUNDERS of Virginia. Because the House has just agreed to it, and that represents the action of the House.

Mr. AUSTIN. If I can get the votes here we will do it. [Laughter.]

Mr. SAUNDERS of Virginia. I do not take issue on that.

Mr. AUSTIN. Mr. Chairman, I have been trying all the afternoon to get recognition in order to offer this amendment, which would mean an increase of 25 per cent for the rural carriers, or $300 additional per annum for a carrier whose annual salary is $1,200. Now that I have it before the House I hope my genial friend from Virginia [Mr. SAUNDERS] will give me an opportunity to present its merits to the House. In this connection I wish to thank and compliment him for the excellent presentation of the cause of the rural carriers a few minutes ago. Also, I think it is only fair and just to say a word of praise of the membership of the Committee on the Post Office and Post Roads for reporting the pending measure carrying increased compensation for all postal employees. While they have not, perhaps, gone as far as a majority of us hoped and expected, certainly they are entitled to praise for what they have done in the direction of a deserved increase in the salaries of a faithful and efficient set of Government employees. [Applause.] I think we are all of one mind, namely, that the rural carriers of this country are now taxed to the limit for all the necessities of life by the increased cost from 100 to 400 per cent of everything they must have in order to maintain and keep up this splendid and popular service for the Government and for the benefit of the people of the United States.

I also give my acknowledgment to my colleague from the progressive city of Chattanooga, Judge MOON, for his faithful services on the committee. [Applause.] Then here on this side of the House is our beloved MARTIN MADDEN, always the invincible champion of the postal employees [applause], and from out of the Northwest comes that splendid typical American who is, in season and out of season, working for the interest of the rural carriers, Mr. STEENERSON of Minnesota. [Applause.]

Mr. LANGLEY. Will the gentleman yield?

Mr. AUSTIN. Yes.

Mr. LANGLEY. Does not the gentleman think the committee deserves a bit of censure for overlooking the star routes in Kentucky and Tennessee and other sections of the country?

Mr. AUSTIN. We can correct that mistake. But the committee has done so well and so handsomely that I think we can afford to overlook the minor faults and only remember the big things they have done, along with their able colleagues on the important Committee on the Post Office and Post Roads.

Now, we are all of one mind, that the cost of the rural service to the carriers, of the maintenance, repair, and upkeep is in the neighborhood of $500 or $600 a year. Fifty million dollars appropriated for this entire service in salaries for the carriers, and of this amount the carrier must pay one-half in order to provide and maintain his outfit in order to efficiently discharge his duties. This financial burden is only required of rural carriers and of no other Government officials. I hope we will make the increase $300 a year—about one-half of the actual upkeep and maintenance cost, according to the statement submitted to us by the carriers residing in our districts. And what a splendid body of men, along with their substitutes, they are! [Applause.] They must pass a civil-service examination, always be on time or suffer a forfeiture, and they have upheld the high standard of American officialdom and have made the post-office service of use and benefit to that great class of our citizenship—25,000,000 farmers—upon whom the hope and faith of the American Republic stands. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee to the amendment of the gentleman from Illinois [Mr. MADDEN].

The question was taken, and the amendment was rejected.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. HAMLIN having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendments the bill (H. R. 9054) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919, in which the concurrence of the House of Representatives was requested.

The message also announced that the President had, on March 19, 1918, approved and signed bill of the following title:

S. 1854. An act to save daylight and to provide standard time for the United States.

The message also announced that the Senate had disagreed to the amendment of the House of Representatives to the bill (S. 3714) to provide further for the national security and defense, and, for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and for other purposes, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. SIMMONS, Mr. STONE, Mr. WILLIAMS, Mr. PENROSE, and Mr. LODGE as the conferees on the part of the Senate.

The message also announced that the Senate had disagreed to the amendment of the House of Representatives to the joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment

of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WILLIAMS, Mr. SMITH of Georgia, and Mr. SMOOT as the conferees on the part of the Senate.

INCREASED COMPENSATION TO CERTAIN EMPLOYEES OF THE POST OFFICE DEPARTMENT.

The committee resumed its session.

Mr. FIELDS. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. FIELDS. I desire to offer an amendment.

The CHAIRMAN. Is it an amendment to the Madden amendment?

Mr. FIELDS. It is an amendment to the Madden amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. FIELDS: Page 1, line 10, after the word "the," insert the words "star and," so that the language as amended will read: "That the carriers on a star and Rural Free Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200," etc.

Mr. MOON. Mr. Chairman, I make a point of order on the amendment.

Mr. MADDEN. Mr. Chairman, I make the point of order.

Mr. FIELDS. Will the gentlemen reserve the point of order?

Mr. MADDEN. No; we can not reserve it.

The CHAIRMAN. Does the gentleman from Kentucky desire to be heard?

Mr. FIELDS. I think, Mr. Chairman, the gentleman who presented the point of order should state it before I am heard.

The CHAIRMAN. Does the gentleman from Tennessee want to be heard on the point of order?

Mr. MOON. If the Chair has any doubt about it, I do.

Mr. BURNETT. Mr. Chairman, I would like to be heard in opposition to the point of order. It seems that the star-route men have not got any friends here.

Mr. MOON. Mr. Chairman, I want to say on the point of order that this section pertains to rural carriers, and is providing for the pay of rural carriers under a statute to which an amendment is offered to increase the pay. Now the star-route service is altogether a different service. The star-route people do not bear the same relation to the Government that rural carriers do, because the rural carriers are employees of the Government upon a salary, whereas the star-route people are independent, public contractors, antagonistic in the contract, of course, to the Government, and the star-route people are paid according to the contract for an annual service on a given route. You could not in any way connect the star-route people with the rural-route people. You might just as well undertake—and that is just what it would mean exactly—to increase the terms of compensation under a contract made between the Government of the United States and some other people on a competitive bidding proposition. That, of course, can not be done, and the amendment is in no way germane to the section of the bill. I will say to the gentleman from Alabama and the gentleman from Kentucky that there is a provision in this bill a little later along——

Mr. FIELDS. I have read that provision.

Mr. MOON. That provides that the Postmaster General may readjust contracts by agreement between the star-route people and others, and if he has any amendment he ought to wait until we reach that.

Mr. BURNETT. Does the gentleman think the star-route carrier will ever receive any show whatever with the Postmaster General?

Mr. MOON. Well, I do not see why not——

Mr. LANGLEY. He never has had any.

Mr. BURNETT. He never has had, and that is the best reason I know of in the world.

Mr. FIELDS. I would as soon try to fry a pancake on the North Pole.

Mr. LANGLEY. That whole section is not worth a bag of peanuts to the star-route carriers.

Mr. MOON. You gentlemen who are on the floor discussing this matter, do you think the people will ever have any show with you where the star-route and rural carriers are involved?

Mr. BURNETT. They would if I could get a chance at it; I would give them more pay.

Mr. LANGLEY. So would I.

Mr. MOON. I make the point of order.

Mr. FIELDS. Mr. Chairman, the gentleman says this is a bill dealing with the rural carrier. This bill is a bill that not only deals with the rural carrier, it also deals with the men employed in the transmission and handling of the United States mails. It deals with the clerks in the city offices of the different classes; it deals with railway mail clerks, it deals with the rural carrier, and the star-route carrier, performs the same duties that the railway mail clerk or the rural carrier performs.

Mr. MOON. Will the gentleman yield?

Mr. FIELDS. I do not yield just now.

Mr. MOON. I make the point of order the gentleman is not discussing the point of order.

Mr. FIELDS. I am discussing the point of order, and I do not propose to be taken off the floor by the gentleman from Tennessee.

Mr. MOON. Let the Chair rule on that.

Mr. FIELDS. The star carrier is employed by the Government under a different contract technically, but he is an employee of the Government transmitting the same mail that the rural carrier transmits, and if the Congress decides to raise that compensation it has a perfect right to do so, and therefore I maintain, Mr. Chairman, that the amendment is germane to the bill.

Mr. LOBECK. Will the gentleman yield?

Mr. FIELDS. The increase in this compensation will not invalidate the contract, as the gentleman from Tennessee contended yesterday, if I remember his remarks correctly.

Mr. LOBECK. Will the gentleman yield?

Mr. FIELDS. In a minute. There is not a lawyer in this House who will after careful consideration contend that a contract is invalidated because one of the contracting parties pays to the other a greater sum than he agreed to pay in the original contract.

Mr. LANGLEY. Will the gentleman yield for a suggestion?

Mr. FIELDS. And another point suggested by my colleague is that the bill fixes the compensation of the motor-truck carriers, which are at present fixed by regulation.

Mr. MADDEN. If the gentleman will allow, the men the gentleman refers to are employees of the Government; the men he seeks to relieve are contractors, not employees of the Government.

Mr. LANGLEY. Those who contract are employees of the Government also.

Mr. FIELDS. They enter into a contract with the Government, and the other men, the star-route carriers also, enter into a contract with the Government to do a given service.

Mr. MADDEN. You might as well say that the shipbuilders making contracts to build ships are employees of the Government in the same sense.

Mr. REED. Do they take the oath of office?

Mr. MONDELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MONDELL. Do I understand that the point of order to this amendment was that it was not germane to the bill or not germane to this particular section of the bill? I take it no one will claim that an amendment of this kind could not be made in another place.

Mr. LANGLEY. It could be made under section 4, of course.

The CHAIRMAN. The Chair understood that the point of order was made that it was not germane to the pending amendment, and the Chair will rule, unless gentlemen want to be heard.

Mr. BURNETT. Mr. Chairman, I would like to be heard against the point of order. My argument is argumentum ad judicium. Whatever is right ought to be in order. Gentlemen here have made long-winded speeches in favor of rural carriers, and that is all right. I am one of the friends of those carriers, but I imagine on account of the fact that there are so few of the star-route carriers and they have few votes gentlemen have not shed tears in their interest. Therefore I believe it is in order anywhere, whenever we can do right by anybody, to do it, and right here, when we are increasing the salaries of all of these other carriers, is the place to help the star-route carriers. They can not get loose from their jobs. The rural carriers and nearly everybody else can resign if they desire to do so, but the star-route carrier is held down by his contract, his bid, and his bond. Many of them took the contracts at low rates when provisions for man and beast were low, and now they can not turn them loose.

Mr. MADDEN. Will the gentleman from Alabama yield?

Mr. BURNETT. Yes.

Mr. MADDEN. Section 4 of this bill provides:

That the Postmaster General shall have authority to investigate conditions arising from contracts in the star-route and screen-wagon service with a view to adjusting compensation and adjust the same in cases where the facts disclose the necessity for such adjustment.

Mr. BURNETT. The lamb when he appealed to the wolf said, "On account of your love for me I appeal to your mercy," and that will be the kind of mercy, Mr. Chairman, the Postmaster General will show to the star-route carrier. Therefore I maintain that this amendment is in order anywhere, because it is right and just.

I voted most cheerfully to-day for the increase of the salaries of the rural carriers. I have always voted for every bill to help these faithful servants of Uncle Sam, and now I want to vote for an increase for their overworked and underpaid brethren, the star-route carriers.

Mr. SAUNDERS of Virginia. Mr. Chairman, I desire to say a word on this point of order.

So far as the merits of the star-route cases are concerned, I will say to the gentleman from Alabama [Mr. BURNETT] that I will go even further than he does. I believe that numbers of the star-route contractors are in a much more desperate condition, than many of the other persons intended to be relieved by this bill. But that has nothing to do with the point of order. We are dealing now with one section of a bill relating to increases of salary of certain employees specifically mentioned in the bill. There is no precedent, I submit, that my friend from Alabama can cite, that under the circumstances would make in order at this time a motion to add to the bill another and different class of beneficiaries. To a limited extent, this bill deals with star-route contractors. But that is in another and later section. Manifestly any proposition relating to star-route carriers must be remitted to that section, and is out of order in the present connection.

The CHAIRMAN. The Chair is ready to rule. The Chair is of the *opinion* that the amendment is not germane to the present pending amendment, and therefore sustains the point of order.

Mr. CLARK of Florida. Mr. Chairman, I desire to offer an amendment to the amendment.

Mr. MOON. Mr. Chairman, a parliamentary inquiry. Has debate been exhausted on the Madden amendment?

The CHAIRMAN. It has been exhausted on the Madden amendment; yes, sir.

Mr. MOON. Now, is this an amendment to the Madden amendment?

The CHAIRMAN. Yes. The Clerk will report it.

The Clerk read as follows:

Mr. CLARK of Florida moves to amend the Madden amendment by striking therefrom the words "now receiving a compensation of $1,200 or less per annum, exclusive of mileage allowance."

Mr. CLARK of Florida. Mr. Chairman, I am particularly anxious to see that this portion of the bill is so framed that there will be no discrimination. Now, I do not believe that the language which has been added to the Madden amendment is specific and clear enough to accomplish that purpose. This amendment would simply make the increase of 20 per cent applicable to all rural carriers. Now, if one carrier is entitled to the increase the other is entitled to it, and just as much entitled to it as the first one.

Now, for instance, I understand that the law is this, that the maximum pay for a standard route of 24 miles is $1,200. Up to 31 miles there is no increase, but when a carrier reaches 31 miles he does get an additional $24 a year. Now, say, for instance, that there is a carrier in existence with a route 32 miles long. He will be getting $1,248 a year. Under this bill he would not be benefited a penny unless the amendment of the gentleman from Illinois [Mr. DENISON] reaches the point, and I do not think it does. Who is to determine what is meant by "mileage allowances," and why should we leave any room for construction? If you leave it that way, it will be involved in doubt, to say the least of it, to determine just what Congress did mean; and if it is construed not to apply to a carrier getting over $1,200 a year, and I apprehend the department will so construe it, then you will find this state of affairs: You will find a man with a route 32 miles long, when the law becomes effective, getting $1,248 a year. You will find a man with only 24 miles, who gets $1,200, getting, when his route is increased 2 miles—that is, to 26 miles—$1,248 and 20 per cent additional to the $1,200, which will be $240 added to that, and in all he will get $1,448.

Now, we ought not to leave any room for any such discrepancy as that between the pay of these different carriers. I simply want to call this to the attention of the committee. I believe the language as it is now in the bill is such as to leave it subject to a wrong construction.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Florida [Mr. CLARK].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. MADDEN. Division, Mr. Chairman.

The committee divided; and there were—ayes 24, noes 73.

So the amendment was rejected.

The CHAIRMAN. The vote now recurs on the Madden amendment.

The question was taken, and the amendment was agreed to.

Mr. MADDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN], a member of the committee, offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Page 2, line 7, after the word "grade" insert the following:

"*Provided*, That upon the passage of this act clerks in first and second class post offices and letter carriers in the City Delivery Service shall pass automatically from the grades therein and the salaries they receive under the act of March 2, 1907, to the corresponding grades, with the additional salaries provided for in this act: *Provided further*, That all promotions of both clerks and carriers shall be made at the beginning of the quarter following the expiration of one year's service in the next lower grade."

Mr. MADDEN. Mr. Chairman, that is simply complying with the law that is already in existence. I am not going to take up the time of the House to argue it. I ask for a vote.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. TAGUE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TAGUE: Line 13, page 2, after "$2,000," insert the following:

"*Provided*, That upon the passage of this act railway postal clerks shall pass automatically from the grades they are in and the salaries they receive under the act of August 24, 1912, to the corresponding grade with the additional salaries provided for in this act."

Mr. TAGUE. Mr. Chairman, this amendment is somewhat similar to the amendment offered by the gentleman from Illinois [Mr. MADDEN], and is merely to make the section come within the provisions of the law.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. TAGUE. Yes.

Mr. DYER. Is not that the existing law now?

Mr. TAGUE. Yes.

Mr. DYER. Do you think the Postmaster General would pay any more attention to it if it is reenacted than when it was originally passed?

Mr. TAGUE. I do not care to answer that.

Mr. STAFFORD. Mr. Chairman, I wish to be recognized in opposition, if nobody else wishes to be recognized.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes.

Mr. STAFFORD. Mr. Chairman, I can not agree with the gentleman from Illinois——

Mr. MADDEN. My amendment is already adopted——

Mr. STAFFORD. Or the gentleman from Massachusetts [Mr. TAGUE] in their statements that the amendments which they propose are merely existing law. It is not the fact. The existing law provides that, so far as clerks and carriers are concerned, there shall be automatic promotions in second-class offices up to the fourth grade, and in first-class offices up to the fifth grade, and that their increases to the higher grades are dependent on the action of Congress.

When the gentleman from Massachusetts [Mr. TAGUE] attempts by this amendment—and I am surprised that there is not some member of the Post Office Committee who is willing to take up the cudgels in behalf of the Treasury—to permit every railway mail clerk after a service of one year in a grade to the maximum salary of $2,000, and attempts to have it adopted on the plea that it is existing law, I feel compelled to rise in opposition.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Wisconsin yield to the gentleman from Texas?

Mr. STAFFORD. I have only five minutes, and I want to go ahead to explain what the purpose is, and to explain the existing practices.

Under the existing practice in the Railway Mail Service there are three classes of service. In all classes they enter at

$900, and in class A after one year's service they are promoted $100 each year until they receive $1,200 as a maximum. That generally applies to the apartment-car service on the minor lines, the maximum salary being $1,200.

The next grade is class B, where they receive a maximum salary of $1,300. Class C is the railway postal car service, where the automatic-promotion pay for the clerks is up to $1,300, and he is privileged to receive the maximum salary of $1,500.

What do you propose to do under the amendment of the gentleman from Massachusetts? You intend to destroy all gradation whatsoever of the pay of railway mail clerks based on the character of the service. I served on this committee for 10 years, and it has been the universal practice for all time to recognize the pay of railway mail clerks as based upon the character of service performed. Never have we paid clerks in the apartment-car service the same salary as the clerks in the railway postal car. Here you are giving the clerk in the apartment car, on a small run, a maximum salary of $2,000, the same as the clerk in charge. Gentlemen, you are going wild to-day in your raid on the Treasury, simply wild.

A few minutes ago I said you were costing the Government $5,000,000 every hour that this committee was in session. It has been justified to-day by your increasing from 15 per cent to 20 per cent the pay of the rural carriers. You were not content to give to the rural carriers—those serving on routes exceeding 24 miles—the 20 per cent increase, but you gave them an additional $24 a mile in excess of 24 miles, when many are to-day receiving that additional allowance. Never before in the history of the country has there been such extravagance, and all because you are fearful of the organizations of these postal employees at home, fearful that they may destroy you because you do not have the courage in this crucial time to vote your judgment.

This amendment, if adopted, will cost the Government $5,000,000 each year, with an increase of $500,000 or $600,000 additional every year until they all receive a maximum of $2,000. Are you in favor of such wasteful extravagance when the Treasury needs all its money for the defense of the boys across the sea? [Applause.]

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEATING rose.

The CHAIRMAN. The gentleman from Colorado is recognized.

Mr. KEATING. Mr. Chairman, I hope the amendment of the gentleman from Massachusetts [Mr. TAGUE] will be adopted.

I gained recognition, though, to speak of another matter—related to this part of the bill. This paragraph was originally introduced as a bill by our colleague from Minnesota [Mr. VAN DYKE], who for a number of years was a railway mail clerk. He quit the Railway Mail Service largely because of his efforts to benefit the railway mail clerks of this country. Things were made so uncomfortable for him that he was compelled to get out, and thus the way was opened for his election to the Congress of the United States.

I think the Members who have observed his conduct here will agree with me that never during the years he has been in Congress has he for a single moment forgotten "the boys" who still remain in the Railway Mail Service. Mr. VAN DYKE is unable to be here to-day. He is absent in his home city of St. Paul performing a very important public service. A great industrial struggle is disturbing St. Paul, and Mr. VAN DYKE has been requested by the Secretary of Labor to assist in adjusting the controversy. Therefore it is impossible for him to be here this afternoon and witness the triumph of a cause for which he has labored so earnestly and unselfishly. [Applause.]

Mr. RAINEY. Mr. Chairman, it will be unnecessary, of course, for Mr. VAN DYKE to be here. There is no doubt as to the result as these proposed increases in salary are presented. This is a glorious day in the history of our country. The additional salary allowances we gave two or three days ago, of $120 to each of 240,000 of the highest-paid clerical employees in the world, was merely the barrage fire in preparation for the events of this day; and to-day, with banners flying, gloriously, the membership of this House, in their assault on the Treasury, go over the top, and these absurd amendments are put on this bill. And there seems to be no place to stop. This bill was not recommended by any efficiency committee. These increases and the original bill itself were not recommended by the head of any department, but that does not make any difference. The elections this fall are approaching, and it is an inexpensive proposition to vote here to-day for these demands on the Treasury, to be shared by 300,000 or 400,000 men in the United States, and then go back home. It is an easy proposition. It makes campaign expenses lighter upon the men who have the courage to vote here for these things, and who have the courage to lay these enormous expenses upon the taxpayers of this country. It is useless to oppose any of these amendments. The only chance the country has with reference to this bill is that all of these additions will be put on hoping that the Senate of the United States will interpose or that the President may interpose his veto. That is the only chance the Treasury has against the movement started upon it here in the House two or three days ago, and carried on with such magnificent success this day. Just a few minutes ago we voted to increase the salaries of rural carriers 20 per cent. I asked the author of this amendment how much it would cost and he did not know how much it would cost the Treasury. It is not interesting to the men who stand for these propositions, it does not interest them, what kind of a demand it makes upon the Treasury of the United States. But I called up the Assistant Postmaster General of the United States and asked him what that amendment would amount to, and he said an addition of 20 per cent to the salaries of rural carriers meant the small item of $20,000,000 a year. Of course, that is not much with the elections approaching. That is not much with these clerks, all of them organizing. That is not much when the millions who belong to the American Federation of Labor stand back of them pledging their aid and support. This charge that you are making upon the Treasury this day does not amount to much. Where is this money to come from? You are getting part of it by the most oppressive system of taxation this country has ever known. You are getting the most of it by borrowing it, and after this war is over, if it last two or three years longer, we face a budget of $5,000,000,000 every year containing a fixed annual interest charge upon the money we are borrowing to pay the extravagances of this Congress of perhaps $2,000,000,000 every year. But that does not make any difference. The movement upon the Treasury has commenced, a glorious movement. Keep the banners flying; keep up the movement; for God's sake do not stop it!

This movement is led by my genial colleague, the gentleman from Illinois [Mr. MADDEN], one of the leaders on the Republican side, and back of him stand grandly almost the solid Republican membership of this House, and there are enough Democratic Members following him to make victory sure. The vaults of the Treasury lie open—ask every Government employee to come in and help himself. They are organized, all of them. They think they can defeat any one of you, and you seem to think they can. Of course, your reelection is more important than the safety of the funds we are collecting by taxing the people as they never have been taxed before and by borrowing from the people the money we do not take from them by taxation. Your constituents—those of them who are not the beneficiaries of these salary grabs—were probably under the impression when they voted for you that you would act as reliable custodians of the great fund you are collecting from them. But no such plebeian impulse controls the gentlemen who to-day so grandly and generously vote to give away money which does not belong to them.

The people are paying now 3-cent letter postage without complaining, for the reason that one-third of it goes into the war funds of the Government, and they expect to return to 2-cent letter postage when the war is over. But you have already added $130,000,000 increase per annum to the expenses of this department, and the bill is not yet concluded—the raid still continues. If the bill you are passing with so much enthusiasm becomes a law—and these are not war-time measures; you are making them permanent—do you realize what you have done? You have made impossible a return to 2-cent letter postage. And that is not all. You have made absolutely necessary legislation in the very near future which will compel newspapers and magazines to pay the entire cost of carriage through the mails. And that is not all. You have made it necessary to raise letter postage to 4 cents at least. Of course, these little matters will not interfere with the progress of this salary grab, but I am calling attention to them. There may be enough of us to compel roll calls on all these propositions, and of course you all want to be able to show by your record votes how generous you have been with the money entrusted to your care.

It already appears that people, on account of the 3-cent letter postage, are economizing in the matter of mailing letters—and the extra 1 cent will only bring into our war funds $50,000,000 per year. We pay the expense of the Postal Service out of the sale of stamps, and if you add to the expenses of this department $130,000,000 per year, and if an increase of 1 cent only brings in $50,000,000, you can see that when these charges you are making to-day become effective even an additional 3 cents

is a possibility, and unless the war ends soon the 6-cent letter postage rate is in sight during the period of the war, with a possible reduction to 5 cents when the war ends.

In order to get at the Treasury of the United States in this magnificent and apparently successful raid you have suspended the rules of the House—you have overruled the decisions of the Chairman, clearly based on all the precedents, in order to give to thousands of clerks and letter carriers in first and second class post offices each an ultimate salary of $1,500 per year, and in order to give every railway postal clerk an ultimate salary of $2,000 a year. The farmers you are taxing to do this have an average annual income of less than $700 per year, and the wage earners you are taxing have an average annual income of considerably less even than that. But, of course, little considerations of this character ought not to interfere with the generous motives which inspire so many of you to-day. I am sorry to have interrupted the hilarity which prevails here this afternoon—on with the raid on the Treasury; let joy be absolutely unconfined. In France they celebrate the anniversary of the day when the Bastile fell—we ought to celebrate hereafter the anniversary of this day on which the Treasury falls before your courageous, magnificent advance. At some time in the future the taxpayers upon whom you are placing these burdens may also organize—but I ought not to call attention to such an unpleasant possibility.

The raid you successfully pulled off two or three days ago, when you added $120 per year to the salary of over 240,000 clerical employees, will cost the country over $30,000,000 per year. The raid you are pulling off to-day will cost $130,000,000 per year. The minimum wage bill when it passes will cost another $50,000,000 per year. For the aggregate amount of these three items you could build every year 15 great battleships, and this would mean that in three or four years we would be invincible upon the seas and would be able to command the peace of the world. But, of course, this is also a matter which ought not to be mentioned on the present joyful occasion. Even after your magnificent victory of to-day something may happen to keep this bill from becoming a law. Of course, nothing can be expected here, but some patriotic influence may yet intervene to protect the Treasury against the events of this day.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SMITH of Michigan. I ask that the gentleman's time be extended one minute, so that I may ask him a question.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the time of the gentleman from Illinois be extended one minute, for the purpose of asking him a question. Is there objection?

Mr. COX. I shall have to object.

Mr. MOON. Mr. Chairman, is the debate upon this amendment exhausted?

The CHAIRMAN. There have been five minutes debate on each side, and more.

Mr. MOON. Is the debate exhausted on the amendment that is pending?

The CHAIRMAN. Yes.

Mr. MOON. Let us have a vote on it.

Mr. BLACK. I want to amend the Tague amendment by adding to it a proviso—

Provided, That this shall not alter or modify the three classes of railway mail clerks as now provided by law.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. BLACK offers to amend the Tague amendment as follows: Add at the end of the Tague amendment:

"*Provided further*, That this shall not alter or modify the three classes of railway mail clerks as now provided by law."

Mr. BLACK. I think I understand what the gentleman from Massachusetts desires to accomplish by his amendment. It is, as I understand it, this: Under the pending bill grade No. 1, for instance, has been raised from $900 to $1,100, and so has each of the other grades been raised $200 per annum; and the gentleman from Massachusetts [Mr. TAGUE] intends that the Postmaster General shall place the $900 man in the new grade No. 1 at $1,100, and so on up the line, giving recognition to the new grades which have been established. But under the language of his amendment it might be construed as directing the Postmaster General to promote all railway mail clerks automatically one grade each year up to the $2,000 grade. I have not been in favor of this new reclassification plan and have offered an amendment to strike it out and substitute percentage increases similar to the percentage increases proposed for other postal employees, but the House has refused to adopt my amendment and therefore I would not want to offer any obstruction to these men going into the new grades which the House intends by the adoption of the new classification plan.

Under the law as it now exists, as pointed out by the gentleman from Wisconsin [Mr. STAFFORD], the grades of railway mail clerks are classified into three classes, namely, classes A, B, and C. It is not that way as to postal clerks and carriers, but it is as to railway mail clerks. I do not understand that the gentleman from Massachusetts intends to alter or modify the three classes—namely, A, B, C—but merely to put the railway mail clerks into the new grades which this bill will establish, and so I think the amendment ought to be adopted which I have offered to the Tague amendment.

Mr. STAFFORD. Will the gentleman yield?

Mr. BLACK. I will.

Mr. STAFFORD. Will the gentleman cite the committee to the section of law wherein the railway mail clerks are divided into three classes?

Mr. BLACK. It is section 1549 of the Postal Laws and Regulations. I have stated the substance of it to the House.

Mr. STAFFORD. If the gentleman will examine the phraseology of the Tague amendment, he will see that it is obligatory on the Postmaster General to promote the respective clerks up to the maximum salary.

Mr. BLACK. I do not think it would be that way with my amendment adopted.

Mr. STAFFORD. Then, there would not be any purpose in the classification.

Mr. BLACK. Yes; it would put the men in the new grades under the new salary basis which the House has adopted, but would not repeal the three classes, A, B, and C.

Mr. STAFFORD. The maximum salary in class B is $1,500. Does the gentleman mean to say it would be $2,000?

Mr. BLACK. No; I do not understand it that way.

Mr. STAFFORD. I will ask the gentleman from Massachusetts what is the purpose of his amendment?

Mr. TAGUE. It is merely to have the different grades now fixed by law, previous to the passage of this act, go into the grades that are defined in the present bill. In other words, a man getting $1,100 under the old law, under this bill would get $1,300, and he would automatically go from $1,300 to $1,400 increase in the grade defined in this law.

Mr. MADDEN. In other words, if he was in class 1 at $1,000 a year, he would remain in class 1 unless he was entitled to be promoted, and he would be increased in compensation $200 a year.

Mr. STAFFORD. The law would still restrict the salary of class A to $1,200, class B to $1,300, and class C to $1,500. I want these clerks to receive a fair increase, but no such increase as provided in the amendment of the gentleman from Massachusetts, where they all will be promoted automatically until they receive $2,000 a year.

The CHAIRMAN. The question is on the amendment of the gentleman from Texas to the amendment of the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The question now is on the amendment of the gentleman from Massachusetts as amended.

The question was taken; and on a division (demanded by Mr. TAGUE) there were—82 ayes and 42 noes.

So the amendment was agreed to.

Mr. KEARNS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 2, line 13, after the figures "$2,000," strike out the period and insert the following: "and chief clerks at $2,250."

Mr. KEARNS. Mr. Chairman, as I am advised, there are 120 chief clerks to be affected by this amendment, should it pass.

Mr. MADDEN. Will the gentleman yield?

Mr. KEARNS. I will.

Mr. MADDEN. I wish to say to the gentleman and to the House that the Post Office appropriation bill, passed in December, carried 6,400 promotions and included the men in the class referred to in the amendment he proposes. There is no necessity to have anything done for them in this bill, because they are already provided for.

Mr. KEARNS. Mr. Chairman, notwithstanding the statement made by the gentleman from Illinois, I contend that every clerk in the Postal Department throughout the United States will get an increase of salary as provided by this bill and as provided by former appropriation bills, except 120 chief clerks, whose salary is not affected by either this bill or any other appropriation bill made at this session of Congress. There are 120 of them who will continue to receive $2,100 a year. These men have a tremendously important duty to perform. The law has always recognized that their services were worth about

$450 more than the services of the highest paid clerks under them. Under the law as it will stand after the bill is enacted their salary will be within $100 of the highest paid clerks. If this amendment should pass, it will increase their salary only $150. The increase is less than the increase of any other class of clerks. I submit to the fair consideration of this House that these 120 men have not received just treatment, if this amendment fails to carry.

Mr. Chairman, I want to turn from this amendment that I have introduced to say a word concerning other features of this bill. Uncle Sam is the biggest and richest employer of labor in the United States. We boast for him the distinction of being the most kind and generous of all who have entered into the field of labor employment. I am sorry that statements in his praise are not always true. The Federal Government in this connection in too many instances is neither kind, just, nor generous in dealing with those who are called upon to do its work in the various fields of Federal endeavor. In many instances there has been no increase of either salary or wages in many years, yet within that time the cost of living has so far increased until to-day this inflated cost has depreciated the value of a dollar at least one-half, and in many instances the purchasing power is even less than one-half. The private employer of labor has taken this into account long ago, and the wage of those in private activities has been materially increased, perhaps not to the point of absolute justice, but the increase has been a material one. This is not true of public employment. [Applause.]

However, there is a ray of hope struggling through the clouds for those who are in the service of the Government. The Congress of the United States at last has awakened to the fact that these thousands of poorly paid men and women shall come into a part, at least, of their just reward for a long and faithful service. A few days ago a bill passed this House carrying increase of salaries for department clerks in Washington. Every bill of this nature has had my earnest support, because it seems to me but justice. I shall vote for the pending bill with only one regret, and that is the increase of pay to some of these faithful employees of our great Postal System is not enough. I would like to see a greater increase than this bill provides be given to each carrier of rural mails. Remember these men out of their present pay must either own or hire at least two horses and a conveyance for the entire working year. If he owns this team and conveyance, or whether he does not, we must not fail to take into account the original cost to him or some one else and couple that with the fact that there is a constant cost of the everyday upkeep, with prices of feed increasing from month to month so rapidly that I do not even know the cost of hay and oats and corn and straw to-day. I do know, however, the cost is three and maybe four times that of only a short period back. [Applause.]

Mr. Chairman, it may be that the carrier has provided himself with a motor vehicle in order that he speed up the delivery of mail to anxious patrons who await his daily arrival hoping for tidings from a son or brother now in trench or camp. If so, his outlay for gasoline, tires, and repairs amounts to fabulous sums in comparison with his meager wage. Neither has the high cost of living in its sweep of the country missed this class of workers for Uncle Sam. Before this class of men can buy their living necessities when their pay check comes, they must first take care of the upkeep bills, and when this is done there is such a little left that in many instances their families are in want. This ought never to be said truthfully of the employees of the greatest Government upon the face of the earth. [Applause.]

Confronted with all these facts there are some who reject the demands of postal clerks and carriers for a living wage on the ground of public economy. I want economy, and rigid economy, in the expenditure of public funds, but not the economy, so called, that makes our Government mean and miserly. Not the economy that withholds from those who perform an honest service a just reward. Not the economy that will stunt and dwarf the children of these carriers of the mail. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was rejected.

Mr. ROGERS. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. ROGERS: Page 2, line 13, insert as new paragraph the following:

"Clerks, carriers, and railway postal clerks who are detailed to serve in a foreign country shall, during the period of their foreign service, receive a salary 20 per cent in excess of that herein provided for the grade to which they belong."

Mr. ROGERS. Mr. Chairman, I am in favor of this bill, and I am very glad that I shall have an opportunity to vote for it in the near future.

I have offered the amendment which has just been read in order to give a 20 per cent bonus to the men who are being sent to France by the postal authorities to deliver the mail to the soldiers who are now with the American Expeditionary Forces. Our soldiers receive an increase of 20 per cent in their pay for foreign service. My suggestion is that somewhat the same considerations which make it proper to increase the pay of the soldier when he is overseas make it proper to increase the pay of the postal employee when he is overseas.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. DYER. Is it not a fact that these men who were sent over there get extra pay?

Mr. ROGERS. The only extra pay that they receive, as I understand it, is a very small allowance for commutation of quarters and rations. I think all they so receive is $2.50 a day, both for board and lodging, which will probably prove less than their actual and necessary expenses. I want to call the attention of the House to a statement which was cabled from France by the Associated Press three or four days ago, and which was published throughout the United States in the press. The Associated Press dispatch says in part:

BAKER'S ARRIVAL SPURS AMERICANS AT FRONT AND IN CAMP TO ACTIVITY—"OLD MAN WILL FIND US READY WHENEVER HE COMES," MEN SAY—MAIL DELAYS CAUSE WORRY.

[By the Associated Press.]

WITH THE AMERICAN ARMY IN FRANCE,
Tuesday, March 12.

In Army circles there is general gratification over the coming of Mr. Baker, in order that he may see at close hand what has been accomplished thus far in the face of the obstacles and the difficulties of distance, and especially the moral and physical condition of the troops, so that he may carry home a personal knowledge of easily remedied deficiencies and complaints.

DELAY OF MAIL SERIOUS.

The most serious of the deficiencies and complaints surround the Army mail service. Everywhere the rank and file complain of the absence or great delay in mail from home.

Company officers generally say the mail problem is one of the most serious they have to contend with, because the men become lonely and anxious in the absence of word from their families. The ordinary mails are from one month to six weeks ahead of the Army mails, and the officers express the belief that there would be no better factor for the happiness of the men than the most expeditious mail service it is possible to devise—even a faster service than through the ordinary civilian channels.

If this article is to be believed—and I think we shall agree that an Associated Press dispatch is always intended to represent the fact and does not display any partisan prejudice or bias—it appears that the ordinary civilian mails to France are from one month to six weeks ahead of the Army mail. A friend here in Washington has just told me of his experience. He received yesterday a reply to a letter which he wrote a civilian member of his family in Paris 35 days ago. The letter had traveled from Washington to its destination in Paris and the answer had been written and returned to him in Washington, all in 35 days. Members of this House know that the average time that the soldiers' mail would take for the round trip would be from two to three times as long. I submit that if there is to be any distinction between the civilian mail and the soldier mail it ought all to be in favor of an expeditious delivery to the soldiers.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. STAFFORD. Is the gentleman advised as to what the scale of pay is for the postal employees connected with the delivery of mails in France?

Mr. ROGERS. My understanding is that they receive the pay of their grade in this country and an allowance for food and quarters.

Mr. STAFFORD. That is the gentleman's understanding. Does he know whether that is the fact?

Mr. ROGERS. That is my information.

Mr. STAFFORD. Mr. Chairman, if the gentleman will permit, the employees doing service in connection with the Auditor for the War Department are paid much more liberal salaries for service abroad out of lump-sum appropriations than they receive in this country, and I rose to ascertain information as to whether a similar system does not prevail with respect to the postal employees over there?

Mr. MADDEN. Mr. Chairman, if the gentleman will permit, I want to say that without information upon the subject of what the policy of the Postal Department is with respect to the pay of these men abroad I do not think we ought to adopt any amendment of any kind to this bill on this proposition, because no one knows what the department is doing. It is not fair to adopt the amendment without information. We have not the information, and we are not going to be able to get it, and I hope the amendment will not prevail.

Mr. ROGERS. Mr. Chairman, my time has expired. As an argument has just been made in my time in opposition to my amendment I ask unanimous consent that I may proceed for two minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MOON. Will the gentleman yield?

Mr. ROGERS. Certainly.

Mr. MOON. Does the gentleman understand how these men who have gone to France are paid?

Mr. ROGERS. My information is they are paid the amount of the grade which they carry in this country.

Mr. MOON. Well, they are paid in addition all their expenses.

Mr. ROGERS. I have stated that it is my understanding that they are paid $2.50 per day for rations and lodging.

Mr. MOON. No man goes over except upon his own request.

Mr. ROGERS. That is true. Most of our soldiers in France are volunteers. Is that to their discredit?

Mr. MADDEN. Hundreds are making applications to go.

Mr. ROGERS. And hundreds are making applications because they want to render patriotic service in connection with Army work on the other side.

Mr. MADDEN. If a man has a home and can stay at home, and wants to take this salary and go to France and get the additional pay furnished for such service, why is it the gentleman wants to increase the salary of a man after he has gone over without any intimation on the part of the Post Office Department as to its necessity?

Mr. ROGERS. The gentleman did not apply that argument when the pay of soldiers who went to France was very properly increased because of their over-seas service. I think that many of the postal men who volunteered to go over to France are moved by just the same patriotic motive as that which actuated the soldiers.

Postmaster General Burleson, in response to House resolution 232, which I introduced and which was adopted by the House, said (H. Doc. No. 892) under date of January 31, 1918:

> The time required to transmit postal matter from the United States to the members of the American expeditionary force in France has been found to be from 15 to 30 days.

Every soldier in our forces and every wife and mother of every soldier knows that Postmaster General Burleson had been misinformed when he made this statement. Of course it was difficult to cooperate with the Post Office Department in securing an improvement in the service when the Postmaster General has officially stated that the service was unimprovable. Lately I am glad to observe a modification of this rather uncompromising attitude. The Second Assistant Postmaster General, Mr. Praeger, recently admitted the delays before the Senate Committee on Post Offices and Post Roads, but attributed them to the Army and not to his own department.

Mr. Praeger, who is in charge of over-seas mail, testified before the Senate Committee on Post Offices and Post Roads on February 16. A statement has recently been printed in the Official Bulletin of March 16, which is described as a "statement given out by the Post Office Department," and which presumably emanates officially from Mr. Praeger's office. These two sources, taken together, refute absolutely and definitely the sweeping indorsement by Mr. Burleson of the mail service. They show that the delays which everyone recognizes, but which the Postmaster General denies, are attributable to at least five causes.

DELAY 1.

Permit me to quote the language of the testimony:

> Mr. PRAEGER. The mail at these terminals—
>
> Referring to the terminals in New York City and Chicago—
>
> is distributed without any information from the War Department. We don't know how to make up the mail except by the fact that letters are coming in for this unit or for that unit. Out of that we build up, day by day, a new section, showing that there are new troops there because there is mail arriving.
>
> In the Navy we handle the mail for the entire naval forces, but the Navy furnishes us by telegram or by radio a change in the shift of its ships on the day they take place. The Army gives us no information whatever, as, I assume, it is a military necessity to hold it secret. So all we can do is to make up all the mail we receive for Company A, of the —— Infantry, in one sack, and label it so. (Praeger hearings, p. 114.)

DELAY 2.

> Mr. PRAEGER. After the mail is made up in the New York office and put in a sealed bag addressed to the company we have two ways of sending it. One is by the French liners. They are running very irregularly—sometimes 14 days, sometimes 18, and we have known it to be longer, nearly a month, between the arrival and departure of French liners. They used to have enough ships to operate, I think, a semi-weekly service. Then when the war broke out it got to be weekly service. Now they run irregularly. We have had intermissions of two weeks frequently between sailings of those French liners.
>
> Our other source is to send it on the transports. We can send on the transports mail only to such an extent as the embarkation officers will permit to go aboard. We can not control it. They are to tell us how much mail they can take and when they will take it. They will send, say, for example, 3,000 sacks at noon to-morrow or 1,000 sacks at noon to-morrow. We may have waiting eight or ten thousand sacks, but 3,000 sacks are all that they will take. (Praeger hearings, p. 116.)

DELAY 3.

> Mr. PRAEGER. That mail, arriving in France at one of the ports, is dispatched by a post-office official, who is furnished, confidentially, by the Army there with the location of all the units in France. That information from the Army to the postal authorities has heretofore been uniformly 8 to 10 days after the unit is finally settled in its location. Sometimes it is longer and sometimes a little faster, but not very frequently. (Praeger hearings, p. 116.)

Mr. Praeger has recently told me personally that all mail for the New England troops was, early in the year, held up and undelivered for several weeks, because the military authorities would not tell the postal authorities of the new location of these troops.

DELAY 4—WAITS FOR DAYS ON CARS.

> The mail that is unloaded from the ships must frequently wait days at the port before cars can be spared from the heavily burdened railroads in France to move the mail.
>
> When the United States Army Postal Service was first inaugurated, mail reached all of the camps in the country in one to two days, according to distance and train connections. To-day mail, by reason of its vast volume and the heavy demands on the railroads, frequently takes six days to reach Gen. Pershing's headquarters. (Official Bulletin, Mar. 16.)

DELAY 5.

> Mr. PRAEGER. When one unit moves from this section, or from this section to that section, the Army will not give us in all cases that information maybe within 10, 12, or 15 days. Meanwhile the mail continues to go to the old place. (Praeger hearings, p. 116.)

There may be, and doubtless are, other sources of delay. I confine myself solely to those which are of official record. Of course, all these delays can not be eliminated, but I can not believe all are incapable of improvement. Mr. Praeger sums up thus what seems to be the fundamental difficulty:

> I know that we could give a greatly improved service if the War Department's idea of what constitutes military necessity and secrecy were liberalized. But we are entirely subject to their direction in every step that we take, and wherever their idea of secrecy conflicts with our service we must give in. (Praeger hearings, pp. 121, 122.)

So, in spite of Mr. Burleson's statement, there are delays.

Very likely, Mr. Praeger's "passing of the buck" is justified. I do not know. No one can find out. Assuming it to be well founded, is there any adequate military reason? Can not the War Department trust the Post Office Department and give instantly the information concerning movements of troops which will promote prompt delivery? Can not complete coordination be attained? Great Britain has no such fear or reluctance. In a previous speech I have told the House in detail how Great Britain has systematized her mail service and how soldiers in the front-line trenches receive London letters the day following their mailing, and mail from the most remote parts of the British Isles within 48 hours.

France and Germany also lay the greatest stress on prompt and reliable mail service to their soldiers. It is not with them a matter of sentiment; it is a matter of morale and of urgent military necessity.

To show the importance of the mental well-being of the soldiers if an army's efficiency is to be kept at its height, a recent statement by Lieut. Gen. Baron von Ardenne, one of Germany's foremost military commentators, is of interest. This article appeared in the Berliner Tageblatt of January 4, and was reprinted in the New York Times of March 17:

> If, however, the things pertaining to the material field have a high importance, those which are not to strengthen the stomach but the heart and mind have one much higher. First in importance among these are the consciousness of victory, the faith in the supreme army command, and, not least, the confidence that the folks at home share the interests and hopes of the army. Good news from other battle fields flashes through the troops like an electric shock. For instance, what enthusiasm was raised alternately by the news of the double battles of Worth and Saarbrucken in 1870 among the armies marching separately! And so the French attack in the Aisne-Champagne Battle of April, 1917, was so extraordinarily powerful because previously the news had been spread among the troops of the victory of the English at Arras and the declaration of war upon Germany by America. Indescribable was the enthusiasm of our fighters in Flanders when they received the news of our victories in Italy and the conclusion of the armistice with Russia.

WARNING AGAINST PESSIMISM.

> The mental life of the army is extraordinarily sensitive and is particularly receptive to the changes of feeling at home. Those at home are to be expressly warned against any expressions of pessimism. And vice versa, reports of the abuse of German prisoners by our enemies are to be avoided. These reports have filled many a heart at home with anxious care, which has then come back to the front. The German Army command does not need these complaints to cause it to adopt the measures necessary to improve the lot of our poor prisoners. That among the other mental imponderables the army mail service, that carries the news from house and farm, from wife and child, from town and city, occupies first place is known to everybody who understands the depths of the German soul. That gifts sent from home at Christmas time possess a much higher charm than usual is shown by the warm thanks of those who receive them.

The contact with the fatherland has the effect of something mysterious, something holy. When our divisions roll through the broad German Empire on their journeys from one border to the other the railroad trip of several days is a rich source of strength and of confident consciousness of victory.

The plight of our boys is in at least one respect worse than that of the French, the British, or the German soldiers.

French, British, and German soldiers are enabled to go to their homes on furlough every few months. Our boys will not return to the United States until the end of the war. There is no shipping to carry them and they could not be spared if there were. The letter is the only link with home. Let us have that link perfected.

Surely, in the light of the experience of other armies, it can not be that the Army should not give every aid to the swiftest possible deliveries of mail to the soldiers. Every member of the overseas force, high in rank or low in rank, is eager, nay restless, for an improvement. I am glad that Secretary Baker is to learn for himself its importance. The country will not long tolerate a lack of coordination in a matter of this extreme moment.

I have no personal grievance in this matter. I have no desire to attack or embarrass any department of the Government or any individual. My purpose is to be constructive and not destructive. But I deeply deplore the hopeless inadequacy in the Postal Service to France, of which I learned when I was on the spot in December and which the Associated Press dispatch indicates has not improved in the last three months.

No one can deny that civilian mail to France is far swifter than soldier mail.

Why should our soldiers in France be discriminated against? The message from home—the news that the wife and the mother are well—is of the essence in our Army's morale. This is not a matter of sentiment merely but a vital military necessity. Let us temporize no longer.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROGERS. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. MOON. Mr. Chairman, I want to observe only that this amendment certainly does not appeal to the intelligence and good sense of this House on a question of this sort and I am not going to argue it at all. If the House is in the humor to pass any more legislation along that line in addition to what it has already I hope we may rise soon and wait until Monday for something else.

Mr. HELM. Mr. Chairman, I ask leave to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none.

Mr. CAMPBELL of Kansas. Mr. Chairman——

The CHAIRMAN. The gentleman from Kansas.

Mr. SAUNDERS of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SAUNDERS of Virginia. What is the present status of business before the committee?

The CHAIRMAN. A discussion of the Rogers amendment.

Mr. SAUNDERS of Virginia. Has debate been exhausted?

The CHAIRMAN. It has; but the Chair has recognized the gentleman from Kansas.

Mr. CAMPBELL of Kansas. Mr. Chairman, I am not sure as to the merit in the amendment for the proposed increase in pay of the postal employees in foreign service. What I want to call to the attention of the House is the fact that the Postal Service is very deficient so far as the service to the soldiers is concerned. It takes months for a letter to reach a soldier from his parents and it takes months to receive a letter from the soldier to the parents. It is important that this service be immediately improved. The morale of the soldier depends upon how he feels. He is always anxious to hear from home. He wants to hear from his mother and father, his sister, his brother. He wants to hear how things are going on on the farm, in the shop, in the factory, in the mill, in his place of business; if he is a married man he wants to know how his wife and children are, and if he has a sweetheart he wants to hear from her. The courage of the man on the morning of the battle depends largely upon the news from home. If the letter came and was full of cheer the soldier will be fit for the hardest trial of physical and moral courage. The boys ought to get a letter from home once a week. That letter ought to contain nothing that would distress the soldier. It ought to contain no bad news. He ought not even to fear bad news. He ought to have nothing but encouragement from home—news that everything is all right; and, I repeat, he should have a letter from home at least once a week. I would, if I could, get that suggestion into every home that has a soldier on the front. If a young man without relatives has gone from any community some one should write him a good cheery letter to show him that there is an interest in him. It will help him do his best in the camp, at the front, and in the trenches. Now, if the Postal Service over there needs additional men, or if those men need additional pay both should be provided in order that this service may be rendered to the soldiers who are in the trenches and behind the trenches and serving on the front and in the camps and cantonments. It is important to the country that the soldier should feel that he has encouragement from home, as important that he know that everything is well at home on the morning of the battle as to know that his arms and ammunition are in good condition.

Mr. MADDEN. Will the gentleman yield to me?

Mr. CAMPBELL of Kansas. Yes.

Mr. MADDEN. Will the gentleman be willing to take my word that everything that can be done to adjust the disposition, delivery, and transportation, and all that, of the mail is being done, so that there will be no complaint in the near future about it? I happen to know the details of the work that is being done, and I want to say this of the Postmaster General and those in charge, that there is not a thing that can be done that is not being done to get that mail service out of the chaotic condition it has been in. [Applause.]

Mr. CAMPBELL of Kansas. I am glad that is so. It has taken a long, long time.

Now, I wish the relatives, friends, and sweethearts of every soldier in the service would write to him once a week. It should be done.

Mr. Chairman, this bill with the increases provided should pass. Then the law should be so administered as to pay the increases provided for. It will greatly aid in restoring the Postal Service to its former efficiency.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. ROGERS].

The question was taken, and the amendment was rejected.

Mr. LOBECK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LOBECK: Page 2, line 13, after the figures "$2,000," insert:

"*Provided*, That railway postal clerks that have been heretofore transferred, or may be transferred hereafter, to terminal post offices shall be paid the same salaries as had been paid them before such transfer, and the clerks so transferred shall not be lowered in grade by reason of such transfer."

Mr. MADDEN. Mr. Chairman, I make a point of order against the amendment of the gentleman from Nebraska.

The CHAIRMAN. Does the gentleman make the point of order?

Mr. MADDEN. Yes; I make the point of order. This is a question of salary increase and not a question of classification.

Mr. GREEN of Iowa. Mr. Chairman, I would like to be heard on the point of order, then.

Mr. MADDEN. I am perfectly willing that the gentleman be heard. I will not argue it. I reserve it.

Mr. LOBECK. Mr. Chairman, in the first place, this is not raising salaries. Men have been transferred from the railway mail post office on trains to the terminal stations, and their salaries have been lowered. They have been demoted. I know men that have given many years of service, who were in grades of $1,400, $1,500, $1,600, and $1,700, and who have been ordered to go to work for the Postmaster General or his department for $1,200 in the railway terminal offices. The reason why the Postmaster General and his department have said they did not pay them more than $1,200 was that they did not pay the clerks in the local post offices more than $1,200, and that these men should not receive more. So, it has been a demotion by order of the Postmaster General, and it is not fair to the men who have given years of service in the Railway Mail Service that they should be transferred on an order, and then deliberately have their salaries lowered on an order. And they ought to be entitled to the same that they have been getting, or, if transferred hereafter, should have the same salary in the terminals that they had on the railways. I do not see where it is an increase of salary.

Mr. GREEN of Iowa. Mr. Chairman——

Mr. MADDEN. Mr. Chairman, I make a point of order on that amendment.

The CHAIRMAN. Does the gentleman want to be heard?

Mr. MADDEN. Mr. Chairman, I simply want to say that this is a bill to increase the compensation of the employees in

the Postal Service and not a bill to regulate the administrative side of the Postal Service. The amendment offered by my friend from Nebraska [Mr. LOBECK] seeks to direct the Postmaster General as to how he shall conduct the business of the service.

Mr. GREEN of Iowa. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair is ready to rule unless the gentleman wants to be heard. The Chair believes the amendment is in order and overrules the point of order.

The question is on agreeing to the amendment.

Mr. GREEN of Iowa. Mr. Chairman, I would like to be heard for a moment on the amendment.

The CHAIRMAN. In opposition to it?

Mr. GREEN of Iowa. No. Unless some gentleman objects, I would like to be heard for a moment.

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes.

Mr. GREEN of Iowa. Mr. Chairman, I hope the House will give this matter due consideration. There is no provision that is contained in this bill that is more important, if the House wishes to do justice at this time to a very worthy class of our railway mail operatives.

Before I go any further I want to say that I approve the bill as a whole, and especially that part which raises the salaries of the rural carriers, who have been working for the past year or more under circumstances so onerous as to be fairly heartbreaking. The expense of the upkeep of their equipment alone has in many cases absorbed the greater part of their salaries. Hay and feed of all kinds have risen "out of sight," and the prospect is for higher rather than lower prices for the ensuing year. Only employees of the most faithful character, who took not merely an interest but a pride in their work, would have stuck to their jobs under such trying circumstances.

Now, as showing the propriety of the amendment offered by the gentleman from Nebraska [Mr. LOBECK], let me explain the situation. The terminal post offices were created at railway terminals, where large quantities of the mail are transferred and is assorted while being held, thereby saving time and enabling the sorting to be done quicker and easier. The plan was an excellent one, for it enabled the mail to be forwarded more expeditiously, saved space on the trains, and saved work; in short, it made for efficiency and economy, and I congratulate the Post Office Department on its adoption. Here, however, my congratulations must end. It necessitated taking many clerks off the trains and putting them in the terminals. This change was necessary and proper, but there was no reason why their salaries should have thereby been lowered, but, on the contrary, every reason why they should have remained as before. The clerks were just as efficient as before—in fact, accomplished more work. The experience and knowledge which they had gained by long practice entitled them to a raise rather than a cut when so transferred.

The law heretofore enacted has been evaded. It was not the intention when provision was made for the transfer of these employees from the Railway Mail Service to the terminal post offices that any of them should be lowered in salary, and a provision was inserted in a former statute which was intended to prevent this being done. That provision has been plowed around by giving the clerks transferred the choice of taking some out-of-the-way route which would remove them from their homes or accepting a position in the terminals at a lower salary.

Now, if the House desires that these railway mail employees who, as the gentleman from Nebraska [Mr. LOBECK] has stated, have given the best years of their lives to the service, perfecting themselves in the service of the Government, should not be demoted, contrary to the spirit of the law as it now stands, this amendment ought to prevail. I believe that this will put a stop to this practice that the House endeavored to put a stop to in former years, but failed, so far as I am informed.

Mr. DILL. Mr. Chairman, will the gentleman yield right there?

Mr. GREEN of Iowa. Yes. I yield to the gentleman.

Mr. DILL. I want to say that I have had two instances of that in my own town, in my own district, in the last two months, where that has been done.

Mr. GREEN of Iowa. And the gentleman agrees with me?

Mr. DILL. Yes. I think it is a very important amendment.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. DYER. Does the gentleman think the Postmaster General would pay any attention to it if we passed it here?

Mr. GREEN of Iowa. This amendment is very explicit. Its terms are clear and unmistakable, and it would take care not only of the cases which may arise in the future, but of those which happened in the past.

I am sorry that the House seems to be impatient as the hour grows late and to be inclined to vote down all amendments now offered regardless of their merits. I know that it is desirable to finish the bill to-day, if possible, but we ought to do justice, no matter how long we sit. These terminal clerks who have been taken from the trains are the only class out of all the great body of Government employees whose wages have actually been reduced, and we will not do justice to them unless we restore them to their former grades and salaries before we make the increase and prevent in the future their salaries being lowered by reason of transfer.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Nebraska [Mr. LOBECK].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. LOBECK. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 36, noes 56.

Mr. LOBECK. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Nebraska asks for tellers. All those in favor of taking this vote by tellers will rise and stand until they are counted. [After counting.] One gentleman has risen—not a sufficient number. Tellers are refused.

So the amendment was rejected.

Mr. HASTINGS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HASTINGS: Page 2, line 2, after the word "city," insert the words "and village."

Mr. MOON. Mr. Chairman, I reserve a point of order on that.

The CHAIRMAN. The gentleman from Tennessee reserves a point of order on the amendment.

Mr. HASTINGS. Mr. Chairman, the amendment which I offer is to raise the pay of village carriers, and I submit that it is not subject to a point of order. I want the attention of the committee to this amendment, which I regard as a meritorious one and one offered in all good faith.

This amendment is designed to raise the pay of village carriers. The pay of the city-delivery carriers is provided for in this section, and this amendment proposes to put, after the word "city" and before the word "delivery," in line 2, page 2, the words "and village," so that the section will read "carriers in the city and village delivery service."

Mr. ROBBINS. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. Yes.

Mr. ROBBINS. We have no such municipal organization as "village" in Pennsylvania. The organizations there are boroughs, townships, and counties. I do not know what you have in Oklahoma. "Village" would not mean anything with us.

Mr. HASTINGS. In answer to the gentleman from Pennsylvania, I will say that they are classed as village-delivery carriers.

Mr. EMERSON. In the Post Office Department?

Mr. HASTINGS. Yes. Here is the distinction: In cities where the postal receipts are more than $10,000, those who deliver the mails are called "city-delivery carriers," but in any city where the receipts are under $10,000 that service is called the "village-delivery service." Now, those who are engaged in the village-delivery service, let me say to the members of the committee, receive the sum of $50 a month, which, I think, was increased last year $5 a month, so that they now receive, as I am advised by the Post Office Department, $660 per annum.

The village-delivery carriers render practically the same service that the city-delivery carriers render. They have the same responsibilities and they perform the same duties, and if this amendment is adopted it will permit the increase of those performing village-delivery service up to the class of those who perform city-delivery service. In other words, the minimum amount that the city-delivery carriers receive under the terms of this bill, if enacted, will be $1,000, and the village-delivery carriers will receive a like amount.

Now, for the information of the committee——

Mr. MILLER of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. In just a minute; then I will be glad to. There are 498 cities in the United States that have this village delivery service, and there are 715 such carriers in the United States; and, as I said a moment ago, these carriers receive a maximum of $660 per annum.

Mr. MILLER of Minnesota. The gentleman has just answered the question I was going to ask him. I wanted to find out how many villages had such service.

Mr. HASTINGS. Four hundred and ninety-eight in the United States, as I am advised by the Post Office Department; and there are 715 village-delivery carriers. Some villages have only one carrier, some have two.

Mr. MOON. Mr. Chairman, will the gentleman yield?

Mr. HASTINGS. I will be glad to.

Mr. MOON. What does the gentleman say about the point of order?

Mr. HASTINGS. I do not think it is subject to a point of order.

Mr. MOON. I am inclined to think that it is. The section to which this amendment is offered is for the increase of pay for postal clerks and city carriers in the classified service. The gentleman proposes, as I understand it, to increase the pay of the clerks in the village deliveries. The village delivery is an experimental proposition purely. These clerks are paid by the postmaster in the village out of a lump-sum allowance allowed by the Post Office Department purely as an experiment. I will say to the Chair that I do not think it is in order, because of these reasons. It does not pertain to the classified service, and that is what we are considering.

Mr. HASTINGS. Mr. Chairman, in reply to the gentleman from Tennessee, let me say that the village-delivery service is past the experimental stage. It was inaugurated some time ago. In the year 1912—some six years ago—it was inaugurated, and it has been extended throughout the United States, until the service is now in 498 villages.

Mr. MOON. The gentleman is mistaken about that. There is not enough appropriation to go one-tenth over the country. There are only two small appropriations made for it, as an experimental proposition. I think the whole appropriation now is less than half a million dollars.

Mr. HASTINGS. I have the figures given me by the Post Office Department to the effect that the service has been extended to 498 villages throughout the United States. I am not mistaken. These figures were given me by the department.

Mr. MOON. That is not one-tenth of them.

Mr. ROUSE. Will the gentleman yield?

Mr. HASTINGS. Yes.

Mr. ROUSE. I want to ask the gentleman if his amendment should be held in order would he be willing to advance the men to the sixth and eighth grades?

Mr. HASTINGS. The question of the advance of the men would be left to the Post Office Department.

Mr. ROUSE. If the amendment is agreed to in that particular section, would it not be mandatory?

Mr. HASTINGS. No; as I interpret it, they would go into the first grade and receive $1,000.

Mr. ROUSE. And the next year they would be advanced, and so on, each year.

Mr. HASTINGS. They would be entitled to be advanced, of course, under the law and regulations of the department. I think these people ought to receive more than $660 per annum.

Mr. ROUSE. Does the gentleman think they ought to receive $1,500?

Mr. HASTINGS. No; I think that is too high, and they would not get it for five or six years. By that time they would be promoted to other branches of the service, city carriers or clerks in larger offices.

Mr. KEY of Ohio. Will the gentleman yield?

Mr. HASTINGS. Yes.

Mr. KEY of Ohio. Are the village carriers in the classified service?

Mr. HASTINGS. I do not understand that they are, but they can be covered into the classified service by the department. That should not determine their compensation. Those who perform this service are now underpaid.

This bill provides for an increase in the pay of rural carriers. A rural carrier on a standard route of 24 miles receives $1,200 per annum. This bill would increase his compensation 20 per cent, or $240 per annum, and add $24 per mile to his yearly salary for each additional mile his route may extend over 24 miles. I think the increase is justified in each case. These carriers perform a very important service.

In this connection it might be interesting to recall that Congress by the act of March 3, 1893, appropriated $10,000 to experiment with rural mail delivery, but the money was not used. Another appropriation of $20,000 was made by the act of June 16, 1894, but was not used. A third appropriation was made on June 9, 1896, of $10,000. The first experimental service was established on October 1, 1896, when three routes were started in West Virginia. The service was rapidly expanded until we now have more than 43,000 rural routes throughout the United States, for which we appropriate annually more than $53,000,000.

These carriers must provide themselves with horses and buggies or automobiles. They must buy feed for their horses or gasoline for their machines. All these supplies were secured at extraordinarily high prices during the past few years. For all their other equipment and supplies they must pay exceptionally high prices. I regard the increase of $240 per year as reasonable and just. It is fair and not disproportionate to their increased expenditures, which present war conditions cause. For this reason I voted for the amendment to increase the pay of rural carriers from 15 to 20 per cent per annum.

The bill provides an increase for city letter carriers of approximately $200 per annum, and for an increase in the salaries of railway postal clerks. I think both increases are justified and am glad to support them.

Section 2 provides for an increase in pay to assistant postmasters in first and second class post offices, departmental clerks, and post-office clerks, laborers, watchmen, printers, chauffeurs, messengers, charwomen, janitors in post offices, and per diem employees, and all other postal employees not enumerated in section 1. Where their annual compensation is less than $800 the increase is 20 per cent; where it is in excess of $800 and not more than $1,200, the increase is 15 per cent; and where it is between $1,200 and $1,800, the increase is 10 per cent. This increase ought to be extended to third-class offices. I understand that an amendment is to be offered so as to include post offices of the third class, and I shall be glad to give it my support.

In section 3 of the bill an increase in pay for offices of the fourth class is provided. Fourth-class postmasters and clerks in third-class post offices perform more service and get less compensation in proportion to the work done and the responsibility placed upon them, in my judgment, than any other employees of the Government. I am very glad, indeed, to support the amendment which will be proposed to increase the pay of employees in the third-class offices, as I am glad to support this provision of the bill for additional pay for fourth-class postmasters, giving them 100 per cent of the cancellations on the first $100 or less per quarter, instead of the first $50 or less per quarter.

Section 6 of the bill authorizes the Postmaster General to conduct experiments in the operation of motor-vehicle truck routes in the vicinity of such cities of the United States as he may select, and for this experimental purpose he is authorized to use not to exceed $300,000. This is a very important experiment, both to the residents of the cities and towns and the farmers who live in the vicinity of the routes. I predict that as in the case of the rural-route service this truck service will be greatly expanded in the near future, and will enable farmers and truck growers to supply customers regularly at a minimum cost of delivery, resulting in a greatly reduced cost of vegetables, poultry, and dairy products to consumers and a better market for truck growers and farmers. I think it is a splendid provision and am glad to give it my support. I want to invite the earnest attention of everyone to it.

Section 7 provides for the transportation of mails by aeroplanes and authorizes the Secretary of War to turn over to the Postmaster General for the use of the Postal Service such aeroplanes and automobiles, or parts thereof, as may become from time to time unsuitable or unnecessary for the purposes of the War Department. When this war is over a very large number of aeroplanes will be available for the Postal Service. The time is not far distant when nearly all the mail between the larger cities will be carried by aeroplanes. The mail will be delivered much more quickly, because of the elimination of indirect routes and the great speed of aeroplanes. Approximately but one-third of the time now required by mail trains will be needed for this new service.

Within a short time after the close of the war aeroplanes will be in general use in the mail service. This service will first connect the larger cities and gradually extend to the smaller cities. Aeroplanes passing overhead will become so common as to attract scarcely any notice.

While we are providing for experiments along these lines and for increases in salaries of other employees in the Postal Service we should not neglect to do justice to the employees in the village-delivery service. I earnestly hope that the amendment offered by me will receive favorable consideration and be adopted. I am sure it is not subject to a point of order, and the justness of it should commend itself to the Members of the House. [Applause.]

Mr. MILLER of Minnesota. Mr. Chairman, I would like to be heard briefly on the point of order. I do not care to take more than one minute. It seems to me that the point of order is not well taken, and for this reason: I do not know that I

am willing to vote for the amendment. I am inclined to think that I would be compelled to vote against it, but I do believe that it is in order on the bill. Here is a bill which not only increases the compensation to numerous classes of postal employees throughout the United States, but it changes existing law in respect to gradation of those employees. The bill extends provisions not only to city carriers but to rural free-delivery carriers, the railway post-office employees, and to a great variety. As was stated a moment ago, it aims to take care of the postal employees out in the field away from Washington. It is broad and comprehensive. The amendment proposed by the gentleman from Oklahoma would extend this provision to one further class, namely, to the carriers in the villages. Now, the fact that these carriers are in an experimental stage has no bearing on the question. They are employees for this department. They are drawing a regular compensation on a regular salary basis.

Mr. MOON. What is the compensation?

Mr. HASTINGS. Six hundred dollars is the maximum.

Mr. MOON. They are not all paid the same.

Mr. MILLER of Minnesota. That would not make any difference.

Mr. HASTINGS. That is the inquiry I made of the Post Office Department.

Mr. MILLER of Minnesota. This bill changes the grade, status, and compensation of all kinds and descriptions of post-office employees throughout the United States. This amendment adds one more class to many classes; therefore, under the rules of the House it is germane.

Mr. COX. Will the gentleman yield? I should like to get his views on this point, if he will yield.

Mr. MILLER of Minnesota. I am perfectly willing to yield.

Mr. COX. The bill under consideration deals exclusively with employees in the civil service. The class of employees that the gentleman seeks to bring in by his amendment are not under the civil service.

Mr. MILLER of Minnesota. That may be an incident, but it is not the basis of this bill. The basis of this bill is to deal with classes of postal employees, and it may be argued that they are all under the civil service; but this bill is not framed to affect only those under the civil service.

My attention has also been called to the fact that some of those affected here are not under the civil service, namely, the star route carriers and a great variety of others.

Mr. MOON. Mr. Chairman, I want to suggest to the gentleman that there is possibly a section of this bill under which this might be in order, but I think it is very clear that it is not in order on this section.

Mr. MILLER of Minnesota. I am quite confident that it is.

Mr. MOON. This deals exclusively with the classified service and the automatic promotions in that service.

Mr. MILLER of Minnesota. If it is in order anywhere in the bill, I submit to the gentleman that it is in order here.

Mr. MOON. No; it is not in order here.

Mr. RANDALL. The village carriers are under the civil service, where they are employed at third-class offices which are under the civil service.

Mr. COX. I beg the gentleman's pardon. These village carriers are not under the civil service.

Mr. RANDALL. I beg the gentleman's pardon. I have a case in my own district now where a village carrier must take the civil-service examination before he is appointed.

Mr. COX. There is no regulation providing for it.

The CHAIRMAN. The Chair believes the amendment is germane, and the point of order is overruled. The question is on the amendment offered by the gentleman from Oklahoma [Mr. HASTINGS].

The question being taken, the amendment was rejected.

Mr. WALDOW. I move to strike out the last word.

I am heartily in favor of this bill, but I favor a larger increase to those employees now receiving less than $1,800. However, this is a step in the right direction, and I hope we will be able to complete and pass this bill to-day. The 15 per cent increase and $24 per mile for each additional mile over 24 miles for the rural free-delivery carriers is a provision that is badly needed by this class of employees, and this should be amended to read $30 per mile for all routes exceeding 20 miles. While it is true all other employees of the Postal Service are deserving of increased compensation to meet the advanced cost of living, the rural carriers have the increased cost of upkeep and maintenance of their horses and vehicles to provide for in addition to their own increase in the cost of living.

I have received statements from many of the carriers of my district showing the cost of maintenance of their equipment necessary for proper and satisfactory service. One carrier from North Collins, Erie County, N. Y., spent $835 during the past year, leaving him $365, or just $1 per day to exist on. Another carrier of the town of Hamburg, Erie County, N. Y., expended all but $358.20 of his salary in the upkeep and maintenance of his equipment necessary for satisfactory service. Another carrier from the town of Gardenville, Erie County, N. Y., expended all but $483.75 for the maintenance of his equipment necessary for proper and satisfactory service. While I believe all the men in the mail service that this bill affects are entitled to added compensation, I believe the rural carrier has had the greatest burdens to bear during the past few years. I hope that part of this bill limiting this increase to 90 days after the war will be eliminated. Congress should not assume that the cost of living and maintenance of equipment will be decreased immediately after the war, and if such should be the case Congress can then enact legislation to meet the condition at that time.

I sincerely hope that Senate amendment 2718 will be adopted, for I believe the economic distribution and transportation of farm products from the farmer to the consumer is one of the most vital questions this Congress must consider.

Mr. Chairman, I desire to call the attention of the Members of this Congress to what I consider outrageous treatment of the people of the rural sections of my district by virtue of the order of Mr. Burleson changing and rerouting almost every mail route in that section. He has not only enlarged many of the routes so that it is utterly impossible for any person to cover them in the fall, winter, or early spring, and I have received hundreds of complaints and have protested in vain to the Postmaster General. Many of my complainants inform me that their mail is delayed three, four, and five days. Some of them do not receive it at all, unless they make a special trip to their post office. But by this changing of the routes he has practically wiped towns off of the map, in so far as they may be recognized by their post-office addresses, and I believe his petty policy of economy, irrespective of the public's welfare, has been the means of creating more dissatisfaction, more confusion, in my section of the country than all the excuses he or the heads of his department can offer in explanation for the 90 per cent of inefficiency that now exists in the Post Office Department.

Mr. Chairman, I have a bill in the Committee on the Post Office and Post Roads asking for an investigation of the deplorable conditions as they exist in my section of the country, and I hope the committee will grant me a hearing upon the same as soon as possible. The conditions in my county have become so deplorable the board of supervisors found it necessary to pass resolutions condemning the action of the Post Office Department. [Applause.]

Mr. DALLINGER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: Page 2, line 3, after the word "follows," strike out all the remainder of said section and insert in lieu thereof the following:

"First grade, salary $1,200; second grade, salary $1,300; third grade, salary $1,400; fourth grade, salary $1,500; fifth grade, salary $1,600; sixth grade, $1,700. Clerks and carriers shall be promoted successively to the sixth grade.

"That hereafter the salaries of railway postal clerks shall be graded as follows: Grade 1, at $1,300; grade 2, at $1,400; grade 3, at $1,500; grade 4, at $1,600; grade 5, at $1,700; grade 6, at $1,800; grade 7, at $1,900; grade 8, at $2,000; grade 9, at $2,100; grade 10, at $2,200."

Mr. MADDEN. Mr. Chairman, I make the point of order against the gentleman's amendment that the section to which it applies has been passed and is not subject to further amendment.

Mr. DALLINGER. No; we have not passed it.

The CHAIRMAN. The Chair does not think so, and the point of order is overruled.

Mr. DALLINGER. Mr. Chairman, the amendment I have offered raises the pay of the letter carriers, postal clerks, and railway mail clerks $200 beyond what the bill as reported provides. I desire to say that I am heartily in favor of this bill, so far as it goes, but it does not go far enough; and I have the temerity, in spite of the violent objections to this legislation on the part of the gentleman from Illinois [Mr. RAINEY] and the gentleman from Kentucky [Mr. HELM] on the ground of extravagance, to offer an amendment of this kind.

The great trouble is that this whole matter is not looked upon from the right point of view. We are not raising the pay of anybody in any of these propositions that have come before Congress. We are simply trying to keep the income of Government employees from diminishing; that is all. [Applause.]

The Government of the United States for the last quarter of a century, because it has maintained a fixed standard of 24 grains of gold to make a dollar, has been paying its employees in a constantly depreciating currency.

The fact that every other commodity has gone up with reference to the dollar is evidence of the fact that one of the principal reasons of the so-called high cost of living in this country has been the depreciation of gold. In other words, 24 grains of gold which make up your standard dollar in this country have become less and less valuable in purchasing power as time has gone on, because on account of scientific study and the development of new machinery it has been possible to bring mines into operation that never before could be operated, thus greatly increasing the amount of gold in existence and in circulation. Even if my amendment prevails, the letter carriers, postal clerks, and railway mail clerks of this country will not be as well off as they were 20 years ago—nowhere near it. That is a fact that can not be successfully contradicted, and I trust that some time there will be statesmanship enough in the Congress of the United States to have adopted some standard that will stabilize the purchasing power of the dollar. When this is done by the adoption of some practicable form of the multiple standard, then a dollar to-day will buy as much of the necessities of life as a dollar 20 years ago or as a dollar 20 years from now, and you will have no occasion to pass such legislation as this in a feeble attempt to do partial justice to the Government employees. I trust that my amendment will be adopted. [Applause.]

Mr. GARLAND. Mr. Chairman, I am for the amendment just offered by the gentleman from Massachusetts [Mr. DALLINGER], or any other amendment that raises the pay of these postal employees higher. He states that we want to keep the wages going higher, to keep the standard up instead of letting it go lower, and that is very commendable, I believe in that, and at the same time we are doing that we want to keep the standard of wages paid to these Government employees from pulling backward the standard of the wages paid in private industries, and that is just what it does. When the Government employees receive less pay than is paid generally in works of different industries, every time an adjustment of wages is to be made the employers contend and put up the argument that the Government employees are receiving less than is asked of them as private employers. Hence they try to drive the wages down on the strength of the wages paid to Government employees. Moreover, we must not forget this, that right at this time in every part of the country there is great difficulty keeping employees in the Postal Service.

In Pennsylvania men and women are constantly quitting the service to go to something that pays better, and there is a large number of employees at this time, to my certain knowledge, in the State of Pennsylvania who have given notice that they are going to leave the service if an additional advance in wages is not given to them. I believe we ought to raise the standard of these wages higher than has been offered here to-day, and I shall vote for any advance that is offered along that line.

When the Government takes over any industry for operation during the war, the employees in those industries become, at least, semi-Government employees and have a right to expect to receive a consideration in their demands for a living wage the same as when employed by private enterprise, and if this is accorded them the same consideration should be accorded those who have been in the service in times of peace and who are still in it.

As the demands of the country grow in requirements in mail service, the burden on the shoulders of the employees increases, and this with the increased cost of living most certainly appeals in behalf of the higher pay for all these employees.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

Mr. COX. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Strike out the following language in line 1, page 2: "after the passage of this act," and insert in lieu thereof the following: "during the fiscal year 1919."

Mr. COX. Mr. Chairman, this bill, in my opinion, has many vices in it that ought to defeat it somewhere along the line before it finally becomes a law, but in my judgment the worst vice in it is in making it permanent law. As I said a while ago, at the risk of repetition, I do not believe this House can justify itself on any ground at all in making this permanent law, while the amendment carried the other day on the legislative bill was for one year. I recognize that it is unpopular on the floor of the House these days for any man to rise here in defense of the Treasury of the United States or to say one word in defense of the hundreds, yea, the millions of men and women of the country who are called upon to pay the taxes that bear these burdens. I recognize that the man who undertakes to make that argument on the floor to-day, if he is not openly criticized by some Member, will have it said of him somewhere by some on the floor of the House that he is talking for home consumption. This war can not go on forever. If the increased cost of living is due in part, as the gentleman from Massachusetts [Mr. DALLINGER] says, to the depreciation in the value of the gold dollar, when this war is over the purchasing power of the dollar will beyond doubt increase and this Nation will soon return to normal times, to normal conditions in the way of the cost of living, and if it does, do you not believe that we are shooting these salaries to the skies, and had we better not pass this amendment and make this proposed raise merely temporary and not fasten this tremendous amount in the way of increased salary upon the people at the close of the war? We are right on the eve of another bond issue; if the papers can be believed, we are soon to be called upon to vote another ten billions of bonds. I hear reports from all sections of the country that it is going to be difficult to float them; but this is not the last bond issue. Oh, no. Others are to follow, and I am heartily in favor of it, because we must go on. We must win this war. No turning back now, but onward we must go until victory is achieved.

And on the heels of that and with these startling facts staring us in the face, if this House ever in all of its history has run eternally wild and gone absolutely crazy and stark mad upon increase of salaries it has certainly done it here this evening, and what this bill will finally carry no man knows. In my opinion, and I base it upon some figures which I had made for me by the Post Office Department, as the bill now stands it is going to cost the country next year not less than $40,000,000. Twenty-nine million dollars was added the other day to the legislative bill in the way of increased salaries. The Nolan minimum-wage bill, soon to come on the floor for passage if it can get the right of way, carries $25,000,000 more. A bill reported out of the Committee on Merchant Marine and Fisheries and now on the calendar, increasing the salaries of steamboat inspectors, whose salaries now are from $2,000 to $3,500 a year, carrying $146,000 of appropriation.

Mr. STEENERSON. Will the gentleman yield?

Mr. COX. For a question only.

Mr. STEENERSON. Does the gentleman think $40,000,000 estimated increase would be a larger proportionate increase than the estimated increase of the railway employees at $350,000,000——

Mr. COX. I do not know anything about that; but I am willing to let every tub stand upon its own bottom and cross every bridge when I get to it. We are going to need money next year. If this war goes on—and to me it comes nearer looking like a 10-years' war than a 2-years' war—we will need it in 1920; yes, in 1921, 1922, and 1923. Had we not better begin here to make a few deductions in these enormous appropriations and save what we can now and be prepared to pay off the staggering debt at the close of this war?

The CHAIRMAN. The time of the gentleman has expired.

Mr. CROSSER. Mr. Chairman, the gentleman from Indiana [Mr. Cox] is greatly alarmed because it is proposed to make permanent the salary increases of the men in the Postal Service. He has expressed the greatest concern lest at the close of the war we should find the cost of the necessaries of life declining to the level of prices at the outbreak of the European war without in the meantime repealing the law granting the increases to men in the Postal Service.

It is refreshing to know that the gentleman from Indiana concedes, by implication at least, that the present cost of the necessaries of life justifies a temporary increase at any rate. It would have been difficult for him to have refused to concede that, for the cost of practically all of the necessaries of life has doubled during the last three years.

But I am glad to discuss the question even upon the basis of prices which existed immediately prior to the outbreak of the European war.

Ninety-five per cent of the men in the Postal Service, clerks and carriers, have not received an increase in salaries for about 10 years, and statistics show that during the period from 1902 until 1914 the average increase in the cost of living had been 40 per cent. In other words, the salaries of these men remained the same, while they were compelled to pay $1.40 for what they could buy in 1902 for $1. The deep concern of the gentleman from Indiana about the unfair advantage the postal employees will hold over the Government when prices go back to the standard existing before the war is therefore entirely without justification.

But the gentleman says that the postal employees should bear with the injustices as to compensation because of the expense of the war. That position is entirely unsound. We must first see that the employees of the Government are paid the value of

their services, and then it is time to talk about bearing their share of the financial burden of the war.

After that they should and would be glad to pay taxes on the same basis as others. But to ask men to be satisfied with less than half in value of the salary originally provided for by law is indefensible. The Government as an employer should be just, especially when it is constantly trying, as it should, to compel private employers to be just. Nothing tends to make people more devoted to their Government either in peace or war than the knowledge of the fact that such government is just.

At the present time the Post Office Department earns more than its expenses, is more than self-sustaining. Members opposed to this increase assure us that it will cost more to operate the department if these increases are granted. That is quite true. There is no doubt either that the cost of operation would be greatly reduced if the men were paid only half of their present salaries, but no Member of the House has been bold enough to propose such a plan for reducing the expense of operating the department.

No, gentlemen, this increase in salaries is more than deserved. The average increase provided by the bill, according to the statements of members of the Post Office Committee, is about 16 per cent. It is clear, therefore, that even if prices should return to the standard existing before the war, these men would still be underpaid, for they would still receive 24 per cent less in value than when the last increase was granted, about 10 years ago. This fact should surely calm the fears of gentlemen who fear that the men will get more than that to which they are entitled.

The CHAIRMAN. The gentleman from West Virginia [Mr. REED] is recognized.

Mr. REED. Mr. Chairman, several months ago the Sixty-fourth Congress of the United States went into the wage-raising business, and seemed to find it expedient and proper to increase the salaries of the railway trainmen. These increases appertain to engineers, conductors, and many other railway employees, and, as I understand it, this was not enacted as temporary legislation.

Now we are proposing to bring the salary of the railway mail clerk up more nearly to that of the engineer behind whom he travels and works in his closed car, in the most dangerous position, probably, to be found on the train, and where he is frequently the helpless victim of a wreck or collision. It is certainly meritorious legislation, and I am opposed to making it temporary legislation in respect to any of the increases proposed in this bill. [Applause.] I shall have no hesitancy in stating my position to my constituents and I am not alarmed by the warnings of some of my colleagues that this act will be characterized as a raid on the Treasury of the United States.

The raid on the Treasury has been on for some time and is approaching from many directions.

Mr. RAINEY. Will the gentleman yield?

Mr. REED. I regret I have not time to yield to my colleague.

Mr. RAINEY. I want to say to the gentleman that this will not be a raid on the Treasury. You have added $28,000,000 to-day, and that means a 4-cent postage for letters.

Mr. REED. The people are to-day paying a 3-cent rate on letters and 100 per cent increase on postal cards, and their complaint is that they are not getting the service after paying the increased rates. Efficient employees are leaving the Postal Service because they can get better pay in other fields. The rural service is being impaired. Hundreds are resigning, and I am reliably informed that many are now staying in for the time being because they hope to get relief from Congress this year. If they do not, they will leave this work to be done by employees less capable of satisfactory service to the people.

In my State the mines, the oil fields, and the manufacturing concerns are calling for men and offering higher salaries than these employees of the Government are getting. In contracting for the erection of munitions plants and many vast projects incident to prosecuting the war the contractors, in some way, are getting enough out of it to pay the highest wages ever known in this country. I know men, uneducated, not mechanics, not skilled in any of the building arts, getting far higher wages working on these Government projects than the average pay of the postal employees.

We all know the Government is paying for it all. Shall we call it raids on the Treasury that have set these new standards of pay and which make the increases proposed in this bill not only necessary but proper as a matter of simple justice?

Mr. Chairman, this House has already voted to increase the clerks and employees in other branches of the Government service. The work of most of these clerks is of a nature calculated to increase their efficiency in the realm of commerce and business. The stenographer, the bookkeeper, the auditing clerk, and many others are all the while becoming proficient along lines that will be most valuable to them if they desire to leave the service of the Government at some future time. They have attained prestige and experience that may be capitalized in any State in the Union.

But, Mr. Chairman, the man who spends years acquiring a knowledge of the location of residents of a city, or the box holders of a post office, or the routing of outgoing mails is the possessor of knowledge most valuable for the successful prosecution of his work as a postal employee, but of very little account in any other calling in life.

Each succeeding year, however, he becomes a more efficient servant of the people in the mail service.

The men who spend years in the Railway Mail Service have to pour over the names of counties, cities, and towns until they have thousands of places and names memorized. When they become expert they hold in their brains the geography of a Nation and the complicated transportation systems of a continent. They become experts and specialists, but it is a mental wealth that can not be used except in a limited way in any other vocation or calling. Contrasting the salaries of these employees with the salaries now paid in the industrial and commercial arenas, it is clear, to my mind, that the postal employees are not getting a square deal, and I feel that the people will approve a proper increase of these allowances, as it will mean a continuation of efficient employees in this work that touches every home in our land. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Indiana [Mr. Cox].

Mr. LUNN. Mr. Chairman, I want to speak on that amendment.

Mr. MOON. We had better dispose of the amendments before the House, had we not?

Mr. LUNN. I want to speak on the Cox amendment.

Mr. MOON. Mr. Chairman, is debate exhausted on this amendment?

The CHAIRMAN. Yes.

Mr. LUNN. Then I move to strike out the last word.

Mr. STEENERSON. Mr. Chairman, I make the point that there is no quorum present.

Mr. MOON. That is very good, and I will meet the point by moving that the committee do now rise.

Mr. LUNN. And I will make the point to-morrow morning.

The motion of the gentleman from Tennessee [Mr. MOON] was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CARAWAY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9414) granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE.

The SPEAKER laid before the House the following communication:

Hon. CHAMP CLARK,
Speaker House of Representatives, Capitol.

MY DEAR MR. SPEAKER: Having been requested by the Liberty Loan Committee to make several addresses in behalf of the campaign which is being waged in my district, I ask a leave of absence for two days from my duties in Congress.

Yours, very truly, F. C. HICKS.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

EXTENSION OF REMARKS.

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on this bill.

The SPEAKER. A general leave to print has been granted.

ORDER OF BUSINESS.

Mr. GILLETT. Mr. Chairman, I think it would greatly accommodate the membership of the House if the Speaker would be willing to predict what his probable ruling will be to-morrow as to what will be in order, whether this bill or the Unanimous Consent Calendar.

The SPEAKER. As a rule, the Chair does not like to cross a stream until he comes to it, but the Chair was asked that question privately by several Members, and he looked the rule up. The rule does not make the bill a continuing order. The House positively set to-morrow for the Unanimous Consent Calendar, and the Chair will so rule if it comes up.

Mr. KEARNS. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. KEARNS. Has there been a general leave to extend remarks?

The SPEAKER. There has on this bill.

LEAVE TO EXTEND REMARKS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with reference to information concerning casualties.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in the RECORD on the question of casualties in France. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. MOON. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 56 minutes p. m.) the House adjourned until to-morrow, Saturday, March 23, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required to cover expenses of the recoinage of uncurrent and lightweight gold coin on hand in the mint at Philadelphia and the several Subtreasuries (H. Doc. No. 983); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Acting Secretary of War, submitting a supplemental estimate of appropriation required by the Quartermaster Corps of the Army for rent of room in the building of the American Federation of Labor, fiscal year 1918 (H. Doc. No. 984); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 282) amending the public-buildings act approved March 4, 1913, providing for the purchase of a site for a public building at Nogales, Ariz., reported the same without amendment, accompanied by a report (No. 400), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 3332) authorizing the Secretary of the Treasury to sell and convey certain land to the city of Faribault, Minn., reported the same without amendment, accompanied by a report (No. 401), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. STEPHENS of Mississippi, from the Committee on Claims, to which was referred the bill (H. R. 2448) for the relief of John A. Bingham, reported the same without amendment, accompanied by a report (No. 399), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 10221) granting an increase of pension to Richard Groebe; Committee on Invalid Pensions discharged, and referred to Committee on Pensions.

A bill (H. R. 8975) granting an increase of pension to William F. Slack; Committee on Invalid Pensions discharged, and referred to Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GALLIVAN: A bill (H. R. 10953) to amend section 6 of an act entitled "An act to amend laws for preventing collisions of vessels and to regulate equipments of certain motor boats on navigable waters of the United States"; to the Committee on the Merchant Marine and Fisheries.

By Mr. HUMPHREYS: A bill (H. R. 10954) to change the name of the United States Naval Observatory, at Washington, D. C.; to transfer the same to the Smithsonian Institution, and for other purposes; to the Committee on Naval Affairs.

By Mr. DENTON: A bill (H. R. 10955) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary"; to the Committee on the Judiciary.

By Mr. DYER: A bill (H. R. 10956) to make The Star-Spangled Banner the national anthem of the United States of America; to the Committee on the Library.

By Mr. ASHBROOK: A bill (H. R. 10957) to establish the standard of weights and measures for flours, meals, and commercial feeding stuffs, and for other purposes; to the Committee on Agriculture.

By Mr. AYRES: A bill (H. R. 10958) providing pensions at the rate of $30, $32, $35, $38, and $40 per month, for certain soldiers and sailors of the Civil War, according to age and service; to the Committee on Invalid Pensions.

Also, joint resolution (H. J. Res. 268) to amend sections 1, 2, 5, 11, and 14 of the food-control act by empowering and authorizing the President to control the distribution of and fix prices of wearing apparel, hides, leather, cotton, wool, meat, live stock, and various grains, utensils, implements, machinery, and equipment, and to further amend by adding 2 new sections to said act; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10959) granting an increase of pension to George W. Murphy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10960) granting an increase of pension to Fletcher Duling; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10961) granting an increase of pension to Henry N. Tippett; to the Committee on Invalid Pensions.

By Mr. AYRES: A bill (H. R. 10962) granting an increase of pension to Samuel Bainter; to the Committee on Invalid Pensions.

By Mr. DOOLITTLE: A bill (H. R. 10963) granting an increase of pension to John H. King; to the Committee on Invalid Pensions.

By Mr. DRUKKER: A bill (H. R. 10964) granting an increase of pension to Charles Brady; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 10965) to remove the charge of desertion from the record of B. S. McHenry and to grant him an honorable discharge; to the Committee on Military Affairs.

By Mr. FREAR: A bill (H. R. 10966) granting a pension to Eliza M. Keyes; to the Committee on Invalid Pensions.

By Mr. HASTINGS: A bill (H. R. 10967) granting an increase of pension to Sedonia Annie Smedley; to the Committee on Invalid Pensions.

By Mr. HENSLEY: A bill (H. R. 10968) granting an increase of pension to James A. Rives; to the Committee on Invalid Pensions.

By Mr. RANDALL: A bill (H. R. 10969) granting an increase of pension to D. Winslow Hunt; to the Committee on Invalid Pensions.

By Miss RANKIN: A bill (H. R. 10970) for the relief of Thomas W. Williams; to the Committee on Military Affairs.

By Mr. STRONG: A bill (H. R. 10971) granting an increase of pension to John McGuire; to the Committee on Pensions.

By Mr. WELTY: A bill (H. R. 10972) granting an increase of pension to Erasmus B. Manahan; to the Committee on Invalid Pensions.

By Mr. WHEELER: A bill (H. R. 10973) granting a pension to Michael Walsh; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Thomas Farm Club, urging higher prices for farm products; to the Committee on Agriculture.

By Mr. CAREW: Memorial of the Federation for the Support of Jewish Philanthropic Societies of New York City, favoring House bill 9223, to exempt legacies for religious, educational, or philanthropic purposes from the income tax; to the Committee on Ways and Means.

By Mr. CARY: Petition of the Fortnightly Club of Milton Junction, Wis., against increase in second-class postage; to the Committee on Ways and Means.

By Mr. CLARK of Pennsylvania: Petition of Hon. E. W. Lawrence, mayor, and others, of Meadville, Pa., favoring passage of House bill 7995, for preservation of Commodore Perry's flagship in Battle of Lake Erie; to the Committee on Naval Affairs.

By Mr. DALE of New York: Memorial of the Barbers Supply Dealers' Association, and resolution of the Placerville Shakespeare Club, Placerville, Cal., requesting the repeal of the zone system for second-class postage; to the Committee on Ways and Means.

By Mr. DELANEY: Petition of Kings County Pharmaceutical Society, favoring passage of House bill 5531, relative to status of pharmacists in the Army; to the Committee on Military Affairs.

By Mr. DICKINSON: Petition of members of the executive committee of the Farm Bureau of Cass County, Mo., asking for a price of $2.75 per bushel on the 1918 wheat crop; to the Committee on Agriculture.

By Mr. FLYNN: Petition of Kings County Pharmaceutical Society, favoring passage of House bill 5531, relative to status of pharmacists in the Army; to the Committee on Military Affairs.

Also, petition of Irish women, favoring freedom for Ireland; to the Committee on Foreign Affairs.

By Mr. FOSS: Memorial of Polish people of north Chicago, Ill., against detachment from Poland of the Chelm district by the Prussians and Austrians; to the Committee on Foreign Affairs.

Also, memorial of Lithuanians of Chicago, Ill., favoring independence of Lithuania; to the Committee on Foreign Affairs.

By Mr. FULLER of Illinois: Petition of Chicago Peoples' Council, favoring an Irish Republic; to the Committee on Foreign Affairs.

Also, petition of Peter Van Schwack & Sons, of Chicago, favoring House bill 5531 to establish a pharmaceutical corps in the Army; to the Committee on Military Affairs.

Also, petition of the Maywood (Ill.) Bird Club, against permitting grazing or shooting in the national parks and reservations; to the Committee on the Public Lands.

By Mr. GALLIVAN: Petitions of numerous citizens of Massachusetts, urging the passage of the Madden bill to increase the compensation of postal employees; to the Committee on the Post Office and Post Roads.

By Mr. HAYES: Memorial of First Baptist Church, Congregational Church, and Methodist Episcopal Church, of Sunnyvale, Cal., favoring national prohibition; to the Committee on the Judiciary.

By Mr. HILLIARD: Resolutions adopted by the Paris Literary Club, of Paris, Ky., protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of Emma Long, Kittie Snyder, Mrs. C. M. Scarborough, Mrs. Luge Jaenson, and 46 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of George Dice, Z. L. Melick, Clara Kirkpatrick, Clara Rhen, Mrs. M. J. Chamberlin, Mary J. Vance, Miss Nellie E. Skiff, Ellen Flesher, and 30 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of A. R. Wicker, Addison Blanchard, and 40 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of M. C. Guldborg, L. J. Stiles, A. Belle Scales, Mrs. M. H. Davison, and 28 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Elwood Allen, John Otto, jr., William A. Gosmer, and 176 others, all citizens of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Elmer R. Brown, E. Parker, R. P. Barnes, E. L. Walker, Emma T. Tyler, Ira C. Lugg, D. J. Parker, M. L. Reep, J. H. Killian, W. E. Eichelberger, Aileen Meyer, and 68 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Mrs. C. N. Woodward, Mrs. P. M. Osborne, E. E. Curry, C. E. Mathias, Mae Coombs, G. R. Gentry, B. A. Sweet, and 43 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Lemuel M. Sumner, E. T. Saunders, F. T. Lawson, May Ballentine, Fred L. Winfrey, and 19 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Halsted L. Ritter, L. De V. Regnier, W. G. Andry, and 37 others, all citizens of the State of Colorado; praying for immediate war prohibition; to the Committee on the Judiciary.

SENATE.

SATURDAY, *March 23, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we seek Thy guidance and blessing as we face the vast responsibilities of this day. Rules are in the course of preparation in this Chamber that will affect the conduct of millions of Thy people and go out under the authority of law. We pray that in dealing with these most delicate and most important duties and obligations we may seek with true and fervent hearts Thy divine guidance, and that we may realize that every step of the way is being taken under the immediate direction of Thy holy spirit. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

ESTIMATES OF APPROPRIATION (S. DOC. NO. 206).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting additional estimates of appropriation in the sum of $2,890 required by the Treasury Department for the service of the fiscal year 1919, office of Comptroller of the Currency; office of Surgeon General, Public Health Service, and Section of Surety Bonds, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

ELIZABETH H. RICE V. UNITED STATES (S. DOC. NO. 205).

The VICE PRESIDENT laid before the Senate a communication from the chief clerk of the Court of Claims, transmitting a certified copy of the findings of fact and conclusions filed by the court in the cause of Elizabeth H. Rice *v.* The United States, which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

Mr. McCUMBER. Mr. President, I have a petition from the North Dakota Bankers' Association, in the form of a resolution, requesting an amendment of the law so as to divide the payment of excess-profits taxes into four annual installments, which I move may be referred to the proper committee.

The VICE PRESIDENT. The resolution will be referred to the Committee on Finance.

Mr. McCUMBER. Mr. President, I also have here a resolution from the Grand Forks Trades and Labor Assembly reciting, among other things, that the courts of the United States are a most serious menace to the constitutional rights of the American people; that the power now exercised by the courts to declare laws passed by a legislative body unconstitutional was expressly denied the judiciary by the convention that framed our Federal Constitution; that the constitutional rights of the American people are not secure while an irresponsible oligarchy are permitted to exercise the powers above enumerated; that there are problems in modern industrial life that must be solved by the ordinary machinery of popular government; and that if the courts continue to hamper the people in the exercise of that sovereign power then the courts must be controlled by the people. Therefore it was resolved "that we demand that Congress shall immediately prepare and submit to the people through the proper channels an amendment to the United States Constitution providing for the election of all Federal judges with short terms of office and placing the power in the people to recall Federal judges, the only place that power should reside," and requesting me to give this resolution the consideration which it deserves.

In accordance with that request, Mr. President, I ask that the resolution may be referred to the Committee on the Judiciary and there receive the consideration which I ask for it.

The VICE PRESIDENT. The resolution will be referred to the Committee on the Judiciary.

Mr. THOMAS. I present a telegram in the nature of a memorial from the Chamber of Commerce of the city of Trinidad, Las Animas County, Colo., referring to the coal situation in that State. I ask that it be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

TRINIDAD, COLO., *March 22, 1918.*

Senator CHARLES S. THOMAS,
Washington, D. C.:

Whereas the National Fuel Administration put in effect March 11, 1918, an order drastically reducing the scale of maximum prices to be charged for Colorado coals; and

Whereas as a result of such order a large number of mines which could only be operated at a loss at the prices fixed March 11 have been closed down and others will be forced to discontinue or curtail operations, resulting in a reduction of the output of Colorado coal of at least 4,000,000 tons for 1918 as estimated by the operators; and

Whereas coal is one of the essentials for the winning of the war, and its production should be stimulated by the fixing of prices that will yield a reasonable profit and permit the intensive operation of all mines, a policy which has been recognized in fixing the prices for other commodities—steel, copper, wheat, etc.: Now, therefore,

The Trinidad, Las Animas County, Chamber of Commerce respectfully petitions the National Fuel Administration to reconsider its order effective March 11, 1918, and to immediately restore the scale of maximum prices effective immediately prior thereto.

W. R. CHAPMAN, *Secretary.*

Mr. TOWNSEND presented a petition of sundry citizens of Detroit, Mich., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Ingham County, Mich., and a petition of sundry citizens of Saginaw County, Mich., praying for an advanced rank for officers of the Medical Corps in the Army, which were referred to the Committee on Military Affairs.

Mr. PHELAN presented a petition of Local Branch No. 214, National Association of Letter Carriers, of San Francisco, Cal., praying for an increase in the salaries of letter carriers, which was referred to the Committee on Post Offices and Post Roads.

Mr. JAMES. I present a series of resolutions adopted at a patriotic mass meeting of Kentuckians, held at Covington, Ky., on the 16th day of March, 1918, declaring their unfaltering loyalty and devotion to our country, and their unshaken confidence in the ultimate triumph of freedom and righteousness in this war. I ask that the resolutions be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

To the President, the Senate, and the House of Representatives of the United States of America:

We, the people of Kenton County, Ky., brought together by an awakened sense of the dangers which threaten this Nation and by the earnest desire of doing what we may to avert those dangers, solemnly declare our unfaltering loyalty and devotion to our country and our unshaken confidence in the ultimate triumph of freedom and righteousness in this war.

We are deeply sensible of the magnitude of the task imposed upon this Government by the state of unpreparedness in which we were found by an enemy which was prepared at every point and for the manner in which that great task has been undertaken we feel and express a profound appreciation.

That in the face of imminent dangers we were totally unprepared for defense was a national folly, but a calamity not without its uses if we learn from it that the American people may not, with safety to their institutions, their lives, and their honor, sleep in the face of peril, be indifferent to every warning, rely upon a fancied isolation, and fatuously take to their bosoms reptiles whose purpose it is to sting and whose stings are deadly.

We know at last that this Nation has enlisted in a life and death struggle for freedom against oppression, for civilization against a barbarism which science has made only more brutal; that we are not fighting for the abstract principle of democracy alone, but are fighting in our own defense.

We owe to our heroic allies, who have protected us while we slept, aid and cooperation without measure; we know that the awakened might of the American people thrown into this fight will be of incalculable benefit to the cause of humanity, but we can no longer blind ourselves to the truth that we are fighting in defense of our freedom, our homes, our wives, and our children; and we believe it to be the duty of this Government to impress this vital truth upon all Americans who do not already know it.

In the light of the world's dearly bought knowledge of German treachery in peace and German brutality in war we hold that the safety and happiness of this and future generations demand that this war shall be relentlessly prosecuted to the end; that "peace without victory" would mean a mere truce, to be employed by a ruthless foe, secretly active, in the practice of every device of treachery and corruption.

And in the light of our knowledge of the scope of the German scheme of world supremacy we believe that it would be folly to doubt that at the end of such a truce we should be fighting for our lives against a Germany as cunning, as brutal, as mad with the lust of power as is the Germany to-day, but a Germany refreshed and strengthened through German commercial piracy and diplomatic villainy.

And we regard it as a self-evident truth that "peace without indemnities" means simply the leaving of the loot in the hands of the thief—that such a truce would mean that in a little while the defenders of the rights of mankind would be fighting again, but under the handicap of exhausted resources and unproductive territories, while brutal Germany attacked with the added power derived from stolen resources and even stolen men.

The purpose of Germany to dominate the world will be merely halted for a short while unless German power is destroyed in this war.

We believe that a free, intelligent, and brave people may well be trusted with the knowledge of all conditions of vital concern to their lives and liberties, and that an unwillingness to alarm loyal citizens or to give offense to such as are not loyal, be their proportion great or small, has at this time no place in a sound policy.

We believe that every condition which is a menace to us at home or abroad should be frankly recognized and sternly dealt with, and we are completely persuaded that when this is done the certain result will be an aroused and determined people, inspired by just indignation and undaunted in the face of known dangers, a people ready to make any sacrifice to win this war, a people which, knowing what it must do, will do it without fear or question.

Of the vital truths to which we have too long turned an indifferent ear, and to which our safety demands that we be keenly alive, the conditions existing among our so-called German-Americans are perhaps the most important.

We believe, and declare as the truth, that of our millions of citizens of German extraction many are true and loyal Americans, justly entitled to all honor and to full fellowship with American patriots.

We know that it is equally true that others have not understood or sought to understand American institutions, that they are content to live and thrive among us, caring nothing for our trials and dangers, reading German, thinking German, revering all things German, out of sympathy with us, and in this time of need helping us grudgingly or not at all, forming at all times a fruitful soil for the sowing of the infamous lies of the German propaganda, sullenly quiet now, but potentially dangerous in the event of disaster to our arms, an alien crew richly deserving at all times of social and commercial ostracism at the hands of all true Americans.

A third element is actively doing the work of Germany in America. The fact that we have shared with them without stint all the privileges of American citizenship has not prevented them from spreading the German propaganda, organizing treasonable associations, preaching sedition, and acting as spies, incendiaries, and dynamiters. Prating of freedom of speech while they speak treason, they move among us freely and do us deadly harm, while, as American citizens, they invoke the protection of our laws.

It has at last been forced upon our knowledge that, in common with the rest of the world, we have for many years been subjected to the sinister workings of an institution infinitely evil made up of the German spy system and the German propaganda.

We know that the agents and instruments of this foul scheme, unexampled in all the history of national or individual villainy, whether those agents are German ambassadors or German-Americans, are the miners and sappers, the vanguard of a brutal German soldiery.

We know that while we have been blind to the perils within our very homes, while we have welcomed all who came among us and shared with them all the blessings of our free institutions, this unspeakable iniquity, the vilest enterprise ever conceived by a perverted and criminal intelligence, has labored ceaselessly among us to compass our destruction.

And we know that it labors among us now with an ever-increasing boldness.

We feel that at this late day there is no need to describe this monstrous tissue of corruption further than to say that it is a fit instrument for the furtherance of Germany's cruel and crafty scheme of world domination; that so widespread and various are its destructive activities that its service attracts and embraces criminals and criminal organizations of every grade, while much of its hellish work is done by mere dupes and fools.

We believe that the wise regulations, established for the conservation of food and fuel, are potent and even vital instruments in the development of our defense; we pledge ourselves to the observance of those rules and urge the enactment of laws which will adequately punish those who willfully violate them.

We hold that the agent of Germany, who plots the destruction of a factory or warehouse with the purpose of destroying munitions or provisions necessary to the support of our troops or of our allies, or who plots the destruction of a ship with its cargo of innocent lives, is a thing unfit to live, and that to extend clemency to such an one simply because the plot has failed is no more wise than it would be to spare a cobra because its first stroke had missed its victim.

We believe that our safety demands the stern suppression of those, traitors and fools alike, who preach the doctrines of pacifism and nonresistance at this time when we can preserve our liberties and the honor and lives of our women and children only by fighting for them with a united determination to win and with our full and unhampered power.

We believe that we should not longer postpone a full reckoning with the dangers which assail us at home, and that to bear ourselves leniently toward sedition or treason is to invite disaster.

We have learned enough of German designs and German agents to know that generosity, kindness, and mercy find no echo in the black hearts of German spies, traitors, and murderers; we know that this rule holds good through all that evil crew from ambassadors to soapbox preachers of sedition, and that when we find them at work among us our safety demands their destruction.

We bespeak for labor now and at all times a just and generous consideration, and a consideration commensurate with the indispensable and tremendous part which honest labor must play in the development and support of our national defense.

We recognize and claim for labor the right to organize for the furtherance of its every legitimate interest, but we denounce as a traitor, deserving of death, one who, at the behest of our enemy or in the furtherance of personal and selfish designs, obstructs in any way the great and patriotic work which labor must do for our salvation.

Wherefore, in the name of the millions of loyal American citizens who believe as we believe, and in the name of the brave men whom we must sustain while they fight for our homes and our women, we call upon our Government for the enactment of laws which will recognize the truth that they who preach pacifism and nonresistance in this hour are public enemies; that each is more dangerous to our armies than a regiment of brutish Huns.

For the enactment and merciless enforcement of laws which will recognize the patent truth that they who plan or accomplish the destruction of supplies necessary for the sustaining of American citizens, American soldiers, or America's allies are murderers, striking at the heart of a great Nation, for whom the punishment of speedy death is not only just but necessary.

For the enactment and merciless enforcement of laws which, by penalties of life imprisonment at hard labor or death by hanging, will crush and destroy every form of sedition or treason and wipe out in America the last vestige of that evil thing through which arrogant and brutal Germany strives to pave the way for her armed hordes of robbers, rapists, and murderers.

For the enactment of laws which will make impossible the dissemination of German lies through the medium of German-language newspapers, magazines, and pamphlets.

For the enactment of laws which will wipe out of existence associations which openly or covertly prevent or delay the assimilation of citizens of German extraction.

For the enactment of laws which will recognize and punish adequately, as a dangerous public enemy, one who, by spreading German-hatched lies, or by other means, attempts to interfere with the operation of the conscription laws.

For laws which by drastic penalties and rigid enforcement will destroy every phase of the system by which a cunning and cruel enemy strives to hamper our defense.

We do not present this petition without reflection. We believe that at this day the great mass of the loyal citizens of these United States are awake to the dangers herein indicated; that they are ready to face and overcome them and aid whole-heartedly in the enforcement of a system of laws enacted to that end.

We confidently assert that there is a Nation-wide realization of the truth that peace-time laws, made at a time when we were ignorant of Germany's designs and of the extent and character of the German propaganda, are pitifully inadequate for our present needs.

We submit that, aside from all questions of danger to our very existence as a Nation, the continued activity among us of the bold and insolent agents of arrogant and brutal Germany is an intolerable insult to which a free people may not longer be expected to submit.

We shall win this war—the spirit which animates this greatest of free nations will not brook defeat.

We have a precious heritage to guard and we shall guard it.

Our women and our children shall not know the horrors of a German triumph, but let it not be said of us that we prolonged this war a single day or sacrificed the life of a single brave man because we permitted our power to support our soldiers and our allies to be impaired—because we hesitated at hanging those who would have stabbed our defenders in the back, and made of us the victims of German domination.

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I, Stephens L. Blakely, do hereby certify that I am Commonwealth attorney for the sixteenth judicial district of Kentucky and that I presided as chairman at a mass meeting of the citizens of Kenton County held in Covington on the 12th day of March, 1918; that the opening prayer was made by the Rev. T. J. McCaffrey, a Catholic clergyman; and that the benediction was pronounced by the Rev. James W. Hagin, a Christian minister; that Rev. I. Cochrane Hunt, a Presbyterian minister; the Hon. Edward O'Hara; Rabbi David Philipson, of the Rockdale Avenue Temple, of Cincinnati, Ohio; the Rev. John F. Hickey, a Catholic clergyman; and Hon. John B. O'Neal addressed the mass meeting on the subject presented in the accompanying resolution. That the accompanying resolution was prepared and read by the Hon. John B. O'Neal and then unanimously adopted.

I further certify that there were present at said meeting about 2,000 reputable citizens of Kenton County, and that there were, according to my information and belief, about 1,000 persons who were unable to enter the hall and who held a mass meeting on the streets outside the hall; that the meeting was called for the expressed purpose of presenting this resolution, and that it is my information and belief that those persons outside the hall favored the adoption of this resolution.

STEPHENS L. BLAKELY,
Commonwealth Attorney, Sixteenth Judicial District.

Subscribed and sworn to before me by Stephens L. Blakely this the 16th day of March, 1918.

A. B. WALKER,
Notary Public, Kenton County, Ky.

POISONING OF HORSES.

Mr. JAMES. I ask to have printed in the RECORD a newspaper account of the poisoning of 500 horses at Covington, Ky., by some German spies.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

[From the Cincinnati Post, Mar. 16, 1918.]

THE MARK OF THE BEAST.

Men stood about in the open space back of the stockyards on the Chesapeake & Ohio tracks in Covington Saturday and gazed with flaming eyes as dead horses were dragged out until the ground was covered with them. It seemed the harvest of some battle field.

One said the Hunnish spy who had poisoned them should be hanged, if caught; another said he must be shot, and a third that he should be made to eat of his own poison.

But before we gave him to the law we would let him live to see his victims die. We would shackle him in the stall with the gray horse we saw dying there and make him look.

We would have him there at that moment when the horse suddenly slipped to his knees and then tried to lift himself, but fell back. And after that, when he lifted his head and looked about wide eyed, and had he been there, the killer would have sworn that the eyes seemed to accuse: "What have you done to me? What have you done to me?"

We would let him live to hear the whinnied agony—a cry that had in it some vague human quality. We would hold him there, listening, until there came upon him an overpowering desire to run away from this dying thing, and then we would hold him there longer.

Oh, we would have him stay to the end of this devilish drama that he staged; to see the horse lift himself again and again to his haunches and fall back; to see the great body heaving in the final tortures, and then to subside to deathlike calm, while the head nodded and the eyes dropped.

And when the killer was thanking his stars that this was the end of it, the head suddenly would lift again and the eyes stare and seem to say once more, "What have you done to me?"

And, after death had relieved the horse, we would hold the killer a moment longer to say to him, "Here you are. Here is the horse. Which is the beast?"

Then we would take him to the next stall, and the next, and the next, and to every stall in which a horse was dying and make him stand vigil with his victims. Thus we would let him live before we gave him to the law.

With a stout team they dragged the dead horses into the open space back of the stockyards until the place was filled with the kill.

No doubt there were in the crowd those who had refused to believe what they had heard about the Hun in Belgium and in France, simply because it was difficult to believe such things about fellow creatures who had the outward semblance of human beings.

But here was some bit of Belgium and of France spread out before their very eyes. Here was the handiwork of the Hun at our doors—the same kind of work that was practiced by the same kind of Hun who poisons wells in France and chops down fruit trees in sheer wantonness and defiles tombs and churches.

Here was the mark of the beast—right here—at home!

It is no wonder that men's eyes flamed as they beheld the spectacle. They had caught something of the moral wrath that has sustained France through four terrible years.

They have seen the work of the beast.

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[From the Cincinnati Commercial, Mar. 16, 1918.]

POISON GIVEN UNITED STATES HORSES ON THE WAY TO BATTLE FRONT—NUMBER DIE IN COVINGTON.

The work of the German propaganda visited Covington Friday, when several hundred horses belonging to the United States Government were poisoned. More than 70 of the horses died during the afternoon and up to midnight and many more, it was thought, will die to-day. The internal organs of one horse were sent to the Cincinnati University last night and will be examined to-day to determine the poisons used. More than one and possibly more than two poisons were put in the water.

A report gained currency early in the evening that the poisons had not been put in the water at the corral, Sixteenth and Russell Streets, but in the reservoir, and that the poisoned water was coming through the pipes. It caused intense excitement over the city. Commissioner J. Mason Howk, to whom many inquiries by phone were made, said that to satisfy the public of the falseness of the report he will have an analysis of the water made this morning.

The consignment of 727 horses in 39 cars from Camp Grant, Rockford, Ill., reached Covington Thursday night at 6 o'clock and were to be transferred to the Chesapeake & Ohio Railroad for shipment to Newport News, Va., thence to be sent to France.

On the arrival of the train the horses were unloaded from the cars to the stockyards at Sixteenth and Russell Streets for the purpose of feeding and watering. When the horses left Rockford, Ill., they were inspected by a Government agent and reported to be in first-class condition.

When unloaded in Covington the horses were hungry—the animals had been 56 hours on the road without feed. L. W. Webster, in charge of the stockyards for the railroad company, said that the horses were in fine condition and ate ravenously of oats and hay and had been watered.

Dr. L. H. Crisler, veterinary surgeon and also meat and milk inspector for the city of Covington, was called to the scene Friday at 1 p. m., shortly after the first horse died. He performed a post-mortem on the animal and stated that the poisoning consisted of belladonna and croton oil, evidently given in the water. A second and third autopsy revealed the same poison had been used.

Calvin S. Weakley, agent of the justice department, Cincinnati, and L. B. Forrest, of the Cincinnati food and drug laboratory, were early on the scene. Weakley questioned Lieut. Frank Lilly and the 16 soldiers in charge of the horses, and also L. W. Webster in charge of the stockyards.

So far the Government officials refuse to divulge any information secured. Chief Theodore Kluemper, of the Covington police department, sent all of the city detectives—Sandford, Parker, Higgins, Goodson, Drees, and Kinsler—to the scene to aid the Government officials in ferreting out the perpetrator of the crime.

The condition of the horses in their dying struggles was pitiable. Dr. Crisler stated that the belladonna produced a deadening of heart action and dilation of the eyes. None of the animals affected showed any sign of pulsation. The croton oil had a weakening effect on the animals. The combination, if given in large quantities, he said, would cause death within 15 minutes.

It was evident that the poisoner who placed the poison in the water was anxious to produce a terrorizing effect on human beings that might watch the death struggles of the horses when he placed just sufficient poison in the water to cause the animals to suffer for several hours before death relieved them of agony.

Dr. Crisler secured several samples of the water which the horses drank about 7 o'clock Friday morning, after they had been fed, for the purpose of analysis. He is positive of his diagnosis of the cause, but desires to establish the proportion in which the poisons were given the animals.

He is of the opinion that the amount in proportion to the quantity of water was small, as it did not produce death for seven or eight hours, while if the proportion had been larger death would have followed in a much shorter time.

It was the opinion of Dr. Crisler and those in charge of the horses that the poison had been placed in the water troughs early Friday morning, previous to the time the animals were fed. The first horse to show symptoms of being ill was a big black horse valued at $300 or more. This was shortly after 8 o'clock Friday morning.

When the news spread about the city there was a tense feeling against the perpetrator of the act, and if found he will fare badly at the hands of the loyal citizens of this community.

More horses were dying at a late hour Friday night.

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[From the Cincinnati Commercial, Mar. 18, 1918.]

GREAT THRONG AT MEETING VOICES PROTEST AGAINST POISONING OF HORSES.

A crowd estimated at from 15,000 to 20,000 people attended the big patriotic mass meeting Sunday afternoon at Seventeenth and Russell Streets, Covington. The gathering was so large that hundreds of people on the outskirts could not hear the speakers.

One incident, trivial in its nature, came near causing something not on the program. While Attorney John G. O'Neal was addressing the audience he remarked that loyal citizens should not spend their good American dollars with pro-Germans or any other citizens under suspicion. A voice way over on the west side of the crowd was heard to say, "I don't know." The owner of the voice got no further.

There were cries of "Take him to the stage," "Get a rope," "Let's hang him," and "Lynch him," emanating from all sections of the audience. Chairman Blakely was quick to see the temper of the crowd and called on the audience to be patient and make no mistake, and remarked, "If the gentleman objects to anything I have said I am big enough for him to see me at any other time." This did not satisfy the crowd.

The crowd kept pushing the man toward the stage. Chairman Stephens L. Blakely stepped to the front of the stage and implored the angry citizens to be American. By this time Lieut. Dan Crout and a

cordon of police had taken possession of the man, who gave his name as Richard Smith. He was known to the police as not being mentally bright. He was taken to jail and charged with disorderly conduct.

The meeting continued without further interruption. Music was furnished by the Fort Thomas Military Band and the Latonia Rifles' Band. The improvised stage was a large pile of square timbers belonging to the Chesapeake & Ohio Railroad, within sight of the carcasses of 300 horses that have died from poison in the stockyards.

Chairman Stephens L. Blakely delivered the introductory speech after invocation by Rev. I. Cochrane Hunt. Blakely said in part: "We have gathered not for the empty ceremony of eulogizing dead beasts, victims of the Huns, but we have come to inquire as to who is guilty of this crime. We do not inquire what pro-German has done this deed, but to inquire of the American citizens of this community how long they will tolerate the presence of this beast." The crowd yelled, "No longer."

"He is a barbarian who refuses to obey the law, religion, or the rules of civilization. Place him outside the protection of the law. Shall he be permitted to read his German newspapers, preach German sermons, study German in the public schools? It is up to you to stop him. "Let us get him," yelled the crowd.

"I urge you to withdraw your patronage from all you suspect of being disloyal to this country. If they are not right, starve them by refusing to buy goods from them. Lovers of the Kaiser know who perpetrated this foul act on these dumb brutes. I am in favor of interning every alien enemy, every pro-German, in these stockyards until he coughs up his name or turns up his toes. The crowd yelled an assenting opinion.

Rev. I. Cochrane Hunt, pastor of the Madison Avenue Presbyterian Church, was the next speaker. He said: "St. Patrick banished the snakes, let us banish the seditious snakes from this country. There is a traitorous element false as hell in this community; we have the mute evidence right here behind us. There is the uncontrovertible evidence that the Hun is here among us.

"What happened to the animals might have been done to our wives and children. The Hun will do anything. This is no time to form hasty conclusions, but the hour of our vigilance which must be eternal. I call on you to renew your consecration to the flag so that America may speed up and eternally smash Kaiserism. Let our hearts be more alert and our minds more open to the fact that traitors are among us. Loyalty must be positive in these trying times. Do justice, not injustice. Our minds must always be patriotic."

Chairman Blakely took occasion to state that there is no disposition on the part of the loyal citizens of this city to charge any man with disloyalty, but he must not place ancestry before the country.

Rev. Henry H. Webb, pastor of the First Christian Church, said: "I would like to tell you what I think about this matter, but I fear I could not hold my job after using appropriate language to describe this cowardly act. The war has come home at last. It has even come to Covington. The mute evidence here appeals to us. Our wounded boys in France appeal to us. Both are victims of the same agency. Put the Hun out of our country. I have more respect for the Kaiser than the fiend that poisoned these dumb brutes.

"Devastated cities, outraged women, and maimed children call to us. We must awake to our insecurity. This demonstration is a protest against such deeds. Let us lend every effort to our boys in France, who are fighting to protect our families and our homes."

Attorney John B. O'Neal was introduced as the militant patriot, and from the demonstration he received the crowd was with him.

O'Neal said: "Stop to think what these silent brutes were intended for in the war. The horses had been selected for the purpose of dragging our artillery over the field of France. Our defenses have been weakened that much.

"Some pro-German might scoff at holding a horse funeral. Each one of these poor brutes is worth a thousand pro-Germans. We are not holding a horse funeral—we are starting the hearse for the man who did this deed. We are holding services for our heroes at the front who are dying for us. The horse is the best friend of man and civilization, not German civilization.

"There ought to be a distinguishing term between brute and human brute. So far as I am concerned, it can be called 'German.' We have been asleep and God's mercy alone has saved us from these human beasts. Why do not we guard ourselves?

"Don't wait for some one to tell you not to trade with your enemies. Don't give your money to Germany. Patronize your American friend and patriot." At this point his speech was interrupted by a commotion in the crowd. O'Neal thought that some one had insulted the flag. He said, "What, do you want to make that dog kiss the flag? No! A thousand times no!

"Give your money and fight. If you can not fight the enemy in France, fight the Hun at home. He is putting an intolerable insult on us. We don't have to submit to it. The noblest blood among us is being spilled on the soil of France and Belgium. Fight for them and make this country a hell for the Hun."

Rev. I. C. Hunt proposed a motion, "That we memorialize Congress to intern every alien enemy citizen in this country for the period of the war." The resolution carried by a roar of yeas from the throats of 20,000 loyal citizens.

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FIVE HUNDRED HORSES HAVE DIED OF POISON.

The horse death list reached 500 animals late Sunday night at the stock yards, Sixteenth and Russell Avenue, Covington. The poisoning still remains a mystery, as well as the name of the perpetrator, to the local government authorities.

Deaths among the horses slackened somewhat Sunday and the attendants hoped that some of the remaining 227 might survive the epidemic. Soldiers from Fort Thomas are closely guarding all approaches to the stock yards and none is admitted without an order from Lieut. Frank Lillie.

Lieut. Lillie still maintains that the animals were poisoned in some mysterious manner. The 16 soldiers that accompanied the horses from Camp Grant, Rockford, Ill., are still on duty among the living horses.

Secret Service men are working night and day in search of some clew that might lead to the identity of plotters of the crime. So far nothing has been discovered on which warrants could be issued for the apprehension of the guilty parties.

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CARCASSES DISPOSED OF.

Three hundred carcasses of the poisoned horses were taken to Cincinnati Sunday night in railroad flat cars and turned over to a desiccating concern in the West End. The remaining 200 carcasses and those of any that die later will be similarly disposed of Monday.

ARGENTINE HORSES ARE VICTIMS OF HUNS.

LONDON, *March 17.*

Reuters (Ltd.) learns that there is reason to believe the Germans are following practices of which they have been proven guilty elsewhere and are inoculating animals in Argentina with bacilli.

"The attention of the Argentine Government," says the agency, "has been directed by the British Government to the fact that numbers of horses and mules reaching this country from Argentina are found to be suffering from glanders, a disease said to be virtually nonexistent in Argentina.

"The chief effect of this fresh act of barbarism is likely to be felt in Argentina itself.

"Owing to the rigorous examination of all animals arriving in this country all contaminated beasts are discovered before landing."

REPORTS OF COMMITTEES.

Mr. WALSH, from the Committee on Pensions, to which was referred the bill (H. R. 7634) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, reported it with amendments and submitted a report (No. 324) thereon.

Mr. MYERS, from the Committee on Public Lands, to which was referred the bill (S. 3797) validating certain applications for and entries of public lands, and for other purposes, reported it with amendments and submitted a report (No. 325) thereon.

EXHIBITS OF ARTS, SCIENCES, AND INDUSTRIES.

Mr. WADSWORTH. On the 15th instant I introduced the bill (S. 4108) to provide for the entry under bond of exhibits of arts, sciences, and industries, and it was referred to the Committee on Industrial Expositions. I ask unanimous consent that the Committee on Industrial Expositions be discharged from the further consideration of the bill and that it be referred to the Committee on Finance.

The VICE PRESIDENT. Without objection, it is so ordered.

TRAFFIC IN OPIUM.

Mr. STONE. Mr. President, I send to the desk a report which I am directed by the Committee on Foreign Relations to make of the bill (S. 4166) to amend section 3 of an act of Congress approved February 23, 1887 (vol. 24, Stats. L., ch. 210, p. 409), entitled "An act to provide for the execution of the provisions of article 2 of the treaty concluded between the United States of America and the Emperor of China on the 17th day of November, 1880, and proclaimed by the President of the United States on the 5th day of October, 1881," and I submit a report (No. 327) thereon. I ask that the bill may be laid before the Senate and for unanimous consent to have it disposed of at this time.

The VICE PRESIDENT. Is there objection?

Mr. CHAMBERLAIN. I ask for the regular order. I have undertaken to get up a number of military bills in the last three or four days. There is no telling how much discussion this bill will induce.

Mr. STONE. If it takes one minute of discussion, I will have nothing to say. It is the unanimous report of the committee, and the passage of the bill is important in order to correct what is a clear injustice as between the two nations in the treaty. It will take no time to pass it. I hope there will be no objection.

Mr. CHAMBERLAIN. I shall not object if unanimous consent can be given with that understanding—that if it leads to discussion it will be laid aside.

The VICE PRESIDENT. The Chair so understands. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That section 3, chapter 210, volume 24, Statutes at Large be, and hereby is, amended by striking out the second paragraph of said section 3, commencing at the word "Citizens" and ending at and with the word "court," and inserting in lieu thereof a new paragraph, to read as follows:

"Citizens of the United States offending against the provisions of this section shall be deemed guilty of a misdemeanor, and, on conviction thereof, shall be punished by a fine of not more than $500 nor less than $50, or by imprisonment for a period of not more than six months nor less than 30 days, or by both such fine and imprisonment, in the discretion of the court."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PAYMENT OF INTEREST ON CHEROKEE JUDGMENT.

Mr. OWEN. I was instructed by the Committee on Indian Affairs to report back favorably with amendments the bill (S. 988) providing for the payment of certain interest on items 1 and 4 of the judgment of the Court of Claims of May 18, 1905, in favor of the Cherokee Nation, and I submit a report (No. 376) thereon. If it requires any discussion, I will not insist upon the matter, but I should be glad to have the bill disposed of.

Mr. GALLINGER. It ought to be read.

Mr. SMOOT. I should like to ask if it is the unanimous report of the committee.

Mr. OWEN. Yes; it was not objected to by any member of the committee, and has been reported favorably in the House.

Mr. SMOOT. Let it be read.

Mr. OWEN. If there is any objection at all, I will not press the bill at this time.

The VICE PRESIDENT. The bill will be read.

The Secretary read the bill; and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration.

The first amendment was, on page 1, line 10, before the word "interest," to insert the word "additional."

The amendment was agreed to.

The next amendment was, on page 2, line 2, after the words "to wit," to strike out the remainder of the bill and insert:

On the amount of the fund which arose from item 1 of said judgment as such amount was determined and paid to the Secretary of the Interior on July 2, 1906, to be by him credited to the principal of the Cherokee school fund, interest at 5 per cent per annum from July 2, 1906, to and including May 26, 1910; on the amount of the fund which arose from item 4 of said judgment, as such amount was determined and paid to the Secretary of the Interior on July 2, 1906, to be by him credited to the principal of the Cherokee national fund, interest at 5 per cent per annum from July 2, 1906, to and including May 26, 1910; on the criginal principal sum of item 4 of said judgment, interest at 5 per cent per annum from July 1, 1893, to July 1, 1903, and on the amount of the interest thus accruing interest at 4 per cent per annum from December 29, 1905, to May 14, 1906, and on the aggregate of the sums of the interest for the last two periods herein above mentioned, interest at 5 per cent per annum from July 2, 1906, to the date of the passage of this act; and the sum of $27,500, or so much thereof as may be necessary, to pay the interest above allowed, is hereby appropriated and authorized to be paid to the Cherokee Nation: *Provided*, That the Secretary of the Treasury is hereby authorized and directed to pay the amount arising from item 4 of said judgment, with interest thereon as herein above provided for, to the agent appointed by the Cherokee Nation acting through its principal chief to receive the same, said payment to be made immediately upon the approval of this act.

Mr. SMOOT. I will ask the Senator from Oklahoma whether the bill simply provides for the payment of some $27,000 interest?

Mr. OWEN. The payment of $27,000 interest due to the Cherokee Indians.

Mr. SMOOT. If that is all, I shall not object.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH:

A bill (S. 4178) providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Peck Indian Reservation, Mont.; to the Committee on Public Lands.

A bill (S. 4179) for the relief of James W. Nugent (with accompanying papers); to the Committee on Military Affairs.

By Mr. STERLING:

A bill (S. 4180) granting an increase of pension to John W. Gard (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 4181) to incorporate the National Society of Sponsors of the United States Navy; to the Committee on Naval Affairs.

By Mr. NEW:

A bill (S. 4182) granting a pension to William H. Padgett (with accompanying papers); and

A bill (S. 4183) granting an increase of pension to Frank Baker (with accompanying papers); to the Committee on Pensions.

By Mr. NELSON:

A bill (S. 4184) granting an increase of pension to George Konkle; to the Committee on Pensions.

By Mr. SMITH of Georgia:

A bill (S. 4185) to require the Commissioner of Education to devise methods and promote plans for the elimination of adult illiteracy in the United States; to the Committee on Education and Labor.

By Mr. STONE:

A bill (S. 4186) conferring jurisdiction on the Court of Claims to pass upon, determine, and report upon the application of Isabell Richter, formerly Bell Cook, and her son Charles H. Richter, to be enrolled as Cherokee Indians; to the Committee on Indian Affairs.

AMENDMENTS TO APPROPRIATION BILLS.

Mr. STERLING submitted an amendment providing that the sum of $2,801.50, being the unexpended balance of the sum of $5,000 appropriated by the act of June 30, 1917, and approved May 18, 1916, as the proportionate share of the cost of constructing a wagon road or highway through the Standing Rock Indian Reservation, in Corson County, S. Dak., be reappropriated for the purpose of such construction, etc., intended to be proposed by him to the Indian appropriation bill, which was ordered to lie on the table and be printed.

Mr. McNARY submitted an amendment authorizing the Secretary of the Treasury to withdraw from any of the tribal funds of the Klamath Tribe of Indians in Oregon the sum of $3,500, to be used in payment to Levi Walker, Fred Hendricks, Harrison Brown, Joseph S. Ball, and Clayton Kirk, for compensation for their services to such Tribe, etc., intended to be proposed by him to the Indian appropriation bill, which was ordered to lie on the table and be printed.

Mr. POINDEXTER submitted an amendment proposing to appropriate $400,000 for grading, filling, and sea-wall construction at the navy yard, Puget Sound, Wash., intended to be proposed by him to the Naval appropriation bill, which was referred to the Committee on Naval Affairs and ordered to be printed.

He also submitted an amendment proposing to increase the appropriation for fuel and transportation for steamers' and ships' use in the Navy from $48,400,000 to $49,400,000, and that $1,000,000 of this appropriation shall be used in mining coal and contracting for coal in Alaska, the transportation of the same to Seward, Alaska, etc., intended to be proposed by him to the Naval appropriation bill, which was referred to the Committee on Naval Affairs and ordered to be printed.

Mr. KELLOGG submitted an amendment proposing to decrease the appropriation authorizing the Secretary of the Interior to withdraw from the Treasury of the United States, at his discretion, from the principal sum on deposit to the credit of the Chippewa Indians in the State of Minnesota, from $185,000 to $175,000, intended to be proposed by him to the Indian appropriation bill, which was ordered to lie on the table and be printed.

He also submitted an amendment providing that any case now pending in any court created under the authority of Congress or that may hereafter be brought in any such court to test the validity of the expenditure of any of the trust funds of the Chippewa Indians of Minnesota shall be advanced upon the docket of any such court and upon the dockets of the appellate courts to the earliest practicable hearing, intended to be proposed by him to the Indian appropriation bill, which was ordered to lie on the table and be printed.

URGENT DEFICIENCIES—CONFERENCE REPORT (S. DOC. NO. 204).

Mr. UNDERWOOD. Mr. President, I desire to present a privileged report. I submit a conference report on House bill 9867, the urgent deficiency appropriation bill, and ask for its immediate consideration.

Mr. SMOOT. I should like to have the report read first.

Mr. UNDERWOOD. Certainly.

The Secretary read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 12, 15, 17, 31, 35, 45, 66, 68, 69, 70, 72, 74, 76, 77, 101, 102, 103, and 106.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 6, 8, 11, 14, 19, 20, 22, 23, 24, 26, 27, 28, 29, 30, 32, 33, 34, 38, 42, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 67, 71, 75, 79, 81, 83, 87, 88, 91, 92, 93, 94, 95, 96, 97, 98, 99, 104, 105, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, and 118, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"The President is authorized to acquire the title to the docks, piers, warehouses, wharves, and terminal equipment and facilities on the Hudson River now owned by the North German Lloyd

Dock Co., and the Hamburg-American Line Terminal & Navigation Co., two corporations of the State of New Jersey, if he shall deem it necessary for the national security and defense: *Provided*, That if such property can not be procured by purchase, then the President is authorized and empowered to take over for the United States the immediate possession and title thereof. If any such property shall be taken over as aforesaid, the United States shall make just compensation therefor to be determined by the President. Upon the taking over of said property by the President, as aforesaid, the title to all such property so taken over shall immediately vest in the United States: *Provided further*, That section 355 of the Revised Statutes of the United States shall not apply to any expenditures herein or hereafter authorized in connection with the property acquired."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"The fourth paragraph of section 12 of the 'trading with the enemy act,' approved October 6, 1917, is amended to read as follows:

"'The Alien Property Custodian shall be vested with all of the powers of a common-law trustee in respect of all property, other than money, which has been or shall be, or which has been or shall be required to be, conveyed, transferred, assigned, delivered, or paid over to him in pursuance of the provisions of this act, and, in addition thereto, acting under the supervision and direction of the President, and under such rules and regulations as the President shall prescribe, shall have power to manage such property and do any act or things in respect thereof or make any disposition thereof or of any part thereof, by sale or otherwise, and exercise any rights or powers which may be or become appurtenant thereto or to the ownership thereof in like manner as though he were the absolute owner thereof: *Provided*, That any property sold under this act, except when sold to the United States, shall be sold only to American citizens, at public sale to the highest bidder, after public advertisement of time and place of sale, which shall be where the property or a major portion thereof is situated, unless the President, stating the reasons therefor, in the public interest shall otherwise determine: *Provided further*, That when sold at public sale, the Alien Property Custodian, upon the order of the President stating the reasons therefor, shall have the right to reject all bids and resell such property at public sale or otherwise as the President may direct. Any person purchasing property from the Alien Property Custodian for an undisclosed principal, or for resale to a person not a citizen of the United States, or for the benefit of a person not a citizen of the United States, shall be guilty of a misdemeanor, and, upon conviction, shall be subject to a fine of not more than $10,000, or imprisonment for not more than 10 years, or both, and the property shall be forfeited to the United States. It shall be the duty of every corporation incorporated within the United States and every unincorporated association, or company, or trustee, or trustees within the United States issuing shares or certificates representing beneficial interests to transfer such shares or certificates upon its, his, or their books into the name of the Alien Property Custodian, upon demand, accompanied by the presentation of the certificates which represent such shares or beneficial interests. The Alien Property Custodian shall forthwith deposit in the Treasury of the United States, as hereinbefore provided, the proceeds of any such property or rights so sold by him.'"

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$800,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: Strike out all of the matter inserted by said amendment after the word "Statutes," in line 8, and insert in lieu thereof the following: ", $50,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$35,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment insert the following: " : *Provided*, That no part of this sum shall be expended on this building until after the acceptance of such plans, specifications, and bids as will complete the building within the authorized limit of cost"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and including not to exceed $25,000 to be expended on or adjoining other Government reservations or works for the protection of the civil population"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Quarantine Service: For maintenance and ordinary expenses, exclusive of pay of officers and employees, of quarantine stations, and including not exceeding $500 for printing, $25,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$10,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$3,000,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 26a, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$600,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$5,000,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$26,358,176"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$61,252,744"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$18,681,820"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$9,194,100"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$19,654,300"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Claims of officers and enlisted men for loss of private property destroyed in the military service: Property belonging to officers, enlisted men, and members of the Nurse Corps (female) of the Army, which they are required by law or regulations to own and use in field service in the performance of their duties, which since the 5th day of April, 1917, has been, or shall hereafter be, lost, damaged, or destroyed in the military service, shall be replaced, or the damage thereto, or its value, recouped to the owner as hereinafter provided, when such loss, damage, or destruction has occurred or shall hereafter occur without fault or negligence on the part of the owner in any of the following circumstances:

"First. When such private property so lost or destroyed was shipped on board an unseaworthy vessel by order of an officer authorized to give such order or direct such shipment, or destroyed by the enemy or by shipwreck.

"Second. When it appears that such private property was so lost or destroyed in consequence of its owner having given

his attention to the saving of property belonging to the United States which was in danger at the same time and in similar circumstances.

"Third. When such private property is destroyed or captured by the enemy, or is destroyed to prevent its falling into the hands of the enemy, or is abandoned by reason of military emergency requiring its abandonment.

"The Secretary of War is authorized and directed to examine into, ascertain, and determine the value of such property lost, destroyed, captured, or abandoned as specified in the foregoing paragraphs, or the amount of the damage thereto, as the case may be; and the amount of such value or damage so ascertained and determined shall be paid from appropriations made therefor, or such property lost, destroyed, captured, or abandoned, or so damaged as to be unfit for service, may be replaced in kind from Government property on hand by the supply officer or quartermaster of the organization to which the person entitled thereto belongs or with which he is serving upon the order of the commanding officer thereof.

"Tender of replacement or the determination made by the Secretary of War upon a claim presented as provided for in the foregoing paragraphs shall constitute a final determination of any claim cognizable under this act, and such claim shall not thereafter be reopened or considered by any accounting officer or court of the United States.

"No claim arising under this act shall be considered unless made within one year from the time that it accrued, or presented within six months after peace is established.

"For the payment of any awards hereunder there is appropriated the sum of $200,000."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment as follows: On page 49 of the bill, in line 20, strike out the word "Eighth" and insert in lieu thereof the word "Ninth"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,500,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert the following: "$560,000, or so much thereof as may be necessary"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$150,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"For support of Indian day, boarding, and industrial schools, in addition to the general and specific appropriations made for that purpose in the Indian appropriation act for the fiscal year 1918, $250,000, or so much thereof as may be necessary: *Provided*, That the operation of the act of September 7, 1916 (35 Stat. L., 741), limiting annual expenditures for support and education of pupils in Indian schools to $200 per capita, is hereby suspended during the fiscal year ending June 30, 1918: *Provided further*, That no part of this sum shall be expended upon improvements or used to increase the compensation of employees."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$200,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment as follows: In line 13 of the matter inserted by said amendment, after the word "subsistence," insert the following: "and not exceeding $5,340 for personal services in the District of Columbia"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows: In line 3 of the matter inserted by said amendment, after the word "increased," insert the following: "during the fiscal year 1918"; and, in line 12 of the matter inserted by said amendment, strike out the following: ", or which shall be made."; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$500,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$300,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$125,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,200,000"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert the following: "$50,000"; and the Senate agree to the same.

THOMAS S. MARTIN,
O. W. UNDERWOOD,
F. E. WARREN,
Managers on the part of the Senate.
SWAGAR SHERLEY,
JOHN J. EAGAN,
J. G. CANNON,
Managers on the part of the House.

Mr. UNDERWOOD. I move that the Senate proceed to the immediate consideration of the conference report.

The VICE PRESIDENT. The question is on the motion of the Senator from Alabama.

Mr. GALLINGER. Mr. President, before that motion is put, I will ask the Senator from Alabama whether this conference report ought not to go over and be printed?

Mr. UNDERWOOD. I see no reason why the report should go over. There are no great changes in the bill as it passed the Senate. In the alien property custodian provision the conference report brings the bill back substantially as it passed the Senate. The only exception to it is that it strikes out the original amendment offered by the Senator from New Jersey [Mr. FRELINGHUYSEN] and in lieu thereof the House conferees proposed a suggestion, which was agreed to, providing for all the Frelinghuysen amendment provided for in the way of a public sale, but, in addition to that, providing that there should be advertisements in the newspapers; that the property should be sold where the larger portion of the property was located; and that it should not, under pains and penalties of the law, be sold to an alien enemy. That is all the change.

Mr. GALLINGER. Did I understand the reading of the conference report correctly, that, notwithstanding the provision is for public sale, the President may order the property sold otherwise? If so, I should like to know why that provision is modified to that extent?

Mr. UNDERWOOD. I was coming to that. The only modification in that respect is that it does not leave everything to the Alien Property Custodian. The proposed change is "when the President shall determine," not "prescribe." As I understand, when we provide that the President shall "prescribe" he may make rules and regulations, but the change here is that "when the President shall determine," which will require the personal act of the President. That change has been made because there may be conditions arise in the disposition of this property where it would be impossible to sell it at public auction without it possibly going into the hands or control of alien enemies or persons who are unfriendly. The committee of conference thought that was wise and that it was within the line of the original bill as it passed the Senate, because when the alien property act originally passed the Senate there was no limitation whatever. Now, this merely gives the right to the Alien Property Custodian in an exceptional case to appeal to the President to allow a certain portion of such property to be sold not by public auction but by negotiation. Then the President must indicate in writing why he has done so. I think the situation is thoroughly guarded from the standpoint of the Senator from New Hampshire.

Mr. GALLINGER. Is it specifically provided that the President shall give his reasons in writing for the exception?

Mr. UNDERWOOD. It is provided that he shall give his reasons in writing. It says he shall determine and state his reasons in writing.

Mr. GALLINGER. I did not catch the reading of the provision. However that may be, Mr. President, I do think we have fallen into a bad habit here of having an elaborate report

of this kind presented to the Senate and a motion being made to proceed to its consideration before any one of us has had an opportunity to look at it and to ascertain what may be in the report. It may be exactly as the Senator from Alabama states, that there has been no essential change made in the bill which passed the Senate. If that be so, it is a most astonishing exception to the rule which has prevailed in this body, and for my part I should like the courtesy, if I may use that term, of at least having the privilege of examining the report when it is put in print. It will delay the bill only until Monday next. I apprehend that, while this is an urgent deficiency bill, the urgency is not so great that we must pass it on a certain hour of a certain day.

Mr. UNDERWOOD. I will state to the Senator from New Hampshire that, of course, if he insists——

The VICE PRESIDENT. We are violating the plain rule of the Senate.

Mr. GALLINGER. In what respect?

The VICE PRESIDENT. The plain rule of the Senate is that the Senate shall vote upon the question as to whether or not it will take up the conference report. The Chair thinks that is the first thing to be determined.

Mr. GALLINGER. Mr. President, my justification of the action I have taken is that I had for the moment forgotten the rule that debate was not in order until after 2 o'clock.

The VICE PRESIDENT. The Chair was willing to let the Senator from New Hampshire make the inquiry, but the Chair is not willing to have the whole conference report discussed without it having been determined whether or not the Senate desires to take it up.

Mr. GALLINGER. The Chair is quite right on that point, and, so far as that is concerned, I am ready to vote.

On a division, Mr. UNDERWOOD's motion was rejected.

The VICE PRESIDENT. The conference report goes to the calendar and will be printed.

Mr. UNDERWOOD. I ask for the yeas and nays, Mr. President.

The VICE PRESIDENT. The present occupant of the chair has held——

Mr. FRELINGHUYSEN. Mr. President, I make the point of order——

The VICE PRESIDENT. Just a moment—that a Senator is entitled to call for the yeas and nays; but if he submits to having the question put on a division, and the Chair decides the question in controversy, that ends the matter for the present.

Mr. FLETCHER. Mr. President, I desire to make an inquiry of the Senator from Alabama before he takes his seat. I desire to ask the question because it has a bearing on one or two matters which are upon the calendar. I desire to ask whether or not the conferees retained in the Senate provision the amendment with reference to reimbursing soldiers and officers for equipments and uniforms lost on board ship?

Mr. UNDERWOOD. I will state to the Senator that that provision is retained in the bill with a few slight amendments; but the amendments do not in any way seriously affect the matter as it passed the Senate.

TIMBER FOR MILITARY PURPOSES.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of the bill (S. 3426) to empower the President to requisition timber and timber products for war purposes. The bill was under consideration when the unfinished business was laid before the Senate two days ago.

Mr. BORAH. Mr. President, I understand the Senator has a number of military bills which he desires to have considered.

Mr. CHAMBERLAIN. There are a number of them, I will say to the Senator.

Mr. BORAH. Is the Senator willing to take up some of them first?

Mr. CHAMBERLAIN. I have no objection to that.

Mr. BORAH. I do not desire to delay this other matter, but I have been in process of getting some information which I should like to complete, and, if it will not disturb the program of the Senator with reference to the other bills, which, I assume, are equally important. I should like to have the Senate bill 3426 go over temporarily.

Mr. CHAMBERLAIN. I understood that the Senator was endeavoring to secure some information about it from his section of the country, and I have no objection to the bill going over temporarily.

Mr. HARDWICK. Mr. President, if the Senator from Oregon will yield, I should like very much to ask the Senator to take up, first, Senate joint resolution 124, if he can do so, because I must leave the city on the order of my physician, and I have an amendment to offer to that measure which I wish to submit to the Senate.

Mr. CHAMBERLAIN. I have no objection to taking up that joint resolution on this condition: That measure will consume a great deal of time, because there is another amendment which is proposed to it which, I am sure, will invoke a great deal of discussion; but if the Senator, in view of the fact that he is going away, desires to submit his amendment and discuss it, I am willing to have that done, and then the measure can be laid aside temporarily.

Mr. HARDWICK. If it is possible to be done, I suggest that my proposed amendment be disposed of, and then the joint resolution can be laid aside.

Mr. CHAMBERLAIN. I am willing to do that in order to accommodate the Senator, if the Senate is willing to do it.

Mr. HARDWICK. That will be satisfactory to me.

REGISTRATION FOR MILITARY SERVICE.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of the Senate joint resolution 124.

The VICE PRESIDENT. The question is on the motion of the Senator from Oregon.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 124) providing for the registration for military service of all male persons citizens of the United States or residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

The VICE PRESIDENT. An amendment is now pending.

Mr. GALLINGER. The joint resolution ought to be read, Mr. President.

The VICE PRESIDENT. Does the Senator from New Hampshire ask that the joint resolution be again read?

Mr. GALLINGER. Has it been read?

The VICE PRESIDENT. Certainly; and the committee amendments have been agreed to.

Mr. GALLINGER. I think we are getting into a very bad habit in passing bills and joint resolutions without their having been read.

The VICE PRESIDENT. This joint resolution has been read.

Mr. GALLINGER. Then that settles it. I asked the question, but did not hear the answer.

The VICE PRESIDENT. It has been read, the committee amendments have been agreed to, and the pending amendment is that offered by the Senator from Indiana [Mr. NEW].

Mr. GALLINGER. That is satisfactory.

Mr. NEW. Mr. President——

Mr. HARDWICK. If the Senator from Indiana will pardon me, will the Senator permit me to offer an amendment I desire to offer before he proceeds to the discussion of his amendment?

Mr. NEW. Mr. President, I have just come into the Chamber, and I wish to state my understanding of the situation. Senate joint resolution 124 has been called up in order to permit the Senator from Georgia to present an amendment which he desires to present, and opportunity is to be given him to do that, after which the joint resolution shall be temporarily laid aside, such other amendments as may be offered to be considered subsequently. I have an amendment which I desire to offer at the proper time, and with that understanding I am perfectly willing that the Senator from Georgia shall proceed.

The VICE PRESIDENT. The Chair is unable to ascertain where all these arrangements and agreements took place.

Mr. HARDWICK. It was an agreement between the Senator from Oregon in charge of the bill and myself.

The VICE PRESIDENT. The difficulty, however, is that there is a pending amendment. If the Senator from Indiana withdraws his amendment, the Senator from Georgia may offer his amendment.

Mr. HARDWICK. I hope the Senator will withdraw his amendment. He will have ample opportunity to offer it later.

Mr. NEW. I withdraw the amendment.

Mr. HARDWICK. Now, I offer the amendment, which I send to the desk.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 2, line 14, after the word "act," at the end of the line, it is proposed to insert the following:

Provided, That all male persons, citizens of the United States or residing in the United States, who have since the 5th day of June, 1917, become 31 years of age and who have not been already actually enrolled in the military forces of the United States, shall be exempt from the provisions of the act of May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

Mr. HARDWICK. Mr. President, the object of the amendment I have offered is easily understood. It is to apply the law equally both ways. The joint resolution proposed by the Senator from Oregon provides an amendment to the existing law by which the young men of this country as they become 21 years of age after June 5, 1917, shall become subject to the draft law. Personally I do not see any objection to that; but it does seems to me that, if that is to be done, the converse of the proposition is equally sound; and, if we are to keep the ages as fixed by Congress when we enacted the draft law, then men who have passed their thirty-first birthday after the 5th day of June should be relieved from this service, if the age is still to be between 21 and 30, inclusive, unless they have already been actually drafted into the service. Of course, in cases where they are already enrolled in the military forces of the country and have begun their military service, I should not think of asking that the amendment apply to them; but it does seem to me if we are going to move it from the 5th day of June up and project it into the future on the young men as they become 21, that it is equally just to apply the limit the other way on men as they become 31, in the same identical method and manner. That is my view of it, and that is why I have offered this amendment, so that the Senate may determine whether or not it will do that.

Personally I voted for a larger age limit; my recollection of the record is that I supported on this floor a proposition to make the age from 21 to 40, possibly from 21 to 45, on the theory that, if this military service was to be exacted of the men of the country, it ought to be exacted equally of all men who are capable of rendering it between the ages commonly recognized by military experts as the limits in which military service can best be rendered. The Senate, however, did not take that view, nor did the other House. Acting through the conferees, they fixed an arbitrary limit of 21 years one way and 30 or up to the thirty-first birthday, the other way.

In doing so, an arbitrary date was set, to wit, the 5th day of June, 1917, by proclamation of the President, under authority of law, on which day men's ages should be reckoned so as to determine whether they would fall within the provisions of the draft law. If that arbitrary date is to be abandoned at the lower age limit, it seems to me that it ought to be abandoned at the higher age limit. If the Senate and the country want to draft men more than 30 years of age well and good, and if this law continues a number of years we will have men possibly 35 years old drafted under the provisions of the pending measure, although the law did not intend to draft them when they were over 30. If the Senate, however, wants to raise the age limit above 30 years I think it ought to do so explicitly and say exactly how far it is to raise it and what the exact age limit is to be. It is to carry out the theory of the original law and keep the proposition balanced that I have offered the amendment I suggest.

Mr. CHAMBERLAIN. Mr. President, I hope the amendment proposed by the Senator from Georgia will not be adopted. There were a good many of us in the Senate who felt, as I believe the Senator himself felt, at the time the original selective-draft act was up for consideration, that the age limits ought to be from 18 to 45, inclusive.

Mr. HARDWICK. Twenty-one to forty-five, in my case.

Mr. CHAMBERLAIN. Twenty-one to forty-five. There were many reasons why the age limits ought to have been made different at that time; but the Congress, in its wisdom, fixed the age limit between 21 and 30. If the amendment proposed by the Senator is adopted I do not know how many men will be released from the operation of the draft who have registered, who are practically fitted for military service, and who have practically arranged their affairs to serve in the Army in case of need.

Mr. HARDWICK. If the Senator will pardon me, does he know how many will be added by this 21-year-old amendment?

Mr. CHAMBERLAIN. No; something like 400,000 a year.

Mr. HARDWICK. If the assumption were true on which we enacted this legislation, that each year represented about a million—it did not turn out to be quite that much—it would be something like a million both ways, and the gains one way would at least counterbalance the losses the other way, would they not?

Mr. CHAMBERLAIN. Probably; but, Mr. President, if the reports we are getting from day to day have any semblance of truth, we will not only need men who are reaching the age of 30, but we will need men who are past 30 and reaching 45, and possibly men who are between 18 and 21.

Mr. WARREN. Mr. President, if the Senator will yield for a moment, the figures, as nearly as they can be approximated in the department handling the draft, will be about 500,000, I think.

Mr. CHAMBERLAIN. The Senator refers to the number that would be released under the amendment of the Senator from Georgia?

Mr. WARREN. Yes; 500,000 that would become 21 years of age each year. That would be relatively true of the other proposal, except that the number would probably be somewhat smaller.

Mr. CHAMBERLAIN. Probably. I said about 400,000.

Mr. HARDWICK. Anyhow, it would pretty well balance.

Mr. CHAMBERLAIN. There is no question but that it would pretty nearly balance. In other words, there would be as many men passing the age of 30 as would attain the age of 21. But, Mr. President, I do not think there ought to be any excuses for men who are just passing the age of 30. As I said, the amendment proposes only to release those who have not already enrolled themselves in the military service; but, Mr. President, almost all of those who have become 30 have arranged their business affairs to serve in the Army in case of necessity, and it seems to me that there is no reason why they should not be compelled to serve.

Mr. HARDWICK. Mr. President, I do not want to prolong the argument, but does not the Senator think that if we want to do that the fairest thing would be just to raise the age limit and make it 35 or 40, or whatever you want to make it, instead of doing it in this indirect way?

Mr. CHAMBERLAIN. There would be some objection to doing that. I do not think we could change the law in this emergency, and for that reason I think it ought to stand as it is.

I hope the amendment of the Senator from Georgia will not be adopted.

Mr. WADSWORTH. Mr. President, there is one little point in this matter that I think might well be called to the attention of the Senate.

In the new questionnaire which has been arranged by the Provost Marshal General all the registrants are divided, as the Senator from Georgia knows, into classes, and in class 1 are grouped all the registrants who are unmarried and who have no dependents. Those men who happen to be 31 or 32 or 33 and who find themselves in class 1, without families and with no dependents, are just as able to serve in the Army as though they were 2 or 3 or 4 years younger.

Mr. HARDWICK. Mr. President, will the distinguished Senator from New York yield for a question?

Mr. WADSWORTH. Yes.

Mr. HARDWICK. Why is not that equally true of the unmarried man, without any dependents, who is 35 or 36, as compared to a young married man with a growing family who is 27 or 28? The argument goes much further than the Senator's suggestion.

Mr. WADSWORTH. The argument which I am attempting to use would apply equally well if the maximum age were 35; but it is not. It is 31. Therefore I am directing my argument to the present situation.

Mr. HARDWICK. But, if the Senator will pardon me, if that is what he wants to do, why not raise the age limit entirely, so as to get some of these people who are still fitted for military service and who are single?

Mr. WADSWORTH. When we pass beyond the age of 31 or 32 a situation might very well arise where we would have to operate too complicated a machinery in order to get men with no dependents. The Congress thought last year, and I think that judgment was correct—at least, it is correct up to date—what when we pass 31 there are so many of them that have dependents, so many of them that have families, that it is not worth the time of the Government to endeavor to sift out the few who have no domestic or industrial obligations. But that age limit having been passed and the new questionnaire having been put into force, it finds a few men of 31 and who have passed the age of 31 since June 5 last who are in class 1, with no dependents, no families, and no industrial obligations, and I contend that those men might just as well serve.

Mr. HARDWICK. That is entirely true up to 45, Mr. President, if the Senator pleases.

Mr. SMITH of Georgia. Mr. President, I shall vote against the suggestion of my colleague that men passing 31 shall be exempt from draft, although I recognize the fact that ordinarily it would be reasonable. If we were to be content with the Army we now have, if we think the provision we have made for an Army is sufficient, I would agree that his suggestion is sound, for it is reasonable on the surface. But, Mr. President, I think, as speedily as possible, we should prepare to double the present Army.

Mr. HARDWICK. Mr. President, if my colleague will yield, then we ought to raise the age limit much higher than it is.

Mr. SMITH of Georgia. Undoubtedly we will have to do so.

Mr. HARDWICK. And, in order to do it justly and fairly, we ought to raise it by law.

Mr. SMITH of Georgia. Undoubtedly we will be compelled to raise it; but that measure has not been perfected, and just how it should be perfected I am not prepared at this time to say.

I hope the Committee on Military Affairs will recognize the fact that the present provision for an Army must be doubled, and doubled just as speedily as it can be doubled. This being true, none to whom the draft now applies ought to be relieved because they reach 31 years of age. I hope, furthermore, that the Committee on Military Affairs and the Senate will realize that our provision for arms and our provision for powder and all our ordnance provisions should be at least doubled, and that drive and force and real administrative power should be put back of the organization that is to create this supply of ordnance and this increase of fighting men.

I know that in the Senate there are men with broad executive experience and administrative capacity; and I believe it to be the duty of Senators with that capacity to keep their eyes upon what is taking place and to help see that our country is speedily prepared for war under a much more vigorous and much more complete condition than anything we have up to this time contemplated in our legislation.

Mr. KNOX. Mr. President, inasmuch as we are dealing with this question of registration, I wish to address an inquiry to the chairman of the committee, and ask if consideration has been given to the advisability and, indeed, the necessity of providing for the registration of resident aliens?

The Senate knows and the public knows that a series of treaties is in process of negotiation between the United States and the powers with which we are cobelligerent in the present war, under the terms of which it is proposed that aliens in this country who are subject to compulsory military service in their own country, without any regard to the age limits prescribed by our law, shall be made subject to the draft in this country.

For instance, take the case of Great Britain: The age limit in Great Britain is from 18 to 40, and it is proposed that British citizens residing in the United States shall be made subject to the draft between those ages; or I believe I may say without violating any confidence of a material character in regard to the treaty that the period is arbitrarily fixed in the treaty as 20 to 40 instead of 18 to 40. But will it not be necessary to provide, and has the committee considered the necessity of providing, that these men who will thus become subject to our draft shall be made to register if they are citizens of a country with which we are cobelligerent and if they are within the age limits prescribed in their own countries?

Mr. CHAMBERLAIN. Mr. President, the Senator from Pennsylvania will remember that some time during the first half of this session of Congress there was introduced what was called the McCumber resolution, which relegated the consideration of this matter to the State Department, and another resolution, which was introduced by me, providing for the registration of aliens. I think both of these resolutions passed, so that, as far as the Senate is concerned, it has already passed a resolution providing for the registration and draft of aliens. Since that time the Governments interested in the matter have been in consultation over the matter, and I believe the Foreign Relations Committee have reached a conclusion and a treaty agreement on this subject; so until that has been finally adjusted the Military Affairs Committee have not thought it advisable to take up the question of unifying the ages of those subject to the draft—that is, making the age limit in the United States conform to the age limit in Canada and in Great Britain. I should think, however, that would have to be done so that the laws will operate equally between the cobelligerents.

Mr. HARDWICK. Mr. President, adding just a word to what the Senator has said, the House of Representatives, by a very large majority, has recently passed a bill on this subject commonly known as the alien-slacker bill. It undertook to deal with this question by providing that aliens who are citizens of countries at war with Germany and her allies who claim exemption because of their alien citizenship shall be deported from this country. That bill is now pending in the Senate, and is now before the Committee on Immigration.

Mr. KNOX. Will the Senator permit me to ask him a question?

Mr. HARDWICK. Yes.

Mr. KNOX. Does that measure provide for their registration?

Mr. HARDWICK. No.

Mr. KNOX. I am not raising now the question as to whether or not they should be made subject to our draft. That will be dealt with by these treaties and by such supplementary or primary legislation as may be necessary. I am only speaking now to the question of the registration in order that the machinery by which these treaties can be put into effect may be perfected up to that point.

Mr. HARDWICK. I think it does provide for registration in a very general way, by providing that they shall be subject to our draft laws, but I can very well see how the question of treaties being negotiated with these powers is involved, and, at the request of the Foreign Relations Committee, the Senate Committee on Immigration has been holding up these matters until these treaties could be considered and agreed to by the Senate and put in force, so that legislation could be shaped. I think it is primarily a military matter, so far as it relates to this question.

The VICE PRESIDENT. The question is on the amendment of the Senator from Georgia [Mr. HARDWICK].

The amendment was rejected.

Mr. CHAMBERLAIN. In view of the fact that the Senator from Indiana [Mr. NEW] has an amendment to the joint resolution which I am sure will lead to prolonged discussion, and as it involves, in a measure, the question of universal military training, I ask that the joint resolution be temporarily laid aside.

Mr. GALLINGER. Mr. President, before that is done, will the Senator allow me to offer a proposed amendment to the joint resolution, to have it read and printed?

Mr. CHAMBERLAIN. Yes.

Mr. GALLINGER. I send the amendment to the desk and ask that it be read for the purpose of being printed.

The VICE PRESIDENT. The amendment will be read for the information of the Senate.

The SECRETARY. On page 3, line 4, after the words "divinity schools," it is proposed to insert the words "and students who are preparing for the practice of medicine and surgery in recognized medical schools."

Mr. KIRBY. Mr. President, I will ask the chairman of the committee if it is the purpose in laying this measure aside to press some other bill that has been recommended by the Committee on Military Affairs?

Mr. CHAMBERLAIN. Oh, yes.

Mr. KIRBY. Otherwise I shall object to its being laid aside.

Mr. CHAMBERLAIN. There are quite a number of bills that I think will not require discussion and which I should like to have disposed of.

Mr. KIRBY. Has the Senator called up another one?

Mr. FLETCHER. Mr. President, if it is agreeable to the chairman, I will move that the Senate proceed to the consideration of Order of Business 272, Senate bill 3980. I think it will take only a very few minutes.

Mr. KIRBY. What is that?

Mr. FLETCHER. It is a bill with reference to homing pigeons.

Mr. KIRBY. Is that a war bill?

Mr. FLETCHER. Yes. It has been reported by the Committee on Military Affairs.

Mr. KIRBY. Very well.

The VICE PRESIDENT. In the absence of objection, the joint resolution will be temporarily laid aside.

INTERFERENCE WITH THE USE OF HOMING PIGEONS.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of Senate bill 3980, Order of Business 272.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3980) to prevent interference with the use of homing pigeons by the United States, to provide a penalty for such interference, and for other purposes, which was read, as follows:

Be it enacted, etc., That it be, and it hereby is, declared to be unlawful to entrap, capture, shoot, kill, possess, or in any way detain an Antwerp, or homing pigeon, commonly called carrier pigeon, which is owned by the United States and bears a band owned and issued by the United States, having thereon the letters "U. S. A." and a serial number.

SEC. 2. That the possession or detention of any pigeon described in section 1 of this act by any person or persons in any loft, house, cage, building, or structure in the ownership or under the control of such person or persons without giving immediate notice by registered mail to the nearest military authorities, shall be prima facie evidence of a violation of this act.

SEC. 3. That any person violating the provisions of this act shall, upon conviction, be punished by a fine of not more than $100 or by imprisonment for not more than six months, or by both such fine and imprisonment.

Mr. FLETCHER. Mr. President, in that connection I will state that this bill was referred to the department, and it has been suggested that the word "and," in the sixth line of the first page, be stricken out and the word "or" be substituted, and I offer that amendment. That is the suggestion of the Acting Secretary of War. It has been found

also that these pigeons are available for the Navy as well, and a little later on I will offer another amendment on that point. I move now that the word "and," in the sixth line, be stricken out and the word "or" inserted.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 1, line 6, after the words "United States," it is proposed to strike out the word "and" and insert the word "or."

The amendment was agreed to.

Mr. FLETCHER. In line 8, after the initials "U. S. A.," I move to insert "or U. S. N."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. After the designation "U. S. A.," in line 8, page 1, it is proposed to insert "or U. S. N."

The amendment was agreed to.

Mr. FLETCHER. I ask that the letter of the Secretary be inserted in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter referred to is as follows:

MARCH 13, 1918.

To the CHAIRMAN COMMITTEE ON MILITARY AFFAIRS,
United States Senate.

SIR: I beg to invite your attention to the following suggested modifications of the bill, Calendar No. 272, S. 3980, Report No. 296, Sixty-fifth Congress, second session, introduced by Mr. FLETCHER in the Senate of the United States on February 28, 1918.

It is requested that the word "and," in the sixth line, be stricken out and the word "or" substituted, so that birds bearing club bands but owned by the Government may be protected by the bill.

It is requested that the word and letters "or U. S. N." be inserted after the letters "U. S. A.," in line 8, thus including homing pigeons belonging to the United States Navy.

Favorable consideration of these modifications by the Committee on Military Affairs is requested, with a view to their adoption, when the bill comes up for final passage in the Senate of the United States.

Very respectfully,

_____,
Acting Secretary of War.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

COMMUTATION OF QUARTERS.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of the bill (S. 3863) to provide quarters or commutation thereof to commissioned officers in certain cases.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That during the present emergency every commissioned officer of the Army of the United States on duty in the field, or on active duty without the territorial jurisdiction of the United States, who maintains a place of abode for a wife, child, or dependent parent, shall be furnished at the place where he maintains such place of abode, without regard to personal quarters furnished him elsewhere, the number of rooms prescribed by the act of March 2, 1907 (34 Stats., p. 1169), to be occupied by, and only so long as occupied by, said wife, child, or dependent parent; and in case such quarters are not available every such commissioned officer shall be paid commutation thereof at the rate authorized by law in cases where public quarters are not available; but nothing in this act shall be so construed as to reduce the allowances now authorized by law for any person in the Army.

Mr. CHAMBERLAIN. The Senator from Indiana [Mr. NEW] has been looking after this measure, and I request him to submit such statement as he desires to make in reference to it.

Mr. NEW. Mr. President, this bill provides for furnishing quarters or in lieu thereof payment as commutation of quarters to officers of the Army on active service in the field. Under the law it has been the practice for many years to provide Army officers on duty at garrison posts and in permanent posts with quarters or commutation therefor in the way of a money allowance where it has been impossible to provide the quarters.

Recently a great inequality has arisen because of the fact that many officers are now in the service abroad who maintain abodes for their families upon this side of the water but by reason of the fact that they are absent from a permanent post the allowance is not granted. It is withheld under the existing Army regulations.

The whole matter has been considered by the War College and by the Secretary of War, and the Secretary addressed a letter to the Military Affairs Committee in which he advocates the granting of the allowance. I do not propose to read the whole letter. It has been printed and I presume is available for Senators. It points out the fact that the inequality is most apparent and he advocates strongly that the allowance be granted hereafter.

It is a fact, Mr. President, that at present there are almost as many officers on duty in Washington and at permanent posts in this country where quarters are provided as there are officers in the field. Those who are here are receiving their quarters or commutation therefor and those who are abroad and doing our actual fighting are not in receipt of this allowance.

Mr. McKELLAR. Will the Senator yield to me?

Mr. NEW. Certainly.

Mr. McKELLAR. Boiled down, it just means this, that the officers in the field are discriminated against as between them and the officers who are at home. The officers at home have commutation of quarters and those in the field have no such commutation of quarters. That is the whole question, is it not?

Mr. NEW. Yes, sir; that is the fact.

Mr. TOWNSEND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Michigan?

Mr. NEW. I yield.

Mr. TOWNSEND. The Senator has used the term "officers abroad." Is it not a fact that many of our officers within the United States at various camps and cantonments are not receiving their quarters or commutation therefor? Does this apply to them?

Mr. NEW. The commutation is not being furnished to those who are in the field. It is being withheld from them but is being paid to all the others.

Mr. TOWNSEND. The bill proposes to rectify that and to pay to our officers, for instance, at Camp Custer, Mich., the commutation they are not receiving for quarters. The bill reaches that?

Mr. NEW. Yes.

Mr. TOWNSEND. That is what I had supposed, but I did not known, as I was confused by the term.

Mr. NEW. Unless there is a disposition to hear further on this subject I am disposed to let the bill go to a vote.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ARMY NURSE CORPS.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of the bill (S. 3693) to prescribe the personnel of the Army Nurse Corps, the qualifications for appointment and the method of appointment therein, the pay, allowances, and leave of absence of members of said corps, and the conditions under which they may be retired.

The motion was agreed to; and the Senate as in Committee of the Whole proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Nurse Corps (female) of the Medical Department of the Army shall hereafter be known as the Army Nurse Corps, and shall consist of one superintendent, who shall be a graduate of a hospital training school having a course of instruction of not less than two years; of as many chief nurses, nurses, and reserve nurses as may from time to time be needed and prescribed or ordered by the Secretary of War, and, in the discretion of the Secretary of War, of not exceeding six assistant superintendents, and, for each army or separate military force beyond the continental limits of the United States, one director and not exceeding two assistant directors of nursing service, all of whom shall be graduates of hospital training schools and shall have passed such professional, moral, mental, and physical examinations as shall be prescribed by the Secretary of War.

SEC. 2. That the superintendent shall be appointed by, and, at his discretion, be removed by, the Secretary of War; that all other members of said corps shall be appointed by, and, at his discretion, be removed by, the Surgeon General by and with the approval of the Secretary of War; but the assistant superintendents, the directors, the assistant directors, and the chief nurses shall be appointed by promotion from other members of the corps, and shall, upon being relieved from duty as such, unless removed for incompetency or misconduct, revert to the grades in the corps from which they were promoted.

SEC. 3. That the annual rate of pay of the members of said corps shall be as follows: Superintendent, $2,400; assistant superintendents and directors, $2,000; assistant directors, $1,800; chief nurses, $360 in addition to the pay of a nurse; nurses, $780 for the first period of three years' service, $840 for the second period of three years' service, $900 for the third period of three years' service, $960 for the fourth period of three years' service, and $1,020 after 12 years' service in said corps (including in all cases time of service as contract nurse); reserve nurses, when upon active duty, will receive the same pay as nurses who have served in the corps for periods corresponding to the full period of their active service; and all members of said corps, in addition to the foregoing, the sum of $10 per month when serving beyond the continental limits of the United States (excepting Porto Rico and Hawaii).

SEC. 4. That members of said Nurse Corps who shall have had active service therein of 20 years (including for the purpose of computation time of service as contract nurse) shall, upon application therefor to the Secretary of War, be placed upon a retired list, and shall thereafter receive 75 per cent of the pay, exclusive of foreign service pay, they were drawing at the time they became entitled to retirement as aforesaid.

SEC. 5. That members of said Nurse Corps shall be entitled to cumulative leave of absence with pay at the rate of 30 days for each calendar year of service in said corps, not exceeding, however, 120 days at one time, and in addition thereto sick leave not exceeding 30 days in any one calendar year in cases of illness or injury incurred in the line of duty.

SEC. 6. That members of said Nurse Corps shall receive transportation and necessary expenses when traveling under orders, and such allowances of quarters and subsistence and, during illness, such medical care as may be prescribed in regulations by the Secretary of War;

and when at places where no public quarters are available, commutation in lieu thereof, and of heat and light therefor at such rates and upon such conditions as are now or shall hereafter be provided by law.

SEC. 7. That section 19 of chapter 192 of Thirty-first Statutes, page 753; chapter 50 of Thirty-seventh Statutes, page 72; that part of the act of August 24, 1912 (37 Stats., p. 575), providing for allowances, subsistence, and medical care during illness for the Superintendent of the Nurse Corps; and that part of the act of March 23, 1910 (36 Stats., p. 249), prescribing the pay of the superintendent and members of the Nurse Corps, be, and the same are, hereby repealed.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PAY TO DEPENDENT RELATIVES OF DECEASED OFFICERS AND ENLISTED MEN.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of the bill (S. 3736) to provide for the payment of six months' pay to the widow, children, or other designated dependent relative of any officer or enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct.

The motion was agreed to; and the Senate, as in Committee of the Whole proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That hereafter, immediately upon official notification of the death from wounds or disease, not the result of his own misconduct, of any officer or enlisted man on the active list of the Regular Army, the Quartermaster General of the Army shall cause to be paid to the widow, and if there be no widow, to the child or children, and if there be no widow or child, to any other dependent relative of such officer or enlisted man previously designated by him, an amount equal to six months' pay at the rate received by such officer or enlisted man at the date of his death. The Secretary of War shall establish regulations requiring each officer and enlisted man having no wife or child to designate the proper dependent relative to whom this amount shall be paid in case of his death. Said amount shall be paid from funds appropriated for the pay of the Army.

SEC. 2. That nothing in this act or in other existing legislation shall be construed as making the provisions of this act applicable to officers or enlisted men of any forces or troops of the Army of the United States other than those of the Regular Army, and nothing in this act shall be construed to apply in commissioned grades to any officers except those holding permanent or provisional appointments in the Regular Army.

Mr. CHAMBERLAIN. I think there ought to be a slight amendment made to the bill, and I direct the attention of the Senate to the reason which suggests it.

The war insurance bill, which was passed on the 6th of October last, in its operation and effect took away the relief which was intended for some widows and dependents of officers in the Army. This bill is intended to correct the hardships that were imposed by that bill, but it does not operate between the 6th of October and the present time. In other words, the effect of the bill, unless it is amended, will only operate from the time of its enactment and for the future. Therefore, I suggest as an amendment to strike out the word "hereafter," in line 3, page 1, and in line 8, page 1, after the word "children" to insert "from and after October 6, 1917."

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. On page 1, line 3, strike out the word "hereafter," the second word in the bill, and after the word "children," in line 8, insert the words "from and after October 6, 1917."

Mr. KIRBY. Would it not be better to let this bill go back to the committee and have this particular provision inserted? It being a matter of some importance, and the committee not having had it in mind, I would suggest that it go back, because there is no immediate necessity for the passage of the bill. The condition can be remedied next week as well as now.

I would further suggest that I believe we ought to take up now and fight the matter out, if necessary to fight it out, both the question of the registration of those who are reaching 21 years of age and the question of commandeering the lumber necessary to build aircraft. Those are the two pressing, vital questions before the War Department, and those are the measures which ought to be passed without delay if they are to be passed. I would ask the chairman to let this bill at least go back to the committee, and so far as I am concerned I would prefer that he insist upon the passage of both the other bills to-day.

Mr. CHAMBERLAIN. I do not see any reason why we should not dispose of this measure right now.

Mr. KIRBY. The committee has not considered that feature of it.

Mr. KING. Will the Senator from Oregon yield to me?

Mr. CHAMBERLAIN. I yield.

Mr. KING. I join in the request because no Senators except members of the Military Committee have seen this bill, and I should like to have an opportunity to examine it.

I suggest to the Senator from Oregon one aspect of the measure that occurs to me at this time. I understand the war-risk insurance act provides insurance for the families of officers and enlisted men in the naval and military service who may be killed or who may die while in service. Other provisions are made for the support and maintenance of the families of those who are killed or disabled while in the military or naval service of the United States.

As I understand this bill—I have not had a chance to read it—there will be duplication. The families of those who are injured will receive benefits from this bill and also the liberal allowances provided by other measures. I ask the Senator from Oregon if under this bill in the case of a person who dies while in the employ of the War Department and who never sees active service, whether the family of such person if he carried insurance would get the insurance provided in a former law, together with the allowances provided for the support of dependents, and also benefits and gratuities carried in the pending bill?

Mr. CHAMBERLAIN. Mr. President, the Senator from New Jersey [Mr. FRELINGHUYSEN] has a report from Gen. Crowder on this bill, and it will answer the question which the Senator has asked. In addition to that, I call the Senator's attention to the report made on the bill, report No. 260, which includes a letter from the Secretary of War, and that answers the Senator's question. I ask the Senator from New Jersey to read the letter of Gen. Crowder.

Mr. FRELINGHUYSEN. Gen. Crowder made an analysis of the bill, as follows:

This bill provides for the payment of six months' pay to the widow, children, or other designated dependent relative of an officer or enlisted man in the Regular Army whose death results from wounds or disease not a result of his own misconduct.

This bill is designed to reenact the provisions of earlier law upon this subject, except that the present act limits the payment to dependent relatives, whereas the former act permitted the payment to any designated person. The former act was repealed by section 312 of the war-risk insurance act without any debate and apparently without any specific consideration as to the propriety of so doing. In passing the war-risk insurance act attention was concentrated upon the emergency forces being raised for the present war, and the particular considerations which would dictate the allowance of this gratuity to officers and enlisted men in the Regular Army were apparently lost sight of. The theory underlying the gratuity provided by this bill and by former statutes is that the so-called six months' gratuity would provide a fund immediately available to the family upon the decease of the officer or enlisted man so as to take care of the extraordinary expenses of the period of emergency and readjustment caused by the taking off of the main support of the family, and that this gratuity would assist in the support of the dependents during the period of dependency. These benefits were rightly regarded as a part of the remuneration for service in the Regular Army where the pay is, and always has been, small as compared with the wages and salaries of civilians in positions of equal importance. Therefore, one of the unforeseen consequences of the repeal of the former law is to deprive members of the Regular Army of a most important privilege and a privilege of great value to their families. This is, in effect, a reduction of their emoluments at a time when such reduction is most disastrous. Because of the necessity of making adequate provision for nonprofessional soldiers, whose military service is temporary only, the professional men of arms ought not to be deprived of any of the allowances which have been heretofore given them and which they may have justly come to regard as their right in lieu of higher pay.

The repealing of the gratuity provision causes special hardship to the families of officers, for it amounts to the cancellation of a paid-up life insurance policy, ranging in value from $900 to $5,000. And since the compensation granted by Article III of the war-risk insurance act is in many instances less than the gratuity would have been under the gratuity law the officer's family is left in worse position than before the passage of that act, the avowed object of which was to improve his position and that of his family.

This legislation is urgently desired by the War Department.

Mr. KING. I do not quite understand the attitude of Gen. Crowder, and I suppose he speaks for the War Department and for the committee relative to this matter. I understand the war-risk insurance act provided that officers and soldiers may carry insurance for a small annual premium up to $7,500. Another law was enacted which provides certain compensation for widows and dependents of officers and soldiers. In addition to the compensation provided for the dependents, and in addition to the insurance provided by the war-risk insurance act, I understand this bill is to give what are denominated gratuities. I ask the Senator from New Jersey if the bill which heretofore has been passed does not give to the officers and to the men far greater benefits than the gratuities to which he has just referred?

Mr. FRELINGHUYSEN. I understand it has been the practice in the Army to give six months' pay as a gratuity to the widows of those who die of wounds or from other causes, and that the war-risk insurance act repealed that provision. But the gratuity or the insurance in many cases does not reach the amount which this gratuity would reach if they had the gratuity and not the insurance, and therefore an injustice was done the Regular Army widows by reason of the fact that that was repealed. This reserves it, I understand, in addition to the insurance, to the wives or dependent relatives of Regular Army officers and enlisted men only.

Mr. KING. Does not the Senator understand that under one of the bills which was passed there was a provision made that the dependents of officers and soldiers should receive liberal monthly contributions or payments from the Federal Government? I know it was stated during the debate that the purpose of the bill was to dispense with the pension system by providing liberal and generous allowances for the support of the families of soldiers and sailors. Now, we propose to make further payments, so that such families will receive the insurance up to $7,500, generous sums for support, and additional payments, as indicated in the pending bill. The claim of the chairman of the committee was that this bill only restored the dependents of officers and soldiers to the same status as they occupied before the war; it is obvious that that contention is unsound, because the insurance bill and the law providing for compensation have greatly added to the sums that will be received by the parties referred to.

Mr. FRELINGHUYSEN. As I understand it, the dependent allowance of a widow is something like $25 a month, and this is in addition to that. It restores the practice of giving six months' pay to the widow or family of the officer or enlisted man who dies from wounds or disease.

Mr. CHAMBERLAIN. I can tell the Senator of two cases that have come to my notice recently that a measure such as is proposed, with the amendment, would relieve. Take the case of Gen. Phil Sheridan's son, Maj. Sheridan, who died a short while ago. He had not been able to save anything, and this will give his widow his pay for six months if the law dates back to October 6.

I have in mind the case of the widow of an Army officer, whose husband died a short while ago in the service, and within the last six weeks an only son, who was in the Aviation Section of the Signal Corps, died of pneumonia, a young captain, in Texas. She practically had no means at all; she was dependent upon that son. Twenty-five dollars a month will not help her very much.

Mr. KING. If the Senator will pardon me, would she not receive $7,500 as an insurance policy upon the death of the husband and a like amount upon the death of the son?

Mr. CHAMBERLAIN. I am not sure that she would. Dependents get it only in monthly payments; they do not get it in a lump sum.

Mr. KING. But it amounts to the full sum permitted by the law, which is $7,500.

Mr. CHAMBERLAIN. It is a splendid provision, but the war-insurance act was made to meet just that condition and to take care of the dependents of those who lost their lives during the war. However, for an immediate situation such as I have described, it does not protect them at all; it does not help them.

Mr. KING. Mr. President, I do not know that I should object to this at all, but as I understood the Senator, this was merely to put the dependents of officers and soldiers back in the same situation as they were before the legislation which had been enacted during this war.

Mr. CHAMBERLAIN. It does.

Mr. KING. We have enacted two measures which are highly advantageous and which I think are very proper measures for dependents of deceased officers and men. Those provisions did not exist prior to the war. In view of those two provisions, the dependents of officers and soldiers are deriving far greater benefits than were obtained by the dependents of officers and soldiers prior to the enactment of the two measures to which I have just referred.

Mr. CHAMBERLAIN. There is no question, Mr. President, but that the war-insurance act was a great relief for the future of the dependents of soldiers who lost their lives in the service, but it is wholly inadequate to meet the immediate situation.

Mr. WARREN. If I may add a word to what has been stated by the chairman of the committee, I will state that the officers and soldiers who were in the service before that law passed are not sufficiently covered as to their burial and ready money for their families. The men who enlisted prior to that later insurance legislation enlisted under this kind of proposed law, and they had a right to expect that their dependents would have six months' pay and their burial expenses. Their wives and the soldiers themselves expected it. They are left unprovided for. As the chairman of the committee has well said, this provides immediate cash for their burial and a little besides.

Mr. KIRBY. Mr. President, I do not know that I object to this sort of an amendment, but it seems to me that the committee might consider it in committee and come back here understanding it; but I do not understand it. I do not know whether this is in addition to all the insurance that is granted or whether it is for some other purpose. I do not know whether or not it reaches the man who is already insured. It may be that I would be glad to support it, but it is not imperative that it should be passed immediately. We might pass this measure just as well next week and now dispose of other matters, which, it seems to me, are necessary. I think this should go over, because the view which is now proposed has not been considered by the committee.

Mr. WARREN. Mr. President, perhaps the Senator from Arkansas overlooked this fact: This is the old law reenacted. That bill had been considered in the committee and had been reported from the committee and now stands on the calendar in the regular way.

Mr. KIRBY. I have understood that we have already passed the war-risk insurance bill, which repeals the old law.

Mr. WARREN. No; it has been construed that it repeals it, but it does not do so in exact terms. This, however, is a matter which was considered in the committee and reported, as I say, in the regular way and is now regularly before us.

Mr. KIRBY. As I understand, the chairman now proposes an amendment which has not been considered by the committee, and one which I do not understand. I will say frankly that I might be very glad to support the amendment; but I thought it might very well go back to the committee and be reported on Monday, and that other matters, which had been passed unanimously, which are absolutely imperative, and which demand immediate consideration, might be now considered.

Mr. WADSWORTH. Mr. President, I understand that the amendment offered by the Senator from Oregon [Mr. CHAMBERLAIN] is merely to bring the provisions of the bill that is now on the calendar back to October 6. Am I correct in that?

Mr. FRELINGHUYSEN. Yes.

Mr. CHAMBERLAIN. My attention being diverted, I did not catch the inquiry of the Senator from New York.

Mr. WADSWORTH. The Senator from Arkansas [Mr. KIRBY] desired an explanation of the amendment offered by the Senator from Oregon, and the Senator from Oregon being engaged for the moment I ventured to say that my understanding was that all the Senator's amendment does is to provide that the operation of the bill that is now on the calendar shall go back to and commence from October 6.

Mr. CHAMBERLAIN. That is all.

Mr. WARREN. That is correct.

Mr. WADSWORTH. So that the families of officers and enlisted men who have died since the war-insurance act was enacted would receive this six months' pay.

Mr. KIRBY. Does that mean the men who are not insured under that act?

Mr. WADSWORTH. It has nothing to do with whether or not a man is insured under the war-risk insurance act. It is simply restoring a provision of law which by a mistake was inferentially repealed in the war-risk insurance act.

Mr. KIRBY. The purpose is to grant insurance to all men who are in the Army, and it is an additional gratuity?

Mr. WADSWORTH. They had this gratuity before.

Mr. KIRBY. I understand; but they did not have any insurance before.

Mr. WADSWORTH. And they do not have to take any insurance now.

Mr. McKELLAR. Mr. President, will the Senator yield to me?

Mr. KIRBY. I will make no further objection; I only made a suggestion. If other members of the committee understand it, very well. I merely thought that it might be better to have the matter go back to the committee. I did not understand it, and I do not understand it now; but that is unimportant.

Mr. McKELLAR. I think I can explain it.

Mr. KIRBY. I do not ask any further information on the question. I only asked that the matter might go back to the committee, because I thought it ought properly to be first considered there.

Mr. McKELLAR. I will try to explain it anyway, if the Senator will permit me.

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from New York yield to the Senator from Tennessee?

Mr. WADSWORTH. I will not yield the floor unless the Senator wants to ask me a question.

Mr. McKELLAR. Mr. President, I may say to the Senator that without this amendment there would be a class of officers' families, between October 6, when the law went out of force, and the date of the enactment of this proposed law, who would not be included in the provisions of the law. That would be manifestly unjust, and the amendment of the Senator from Oregon [Mr. CHAMBERLAIN] simply puts them all in exactly the same class. In other words, on October 6 the old law was repealed, and, of course, the new legislation should date back so

as to include all of those affected by that law. It seems to me it is perfectly plain.

The PRESIDING OFFICER. The question is on the amendment.

Mr. CHAMBERLAIN. Just a moment, Mr. President. Instead of the phraseology of the amendment as I suggested it a while ago, it would clarify the situation to amend it by adding after the word "Army," in line 6, the words "from and after October 6, 1917."

The PRESIDING OFFICER. The amendment proposed by the Senator from Oregon will be stated.

The SECRETARY. On page 1, line 6, after the words "Regular Army," it is proposed to insert "from and after October 6, 1917," and to permit the word "hereafter" to stand in line 3.

The PRESIDING OFFICER. The question is on the amendment as modified.

The amendment as modified was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

OFFICERS OF ARMED FORCES OF PHILIPPINE ISLANDS.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of House bill 9571.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 9571) to authorize the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands drafted into the service of the United States, and for other purposes.

The Secretary read the bill, as follows:

Be it enacted, etc., That officers of the Philippine Scouts be, and they hereby are, made eligible to appointment as officers in the militia or other locally created armed forces in the Philippine Islands which have been or shall hereafter be drafted into the service of the United States; and any such officer of the Philippine Scouts so appointed as an officer in said drafted forces shall not thereby vacate his commission in the Philippine Scouts, and in case his commission in said Philippine Scouts shall terminate while holding a commission in said drafted forces as aforesaid, he shall thereupon be eligible to reappointment as an officer of said Philippine Scouts notwithstanding his retention of a commission in said drafted forces.

SEC. 2. That in computing period of service for any purpose officers of the Philippine Scouts shall be credited with all time served as commissioned officers in the drafted forces mentioned in section 1 of this act.

Mr. CHAMBERLAIN. Mr. President, this bill authorizes the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands which have been or which shall hereafter be drafted into the service of the United States. The War Department considers it advisable to officer the Philippine militia drafted into the service of the United States to some extent from officers of the Philippine Scouts themselves. With that end in view the bill which has just been read was prepared by the War Department.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

RESTORATION OF ENLISTED MEN TO FORMER GRADES.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of the bill (H. R. 9903) to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That any enlisted man of the Army of the United States who has heretofore been, or shall hereafter be, discharged to accept a commission in any component part of the Army of the United States, and who shall tender himself for enlistment within three months after the termination of his commissioned service, shall, subject to such examination for enlistment as is provided by law or regulation, be accepted and be restored to the grade held by him before being discharged to accept such commission; and in computing service for retirement and continuous-service pay he shall be credited with all time served with the forces of the United States, and his service shall be deemed continuous, notwithstanding the interruption thereof by the changes of status provided for herein.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

SALE OF MILITARY SUPPLIES, MATERIALS, AND EQUIPMENT.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of Senate bill 3803.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3803) authorizing the President during the existing emergency to sell war supplies, materials, and equipment heretofore or hereafter purchased, acquired, or manufactured by the United States.

Mr. CHAMBERLAIN. I desire to offer an amendment to the bill. On page 1, line 6, I move to strike out the words "war supplies, materials, and equipment heretofore or hereafter purchased, acquired, or manufactured by the United States," and to insert "supplies, materials, equipment, or other property heretofore or hereafter purchased, acquired, or manufactured by the United States in connection with or incidental to the prosecution of the war."

Mr. President, that amendment was suggested by the Secretary of War. I desire to submit the reasons which are given by the War Department for the enactment of the bill. I will not read them unless the Senate desires me to do so, but I will ask that they be printed in the RECORD.

The PRESIDING OFFICER. Without objection, the matter referred to will be printed in the RECORD.

The matter referred to is as follows:

This bill authorizes the President, during the existing emergency, in his discretion, and upon such terms as he shall deem expedient, through the head of any executive department, to sell any war supplies, materials, and equipment heretofore or hereafter purchased, acquired, or manufactured by the United States, to any person, partnership, association, or corporation, or to any foreign State or Government engaged in war against any Government with which the United States is at war.

The bill further provides that the proceeds of any such sale shall revert to the appropriation out of which the purchase of the supplies, materials, or equipment was paid.

The object of this bill is twofold: First, the War Department regards it as desirable, indeed necessary, to from time to time, sell war supplies, materials, and equipment to the allied Governments, in the same way that the allied Governments are selling war supplies, materials, and equipment to the United States. It is believed that efficient correlation can not exist between the allied Governments without the authority of law to make such sales.

The necessity for the authority proposed by this bill is also found in conditions arising under Government contracts for the production of war supplies. In making these contracts it is found necessary to authorize contractors to purchase additional machinery, and to make that machinery become the property of the Government when its use has been fulfilled. At that time, therefore, the Government must either lose the value of this property or sell it. It has been found by the different branches of the War Department that it would result in economy to be able to insert in its contracts for the manufacture of war supplies a clause by which the contractor agrees to purchase such machinery after it has served the Government use, and to take it at an agreed price, dependent upon the extent of its use at the time it is turned over by the Government to the contractor. The War Department believes that a large saving could be made to the Government if the President were given the powers which this bill authorizes.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Oregon.

The SECRETARY. On page 1, line 6, after the word "any," it is proposed to strike out the words "war supplies, materials, and equipment heretofore or hereafter purchased, acquired, or manufactured by the United States," and to insert "supplies, materials, equipment, or other property heretofore or hereafter purchased, acquired, or manufactured by the United States in connection with or incidental to the prosecution of the war," so as to make the bill read:

Be it enacted, etc., That during the existing emergency the President be, and he hereby is, authorized, in his discretion, and upon such terms as he shall deem expedient, through the head of any executive department, to sell any supplies, materials, equipment, or other property heretofore or hereafter purchased, acquired, or manufactured by the United States in connection with or incidental to the prosecution of the war, to any person, partnership, association, or corporation, or to any foreign State or Government engaged in war against any Government with which the United States is at war; and any moneys received by the United States as the proceeds of any such sale shall immediately become available as part of any existing appropriation for the support of that department, corps, or bureau which furnished the war supplies, materials, or equipment so sold.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the President during the existing emergency to sell supplies, materials, equipment, or other property heretofore or hereafter purchased, acquired, or manufactured by the United States in connection with or incidental to the prosecution of the war."

TEMPORARY PROMOTIONS IN THE REGULAR ARMY.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of Senate bill 3801.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3801) to amend section 8 of "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

The Secretary read the bill, as follows:

Be it enacted, etc., That the last sentence of section 8 of "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, be, and the same hereby is, amended to read as follows:

"Vacancies in the grades of the Regular Army resulting from the appointment of officers thereof to higher grades in the forces other than the Regular Army herein provided for, shall be filled by temporary promotions and appointments in the manner prescribed by section 114 of the national-defense act approved June 3, 1916, except that such promotions and appointments may be made by the President alone when such vacancies are in grades not above that of colonel; and officers appointed under the provisions of this act to higher grades in the forces other than the Regular Army herein provided for shall not vacate their permanent commissions or be prejudiced in their relative or lineal standing in the Regular Army."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DETAILS OF OFFICERS TO EDUCATIONAL INSTITUTIONS.

Mr. CHAMBERLAIN. I ask unanimous consent for the consideration of Senate bill 3528.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3528) to suspend for the period of the present emergency sections 45, 46, and 56 of an act entitled "An act for making further and more effectual provisions for the national defense, and for other purposes," approved June 3, 1916, and for other purposes.

The Secretary read the bill, as follows:

Be it enacted, etc., That sections 45, 46, and 56 of an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, be, and they hereby are, suspended for and during the period of the present emergency, but for such period only, and that upon the termination of said emergency said suspension shall cease and terminate and said sections shall thereupon be and become reinstated and of the same force and effect as if this suspension had not been made.

SEC. 2. That during the present emergency the President be, and he hereby is, authorized to detail such number of officers of the Army of the United States, either active or retired, not above the grade of colonel, as may be necessary for duty as professors and assistant professors of military science and tactics at institutions where one or more units of the Reserve Officers' Training Corps are maintained; but the total number of active officers so detailed at educational institutions shall not exceed 1,000, and no officer shall be so detailed who has not had at least one year's commissioned service in the Army of the United States. Retired officers below the grade of lieutenant colonel so detailed shall receive the full pay and allowances of their grade, and retired officers above the grade of major so detailed shall receive the same pay and allowances as a retired major would receive under like detail.

SEC. 3. That during the present emergency the President be, and he hereby is, authorized to detail for duty at institutions where one or more units of the Reserve Officers' Training Corps are matained such number of enlisted men, either active or retired, of the Army of the United States as he may deem necessary, but the active noncommissioned officers so detailed shall have had at least one year's active service, and the total number of such active noncommissioned officers so detailed shall not exceed 3,000, and shall be additional in their respective grades to those otherwise authorized for the Army of the United States. While detailed under the provisions of this section retired noncommissioned officers of the Army of the United States shall receive active pay and allowances.

SEC. 4. That during the present emergency such arms, tentage, and equipment as the Secretary of War shall deem necessary for proper military training shall be supplied by the Government to schools and colleges other than those provided for in section 47 of the national-defense act approved June 3, 1916, having a course of military training prescribed by the Secretary of War, and having not less than 100 physically fit male students above the age of 14 years, under such rules and regulations as he may prescribe; and the Secretary of War is hereby authorized during the present emergency to detail commissioned and noncommissioned officers of the Army of the United States to said schools and colleges, detailing not less than one such officer or noncommissioned officer to each 500 students under military instruction; but no officer or noncommissioned officer shall be so detailed who has not had at least one year's active service in the Army of the United States.

Mr. CHAMBERLAIN. Mr. President, let me state, very briefly, the purpose of this bill. It is to suspend for the period of the present emergency sections 45, 46, and 56 of the national defense act. These sections of the national defense act provided for detail of officers of the Army as professors of military science and tactics at certain educational institutions where units of Reserve Officers' Training Corps are maintained and provided for the supply of arms, tentage, and equipment to certain schools and colleges having a course in military training prescribed by the Secretary of War. The present bill is offered as a war-time emergency, to extend the scope of the peace-time provisions by allowing a detail of a greater number of officers to these institutions and by also allowing a detail thereto of officers of the Army of the United States instead of confining the detail to officers of the Regular Army.

Mr. GALLINGER. Mr. President, the word "emergency" is rather an indefinite word. Would it not be better to say "for the period of the present war"? We all understand what it means, of course. I suppose it means the present war.

Mr. CHAMBERLAIN. If the Senator proposes an amendment of that kind, I have no objection.

Mr. GALLINGER. I suggest that amendment, Mr. President.

Mr. CHAMBERLAIN. Let me say that I am not sure that the bill uses the word "emergency."

Mr. GALLINGER. The title does, and I assumed the bill did, too.

Mr. THOMAS. The bill does, too.

Mr. GALLINGER. It is both in the body and in the title.

Mr. CHAMBERLAIN. I have no objection.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from New Hampshire, to substitute the word "war" for the word "emergency" wherever it occurs in the body of the bill.

The amendment was agreed to.

Mr. CHAMBERLAIN. The title should be made to conform to that amendment.

Mr. GALLINGER. Yes. That can be done later.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill authorizing the President during the existing war to sell war supplies, materials, and equipment heretofore or hereafter purchased, acquired, or manufactured by the United States."

ASSISTANT SECRETARY OF WAR.

Mr. CHAMBERLAIN. I move that Senate bill 3778 be indefinitely postponed, because the same measure has already passed both branches of Congress.

The PRESIDING OFFICER. The Secretary will state the title of the bill.

The SECRETARY. A bill (S. 3778) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes.

The PRESIDING OFFICER. The Senator from Oregon moves that the bill be indefinitely postponed.

The motion was agreed to.

DESECRATION OF THE FLAG OF THE UNITED STATES.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of Senate bill 121, with reference to desecration of the flag of the United States.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 121) to prevent the desecration of the flag of the United States, and to provide punishment therefor.

Mr. GALLINGER. Mr. President, I should like to hear that bill read. I am very heartily in favor of it if it is in the terms that I think it is.

The PRESIDING OFFICER. The bill will be read.

The Secretary read the bill, as follows:

Be it enacted, etc., That whoever shall place or cause to be placed any word, figure, mark, picture, or design upon any flag, standard, or ensign of the United States, or who shall expose or cause to be exposed to public view any such flag, standard, or ensign upon which shall have been placed any word, figure, mark, picture, or design, or to which shall be attached, appended, affixed, or annexed any word, figure, mark, picture, or design, or any advertisement of any nature, or who shall expose to public view, manufacture, sell, or expose for sale, give away, or have in possession for sale or to give away, or for use for any purpose any article of merchandise, or anything for carrying or transporting merchandise, upon which shall have been placed a representation of any such flag, standard, or ensign, to advertise, call attention to, decorate, mark, or distinguish, for the purpose of sale, barter, or trade, the article or thing upon which so placed, or who shall publicly or privately mutilate, deface, defile, or defy, trample upon, or cast contempt, either by words or act, upon any such flag, standard, or ensign, shall be fined not more than $500 or be imprisoned not more than six months, or both.

SEC. 2. That the words "flag," "standard," or "ensign" as used in this act shall include any picture or representation thereof, made of or represented on any substance and of any size, evidently purporting to be of said flag, standard, or ensign, and any representation of any such flag, standard, or ensign, or of any part thereof, upon which shall be shown the colors, the stars, or the stripes, or any combination thereof, of any such flag, standard, or ensign, which the person seeing the same, without deliberation, may believe to represent such flag, standard, or ensign, or part thereof.

SEC. 3. That this act shall not apply to any newspaper, periodical, book, pamphlet, circular, certificate, diploma, warrant, commission, or appointment to office, ornamental picture, badges, or stationery for use in correspondence, on any of which shall be printed, painted, or placed on any such flag, ensign, or standard, disconnected from any advertisement for the purpose of sale, barter, or trade; nor shall it apply to any act permitted by the Army or Navy Regulations of the United States; nor shall it apply to any flag, standard, or ensign belonging to a Grand Army Post, a camp of the Legion of Spanish War Veterans, or which is the property or is used in the service of the United States or of any State or Territory, upon which shall be placed the names of battles or the name and number of any organization lawfully entitled to the use thereof; nor shall it apply to any patriotic organization or society; nor shall it apply to any patriotic demonstration or decorations.

Mr. GALLINGER. Mr. President, the exceptions seem to be pretty numerous, and perhaps they cover everything that ought to be included. I will ask the Senator from Oregon if the provisions of the bill would prohibit the use of the names of political candidates attached to the bottom of the flag, which is the

custom at the present time; or would these exceptions allow that to be done?

Mr. CHAMBERLAIN. I am not sure about that, Mr. President. It probably would not preclude the use of the flag there.

Mr. GALLINGER. It probably would not? I am not very particular about it. It is a custom that we have followed. They do not cover the flag in any way, but are simply attached to the bottom of the flag and do no harm.

Mr. CHAMBERLAIN. The district attorney of Oregon, who is a very vigilant prosecutor, said that there was no way to punish men for desecration of the flag in some particulars wherein it was being desecrated by men who are disloyal to the Government, and he was very anxious that this bill should be passed.

Mr. GALLINGER. I am in profound sympathy with the purpose of the bill.

Mr. CHAMBERLAIN. I think it excludes every valid use of the flag, but it precludes and prevents the use of it by those who want to desecrate it.

Mr. GALLINGER. I imagine there will be no trouble about that.

Mr. THOMAS. Mr. President, like the Senator from New Hampshire, I am in hearty sympathy with the purpose of the bill. I believe that it is the duty of Congress, by appropriate and intelligent legislation, to secure the national emblem from desecration, or from any willful exhibition of disrespect toward it or for it; but the first section of the bill is drawn in such general terms that I am afraid a great many unconscious violations of it will be followed by rather severe penal provisions.

The element of willfulness or intent is essential to the commission of all crimes, and in the absence of such intent the penal statutes of the country are innocuous. This bill does not use the word "willful," or anything synonymous with it, in the recitals of the first section. I can easily understand how a child, in a spirit of playfulness, on some holiday or during the games which they indulge in, might, without any intention whatever and in the most innocent way imaginable, bring itself within the provisions of this bill. Indeed, I can see how persons of mature age might do the same thing. I think, therefore, that to safeguard all people who are innocent of any willful or criminal intent such matters as I have referred to should be exempted from the application of the penal provisions of the bill.

I suggest, therefore, that on line 3, page 1, between the words "shall" and "place," there be inserted the words "willfully or knowingly"; also the same amendment, on line 5, between the words "shall" and "expose." Then, immediately after the word "expose," on line 11, I move to insert the same words; also on page 2, line 7, after the word "privately."

Mr. CHAMBERLAIN. I have no objection to that.

The PRESIDING OFFICER. The question is on agreeing to the amendments proposed by the Senator from Colorado.

The amendments were agreed to.

Mr. STERLING. Mr. President, may I suggest to the Senator from Oregon a verbal amendment in section 2, line 15, on page 2? As the bill reads, we have the words "evidently purporting to be of said flag." Of course, it would involve a repetition of the words "picture or representation," but I think, for the purpose of clearness in the bill, the words "to be" should be followed by the words "a picture or representation," so as to read: "purporting to be a picture or representation of said flag."

Mr. CHAMBERLAIN. I have no objection to that.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PURCHASE AND DISTRIBUTION OF MILITARY STORES AND SUPPLIES.

Mr. FLETCHER. Mr. President, if agreeable to the chairman of the committee, I move that the Senate take up Senate bill 3982.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3982) to suspend certain restrictions on the purchase and distribution of military stores and supplies, and for other purposes, which was read, as follows:

Be it enacted, etc., That so much of section 1133, United States Revised Statutes, and of section 9 of an act of Congress entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as restricts the purchase and distribution of military stores and supplies and the work of construction and repair to officers of the Quartermaster Corps, be, and the same is hereby, suspended for the period of the existing emergency.

Mr. GALLINGER. Mr. President, I move to amend the bill on line 11, so as to read "the period of the present war."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On line 11 it is proposed to strike out the words "existing emergency" and insert "present war."

Mr. KIRBY. Mr. President, while I have no objection to striking out "emergency" and inserting "war," we commenced in the very beginning to say "emergency," and it seems to me it ought to obtain throughout the whole legislation, as it might include a little time after the war. That has been the program throughout. I have no objection to its being called "war," but I should like to have the Senator from Florida mention briefly the necessity of it.

Mr. FLETCHER. Mr. President, I will state that this has particular reference to the purchase and distribution of military stores and supplies, and therefore I do not believe any fault can be found with the amendment offered by the Senator from New Hampshire, because these purchases and this distribution will have to take place during the present war.

The reason of it is stated by the department to the effect that it has been found that some of the functions being performed by the Quartermaster Corps in the way of the purchase and distribution of military stores and supplies and in works of construction and repair can be performed under existing conditions more efficiently by other branches of the War Department. This is particularly true in works of construction. It is believed that this work can be more efficiently and expeditiously performed in many instances by the Engineer Corps. It is plainly evident that under the pressure brought about by war preparations it is unwise to require that all this work be performed by a particular corps or department. To allow some latitude and discretion must necessarily make for efficiency.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REIMBURSEMENT OF ENLISTED MEN TRAVELING ON DUTY.

Mr. CHAMBERLAIN. I ask unanimous consent that the Senate proceed to the consideration of Senate bill 3691.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3691) to provide for reimbursement of actual expenses or flat per diem for enlisted men of the Army traveling on duty under competent orders, which was read, as follows:

Be it enacted, etc., That hereafter under such regulations and within such maximum rates as may be prescribed by the Secretary of War enlisted men of the Army may be reimbursed for actual expenses of travel, including subsistence and lodging, incurred while traveling under competent orders and not embraced in the movement of troops, or that they may be paid a flat per diem therefor in lieu of such reimbursement.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. GALLINGER. I have been necessarily absent from the Chamber for a little while, and I will venture to ask the Senator from Oregon, the chairman of the committee, if he has called up the bill that I spoke to him about on yesterday?

Mr. CHAMBERLAIN. The bill providing for the commutation of quarters?

Mr. GALLINGER. Yes.

Mr. CHAMBERLAIN. That has been passed.

Mr. GALLINGER. I am very glad of that.

Mr. CHAMBERLAIN. This completes all the bills that were reported out of the committee except probably three that will entail a good deal of discussion, and I will ask that they go over for the present. I shall await an opportunity to bring them up. This is all I desire to impose upon the Senate this morning.

DIPLOMATIC AND CONSULAR APPROPRIATIONS—CONFERENCE REPORT.

Mr. OVERMAN submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919," having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4 and 9.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 6, 7, 8, 10, 11, and 14, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$37,500"; and the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$8 per day"; and the Senate agree to the same.

That the House recede from its disagreement to the amendments of the Senate numbered 12 and 13, and agree to the same with an amendment as follows: In lieu of the amended paragraph insert the following:

"LEGATION BUILDING AT SAN SALVADOR.

"For the erection at the city of San Salvador on ground presented by the Government of Salvador of a suitable building, to be constructed of reinforced concrete for the use of the legation to Salvador, both as a residence of the minister and for the offices of the legation, $50,000, or so much thereof as may be necessary, said sum to include $10,000 for the purchase of the necessary furniture for the building: *Provided*, That the President is hereby authorized to accept on behalf of the United States the plat of ground graciously presented by the Government of Salvador as the site for the erection of a legation building or buildings."

And the Senate agree to the same.

LEE S. OVERMAN,
JOHN F. SHAFROTH,
WESLEY L. JONES,
Managers on the part of the Senate.

H. D. FLOOD,
J. CHARLES LINTHICUM,
Managers on the part of the House.

The report was agreed to.

INDIAN APPROPRIATIONS.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The hour of 2 o'clock having arrived, it becomes the duty of the Chair to lay before the Senate the unfinished business, which is House bill 8696.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919, which had been reported from the Committee on Indian Affairs with amendments.

Mr. PHELAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from California?

Mr. ASHURST. I, of course, yield; but I want to make as rapid progress with the pending bill as possible. I will yield for a few moments.

Mr. PHELAN. I wish to bring up the bill (S. 2910) providing for an additional judge for the northern district of California.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The Secretary read the bill.

Mr. THOMAS. Mr. President, I shall be compelled to object to the consideration of the bill.

The PRESIDING OFFICER. The Senator from Colorado objects.

Mr. ASHURST. I ask unanimous consent that the formal reading of the bill be dispensed with and that the bill be read for action on the committee amendments.

The PRESIDING OFFICER. The Senator from Arizona asks unanimous consent that the formal reading of the bill be dispensed with, that the bill be read for amendment, and that the committee amendments be first acted upon. Is there objection? The Chair hears none.

The Secretary proceeded to read the bill.

The first amendment of the Committee on Indian Affairs was, under the head of "Surveying and allotting Indian reservations (reimbursable)," on page 2, line 9, after the words "Indian lands," to strike out "$100,000" and insert "$50,000," so as to read:

For the survey, resurvey, classification, and allotment of lands in severalty under the provisions of the act of February 8, 1887 (24 Stat. L., p. 388), entitled "An act to provide for the allotment of lands in severalty to Indians," and under any other act or acts providing for the survey or allotment of Indians lands, $50,000, to be repaid proportionally out of any Indian moneys held in trust or otherwise by the United States and available by law for such reimbursable purposes and to remain available until expended.

The amendment was agreed to.

The next amendment was, under the head of "Irrigation on Indian reservations (reimbursable)," on page 4, line 23, after the word "One," to strike out "supervising engineer" and insert "superintendent of irrigation," so as to make the clause read:

One superintendent of irrigation competent to pass upon water rights, $2,500.

The amendment was agreed to.

The next amendment was, under the head of "Suppressing liquor traffic," on page 5, line 21, after "$150,000," to insert:

Provided, That the sale of anhalonium, or peyote, to an Indian, or its introduction into the Indian country, shall be, and is hereby, declared to be a violation of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506), and punishable in accordance with the penalties provided for therein: *Provided further*, That possession by a person of intoxicating liquors in the country where the introduction is prohibited by treaty or Federal statute shall be an offense and punished in accordance with the provisions of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506).

So as to make the clause read:

For the suppression of the traffic in intoxicating liquors among Indians, $150,000: *Provided*, That the sale of anhalonium, or peyote, to an Indian, etc.

Mr. ASHURST. There are two members of the committee who happen to be necessarily absent, and I ask that this amendment be passed over for the present. The members are on the way; they are coming.

The PRESIDING OFFICER. Without objection, the amendment will be passed over for the present.

The next amendment was, under the head of "Relieving distress," etc., on page 6, after line 13, to strike out:

For the relief and care of destitute Indians not otherwise provided for, and for the prevention and treatment of tuberculosis, trachoma, smallpox, and other contagious and infectious diseases, including transportation of patients to and from hospitals and sanatoria, $350,000: *Provided*, That not to exceed $90,000 of said amount may be expended in the construction and equipment of new hospitals at a unit cost of not exceeding $15,000: *Provided further*, That this appropriation may be used also for general medical and surgical treatment of Indians, including the maintenance and operation of general hospitals, where no other funds are applicable or available for that purpose: *And provided further*, That out of the appropriation herein authorized there shall be available for the maintenance of the sanatora and hospitals hereinafter named, and for incidental and all other expenses for their proper conduct and management, including pay of employees, repairs, equipment, and improvements, not to exceed the following amounts: Blackfeet hospital, Montana, $10,000; Carson hospital, Nevada, $10,000; Cheyenne and Arapahoe hospital, Oklahoma, $10,000; Choctaw and Chickasaw hospital, Oklahoma, $25,000; Fort Lapwai sanatorium, Idaho, $40,000; Laguna sanatorium, New Mexico, $17,000; Mescalero hospital, New Mexico, $10,000; Navajo sanatorium, New Mexico, $10,000; Pima hospital, Arizona, $10,000; Phoenix sanatorium, Arizona, $40,000; Spokane hospital, Washington, $10,000; Sac and Fox sanatorium, Iowa, $25,000; Turtle Mountain hospital, North Dakota, $10,000; Winnebago hospital, Nebraska, $15,000; Crow Creek hospital, South Dakota, $8,000; Hoopa Valley hospital, California, $8,000; Jicarilla hospital, New Mexico, $8,000; Truxton Canyon camp hospital, Arizona, $8,000; Indian Oasis hospital, Arizona, $8,000.

And insert:

For the relief and care of destitute Indians not otherwise provided for, and for the prevention and treatment of tuberculosis, trachoma, smallpox, and other contagious and infectious diseases, including transportation of patients to and from hospitals and sanatoria, $400,000: *Provided*, That this appropriation may be used also for general medical and surgical treatment of Indians, including the maintenance and operation of general hospitals, where no other funds are applicable or available for that purpose: *Provided further*, That out of the appropriation herein authorized there shall be available for the maintenance of the sanatoria and hospitals hereinafter named, and for incidental and all other expenses for their proper conduct and management, including pay of employees, repairs, equipment, and improvements, not to exceed the following amounts: Blackfeet hospital, Montana, $12,500; Carson hospital, Nevada, $10,000; Cheyenne and Arapahoe hospital, Oklahoma, $10,000; Choctaw and Chickasaw hospital, Oklahoma, $35,000; Fort Lapwai sanatorium, Idaho, $40,000; Laguna sanatorium, New Mexico, $17,000; Mescalero hospital, New Mexico, $10,000; Navajo sanatorium, Arizona, $10,000; Pima hospital, Arizona, $10,000; Phoenix sanatorium, Arizona, $40,000; Spokane hospital, Washington, $10,000; Sac and Fox sanatorium, Iowa, $25,000; Turtle Mountain hospital, North Dakota, $10,000; Winnebago hospital, Nebraska, $15,000; Crow Creek hospital, South Dakota, $10,000; Hoopa Valley hospital, California, $10,000; Jicarilla hospital, New Mexico, $10,000; Truxton Canyon camp hospital, Arizona, $10,000; Indian Oasis hospital, Arizona, $10,000.

Mr. STERLING. I have not had time to compare the amendment proposed by the committee with the House provision under the same head. I should like to have the chairman of the committee explain the essential differences, if he will, between the House provision and the committee amendment.

Mr. ASHURST. In reply to the interrogatory of the Senator from South Dakota, let me call his attention to page 6, commencing with the word "*Provided*," in line 18. That proviso is stricken from the bill, so there will not be any authorization for new construction. The committee were of the opinion that at this particular time it is not expedient to provide for any

new buildings except where it is a matter of urgency. That, I believe, without a more careful perusal, constitutes the main change of the text, except that there are some changes in amounts. Some have been reduced, I believe, a very small amount, and some have been increased, in accordance with the estimates of the department. Those constitute the changes.

The amendment was agreed to.

The next amendment was, under the head of "Support of Indian schools," on page 9, line 4, after the word "therewith," to strike out "$1,600,000" and insert "$1,700,000," so as to read:

For support of Indian day and industrial schools not otherwise provided for, for other educational and industrial purposes in connection therewith, $1,700,000.

The amendment was agreed to.

The reading was continued to line 11, on page 10.

Mr. CURTIS. There is a committee amendment on page 9, in line 23, to which I desire to call the attention of the chairman of the committee. The sum of $400,000 was to be reduced to $350,000 in the appropriation for construction, lease, purchase, repair, and so forth, of school and agency buildings. That item ought to be reduced to $350,000.

Mr. ASHURST. I think the Senator is correct about that. In other words, "$400,000" should be changed to "$350,000." Does the Senator move that amendment?

Mr. CURTIS. That was the amendment agreed to by the committee.

Mr. ASHURST. That is my recollection of it.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 9, line 23, strike out "$400,000" and insert "$350,000," so as to read:

For construction, lease, purchase, repair, and improvement of school and agency buildings, including the purchase of necessary lands and the installation, repair, and improvement of heating, lighting, power, and sewerage and water systems in connection therewith, $350,000: *Provided*—

And so forth.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. GRONNA. I would kindly ask to have that go over for the present. Some of these items which were agreed upon in the committee would possibly reduce the amount to $350,000, but I merely wish to have an opportunity to look at it.

Mr. CURTIS. I will state to the Senator from North Dakota that the assistant commissioner agreed that an item in the bill was increased $100,000. There should be a reduction in that item of $50,000 and another item should be reduced to $50,000. I will state to the Senator if there is any difficulty about it I shall bring the matter to the attention of the conferees and attempt to have it restored, but I am satisfied I am right and I would like to have the amendment agreed to at this time.

Mr. GRONNA. With that statement, I have no objection to agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was continued.

The next amendment was, under the head of "Per capita cost," on page 11, line 7, after the word "unless," to strike out "the attendance in any school shall be less than 100 pupils, in which case the Secretary of the Interior may authorize a per capita expenditure of not to exceed $225: *Provided*, That the total amount appropriated for the support of such school shall not be exceeded: *Provided further*, That the number of pupils in any school entitled to the per capita allowance hereby provided for shall be determined by taking the average attendance for the entire fiscal year and not any fractional part thereof: *Provided further*, That the foregoing shall also apply to expenditures for the fiscal year ending June 30, 1918," and insert "by reason of epidemic, accident, or other sufficient cause, the enrollment is so reduced or cost of maintenance so high that a larger expenditure is absolutely necessary, when the Commissioner of Indian Affairs, with the approval of the Secretary of the Interior, may allow a larger per capita expenditure of not to exceed $225: *Provided*, That the total amount appropriated for the support of such school shall not be exceeded: *Provided further*, That the number of pupils in any school entitled to the per capita allowance hereby provided for shall be determined by taking the average enrollment for the entire school year and not any fractional part thereof: *Provided further*, That the foregoing shall also apply to expenditures for the fiscal year ending June 30, 1918," so as to make the clause read:

That hereafter, except for pay of superintendents and for transportation of goods and supplies and transportation of pupils, not more than $200 shall be expended from appropriations made in this act, or any other act, for the annual support and education of any one pupil in any Indian school unless, by reason of epidemic, accident, or other sufficient cause, the enrollment is so reduced or cost of maintenance so high that a larger expenditure is absolutely necessary, when the Commissioner of Indian Affairs, with the approval of the Secretary of the Interior, may allow a larger per capita expenditure of not to exceed $225: *Provided*, That the total amount appropriated for the support of such school shall not be exceeded: *Provided further*, That the number of pupils in any school entitled to the per capita allowance hereby provided for shall be determined by taking the average enrollment for the entire school year and not any fractional part thereof: *Provided further*, That the foregoing shall also apply to expenditures for the fiscal year ending June 30, 1918.

The amendment was agreed to.

The next amendment was, under the head of "Industrial work and care of timber," on page 12, line 24, after the word "sum," to strike out "not less than $75,000 shall," and insert "at least $75,000 may," so as to read:

For the purposes of preserving living and growing timber on Indian reservations and allotments, and to educate Indians in the proper care of forests; for the employment of suitable persons as matrons to teach Indian women and girls housekeeping and other household duties, for necessary traveling expenses of such matrons, and for furnishing necessary equipments and supplies and renting quarters for them where necessary; for the conducting of experiments on Indian school or agency farms designed to test the possibilities of soil and climate in the cultivation of trees, grains, vegetables, cotton, and fruits, and for the employment of practical farmers and stockmen, in addition to the agency and school farmers now employed; for necessary traveling expenses of such farmers and stockmen and for furnishing necessary equipment and supplies for them; and for superintending and directing farming and stock raising among Indians, $475,000, of which sum at least $75,000 may be used for the employment of field matrons: *Provided*, That the foregoing shall not, as to timber, apply to the Menominee Indian Reservation in Wisconsin.

The amendment was agreed to.

The next amendment was in the item of appropriation for the purposes of preserving living and growing timber on Indian reservations and allotments, on page 13, line 24, after the word "stockmen," to strike out "herein provided for" and insert "provided for in this act," so as to make the proviso read:

Provided, also, That the amounts paid to matrons, foresters, farmers, physicians, and stockmen provided for in this act shall not be included within the limitation on salaries and compensation of employees contained in the act of August 24, 1912.

The amendment was agreed to.

The next amendment was, under the head of "General expenses of Indian Service," on page 15, line 24, after the word "*Provided*," to strike out "That not to exceed $15,000 of this amount shall be used for continuing the work of the Competency Commission to the Five Civilized Tribes in Oklahoma" and insert "That not to exceed $5,000 of this amount shall be immediately available," so as to make the clause read:

For pay of special agents, at $2,000 per annum; for traveling and incidental expenses of such special agents, including sleeping-car fare, and a per diem of not to exceed $3.50 in lieu of subsistence, in the discretion of the Secretary of the Interior, when actually employed on duty in the field or ordered to the seat of Government; for transportation and incidental expenses of officers and clerks of the Office of Indian Affairs when traveling on official duty; for pay of employees not otherwise provided for; and for other necessary expenses of the Indian Service for which no other appropriation is available, $135,000: *Provided*, That not to exceed $5,000 of this amount shall be immediately available.

The amendment was agreed to.

The next amendment was, under the head of "Industry among Indians (reimbursable)," on page 17, line 1, after the word "crops," to strike out "$100,000" and insert "$300,000," so as to read:

For the purpose of encouraging industry and self-support among the Indians and to aid them in the culture of fruits, grains, and other crops, $300,000, or so much thereof as may be necessary, to be immediately available, which sum may be used for the purchase of seed, animals, machinery, tools, implements, and other equipment necessary, in the discretion of the Secretary of the Interior, to enable Indians to become self-supporting.

The amendment was agreed to.

The next amendment was, in section 2, under the head of "Arizona and New Mexico," on page 19, line 18, after the word "act," to strike out "and for continuing the purpose of securing an appropriation of water for the irrigation of approximately 150,000 acres of land on said reservation by the conduct of surveys and the preparation of plans and estimates for a complete irrigation system to supply water to said land, $50,000, reimbursable from funds in the Treasury of the United States to the credit of the Indians of said reservation arising from the proceeds from the sale of town lots authorized by the act of April 13, 1908 (35 Stat. L., 77); in all, $70,000," and insert "and for continuing the purpose of securing an appropriation of water for the irrigation of approximately 150,000 acres of land on said reservation by the conduct of surveys and the preparation of plans and estimates for a complete irrigation system to supply water to said land, $25,000, reimbursable from funds in the Treasury of the United States to the credit of the Indians of said reservation arising from the proceeds from the sale of town lots authorized by the act of April 13, 1908 (35 Stat. L., 77); in all, $45,000," so as to make the clause read:

For continuing the construction of the pumping plant for irrigation purposes on the Colorado River Indian Reservation, Ariz., by the installation of additional pumping machinery and for continuing the

construction of the necessary canals and laterals for the utilization of water in connection therewith, as provided in the act of April 4, 1910 (36 Stat. L., 273), and for maintaining and operating the pumping plant, canals, and structures, $20,000, reimbursable as provided in said act; and for continuing the purpose of securing an appropriation of water for the irrigation of approximately 150,000 acres of land on said reservation by the conduct of surveys and the preparation of plans and estimates for a complete irrigation system to supply water to said land, $25,000, reimbursable from funds in the Treasury of the United States to the credit of the Indians of said reservation arising from the proceeds from the sale of town lots authorized by the act of April 13, 1908 (35 Stat. L., 77); in all, $45,000.

The amendment was agreed to.

The next amendment was, on page 22, line 3, before the words "to be immediately available," to strike out "$50,000" and insert "$25,000," so as to make the clause read:

For completing the construction by the Indian Service of a dam with a bridge superstructure and the necessary controlling works for diverting water from the Gila River for the irrigation of Indian land and Indian allotments on the Gila River Indian Reservation, Ariz., as recommended by the Board of Engineers of the United States Army in paragraph 217 of its report to the Secretary of War of February 14, 1914 (H. Doc. No. 791), $25,000, to be immediately available and to remain available until expended, reimbursable as provided in section 2 of the act of August 24, 1912 (37 Stat. L., 522): *Provided*, That the limit of cost of the said dam and bridge fixed by the act of May 18, 1916 (39 Stat. L., 130), is hereby changed from $200,000 to $250,000.

The amendment was agreed to.

The next amendment was, on page 23, line 1, before the words "the construction of," to insert "the completion of," so as to make the clause read:

For the completion of the construction of a bridge across the Little Colorado River at or near the town of Winslow, Ariz., $2,000, in addition to the $15,000 appropriated for this purpose by the act of May 18, 1916 (39 Stat. L., 131); such additional amount to be expended in the same manner and under the same conditions as provided in the act aforesaid.

The amendment was agreed to.

The next amendment was, on page 23, after line 15, to strike out:

For the construction of a fence along the international boundary line between Mexico and the Papago Indian Reservation, in Arizona, created by Executive order of January 14, 1916, under such rules and regulations as the Secretary of the Interior may prescribe, $10,000, to be immediately available and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 24, after line 11, to strike out:

That the unexpended balance of $6,715 appropriated by the Indian appropriation act approved May 18, 1916, for the proportionate share of the amount required to construct a wagon road or highway through the Kaibab Indian Reservation is hereby made available upon the same terms, except that any labor may be used upon the construction of such road or highway, giving preference to Indian labor.

And insert:

That the unexpended balance of $6,715 appropriated by the Indian appropriation act approved May 18, 1916, for the proportionate share of the amount required to construct a wagon road or highway through the Kaibab Indian Reservation is hereby made available for the purchase of material and the employment of labor upon the same terms, except that any labor may be used upon the construction of such road or highway, giving preference to Indian labor.

The amendment was agreed to.

The next amendment was, on page 25, after line 3, to insert:

For amount necessary for completing the construction of two bridges over the Little Colorado and Canon Diablo Rivers, near the Leupp Indian Agency, Ariz., in addition to the $42,500 appropriated for this purpose by the act approved March 2, 1917 (39 Stat. L., p. 975), $5,000, or so much thereof as may be required, to be immediately available: *Provided*, That said additional sum shall be reimbursable from tribal funds as may be required by the said act.

The amendment was agreed to.

The next amendment was, in section 3, under the head of "California," on page 26, after line 5, to strike out:

For support and education of 100 Indian pupils at the Fort Bidwell Indian School, California, including pay of superintendent, $21,500; for general repairs and improvements, $3,500; in all, $25,000.

And insert:

For support and education of 100 Indian pupils at the Fort Bidwell Indian School, California, including pay of superintendent, $21,500; for general repairs and improvements, $3,500; for installation of water supply, $9,000, to be immediately available; in all, $34,000.

The amendment was agreed to.

The next amendment was, in section 6, under the head of "Kansas," on page 28, line 15, after "$150,000," to strike out "in all, $156,350" and insert "for completing the construction of a drainage system on the Haskell Indian School Reservation, Lawrence, Kans., $10,000; in all, $166,350."

Mr. ASHURST. I move to amend the amendment of the committee by inserting, on page 28, line 18, the words "to be immediately available" after the numerals $10,000.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, in section 8, under the head of "Minnesota," on page 29, line 7, after "$41,650," to insert:

Provided, That funds heretofore appropriated for mechanical and general utility shop building and for addition to hospital may be expended for rebuilding laundry, purchase of laundry equipment, and for repairs to heating and power systems at Pipestone School in an amount not exceeding $16,000, the same to be immediately available.

So as to make the clause read:

SEC. 8. For support and education of 200 Indian pupils at the Indian school, Pipestone, Minn., including pay of superintendent, $41,650; for general repairs and improvements, $7,000; in all, $48,650: *Provided*, That funds heretofore appropriated for mechanical and general utility shop building and for addition to hospital may be expended for rebuilding laundry, purchase of laundry equipment, and for repairs to heating and power systems at Pipestone School in an amount not exceeding $16,000, the same to be immediately available.

The amendment was agreed to.

The next amendment was, on page 29, after line 23, to insert:

That for the completion of the enrollment of the allottees within the White Earth Reservation, in the State of Minnesota, required by the act of June 30, 1913, as amended by this act, there is hereby appropriated the sum of $3,000, or so much thereof as may be necessary for that purpose. This appropriation shall continue available until expended or the work of the said commission shall have been completed.

The amendment was agreed to.

The next amendment was, on page 30, after line 6, to insert:

That not to exceed $50,000 of the funds derived from the sale of timber from the Red Lake Indian forest, Minnesota, under authority of the act of May 18, 1916 (39 Stat. L., p. 137), to be immediately available, may be expended by the Secretary of the Interior in the logging, booming, towing, and manufacture of timber at the Red Lake Agency sawmill: *Provided*, That not to exceed $15,000 of said amount may be used to reimburse the tribal fund known as "Indian money, proceeds of labor, Red Lake Indians," heretofore actually expended in said operations.

The amendment was agreed to.

The next amendment was, on page 30, after line 17, to insert:

That of the unexpended appropriation of $5,000 authorized to be taken out of the tribal funds of the Chippewa Indians of Minnesota for the construction of a bridge across the Mississippi River on the Cass Lake Reservation by the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes," for the fiscal year ending June 30, 1918, $4,000 be, and the same is hereby, authorized to be expended for improving the road between the Cass Lake Indian school and village, a distance of 6 miles, upon the condition that the counties of Cass and Beltrami, in the State of Minnesota, shall file with the Secretary of the Interior a written agreement to reimburse the Government within five years to the extent of one-half of the amount expended upon said road.

The amendment was agreed to.

The next amendment was, on page 31, after line 8, to insert:

That the sum of $10,000, or so much thereof as may be necessary, of the tribal funds of the Chippewa Indians of the State of Minnesota, is hereby appropriated to pay the expenses of the general council of said tribe to be held at Bemidji, Minn., beginning July 9, 1918, pursuant to the constitution of the general council of said Chippewa Indians of Minnesota, organized in May, 1913, and to pay the expenses of said general council in looking after the affairs of said tribe, including the expenses of its legislative committee in visiting Washington during the second session of the Sixty-fifth Congress; said sum to be immediately available, and said expenses to be approved by the president and secretary of the general council and certified to the Secretary of the Interior and as so approved and certified to be paid.

The amendment was agreed to.

The next amendment was, on page 31, after line 23, to insert:

The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States, at his discretion, the sum of $185,000, or so much thereof as may be necessary, of the principal sum on deposit to the credit of the Chippewa Indians in the State of Minnesota, arising under section 7 of the act of January 14, 1889, entitled "An act for the relief and civilization of the Chippewa Indians in the State of Minnesota," and to use the same for the purpose of promoting civilization and self-support among the said Indians in manner and for purposes provided for in said act: *Provided*, That should it be held by the courts that such uses of said tribal funds are unlawful, the sum of $185,000 is hereby appropriated for the purposes aforesaid from any public funds in the United States Treasury not otherwise appropriated: *Provided further*, That should the courts hold that the expenditure of Chippewa tribal funds for the purposes herein named is unauthorized, any amount expended of the sum appropriated by this act shall be reimbursed to the said Chippewa tribal funds from any funds in the Treasury of the United States not otherwise appropriated.

That not to exceed $30,000 of the funds derived from the sale of timber from the Red Lake Indian forest, Minnesota, under authority of the act of May 18, 1916 (39 Stat. L., p. 137), may be used by the Secretary of the Interior during the fiscal year ending June 30, 1919, in payment of the expenses authorized by said act and in the logging, booming, towing, and manufacture of timber at the Red Lake Agency sawmill.

Mr. ASHURST. Before passing entirely from page 32 I ask the attention of the Senator from Minnesota [Mr. KELLOGG] to the numerals in line 1 and the numerals also in line 11.

Mr. KELLOGG. I offered an amendment to that this morning, which was ordered to be printed, and which I would ask to have now considered, reducing the appropriation to $175,000. I need not explain it, for I understand it to be satisfactory to the chairman of the committee and to the Office of Indian Affairs.

Mr. ASHURST. I have no doubt it is satisfactory, but I did not hear the Senator's statement as to the amount.

Mr. KELLOGG. One hundred and seventy-five thousand dollars.

Mr. ASHURST. Certainly; I have no objection to it whatever.

Mr. KELLOGG. I will say to the chairman of the committee that after consultation with the Secretary of the Interior and with Mr. Meritt, in the Indian Office, by Representative STEENERSON, Representative KNUTSON, from Minnesota, and myself, it was agreed that the appropriation might be reduced to $175,000.

Mr. CURTIS. I should like to ask the Senator from Minnesota a question, if I may. Did he have any assurance from the department that there would be any reduction in this expenditure next year? There are only something over 11,000 Indians on the reservation, and I understand about 3,000 of them might be placed in the incompetent class. It seems to me that $185,000 is a very large expenditure unless there are some conditions up there at this time which justify it.

Mr. KELLOGG. In answer to the Senator from Kansas I will be very glad to explain it. This appropriation was stricken from the bill in the House. It was reported to the House at $185,000, and, on the motion of Representative MILLER of Minnesota, the entire appropriation was stricken from the bill. It came to my attention from the gentleman representing the Chippewa Indians in Minnesota that this appropriation was in violation of the treaty and the statute of Congress and should not be taken from the principal fund.

I have another amendment which I will offer, which bears upon this question. I took the matter up with the gentleman representing the Minnesota Chippewas and asked for a detailed statement of the appropriation. After an examination of this statement with him and a delegation of Chippewas, I took up the matter with the Indian Office. The Secretary of the Interior and Mr. Meritt stated that if the appropriation could be maintained during the present session of Congress at $175,000, an investigation would be made of the expenditure of this money and all the details surrounding the appropriation, with a view of reducing the appropriation or cutting it out entirely if the court should hold it to be illegal.

After the best examination I could make of the subject, I concluded, after conference with Members of the House, that perhaps it would be best for the present year not to strike out the entire amount.

While I am explaining this amendment I will also go further. I move also to insert, after line 19, on page 32, the following:

That any case now pending in any court created under authority of Congress, or that may hereafter be brought in any such court, to test the validity of the expenditure of any of the trust funds of the Chippewa Indians of Minnesota shall be advanced upon the docket of any such court and upon the dockets of the appellate courts to the earliest practicable hearing.

When I prepared that amendment a case involving the legality of this appropriation from the principal fund of the Chippewa Indians was pending in the courts of the District of Columbia. Several cases have been brought on for hearing, but it seemed impossible to get a hearing before the appropriation was all spent. The law officers of the Interior Department opposed the advancement of the cases. The chairman of the committee said that, if it were proper to offer such an amendment to the bill, he was perfectly willing that it should be done; and I will say to the chairman and to the Senate that such provisions are frequently placed in legislation; in the antitrust act and in other acts cases arising under them are required to be given preference by the court, and to be advanced. It is merely, I might say, advisory; the court is not compelled to set aside all other business and to advance these cases. I have, however, the assurance of the Secretary of the Interior that this litigation will be advanced; and the department is now considering another amendment to send the whole subject to the Court of Claims, where an appeal can be immediately taken to the Supreme Court and thus secure a decision of this much-mooted question.

I should like to explain very briefly to the chairman of the committee the point made by the counsel for the Chippewa Indians. Under the treaty and under the statute of Congress, in 1889 a large amount of Indian lands was ceded to the United States and sold. Section 7 of the law provides as follows—and I will ask that this be inserted in my remarks without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

That all money accruing from the disposal of said lands in conformity with the provisions of this act shall, after deducting all the expenses of making the census, of obtaining the cession and relinquishment, of making the removal and allotments, and of completing the surveys and appraisals in this act provided, be placed in the Treasury of the United States to the credit of all the Chippewa Indians in the State of Minnesota as a permanent fund, which shall draw interest at the rate of 5 per cent per annum, payable annually, for the period of 50 years after the allotments provided for in this act have been made, and which interest and permanent fund shall be expended for the benefit of said Indians in manner following: One-half of said interest shall, during the said period of 50 years, except in cases hereinafter otherwise provided, be annually paid in cash in equal shares to the heads of families and guardians of orphan minors for their use, and one-fourth of said interest shall, during the same period and with like exception, be annually paid in cash in equal shares per capita to all other classes of said Indians, and the remaining one-fourth of said interest shall, during the said period of 50 years, under the direction of the Secretary of the Interior, be devoted exclusively to the establishment and maintenance of a system of free schools among said Indians in their midst and for their benefit; and at the expiration of the said 50 years the said permanent fund shall be divided and paid to all of said Chippewa Indians and their issue then living, in cash, in equal shares: *Provided*, That Congress may, in its discretion, from time to time, during the said period of 50 years, appropriate, for the purpose of promoting civilization and self-support among the said Indians, a portion of said principal sum, not exceeding 5 per cent thereof.

Mr. KELLOGG. I merely desire to say that under that statute this fund was made a trust fund—

which shall draw interest at the rate of 5 per cent per annum, payable annually for the period of 50 years, after the allotments provided for in this act have been made, and which interest and permanent fund shall be expended for the benefit of said Indians in the manner following: One-half of said interest shall, during the said period of 50 years, except in cases hereinafter otherwise provided, be annually paid in cash in equal shares to the heads of families and guardians of orphan minors for their use, and one-fourth of said interest shall, during the same period and with like exception, be annually paid in cash in equal shares per capita to all other classes of said Indians, and the remaining one-fourth of said interest shall, during the said period of 50 years, under the direction of the Secretary of the Interior, be devoted exclusively to the establishment and maintenance of a system of free schools among said Indians in their midst and for their benefit; and at the expiration of the said 50 years the said permanent fund shall be divided and paid to all of said Chippewa Indians and their issue then living in cash in equal shares: *Provided*, That Congress may, in its discretion, from time to time during the said period of 50 years, appropriate, for the purpose of promoting civilization and self-support among the said Indians, a portion of said principal fund, not exceeding 5 per cent thereof.

Now, it appears that for years appropriations have been made from this principal sum for general purposes among the Chippewa Indians—for the maintenance of schools and roads and for the maintenance of the Indian agencies and various employees—as the Senator from Kansas [Mr. CURTIS], who is more familiar with this subject than I am, has stated. My attention was not called to the matter until within the last few weeks.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from North Dakota?

Mr. KELLOGG. I yield to the Senator from North Dakota.

Mr. GRONNA. I think that the delegation of Chippewa Indians which called on me expressed their opinion and their opposition of this appropriation of $185,000, largely because it was not used for their benefit; that it was not used for educational purposes, but was used more for paying general expenses and paying the officers appointed, of course, by the Indian Office. Is that the understanding of the Senator from Minnesota?

Mr. KELLOGG. That is correct. I will say that the delegation, with their counsel, called on me several times, and together we went over every detail of this appropriation for expenditures during the last Congress. They claim that this money is not expended for the purpose of promoting civilization and self-support, but for expenses which accrue by reason of the administration of Indian affairs not only in Minnesota but elsewhere. I think most of it is expended for the administration of the Indian Office and Indian agencies in Minnesota.

Mr. ASHURST. Mr. President——

Mr. KELLOGG. I yield to the chairman of the committee.

Mr. ASHURST. If the Senator will yield to me a moment, I desire to say that on page 13 of the committee report on this bill will be found a very succinct and brief, yet complete, statement of the moneys on hand. From that it will be seen that the amount of the principal sum on deposit in the Treasury on June 30, 1917, was approximately $5,605,000, 5 per cent of which would be $280,025, whereas the appropriation asked for is only $185,000, or $95,250 less than the maximum amount which could be appropriated under the law, assuming that that is the law. So, if the Senator's amendment should prevail, we would be simply appropriating $105,250 less than the maximum amount we could appropriate. I am in favor of the amendment.

Mr. KELLOGG. The chairman of the committee is correct about that. I am simply making this explanation in order to bring the matter before the Senate and the committee. It is true that 5 per cent of the principal of the trust fund would amount to more than this appropriation, but that is 5 per cent per annum, and unless the fund were increased the 5 per cent per annum, of course, would take it all in 20 years.

The Indians claim that it was not the intention of Congress nor the understanding of the Chippewa Indians, or their un-

derstanding of this negotiation, that the principal fund of this trust should be used for the ordinary expenses of the Indian officers in Minnesota or elsewhere. Of course, that is a legal question which they are entitled to present to the courts and to have a decision upon, but it would seem as though by providing the manner in which this fund should be expended, for schools and other purposes in the State, that Congress did not intend that the balance of this trust fund should be spent for maintaining the Indian officers.

I am not expressing any opinion as to what the court will ultimately hold, but I will say that the committee of Indians and their counsel, after having it fully explained to them, were willing that for the present year this appropriation should be continued at $175,000. I do not speak for all the Indians, of course. It seemed to me at the time, and it does now, as stated by the Senator from Kansas, that this appropriation for maintaining the Indian officers, with that number of Indians in Minnesota, is excessive. However, for the present year, with the understanding that this is to be fully investigated and to be considered before another appropriation bill comes before the Senate, I am willing that the appropriation shall stand at $175,000. I ask, however, the consent of the chairman of the committee to the second amendment which I offer, which provides for the advancement of any case involving the construction of the treaty and of the statute.

Mr. ASHURST. Mr. President, speaking simply individually, and for no other person, I will say that I have no objection whatever to the amendment striking out the numerals "$185,000" and inserting "$175,000"; but I should like to have the Senator's second amendment read after the first shall have been disposed of, because I did not fully catch its purport.

Mr. KELLOGG. Before the amendment is read, let me say one further word to the chairman of the committee. He will notice that the last proviso on page 32 refers to this litigation, as follows:

Provided further, That should the courts hold that the expenditure of Chippewa tribal funds for the purposes herein named is unauthorized, any amount expended of the sum appropriated by this act shall be reimbursed to the said Chippewa tribal funds from any funds in the Treasury of the United States not otherwise appropriated.

It seems to me proper that at this place there should be a provision in the bill that the cases should be advanced and that there should be a hearing at the earliest possible moment.

Mr. ASHURST. I simply asked for information. The Senator from Minnesota is a very able, experienced, and profound lawyer, but it seems rather unusual to me in legislation to ask any court to advance a case. I have no opposition to make to it whatever; it may be unusual, but I see no objection to it.

Mr. KELLOGG. Mr. President, it is not very unusual. As I said before, such provisions have been placed in the laws in relation to many other subjects.

Mr. ASHURST. I can see no objection to it at all.

Mr. KELLOGG. I will say to the chairman of the committee that the probability is that the Indian Office will agree on a separate bill, which will send this whole subject to the Court of Claims, and this may not be necessary.

The PRESIDING OFFICER. Without objection, the vote agreeing to the amendment proposed by the Senator from Minnesota to the committee amendment will be reconsidered, and the first amendment submitted by the Senator will be stated.

The SECRETARY. On page 32, after the words "sum of," it is proposed to strike out "$185,000" and to insert "$175,000," and in line 11, on the same page, after the words "sum of," to strike out "$185,000" and to insert "$175,000."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The second amendment proposed by the Senator from Minnesota will now be stated.

The SECRETARY. On page 32, after line 19, it is proposed to insert a new proviso, as follows:

Provided, That any case now pending in any court created under authority of Congress, or that may hereafter be brought in any such court to test the validity of the expenditure of any of the trust funds of the Chippewa Indians of Minnesota, shall be advanced upon the docket of any such court and upon the dockets of the appellate courts to the earliest practicable hearing.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Minnesota.

The amendment was agreed to.

Mr. KELLOGG. If the chairman of the committee will permit me, I desire to say that, so far as the first amendment is concerned, the reduction of the appropriation was not satisfactory to the committee of Chippewa Indians and their representative. They protested that no appropriation should be made out of their principal fund, and that in any event the appropriation was excessive. But in view of all the circumstances and the assurances of the Interior Department, and even though it appealed to me as excessive, they were willing for the current year that the appropriation should stand at $175,000.

Mr. THOMAS. Mr. President, I shall take advantage of this pleasing interlude, which involves the reduction instead of the increase of an appropriation, to call the attention of the chairman of the committee for a moment to the appropriation on page 25, beginning with line 17 and ending with line 21. Its purpose is to purchase lands for homeless Indians in California, and the sum of $20,000 is appropriated for that purpose.

The somewhat peculiar character of this appropriation caught my eye, Mr. President, during the first session of the first Congress of which I was a Member. I was then told that it was a sort of standing appropriation; that it was one which had been renewed from time to time until it became a fixed feature of the Indian appropriation bill. Since then we have steadfastly and steadily appropriated money for the purchase of land for homeless Indians in California. The more money we appropriate for homeless Indians in California the more homeless the Indians become.

I think the statement was made, either last year or the year before, that nearly all the homeless Indians had been provided with homes and that it would not be necessary to appropriate gratuities from the Treasury to purchase further homes for more homeless Indians; but, unfortunately, these homeless Indians seem to be like the chinch bug and the gypsy moth and the other insects which so picturesquely appear upon the pages of the Agricultural appropriation bill, and, as a consequence, we must continue these appropriations.

I am not going to object to this appropriation nor to any other. I have discovered, from a somewhat hopeless experience, that objections, sometimes criticisms, of various items in these bills have no tendency whatever except to assure their passage; but I will suggest to the chairman of the committee having charge of the bill the ultimate consideration of a change in the phraseology when the bill comes before the Senate for final passage. Instead of reading "for the purchase of lands for the homeless Indians in California," I would vary the monotony of this appropriation by changing it so as to read, "For the purchase of homeless Indians for lands in California." [Laughter.]

Mr. ASHURST. Mr. President, I would make a pitiable spectacle of myself if I attempted in anyway to measure powers of sarcasm and ridicule with my distinguished friend from Colorado. I expected his speech; it sounded natural; I enjoyed it, and it does not grow weary by reiteration. But seriously, Mr. President, so far from objecting to the Senator's statement, I welcome it. He is always on guard as a true, sincere, and sometimes an effective watchdog of the Treasury.

Mr. THOMAS. Never effective.

Mr. ASHURST. In order that the country and the Senate may know, as they have a right to know, just why this appropriation appears here it is my duty, and my right no less, to give very briefly the reasons for the item.

The Senator, of course, will observe that it is not a Senate committee amendment. Another branch of Congress sends this text to us. The Senate committee has not varied or altered it in any particular; and in order that we may know what consideration moved another branch of Congress to adopt the provision and moved the committee of the Senate to agree to the item, I will read from page 139 of the House hearings, being a statement of the Assistant Commissioner of Indian Affairs, made to the House Committee on Indian Affairs, respecting this item, as follows:

It is conservatively estimated that there are at least 2,700 homeless Indians in California for whom no land has been provided. Through various appropriations by Congress homes have thus far been provided for about 4,771 of these Indians, covering an area of 8,422 acres, for which aid the Indians are deeply appreciative. As there are many of these Indians still without homes and who should receive assistance from the Government, the sum asked for, viz, $20,000, will enable additional options on land to be taken with a view to ultimately closing further purchases and otherwise extending them needed relief. These Indians are scattered throughout many counties of the State of California, and the work of providing homes is slow, inasmuch as much travel is required by the agent detailed for the purpose of finding suitable sites and entering into negotiations with intending sellers.

Now, Mr. President, in order that I may not be called upon to repeat this statement, I will take time enough to say that every observing man must know—and certainly the distinguished Senator from Colorado, who is one of the ablest Members of the Senate, must know—that the Indian is a child of nature. He, like other people, must have land upon which to live. I will not recount—it would be wearisome to the Senate to do so—the struggles which have taken place between the white man on the one hand and the Indian on the other, as a result of which the Indian, who believed he had a vast domain

of land to which he could retreat and retire, yielded up his possessions, sometimes by treaty and sometimes overcome by force; but the simple fact remains that the white line is drawing closer and closer about him, and the Indian is retiring from year to year into a smaller domain.

It is my own opinion, I wish to state for the record, that the various Indian reservations in the United States are large enough. I do not believe that there is a single Indian reservation in the United States that should be enlarged; and I am opposed to the policy which the Interior Department has adopted here and there to increase the size of Indian reservations; but it nevertheless is true that in the State of California and in the State of Nevada, and I think it applies possibly in the State of Oregon—I do know it is true as to California and Nevada—that for 40 or 50 years there have been wandering bands of Indians, objects of pity, objects of charity, many of whom have never lifted their hands against the Government in any way, but have been the friends of the Federal Government. Surely, Mr. President, a great Government, if it is not going to be beneficent, ought to be just enough to appropriate this small sum to buy homes for the homeless Indians who wander about.

I wish to say as to this item, viewing it as I do, that, although it may appear extravagant, it may appear that the lands have not been purchased rapidly enough, Congress is making no mistake in purchasing these lands for homeless Indians. The time will soon arrive when, if we do not purchase the lands now, they will cost three or four times as much as they cost now, and we might not be able to get them at all.

Mr. KING. Mr. President, will the Senator allow me to interrupt him?

Mr. ASHURST. I was about to yield the floor, but I shall be glad to answer a question.

Mr. KING. Are these Indians members of any tribe?

Mr. ASHURST. Some of them are. I do not recall the names of the tribes; but they wander about with a few head of cattle and are in the nature of trespassers on the public domain and on private lands. They have no place as to which they can say, "Here is my land," and it seems to me wise and just to give them 10 acres each which they may call home and which they can not alienate.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Oklahoma?

Mr. ASHURST. Certainly.

Mr. GORE. I heard the Senator say that Indians were roaming about over the public domain. Why would it not be well to allot them lands already belonging to the Government and obviate the necessity of purchasing additional lands?

Mr. ASHURST. I may have misspoken myself in that respect, although they do wander somewhat over the public domain; but when it comes to allotting Indians land upon the public domain, the white man is keen and ingenious, the white man is land hungry—not gold hungry, but land hungry—and the Indian in seeking a piece of land is always at a disadvantage when he has to contend with the white man.

Mr. GORE. The Indian has lost his appetite for land, has he?

Mr. ASHURST. He never had an appetite for land. He gave his land away for a song; he gave Manhattan Island away for $24 worth of beads.

Mr. KING. Mr. President, if the Senator will pardon me, I am somewhat familiar with some of these so-called roaming bands of Indians, and my experience has been that they are members of some tribe to which a large tract of land has been assigned, but they refuse to take allotments upon their own lands, or, if allotments are given them, they refuse to live upon their allotments. They barter them away if there is no restriction upon their power to alienate or abandon the same and lead a nomadic life, preferring to wander over the public domain and between settlements, rather than settling down and making homes or engaging in agricultural pursuits. It seems to me if these Indians belong to the class to which I have just referred, and belong to some tribe or tribes which have had allotments on reservations, that we ought not to make provision for the purchase of homes for them.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Kansas?

Mr. ASHURST. I will yield to the Senator from Kansas in a moment. I appreciate that there is a vast deal in what the Senator from Utah says; but, respecting the particular case in point, let me say that over 4,000 of these Indians have taken the lands purchased for them and are living on them, thus reducing the number of Indians that wander, and, as the Senator says, lead nomadic lives, to the disturbance of the cattle and sheep men who have legitimate rights there and who should not be disturbed.

I now yield to the Senator from Kansas.

Mr. CURTIS. Mr. President, I simply wish to answer the question of the Senator from Utah [Mr. KING]. These homeless Indians in California have not been allotted lands. They were in that region when the territory was acquired by this country from Mexico. When holders of the old Spanish land grants took possession the Indians were driven off and lived on the public domain, and they have been going from place to place ever since. In the last five or six years the department has been buying small tracts for them.

Mr. KING. Will the Senator permit an inquiry?

Mr. CURTIS. Certainly.

Mr. KING. Are there not a number of reservations in California to which these Indians might be assigned and upon which they might receive allotments?

Mr. CURTIS. I think not. In the first place, it would be necessary to have an agreement with the Indian tribes in California in order that these homeless Indians might be adopted into the tribes; and in the second place, I doubt if there are any reservations in that State of sufficient size to make allotments to these Indians. The Government is purchasing land for them wherever it can do so at a reasonable price, and is putting the Indians on small tracts, and those that have been so placed on small allotments, as I am advised by the department, are doing very well.

Mr. KING. Has the Senator himself made any investigation to determine whether or not the purchases of land in California upon which the Indians have been placed are still retained by the Indians and whether they are developing them?

Mr. CURTIS. The Indians can not sell the land which is now being purchased for them. It is held in trust by the Government. The allotments are in small tracts, and the Indians are working them for their gardens and little crop patches, which they are taking care of as best they can. Many of the Indians have become self-supporting by reason of these purchases for them. They are the remnants of various tribes of California.

Mr. KING. Mr. President I wish to give notice to the chairman of the committee that unless the information is more satisfactory than that furnished, and I confess Senators have said a great deal in defense of the appropriation, I shall move to strike out the appropriation.

Mr. CURTIS. In further justification of the provision I call the attention of the Senator from Utah to the statement of the Assistant Commissioner of Indian Affairs on page 139 of the hearings before the House committee, which has been read into the RECORD by the Senator from Arizona [Mr. ASHURST].

The PRESIDING OFFICER. The Secretary will resume the reading of the bill.

The reading of the bill was resumed.

The next amendment of the Committee on Indian Affairs was, on page 33, after line 3, to insert:

> The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States the sum of $4,000, or so much thereof as may be necessary, to be used in the construction of a suitable school building at the town of White Earth: *Provided*, That the State school district in which the town of White Earth is located contributes a like amount to be used in the construction of a building, the total cost of which shall not exceed $8,000, the said appropriation to remain available until expended: *Provided further*, That when said building is completed it shall be turned over to the local school authorities of the said town of White Earth and shall thereafter be operated and maintained by them, and Indian children shall at all times be admitted to said school on the same conditions as white children.

Mr. ASHURST. Mr. President, in the committee amendment, on page 33, line 6, after the word "necessary," there seems to be a hiatus; and I move to insert after the word "necessary" the words "of the tribal funds of the Chippewa Indians in the State of Minnesota." It will not be a complete sentence otherwise.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. In the committee amendment, on page 33, line 6, after the words "as may be necessary," it is proposed to insert the words "of the tribal funds of the Chippewa Indians in Minnesota."

Mr. ASHURST. It was the intention to appropriate this money out of the tribal funds of the Chippewa Indians of the State of Minnesota, but that appears to have been omitted.

Mr. KELLOGG. Is that out of the principal fund?

Mr. ASHURST. Out of the principal fund, amounting to some $5,000,000.

Mr. KELLOGG. My understanding from the Indian Office is that $175,000 is all that was going to be appropriated out of the tribal funds. If it is proposed to cut down the amount in one item and add to it in another, I must object to the amendment.

Mr. ASHURST. This item, may I say to the Senator from Minnesota, was drafted by the Interior Department, or some one for the department, and the committee's understanding was that there was no objection, even on the part of the Indians, to this sum being appropriated. That is my understanding; but if the Senator wishes the item to go over until he can investigate it, I have no objection.

Mr. KELLOGG. My attention had not been called to that particular item, and I can not say that the chairman is not correct; but if he will allow it to go over until Monday I will look into it.

Mr. ASHURST. Very well.

The PRESIDING OFFICER. Without objection, the amendment will go over for the present.

The reading of the bill was resumed.

The next amendment was, on page 33, after line 17, to insert:

MISSISSIPPI.

SEC. 9. For the relief of distress among the Choctaw Indians of Mississippi, and for the purpose of their civilization and education, including the purchase of land, to be expended under such rules, regulations, and conditions as the Secretary of the Interior may prescribe, $150,000, to be immediately available and to remain available until expended.

The amendment was agreed to.

Mr. MYERS. I ask unanimous consent that all of the items relating to Montana go over until Monday, to be considered the first thing when the bill is taken up for consideration on Monday.

The PRESIDING OFFICER. The Chair will call the Senator's attention to the fact that there are certain other amendments that have gone over. Does the Senator desire to request that the Montana amendments be considered in advance of those?

Mr. MYERS. No; I will ask that they go over till Monday, to be considered following those that have already gone over.

The PRESIDING OFFICER. The Senator from Montana asks that the amendments relating to Montana go over until Monday. Is there objection? The Chair hears none. The Secretary will proceed with the reading of the bill.

The reading of the bill was resumed.

The next amendment was, under the head of "Nebraska," on page 37, line 12, to change the number of the section from 10 to 11.

The amendment was agreed to.

The next amendment was, under the head of "Nevada," on page 27, line 22, to change the number of the section from 11 to 12.

The amendment was agreed to.

The next amendment was, on page 38, after line 11, to strike out:

That the unexpended balance of the appropriation of $15,000 for procuring home and farm sites and providing agricultural equipment and instruction for nonreservation Indians in Nevada, and the unexpended balance of the appropriation of $15,000 for the purchase of land and water rights for the Washoe Tribe of Indians in said State and for their support and civilization, contained in the Indian appropriation act for the fiscal year 1917 (39 Stat. L., p. 143), are hereby reappropriated and made available during the fiscal year 1919, for the purchase of agricultural equipment, building material, and other supplies necessary for said Indians in utilizing the land purchased for them, and also for the expense of locating the Indians upon such land, including pay of employees where necessary.

And insert:

That the unexpended balance of approximately $11,996.13 of the appropriation of $15,000 for procuring home and farm sites and providing agricultural equipment and instruction for nonreservation Indians in Nevada, and the unexpended balance of approximately $7,611.23 of the appropriation of $15,000 for the purchase of land and water rights for the Washoe Tribe of Indians in said State and for their support and civilization, contained in the Indian appropriation act for the fiscal year 1917 (39 Stat. L., p. 143), are hereby reappropriated and made immediately available for the purchase of agricultural equipment, building material, and other supplies necessary for said Indians in utilizing the land purchased for them, and also for the expense of locating the Indians upon such land, including pay of employees where necessary.

The amendment was agreed to.

The next amendment was, under the head of "New Mexico," on page 39, line 20, to change the number of the section from 12 to 13, and in line 22, after the word "superintendent," to strike out "$85,500; for general repairs and improvements, $8,000; for completing addition to mess hall, $5,000; in all, $98,500" and insert "$92,250; for general repairs and improvements, $8,000; for completing addition to mess hall, $5,000; in all, $105,250," so as to make the clause read:

SEC. 13. For support and education of 450 Indian pupils at the Indian school at Albuquerque, N. Mex., and for pay of superintendent, $92,250; for general repairs and improvements, $8,000; for completing addition to mess hall, $5,000; in all, $105,250.

The next amendment was, on page 40, line 3, after the word "superintendent," to strike out "$76,250; for general repairs and improvements, $8,000; for water supply, $1,600; in all, $85,850," and insert "$82,250; for general repairs and improvements, $8,000; for water supply, $1,600; in all, $91,850," so as to make the clause read:

For support and education of 400 Indian pupils at the Indian school at Santa Fe, N. Mex., and for pay of superintendent, $82,250; for general repairs and improvements, $8,000; for water supply, $1,600; in all $91,850.

Mr. KING. Mr. President, I should like to ask the Senator from Arizona what is the reason for the increases the Senate has made in this bill? It seems to me the appropriations made by the House were very generous, and I should like some explanation as to the reasons for the increases.

Mr. ASHURST. Mr. President, the increases here are largely by reason of the increased per capita cost. That is to say, assume that a year ago—and I think I am giving the figures exactly—in an Indian school where there were over 400 pupils, about $200 per capita was required to maintain those Indians. Owing to the tremendously increased cost of staples, food, and clothing, the committee has proceeded upon the hypothesis, and in accordance with the estimates of the department, that the highest per capita cost now should be $225. In other words, $200 per capita would not support the Indians in a school of that kind. I repeat, the high cost of staples, food, and clothing has necessitated the committee multiplying the number of Indians by $225 instead of $200 in the case of the larger schools, not the smaller ones.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 40, line 21, after the word "highway," to insert:

Provided, That not to exceed $2,500 of the sum appropriated for the building of said road by the act of March 2, 1917 (39 Stats. L., pp. 969–981), may be used for payment of expenses incurred during the fiscal year 1917 in excess of the appropriation made for that year in the act of May 18, 1916 (39 Stat. L., pp. 123–144).

So as to make the clause read:

For continuing work on the Indian highway extending from the Mesa Verde National Park to Gallup, N. Mex., on the Navajo and San Juan Reservations, $25,000; said sum to be reimbursed from any funds which are now or may hereafter be placed in the Treasury to the credit of said Indians: *Provided*, That such sums shall be expended under the direction of the Secretary of the Interior in such manner and at such times and places as he may deem proper, and in the employment of Indian labor as far as possible for the construction of said highway: *Provided*, That not to exceed $2,500 of the sum appropriated for the building of said road by the act of March 2, 1917 (39 Stat. L., pp. 969–981), may be used for payment of expenses incurred during the fiscal year 1917 in excess of the appropriation made for that year in the act of May 18, 1916 (39 Stat. L., pp. 123–144).

Mr. ASHURST. On page 40, following the parenthesis on line 25, and before the word "may," I move to insert the words "to be made immediately available."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 41, line 18, after the word "necessary," to strike out "for" and insert "to complete the," so as to make the clause read:

For amount necessary to complete the construction of a steel bridge across the San Juan River in San Juan County, State of New Mexico, at the best and most available location west or southwest and near to the town of Farmington, in said county, in addition to the $25,000 appropriated for the purpose by the act approved February 20, 1917 (39 Stat. L., p. 926), $4,000, or so much thereof as may be required, to be immediately available: *Provided*, That said additional sum shall be reimbursed from tribal funds as required by the said act.

The amendment was agreed to.

The next amendment was, on page 42, after line 4, to insert:

For one-half the cost of constructing a wagon road between Tularosa, Otero County, N. Mex., and the west line of the Mescalero Indian Reservation in said State, in conformity with plans approved by the Secretary of the Interior, $16,000, or so much thereof as may be necessary, to be immediately available and to remain available until expended: *Provided*, That before any part of this appropriation is expended the said County of Otero shall contribute an equal sum for use in the construction of said road, furnish a competent engineer satisfactory to the Secretary of the Interior to supervise the work and agree to maintain the road in good condition, and the cost of all equipment, supplies, and labor, except as herein provided, to be paid by a disbursing agent of the United States in equal proportions from the appropriation made herein and the fund contributed by the county and any unexpended balance of said contributed fund to be returned to the County of Otero upon the completion of the road.

Mr. FALL. Mr. President, I was not present when the committee acted upon this item. I want to call the attention of the chairman to an objection which I see to the proviso.

The appropriation is one which undoubtedly should be made. The road is used practically entirely by the Indians and for their benefit, and it is the only road to which they have access for the hauling of all their supplies of every kind and character to a railroad. They can not use any other road. This is used for that purpose. There are various other roads, all of which were constructed and are maintained at the cost of the State or county, which the Indians use; but this one road is to their railroad point. The agent in charge of the Indians at Mescalero understood the circumstances very fully. He reported to the department—I have a copy of his letter—with the statement that the county should not be compelled to pay one cent of this cost; that as the Indians used this road the Government should construct it. It has been constructed once or twice—it is in a mountainous country—at heavy cost by the people.

The appropriation is $16,000, or so much thereof as may be necessary, to pay one-half the cost of the road, upon the basis of a total cost of $32,000; but the proviso is that the balance of it shall be paid by the county of Otero, the county in which the road is situated.

In the first place, it is impossible for the county of Otero to pay it, because of our State law. There is no provision by which the county of Otero can raise this money, at least at any time in the near future, and in my judgment not until the State legislature shall so provide. I will say to the chairman of the committee that the counties and the State are cooperating in New Mexico in all their road work, and the counties are turning over to the State the disbursement of all their moneys, so that there will be necessarily some adjustment, which could be very much more readily made by the Secretary of the Interior. If the matter is left as contained in the body of the appropriation, without the proviso, he will certainly do that.

I want to call attention further to the fact that we are using now in the county of Otero, through the State, the convicts for the construction of State roads. The support of the convicts, of course, is provided for by State appropriations or by the county, or by both acting together; but we do not pay for convict work the full wages which the ordinary laborer would draw. In my judgment, speaking of my personal knowledge of the road, it is possible that it can be constructed in this way for much less than the total amount of $32,000. If the Secretary of the Interior is allowed the necessary latitude to draw his plans to cooperate with either the State authorities or the county authorities, or both, while funds can not be readily devoted in cash to this work, the convict labor can be arranged for and the proportionate part of the State and county—that is, 50 per cent of the entire cost of the construction—can be provided for in exactly this way, and will be so provided for. Under the wording of the proviso, however, I am afraid that the entire appropriation would be defeated, because under the law I do not think it would be possible for the county to comply with the requirements.

For that reason, Mr. President, I move that the proviso, commencing on line 11, down to and including line 21, be stricken from the bill, and that the matter be left to the Secretary to arrange as to how this $16,000, one-half the total cost of the road, shall be employed.

Mr. OVERMAN. Mr. President, before the Senator sits down I desire to ask him a question. Is this road entirely on a Government reservation? I am not opposing the amendment, but I understand that some parts of it are built on private ground.

Mr. FALL. It is an extension of a Government road. Some parts of it are built upon private ground and some parts of it are built upon public ground. As a matter of fact, the Senator, of course, can not exactly understand the situation.

Mr. OVERMAN. No.

Mr. FALL. Allow me to explain it to the Senator, and he can then possibly catch a glimpse, at least, of the situation.

We are expending in New Mexico now very many hundreds of thousands of dollars more than we feel that we are able to expend for the construction of public roads. We are cooperating with the counties in extending those roads and in building feeders to those roads all over the entire State; and I will say very frankly to the Senator that for every acre of private land served by such roads as we are constructing there are 1,000 acres of land of the Government of the United States.

Mr. OVERMAN. The reason why I ask the question is that I was told that the Government was not building any roads or building any bridges on land not on the reservations. Following the Senator's amendment is an amendment referring to my State, where the Senate committee has stricken out an item put in by the House for building a bridge. The county there has appropriated $200,000 for building roads. They come to the Indian reservation itself, and there is the river, and we can not get across the river. The House has put in a small appropriation there to build a bridge on the Indian reservation, and therefore I say we are spending some money on lands that are not on Government reservations.

Mr. FALL. The situation with reference to this appropriation is this: The agency is situated in a canyon in the White Mountains. It is a deep canyon. There is only room for one road for the greater portion of the distance. The road extends from the Mescalero Agency—not the Indian reserve, but from the Mescalero Agency—to the station of Tularosa, on the El Paso & Southwestern or Rock Island road. A portion of the road itself is on the reservation. A portion of it is upon public ground. The greater portion of it is upon the public domain of the United States. There is a bridge to be constructed. The river rises upon the reserve. The bridge happens to be just off the line of the reserve, but unless it is constructed by some one the Indians can not get the fuel which they must have to burn, nor can they get any supplies whatsoever through the agency. This bridge is for the benefit of the Indians and the road is for the benefit of the Indians. The people out there propose to pay one-half of the cost in some way satisfactory to the Secretary of the Interior, either by offering private funds, private labor, or convict labor, or making up the total amount of $16,000 in cash. I simply ask that the Secretary of the Interior be allowed to use his discretion as to how the payment of those funds shall be made.

Mr. OVERMAN. I only want to ask that my amendment shall be treated like the Senator's when we come to it. I am for it.

Mr. FALL. If the Senator has an amendment which is as just as this is, he will have my support for that or for any other such amendment.

Mr. OVERMAN. I think so.

Mr. FALL. And if this were not a just measure in my judgment I would not be heard, sir, uttering one word in favor of it.

The PRESIDING OFFICER. The Senator from New Mexico moves to strike out the proviso, which will be stated by the Secretary.

The SECRETARY. On page 42, after line 10, it is proposed to strike out the following words:

Provided, That before any part of this appropriation is expended the said county of Otero shall contribute an equal sum for use in the construction of said road, furnish a competent engineer satisfactory to the Secretary of the Interior to supervise the work and agree to maintain the road in good condition, and the cost of all equipment, supplies, and labor, except as herein provided, to be paid by a disbursing agent of the United States in equal proportions from the appropriation made herein and the fund contributed by the county and any unexpended balance of said contributed fund to be returned to the county of Otero upon the completion of the road.

Mr. ASHURST. Then, if I understand the Senator's amendment, he does not propose to alter the language beginning on line 5, page 42.

Mr. FALL. Not at all. I simply desire to leave this one-half to be provided for in some way satisfactory to the Secretary of the Interior, by the county or by the State or by private individuals.

Mr. ASHURST. Mr. President, since other amendments somewhat analogous to this will follow, I wish to take just a moment or two to say that the time has arrived when the Senate must lay down a line of policy.

Ever since I have been a member of the Indian Affairs Committee and certainly since I have been the chairman thereof it has been the policy of the committee to make no appropriation for a bridge or a road off an Indian reservation. The committee, I think, has, with remarkable rigidity, adhered to that rule. I have no objection whatever if the Senate wishes to take a new course and build a road here and a bridge there off a reservation; and I wish to say right here that if ever Congress would be justified in appropriating money to build a road off a reservation it would be this identical road, because the testimony before the committee showed conclusively that the Indians had a vast amount of property, and that that was the only way they could reach their property; that was the only way they could reach the reservation with their supplies; and surely, upon the grounds of justice and expediency, the appropriation should be granted.

I ask Senators to remember, however, these few and poor words of mine, and I hope they will be underscored or emphasized in the RECORD—that I do not wish this appropriation to be called a precedent. I wish it understood most emphatically that because we do appropriate this money it shall not in any way in the future be looked to as a precedent, but it shall be looked to rather as a case that is separate and alone and not to be paralleled by any other case that has been called to our attention.

I am very heartily in favor of the amendment, with the understanding that the Indian Affairs Committee is not going to enter upon the broad and very expensive feat of building roads to reach reservations. With that understanding, I am glad to vote for the amendment, and I hope it will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico to the amendment of the committee.

The amendment of the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

Mr. OVERMAN. I ask that the North Carolina items go over until Monday.

The PRESIDING OFFICER. Without objection, the North Carolina items will be passed over until Monday.

The reading of the bill was resumed.

The next amendment was, under the head of "New York," on page 42, line 23, to change the number of the section from "13" to "14."

The amendment was agreed to.

The next amendment was, under the head of "North Dakota," on page 44, line 6, to change the number of the section from "15" to "16."

The amendment was agreed to.

The next amendment was, on page 44, line 18, after the word "improvements," to strike out "$6,000; in all, $32,600" and insert "$10,000; in all, $36,600: *Provided*, That the amounts appropriated in the Indian appropriation act for the fiscal year 1918 (39 Stat. L., p. 982), for employees' quarters, $10,000, and for new dining room and kitchen and equipment, $15,000, are hereby reappropriated and made available and to remain available until expended, so as to make the clause read:

For support and education of 125 Indian pupils at the Indian school, Bismarck, N. Dak., including pay of superintendent, $26,600; for general repairs and improvements, $10,000; in all, $36,600: *Provided*, That the amounts appropriated in the Indian appropriation act for the fiscal year 1918 (39 Stat. L., p. 982), for employees' quarters, $10,000, and for new dining room and kitchen and equipment, $15,000, are hereby reappropriated and made available and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 45, line 3, after the word "superintendent," to strike out "$76,000; for general repairs and improvements, $7,000; for heating plant, $15,000; in all, $98,000" and insert "$82,000; for general repairs and improvements, $7,000; for heating plant, $15,000; in all, $104,000," so as to make the clause read:

For support and education of 400 Indian pupils at Fort Totten Indian School, Fort Totten, N. Dak., and for pay of superintendent, $82,000; for general repairs and improvements, $7,000; for heating plant, $15,000; in all, $104,000.

The amendment was agreed to.

The next amendment was, on page 45, after line 11, to insert:

That the act of May 29, 1908 (35 Stat. L., p. 460), and the act of February 14, 1913 (37 Stat. L., p. 675), are hereby amended so as to authorize the Secretary of the Interior, in his discretion, and in such manner and under such rules and regulations as he may prescribe, to make per capita distributions to the Standing Rock Indians from the funds, principal and interest, accruing under said acts, and to use said moneys for the benefit of said Indians.

The amendment was agreed to.

The next amendment was, under the head of "Oklahoma," on page 45, line 24, to change the number of the section from "16" to "17."

The amendment was agreed to.

The next amendment was, on page 46, line 13, after the word "necessary," to insert "to be immediately available," so as to read:

That the Secretary of the Interior be, and he is hereby, authorized to withdraw from the Treasury of the United States, at his discretion, the sum of $250,000, or so much thereof as may be necessary, to be immediately available, of the funds on deposit to the credit of the Kiowa, Comanche, and Apache Tribes of Indians in Oklahoma, and pay out the same for the benefit of the members of said tribes for their maintenance and support and improvement of their homesteads for the ensuing year in such manner and under such regulations as he may prescribe.

The amendment was agreed to.

The next amendment was, on page 48, after line 17, to strike out:

That the third paragraph of section 4 of the act of June 28, 1906 (34 Stat. L., p. 539), is hereby amended to provide that the moneys therein provided for support for Osage schools may be used for the purposes as provided in said paragraph for a further period beginning January 1, 1918, and ending June 30, 1922: *Provided*, That after June 30, 1918, said moneys may be expended solely for the payment of the superintendent, teachers, and for maintenance of the grounds and buildings; and that the support of each pupil attending said school shall be paid by the Secretary of the Interior out of any annuities, interest, lease rentals, royalties, or any trust funds due said pupil, not exceeding the sum of $300 annually: *Provided further*, That the Secretary of the Interior be, and he is hereby, authorized to withdraw from the Treasury of the United States, at his discretion, the sum of $20,000, or so much thereof as may be necessary, of the funds on deposit to the credit of the Osage Tribe of Indians in Oklahoma for the support and education of 75 pupils at the St. Louis Mission Boarding School, near Pawhuska, Okla., and 100 pupils at the Osage Indian School at Pawhuska, Okla., including pay of superintendent, to be immediately available.

And insert:

That the third paragraph of section 4 of the act of June 28, 1906 (34 Stat. L., p. 539), is hereby amended to the extent that the moneys therein provided for support of the Osage boarding school may be used, in the discretion of the Secretary of the Interior, for the same purposes as provided in said paragraph from January 1, 1918, to June 30, 1919: *Provided*, That said moneys may be expended without limitation and shall include systematic vocational instruction, except that there shall not be expended more than $300 for annual support and education of any one pupil: *Provided further*, That the foregoing shall also apply to expenditures for the fiscal year ending June 30, 1918.

The amendment was agreed to.

The next amendment was, on page 50, line 10, after the word "agency," to insert "and emergency," so as to read:

Fourth. That such sums as may be annually appropriated by Congress shall be set aside and reserved from the royalties received from oil, gas, or other tribal mineral rights or other tribal funds, however arising, for agency and emergency purposes, which money when appropriated shall be paid out from time to time upon the requisition of the Osage tribal council with the approval of the Secretary of the Interior.

The amendment was agreed to.

The next amendment was, on page 51, line 4, after the words "pay of," to insert "tribal officers and," so as to make the clause read:

The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States, at his discretion, not to exceed the sum of $60,000, or so much thereof as may be necessary, of the funds on deposit to the credit of the Osage Tribe of Indians in Oklahoma for the support of the Osage Agency and pay of tribal officers and employees of said agency.

The amendment was agreed to.

The next amendment was, on page 51, after line 5, to insert:

The receipts from leasing of oil, gas, and other minerals upon the lands of the Osage Reservation may be deposited in national or State banks, in the discretion of the Secretary of the Interior, such depositaries to be designated by him under such rules and regulations governing the rate of interest thereon, the time of deposit and withdrawal thereof, and the security therefor as he may prescribe.

Mr. ASHURST. On page 51, line 7, after the word "Reservation," I move to insert the words "until the same are paid out as provided by existing law."

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 51, line 7, after the word "Reservation," it is proposed to insert "until the same are paid out as provided by existing law."

The amendment to the amendment was agreed to.

Mr. OWEN. Mr. President, in line 8, after the word "banks," I move to insert the words "in Oklahoma."

Mr. SMOOT. Mr. President, I did not hear the amendment offered by the Senator from Oklahoma. I should like to have it stated again.

Mr. OWEN. I suggested that the words "in Oklahoma" be inserted after the word "banks."

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 51, line 8, after the words "State banks," it is proposed to insert "in Oklahoma," so that, if amended, it will read:

National or State banks in Oklahoma, in the discretion of the Secretary of the Interior.

Mr. SMOOT. I will say to the Senator that that is hardly customary, is it?

Mr. OWEN. I think these local funds ought to be locally deposited. I do not think they ought to be sent abroad, or to other States, where it is a local matter, growing out of local development.

Mr. SMOOT. I suppose it has been done in the past, but I have not known any particular objection to be made to it. I simply thought this was the beginning of a new theory of depositing public funds.

Mr. OWEN. I think the general practice is to deposit the funds where they arise, but I should like to have it specified.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 51, after line 12, to insert:

That not exceeding $15,000 of the amount heretofore appropriated from tribal funds for Osage Agency and School for any fiscal year and remaining unexpended may be used in the construction of a fireproof office building for Osage Agency.

Mr. OWEN. Mr. President, I understood that the Secretary of the Interior desired to have that amount increased to $25,000. It comes out of the Osage funds.

Mr. ASHURST. That is true, Mr. President. The Secretary has requested that the amount be increased to $25,000, and I accordingly make that motion.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 51, line 13, in the committee amendment, it is proposed to strike out "$15,000" and insert "$25,000."

Mr. GORE. Mr. President, I should like to say that the Osage Indians desire that increase also.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 51, after line 17, to insert:

That the allottees of the Osage Nation may change the present designation of homesteads to an equal area of their surplus lands, upon application to and under such rules and regulations as the Secretary of the Interior may prescribe: *Provided*, That each tract after the change and designation shall take the status of the other as it existed prior to the change in designation as to alienation, taxation, or otherwise, and that any order of change of designation shall be recorded in the proper office of Osage County: *Provided further*, That the Secretary of the Interior be, and he is hereby, authorized where the same would be for the best interest of Osage allottees, to permit the sale of surplus and homestead allotments, wholly or in part, of Osage allottees under such rules and regulations as he may prescribe and upon such terms as he shall approve.

The amendment was agreed to.

The next amendment was, under the subhead of "Five Civilized Tribes," on page 52, after line 8, to strike out:

SEC. 17. For expenses of administration of the affairs of the Five Civilized Tribes, Okla., and the compensation of employees, $185,000: *Provided*, That a report shall be made to Congress by the Superintendent for the Five Civilized Tribes, Okla., showing in detail the expenditure of all moneys appropriated by this provision.

The amendment was agreed to.

The next amendment was, on page 52, after line 14, to insert:

SEC. 18. For expenses of administration of the affairs of the Five Civilized Tribes, Okla., and the compensation of employees, $185,000: *Provided*, That a report shall be made to Congress by the Secretary of the Interior, showing in detail the expenditure of all moneys appropriated by this provision: *Provided further*, That no part of said appropriation shall be used in forwarding the undisputed claims to be paid from individual moneys of restricted allottees, or their heirs, or in forwarding uncontested agricultural and mineral leases, excluding oil and gas leases, made by individual restricted Indian allottees, or their heirs, to the Secretary of the Interior for approval, but all such claims or leases, except oil and gas leases, now required to be approved under existing law by the Secretary of the Interior shall be paid, approved, rejected, or disapproved by the Superintendent for the Five Civilized Tribes of Oklahoma: *Provided, however*, That any party aggrieved by any decision or order of the Superintendent for the Five Civilized Tribes of Oklahoma may appeal from the same to the Secretary of the Interior within 30 days from the date of said decision or order: *And provided further*, That applications for the removal of restrictions and loaning and depositing of Indian funds shall be submitted to the Secretary of the Interior as far as he may direct.

Mr. ASHURST. Mr. President, on page 53, line 11, I move to strike out the word "and" after the word "loaning," and to insert the words "investing or," so that it will read:

Applications for the removal of restrictions and loaning, investing, or depositing of Indian funds.

Mr. SMOOT. Mr. President, the Senator then had better strike out the first word "and" and insert a comma.

Mr. ASHURST. That is true. I accept the suggestion.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. On page 53, line 11, after the word "restrictions," it is proposed to strike out the word "and" and insert a comma, and after the word "loaning" to strike out the word "and" and insert the words "investing or."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 54, line 6, after the word "act," to insert "except that the Secretary of the Interior is hereby authorized and directed, within 30 days after the passage of this act, to investigate claims not to exceed $1,050 growing out of contracts alleged to be in existence between John Calvin Gray, William T. Lancaster, Arthur Jennings, and Clyde Jennings, as enrolled members of the Choctaw and Chickasaw Nations, and Henry W. Blair, Kappler & Merillat, James K. Jones, Charles M. Fechheimer, and Eugene Hamilton, as attorneys, and in case such claims are found to be valid and the contracts approved in accordance with existing law, the said Secretary of the Interior may, in his discretion, apply any amounts that may be found due under this paragraph to the aforesaid enrolled members of the Choctaw and Chickasaw Nations to the payment of such fee, but the amounts due hereunder to other enrolled members of the Choctaw and Chickasaw Nations shall not be held in abeyance to this claim, but shall be paid promptly without reference to same," so as to make the clause read:

That the Secretary of the Interior be, and he is hereby, authorized to pay to the enrolled members of the Choctaw and Chickasaw Tribes of Indians of Oklahoma entitled under existing law to share in the funds of said tribes, or to their lawful heirs, out of any moneys belonging to said tribes in the United States Treasury, or deposited in any bank or held by any official under the jurisdiction of the Secretary of the Interior, not to exceed $200 per capita, said payment to be made under such rules and regulations as the Secretary of the Interior may prescribe: *Provided*, That in cases where such enrolled members, or their heirs, are Indians who by reason of their degree of Indian blood belong to the restricted class, the Secretary of the Interior may, in his discretion, withhold such payments and use the same for the benefit of such restricted Indians: *Provided further*, That the money paid to the enrolled members or their heirs, as provided herein, shall be exempt from any lien for attorneys' fees or other debt contracted prior to the passage of this act, except that the Secretary of the Interior is hereby authorized and directed within 30 days after the passage of this act, to investigate claims not to exceed $1,050 growing out of contracts alleged to be in existence between John Calvin Gray, William T. Lancaster, Arthur Jennings, and Clyde Jennings, as enrolled members of the Choctaw and Chickasaw Nations, and Henry W. Blair, Kappler & Merillat, James K. Jones, Charles M. Fechheimer, and Eugene Hamilton, as attorneys, and in case such claims are found to be valid and the contracts approved in accordance with existing law, the said Secretary of the Interior may, in his discretion, apply any amounts that may be found due under this paragraph to the aforesaid enrolled members of the Choctaw and Chickasaw Nations to the payment of such fee, but the amounts due hereunder to other enrolled members of the Choctaw and Chickasaw Nations shall not be held in abeyance to this claim, but shall be paid promptly without reference to same: *Provided further*, That the Secretary of the Interior is hereby authorized to use not to exceed $8,000 out of the Choctaw and Chickasaw tribal funds for the expenses and the compensation of all necessary employees for the distribution of the said per capita payments.

The amendment was agreed to.

The next amendment was, on page 56, line 5, after the word "except," to strike out "$50,000" and insert "$150,000," and in line 24, after the word "exceed," to strike out "$5,000" and insert "$15,000," so as to make the clause read:

That the Secretary of the Interior be, and he is hereby, authorized to pay to the enrolled members of the Creek Tribe of Indians of Oklahoma entitled under existing law to share in the funds of said tribe, or to their lawful heirs, all moneys except $150,000 belonging to said tribe in the hands of the United States Treasurer, or deposited in any bank, or held by an official under the jurisdiction of the Secretary of the Interior on June 30, 1918, the payment to be made in such a way as to equalize the pro rata share received by each member of said tribe, either in land or money of the tribe, taking into consideration the value of the land heretofore allotted and the money received by each member: *Provided*, That said payment shall be made under such rules and regulations as the Secretary of the Interior may prescribe: *Provided further*, That in cases where such enrolled members or their heirs are Indians belonging to the restricted class, the Secretary of the Interior may, in his discretion, withold such payments and use the same for the benefit of such restricted Indians: *Provided further*, That the money paid to the enrolled members or their heirs, as provided herein, shall be exempt from any lien for attorneys' fees or other debt contracted prior to the passage of this act: *Provided further*, That the Secrtary of the Interior is hereby authorized to use not to exceed $15,000 out of said moneys for the payment of salaries of all necessary employees and other expenses for the disbursement of said moneys, as herein provided.

The amendment was agreed to.

The next amendment was, on page 57, line 21, after the words "sum of," to strike out "$275,000" and insert "$225,000," so as to read:

The sum of $225,000, to be expended in the discretion of the Secretary of the Interior, under rules and regulations to be prescribed by him, in aid of the common schools in the Cherokee, Creek, Choctaw, Chickasaw, and Seminole Nations and the Quapaw Agency in Oklahoma, during the fiscal year ending June 30, 1919.

The amendment was agreed to.

The next amendment was, on page 60, line 22, after the word "exceed," to strike out "three oil and gas inspectors and necessary clerks and field assistants, under the direction of the Secretary of the Interior, to supervise oil and gas mining operations on allotted and tribal lands in the State of Oklahoma from which restrictions have not been removed, and to conduct investigations with a view to the prevention of waste, $15,000" and insert "five oil and gas inspectors and necessary clerks and field assistants, under the direction of the Secretary of the Interior, to supervise oil and gas mining operations on allotted and tribal lands in the State of Oklahoma from which restrictions have not been removed, and to conduct investigations with a view to the prevention of waste, $20,000," so as to make the clause read:

For the salaries and expenses of not to exceed five oil and gas inspectors and necessary clerks and field assistants, under the direction of the Secretary of the Interior, to supervise oil and gas mining operations on allotted and tribal lands in the State of Oklahoma from which restrictions have not been removed, and to conduct investigations with a view to the prevention of waste, $20,000.

The amendment was agreed to.

The next amendment was, on page 62, after line 23, to insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to allow credit in the settlement of the accounts of William M. Baker, as cashier and special disbursing agent for the Five Civilized Tribes, for the sum of $5,356.13, paid by said disbursing agent to sundry Indian policemen in reimbursement of their expenses for board and lodging while on duty at their headquarters subsequent to July 1, 1914, said payments having been disallowed by the Comptroller of the Treasury as being prohibited by the act of April 6, 1914 (38 Stat. L., p. 318).

The amendment was agreed to.

The next amendment was, on page 63, after line 10, to insert:

That section 6 of the act of Congress approved April 26, 1906 (34 Stat. L., pp. 137 and 139), is hereby amended by substituting the following for the proviso in the concluding paragraph thereof: *Provided*, That the Secretary of the Interior is hereby authorized to perform, in person or by his duly authorized representative, all duties devolving under existing law upon any officer of the Five Civilized Tribes, including the execution of tribal deeds and other instruments, in all cases where the position held by such officer is or shall become vacant.

Mr. OWEN. I ask that this amendment may go over.

The PRESIDING OFFICER. Without objection, the amendment will go over, at the request of the Senator from Oklahoma.

Mr. FALL subsequently said: My attention was diverted to another matter for a moment. Has anything been done with reference to the provision contained between lines 11 and 21, on page 63?

The PRESIDING OFFICER. It has been passed over.

The next amendment was, on page 63, after line 21, to insert:

That the Court of Claims is hereby authorized and directed to hear, consider, and adjudicate the following matters of J. F. McMurray, as assignee of the firm of Mansfield, McMurray & Cornish, against the Choctaw and Chickasaw Nations of Indians, or either of them, for professional services rendered, for said nations in the case of "The Choctaw and Chickasaw Nations *v.* The United States and the Chickasaw Freedmen," under act of Congress approved July 1, 1902, entitled "An act to ratify and confirm an agreement with the Choctaw and Chickasaw Tribes of Indians, and for other purposes," and for expenses incurred under sections 31, 32, and 33 of the same act of Congress and for payment of two unpaid Chickasaw warrants issued by tribal authorities under act of legislature of the Chickasaw Nation approved by the governor of the Chickasaw Nation on September 20, 1899, and afterwards by the President of the United States; and to render judgment therefor in such amount or amounts as may be found to be due thereon, together with interest from the date of such services or payments at the legal rate of interest prevailing at the time and place of such transactions; which judgment, if any, against said nations, or either of them, shall be paid by the Treasurer of the United States out of the funds of said nations as their interests may appear: *Provided*, That as to any such claims so sued upon the Choctaw and Chickasaw Nations, or either of them, shall be permitted to interpose all proper defenses by way of counterclaim or set-off against either the assignors or the assignee of said claim, all statutes of limitations against said set-offs or counterclaims being hereby waived, and all amounts found due to said Choctaw and Chickasaw Nations, under the above provision, shall bear interest at the legal rate: *Provided further*, That any amount found to be owing, calculated upon a fair and equitable basis, by the said J. F. McMurray to the said Choctaw and Chickasaw Nations upon coal-mining leases held by him may be offset against any judgment that may be rendered in his favor upon such claims: *Provided further*, That if any of such leases are found not to be underlaid with merchantable coal and all of said leases upon which royalties are not paid within 30 days after the final settlement of these matters, the same shall be canceled; and notice of filing of such suits by the said J. F. McMurray shall be served upon the principal chief of the Choctaw Nation and the governor of the Chickasaw Nation, and said nations shall be represented therein by attorneys for said nations, respectively, and by the Attorney General of the United States: *Provided*, That the Secretary of the Interior is hereby authorized to adjust, by mutual agreement with the interested parties herein, under the terms hereof and within 60 days after its approval by the President of the United States, any or all of the matters covered by the above provisions, and should such agreement be made by the Secretary of the Interior he is hereby authorized and directed to make requisition upon the Treasurer of the United States for the payment of the same out of any funds of the Choctaw and Chickasaw Indians as their interests may appear, and the Treasurer shall pay the same.

The amendment was agreed to.

The next amendment was, under the head of "Oregon," on page 66, line 6, to change the number of the section from "18" to "19."

The amendment was agreed to.

The next amendment was, on page 67, line 12, after the word "crops," to strike out "$200,000" and insert "$500,000"; and in line 17, after the word "reimburse," to insert "within five years from the date of this act," so as to make the clause read:

For the purpose of encouraging industry and self-support among the Klamath Tribe of Indians in Oregon, and to aid them in building homes, the culture of fruits, grain, and other crops, $500,000, or so much thereof as may be necessary, which sum may be used for the purchase of such animals, machinery, tools, implements, and other equipment necessary in the discretion of the Secretary of the Interior to enable the Klamath Indians to become self-supporting, to be reimbursed, within five years from the date of this act, from the funds accruing to the credit of said tribes in the Treasury of the United States from the sale of timber and unallotted lands on the Klamath Reservation, under such rules and regulations as the Secretary of the Interior may prescribe.

The amendment was agreed to.

The next amendment was, under the head of "Pennsylvania," on page 67, line 24, to change the number of the section from "19" to "20."

The amendment was agreed to.

The next amendment was, under the head of "South Dakota," on page 68, line 4, to change the number of the section from "20" to "21."

The amendment was agreed to.

The next amendment was, on page 68, line 22, after "$3,000," to strike out "additional appropriation for new school building, $15,000; in all, $80,000" and insert "in all, $65,000," so as to make the clause read:

For support and education of 275 Indian pupils at the Indian school, Rapid City, S. Dak., including pay of superintendent, $57,000; for general repairs and improvements, $5,000; for irrigation, drainage, and improving school farm, to remain available until expended, $3,000; in all, $65,000.

Mr. STERLING. Mr. President, I trust that amendment will not be agreed to. This, as it will be noted, is an additional appropriation for a new school building, $15,000. The committee have seen fit to strike that out, but this additional appropriation, and it is not a large one, is for the purpose of making effectual an appropriation made two years ago for the purpose of erecting a school building at Rapid City. At the time that appropriation of $30,000 was made it was then felt that it was hardly sufficient, but nevertheless the appropriation was limited to that amount.

In pursuance of the appropriation suitable plans for a school building were prepared and bids were invited. As a result of the bidding, $33,900 was the lowest bid, which was $3.900 over and above the appropriation. I say that was the lowest bid. Really, Mr. President, as I am informed $37,000 rather than $33,900 was the lowest acceptable bid. It was found, therefore, that no contract could be let, and the matter of building has been in abeyance from that time to this.

This is the situation in regard to school-building accommodations at Rapid City. There is, I think, a total enrollment of about 325 pupils at that school. The average enrollment is around 260, with an average attendance of about 190, or a little in excess of 190 pupils. The facilities for accommodating this large number of pupils consists of one building of four rooms, which is the school building proper, and the boys' dormitory, in which there is a kitchen and a dining room.

I wish to say, Mr. President, that the inspectors sent out from the Indian Office, as well as the local health authorities, recommended the removal of this kitchen and dining room a good while ago for sanitary reasons.

Mr. ASHURST. Will the Senator yield to me at that point?

Mr. STERLING. I yield to the Senator from Arizona.

Mr. ASHURST. I think I should in courtesy to the Senator explain why that amendment appears. The committee took up the question as to these various buildings and in view of certain exigencies that I need not pause to describe which are upon our country at this time it was deemed wise to make no appropriation whatever for new school buildings. The committee adhered to that rule. They have applied that rule in Arizona, and they have applied that rule in all the other States. But I see that the Senator's statement takes this item out of the general rule somewhat, and, although the language does state that it is an additional appropriation for a new school building, it is not a new building but is the continuation of the construction of an old building. That fact was not before me at least as a member of the committee. I am speaking only for myself. I do not, and I could not if I wanted to do so, bind any member of the committee. I have no objection to this amendment being disagreed to in view of that state of facts, but it must be understood that the committee is not going to recommend the construction of new buildings at this time.

Mr. STERLING. I want to correct the Senator in one respect. I deem it fair that I should. It is an additional appropriation for a new school building, but as I stated in the outset it is to make effectual and usable an appropriation of $30,000 made two years ago, and which was found altogether inadequate. That is the situation.

The PRESIDING OFFICER. The question is on the amendment.

The amendment was rejected.

The next amendment was, on page 69, after line 14, to strike out:

For support and maintenance of day and industrial schools among the Sioux Indians, including the erection and repairs of school buildings, $200,000, in accordance with the provisions of article 5 of the agreement made and entered into September 26, 1876, and ratified February 28, 1877 (19 Stats., p. 254).

And insert:

For support and maintenance of day and industrial schools among the Sioux Indians, including the erection and repairs of school buildings, $200,000, to be immediately available and to remain available until expended, in accordance with the provisions of article 5 of the agreement made and entered into September 26, 1876, and ratified February 28, 1877 (19 Stats., p. 254): *Provided*, That the unexpended balance of the sum of $300,000 appropriated by section 21 of the act of March 2, 1917 (39 Stat. L., p. 988), for acquiring, constructing, or enlargement and equipment of school buildings on the Crow Creek, Pine Ridge, Rosebud, Standing Rock, Yankton, Sisseton, Lower Brule, and Cheyenne River Reservations is hereby made available until expended.

The amendment was agreed to.

The next amendment was, on page 71, after line 6, to insert:

TEXAS.

SEC. 22. For the relief, civilization, and education of the Alabama and Coushatta Indians located in Polk County, Tex., including the purchase of land and the construction of necessary buildings, to be expended under the direction of the Secretary of the Interior, $25,000; for the purchase of land and equipment for said Indians, to be expended under conditions to be prescribed by the Secretary of the Interior for its repayment to the United States, and under such rules, regulations, and conditions as he may direct, $150,000; in all, $175,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the head of "Utah," on page 71, line 19, to change the number of section from "21" to "23."

The amendment was agreed to.

The next amendment was, on page 73, after line 17, to insert:

The sum of $12,690, to be expended in the discretion of the Secretary of the Interior, under rules and regulations to be prescribed by him, in aid of the public schools in the Uintah and Duchesne County school districts, Utah.

The amendment was agreed to.

Mr. SMOOT. Before leaving the Utah items I offer the following amendment, which the committee inadvertently failed to have printed in the bill, but the chairman of the committee will bear me out in stating that the action of the committee as found on page 223 of the hearings shows that the committee agreed to the amendment. I do not think the chairman has any objection whatever to it.

Mr. ASHURST. I am familiar with that item. I have tried to lay the blame on the clerk, and I can not, because he is not guilty. I have tried to lay the blame on the printer, and I can not, because he is not guilty. I have to assume the blame myself. It was an inadvertence. The amendment was adopted by the committee, and it was left out by inadvertence.

The PRESIDING OFFICER. The amendment will be submitted as a committee amendment.

The SECRETARY. On page 73, after line 21, insert:

For the construction of an interstate wagon road or highway through the Shivwits Indian Reservation, Utah, $5,000; for the construction of a steel bridge and approaches across the Santa Clara River on the Shivwits Indian Reservation, $10,000; in all, $15,000.

The amendment was agreed to.

The next amendment was, under the head of "Washington," on page 73, line 23, to change the number of the section from "22" to "24."

The amendment was agreed to.

The next amendment was, on page 75, line 22, after the word "reservation," to strike out "$500,000" and insert "$250,000," so as to read:

For continuing construction and enlargement of the Wapato irrigation and drainage system, to make possible the utilization of the water supply provided by the act of August 1, 1914 (38 Stat. L., p. 604), for 40 acres of each Indian allotment under the Wapato irrigation project on the Yakima Indian Reservation, Wash., and such other water supply as may be available or obtainable for the irrigation of a total of 120,000 acres of allotted Indian lands on said reservation, $250,000 to be immediately available and to remain available until expended.

Mr. JONES of Washington. I ask that this amendment may go over.

The PRESIDING OFFICER. Without objection the amendment will be passed over.

The next amendment was, under the head of "Wisconsin," on page 77, line 6, to change the number of the section from "24" to "25."

The amendment was agreed to.

The next amendment was, on page 77, line 15, after the word "employees," to strike out "$7,000" and insert "$10,000"; so as to make the clause read:

For support and civilization of the Chippewas of Lake Superior, Wis., including pay of employees, $10,000.

The amendment was agreed to.

The next amendment was, under the head of "Wyoming," on page 80, line 21, to change the number of the section from "24" to "26."

The amendment was agreed to.

The next amendment was, on page 81, after line 15, to strike out:

For continuation of investigations, beginning of construction and incidental operations on a project for the irrigation of a portion of the conditionally ceded lands of the Wind River Reservation, Wyo., $100,000, reimbursable in accordance with the provisions of the act of March 3, 1905, and to remain available until expended.

The amendment was agreed to.

The next amendment was, on page 82, line 4, to change the number of the section from 25 to 27.

The amendment was agreed to.

The next amendment was, on page 82, after line 23, to insert:

SEC. 28. That the Commissioner of Indian Affairs be, and he is hereby, authorized and directed, under such rules and regulations as he may prescribe, to withdraw from the United States Treasury and segregate the common, or community, funds of any Indian tribe which are, or may hereafter be, held in trust by the United States, and which are susceptible of segregation, so as to credit an equal share to each and every recognized member of the tribe except those whose pro rata shares have already been withdrawn under existing law, and to deposit the funds so segregated in banks to be selected by him, subject to withdrawal for payment to the individual owners or expenditure for their benefit under the regulations governing the use of other individual Indian moneys. The said commissioner is also authorized and directed, under such rules and regulations as he may prescribe, to withdraw from the Treasury and deposit in banks to the credit of the respective tribes, such common, or community, trust funds as are not susceptible of segregation as aforesaid and on which the United States is not obligated by law to pay interest at higher rates than can be procured from the banks: *Provided*, That no tribal or individual Indian money shall be deposited in any bank until the bank shall have agreed to pay interest thereon at a reasonable rate and shall have furnished an acceptable bond or collateral security therefor: *And provided further*, That the foregoing shall not apply to the funds of the Five Civilized Tribes in the State of Oklahoma: *And provided further*, That the Commissioner of Indian Affairs, if he deems it advisable and for the best interest of the Indians, may invest the trust funds of any tribe or individual Indian in United States Government bonds.

The amendment was agreed to.

The next amendment was, on page 84, after line 3, to insert:

SEC. 29. For support of Indian day, boarding, and industrial schools during the fiscal year ending June 30, 1918, in addition to the general and specific appropriations made for that purpose in the act approved March 2, 1917 (39 Stat. L., pp. 969–993), the sum of $250,000, or so much thereof as may be necessary, to prevent the closing of said schools or the creation of deficiencies in appropriations because of the increased cost of supplies, to be immediately available: *Provided*, That the operation of the act of September 7, 1916 (35 Stat. L., p. 741), limiting annual expenditures for support and education of pupils in Indian schools to $200 per capita, is hereby suspended during the fiscal year ending June 30, 1918.

Mr. KING. Is this a new appropriation found in section 29?

Mr. ASHURST. It will be recalled that such an emergency arose that the House of Representatives included this item of $250,000 in the urgent deficiency appropriation bill and it passed the Senate; and it was understood that this should be stricken from the bill.

Mr. SMOOT. I wish to say to the Senator that section 29, found on page 84, ought to be stricken from the bill.

Mr. ASHURST. That is entirely correct.

Mr. SMOOT. Entirely, because the item is in the general deficiency bill and has been agreed to.

Mr. ASHURST. That is substantially what I said.

Mr. SMOOT. I did not hear what the Senator said.

Mr. ASHURST. I said that section 29, which appropriates $250,000, should be stricken from the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

Mr. SMOOT. I will ask the Senator if he intends to proceed further with the bill this evening?

Mr. ASHURST. No; I merely wish to recur for a moment to several small items. There is one on page 81 relating to the State of Wyoming, commencing at line 16 and going down to and including line 22. What was done with that?

The VICE PRESIDENT. It was agreed to.

Mr. ASHURST. I beg pardon of the Chair and of the Senate, but I was diverted when the Secretary was reading that item, and I ask unanimous consent to recur to it. I am sure there are Senators who want to be heard on it. I move to reconsider the vote by which the amendment was agreed to.

The motion to reconsider was agreed to.

Mr. KENDRICK. I wish to introduce an amendment to come in at line 15, on page 81. I ask that the amendment be read and that it be allowed to go over until Monday.

The VICE PRESIDENT. It will be read.

The SECRETARY. On page 81, in lieu of lines 16 to 22, inclusive, proposed to be stricken out, insert:

For continuation of investigations, beginning of construction, and incidental operations on a project for the irrigation of a portion of the conditionally ceded lands of the Wind River Reservation, Wyo., $100,000, to remain available until expended: *Provided*, That the construction charge for the actual cost of said project shall be fixed by the Secretary of the Interior and divided equitably between the Indian land and public and private land irrigated by such project, and that the charge as fixed for said Indian lands shall be reimbursable in accordance with the provisions of the act of March 3, 1905, and that the charges as fixed for private and public land irrigated under such project shall be paid by the owner or entryman in accordance with the terms of payment of construction and maintenance charges as provided by the reclamation law and amendments thereto.

Mr. GRONNA. May I ask the chairman what was done with the provision on page 5 relating to peyote? Did that go over?

Mr. ASHURST. Yes; that has gone over. Some Senators happened to be temporarily out of the Chamber when it was reached, and it was passed over.

Mr. GRONNA. Unless it is understood and desired to have it go over until Monday I am ready to discuss it now.

Mr. ASHURST. Of course, I have no objection to remaining longer in session, but I think it quite obvious that there would be no quorum here. It may be a contested item.

Mr. GRONNA. I have no objection to letting it go over until Monday if it is desired.

Mr. OWEN. I ask that it may go over until Monday.

The VICE PRESIDENT. It will go over.

Mr. OWEN. My attention was distracted when the amendment on page 83 was acted on. I desire to propose a certain amendment to that section, and I move a reconsideration of the vote by which the amendment was agreed to, for the purpose of offering an amendment to it.

The VICE PRESIDENT. The question is on the motion to reconsider.

The motion to reconsider was agreed to.

Mr. OWEN. I move to strike out the words beginning with "*And provided further*" in line 24 to the end of the amendment on page 84.

Mr. CURTIS. Let it be read.

The SECRETARY. On page 83 strike out the following words:

And provided further, That the Commissioner of Indian Affairs, if he deems it advisable and for the best interests of the Indians, may invest the trust funds of any tribe or individual Indian in United States Government bonds.

Mr. CURTIS. Mr. President, I have no objection to that amendment, but I feel that I should state why this whole item was put in. There is $11,000,000 of Indian funds in the Treasury of the United States to-day not drawing a cent of interest. This item was prepared by me, and agreed to by the committee, so that the Indian Office could place this money in banks or, if the Commissioner of Indian Affairs saw fit and thought it was for the best interest, he might buy liberty bonds with the $11,000,000. In addition to this $11,000,000 belonging to tribes that draws no interest there is some thirty-odd million dollars of individual funds drawing less interest than 4 per cent, and the item was put in allowing the commissioner, if he thought best, to invest either of these funds in liberty bonds.

Mr. OWEN. I can meet the point the Senator from Kansas desires to reach by moving an amendment to insert that proviso after the word "therefor" in line 22, so as to exclude the Five Civilized Tribes.

Mr. CURTIS. I may state that the Senator from Oklahoma desires to exclude the Five Civilized Tribes and the Osage Tribe.

Mr. OWEN. Yes.

Mr. CURTIS. I have no objection to that, because all their tribal funds are drawing interest.

Mr. OWEN. They are all bearing interest. The funds referred to by the Senator from Kansas would not be affected by the transfer I propose. I therefore move to transfer that proviso and to insert in line 24, after the words "Civilized Tribes," the words "or the Osage Tribe of Indians."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 83, line 24, after the words "Civilized Tribes," insert "or the Osage Tribe of Indians," and transfer the proviso at the end of the page, so it will come in line 22, after the word "therefor."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. ASHURST. On page 67 two amendments were proposed by the committee in reference to the Oregon items, one in line 12, regarding the numerals, and the other in line 17. I simply ask for information, were those amendments agreed to?

The VICE PRESIDENT. They were agreed to.

Mr. ASHURST. If no other Senator wishes to offer an amendment and no other Senator wishes to discuss the bill, I shall move an adjournment.

Mr. OWEN and Mr. POINDEXTER addressed the Chair.

Mr. ASHURST. I withhold the motion for the present.

Mr. OWEN. I should like to make a point of order on the amendment on page 63, beginning with line 11, down to line 21, which would authorize the Secretary of the Interior to exercise the duties of chief of the Five Civilized Tribes. I will have to ask for a reconsideration of that amendment.

The VICE PRESIDENT. It went over.

Mr. OWEN. It went over on my suggestion.

Mr. SMOOT. I understood that it went over until Monday. The Senator from New Mexico [Mr. FALL] is interested in the same item. I do not know whether he desires to have it stricken out or not.

Mr. OWEN. He is going to raise a point of order against it, I understand, and that is what I desire to do myself. I have no objection to its going over until Monday.

Mr. POINDEXTER. I offer the following amendment. If there is any debate about it, I will be willing to have it go over, but I spoke to the chairman of the committee about it, and I think he understands it.

Mr. ASHURST. Let it be read.

The SECRETARY. At the proper place in the bill insert:

That there is hereby appropriated, out of the tribal funds of the Yakima Indians in the State of Washington not otherwise appropriated, to be charged to the tribal account, the sum of $2,000 to be used by and under the direction of the Yakima Tribal Council for expense in presenting Indian matters to the Government officials in Washington City, or in the employment of attorneys to assist them in securing information relative to their tribal rights and property.

Mr. ASHURST. I am very familiar with the amendment. Personally I have no objection to it. The item should come in where the items relative to the State of Washington appear.

Mr. POINDEXTER. Yes; it relates to the Yakima Tribe in the State of Washington. They have a number of disputed rights, particularly in regard to water rights, which it is perfectly legitimate, in my judgment, for the Indian tribal council to inform themselves about and be represented in. Of course it will take some money to do that, and this appropriation is confined to the tribal fund and payable out of the tribal fund.

The VICE PRESIDENT. The amendment will be agreed to, without objection.

Mr. GRONNA. I ask the chairman if the amendment which was adopted by the committee this morning relating to the per capita payment of the Menominee Indians has been adopted?

Mr. ASHURST. No; that has not been adopted. It was not a committee amendment, and therefore it has not been agreed to. I hope the Senator will bring it up Monday morning.

Now I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock p. m.) the Senate adjourned until Monday, March 25, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *March 23, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Eternal and everliving God our Heavenly Father, from whom cometh all wisdom, power, and goodness, help us with high resolves and consecrated hearts to go forward, day by day, in the grand eternal march of existence, to larger and nobler attainments, as individuals and as a people, under the spiritual leadership of the Lord Jesus Christ; for thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

WOMAN SUFFRAGE IN HAWAII.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the bill S. 2380, an act granting to the Legislature of the Territory of Hawaii additional powers relative to elections and qualifications of electors, which was referred to the Committee on Territories of the House of Representatives, be taken from that committee and re-referred to the Committee on Woman Suffrage.

The SPEAKER. Is there objection?

Mr. HAMLIN. Mr. Speaker, what bill is it?

Mr. RAKER. This is the companion bill to the one which the House transferred last week.

Mr. HAMLIN. What is the purpose of the bill?

Mr. RAKER. The purpose of the bill is to give the Legislature of the Territory of Hawaii the right to pass a law giving women the right to vote.

Mr. CANNON. Is it for consideration now?

Mr. RAKER. No; this bill passed the Senate. The House transferred the House bill a few days ago from the Committee on the Territories to the Committee on Woman Suffrage. This is simply a request to transfer this companion bill, which has been passed by the Senate, to that committee.

The SPEAKER. Is there objection?

There was no objection.

EXTENSION OF REMARKS.

Mr. WOOD of Indiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein an address delivered by my colleague, Mr. FAIRFIELD, at Gettysburg on February 22, 1918.

The SPEAKER. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD by incorporating therein a patriotic address delivered by Mr. FAIRFIELD at Gettysburg. Is there objection?

Mr. COX. Mr. Speaker, reserving the right to object—and I do not intend to do so—was not that address inserted in the RECORD by the gentleman from Ohio, Dr. FESS?

Mr. FESS. No.

The SPEAKER. Is there objection?

There was no objection.

PROFITEERING IN RENTS, DISTRICT OF COLUMBIA.

Mr. CARY. Mr. Speaker, I have a letter here written by one of the profiteers, Guy S. Zepp, a contractor in the city of Washington, which casts reflections upon the chairman of the Committee on the District of Columbia and, in fact, upon every member of that committee. I have answered the letter, showing that the man is entirely wrong. I think it would be well to have this letter read to the House, but I do not wish to take up the time of the House at this time.

The SPEAKER. Does the gentleman ask unanimous consent to put it in the RECORD?

Mr. CARY. Yes; for the benefit of the House.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to insert in the RECORD a letter about profiteering.

Mr. CARY. With my reply thereto.

The SPEAKER. With his reply thereto. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, we have been regaled of late quite often with these letters on profiteering. I think the matter should be deferred until the next District day. I therefore object.

The SPEAKER. The gentleman from Massachusetts objects.

URGENT DEFICIENCY APPROPRIATION BILL.

Mr. SHERLEY. Mr. Speaker, I submit herewith for printing under the rule a conference report upon the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

The conference report and statement are as follows:

CONFERENCE REPORT (NO. 405).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 7, 12, 15, 17, 31, 35, 45, 66, 68, 69, 70, 72, 74, 76, 77, 101, 102, 103, and 106.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 6, 8, 11, 14, 19, 20, 22, 23, 24, 26, 27, 28, 29, 30, 32, 33, 34, 38, 42, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 67, 71, 75, 79, 81, 83, 87, 88, 91, 92, 93, 94, 95, 96, 97, 98, 99, 104, 105, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, and 118, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

"The President is authorized to acquire the title to the docks, piers, warehouses, wharves, and terminal equipment and facilities on the Hudson River now owned by the North German Lloyd Dock Co. and the Hamburg-American Line Terminal & Navigation Co., two corporations of the State of New Jersey, if he shall deem it necessary for the national security and defense: *Provided*, That if such property can not be procured by purchase, then the President is authorized and empowered to take over for the United States the immediate possession and title thereof. If any such property shall be taken over as aforesaid, the United States shall make just compensation therefor to be determined by the President. Upon the taking over of said property by the President, as aforesaid, the title to all such property so taken over shall immediately vest in the United States: *Provided further*, That section 355 of the Revised Statutes of the United States shall not apply to any expenditures herein or hereafter authorized in connection with the property acquired."

And the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

The fourth paragraph of section 12 of the "Trading with the enemy act," approved October 6, 1917, is amended to read as follows:

"The Alien Property Custodian shall be vested with all of the powers of a common-law trustee in respect of all property, other than money, which has been or shall be, or which has been or shall be required to be, conveyed, transferred, assigned, delivered, or paid over to him in pursuance of the provisions of this act, and, in addition thereto, acting under the supervision and direction of the President, and under such rules and regulations as the President shall prescribe, shall have power to manage such property and do any act or thing in respect thereof or make any disposition thereof or of any part thereof, by sale or otherwise, and exercise any rights or powers which may be or become appurtenant thereto or to the ownership thereof in like manner as though he were the absolute owner thereof: *Provided*, That any property sold under this act, except when sold to the United States, shall be sold only to American citizens, at public sale to the highest bidder, after public advertisement of time and place of sale which shall be where the property or a major portion thereof is situated, unless the President stating the reasons therefor, in the public interest shall otherwise determine: *Provided further*, That when sold at public sale, the alien-property custodian upon the order of the President stating the reasons therefor, shall have the right to reject all bids and resell such property at public sale or otherwise as the President may direct. Any person purchasing property from the alien-property custodian for an undisclosed principal, or for resale to a person not a citizen of the United States, or for the benefit of a person not a citizen of the United States, shall be guilty of a misdemeanor, and upon conviction, shall be subject to a fine of not more than $10,000, or imprisonment for not more than 10 years, or both, and the property shall be forfeited to the United States. It shall be the duty of every corporation incorporated within the United States and every unincorporated association, or company, or trustee, or trustees within the United States issuing shares or certificates representing beneficial interests to transfer such shares or certificates upon its, his, or their books into the name of the alien-property custodian upon demand, accompanied by the presentation of the certificates which represent such shares or beneficial interests. The alien-property custodian shall forthwith deposit in the Treasury of the United States, as hereinbefore provided, the proceeds of any such property or rights so sold by him."

And the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$800,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: Strike out all of the matter inserted by said amendment after the word "Statutes," in line 8, and insert in lieu thereof the following: "$50,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: in lieu of the sum named in said amendment insert "$35,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows: At the end of the matter inserted by said amendment insert the following: ": *Provided*, That no part of this sum shall be expended on this building until after the acceptance of such plans, specifications, and bids as will complete the building within the authorized limit of cost."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and including not to exceed $25,000 to be expended on or adjoining other Government reservations or works for the protection of the civil population"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Quarantine service: For maintenance and ordinary expenses, exclusive of pay of officers and employees, of quarantine stations, and including not exceeding $500 for printing, $25,000."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$10,000"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$3,000,000"; and the Senate agree to the same.

Amendment numbered 26a: That the House recede from its disagreement to the amendment of the Senate numbered 26a, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$600,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$5,000,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$26,358,176"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$61,252,744"; and the Senate agree to the same.

Amendment numbered 40: That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$18,681,820"; and the Senate agree to the same.

Amendment numbered 41: That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$9,194,100"; and the Senate agree to the same.

Amendment numbered 43: That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$19,654,300"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"Claims of officers and enlisted men for loss of private property destroyed in the military service: Property belonging to officers, enlisted men, and members of the Nurse Corps (female) of the Army, which they are required by law or regulations to own and use in field service in the performance of their duties, which since the 5th day of April, 1917, has been, or shall hereafter be, lost, damaged, or destroyed in the military service, shall be replaced, or the damage thereto, or its value, recouped to the owner as hereinafter provided, when such loss, damage, or destruction has occurred or shall hereafter occur without fault or negligence on the part of the owner in any of the following circumstances:

"First. When such private property so lost or destroyed was shipped on board an unseaworthy vessel by order of an officer authorized to give such order or direct such shipment, or destroyed by the enemy or by shipwreck.

"Second. When it appears that such private property was so lost or destroyed in consequence of its owner having given his attention to the saving of property belonging to the United States which was in danger at the same time and in similar circumstances.

"Third. When such private property is destroyed or captured by the enemy, or is destroyed to prevent its falling into the hands of the enemy, or is abandoned by reason of military emergency requiring its abandonment.

"The Secretary of War is authorized and directed to examine into, ascertain, and determine the value of such property lost, destroyed, captured, or abandoned as specified in the foregoing paragraphs, or the amount of the damage thereto, as the case may be; and the amount of such value or damage so ascertained and determined shall be paid from appropriations made therefor, or such property lost, destroyed, captured, or abandoned, or so damaged as to be unfit for service, may be replaced in kind from Government property on hand by the supply officer or quartermaster of the organization to which the person entitled thereto belongs or with which he is serving upon the order of the commanding officer thereof.

"Tender of replacement or the determination made by the Secretary of War upon a claim presented as provided for in the foregoing paragraphs shall constitute a final determination of any claim cognizable under this act, and such claim shall not thereafter be reopened or considered by any accounting officer or court of the United States.

"No claim arising under this act shall be considered unless made within one year from the time that it accrued, or presented within six months after peace is established.

"For the payment of any awards hereunder there is appropriated the sum of $200,000."

And the Senate agree to the same.

Amendment numbered 65: That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment as follows: On page 49 of the bill, in line 20, strike out the word "Eighth" and insert in lieu thereof the word "Ninth"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$2,500,000"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert the following: "$560,000, or so much thereof as may be necessary"; and the Senate agree to the same.

Amendment numbered 80: That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$150,000"; and the Senate agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"For support of Indian day, boarding, and industrial schools, in addition to the general and specific appropriations made for that purpose in the Indian appropriation act for the fiscal year 1918, $250,000, or so much thereof as may be necessary: *Provided*, That the operation of the act of September 7, 1916 (35 Stat. L., 741), limiting annual expenditures for support and education of pupils in Indian schools to $200 per capita, is hereby suspended during the fiscal year ending June 30, 1918: *Provided further*, That no part of this sum shall be expended upon improvements or used to increase the compensation of employees."

And the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$200,000"; and the Senate agree to the same.

Amendment numbered 85: That the House recede from its disagreement to the amendment of the Senate numbered 85, and agree to the same with an amendment as follows: In line 13 of the matter inserted by said amendment, after the word "subsistence," insert the following: "and not exceeding $5,340 for personal services in the District of Columbia"; and the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment as follows: In line 3 of the matter inserted by said amendment, after the word "increased," insert the following: "during the fiscal year 1918"; and in line 12 of the matter inserted by said amendment strike out the following: "or which shall be made"; and the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$500,000"; and the Senate agree to the same.

Amendment numbered 90: That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$300,000"; and the Senate agree to the same.

Amendment numbered 100: That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$125,000"; and the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "$1,200,000"; and the Senate agree to the same.

Amendment numbered 120: That the House recede from its disagreement to the amendment of the Senate numbered 120, and agree to the same with an amendment as follows: In lieu of the sum named in said amendment insert "$50,000"; and the Senate agree to the same.

SWAGAR SHERLEY,
JOHN J. EAGAN,
J. G. CANNON,
Managers on the part of the House.
THOMAS S. MARTIN,
O. W. UNDERWOOD,
F. E. WARREN,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conference committee and submitted in the accompanying conference report as to each of said amendments, namely:

On No. 1: Inserts the paragraph proposed by the Senate, authorizing the President to purchase for the United States the property on the Hudson River owned by the North German Lloyd Dock Co. and the Hamburg-American Line Terminal & Navigation Co., and eliminates therefrom that portion of the amendment which provides that if the person entitled to receive payment for the property is not satisfied with the amount determined upon by the President such person shall be paid 75 per cent of the amount so determined by the President and shall be permitted to sue the United States to recover such further sum in addition to the 75 per cent as will be just compensation for such property.

On No. 2: Inserts a substitute for the amendment of the Senate which modifies the fourth paragraph of section 12 of the present trading-with-the-enemy act, as follows: Authorizes the alien property custodian to dispose of property, other than money, as though he were the absolute owner thereof instead of under the existing law, which permits him to dispose of it "only when necessary to prevent waste and to protect such property."

The substitute further provides, in lieu of the Senate requirement that property shall be sold only at public auction and to the highest bidder, that any property sold, except to the United States, shall be sold only to American citizens, at public sale to the highest bidder, after public advertisement of the time and place of sale, which shall be where the property or a major portion thereof is situated unless the President, stating the reasons therefor, in the public interest shall otherwise determine; and reserves to the alien property custodian, upon the order of the President, who shall state the reasons therefor, the right to reject all bids and resell such property at public sale or otherwise as the President may direct. The substitute further provides a fine of $10,000 or imprisonment for 10 years, or both, and forfeiture of the property to the United States upon conviction of any person purchasing property from the alien property custodian for an undisclosed principal, or for resale to a person not a citizen of the United States, or for the benefit of a person not a citizen of the United States.

On No. 3: Appropriates $37,000 as proposed by the Senate, instead of $20,000 as proposed by the House, for salaries and expenses of the Employees' Compensation Commission.

On No. 4: Appropriates $2,000, instead of $5,000 as proposed by the Senate, and $1,500 as proposed by the House, for the Legislative Reference Bureau of the Library of Congress.

On No. 5: Appropriates $800,000, instead of $1,018,331 as proposed by the Senate, for salaries and expenses of the War Trade Board.

On No. 6: Appropriates $27,856.72, as proposed by the Senate, for contingent expenses of foreign missions.

On No. 7: Strikes out the appropriation of $20,000, inserted by the Senate, for transportation of diplomatic and consular officers.

On No. 8: Appropriates $60,000, as proposed by the Senate, for the relief and protection of American seamen.

On No. 9: Appropriates $50,000, instead of $300,000 as proposed by the Senate, for emergencies arising in the Diplomatic and Consular Service, and strikes out the authority for the use of this sum for personal services in the District of Columbia.

On No. 10: Appropriates $35,000, instead of $100,000 as proposed by the Senate, for contingent expenses of United States consulates.

On No. 11: Appropriates $7,000 as proposed by the Senate, instead of $3,500 as proposed by the House, for miscellaneous contingent items in the Treasury Department.

On No. 12: Appropriates $5,000 as proposed by the House, instead of $11,000 as proposed by the Senate, for furniture for the Treasury Department.

On No. 13: Appropriates $500,000, as proposed by the Senate, for beginning the construction of the Treasury Building Annex, modified so as to provide that no part of the sum appropriated shall be expended until after the acceptance of such plans, specifications, and bids as will complete the building within the authorized limit of cost.

On No. 14: Appropriates $300,000, as proposed by the Senate, for salaries and expenses of the Customs Service in enforcing the espionage act and trading-with-the-enemy act.

On Nos. 15, 16, 17, and 18, relating to the Public Health Service: Appropriates $20,000 as proposed by the House, instead of $30,000 as proposed by the Senate, for fuel, light, and water for marine hospitals; extends, as proposed by the Senate, the use of the fund of $500,000 for the control of communicable diseases in areas adjoining military and naval reservations to other Government reservations and works for the protection of the civil population, and strikes out the increase of $25,000 proposed by the Senate; appropriates $25,000, instead of $30,000 as proposed by the Senate, for maintenance and ordinary expenses of the Quarantine Service.

On Nos. 19, 20, 21, 22, 23, and 24, relating to the District of Columbia: Appropriates $50,000, as proposed by the Senate, for replacing the fenders of the Highway Bridge across the Potomac River; inserts the paragraph, proposed by the Senate, extending during the fiscal year 1918, the appropriation for paving Park Road; appropriates $10,000, instead of $15,000 as proposed by the Senate, for the use of school buildings as community forums and civic centers; appropriates $5,000 as proposed by the Senate, instead of $3,000 as proposed by the House, for repairs to the fire boat; appropriates $12,000, as proposed by the Senate, for a new elevator for the Emergency Hospital; and appropriates $66,700, as proposed by the Senate, for the extension of water mains to accommodate the new temporary Government office buildings.

On No. 25: Appropriates $3,000,000, instead of $4,470,747.30 as proposed by the Senate, for temporary employees for the War Department.

On No. 26: Inserts the paragraph, proposed by the Senate, authorizing the Chief of Ordnance to appoint an Army officer serving in his office to act as disbursing officer for the payment of civilian employees in the Ordnance Office during the fiscal year 1918.

On No. 26a: Appropriates $600,000, instead of $488,000 as proposed by the House, and $738,208.83 as proposed by the Senate, for contingent expenses of the War Department.

On No. 27: Appropriates $289,899.95, as proposed by the Senate, for rent of buildings in the District of Columbia for the War Department.

On No. 28: Inserts the paragraph, proposed by the Senate, authorizing the Secretary of War to erect a telephone switchboard building between Seventeenth and Eighteenth and F and G Streets NW., in the District of Columbia.

On Nos. 29, 30, and 31, relating to armories and arsenals: Appropriates $95,000, as proposed by the Senate, for improving the water-power plant at Rock Island Arsenal; strikes out the appropriation of $100,000, proposed by the Senate, for the extension of the main office building at the Watertown Arsenal; and makes a verbal correction in the text of the bill.

On No. 32: Appropriates $2,000, as proposed by the Senate, for fuel for the Executive Mansion and greenhouses.

On No. 33: Appropriates $1,500, as proposed by the Senate, for heating offices, watchmen's lodges, and the greenhouses at the propagating gardens.

On No. 34: Appropriates $2,000, as proposed by the Senate, for fuel and miscellaneous expenses of the Washington Monument.

On No. 35: Strikes out the appropriation of $7,056.37 for reimbursement of the State of Massachusetts for expenses in supplying State troops at the request of the United States marshal at Boston.

On No. 36: Appropriates $5,000,000, instead of $5,500,000, as proposed by the Senate, and $3,000,000, as proposed by the House, for mileage of officers of the Army.

On No. 37: Appropriates $26,358,176, instead of $28,358,176, as proposed by the Senate, and $23,293,076, as proposed by the House, for regular supplies of the Quartermaster Corps.

On No. 38: Appropriates $4,500, as proposed by the Senate, for the expenses of the New York war port board.

On No. 39: Appropriates $61,252,744, instead of $67,252,744, as proposed by the Senate, and $52,151,604, as proposed by the House, for barracks and quarters.

On No. 40: Appropriates $18,681,820, instead of $20,181,820, as proposed by the Senate, and $13,996,820, as proposed by the House, for water and sewers at military posts.

On No. 41: Appropriates $9,194,100, instead of $9,944,100, as proposed by the Senate, and $7,303,800, as proposed by the House, for roads, walks, wharves, and drainage at military posts.

On Nos. 42 and 43, relating to the construction and repair of Army hospitals: Appropriates $19,654,300, instead of $21,274,300, as proposed by the Senate, and $18,000,000, as proposed by the House, and inserts the language, proposed by the Senate, making the appropriation available for electrical work and cooking apparatus.

On No. 44, relating to claims of officers and enlisted men of the Army for loss of private property: Inserts a substitute for the amendment of the Senate, which is printed in full elsewhere in this report and which is self-explanatory.

On No. 45: Appropriates $27,996,100, as proposed by the House, instead of $33,996,100, as proposed by the Senate, for the manufacture of arms.

On No. 46: Appropriates $5,000,000, as proposed by the Senate, for terminal storage and shipping buildings for use of the Ordnance Department of the Army.

On Nos. 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, and 64, relating to the temporary office buildings in Henry Park: Appropriates for the following additional employees, as proposed by the Senate: Assistant superintendent, $2,000; messenger, $720; 3 electricians, at $1,000 each; 2 carpenters, at $1,000 each; 2 general mechanics, at $1,000 each; chief engineer, at $1,400; 4 assistant engineers, at $1,200 each; steam fitter, at $1,080; 20 laborers, at $660 each; 20 guards, at $720 each; 1 forewoman of charwomen, at $300; and 20 charwomen, at $240 each; omits 1 electrician, at $1,200, and 2 assistant engineers, at $1,400 each; provides, as proposed by the Senate, that the superintendent of the State, War, and Navy Building shall serve as superintendent of buildings in Henry Park; and appropriates $100,000, as proposed by the Senate, for the completion of said buildings.

On No. 65: Inserts the language, proposed by the Senate, authorizing the Secretary of the Navy to contract for the heating of the temporary office buildings in Potomac Park, if, in his judgment, it would be more economical than to erect and operate a separate power plant, and corrects an error as to the location of one of the buildings on the Mall.

On No. 66: Strikes out the language, inserted by the Senate, providing for the removal of the temporary office buildings in Seaton Park within two years after the conclusion of the war and the use of that park as part of the Botanic Garden.

On No. 67: Provides that the maintenance and protection of the temporary office buildings authorized in this act shall be under the supervision and direction of the superintendent of the State, War, and Navy Department Building, as proposed by the Senate, instead of under the officer in charge of public buildings and grounds, as proposed by the House.

On Nos. 68, 69, and 70, relating to the Navy Department: Strikes out the appropriation, proposed by the Senate, of $1,575 for additional employees in the office of the Secretary of the Navy and strikes out the appropriation of $1,000, proposed by the Senate, for additional books.

On No. 71: Appropriates $5,499,737 as proposed by the Senate, instead of $2,000,000 as proposed by the House, for tools and machinery plant for the Naval Gun Factory at Washington, D. C.

On No. 72: Strikes out the appropriation of $25,000 proposed by the Senate, for contingent expenses of the Bureau of Ordnance of the Navy Department.

On No. 73: Appropriates $2,500,000, instead of $4,144,000 as proposed by the Senate, and $750,000 as proposed by the House, for maintenance of navy yards and docks.

On No. 74: Appropriates $2,750,000 as proposed by the House, instead of $7,750,000 as proposed by the Senate, for temporary hospital construction for the Navy.

On No. 75: Appropriates $2,500,000 as proposed by the Senate, instead of $500,000 as proposed by the House, for improvements at naval ordnance stations.

On No. 76: Appropriates $1,570,000 as proposed by the House, instead of $3,140,000 as proposed by the Senate, for improvement and equipment of navy yards.

On No. 77: Appropriates $55,072.25 as proposed by the House, instead of $222,935 as proposed by the Senate, for payment for land at the Hampton Roads, Va., naval operating base.

On No. 78: Appropriates $560,000, or so much thereof as may be necessary, instead of $705,000 as proposed by the Senate, for the purchase of land for naval warehouses in South Brooklyn, N. Y.

On No. 79: Appropriates $1,000,000 as proposed by the Senate, instead of $500,000 as proposed by the House, for repairs and preservations at navy yards and stations.

On No. 80: Authorizes the use of $150,000 instead of $200,000 as proposed by the Senate, and $100,000 as proposed by the House, for pay of clerical, inspection, and other services under the Bureau of Supplies and Accounts of the Navy.

On No. 81: Appropriates $1,180,000, as proposed by the Senate, instead of $800,000 as proposed by the House, for the contingent expenses of the Marine Corps.

On No. 82: Appropriates $250,000 for the support of Indian schools, without reference to the per capita cost of maintenance therein, as proposed by the Senate, instead of under the limitation of per capita cost as proposed by the House.

On No. 83: Strikes out the authority, proposed by the House, for the use of not to exceed $50,000 of the funds derived from the sale of timber on the Red Lake Indian Forest, Minn.

On No. 84: Appropriates $200,000 instead of $250,000 as proposed by the Senate, and $150,000 as proposed by the House, for the examination and classification by the Geological Survey of lands for enlarged homesteads, stock-raising homesteads, public watering places, and stock driveways.

On No. 85: Appropriates $150,000, as proposed by the Senate, to enable the Bureau of Mines to make necessary investigations in connection with the development of mineral products for use in the war.

On No. 86: Inserts the paragraph, proposed by the Senate, adjusting the compensation of certain employees in St. Elizabeth's Hospital, modified so as to confine such adjustment to the fiscal year 1918.

On No. 87: Appropriates $20,000, as proposed by the Senate, for expenses of the Post Office Department in connection with the enforcement of the espionage act and the trading-with-the-enemy act.

On Nos. 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, and 100, relating to the Postal Service: Appropriates $300,000 as proposed by the Senate, instead of $150,000 as proposed by the House, for miscellaneous expenses at first and second class post offices; appropriates $500,000 instead of $600,000 as proposed by the Senate, and $400,000 as proposed by the House, for vehicle service; appropriates $300,000 instead of $400,000 as proposed by the Senate, and $250,000 as proposed by the House, for mail-messenger service; inserts the limitation, proposed by the Senate, upon the appropriation for the censorship of mails, to prohibit the use of that sum for paying expenses of censoring mail from the military forces in Europe which has been censored in Europe; appropriates $60,000, as proposed by the Senate, for the manufacture of postage stamps; appropriates $700,000, as proposed by the Senate, for the manufacture of stamped envelopes; appropriates $180,000, as proposed by the Senate, for the payment of indemnity on lost domestic mail matter; appropriates $160,000, as proposed by the Senate, for stationery; appropriates $10,000, as proposed by the Senate, for the repair of stamps and stamping devices; appropriates $35,000, as proposed by the Senate, for the shipment of supplies; appropriates $40,000, as proposed by the Senate, for equipment for city-delivery service; and appropriates $125,000, instead of $250,000 as proposed by the Senate, for mail bags.

On Nos. 101, 102, and 103, relating to the Department of Justice: Strikes out the appropriations inserted by the Senate, as follows: $2,500 for furniture and repairs, $2,500 for stationery, and $7,500 for miscellaneous items.

On Nos. 104, 105, and 106, relating to the Coast Survey: Appropriates, as proposed by the Senate, for three dynamo tenders at $1,080 each and three laborers at $840 each; strikes out the appropriation of $8,000 for additional expenses in the preparation of charts.

On Nos. 107 and 108, relating to the Lighthouse Service: Appropriates $15,000, as proposed by the Senate, for the installation of an electrically operated fog-signal whistle on the east breakwater at Nantucket, Mass.; appropriates $150,000 as proposed by the Senate, instead of $100,000, as proposed by the

House, for reestablishing and repairing structures on the Atlantic coast damaged or destroyed by ice or storms.

On Nos. 109, 110, 111, 112, 113, 114, 115, 116, and 117, relating to the Senate: Appropriates for items under the Senate in the amounts and in the manner proposed by the Senate.

On No. 118: Appropriates for two additional telephone operators at the rate of $900 each for the House of Representatives from April 1 to June 30, 1918.

On Nos. 119 and 120, relating to the Government Printing Office: Appropriates $1,200,000 instead of $1,585,841.49 as proposed by the Senate, and $1,000,000 as proposed by the House, for printing and binding for the War Department; and appropriates $50,000, instead of $100,000 as proposed by the Senate, for printing and binding for the Navy Department.

SWAGAR SHERLEY,
JOHN J. EAGAN,
J. G. CANNON,
Managers on the part of the House.

STANDARD WEIGHTS OF FLOUR, MEAL, ETC.

Mr. ASHBROOK. Mr. Speaker, yesterday I introduced a bill (H. R. 10957) to establish the standard of weights and measures for flours, meals, and commercial feeding stuffs, and for other purposes, and it was referred to the Committee on Agriculture. I think it should properly have been referred to the Committee on Coinage, Weights, and Measures, and I ask unanimous consent to have it so referred.

The SPEAKER. The gentleman from Ohio asks unanimous consent to re-refer the bill H. R. 10957, which fixes the weight of flour and meal, from the Committee on Agriculture to the Committee on Coinage, Weights, and Measures. Is there objection?

Mr. McLAUGHLIN of Michigan. Mr. Speaker, reserving the right to object, has the gentleman conferred with the chairman of the Committee on Agriculture respecting this?

Mr. ASHBROOK. I have not; but I introduced the bill myself, and it refers to the fixing of standard weights and measures of these commodities, and should properly go to the Committee on Coinage, Weights, and Measures.

Mr. McLAUGHLIN of Michigan. Will not the gentleman be willing to wait until Mr. LEVER, the chairman of the Committee on Agriculture, is present?

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 3689. An act authorizing the Postmaster General to cancel or readjust the screen-wagon contract of H. H. Hogan, at Kansas City, Mo.

CIVIL-SERVICE EXAMINATIONS—CONFERENCE REPORT.

Mr. GODWIN of North Carolina. Mr. Speaker, I call up the conference report on Senate joint resolution 117, amending the act of July 2, 1909, governing the holding of civil-service examinations, and move its adoption.

The SPEAKER. The Clerk will read the conference report.

The Clerk read the conference report as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 117) amending the act of July 2, 1909, governing the holding of civil-service examinations, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, and 3, and agree to the same.

H. L. GODWIN,
C. D. CARTER,
Managers on the part of the House.
KENNETH MCKELLAR,
REED SMOOT,
Managers on the part of the Senate.

The SPEAKER. The question is on agreeing to the conference report.

Mr. CANNON. Mr. Speaker, will the gentleman make a statement in respect to this?

Mr. GODWIN of North Carolina. Mr. Speaker, the Senate receded from its disagreement to the amendments of the House, and agreed to adopt the resolution as it passed the House.

Mr. GILLETT. Mr. Speaker, this is signed by all of the conferees?

Mr. GODWIN of North Carolina. It is signed by two and the other I could not get, because he was out of the city.

Mr. GILLETT. I understand that one of the conferees did not have any notice of the conference and knew nothing about it.

Mr. GODWIN of North Carolina. His office was called up twice, but he was away, his secretary told me, attending the funeral of the late Representative CAPSTICK in New Jersey. The Senate withdrew its disagreement to the House amendment. There could not have been any controversy.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

The SPEAKER. This is Unanimous Consent Calendar day.

Mr. ASHBROOK. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Ohio rise?

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent for one minute's time in order to make a statement to the House.

The SPEAKER. The gentleman from Ohio asks for one minute. Is there objection?

Mr. WALSH. What is it about?

Mr. ASHBROOK. Well, I can explain to the gentleman in one minute. During the past week I have had referred to me by Members of this House I presume at least 100 letters concerning the bill H. R. 2878.

Mr. WALSH. I have no objection.

Mr. ASHBROOK. There seems to be some sort of a propaganda going around about this bill of which I have no knowledge. The bill is a bill introduced by the gentleman from Massachusetts [Mr. TILSON] to regulate and control the manufacture, sale, and use of weights and measures and of weighing and measuring devices. These letters all read about the same, and I will read one paragraph from this letter:

We are advised there is now pending before Congress a resolution for the withdrawal of H. R. 2878 from the Committee on Coinage, Weights, and Measures in order to permit action upon it.

I wish to say to the House that the author of this bill has made no request to have the bill considered and the committee has not considered the bill, and so far as I know there has not been a resolution introduced in the House asking to have the bill withdrawn from the Coinage, Weights, and Measures Committee.

Mr. LONGWORTH. Is that in reference to the metric system?

Mr. ASHBROOK. That is the bill so called the gentleman referred to; yes, sir.

The SPEAKER. To-day is Unanimous Consent Calendar day, and the Clerk will report the first bill.

VOCATIONAL EDUCATION.

The first business in order on the Calendar for Unanimous Consent was the joint resolution (S. J. Res. 110) to amend an act entitled "An act to provide for the promotion of vocational education," approved February 23, 1917.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I am authorized by the gentleman from Florida [Mr. SEARS] who reported this bill to say that this matter has been covered in the urgent deficiency bill just agreed to in conference and to object to it and to move to lay the bill on the table.

The SPEAKER. The gentleman from Wisconsin moves to lay this bill on the table for the reason stated.

The motion was agreed to.

MEDALS OR DECORATIONS FROM FOREIGN GOVERNMENTS.

The next business in order on the Unanimous Consent Calendar was the bill (S. 2796) to permit American citizens to wear medals or decorations received from certain foreign countries on entering the military or naval service of the United States, and for other purposes.

The Clerk read the bill by title.

The SPEAKER. Is there objection?

Mr. PADGETT. Mr. Speaker, there is objection to the bill. I spoke to the gentleman from Nebraska [Mr. SHALLENBERGER], from the Committee on Military Affairs, some days ago, and he stated that the committee did not intend to push the bill, so I will ask that it be passed over until he comes in.

The SPEAKER. The gentleman asks to pass over this bill without prejudice.

Mr. MONDELL. Will the gentleman yield to me?

Mr. PADGETT. Yes, sir.

Mr. MONDELL. What is the character of the objection to this legislation?

Mr. PADGETT. The objection is that the Navy Department wrote me a letter objecting to it, so far as that department was concerned, on the ground that our men should not receive medals from other countries; that they should look to their own country and their own service for the medals. I had an

official letter from the Secretary of the Navy on the matter, and I spoke to the gentleman from Nebraska [Mr. SHALLENBERGER] about it, and he said, having given it further consideration after he reported it, that he was inclined to the same opinion; that he did not intend to push the bill or to have it passed.

Mr. MONDELL. Is there objection from the War Department?

Mr. PADGETT. I do not know about the War Department. I am not advised.

The SPEAKER. Is there objection to passing this bill over without prejudice?

Mr. FOSTER. As I understand it, the gentleman wants to pass it over temporarily until the gentleman from Nebraska can come in.

The SPEAKER. That is all right.

Mr. HUDDLESTON. Mr. Speaker, reserving the right to object, I do not object to the bill being kept on the calendar, but I do not want it taken up again during the day, and unless it can be passed over until some other day I shall object.

The SPEAKER. What does the gentleman from Tennessee say?

Mr. STAFFORD. Mr. Speaker, in view of the statement made by the gentleman from Alabama, I ask unanimous consent that the bill be placed at the foot of the calendar.

The SPEAKER. The gentleman from Wisconsin asks that the bill be passed without prejudice and put at the foot of the calendar. Is there any objection to that? [After a pause.] The Chair hears none.

MEDALS OF HONOR AND DISTINGUISHED-SERVICE MEDALS.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 1720) to provide for the award of medals of honor and distinguished-service medals.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, this is a most important bill, and I do not think it should be considered by unanimous consent, and therefore I object.

Mr. MADDEN. Will the gentleman withhold the objection?

Mr. STAFFORD. I will withhold the objection.

Mr. MADDEN. I hope there will not be any objection to this bill. This is a matter that relates to our own soldiers and sailors.

Mr. MONDELL. Mr. Speaker, reserving the right to object, I think some such bill should be passed, but there is a committee amendment to the bill which is very objectionable, and unless some understanding can be had in regard to that particular feature of the bill I agree with the gentleman from Wisconsin that the bill ought not to be considered at this time. This amendment would open all the military records of the past to search with a view to granting these new medals for alleged acts of gallantry or merit in all the years that have passed. In that respect it changes very profoundly the character of the bill as the Senate passed it. It is a matter of such importance that it ought not to be considered now unless there can be an understanding in regard to that particular section.

I do not see any member of the Military Committee here prepared to make a statement with regard to the bill.

Mr. STAFFORD. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice and take its place at the foot of the calendar.

The SPEAKER. The gentleman from Wisconsin asks that the bill be passed by without prejudice and go to the foot of the calendar. Is there objection?

There was no objection.

GEORGIA EXPERIMENT STATION.

The next business on the Calendar for Unanimous Consent was the joint resolution (H. J. Res. 231) authorizing the Secretary of Agriculture to certify to the Secretary of the Treasury for payment, and the Secretary of the Treasury to pay, the appropriation for the Georgia Experiment Station of the State of Georgia, under act of March 4, 1917, for the fiscal year ending June 30, 1918, to the board of trustees of the Agricultural and Mechanical College of the State of Georgia, and for other purposes.

The bill was reported by title.

Mr. MONDELL. Mr. Speaker, reserving the right to object, I would like to have the attention of the gentleman from Georgia [Mr. WISE] who has charge of this resolution. I shall not object to the resolution provided the gentleman offers an amendment, which I think he is prepared to offer, making it clear what appropriations are to be paid to this college.

Mr. WISE. I have an amendment of that kind.

Mr. MONDELL. The gentleman has such an amendment, and there are two other amendments to which I desire to call the gentleman's attention. On page 5, line 3, the word "hereafter" is used. That word is entirely superfluous, because that particular part of the resolution refers to the payment of a specific appropriation. There is no necessity for using the word "hereafter" in that connection. Without that word both the Secretary of Agriculture and the Secretary of the Treasury are directed to make this payment for the fiscal year ending June 30, 1918. So that is entirely superfluous.

Now, in line 8, the word "all" is used. The objection to the use of that word is this, that while it is the intent and purpose to direct the Secretary of Agriculture to pay future appropriations to this particular institution, it is not intended, I assume, to direct him by congressional action to pay them to this institution if conditions should change in the institution whereby it failed some time in the future, some failure not now existing in connection with the present situation, to do its duty in the expenditures of these funds. The bill is just as strong without the use of the word "all," except that it does not project the congressional direction to the end of time and without regard to new conditions that might arise. And let me suggest to the gentleman that some time in the future the Georgia Legislature might create a new condition if they desired to have the fund transferred, in which case the word "all" would stand as a bar to doing that. I assume the gentleman does not care to go that far.

Mr. WISE. No. I will state to the gentleman I did not construe this as the gentleman does. However, I have no objection to that amendment. The gentleman will notice that this appropriation is to be made in accordance with the act of the General Assembly of Georgia, which directs the appropriation to a certain institution.

Mr. MONDELL. That is true.

Mr. WISE. Now, if the general assembly should amend that act, I do not think the word "all" would make any difference.

Mr. MONDELL. Still the word "all" in an act of Congress would stand as a bar as to a change of law by the Georgia Legislature, and, further, it would compel the Secretary to pay the money to this institution, although it failed to properly expend the funds. If the gentleman will accept these amendments, I shall not object.

Mr. WISE. I have no objection to striking out the word "all."

Mr. STAFFORD. Mr. Speaker, reserving the right to object, the directors of the Association of Agricultural Colleges and Experiment Stations have taken action in opposition to this bill. They predicate their opposition to it on fundamental grounds that are vital in the expenditure of Government funds for the use of experiment stations in the respective States. They claim that it is vital, if the agricultural interests of this country are going to have the benefits from the utilization of the various funds that Congress appropriates under the Morrill Act, under the Hatch Act, under the Adams Act, under the Smith-Lever Act, that there should be some concentration of those funds in one agency in each State. They think that it is a pure waste of Government funds to allow this money to be appropriated for the benefit of this isolated experiment station, as it is proposed in this case, where that experiment station receives no appropriation from the State to support its activities and where it does not receive any educational benefit or direction from the said institution. This is an isolated case, one that has never been before presented to the attention of the House.

At the time of the passage of the Hatch Act, as I recall, in 1887, there were experiment stations located in three States independent of support from agricultural colleges. But it has been the purpose of all the legislation since then that the appropriations that have been made by Congress should be at the disposal of some central authority in the State. This seeks to except that and allow these funds to go to an experiment station which receives substantially no support from the State whatsoever.

Mr. GARRETT of Tennessee. I want to ask the gentleman if it is his purpose to object.

Mr. STAFFORD. If the gentleman will permit, the Secretary of Agriculture is strongly opposed to this bill, the representatives of the Association of Agricultural Colleges and Experiment Stations are unitedly in opposition to it, and opposed to the policy as establishing a precedent, and under those circumstances I feel obliged to object——

Mr. CRISP. Is the gentleman aware of the fact that for 29 years the Government has continued to pay the money allotted to Georgia under the Hatch Act to this institution, and that the Committee on Agriculture has unanimously recommended that this bill pass; that this bill does not cost the Government one

cent, and that the present Secretary of Agriculture for three years has paid this money to this institution, and that all Secretaries for 29 years have paid it, up to this year? This bill simply requires that he shall continue to pay the money allotted Georgia to this institution, as it has been paid for 29 years.

Mr. STAFFORD. Mr. Chairman, in reply to the gentleman's statement that this has the unanimous approval of the Committee on Agriculture, I may say that in talking to one prominent member of that committee he stated it was not his intention to favor, as this law does, for all time, the use of the appropriation of the Federal money to this experiment station, but it should only go temporarily, until the State of Georgia by its legislation could rectify the condition. I have no objection to allowing this fund to go temporarily to the State, but when the Secretary of Agriculture and the Association of Agricultural Colleges and Experiment Stations take the united stand that this is against the best interests of agriculture in this country—and I may say parenthetically that I have given more than usual attention to this bill, because——

Mr. CRISP. I admit that the gentleman is an authority on agriculture.

Mr. STAFFORD. The gentleman may be sarcastic, but when the representatives of the Association of Agricultural Colleges and Experiment Stations come to me and present their case I assume it is my duty to give them a hearing, and I have done so, because I want to do no injustice to the State of Georgia. I can say that I have no objection to this money being appropriated temporarily for the use of this station. The only money that is appropriated for its use is by Congress, which would constitute such a precedent that I am constrained to object.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. STAFFORD. I will withhold the objection, allowing the gentleman from Michigan, who is a member of the committee, to make a statement.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, this bill was referred to the Committee on Agriculture, of which I am a member, and referred by the committee to a subcommittee of which I became a member, and I know something about it.

The act of Congress under which this money is payable to the States provides among other things that an annual appropriation shall be made to experiment stations organized in a certain way at the time that the act was passed. The station in Georgia was not organized until a little later, a little more than a year later, as I remember, but each Secretary of Agriculture, from the time the station was organized in Georgia until this very year, has recognized it as the proper institution in Georgia to receive the money, and out of annual appropriations the allotment was made to this institution in Georgia during these years—29 years in all. It seemed to our committee that this institution, meeting all the requirements of the law and having been recognized so long, ought to continue to be recognized.

The gentleman from Wisconsin [Mr. STAFFORD] says that the Secretary of Agriculture is strongly opposed to this act. The Secretary of Agriculture was twice asked, once by the Committee on Agriculture as a whole and later by the subcommittee of that committee, to communicate with it and to state his reasons, because we respect him and his opinions; and if one will read what the Secretary has said in both of his communications he will find that there is absolutely nothing in the Secretary's statement in support of the gentleman's objection except that the institution does not strictly come within the provisions of the law, because it was organized, as I say, about a year after the law was passed. Peruse the statement made by the Secretary and peruse his report, his communication to the committee and to the subcommittee, and you will find nothing, except what I have stated, to justify the statement of the gentleman from Wisconsin that the Secretary of Agriculture is opposed to this bill.

Now, in my judgment, as a member of the committee and as a member of the subcommittee, this institution in Georgia justifies and, during the years past, has justified the payment of the money to it by the Secretary of Agriculture, and it seems to me the statute of limitations runs against the proposition that the money ought now to be withheld. There is no question as to the character of the institution. There is no question but that the money has been properly used. There is a difference of opinion in Georgia, which has arisen lately, some jealousy between the heads of the different institutions in that State, and the head of one of the institutions that has not been receiving any of this money thinks his institution ought to receive it; or, at least, his feeling against the institution at present receiving it is such that he would be willing to deprive that institution of the benefit of the money.

In my judgment the bill is right. Perhaps it would be better if the word "hereafter" were stricken out. Perhaps it would be better and safer if the amendment suggested by the gentleman from Wyoming [Mr. MONDELL] were followed, to strike out the word "all." But this year's money ought to be paid to that institution in Georgia, and the statements of the gentleman from Wisconsin are not borne out by the facts as they have been brought to the attention of the Committee on Agriculture and as I believe they exist. [Applause.]

Mr. MONDELL. Mr. Speaker, reserving the right to object, the gentleman from Wisconsin [Mr. STAFFORD] objects to the measure on the ground that it establishes a dangerous precedent.

Well, it was contemplated at the time of the passage of the Morrill and Hatch Acts and realized when these other acts were passed that conditions might arise when it would be necessary for Congress to designate specifically the institution which was for the time at least to receive the funds. Such a condition has arisen in Georgia. The only objection to the legislation as reported is that, without striking out the word "hereafter" and the word "all," it might be held to fix for all time the appropriations in this institution, without regard to changing conditions there, either through the act of the Georgia Legislature or by reason of the failure of the institution in future to comply with the law. But with the amendment I have suggested we are following out the spirit of the Hatch Act in designating, where there is a difficulty of this kind and a misunderstanding, the institution that is to receive the money, so long as it complies with the provisions of the act and——

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes; in just a moment. So long as the moneys are properly expended.

Now, if you will strike out the word "hereafter" and the word "all," it simply provides that last year's appropriation shall be paid to that institution and future appropriations shall be paid—future appropriations, so long, of course, as the institution qualifies and continues to qualify under the acts—and there is no doubt about the moneys having been properly spent and about the institution having done good work.

Now I yield to the gentleman from Wisconsin.

Mr. STAFFORD. Is the gentleman aware of the fact that the governor of Georgia had a conference with the Secretary of Agriculture here at Washington, at which representatives of the State of Georgia were present, and it was agreed between the governor of Georgia and the Secretary of Agriculture that a bill giving temporary relief should be introduced, so that the State of Georgia might take action whereby this fund would be, as in other States, distributed through the State college of agriculture or the State university?

The bill as presented in that form was not, although it had the full approval of the governor of the State, accepted by the local representatives of the State of Georgia. Furthermore, if the gentleman will permit, in view of the statement made by the gentleman from Michigan [Mr. McLAUGHLIN], it seems indeed strange that in reporting the bill in this form no reference whatsoever is made in the report to the attitude of the Secretary of Agriculture, nor is any reference made in that report to the letter in which he objected to the bill in its present form.

I said in the beginning that I have no objection to the State of Georgia getting this money temporarily, until the State of Georgia can correct its laws whereby this fund can be utilized, as in other States, through one central agency.

Mr. WISE. Mr. Speaker, the gentleman refers to the consultation of the representatives of Georgia where the Secretary was present. I happened to be one of them. The gentleman is in error when he says they agreed upon a resolution to take care of this institution temporarily. The first proposition we indicate is to pay this money to the State university, a purely literary institution.

Mr. STAFFORD. Was not the proposition to have this money go to the central institution and have that institution use it in connection with its other agricultural activities?

Mr. WISE. For 29 years it has been paid in accordance with the laws of Georgia.

Mr. STAFFORD. In the Morrill Act, in the Hatch Act, and in the Lever Act it was provided that the money should go to one central body in the State, to be used and coordinated in agricultural pursuits, whereas, if this bill passes, this money goes to this experiment station, as it has gone for 29 years past,

an institution for the support of which not one cent has been appropriated by the State of Georgia.

Mr. WISE. The gentleman is in error about that. In this very case the Morrill fund goes to the State university.

Mr. STAFFORD. I am quite aware of that.

Mr. WISE. Originally the Secretary of Agriculture insisted that this should go to the State university; but later, when he was informed that they had a State agricultural college, which is under an entirely separate and distinct board of trustees, he changed his view and said that the funds might go to the State agricultural college.

Mr. STAFFORD. Certainly, he wants it to go to some central institution which has support from the State and not to an institution like this experiment station, which has no support from the State.

Mr. WISE. The gentleman is in error about that. It does have some support from the State.

Mr. STAFFORD. How much?

Mr. WISE. The gentleman said it had none.

Mr. STAFFORD. Oh, well, a trifling amount.

The SPEAKER. Is there objection?

Mr. STAFFORD. I object.

Mr. WISE. I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. The gentleman from Georgia asks unanimous consent that the bill be passed over without prejudice. Is there objection?

Mr. STAFFORD. I object.

Mr. McLAUGHLIN of Michigan. Will the gentleman reserve his objection for a moment? Will the gentleman consent if the word "hereafter" is stricken out, so that it will apply only to this year?

Mr. STAFFORD. I stated to the gentleman in my initial remarks that I have no objection whatsoever to this money being allotted to this experiment station for this year, until the State of Georgia can provide for its future distribution, so as to conform to the way these appropriations are distributed in other States.

Mr. WISE. If the gentleman will permit me, right there I should like to state that if you confine this to the present appropriation, which expires on June 30 with the fiscal year, the General Assembly of Georgia does not meet until the latter part of June. The appropriation, that has already passed this House and the Senate and is now, or soon will be, in conference, provides for the next fiscal year. It is a matter of impossibility to get men who are qualified to run this institution to take the place with the fact staring them in the face that there is no appropriation and no act of the general assembly which will take care of the situation, because they will not quit places which they are qualified to fill and go down there and take the position on an uncertainty. This resolution undertakes to provide for that by making the next appropriation available.

Mr. STAFFORD. I will go further, because it was my original intention, as indicated by my statement, not to object to a remedial measure authorizing the payment of these funds to this experiment station until the Georgia Legislature can act, so as to correct the conditions and conform to the conditions in other States. That is the position of the Secretary of Agriculture. That position has the support of Gov. Dorsey, of your State. I am not unreasonable when I take this position.

Mr. WISE. The gentleman says it has the support of Gov. Dorsey. Gov. Dorsey was up here trying to get this money, and he did agree to things that ordinarily probably he would not agree to, except for the emergency that exists. Now, with the amendment that the gentleman from Wyoming suggests it seems to me it ought to meet the criticism of the gentleman from Wisconsin.

The SPEAKER. Does the gentleman from Wisconsin withdraw his objection?

Mr. STAFFORD. I do not. I object, Mr. Speaker.

The SPEAKER. The Chair thought perhaps gentlemen had patched up a compromise. The gentleman from Wisconsin objects. The bill will be stricken from the calendar.

PUBLIC QUARTERS FOR OFFICERS OF THE NAVY AND MARINE CORPS.

The next business on the Calendar for Unanimous Consent was the bill (S. 3406) to authorize the Secretary of the Navy to determine where and when there are no public quarters available for officers of the Navy and Marine Corps.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

The SPEAKER. The gentleman from Massachusetts objects. The bill will be stricken from the calendar.

PAYMENT OF GUN POINTERS AND GUN CAPTAINS.

The next business on the Calendar for Unanimous Consent was the bill (S. 3445) to authorize the payment of gun pointers and gun captains while temporarily absent from their regular stations, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. This bill is on the Union Calendar.

Mr. PADGETT. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Tennessee asks that this bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The bill was read, as follows:

Be it enacted, etc., That during the period of the present war any enlisted man of the Navy or Marine Corps who has qualified, or who may hereafter qualify, as a gun pointer or gun captain, and who has been, or may hereafter be, detailed as gun pointer or gun captain for a gun of the class for which qualified, shall be entitled to the additional pay now or hereafter provided for such qualification and detail while temporarily absent by proper authority from the place where ordinarily required to perform duty under such detail, or while performing temporary duty which is not connected with such detail as gun pointer or gun captain.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. PADGETT, a motion to reconsider the vote by which the bill was passed was laid on the table.

INDIANHEAD RAILROAD.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 6982) to authorize and empower the Secretary of the Navy to enter into and contract for the construction of a line of railway from a point in the District of Columbia to Indianhead, Md.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. JOHNSON of Kentucky. Reserving the right to object, I wish to say that I do not desire to question the advisability of the construction of this railroad. Neither do I wish in any way to obstruct the building of the road, because it may be necessary; but I do very seriously object to the way in which this bill is drawn. Originally it was drawn to read:

To build a line of railway from the point at or in the vicinity of Bennings, D. C., to Indianhead, Md.

That language has been changed to read:

To build a line of railway from a point in or in the vicinity of the District of Columbia to Indianhead, Md.

That would permit a steam railway to be constructed from any point in the District of Columbia. The District of Columbia in the past has undergone similar experiences, and in doing so has found itself compelled to pay hundreds of thousands of dollars. Where a fill is made in building a railroad in front of one or more residences those residences are brought below grade. Then Congress is called upon to pay damages for having left the houses down in a hole, and damages are awarded. In other instances the railroad makes a cut and leaves houses away up in the air, and damages are awarded on that account. As I see it, the plan to construct this railroad without any beginning point being named, except that it is to be somewhere in the District of Columbia, is most objectionable indeed.

Mr. PADGETT. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. I yield to the gentleman from Tennessee.

Mr. PADGETT. The purpose was to authorize it from the navy yard. I have no objection to an amendment that would specify the navy yard.

Mr. JOHNSON of Kentucky. I think the bill ought to state plainly where it is to start and the route it is to pursue, because there, again, the question of grade crossings comes in. Many people are killed here every year by objectionable grade crossings, and I think this bill ought to make proper provision regarding such crossings.

Mr. ROBBINS. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. ROBBINS. What company is this that it is proposed to incorporate to build this railroad? It says some company.

Mr. JOHNSON of Kentucky. My answer is that as the bill does not state I do not know. Why the name of the railroad company is not put in the bill I do not know.

Mr. ROBBINS. Why is it they do not designate the terminals?

Mr. JOHNSON of Kentucky. The gentleman will have to ask somebody other than myself. I have not the information.

The chairman of the Committee on Naval Affairs may have the information, but I have not.

Mr. PADGETT. If the gentleman will turn to page 2 of the report he will find there set out a letter in which it is stated that the Washington-Newport News Short Line is the company that is proposing to construct the railroad. The idea was to build it by Indianhead to Newport News, Va., but the Government is only specially interested, and is intensely interested, to have the road as far as Indianhead. This simply guarantees the right of so much freight for six years after the road is constructed and in operation.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman permit an interruption?

Mr. JOHNSON of Kentucky. Yes.

Mr. COOPER of Wisconsin. What effect does this have on the power which Secretary McAdoo now has under the act nationalizing the railroads during the war?

Mr. PADGETT. I do not think anything.

Mr. COOPER of Wisconsin. I saw the other day in a newspaper that he had prohibited any railroad company from making any extension or improvement involving an expenditure of more than $25,000, or something to that effect.

Mr. PADGETT. I have not seen anything of that kind. I do not think this would affect the matter at all. This is intended for transportation between the Indianhead proving grounds and powder factory and the gun factory.

Mr. COOPER of Wisconsin. Why was this authority given to some private railroad corporation rather than in express terms, if it is necessary at all, to the Director General of Railroads?

Mr. PADGETT. This railroad company was proposing to build the railroad, and I understand it has largely secured the rights of way and is prepared to begin the construction at once. The other would be a question of Government ownership, and the Government would have to pay the expenses. This does not cost the Government a cent.

Mr. JOHNSON of Kentucky. There is an additional objection. I would say that under the proposed plan the United States is to furnish the money with which to build this railroad.

Mr. PADGETT. I beg to differ with the gentleman; it is not at all. The Government does not furnish any money to build the railroad, not one cent.

Mr. JOHNSON of Kentucky. The bill provides that "the Secretary of the Navy is to advance to the said company a sum not exceeding $360,000, in 12 semiannual payments of $30,000 each, and to accept for that amount transportation warrants from said railroad company for a like amount, to be redeemed by charges from the transportation of freight for the Navy or the Navy Department."

Mr. PADGETT. And if the gentleman will read further he will find that it is after the road has been completed and is in operation. It does not make a single payment until the road is completed and in operation, and then it is estimated that the Government freight would be more than $100,000 a year for a year or two, and this is simply giving a guaranty for six years of $60,000 in freight, which would be less than the Government freight actually would be.

Mr. JOHNSON of Kentucky. It seems to me that there is no real difference between the way I see the bill and the way the gentleman from Tennessee [Mr. PADGETT] sees it, and that is the Government is to pay for the road and then it is to take it up in freight.

Mr. PADGETT. They have to build the railroad before we furnish a dollar.

Mr. JOHNSON of Kentucky. But at last the Government will have furnished the amount of money with which it has been built, and it is to get warrants with which to pay freight for stuff to be shipped over the railroad. If the Government is to go into a proposition by which it is to accept freight warrants for money advanced, and thereby pay for the building of the railroad, the Government ought to own it.

Mr. PADGETT. Let me say to the gentleman that the construction of the railroad is estimated from here to Indianhead to cost $1,000,000, in round numbers, and they expect to carry it on to Newport News; but the Government is especially interested to see that it gets to Indianhead, the powder factory, and the proving grounds. This bill provides only that he shall enter into a contract agreeing to take freight for six years to the amount of $60,000 a year, payable in half-yearly payments of $30,000.

Mr. JOHNSON of Kentucky. And it does so whether they use that amount or not.

Mr. PADGETT. After the road is in operation and when we know the freight will be more than $60,000 a year. The only thing is that it gives an assurance that they will have freight from a responsible shipper amounting to $60,000 a year, and that would be 6 per cent upon their bonded indebtedness.

Mr. JOHNSON of Kentucky. The proposition of the gentleman is to subsidize this railroad in advance, by agreeing to pay so much money a year, whether it ships that much freight over it or not. I will say to the gentleman that until some provision has been made in the bill designating the point from which it shall start, and authorizing the route over which it shall be constructed, and making provision for the payment of damages done to property by which it will pass, I shall object and continue to object.

I would suggest to the gentleman that a new bill be written, stating where the railroad is to start and setting out the route that it is to travel, and then providing for the payment of such damages as may be done to abutting property.

Mr. BRITTEN. Will the gentleman yield right there?

Mr. JOHNSON of Kentucky. I will.

Mr. BRITTEN. Is not the gentleman arguing from the standpoint that the Government is especially interested in this road, when in fact it is not intended to have——

Mr. JOHNSON of Kentucky. For the sake of argument I will concede that, but I do not concede it really.

Mr. BRITTEN. The gentleman also understands that the practical value of this road is within the Government's jurisdiction and lies in the fact that we will get a railroad from here to Newport News eventually?

Mr. JOHNSON of Kentucky. That, of course, is part of the scheme.

Mr. BRITTEN. What difference does it make where the railroad starts from and where it runs to, just so it goes down here to Indianhead and gives the Government first-class railroad facilities, which it does not have now?

Mr. JOHNSON of Kentucky. Would the gentleman like to see it start out here in front of the Capitol?

Mr. BRITTEN. The gentleman knows that is not likely.

Mr. JOHNSON of Kentucky. Of course I know that; but this bill gives it the right to start from some other point equally as objectionable. That is one of the objections to the bill.

Mr. PADGETT. Mr. Speaker, in view of the statement that the gentleman intends to object, I ask that the bill be passed over without prejudice and go to the foot of the calendar.

Mr. JOHNSON of Kentucky. I object to that, and shall continue to object until a bill embodying the suggestions I have just made be brought in.

Mr. PADGETT. I ask that it be passed to the foot of the calendar.

Mr. JOHNSON of Kentucky. I object.

The SPEAKER. The gentleman from Kentucky objects, and the bill is stricken from the calendar.

AMENDING SECTION 1570, REVISED STATUTES.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 3130) to amend section 1570 of the Revised Statutes of the United States.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, as I understand from the report on this bill it seeks to allow the Secretary of the Navy to assign marines on our battleships——

Mr. PADGETT. No.

Mr. STAFFORD. To act as firemen.

Mr. PADGETT. No; under present practice and past practice time out of mind marines serve on battleships and other ships alongside of a naval bluejacket. There is a law in existence allowing the payment of 33 cents a day extra to seamen and landsmen, men who are in the Navy, when they are down in the engine room; but there is no provision for allowing that pay to the marines, and, as a matter of fact, marines do serve and have been serving in that capacity.

Mr. STAFFORD. I am aware the purpose of the bill was to pay an additional allowance of 33 cents, that is now paid to seamen while they are performing the work of firemen, to these marines; but nothing was said in the report to show whether there was existing law that allowed the Secretary of the Navy to assign the marines for that character of service.

Mr. PADGETT. They are doing it and have been doing it for years and years, just along with the others. It is not often the marines do it, but they do do it from time to time, and this is simply to put the marines on the same basis as the others for the same work.

Mr. STAFFORD. I have no objection.

Mr. FOSS. Will the gentleman yield for a question?

Mr. PADGETT. Yes.

Mr. FOSS. Does this apply simply to those men in the merchant service?

Mr. PADGETT. No; it applies to the whole Navy.

Mr. FOSS. To the Navy?

Mr. PADGETT. Yes, sir.

Mr. FOSS. Whenever we have men on these merchant ships?

Mr. PADGETT. Whenever they are doing that work.

Mr. FOSS. Whenever they are doing that work?

Mr. PADGETT. Yes.

Mr. FOSS. All right.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. PADGETT. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 1570 of the Revised Statutes of the United States be, and it is hereby, amended to read as follows:

"SEC. 1570. Every seaman, landsman, or marine who performs the duty of a fireman on board any vessel of war shall be entitled to receive, in addition to his compensation as seaman, landsman, or marine, a compensation at the rate of 33 cents a day for the time he is employed as fireman."

The bill was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. PADGETT, a motion to reconsider the vote by which the bill was passed was laid on the table.

PAY OF RETIRED CHIEF WARRANT OFFICERS ON ACTIVE DUTY.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 3400) to regulate the pay of retired chief warrant officers on active duty.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, this same provision is carried in the general appropriation bill which the gentleman has reported from his committee, is it not?

Mr. PADGETT. Of course the gentleman will recognize that on the appropriation bill it would be subject to the point of order as legislation upon an appropriation bill, and if it passes here I shall strike it out of the appropriation bill.

Mr. WALSH. Would the gentleman prefer to have it passed independently?

Mr. PADGETT. Yes, sir; I would prefer that.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. PADGETT. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Chairman, will the gentleman make a brief statement as to the purpose of this bill?

Mr. PADGETT. Yes, sir. In the act of August 29, 1916, there was legislation, as shown in the report, providing for the promotion of warrant and chief warrant officers after 6 and 12 years' service in that grade.

These are petty officers that come from the enlisted personnel and occupy a position between the enlisted personnel, the privates or seamen, and the commissioned officers. In interpreting that act the accounting officers of the Treasury held that when a retired officer was reassigned to duty, before he gets the benefit of the act he must have served, after the 29th of August, a time sufficient, added to the time he has served before the 29th of August, to make up the 6 or 12 years. That was not the purpose or the intention, and this legislation is intended to correct that interpretation, so that if he resigns before the 29th that law applies. If he resigned on the 30th, it did not apply under their interpretation, because they held that, being in the service on the 29th and retiring afterwards, he did not have to make up that additional time; but if he had retired on the 28th he would have to serve after the 29th to make up the six years. And this legislation is to correct that interpretation.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

An act (S. 3400) to regulate the pay of retired chief warrant officers on active duty.

Be it enacted, etc., That any retired chief warrant officer who has been on active duty since August 29, 1916, or who may hereafter perform active duty, and whose record is creditable, shall, during such time as he has been or may hereafter be on active duty, and from the time his service on the active list after date of commission, plus his service on active duty while on the retired list, is equal to six years, receive the pay and allowances that are now or may hereafter be allowed a lieutenant (junior grade), United States Navy; and shall, during such time as he has been, or may hereafter be, on active duty, and from the time such total service is equal to 12 years, receive the pay and allowances that are now, or may hereafter be, allowed a lieutenant, United States Navy.

Also the following committee amendment was read:

Add a new section, as follows:

"SEC. 2. That any retired warrant officer who has performed or may hereafter perform active duty, and whose record is creditable, shall, during such time as he has been or may hereafter be on active duty, and from the time his service on the active list after date of warrant, plus his service on active duty while on the retired list, is equal to 12 years, receive the pay and allowances that are now or may hereafter be allowed a lieutenant (junior grade), United States Navy; and shall, during such time as he has been or may hereafter be on active duty, and from the time such total service is equal to 18 years, receive the pay and allowances that are now or may hereafter be allowed a lieutenant, United States Navy."

Mr. WALSH. Mr. Speaker, I move to strike out the last word. Will the gentleman state what increase the amendment of the House committee will make in the pay?

Mr. PADGETT. It does not make any increase, as I understand it, under existing law. It only applies as to the interpretation, correcting the interpretation that had been made heretofore by the accounting officers of the Treasury in interpreting the act of August 29, 1916.

Mr. WALSH. But section 2, which has been included by the Committee on Naval Affairs, provides for an increase in pay, does it not, over that of existing law?

Mr. PADGETT. You will notice that section 1 applies to retired chief warrant officers. That is one rank. The second section applies to any retired warrant officer, which is the next lower rank, and embraces the warrant officers as well as the chief warrant officers.

Mr. STAFFORD. Will the gentleman from Massachusetts yield?

Mr. WALSH. I yield.

Mr. STAFFORD. I wish to direct the attention of the chairman of the committee to the language as found in the letter of the Secretary of the Navy of date of January 25, which shows that the section to which the gentleman from Massachusetts is now directing attention does increase the salaries of those carried in section 2 of the bill.

Mr. PADGETT. The only increase is in the last provision there, where the chief warrant officer has served 18 years.

Mr. STAFFORD. The gentleman from Massachusetts is directing his inquiry as to whether there was any increase of salary under existing law provided by the committee amendment.

Mr. PADGETT. It makes that new grade of from 12 to 18 years.

Mr. WALSH. Now, what increase is provided by that?

Mr. PADGETT. It would give the increase of the pay from a lieutenant junior grade to a lieutenant, if he had served that additional six years in the grade.

Mr. WALSH. Well, can the gentleman give me any idea or estimate in dollars and cents as to what that increase would be for this warrant officer?

Mr. PADGETT. My recollection is that a lieutenant of the junior grade—although I do not remember; it is set out in the pay tables—is in the neighborhood of $2,100 or $2,200. And a lieutenant would run up to about $2,500, if I remember the figures correctly. I have not looked at them.

Mr. WALSH. That is the pay without the allowances?

Mr. PADGETT. Yes. There are some allowances in addition.

Mr. WALSH. In addition to that?

Mr. PADGETT. Yes, sir.

Mr. WALSH. I withdraw the pro forma amendment.

The SPEAKER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. PADGETT a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended so as to read: "An act to regulate the pay of retired chief warrant officers and warrant officers on active duty."

MESSAGE FROM THE SENATE.

A message from the Senate by Mr. Young, one of its clerks, announced that the Senate had passed without amendment bills of the following titles:

H. R. 9571. An act to authorize the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands drafted into the service of the United States, and for other purposes; and

H. R. 9903. An act to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes.

MANNER OF REPORTING CASUALTIES.

Mr. MASON. Mr. Speaker, I ask unanimous consent for two minutes to make a statement as to the manner of reporting casualties. This is a letter from a constituent——

The SPEAKER. The gentleman from Illinois asks unanimous consent for two minutes. Is there objection?

There was no objection.

Mr. MASON. The letter is from Mr. Gustavus E. Miller, who says:

CHICAGO, *March 16, 1918.*

Congressman WILLIAM E. MASON,
Washington, D. C.

DEAR SIR: I wish to enter a protest against the present method of reporting casualties from the front, and as reason for my complaint give this concrete instance:

I have a son now in France, Sergt. Royal E. Miller, and by the inclosed newspaper clipping you will note reported as killed "Sergt. Leroy W. Miller." I have up to this time, 8.30 a. m. of the day the paper was published, had at least a dozen anxious personal inquiries and numerous telephone calls from friends asking whether it was my son. Two of these were from his aunts, whose families are very much upset and worried about him, and my wife.

I heartily agree with the contention that some method more definite should be initiated whereby identification would be more positive, and I, as one of your constituents, and for those who are in the same position, ask you to use your influence to obtain a change in the present almost cruel method of reporting casualties.

Very truly, yours,

GUSTAVUS E. MILLER,
1211 Addison Street.

The answer to this, as a rule, is that they telegraph to the parents when one of our soldiers is killed or wounded, but that does not cover this particular sort of a case. You will see in the list of casualties frequently almost the same name, and it is almost an absolute impossibility for them to tell. It will not do to say that they telegraph the parents. They can not telegraph the parents who have children having the same military title, like sergeant or lieutenant, and names almost similar, and in some instances exactly the same. I am simply asking that this go into the RECORD for the purpose of calling attention to the fact that their present method is not satisfactory to the people. If they would simply insert after "Sergt. Leroy W. Miller" the words giving company and regiment and address it would be of benefit. It would save great anxiety and suspense which our people suffer.

Mr. WALSH. Will the gentleman yield?

Mr. MASON. Yes.

Mr. WALSH. Is the gentleman aware that another distinguished legislative body has passed a resolution of inquiry to the department upon the very point that he is making now?

Mr. MASON. Yes. I saw by the paper that the resolution was pending or that an act was pending directing that it be done. And I call attention to this simply to show that the present course of the department is not sufficient, for it does not give notice to the parents whose sons have names identically the same and sometimes occupying the same rank. I expect the present method to be changed, and unless it is I will offer a law to change it.

The SPEAKER. The Clerk will report the next bill.

AGE LIMIT OF NOMINEES TO NAVAL ACADEMY.

The next business on the Calendar for Unanimous Consent was the bill (S. 3402) to fix the age limit for candidates for admission to the United States Naval Academy.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. STAFFORD. I reserve the right to object.

Mr. MILLER of Minnesota. Reserving the right to object, Mr. Speaker, I would like to make an inquiry. Frankly, I do not personally like the idea of making the date fixed on July 1. That has the advantage of being mathematically accurate, and so on, but it seems to me it would be infinitely better to fix the date as of the time they take the examination. Would the gentleman consider an amendment to that effect?

Mr. PADGETT. I will state to the gentleman that under existing law nominations by Members of Congress—that is, Members of the Senate and of the House—that is the law, 20 years as of the date of the time of the examination; but that is of a varying date. Sometimes it is held in February, sometimes in March, and sometimes in April, and a few years ago it was held in June.

Now, under the law authorizing the nominations of young men from the Navy the date is the date of admission, 20 years—admission to the academy—which may be a still later date. This was selected as July 1 simply as a fixed date to make it definite, so that it will be known when the person would be too old and when he would be too young, and not vary from one date to another. For instance, here are two examinations that are held. There is an examination held, we will say, in February, and a man is 20 years old in February, just the day before the examination. He can not get in. But there is another examination that is held for another fellow that takes the examination in April, and he was 20 years old the next day in April. He can get in when the other man is shut out, and yet the time was two months later. This does not apply to the present year. It does not change the date. It only begins next year, and allows a definite date, so that you will know who will be too old to enter.

Mr. MILLER of Minnesota. As I understand from the report and from the letter of the Secretary of the Navy, the trouble has arisen because men who are to take the examination and secure entrance from the enlisted personnel are laboring under a law which provides that they shall not be over 20 years when they enter the academy, which is a disadvantage to them as compared with those who are operating under a law which says they can enter the academy provided they are only 20 when they take the examination.

Mr. PADGETT. But the examination is ahead of the entrance, and it gives a longer time than for nominees of Members of Congress.

Mr. MILLER of Minnesota. Entrance at the academy is not a uniform date. It varies from year to year, and often in the same year.

Mr. PADGETT. Certainly it does.

Mr. MILLER of Minnesota. For instance, a man can take the examination in February——

Mr. PADGETT. And they enter on different dates, usually in July. But here may come three or four men that enter and take the oath on the 5th day of July, you will say. Here comes some next day, on the 6th, and some on the 10th, and others on the 15th, and some may not enter and take the oath until August.

Mr. MILLER of Minnesota. Of course, the idea is to make it certain that the young man will not have too great an age when he graduates. That is the reason for it?

Mr. PADGETT. Yes; and it removes the necessity for a great deal of correspondence in the department, explaining the time when one gets too old, and why this one was of a certain date, and that one was of a certain date, and others of a certain date. This fixes a definite time and does no injustice to anybody.

Mr. MILLER of Minnesota. I do not think it does an injustice, but it really reduces the opportunity.

Mr. PADGETT. No.

Mr. MILLER of Minnesota. The gentleman will say "yes" in a moment. The time now open to every young man in the country extends up until he is 20, when he takes the examination. Any young man who is not more than 19 years and 364 days old when he takes the examination is entitled to the privilege of doing so.

Mr. PADGETT. He can still go in on the 1st of July, whereas he would be shut off from the examination in February.

Mr. MILLER of Minnesota. That kind of a boy never could take the examination. Only that boy could take the examination who would be 19 years and 364 days old on the 1st day of July, so that you have restricted the opportunity of the young man to that extent.

Mr. PADGETT. It says the 1st day of July of the year in which he enters. He may be 20 years in February. But it extends his time to enter until the 1st day of July.

Mr. MILLER of Minnesota. It seems to me that the idea is to fix and make it certain that the young man shall have only such and such an age when he graduates. This has no reference at all to when he enters the academy. It fixes an arbitrary date of July 1, without reference to when he enters or graduates.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield?

Mr. PADGETT. Yes.

Mr. ALEXANDER. Is the gentleman correct as to the eligibility depending on the time when he takes the examination? The bill provides that he shall be eligible to admission to the academy until he is 20 years of age, and he is admitted about the middle of June.

Mr. PADGETT. No. The law with reference to nominees of Members of Congress says 20 years at the time of the date of taking the examination, and with respect to nominees from the service it shall be at the date of entry.

Mr. ALEXANDER. All the regulations I have ever seen expressly state that they shall be eligible until they arrive at the age of 20 years, on the date of admission, but——

Mr. PADGETT. They do not say that. The gentleman has overlooked the law.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PADGETT. Yes.

Mr. COOPER of Wisconsin. Will the gentleman from Tennessee permit me to ask him one question?

Mr. PADGETT. Yes.

Mr. COOPER of Wisconsin. Does not that mean this, and this only, that hereafter all candidates for admission to the Naval Academy shall be not less than 16 nor more than 20 years of age on July 1 of the calendar year in which they enter?

Mr. PADGETT. Yes.

Mr. COOPER of Wisconsin. That makes it perfectly plain.

Mr. RUSSELL. Will the gentleman yield?

Mr. PADGETT. I yield to the gentleman from Missouri.

Mr. RUSSELL. I appreciate the importance of this, realizing that it enlarges the opportunities of boys, and I have an instance of my own. This year I appointed two boys to the Naval Academy. They were 20 years of age in March. I was told that they must take their examinations in February or else they could not take them at all.

Mr. PADGETT. That is true.

Mr. RUSSELL. They had to hasten with their work and take the examination in February in order to be admitted this year. If this act passes, as I think it ought to, they could have taken their examinations in April instead of in February.

Mr. PADGETT. Certainly.

Mr. RUSSELL. So this enlarges the opportunity of a boy and does not take away from anybody the opportunity that he has.

Mr. PADGETT. Not at all.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. PADGETT. Yes.

Mr. STAFFORD. I take issue with the statement of the chairman of the committee [Mr. PADGETT] and also of the gentleman from Missouri [Mr. RUSSELL], that a person who is 20 years of age in February of next year, shortly after the time the examinations are held, can enter the academy if this bill passes. He will not be eligible.

Mr. PADGETT. I differ with the gentleman.

Mr. STAFFORD. This law is restrictive in its character. It provides that the person must be under the age of 20 on July 1 of the year that he enters the academy, while under existing law he may be past his twentieth birthday on July 1 of the year he enters the academy. He only has to be under 20 at the time he takes his examination. Many of us have had instances of candidates who have been obliged to take the February examination in order to qualify, because they would have attained the age of 20 after the February and before the April examination.

While I am in sympathy with the purpose of this bill, which, according to the report, is to permit the enlisted personnel to be admitted into the academy, and also for the further reason, advanced by the chairman of the committee, in order to have definiteness and to save the department from making a great many replies to inquiries, I think many of us would be plagued if this law passed in its present form, because it would exclude many candidates whom we have in mind, and to whom we have offered the nomination, who would not be 20 at the time of the February examination but who would be 20 between February and July 1. We ought to protect those candidates, of whom there may be several—boys who have been preparing, perhaps, for years in anticipation of the requirements of the existing law—so that they may be able to take the examination next year, because they will not have reached the age of 20 at the time of the February examination, but if this law passes they will be barred.

Mr. PADGETT. This does not apply to this year at all.

Mr. STAFFORD. I know; but I am talking about next year. It does not apply to this year. The April examinations for this year will be held within a month. There must be instances, which many Members of the House have in mind, of candidates who will become 20 years of age before July 1 next year, who will not reach that age before the February or April examinations. I do not think any member of the Naval Affairs Committee wants to prevent these young men from taking that examination.

Mr. PADGETT. The very purpose of this bill is to admit those men up to the 1st of July.

Mr. STAFFORD. But the bill says—

That hereafter all candidates for admission to the Naval Academy must be between the ages of 16 and 20 years on July 1 of the calendar year in which they enter the academy.

Those candidates who become 20 years of age after the February examination and before July 1 would not be eligible to appointment under that language. They would be 20 years before July 1, and therefore would be excluded.

Mr. PADGETT. It would let them in. The very purpose of it is to extend the time, so that the man who becomes 20 years of age before the examination can have up until July 1 to get in.

Mr. STAFFORD. The language I read says he can not be 20 years of age on July 1 of the year in which he enters the academy.

Mr. HASTINGS. Will the gentleman yield?

Mr. PADGETT. I yield to the gentleman from Oklahoma.

Mr. HASTINGS. Suppose a candidate becomes 20 years of age on the 1st of May next year, can he then enter?

Mr. PADGETT. He can enter, and can enter up until the 1st day of July.

Mr. HASTINGS. On the 1st of July he would be over 20 years of age.

Mr. PADGETT. I will say that it would not interfere at all with this young man's entrance. It would extend the time.

Mr. MONDELL. A young man whom I know will take his examination in April. He becomes 20 on the 1st of May of this year. He can now enter the Academy, because his examination comes a few days before his birthday.

Mr. PADGETT. Yes.

Mr. MONDELL. But if this bill were a law, he would be 20 before the 1st of July, and he could not enter the Academy.

Mr. PADGETT. No; the gentleman is mistaken.

Mr. MONDELL. The committee have evidently meant well. They have intended to extend the time, but as a matter of fact they have limited it.

Mr. PADGETT. No; the gentleman is mistaken in his interpretation.

Mr. MONDELL. The way to extend the time would be to make it the 1st of January instead of the 1st of July. Then you would get back of the examinations, and all those who were less than 20 at the time of the examinations could enter.

Mr. PADGETT. If you should make it apply to January 1, 1918, you would cut them out. That is, the boy who did not become 20 until May, 1918, would be cut out.

Mr. MONDELL. January of the year that he enters the Academy.

Mr. PADGETT. If he became 20 by that time he would be cut out. It would cut out the boy who became 20 in May.

Mr. MONDELL. The gentleman's bill certainly restricts the time.

Mr. PADGETT. No; it enlarges it. It has been gone over by the department, and that is their construction.

Mr. HAMLIN. Let me call the attention of the gentleman from Tennessee to the language. At first I thought the gentleman was right, but now I think not. The bill provides—

That hereafter all candidates for admission to the Naval Academy must be between the ages of 16 and 20 years on July 1 of the calendar year in which they enter the Academy.

They must be between the ages of 16 and 20 up to the 1st day of July. If a boy is 20 years old on the 30th day of June he is not eligible.

Mr. RUSSELL. Let me ask the gentleman a question. If he is of age on the 1st of May——

Mr. PADGETT. The gentleman means 20 years of age.

Mr. RUSSELL. Yes. The act says he must be between the ages of 16 and 20 years of age on the 1st of July. Now, if he is 20 years of age on the 1st of May, is he between the ages of 16 and 20 on the 1st of July?

Mr. HAMLIN. No; he is not.

Mr. PADGETT. I will ask, Mr. Speaker, to pass over this bill, and I will get an official interpretation of this language to satisfy Members.

The SPEAKER. The gentleman from Tennessee asks to pass over the bill without prejudice. Is there objection?

There was no objection.

DISPOSITION OF EFFECTS OF DECEASED PERSONS IN NAVAL SERVICE.

The next business on the Calendar for Unanimous Consent was the bill S. 3129, an act to provide for the disposition of the effects of deceased persons in the naval service.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. STAFFORD. Reserving the right to object, I wish to direct the attention of the chairman of the committee to the last proviso:

Provided further, That claims may be presented hereunder at any time within five years after such moneys or proceeds have been so deposited in the Treasury, and, when supported by competent proof in any case after such deposit in the Treasury, shall be certified to Congress for consideration.

Mr. PADGETT. In other words, it requires for Congress the right to pass on taking the money out of the Treasury and not

allowing it to be paid out of the Treasury on the warrant of a subordinate officer.

Mr. STAFFORD. One pest that we suffer here from time to time is in the consideration of private claims of this character.

Mr. PADGETT. The proviso is now existing law.

Mr. STAFFORD. I believe it would be well if we could dispense with some of the private bills and have them referred to the Court of Claims. I have drafted an amendment, although I do not wish to press it, but I am going to ask, if the gentleman will permit me, to read the amendment, so that the gentleman may consider it and have the bill passed over without prejudice. The purpose of the amendment is to have all these claims submitted directly to the Court of Claims and have a report by the court to Congress, and then have the claims paid without any formal action by Congress, except to appropriate the money. My amendment is as follows:

Strike out the last proviso and insert the following:

"*Provided further*, That at any time within five years after such moneys or proceeds have been so deposited in the Treasury any heir at law of such deceased person within two degrees of relationship, or of any next of kin on behalf of such relatives, may present a claim for such principal amount so deposited in the Treasury, and upon proper proof submitted to the Secretary of the Navy shall be referred to the Court of Claims for adjudication, and the amount found due by said court shall be certified to Congress for payment."

Mr. PADGETT. I think the gentleman from Wisconsin makes a mistake in limiting it to two degrees. That would be too close. I think, as provided here, that his next of kin ought to get it. Congress is not confiscating it; Congress is not taking it. The only change we make under existing law is this.

Mr. STAFFORD. I do not wish to have Congress troubled with little claims presented in the form of private bills. They will be small in amount, and why not allow the Secretary of the Navy to refer them to the Court of Claims and the Court of Claims find the facts and certify the judgment to Congress, and then we pass the necessary appropriation?

Mr. PADGETT. I do not think there is any objection to referring them to the Court of Claims, but I do object to limiting it to within two degrees.

Mr. STAFFORD. I am not a stickler for two degrees, but my thought was that I did not want claim agents, when they learn that some person had some effects that were sold by the Navy Department and the money turned over to the Treasury, to go scurrying around over the country to find distant relatives and say to them, "If you will allow me 50 per cent of the amount, I will recover it for you."

Mr. PADGETT. I think that would be a worse policy to pursue than to leave it as it is now. The Secretary of the Navy takes it up and certifies to Congress that this sailor left such effects and that they were sold and the proceeds covered into the Treasury because they did not know the next of kin. But they know it now, and it belongs to A, B, C, and so forth.

Mr. STAFFORD. Then it would require a private bill.

Mr. PADGETT. No; it is put into the sundry civil bill.

Mr. STAFFORD. I think the gentleman is in error in that. Will the gentleman let the matter go over until we can ascertain whether under existing law when the Secretary of the Navy certifies a matter of that kind it is included in usual course in one of the appropriation bills?

Mr. PADGETT. Yes.

Mr. MONDELL. Possibly the gentleman's attention has not been called to the fact that these certified claims ordinarily go on the sundry civil bill and are accepted.

Mr. STAFFORD. I was making an inquiry whether they took that course.

Mr. PADGETT. They do.

Mr. MONDELL. That is the practice.

Mr. STAFFORD. If that is the case, there is no need of the amendment that I have proposed.

Mr. MONDELL. That is a better practice than to allow attorneys to build up a practice of that kind in the Court of Claims.

Mr. STAFFORD. I quite agree with the gentleman, but I was under the impression from reading the bill that it would require a private bill, and I wished to relieve Congress of that trouble. Upon the statement of the gentleman from Wyoming and the gentleman from Tennessee, Mr. Speaker, I will not press my amendment or oppose the consideration of the bill.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That hereafter all moneys, articles of value, papers, keepsakes, and other similar effects belonging to deceased persons in the naval service, not claimed by their legal heirs or next of kin, shall be deposited in safe custody, and if any such moneys, articles of value, papers, keepsakes, or other similar effects so deposited have been, or shall hereafter be, unclaimed for a period of two years from the date of the death of such person, such articles and effects shall be sold and the proceeds thereof, together with the moneys above mentioned, shall be deposited in the Treasury to the credit of the Navy pension fund: *Provided*, That the Secretary of the Navy is hereby authorized and directed to make diligent inquiry in every instance after the death of such person to ascertain the whereabouts of his heirs or next of kin, and to prescribe such regulations as may be necessary to carry out the foregoing provisions: *Provided further*, That claims may be presented hereunder at any time within five years after such moneys or proceeds have been so deposited in the Treasury, and, when supported by competent proof in any case after such deposit in the Treasury, shall be certified to Congress for consideration.

The SPEAKER pro tempore (Mr. HAMLIN). The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. PADGETT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

COURSE OF INSTRUCTION AT NAVAL ACADEMY.

The next business on the Calendar for Unanimous Consent was the bill (S. 3401) to authorize the President to reduce temporarily the course of instruction at the United States Naval Academy.

The SPEAKER pro tempore. Is there objection?

Mr. TILLMAN. Mr. Speaker, reserving the right to object, will the gentleman yield for a suggestion in connection with this bill?

Mr. PADGETT. Yes.

Mr. TILLMAN. I do not think that what I have to suggest could be incorporated in the bill, but I desire to call attention to it now in order that it may address itself to the authorities at Annapolis. I shall give the details of the case to which my attention has just been called. The authorities at Annapolis may correct the abuse, if their attention is attracted to it in this way, if, indeed, it be an abuse, or correct the apparent injustice, if that is what it should be termed. I nominated recently a very bright young man, Mr. C. D. Garvin, of Harrison, Ark., as a candidate for the Naval Academy at Annapolis. His parents sent him to Marion, Ala., for instruction, at considerable expense. I understand that four is the basis upon which these nominees are graded.

Mr. PADGETT. Yes. Two and a half passes. That is equivalent to 62½ per cent.

Mr. TILLMAN. This young man, on the difficult subjects of geometry and algebra, made almost the requisite number, 4; but he failed to pass on English, obtaining only 1.9. By permission of the academic board he was allowed to take another examination in April. This examination which he took was in February. I called up the Bureau of Navigation and asked if he might not be excused from taking the examination again on geometry and algebra and those subjects on which he passed, but I was told he could not be allowed that privilege. Only two months will have elapsed between the first examination and the next one. In institutions of learning generally, on final examinations, where a student passes a creditable examination and fails on one or two subjects, he is allowed or required to take a further examination only on those subjects. It occurred to me that it is a hardship upon this young man who made excellent grades, passing on all subjects save one, and failing only on this one, English, to be compelled to go back again to Marion, which he is doing, and prepare again for examination on all these subjects. Why should he not be allowed to take the examination on English alone?

Mr. PADGETT. I do not know. That is a question that is arranged by the academic board.

Mr. TILLMAN. I understand so, but I thought perhaps it might be proper to direct attention to it here.

Mr. PADGETT. It would not be germane on this bill, and under the existing law these questions are governed by the academic board.

Mr. TILLMAN. I am of the opinion that the gentleman is correct; but does it not occur to the gentleman that it would be fair to require this young man, only two months after his first examination, to pass only on the subject of English, upon which he failed?

Mr. PADGETT. I confess to the gentleman that I can not understand it. I had a case of that kind once myself.

Mr. BRITTEN. Mr. Speaker, will the gentleman yield?

Mr. TILLMAN. Yes.

Mr. BRITTEN. Has the gentleman requested the academic board at Annapolis to grant another examination?

Mr. TILLMAN. Oh, I have obtained that concession and have appointed him again, but what I am complaining of is that he must again pass on these same subjects that he passed on just two months ago. Does it not occur to the gentleman from Illinois that such requirement is unfair to the young man?

Mr. BRITTEN. Yes; I think the academic board might well permit a reexamination on English alone.

Mr. TILLMAN. But they have declined to do so.

Mr. PADGETT. I do not think the gentleman will have much trouble when it comes to the ultimate fact.

Mr. CRAMTON. Reserving the right to object, Mr. Speaker; I desire to state that I have had a case so similar to the one stated by the gentleman from Arkansas that it sounded like my own.

Mr. PADGETT. I had one myself just like it.

Mr. CRAMTON. Except in this. Instead of the young man passing 1.9 my boy was 2 in English, and my case has this other feature: The boy enlisted in the service a year ago and has not had opportunity since his appointment, of course, to make preparation that a boy outside the service could make for taking an examination.

Mr. PADGETT. If he had applied, he could have gotten a 90-day furlough.

Mr. CRAMTON. I think they have been very generous in giving him what furlough he asked for.

Mr. PADGETT. They give 90 days' furlough for the purpose of preparing for these examinations.

Mr. CRAMTON. Their regulations are not always binding as to the 2½ per cent minimum, and it seems to me at this time, when we are all anxious not to have any vacancies at the academy, they might very well, if a man stands up well in mathematical subjects, be a little lenient in the matter of English.

Mr. PADGETT. I think in cases of that kind English and subjects of that kind that are continuing subjects in the course of study the board always allows a reexamination.

The SPEAKER pro tempore. Is there objection?

Mr. FOSS. Mr. Speaker, reserving the right to object, I desire to ask a question. I notice that the bill has been amended by striking out the words "during the continuance of the present war" and inserting in lieu thereof the words "until August 1, 1921."

Mr. PADGETT. Yes; that was done at the suggestion of the superintendent and also of the Chief of the Bureau of Navigation, and for this reason, as explained in the report: The duration of the war is an uncertain thing. It may end any time or it may not. They have no definite standard to which to work. They do not know whether to prepare the studies of these young men for a three or a four year course. It is dependent on that uncertain duration, and if a definite time is fixed they can then launch their studies and their plans and courses of instruction to make it a three-year course during a definite time.

Mr. FOSS. I think it is very unfortunate we have to reduce the length of the course at Annapolis to three years. It should be four years, but, of course, the war has made that necessary——

Mr. PADGETT. Yes.

Mr. FOSS. But there is no intention, as I understand it, on the part of the department to reduce the course permanently?

Mr. PADGETT. The Secretary of the Navy and our committee, I think, are as heartily opposed to that as the gentleman is, but we recognized the emergency that was existing at this time.

Mr. BRITTEN. Will the gentleman yield?

Mr. PADGETT. Yes.

Mr. BRITTEN. I would like to suggest to my colleague from Illinois that it is not the intention of the authorities at Annapolis or the Navy Department to eliminate anything from the studies. The studies will be made more intensive and the vacation time will be very largely eliminated, so that what is usually accomplished in four years will now be accomplished under this intensive system in three years.

Mr. PADGETT. To some extent.

Mr. BRITTEN. To a very large degree.

Mr. PADGETT. To a large degree; yes.

Mr. FOSS. I will say to the gentleman of course there is a natural desire——

Mr. PADGETT. There is no purpose to make the three years permanent, and I do not think it ought to be. I think ie ought to be four years.

Mr. FOSS. I hope we will stick to that. I know there is a natural desire on the part of young men to get commissions early, and perhaps many of them would like to reduce the course. We used to have a six-year course at the Naval Academy—four years at the Naval Academy and two years at sea—before the midshipman graduated received his commission. Then, we cut out the two-year sea course, until now we have got it down to a four-year course.

Mr. PADGETT. Yes; that is changed. At one time, where the gentleman mentions about it being six years, there were two years in the school, two years at sea, and then two years back in the school, and then graduation, and lately it was changed to four years in the school and two years at sea and graduation was upon the four years' course in school.

Mr. FOSS. The commission, however, was not given until the end of the six years—until after the extra two years at sea.

Mr. PADGETT. The commission, but not the graduation. There is no purpose to make this permanent.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the President be, and he is hereby, authorized, during the continuance of the present war, to reduce temporarily, in his discretion, the course of instruction at the United States Naval Academy from four to three years and to graduate classes which have completed such reduced courses of instruction.

The committee amendments were read, as follows:

In lines 3 and 4, strike out "during the continuance of the present war" and insert in lieu thereof the following: "until August 1, 1921."
Line 4, strike out the word "temporarily."

The question was taken, and the amendments were agreed to.

The bill as amended was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. PADGETT, a motion to reconsider the vote by which the bill was passed was laid on the table.

TO DROP FROM THE ROLLS CERTAIN NAVAL AND MARINE CORPS OFFICERS.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 3404) to authorize the President to drop from the rolls any naval or Marine Corps officer absent without leave for three months, or who has been convicted of any offense by the civil authorities, and prohibiting such officer's reappointment.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. MONDELL. Mr. Speaker, reserving the right to object, I take it for granted that the committee has considered the danger that would arise under this sort of legislation in time of war to drop from the roll a man who was taken prisoner and that was lost sight of and was unable to communicate his whereabouts. Do such occasions arise occasionally?

Mr. PADGETT. I do not think it is intended for war purposes.

Mr. MONDELL. But there are prisoners of war.

Mr. PADGETT. There is a war going on, but I do not think the gentleman would find any abuse of it along that line.

Mr. MONDELL. How is that?

Mr. PADGETT. I do not think there would be any abuse of the statute along that line.

Mr. MONDELL. I realize that they would have no intention of abusing it.

Mr. PADGETT. Under existing law that same language exists. Section 1229 of the Revised Statutes reads as follows——

Mr. MONDELL. With regard to the land forces?

Mr. PADGETT. Yes; in regard to the land forces, and this just makes it the same in reference to the Navy. The first part of it is this: Under existing law if a man is absent and loses service because of sickness brought on by his own misconduct—officer or enlisted man—they do not receive their pay for the time that they lose on account of sickness brought on by their own misconduct; but if his misconduct produces an injury that incapacitates him and he loses his time, the accounting officers of the Treasury have held that he does not lose his pay; that there is a difference between injury and sickness, and a fellow who by his misconduct injured himself physically and was absent from duty would continue to get his pay, while if the same misconduct simply made him sick he would not get his pay, and this is just inserting the word "injury," so as to make it apply both to injury and sickness alike.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the President is hereby authorized to drop from the rolls of the Navy or Marine Corps any officer thereof who is absent from duty without leave for a period of three months or more, or who, having been found guilty by the civil authorities of any offense, is finally sentenced to confinement in a State or Federal penitentiary: *Provided*, That no officer so dropped shall be eligible for reappointment.

The bill was ordered to be read the third time, was read the third time, and passed.

The title was amended so as to read: "An act to authorize the President to drop from the rolls any naval or Marine Corps officer absent without leave for three months, or who has been convicted of any offense punishable by confinement in the peni-

tentiary by the civil authorities, and prohibiting such officer's reappointment."

On motion of Mr. PADGETT, a motion to reconsider the vote by which the bill was passed was laid on the table.

PUBLIC QUARTERS FOR OFFICERS OF THE NAVY AND MARINE CORPS.

Mr. PADGETT. Mr. Speaker, I want to ask the gentleman from Massachusetts [Mr. WALSH], who objected to the first bill I called up (H. R. 3406) to authorize the Secretary of the Navy to determine with reference to quarters, if he will not withdraw the objection. It is just simply the same legislation that now gives the authority to the Secretary of War. Conditions arise where it is very important that the Secretary should have that authority to determine that question for the efficiency of the service, and I would like to ask the gentleman if he is not willing to withdraw his objection and let us return to that bill.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. PADGETT] asks unanimous consent to return to the bill (S. 3406), and that the same may be considered at this time. Is there objection?

Mr. WALSH. Mr. Speaker, I do not care to withdraw my objection at the present time. This matter will come up again within a week or 10 days.

Mr. PADGETT. Mr. Speaker, may I ask if it went off the calendar or is at the foot of the calendar?

The SPEAKER pro tempore. It went off the calendar.

Mr. PADGETT. I will ask the gentleman if he will object to its going to the foot of the calendar.

Mr. WALSH. I will not object to its going to the foot of the calendar.

Mr. PADGETT. I ask that the order striking the bill from the calendar be rescinded and that the bill be restored to the calendar, to go to the foot of the calendar.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent that the order striking the bill from the calendar be rescinded, and that the bill go to the foot of the calendar. Is there objection?

Mr. MONDELL. Mr. Speaker, reserving the right to object, I have no objection to the bill. I have no doubt that it is an excellent measure, and I certainly will not object to it. The gentleman from Massachusetts [Mr. WALSH] seems to think that there are some objections to it; but I should have to object to this request, because it is a bad practice. Gentlemen are likely to leave the Hall with the understanding that a bill has been stricken from the calendar, and then later during the same session some one makes this request for different action, and then if that is granted the Member who objected would be surprised to learn that in his absence the bill was again placed on the calendar.

Mr. PADGETT. Mr. Speaker, I will not renew the request to-day for its consideration. Let it go over until the next calendar day.

Mr. MONDELL. I think the House acting on these bills one at a time, that is notice to all then present as to the status of a measure during that day of consideration. I do not think it is wise or good practice to change that situation.

Mr. STAFFORD. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. STAFFORD. The customary practice, as the gentleman knows, is that where a bill is objected to and the request is made that it take its place at the foot of the calendar, it is not to be again considered the same day.

Mr. PADGETT. It will not be considered the same day.

Mr. STAFFORD. When the request is made to consider it the same day, that request is to pass it over temporarily. This request is to retain it on the calendar under existing practice, not to be considered to-day.

Mr. MONDELL. This bill has not heretofore been stricken from the calendar?

Mr. PADGETT. No, sir.

Mr. MONDELL. In that event it can be restored to the calendar, and the very object which the gentleman desires by his request can be accomplished in another way.

Mr. PADGETT. That is true.

Mr. MONDELL. I think that is better practice, because otherwise gentlemen may leave the Chamber with the idea that the status of a bill has been established by their objection, only later on to learn that another arrangement has been made.

The SPEAKER pro tempore. Is there objection?

Mr. MONDELL. I object.

ISSUE OF BONDS, SEWARD, ALASKA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 9832) to authorize the incorporated town of Seward, Alaska, to issue bonds in any sum not exceeding $25,000 for the purpose of constructing dikes, flumes, and other works to confine the waters of Lowell Creek for the protection of said town.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I wish to inquire of the chairman of the committee having the bill in charge whether there is any present bonded indebtedness of the city of Seward?

Mr. SULZER. There is not any present bonded indebtedness, and none can be authorized except by act of Congress.

Mr. STAFFORD. I am aware of that. I was wondering if we had previously made any authorization to the city of Seward.

Mr. SULZER. Not to Seward, but there was one made to Valdez a few years ago which was not availed of, and one to the city of Juneau for school purposes.

Mr. STAFFORD. One further inquiry about the bill. The interest rate is 8 per cent—that is, not to exceed 8 per cent—and I wish to inquire if that figure is absolutely necessary in order to float the bonds of this municipality?

Mr. SULZER. The money is expected to be provided by the citizens of Seward themselves, and they feel it wise to have the rate not to exceed 8 per cent, to be left to the judgment of the city council.

Mr. STAFFORD. What is the prevailing rate of interest at Seward on first-class mortgage loans?

Mr. SULZER. Well, I think it is probably between 8 and 10 per cent.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. STAFFORD. Mr. Speaker, I withdraw the objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 9832) to authorize the incorporated town of Seward, Alaska, to issue bonds in any sum not exceeding $25,000 for the purpose of constructing dikes, flumes, and other works to confine the waters of Lowell Creek for the protection of said town.

Be it enacted, etc., That the incorporated town of Seward, Alaska, is hereby authorized and empowered to issue bonds in any sum not exceeding $25,000 for the purpose of constructing dikes, flumes, and other protection to confine the waters of Lowell Creek, and to keep said waters from running over and upon the town of Seward.

Before said bonds shall be issued a special election shall be ordered by the common council of the town of Seward, at which election the question of whether such bonds shall be issued shall be submitted to the qualified electors of said town of Seward whose names appear on the last assessment roll of said town for municipal taxation. Thirty days' notice of any such election shall be given by publication thereof in a newspaper printed and published and of general circulation in said town before the day fixed for such election.

The registration for such election, the manner of conducting the same, and the canvass of the returns of said election shall be, as near as practicable, in accordance with the requirements of law in general or special elections in said municipality, and said bonds shall be issued only upon the condition that a majority of the votes cast at such election in said town shall be in favor of issuing said bonds.

The bonds above specified, when authorized to be issued as hereinbefore provided, shall bear interest at a rate not to exceed 8 per cent per annum, payable semiannually, and shall not be sold for less than their par value with accrued interest, and shall be in denominations not exceeding $1,000 each, the principal to be due in 20 years from date thereof: *Provided, however*, That the common council of said town of Seward may reserve the right to pay off such bonds in their numerical order at the rate of $5,000 thereof per annum from and after the expiration of five years from their date. Principal and interest shall be payable in lawful money of the United States of America at the office of the town treasurer, or at such bank in the city of New York, in the State of New York, or such place as may be designated by the common council of the town of Seward, the place of payment to be mentioned in the bonds: *And provided further*, That each and every bond shall have the written signature of the mayor and clerk of said town of Seward and also bear the seal of said town.

No part of the funds arising from the sale of said bonds shall be used for any purpose other than specified in this act. Said bonds shall be sold only in such amounts as the common council shall direct, and the proceeds thereof shall be disbursed under the limitations hereinbefore imposed and under the order and direction of said common council, from time to time, as the same may be required for the purposes aforesaid.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

Mr. NORTON. Mr. Speaker, may I make an inquiry of the gentleman in charge of the bill?

Mr. HOUSTON. Yes.

Mr. NORTON. What is the assessed value of the property of the city of Seward, Alaska, on which bonds could be issued?

Mr. HOUSTON. We have not the assessed value of the property, but it has no bond issue at present.

Mr. NORTON. This would exceed the 2 per cent limit allowed by the law?

Mr. SULZER. It would not exceed it; but I will say to the gentleman that the 2 per cent at the present time hardly covers the annual expenses of the city. There is no way in which they could acquire a sufficient amount of money to bring about this

improvement under the 2 per cent taxation. They have been expending several thousand dollars per annum for some length of time in the endeavor to control this stream, which last fall destroyed about $25,000 worth of property in the city, but they are unable to expend a sufficient amount of money to properly control the stream, and that is the reason why they ask for the privilege of floating these bonds, to raise the money to properly construct the dikes and other works necessary to protect the city.

Mr. NORTON. Under the charter granted to the Territory of Alaska is a municipality permitted to issue bonds?

Mr. SULZER. No.

Mr. NORTON. No bonds at all?

Mr. SULZER. No bonds whatever.

Mr. NORTON. Does this bill provide that taxes shall be levied for refunding this amount, as is usual in the refunding of bonds?

Mr. SULZER. No. It does not provide for that, because taxation is limited by the organic act to 2 per cent.

Mr. NORTON. There is no provision, then, in legislation for the refunding of these bonds?

Mr. SULZER. Well, they can be repaid out of taxation. The bonds extend for a period of 20 years, and during that period of time the money can be obtained to pay them.

Mr. NORTON. Well, it is usual in the States, when bonds are issued, for provision to be made at the same time for their payment, by the levy of a tax over a series of years to create a repayment fund.

Mr. SULZER. Well, I will say to the gentleman that this bill is practically identical with former bills of this kind that have been passed by Congress authorizing the city of Valdez to construct a dike and the city of Juneau to construct a school building and issue bonds for $75,000. That was passed by the last Congress. I do not think there is any danger that the money will not be provided at the proper time to repay these bonds.

Mr. NORTON. I will say to the chairman of the committee that it seems to me that in legislation of this kind it is very wise to provide the method for the repayment of the bonds by a tax levy.

Mr. HOUSTON. That would depend upon the credit of the municipality. If they can float these bonds there will be no trouble on the score the gentleman speaks of, because it is expected that by the increase in value and improvement of property resulting by reason of this act they will be able to raise money by 2 per cent taxation to meet this indebtedness.

Mr. NORTON. To create a fund to pay it?

Mr. HOUSTON. Yes; to create a fund to pay it. The same thing was done in the case of the two municipalities mentioned by the Delegate from Alaska [Mr. SULZER].

Mr. MOORE of Pennsylvania. Mr. Speaker, this is a small matter, relatively, but it involves an important question, to which I wish to call the attention of the gentleman. Could the $25,000 be raised in the vicinity of Seward, Alaska?

Mr. HOUSTON. Do you mean could these bonds be floated among parties there?

Mr. MOORE of Pennsylvania. Yes.

Mr. HOUSTON. It is so expected by the friends and advocates of the measure.

Mr. MOORE of Pennsylvania. I observe that the principal and interest is to be paid in lawful money at the office of the town treasurer, or at such bank in the city of New York, in the State of New York, or such place as may be designated by the common council of the town of Seward. For what reason is "New York" inserted there?

Mr. HOUSTON. Well, perhaps they have their banking account there and it would be more convenient for them to do it there. I am not able to give a detailed reason for their doing that. They might, perhaps, get the capital from New York, and for that reason it would be more convenient to liquidate the bonds at that point.

Mr. MOORE of Pennsylvania. The only question that might stand in the way of the passage of the bill, I assume, would be whether or not there is a good reason for issuing the bonds. That is to be determined by the people of Seward themselves?

Mr. HOUSTON. Yes, sir.

Mr. MOORE of Pennsylvania. The question of floating bonds is rather an important one at this particular time, and if I were in charge of this bill I would endeavor to have it passed as quickly as possible if there was any expectation of floating those bonds outside of the vicinity of Seward, for this reason: The war-finance corporation bill, which is now in conference, provides for the organization of a capital issues committee, which would have a tremendous influence in the sale of bonds such as these. That matter was under discussion during the consideration of the war-finance corporation bill. But bonds of this kind would not be floated ordinarily in the city of New York, I assume, without the approval of the capital issues committee. If the bonds could be floated in the vicinity of Seward, or elsewhere up in Alaska, or at Spokane, Wash., where the people are more familiar with Seward than are the people in the East, probably there would be no difficulty. The Constitution would protect their right to issue the bonds. But if the capital issues committee were to disapprove this issue as not being contributory to the purposes of the war it is not likely that the bonds could be floated in the East, notwithstanding the interest rate might be as high as 8 per cent.

Mr. SULZER. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. SULZER. I do not think there is any doubt but that these bonds could be floated right in the city of Seward. That is the opinion we have received from representatives from the city of Seward, including members of the city council, who drew the bill and advocated its passage. We are anxious to have it enacted, not only for the reason the gentleman cites, but also for the reason that there is an election to be held, and that will take a considerable time, and it is desirable to get the matter under way as soon as possible before next fall for fear of a repetition of the disaster which took place in the town of Seward last fall.

Mr. MOORE of Pennsylvania. I have no objection to the bill. I approve of it, but I suggest that it ought to be passed speedily, because if it is not passed before the war-insurance corporation bill goes into effect you will have difficulty in floating the bonds unless they can be floated somewhere in the vicinity of Seward and without rehandling.

Mr. SULZER. I thank the gentleman for his suggestion.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HOUSTON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9314) making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1919.

TOWN SITE ON FORT HALL RESERVATION, IDAHO.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 4910) to authorize the establishment of a town site on the Fort Hall Reservation, Idaho.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. HAMLIN). Is there objection to the present consideration of the bill?

Mr. MOORE of Pennsylvania. May we have the bill read?

The SPEAKER pro tempore. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to set aside and reserve for town-site purposes such tracts of lands within the Fort Hall Indian Reservation, Idaho, as in his opinion may be required for the future public interests, and he may cause the same to be surveyed into suitable lots and blocks and to dedicate the streets and alleys thereof to public uses; and he is hereby authorized to set apart and reserve for school, park, and other public purposes not more than 10 acres in any one town site; and patents shall issue for the lands so set apart and reserved for school, park, and other public purposes to the municipality legally charged with the care and custody of lands donated for such purposes on condition that Indian children shall be permitted to attend the public schools of such towns under the same conditions as white children.

SEC. 2. That the Secretary of the Interior is further authorized to cause the lots within such town sites as may be established hereunder to be appraised and disposed of under such rules and regulations as he may prescribe, and the net proceeds derived therefrom shall be placed in the Treasury of the United States to the credit of the Indians of the Fort Hall Reservation and may be paid to them per capita or expended for their benefit as the Secretary of the Interior may deem for their best interests: *Provided, however*, That any lands disposed of hereunder shall be subject to all the laws of the United States prohibiting the introduction of intoxicants into the Indian country until otherwise provided by Congress.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, I should like to inquire if this is the usual and ordinary way of opening up lands for settlement in that country?

Mr. SMITH of Idaho. It is, when they are Indian lands.

Mr. WALSH. They authorize the establishment of a town site?

Mr. SMITH of Idaho. Yes. The general law applying to town sites on public lands does not apply to Indian reservations.

Mr. WALSH. I have no objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. This bill is on the Union Calendar.

Mr. SMITH of Idaho. I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Idaho asks unanimous consent that this bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The following committee amendments were read, considered, and agreed to:

Page 1, line 5, strike out the words "such tracts" and insert the words "a tract."

Strike out the word "lands" and insert the word "land."

Page 2, line 1, strike out the word "anyone" and insert the word "such."

Page 2, line 7, strike out the word "towns" and insert the word "town."

Page 2, line 9, strike out the word "sites" and insert the word "site."

Page 2, after the word "and," in line 11, insert the words "any and all expenses in connection with the survey, appraisement, and sale of such town site shall be reimbursed from the sales of town lots, and."

Page 2, line 16, after the word "and," strike out the words "may be paid to them per capita or expended for their benefit as the Secretary of the Interior may deem for their best interests" and insert in lieu thereof the words "shall be subject to appropriation by Congress for their benefit."

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

Mr. WALSH. Mr. Speaker, I notice by the report that there is an amendment to the title. Has the title been amended?

The SPEAKER pro tempore. The Clerk informs the Chair that there is no amendment to the title.

Mr. GARRETT of Tennessee. If the title reads as it does in the calendar there ought to be an amendment to it.

The SPEAKER pro tempore. The Chair thinks it would be in order to offer an amendment to the title.

Mr. GARRETT of Tennessee. It should be amended so as to read "site" instead of "sites."

Mr. STAFFORD. The title is entirely proper, Mr. Speaker.

Mr. GARRETT of Tennessee. The report says that the title is to be amended.

The SPEAKER pro tempore. The Clerk informs the Chair that the calendar seems to be wrong, and that the bill is correct as to the title.

Mr. FRENCH. I think the title has been corrected, but I ask unanimous consent that it be corrected so as to read as it is on the print of the bill that we have been considering, which refers to just one town site.

Mr. GARRETT of Tennessee. Let the gentleman ask unanimous consent that the title be amended to conform to the text of the bill.

Mr. FRENCH. Yes.

The SPEAKER pro tempore. Without objection, the title will be amended to conform to the title of the bill.

Mr. STAFFORD. There is no necessity for that. The title of the bill as reported is correct.

Mr. RUSSELL. Perhaps the original bill was not correct.

Mr. STAFFORD. This is the original bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho that the title be amended to conform to the text of the bill?

There was no objection.

On motion of Mr. SMITH of Idaho, a motion to reconsider the vote by which the bill was passed was laid on the table.

INTOXICATING LIQUORS IN THE TERRITORY OF HAWAII.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 9960) to prohibit the sale, manufacture, and importation of intoxicating liquors in the Territory of Hawaii during the period of the war.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Mr. Speaker, I object.

Mr. HOUSTON. Will the gentleman reserve his objection?

Mr. STAFFORD. No; we have a great number of bills on the calendar to-day for consideration.

Mr. MONDELL. This is a very important bill. I think the gentleman ought to give us time to discuss it, at least.

The SPEAKER pro tempore. The gentleman from Wisconsin objects. The bill will be stricken from the calendar.

PREFERENCE RIGHT OF ENTRY BY CAREY ACT ENTRYMEN.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 5559) to authorize a preference right of entry by certain Carey Act entrymen, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

Mr. STAFFORD. Has the objecting stage been passed? I understood there was no objection to the consideration of the bill.

The SPEAKER pro tempore. The Chair announced that there was no objection to the consideration of the bill.

Mr. STAFFORD. Then before the bill is reported it will have to be considered either in the House or in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Colorado asks that the bill be considered in the House as in Committee of the Whole. Is there objection?

Mr. MOORE of Pennsylvania. Reserving the right to object, the gentleman from Colorado [Mr. TAYLOR] will make an explanation of this bill, will he not?

Mr. TAYLOR of Colorado. Yes.

The SPEAKER pro tempore. Is there objection to considering the bill in the House as in Committee of the Whole?

There was no objection.

The bill was read, as follows:

Be it enacted, etc., That in cases where Carey Act projects upon the public lands are not consummated by the States holding same and the lands segregated are restored to the public domain the Secretary of the Interior is authorized, under such general rules and regulations as he may establish, to accord a preference right of entry under the homestead laws for not exceeding 60 days after such restoration to settlers and entrymen who have in good faith entered or purchased such lands from the States and who have established actual residence upon the lands or made substantial and permanent improvements thereupon.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

That the Secretary of the Interior, when restoring to the public domain lands that have been segregated to a State under section 4 of the act of August 18, 1894, and the acts and resolutions amendatory thereof and supplemental thereto, commonly called the Carey Act, is authorized, in his discretion and under such rules and regulations as he may establish, to allow for not exceeding 90 days to any qualified person a preference right of entry under applicable land laws of any of such lands to which such person had initiated a claim under the State laws, and upon which such person had established actual bona fide residence, or had made substantial and permanent improvements.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. TAYLOR of Colorado. I will.

Mr. MOORE of Pennsylvania. As I understand the bill from the reading, it gives the Secretary of the Interior the right to give a preference for a period of 90 days to certain persons. I assume that those persons are within the State where the land is?

Mr. TAYLOR of Colorado. Oh, yes; they have to be living on the ground itself, or to have put substantial and permanent improvements on their claims. That is the only condition upon which they would get a preference right under this bill.

Mr. MOORE of Pennsylvania. Some of us do not follow the land-law bills as closely as we might, but from a casual reading it occurred to me that the resident of a State being on the ground, and being more familiar with it than a man outside with equal rights, would always have the preference.

Mr. MONDELL. Will the gentleman yield?

Mr. TAYLOR of Colorado. I yield to the gentleman from Wyoming.

Mr. MONDELL. This is the situation: The Carey Act is a law under which the State enters into an agreement with the Federal Government to reclaim certain desert lands. After they are thoroughly reclaimed and the State has made proof of that fact to the Federal Government, the Federal Government transfers the lands to the State and then the State transfers them to the person who reclaims them. But there have been cases where the project of reclaiming desert lands has failed—where the project was of such magnitude and the difficulties so great that the State has been unable to make proof of the reclamation, and in the meantime the settlers have gone on to the land under agreement with the State for this work, made settlement, and put in improvements in some cases of very considerable value. They are there, homestead settlers, with more or less valuable improvements. Now, the project having failed, the Secretary of the Interior restores it to the public domain.

Mr. MOORE of Pennsylvania. Where everybody has a chance to come in.

Mr. MONDELL. Yes; under the general law. The purpose of the bill is to give the right to the hardy pioneer who was

there and had settled with a view of reclaiming, who had made the improvement—give him the right, if he is a qualified homestead settler, to remain on the land on which he is living and which he has improved, rather than to allow some one else, a stranger to the country and the project and the enterprise, to come in and take the land with the improvements that this man has made. No bill ever was presented to Congress more thoroughly justified than this.

Mr. MOORE of Pennsylvania. The preference is to be given to the man already on the land and who has made improvements?

Mr. MONDELL. Yes.

Mr. MOORE of Pennsylvania. And who on the start would have 90 days over any newcomer?

Mr. TAYLOR of Colorado. If Congress does not enact some law of this kind, any stranger or newcomer who can get on a faster horse and beats the rightful owner to the land office or to a United States commissioner can beat him out of his land, his home, and his property. There is no protection of the settler in the present law.

Mr. MOORE of Pennsylvania. I realize that a bona fide settler has some equity there, but it seems to me that where such conditions do not prevail an outsider from any State should be placed in an equal position and have equal rights with the man on the ground.

Mr. MONDELL. That is true as to all the land not actually occupied under the Carey Act where the settler has made improvements. Here is a peculiar situation, and if the gentleman will follow me he will see how unfair the land laws or rulings in some cases are. If this was an ordinary piece of public domain, if it had not been under the Carey Act, any settler who was on the land at the time it became subject to homestead settlement would have 90 days period to file—and, as a matter of fact, he would have six months. But in view of the fact that this settler who may have been there five years and put thousands of dollars into it was a settler when the lands were withdrawn, the fact that he is on the ground with all rights and preferences would give him no preference right at all.

Mr. MOORE of Pennsylvania. He would lose all he put in?

Mr. MONDELL. Yes.

Mr. MOORE of Pennsylvania. But if you start out fresh, every citizen would have a chance to take up that land.

Mr. MONDELL. Yes; that is true of all the land.

The SPEAKER pro tempore. The time of the gentleman from Colorado has expired.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent for five minutes more time.

The SPEAKER pro tempore. The gentleman from Colorado asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. MOORE of Pennsylvania. The preference is for 90 days only and in favor only of the man on the ground who has made improvements. If it was disposed of, he would lose all that he has put into the claim.

Mr. TAYLOR of Colorado. That is it exactly. This bill simply gives the bona fide settler, the rightful occupant of the land, a chance to file on his claim under the United States land laws and protect his property rights as against jumpers—people who have no right to it.

Mr. SHERLEY. If the gentleman will yield, I think the bill ought to have a new title. I think it ought to be entitled "To induce States to fail in their obligations under the Carey Act, and to put back on the Federal Government the burden assumed under the Carey Act."

Mr. MOORE of Pennsylvania. That induces me to ask another question. How far are public moneys expended in the transaction?

Mr. TAYLOR of Colorado. Not a dollar in the world. This bill can not possibly cost the Government anything.

Mr. SMITH of Idaho. The Government gets 25 cents an acre for each acre entered. The money goes to the Federal Government and not from the Federal Government to the State.

Mr. MOORE of Pennsylvania. Then there is nothing to justify the statement of the gentleman from Kentucky?

Mr. SMITH of Idaho. Absolutely not. The gentleman from Kentucky assumes that everything undertaken out there ought to be carried through no matter how physically impossible it may be.

Mr. TAYLOR of Colorado. The fact that some of these Carey Act projects fail does not necessarily mean bad faith. It usually means that the project is bigger than was figured on, or that the promoters could not get the money to finance it, or that the necessary water is insufficient or impossible to obtain. There are many unavoidable reasons why they fail and leave the people high and dry. I am simply trying by this bill to relieve those unfortunates as much as I can. We want to give them a right at least to file on and hold that dry land if they want to and are willing to go ahead and comply with the United States public-land law and get title to the land under the homestead law or whatever law may be applicable.

Mr. MOORE of Pennsylvania. Does it grow out of irrigation concessions or anything of that kind?

Mr. TAYLOR of Colorado. No; this condition arises out of a failure, for various reasons, by the promoters of the enterprise to comply with the agreement they make with the State, and when the project is abandoned, or collapses, the Secretary of the Interior declares it forfeited and cancels all the rights of the State and the promoters and declares the land open for public entry under the public-land laws just as if it never had been in a Carey Act project and anybody can go and file on it. But I want to prevent anybody from filling on any settler's claim if he wants to hold onto it himself

Mr. FRENCH. Mr. Speaker, let me call attention to one concrete case, which will perhaps illustrate a good many. Here is a tract of land which was withdrawn under the Carey Act and the State has undertaken its reclamation. The preliminary surveys, water tests, and so on seemed to indicate that, say, 40,000 acres could be reclaimed. The entrymen were permitted to go upon the land in the area withdrawn and make entry. Possibly that land could be fairly successfully farmed by dry farming, though the highest use of the land is not thus obtained. After the reclamation project has been fairly worked out it has developed that instead of having enough water to reclaim 40,000 acres of land there is enough merely to reclaim 30,000 acres of land, and here we have 10,000 acres that is somewhat improved, that is being farmed under the dry-farming method, a very hard method of farming, and to which the State is not able to give patent to the settlers. What are we going to do with these settlers? They can not be taken in under the project for there is not enough water. This is a bill that simply furnishes them relief so that they may acquire title under some land law and continue as dry farmers.

Mr. MOORE of Pennsylvania. If they do not qualify in 90 days, what happens?

Mr. FRENCH. Then that is their fault, and the responsibility, so far as the Government is concerned, is at an end. If they do not qualify, then they lose their rights to make prior entry.

Mr. MOORE of Pennsylvania. They may be ousted after 90 days?

Mr. FRENCH. Yes. Of the 10,000 acres I suggested, part of it will have been entered upon because it is expected that land could be reclaimed. Part of it possibly has not been entered upon at all, because it was quite obvious to the public that it would not be reclaimed, though it is within the withdrawal. This bill takes care of both propositions. It takes care of those lands that have settlers upon them and those lands where there are no settlers, giving the right merely to the settlers, where there are settlers, to have 90 days within which they may act.

Mr. MOORE of Pennsylvania. I want the gentleman to know, and I want all these gentlemen from the West to know, that these settlers have my sympathy. I believe they ought to be given every assistance possible. They have a hard enough time to get along, but they ought to be given no special advantage over newcomers who have a right to go in on the land.

Mr. TAYLOR of Colorado. If the gentleman had the time to read the petition, it would very fully explain it to him.

Mr. FRENCH. May I suggest this to the gentleman from Pennsylvania——

The SPEAKER pro tempore. The time of the gentleman from Colorado has again expired.

Mr. FRENCH. Mr. Speaker, I ask unanimous consent that he be given one minute more.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. FRENCH. Mr. Speaker, I just want to say that the settlers who are on these lands that this amendment will assist with a preference right are possibly from the gentleman's own State and from the other States. They went there at a time when they had an opportunity to enter. They are not necessarily settlers from the State within which the project is located. They have come from the four corners of the country and have settled on this land, and now, having expended money and labor and time in making improvements for necessary buildings, and so on, it seems they should have the right of a few

days within which to make a prior entry when we make the lands available for entry under some other law.

Mr. SHERLEY. Mr. Speaker, I move to strike out the last word. I may be in error, but it seems to me very simple—what is proposed here. As long as these men's rights are dependent on the carrying out of the terms of the Carey Act, just that long they will be pushing the various States and private companies to carry out the obligation they entered into when they got the land under the Carey law. The very moment they are given a preferential right to that land by the passage of this act, then the failure of the State to go along with the project does not necessarily concern them. I make the prophecy now that you will have any number of instances of pressure brought on the Federal Government for the undertaking of irrigation projects by the Federal Government where the States and private companies have fallen down as a result of the legislation to be enacted here to-day.

Mr. FRENCH. Mr. Speaker, will the gentleman yield?

Mr. SHERLEY. Certainly.

Mr. FRENCH. The settler first of all wants to have his land reclaimed.

Mr. SHERLEY. Of course he does. What I am concerned in is occasionally making people carry out their obligations and not always turning back to the Federal Government to relieve them when they make a bad bargain.

Mr. FRENCH. But here there is nothing turned back to the Federal Government.

Mr. SHERLEY. No; but they are turning back to the Federal Government. You may be quite sure that the bill would not be so strongly advocated if it were turning something back to the Federal Government. They are turning back.

Mr. FRENCH. There is no responsibility turned back to the Federal Government. The lands that can be reclaimed have been reclaimed by the State, and the lands that can not be brought under the ditch are lands that will be affected by this law.

Mr. SHERLEY. Well, the future will prove which of us is correct.

Mr. NORTON. In reference to the statement of the gentleman from Kentucky that nothing would be turned back, take a case of this kind: Take a quarter of section of land that a man has filed upon. If he is permitted under the Carey Act to acquire title to it from the Government he would have to comply with the provisions of the Carey Act in having that land reclaimed, would he not?

Mr. FRENCH. Yes.

Mr. NORTON. If this act were passed that land could be turned back to the Federal Government as not coming under the provisions of the Carey Act, and then the settler upon the land could immediately acquire complete title to the land under the homestead law. There would not be such rigid restriction as under the Carey Act. That is the point.

Mr. FRENCH. What I tried to make clear was this, that the advantage to the settler comes in having his land reclaimed. There is a vast difference between the value of land under dry-farm conditions and land that is under irrigation conditions, and the settler under the Carey Act has poor years until it is reclaimed.

Mr. NORTON. But is it not true the settler is very much interested in acquiring title in fee to the land?

Mr. FRENCH. He would very much prefer to have it with the water.

Mr. SHERLEY. He will get water after he gets this bill through; at least, he will come to Uncle Sam and try to get water. That is the meat of the coconut.

Mr. SMITH of Idaho. Do we understand that the gentleman from Kentucky is opposed to the reclamation of the arid land of the West?

Mr. SHERLEY. I will answer the gentleman. No; I am not opposed to the reclamation of public lands; but I am opposed to inducing people to go out West under false pretenses of reclaiming land that ought not to be reclaimed, and then, when men assume burdens, have them come back here, as they have repeatedly, at the expense of the Public Treasury.

Mr. SMITH of Idaho. It seems to have been intimated——

Mr. SHERLEY. I am not intimating.

Mr. SMITH of Idaho. That the settlers are not assuming any responsibility.

Mr. SHERLEY. I am stating a fact.

Mr. SMITH of Idaho. Absolutely not.

Mr. SHERLEY. In my judgment, the effect of this bill is to take away the incentive on the part of these settlers to force the State and private companies under the Carey Act to carry out the burdens they there assumed.

Mr. SMITH of Idaho. But there are some things which it is impossible to accomplish. If the water is not there, how can they undertake to reclaim the land? And when the land is not reclaimed it must go back to the Federal domain, under the Carey Act.

Mr. SHERLEY. Things are possible in two senses. They are economically possible and they are physically possible. There are a number of things that are not economically possible and therefore are not being done by State or private interests, and they are physically possible, and then they are brought on this floor to be done at the expense of the Public Treasury.

Mr. SMITH of Idaho. Does the gentleman from Kentucky know that on one irrigation project in Idaho we raised last year over $5,000,000 worth of produce, which is in excess of the entire cost of the reclamation of that project, and yet he stands up here and opposes every piece of legislation——

Mr. SHERLEY. No; the gentleman does not.

Mr. SMITH of Idaho (continuing). Proposed to reclaim the arid lands of the West.

Mr. SHERLEY. I do not do anything of the kind, and nobody knows better than the gentleman, but I do not lose my head under the spell of a name. I do not under the guise of irrigation think you are going to create an El Dorado. I saw some of the irrigation projects that ought never to have been created.

Mr. SMITH of Idaho. That is quite true——

Mr. SHERLEY. And I know there is $70,000,000 of debt to the Federal Government as a result of some of the irrigation projects. I insist the burden is upon the gentleman when he undertakes to get into the Treasury rather than upon us who resist the efforts to get into the Treasury.

Mr. SMITH of Idaho. Does the gentleman want to abandon the whole irrigation plan?

Mr. SHERLEY. I do not, but I want the gentleman to show cause in each instance, and it seems to be resented on this floor when anybody rises to inquire touching the matter.

Mr. SMITH of Idaho. It is certainly resented when it appears any Member is so prejudiced against the development of the arid lands and apparently disinclined to be informed as to the facts in regard to these matters.

Mr. SHERLEY. Let the facts determine whether it is a matter of prejudice or a matter of judgment.

Mr. TAYLOR of Colorado. Just a moment.

Mr. MONDELL. Mr. Chairman, I desire to be recognized.

Mr. SHERLEY. I have the floor.

Mr. MONDELL. I thought the gentleman had finished.

Mr. TAYLOR of Colorado. I suggest to the gentleman from Kentucky—I know he is very busy and does not have time to study these reports. I have attached to this report a petition signed by 103 men who have been living on one of these projects for about 10 years, and the promoters have not been able to finance it. They have not been able to get sufficient water; they have not and probably can not complete it. It has not yet been forfeited or canceled, but the chances are that it will be if something is not done soon, and I am trying to protect those disappointed and unfortunate people on that project in their property rights.

Mr. SHERLEY. I will simply answer the gentleman by saying a petition of 103 men does not prove anything.

Mr. TAYLOR of Colorado. It very clearly shows their actual condition on that land. It is not their fault that nothing has been done for 10 years. They have already lost enough, and the community has lost enough, without permitting some strangers to confiscate these settlers' homes and property rights.

Mr. SHERLEY. Of course; but the condition of a person is not a necessary reason for coming here. I have more people in one ward of my town than a good many sections in these Western States, and I could get a petition of thousands of men if they thought they could get special legislation by the signing of a petition.

Mr. TAYLOR of Colorado. My dear sir, if we had not in the past been able to secure a more liberal policy toward the development of the West than the gentleman indicates, we would not to-day have as many in the 16 Western States as he has in one precinct of his home city. Congress in former years persued a policy of trying to build up the West and develop a new country, and that is the way the West was developed, but there is much need and much room for a great deal more development.

Mr. SHERLEY. I am willing to build it up, but I do not want the price to become too high.

Mr. TAYLOR of Colorado. We are not asking Uncle Sam for one dollar. We merely ask fair treatment. When people put in many of the best years of their lives and the hardest possible work and untold privations, disappointments, and hard-

ships trying to get a home, I have always done the best I could to help them and to prevent anyone from beating them out of their property rights, and that is exactly what this bill does. It is so plainly and eminently fair and just that I can not understand how anyone can oppose it.

Mr. MONDELL. Mr. Speaker, I think this debate illustrates as well as anything we have heard here in a long time how some misunderstanding and lack of full information in regard to a matter may mislead men. What is the situation? Of all the fair pieces of legislation that have ever been brought before the Congress concerning the public lands, this is perhaps as fair as any ever presented. All that western territory that would be affected by a bill like this has for the last 50 years and more been subject to homestead settlement and entry. Any man at any time, a citizen of the United States or who had declared his intention to become one, could go upon any tract of this land, enter it, and secure title under the homestead law. But in certain locations hardy pioneers, in order to do a little better than simply settle the lands under the homestead law without their being reclaimed, made an effort to reclaim them under the Carey Act. In some cases that effort was not successful. Now, if the lands had never been embraced in the Carey Act segregation, these men would have a prior right to make a homestead entry, but the land having been withdrawn the man settled upon it did not acquire any preferential right. The stranger, the wayfarer, might step into his shoes and into his house and declare himself a homestead entryman and secure the land in preference to the man who had lived upon it and spent his money in the improvement of it. If there is anything fairer in the world than the proposition contained in this bill I do not know what it would be, unless there are some people somewhere who want to invite folks who have no interest in a piece of land, who have made no effort to reclaim it and establish a home on it, to secure an advantage over the man and his family who have endeavored to reclaim it and secure a home upon it. The gentleman from Kentucky talks about the danger of some burden being placed on the Federal Government. If there was any hope of these lands being reclaimed by the Federal Government or anyone else, what is proposed here is the very last thing that anyone would want to have done. If there was any hope of the Federal Government ever taking these lands into a Federal project, the settler would sit tight and wait until that time. It is because there is no hope, it is because the only way that the lands can be utilized is by dry farming, that this relief is sought. Out of some knowledge of the situation, I want to assure the gentleman from Kentucky [Mr. SHERLEY] that his fears are without any sort of foundation that the Federal Government will be asked to come and reclaim these claims. If there was the slightest hope of that being done, the settlers would not be asking to have the lands restored to entry. They would stay where they are until the Federal Government came along, in the meantime enjoying the land as best they might.

Mr. MOORE of Pennsylvania. Mr. Speaker, I move to strike out the last two words.

I would not be misunderstood by any one of my friends from the Western States with regard to this proposition, but it seems to me they are just a little sensitive in the matter of criticism. The gentleman from Kentucky [Mr. SHERLEY] has opened up a field for discussion here which is intensely interesting, and the gentleman from Colorado [Mr. TAYLOR] has responded to him by calling attention to the report, which alludes to a petition signed by 100 settlers—farmers, stockmen, and business men—immediately adjacent to a Carey Act segregation in western Colorado, the burden of which seems to be that the Great Northern Irrigation & Power Co. started a development on what is referred to as extremely "fertile acres," thousands of them, and that while these settlers have gone in in good faith and have remained there for 10 years nothing has been done——

Mr. TAYLOR of Colorado. By the company.

Mr. MOORE of Pennsylvania. By the company to bring these lands up to a state where they might be profitably cultivated, leaving these settlers high and dry, as it were.

Mr. GORDON. Especially dry.

Mr. MOORE of Pennsylvania. Yes; dry. I said a little while ago, and I was criticized for it by one of my friends from the East—and I am raising no sectional lines here—that these men had my sympathy. I repeat that if there is any prospector on earth who has my sympathy it is a man who will leave the fertile lands of the East and go out West and live on these desert lands, waiting for somebody to keep his promises to make them fertile. He has my sympathy, and is entitled to it; and he is entitled to the sympathy of every eastern man who is on good soil. But the wonder to me is why men will be induced to leave fertile soil, land that is arable, land that is capable of cultivation, land that is already irrigated by nature, to make this bold undertaking——

Mr. SHERLEY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. SHERLEY. There is an old saying that "far-off oxen have long horns."

Mr. MOORE of Pennsylvania. And that is an axiom that is more or less true; but it does not remove the element of sympathy we ought to have for these unfortunate and brave men who go out into these arid and semiarid regions, stake off claims, and live there indefinitely, hoping somebody will bring them water. I do not wonder that my friend from Idaho [Mr. SMITH] makes the fight he does on this floor. If I represented these people, I would fight as hard as he does and harder if I had the ability.

Mr. SMITH of Idaho. Does not the gentleman admit, at least to himself, that he wishes he had gone out West 20 years ago and grown up with the country?

Mr. MOORE of Pennsylvania. Yes. I might have been a Senator of the United States by this time, as the gentleman from Idaho may be.

Now, I am not going to oppose this bill. I shall support it because I desire to see some relief brought to these people, who are likely to lose out after all their hardship. I do not understand that this is an unfair advantage to anybody, but that a preference is being given here to these unfortunate but brave men who have gone out of the East——

Mr. TAYLOR of Colorado. That is all there is to it.

Mr. MOORE of Pennsylvania (continuing). Who have gone out there and taken their chances in territory like that. But the wonder to me is that the gentlemen who represent these people do not give us more information as to why these irrigation companies or these concerns like the Great Northern Irrigation & Power Co., that induce the people to go on these lands, do not make good. That, to me, is a serious question. Somebody induces these people to go there. Representatives, like my friend from Colorado [Mr. TAYLOR], stand up on the floor here valiantly and consistently advocating these matters, and they ought to do it; but it seems to me they do not go to the full length. They ought to help us in some way or another to reach the people who induce these bona fide settlers to go upon the lands only to be caught in such a trap, as it sometimes seems.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Massachusetts.

Mr. WALSH. I am sure that the gentleman from Pennsylvania does not wish to have the impression conveyed that the sole reason which compels him to support this measure is his sense of sympathy for these people.

Mr. MOORE of Pennsylvania. Not necessarily.

Mr. WALSH. That is the only reason the gentleman has given.

Mr. MOORE of Pennsylvania. No. I think there is an element of justice in it. I say that frankly. I think there is an equity here. Here are men who have been struggling for 10 years upon this desert territory, if the statements made in this petition are true——

Mr. TAYLOR of Colorado. That is true. I have been over the ground myself——

Mr. MOORE of Pennsylvania. People who have been waiting for this reclamation company to make good.

Mr. GORDON. And it is waiting for Congress to make good.

Mr. MOORE of Pennsylvania. For Congress or the State to make good?

Mr. GORDON. No; Congress.

Mr. MOORE of Pennsylvania. Meanwhile these tenants have made improvements. They have expended their labor and their money, and that is where my sympathy comes in.

Mr. FRENCH. Mr. Speaker, I offer a little amendment.

Mr. TAYLOR of Colorado. Let us adopt the committee amendment first.

Mr. FRENCH. This is on the committee amendment.

The SPEAKER pro tempore. The gentleman from Idaho offers an amendment to the committee amendment. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. FRENCH to the committee amendment: Page 2, line 10, strike out the words "qualified person" and insert in lieu thereof the following: "such Carey Act entrymen."

Mr. FRENCH. Mr. Speaker, as the committee will see, that is simply language that will clarify the language of the bill. I hope there will be no objection to it.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. FRENCH. Yes; I will be glad to yield.

Mr. STAFFORD. Of course, the gentleman by the amendment enlarges the class who may make entry, as I understand it, under this act. It restricts them to the Carey Act entrymen.

Mr. FRENCH. Yes; no one else would have any preference rights there.

Mr. TAYLOR of Colorado. If he were not a qualified Carey Act entryman, he would not be on the project.

Mr. STAFFORD. But under existing law any person can enter these Carey Act lands, whereas it is the purpose of this bill to limit this privilege to take this land only to those who are qualified.

Mr. FRENCH. Qualified how?

Mr. STAFFORD. Under national law.

Mr. TAYLOR of Colorado. If we did not adopt this amendment, there are a great many people, especially in the State of Idaho, who could not get the benefit of it. Some one would come along and take their rights away from them. That is the reason for the amendment.

Mr. STAFFORD. It is more liberal in a way.

Mr. TAYLOR of Colorado. The bill, as I introduced it and as it is before us now, gives a preference right of entry "to any qualified person." It does not say "any qualified entryman." A person who has used his homestead right is a qualified entryman under the Carey Act. I think the amendment offered by the gentleman from Idaho [Mr. FRENCH] would protect some people that might possibly not be included in the bill as it is now. That is, it might be so construed, so I think it is a proper amendment

Mr. WALSH. But, Mr. Speaker——

The SPEAKER. Does the gentleman from Idaho yield to the gentleman from Massachusetts?

Mr. FRENCH. I will be glad to yield.

Mr. WALSH. This proposed amendment, of course, is broader than the bill as introduced. It is much broader than the bill as amended by the committee, and would, I think, include persons who were not intended to be relieved under the provisions of the act, either as introduced or as amended.

Mr. TAYLOR of Colorado. If the gentleman will yield to me for a minute, I will say that this bill was prepared, at my request, by the law officials of the Interior Department; that is, the present phraseology of the bill is really departmental. But several days ago the gentleman from Idaho [Mr. SMITH] called my attention to the fact that they had one or more projects in his State which under this present language might not be relieved; that is, that some of the settlers on those projects have used their homestead rights or desert-land rights. There are very worthy people, with improvements and homes, living on the land, and he said that under the language of my bill he feared those people might not be protected, and asked if I would object to this amendment. I think the bill is probably broad enough, but if there is any question about it I am perfectly willing to accept this amendment and make the bill clearly protect the homes and property rights of everyone. I do not see how any harm could come from it. That would make the bill read as follows:

That the Secretary of the Interior, when restoring to the public domain lands that have been segregated to a State under section 4 of the act of August 18, 1894, and the acts and resolutions amendatory thereof and supplemental thereto, commonly called the Carey Act, is authorized, in his discretion and under such rules and regulations as he may establish, to allow for not exceeding 90 days, to any such Carey Act entryman, a preference right of entry under applicable public-land laws of any of such lands to which such person had initiated a claim under the State laws and upon which such person had established actual bona fide residence or had made substantial and permanent improvements.

Mr. WALSH. The only harm in it is that it makes it wider open.

Mr. TAYLOR of Colorado. Oh, no. It makes the bill more clearly express what I intended.

Mr. WALSH. It permits these people to be relieved who are not qualified persons under the Carey Act.

Mr. TAYLOR of Colorado. They must be qualified persons under the Carey Act or they could not be there. In addition they must be actual residents on the land or people who have actually put valuable and permanent improvements on the land. Entire strangers to the project could not come in and get a preference right to file on anybody else's property. A Carey Act entrymen who has in good faith established a residence upon his claim or put valuable and permanent improvements on it is entitled to be protected in his rights, even if he had formerly used his homestead right.

Mr. WALSH. It seems to me that the amendment proposed is much broader than the original law or than the bill as filed. The amendment is proposed for the sake of relieving a few people. It is very unwise, in my judgment, to put in this language.

Mr. JUUL. Mr. Speaker, will the gentleman yield?

Mr. WALSH. Yes.

Mr. JUUL. Does not the gentleman think that if he would look at line 12 he would find that it would be impossible to grant relief to anybody who had not initiated claims?

Mr. WALSH. I think so.

Mr. JUUL. If that is the case, then the limitation upon this bill is that a man, in order to secure any benefit from this law, must at some time or another have initiated a claim. If only such people can profit by it, I think it is mighty safe legislation.

The SPEAKER pro tempore. The time of the gentleman from Idaho [Mr. FRENCH] has expired. The question is on agreeing to the amendment offered by the gentleman from Idaho to the committee amendment.

The question was taken, and the amendment to the amendment was agreed to.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment as modified by the amendment of the gentleman from Idaho.

The committee amendment as modified was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the House bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

INTEREST PAYMENTS TO THE CHEROKEE NATION.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 4699) providing for the payment of certain interest on items 1 and 4 of the judgment of the Court of Claims of May 18, 1905, in favor of the Cherokee Nation.

The title of the bill was read.

Mr. HASTINGS. I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. The gentleman from Oklahoma asks unanimous consent that this bill be passed over without prejudice. Is there objection?

Mr. WALSH. I shall object, unless the bill goes to the foot of the calendar.

Mr. HASTINGS. Oh, certainly.

Mr. WALSH. Will the gentleman modify his request?

Mr. HASTINGS. Certainly. I ask that it go to the foot of the calendar.

The SPEAKER pro tempore. The gentleman from Oklahoma asks unanimous consent that the bill be passed over without prejudice and go to the foot of the calendar. Is there objection?

There was no objection.

CLAIMS OF THE CHEROKEE NATION.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 357) conferring jurisdiction upon the Court of Claims to hear, consider, and determine certain claims of the Cherokee Nation against the United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, in view of the action taken by the gentleman from Oklahoma [Mr. HASTINGS] on the prior bill, to which no serious objection was registered when this calendar was called on the last occasion, except to that provision to which the Secretary of the Interior objected, I expected that the gentleman from Oklahoma would ask unanimous consent to have this bill go over without prejudice. If he does not do so, I shall have to object.

Mr. HASTINGS. Mr. Speaker, answering the gentleman from Wisconsin, an amendment has been suggested by the Secretary of the Interior, to be added to this bill, providing in effect that such fee shall be paid as the Court of Claims may allow, and if unanimous consent were given, I had intended to offer that amendment to this bill. I thought that would obviate any objection that there might be to its consideration. If the gentleman will permit me, this is recommended by the Interior Department, and is to refer to the Court of Claims this matter for adjudication. I do not think there would be any objection to that. The only objection at all that was found to the bill, or at least the principal objection—I believe there were one or two other minor amendments—was that the amount of the fee should be fixed by the Court of Claims. I was going to offer that amendment, and I thought that then there would be no other objection to the consideration of this bill.

Mr. STAFFORD. Mr. Speaker, in view of the statement made by the gentleman from Oklahoma, I ask unanimous con-

sent that the bill be passed over without prejudice, to take its place at the foot of the calendar.

Mr. HASTINGS. I have no objection to that.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent that this bill be passed over without prejudice, to take its place at the foot of the calendar. Is there objection?

There was no objection.

ADDITIONAL ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE DISTRICT OF COLUMBIA.

The next business on the Calendar for Unanimous Consent was the bill (S. 2489) to create two additional associate justices of the Supreme Court of the District of Columbia.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill?

Mr. MOORE of Pennsylvania. Mr. Speaker, I object for the present.

The SPEAKER pro tempore. The gentleman from Pennsylvania objects. The bill will be stricken from the calendar.

Mr. WEBB. Mr. Speaker, will not the gentleman withhold his objection——

Mr. MOORE of Pennsylvania. Since the gentleman from North Carolina evinces his interest in this bill, I will say that it appears that this is a matter of such importance that it ought to come up in the regular way and not be passed by unanimous consent.

Mr. WEBB. Will not the gentleman withhold his objection for a moment?

Mr. MOORE of Pennsylvania. I will withhold the objection, certainly.

Mr. WEBB. I realize that this is a matter of importance from a parliamentary standpoint; but, on the other hand, it is of much greater importance to the litigants and public of this city that this bill should be passed at once. I want to say to my friend from Pennsylvania that a year ago the necessity for additional judges in the Supreme Court of this District was so pressing that the Judiciary Committee, by unanimous vote, recommended the passage of this bill, and it passed this House by unanimous consent and went to the Senate and passed that body in practically the same way; but an additional judge was tacked onto the bill, and the House Judiciary Committee could not agree to that; so the bill died in conference. During this session the bill has passed the Senate and has been reported back to the House by unanimous vote of the Judiciary Committee.

I want to say to my friend that in my service here in the House there has not been anywhere a more congested and distressing condition of affairs in the way of an overcrowded docket of a court than exists in the Supreme Court of this District. Last year this supreme court terminated 7,884 cases; in other words, 1,313 cases per judge, according to the Attorney General's report. The average termination of cases by Federal judges in United States courts is about 180 or 190 cases each per year. These judges in the District of Columbia terminated 1,313 cases each. For the sake of the litigants and the hard-worked judges of this District I appeal to my friend from Pennsylvania not to object to this bill.

Mr. WALSH. I want to ask the gentleman from Pennsylvania [Mr. MOORE] if he will not bestow upon the people of the District of Columbia, who, according to the representations of the chairman of the Judiciary Committee, are being denied justice and the opportunity to present their cases, the same sympathy with which his heart is filled to overflowing toward the people of the great western country?

Mr. MOORE of Pennsylvania. The gentleman from Massachusetts [Mr. WALSH] pleads like a lawyer; but I question whether I would want to withdraw my objection at this time, owing to certain information that I understand is available with respect to the necessity for these two new judges. It is not usual to create judges by unanimous consent, as the gentleman well knows.

Mr. WEBB. I will say to my friend that by unanimous consent we have created six or eight new judges in this House in the last 12 years, and I remember one for New Jersey, one for California, and one for Pennsylvania.

Mr. MOORE of Pennsylvania. There have been cases, one of which in particular has been called to my attention recently, where I am frank to say the House would not be justified in creating a new office. I do not want at this time to dispute the gentleman's statement of facts with regard to the necessity for these two new judges.

Mr. WEBB. I am getting my facts from the report of the Attorney General.

Mr. MOORE of Pennsylvania. This court has been getting along very well with the judges that we have upon the bench, and it is rather unusual to ask for two judges. If this condition has been so alarming, we might have had a request for one judge long ago.

Mr. WEBB. I want to suggest to my friend that if he should bring a suit on the civil side of the docket in this court, and he should find that he could not hope to have a hearing of it within two years, he would say that was a distressing condition. Litigants are not only being denied justice but they are being denied the opportunity to get into court. These judges devote all their time that they can to their work, and do more work than any Federal judge of my acquaintance or knowledge.

Mr. STAFFORD. Will the gentleman yield?

Mr. WEBB. Yes.

Mr. STAFFORD. In the last Congress, in the Senate, a bill was introduced to try to correct this condition by conferring greater jurisdiction upon the municipal court and thereby to relieve the Supreme Court of the District of the trial of hundreds of cases of very minor consequence, involving amounts of $50 and upward. A similar bill was introduced by the chairman of the committee in this House, but no such action has been taken this year. It is the opinion of certain attorneys in the District that the purpose now is to get the two additional judges and then come before Congress and try to have the jurisdiction rearranged so as to relieve this court, which should not be engaged in trials de novo or of appeal, of little, petty civil cases, whereby this court would no longer have cases that would require two additional judges. Is the gentleman acquainted with the trend of present-day legislation that has relieved circuit courts in Chicago and the circuit courts in my own home city of a great amount of minor litigation by vesting jurisdiction in minor civil cases in the municipal court and making the circuit courts only appellate courts on obvious errors in the record?

Mr. WEBB. In reply to the gentleman, I will say that he would not deny litigants or defendants the right to appeal from the police court where he is sentenced to one year in the penitentiary?

Mr. STAFFORD. I am not directing my remarks to the criminal side of the lower courts. I am directing the gentleman's attention to relieving the court of common pleas and the circuit court by enlarging the jurisdiction of the lower court and making the lower court's jurisdiction extend higher than that of the justice of the peace, thereby relieving the upper courts from the trial of these petty cases.

Mr. WEBB. The municipal courts here now have jurisdiction up to $500, and that is bigger than it is in the gentleman's State and in many States.

Mr. STAFFORD. The distinguished chairman of the Judiciary Committee shows he is not acquainted with the recent legislation. In my home city we found it very efficacious in the expedition of the trial of civil cases by transferring to the civil court, which superseded the court of the justice of the peace, jurisdiction to the amount of $2,000 in tort cases as well as contracts, and now the attorneys bring all their cases up to that amount, including personal-injury cases, into the civil court, and get a trial within 30 days; and the cases on appeal to the circuit court are reversed only for error that obviously works an injustice.

Mr. WEBB. I will say that even if you should deny the right of appeal in every criminal case and in every civil suit begun in the police court and the municipal court in this city, this supreme court would be a harder-worked court than any court in the United States, because the appeal cases only amount to about one-sixth of the cases tried by it.

Mr. STAFFORD. It is not the appeal cases; but am I not right in saying that at present litigants may bring cases de novo before the District Supreme Court involving $50?

Mr. WEBB. They can do it, but they never do do it. They bring them in the municipal court, where they can get immediate trial. If they bring them in the supreme court they could not get a trial in a civil suit in less than two years. I submit to the House in behalf of public justice that two new judges should be created for this District.

Mr. GILLETT. Will the gentleman yield?

Mr. WEBB. Yes.

Mr. GILLETT. Is this the court over which our late associate, Judge Covington, presides?

Mr. WEBB. Yes.

Mr. GILLETT. He is chief justice of that court?

Mr. WEBB. Yes.

Mr. GILLETT. Is it not a fact that the President thinks the court has so little to do that he has assigned Judge Covington to other duties to which he is giving a part of his time?

Mr. WEBB. No, sir; the chief justice is in his court practically every day. The only difference is he does not take up a case that will require a week to try it. You will find him there this morning or this afternoon, I have no doubt.

Mr. GILLETT. It takes a great deal of his time, does it not?

Mr. WEBB. No; not a great deal of time. He spends an evening or an afternoon on this labor proposition, but he does not sacrifice his court, because he is on the bench almost constantly.

Mr. GILLETT. He is now on his way out West, is he not?

Mr. WEBB. No; I do not think so. He is doing great work in the interest of our common and beloved country, and should not be criticized for answering the call of the President in these grave times.

The SPEAKER pro tempore. Is there objection?

Mr. MOORE of Pennsylvania. I object.

REFINED PRODUCTS OF PETROLEUM AS STORES ON VESSELS CARRYING PASSENGERS.

The next business on the Calendar for Unanimous Consent was the bill (S. 1546) to permit the use of certain refined products of petroleum as stores on steam vessels carrying passengers.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 4472 of the Revised Statutes of the United States of America be, and the same is hereby, amended by adding thereto the following provision: "*Provided, however*, That kerosene and lubricating oils made from refined products of petroleum which will stand a fire test of not less than 300° F. may be used as stores on board steamers carrying passengers, under such regulations as shall be prescribed by the Board of Supervising Inspectors with the approval of the Secretary of Commerce."

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. ALEXANDER. This bill passed the last Congress and failed to pass the Senate, and in this Congress it passed the Senate and is unanimously reported by the Committee on the Merchant Marine and Fisheries.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. ALEXANDER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

AUTHORIZING THE ESTABLISHMENT OF CERTAIN SECOND-CLASS POST OFFICES.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 7230) to amend the postal laws.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. I object.

Mr. RANDALL. Mr. Speaker, I ask unanimous consent that the bill may be passed without prejudice.

Mr. STAFFORD. I object.

SURVEY OF HOMESTEADS IN ALASKA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8563) to amend the homestead law in its application to Alaska, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. SULZER. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Alaska asks unanimous consent to consider the bill in the House as in Committee of the Whole. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act of Congress entitled "An act to amend the United States homestead law in its application to Alaska, and for other purposes," approved July 8, 1916, is hereby amended to read as follows:

"SECTION 1. That every person who is qualified under existing laws to make homestead entry of the public lands of the United States who has settled upon or who shall hereafter settle upon any of the public lands of the United States situated in the District of Alaska, whether surveyed or unsurveyed, with the intention of claiming the same under the homestead laws, shall, subject to the provisions and limitations of the act approved March 3, 1903, chapter 1002, United States Statutes at Large, page 1028, be entitled to enter 160 acres or a less quantity of unappropriated public land in said District of Alaska, and no more, and a former homestead entry in any other State or Territory shall not be a bar to a homestead entry in Alaska: *Provided*, That nothing herein contained shall be construed to limit or curtail the area of any homestead claim heretofore lawfully initiated.

"SEC. 2. That if the system of public surveys has not been extended over the land included in a homestead entry, the entryman may, after due compliance with the terms of the homestead law in the matter of residence, cultivation, and improvement, submit to the register and receiver a showing as to such compliance, duly corroborated by two witnesses, and if such evidence satisfactorily shows that the homesteader is in a position to submit acceptable final proof the surveyor general of the Territory will be so advised and will, not later than the next succeeding surveying season, issue proper instructions for the survey of the land so entered, without expense to the entryman, who may thereafter submit final proof as in similar entries of surveyed lands. So far as practicable, such survey shall follow the general system of public-land surveys, and the entryman shall conform his boundaries thereto: *Provided*, That nothing herein shall prevent the homesteader from securing earlier action on his entry by a special survey at his own expense, if he so elects.

"SEC. 3. That there shall be excepted from homestead settlement and entry under this act the lands in Annette and Pribilof Islands, the islands leased or occupied for the propagation of foxes, and such other lands as have been, or may be, reserved or withdrawn from settlement or entry."

Mr. WALSH. Mr. Speaker, I would like to ask the gentleman from Alaska what the idea is of exempting these two islands or group of islands in the last proviso of the bill?

Mr. SULZER. I will say to the gentleman that the Pribilof Islands are the seal islands in Bering Sea, and they are under the direct control of the Federal Government under international agreement to protect the seal herds. The Annette Island is an island reserved a number of years ago by the Government for the benefit of the Metlakatla Indians. That is covered in the law now, and this section is as the law reads now. It is simply copied in this bill.

Mr. WALSH. Who is it that is raising foxes—the settlers, or is it done under the supervision of the Federal Government?

Mr. SULZER. In addition to those islands I have just described, I will say to the gentleman there have been certain other small islands leased by the Department of Commerce to certain individuals for the propagation of foxes in Alaska.

Mr. WALSH. Is that carried on under the auspices of the Department of Commerce?

Mr. SULZER. Yes; the Department of Commerce has jurisdiction to make leases of islands for fox farming; the bill under consideration does not change the law in regard to those matters, but provides for a free survey of homestead entries in certain areas of Alaska not covered by the public-land surveys or not within the various reserves.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. SULZER, a motion to reconsider the vote by which the bill was passed was laid on the table.

COCONINO AND TUSAYAN NATIONAL FORESTS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 273) to extend the time for cutting timber on the Coconino and Tusayan National Forests, Ariz.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, I want to ask the gentleman having this measure in charge if it would not be possible under the terms of the bill extending the time to 1950, which is, I understand, 24 years beyond the limit now fixed by law, for timber or trees to be planted at this time and reforestation to be begun, so that in the year 1948 or 1949 all that timber would have reached a growth sufficiently large to be cut?

Mr. HAYDEN. Mr. Speaker, I will say to the gentleman that I was in a national forest in northern Arizona two years ago and made inquiry of the forest supervisor as to the average age of the trees that were cut for lumber. A variety known as the Chihuahua pine grows there, and the supervisor stated that the average age, as shown by the rings in the trees, was 150 years, at which time the trees are mature and ready to cut. With this very slow rate of growth nothing that the gentleman suggests could happen.

Mr. WALSH. Of course I do not mean to say that they could raise trees there between now and 1950 of the same size as those now being cut, but could they not grow trees of sufficient size between the present time and 1948 which would at that time be large enough to cut for timber?

Mr. HAYDEN. Trees about 8 inches in diameter were pointed out to me as 30 years old. Owing to the comparatively slight rainfall, the growth is exceedingly slow. I desire to state for the information of the gentleman that if I obtain consent to have this bill considered, I shall propose to substitute an identical bill, which has passed the Senate, in lieu of this bill.

Mr. WALSH. Does that carry it up to 1950?

Mr. HAYDEN. Senate bill 389 is identical with this bill. There is not the difference of a comma between the two measures.

Mr. WALSH. Of course the gentleman states that he saw trees there that were 8 inches in diameter that were 100 years old——

Mr. HAYDEN. Thirty years old.

Mr. WALSH. Would it be possible to plant some other species of trees there which might grow more rapidly? Evidently there is sufficient moisture for a forest to have grown up during the past 100 or 150 years, and I do not know whether this is located in a section where the tree growth might be encouraged by the introduction of irrigation or some other plan.

Mr. HAYDEN. All this timber grows at an altitude of from 5,500 feet to 7,500 feet, and irrigation is both impractical and unnecessary. The Forest Service has a tree-planting experiment station near Flagstaff, Ariz., but up to this time they have had but little success in growing trees there. It was explained to me by the officer in charge of the station that if the rainfall does not come at the right time the seeds do not germinate, or, if it happens to be a very cold winter, the freezing will kill the young trees. It is only once in about 15 years that there is any considerable reproduction of timber. There has to be a combination of rainfall and seed crop and a mild winter so that the trees do not freeze in order to have any reproduction at all. For these reasons planting trees on the national forests in northern Arizona has not been demonstrated to be a commercial success.

Mr. WALSH. Then the result of this legislation will be to just devastate this reservation?

Mr. HAYDEN. Oh, no. The Saginaw & Manistee Lumber Co. now control two tracts of land, aggregating 75,000 acres, on which there are about 180,000,000 feet of lumber. On 45,000 acres, containing about 115,000,000 feet of lumber, they have until 1926 in which to complete the cut. That company now has absolute control of that area and can strip it bare of merchantable timber if they so desire.

On 30,000 acres, containing about 65,000,000 feet of timber, there is no time limit. They can cut that at any time they please. Now, the company agrees that, in consideration of this extension of time on the 45,000 acres, the unlimited time they have in which to cut the timber on the 30,000 acres shall likewise be limited to 1950. They also agree that hereafter all logging operations shall be conducted under the regulations of the Forest Service, which provide that a number of seed trees shall be left on each acre, and that the tree tops shall be piled and burned to avoid the danger of forest fires.

With respect to the history of this bill I would like to state to the gentleman some facts which I think perhaps will aid in its consideration. This measure was sent to me by the officials of the United States Forest Service in Washington, and I was asked to introduce it, because the enactment of such a law would benefit the Coconino and Tusayan National Forests. About 50 years ago the Government donated to the Atlantic-Pacific Railroad the alternate sections on each side of the track for 40 miles. About 20 years ago the Government, by means of certain exchanges, which no one now approves, again acquired title to these alternate sections. But in the meantime the Saginaw & Manistee Lumber Co., a Michigan corporation, had bought timber on two large tracts of land. They did not own and never have owned an acre of the land. They purchased only the timber-cutting rights.

In logging its timber on the alternate sections the company also found it advisable to purchase the timber on the other parts of the checkerboard, which belonged to the United States. But the capacity of the lumber mill in Williams is such that, unless this bill is passed, they must confine all of their operations to the tract of 45,000 acres, if they are compelled to cut the timber on it by 1926. This means that the Government timber on the alternate sections will not be cut.

Now, no other lumber company could afford to carry on logging operations for half of the timber in that scope of country. Therefore it is to the interest of the Forest Service that this legislation be passed so the cutting will proceed on all of the land.

Mr. WALSH. The gentleman's statement is based upon the theory that it is to the interest of the Forest Service to destroy all the trees, whether on the odd-numbered or even-numbered sections, above 12 inches in diameter?

Mr. HAYDEN. No; it is in the interest of the Forest Service to have all the matured timber cut on the Government land as well as on the lands now controlled by the Saginaw & Manistee Lumber Co. If that is done, and suitable seed trees are left on each acre, the forests are amply protected and will reproduce themselves in due course of time.

Mr. WALSH. May I ask the gentleman if this company which is cutting the timber upon the odd-numbered sections, which it has purchased, is leaving trees uncut 11 inches in diameter 18 inches above the ground or making a clean sweep of those trees?

Mr. HAYDEN. I understand that the company is faithfully carrying out the contract under which it is doing business. I have heard no complaint from the Forest Service in that regard. They have left all undersize trees on the land.

Mr. MONDELL. Is not this probably true: So far as their own timber is concerned they are under no obligations to leave those trees?

Mr. HAYDEN. They are under contract to cut no tree under 11 inches in diameter 18 inches above the ground.

Mr. MONDELL. They may be doing that; but they are under no obligation to leave seed trees or to comply with the regulations of the Forest Service with regard to the protection from fire.

Mr. HAYDEN. That is true; but they now propose to put themselves under the national forest regulations.

Mr. WALSH. So if they desire, without this legislation they could entirely clear the odd-numbered sections, but if this legislation is passed they would have to comply with the same regulations that are imposed upon even-numbered sections in cutting timber on the odd-numbered sections?

Mr. HAYDEN. Exactly so.

Mr. WALSH. And this limit, which is now fixed at 1950, in the gentleman's opinion would not be detrimental to the preservation and security of the forests in that section of the country?

Mr. HAYDEN. Absolutely not. The gentleman understands that the limit to which he refers applies only to about one-half of the land.

Mr. WALSH. I understand.

Mr. HAYDEN. But they accept the limit of 1950 on another tract of land, which they now have an unlimited time to cut.

Mr. STAFFORD. Mr. Chairman, reserving the right to object, where in the bill is there any such provision that terminates the right of this lumber company to cut its timber on that land which has no limit of time for cutting?

Mr. HAYDEN. This is the way in which this matter came up: An agreement between this company and the Secretary of Agriculture is already prepared and ready for signature, and the bill provides:

> That said company executes and enters into an agreement with the Secretary of Agriculture to comply with such additional requirements as may be mutually agreed upon to promote forest-fire protection, reforestation, and forestry administration.

Now, in the prepared agreement the Secretary of Agriculture has provided that the timber-cutting rights on both tracts of land shall expire in 1950.

Mr. STAFFORD. But there is nothing in the law which terminates the right of this lumber company—that their right on their land, on which they have an unlimited right to cut, shall terminate in 1950?

Mr. HAYDEN. This act is absolutely inoperative unless they make such an agreement with the Secretary of Agriculture.

Mr. STAFFORD. There is nothing in this law saying the Secretary should embody that provision in the agreement, but while it is incorporated in the letter of the Secretary, that is his proposition; nevertheless if this law were passed and the lumber company would decline to adhere to the tentative agreement the Secretary would be still privileged to go ahead and give the privilege to continue until 1950 the cutting on this land.

Mr. HAYDEN. Which he has absolutely no intention of doing.

Mr. STAFFORD. I know that. Now, would the gentleman have any objection to incorporating an amendment to carry out that idea?

Mr. HAYDEN. I would not have any objection to it; but I do not think it is necessary.

Mr. STAFFORD. It is not necessary if the Secretary insists that the tentative agreement be executed, but as legislators we should embody it in the bill.

Mr. HAYDEN. I have no objection to that. But, as I say, the Secretary assures us, and so states in his report, that nothing will be done to this unless such an agreement is reached.

Mr. STAFFORD. The reason for Congress allowing this bill to go through granting this long time of 24 years to this company to cut timber on the major portion of this land that it has not a right to cut is that it will surrender its privileges of cutting timber there perpetually in December, 1950. Now, I would like to ask the gentleman if he has any objection to an amendment that I suggest, in the following language? I do not know whether it will embody it or not. I am reading now on page 2, after the word "administration," in line 5. After the word "administration" insert:

And, further, that all its rights to cut and remove timber from any lands within said national forest are to terminate on the 31st day of December, 1950.

Mr. HAYDEN. I would be glad to accept that amendment.

Mr. STAFFORD. May I inquire further—and I am making the inquiry at the suggestion of some gentlemen on this side—what was the need of extending this privilege 24 years? Why could not a shorter time than that still protect the interests of the Government and also give advantage to the lumber company?

Mr. HAYDEN. All that I know is that this agreement was made between the lumber company and the Forest officials after considerable negotiation. Having reached an agreement, the Forest Service sent me this bill and asked me to introduce it. I will say to the gentleman that before I took any action on it in committee I referred it to the governor of Arizona, the State land commission, the board of supervisors of Coconino County, and a number of others. They all reported to me that this measure was mutually advantageous to the Forest Service, the State of Arizona, Coconino County, and to the lumber company.

Mr. STAFFORD. I understand that this is a mountainous country.

Mr. HAYDEN. Yes.

Mr. STAFFORD. And it is only practicable to have one spur line of railroad to run it into the forest and take the timber down to the mill?

Mr. HAYDEN. And it is hard to construct on account of the rocky condition of the country.

Mr. Speaker, I ask unanimous consent to substitute the bill S. 389 for the House bill, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Arizona asks unanimous consent that the bill be considered in the House as in the Committee of the Whole. Is there objection? [After a pause.] The Chair hears none.

Now, the gentleman from Arizona asks that Senate bill 389 be considered in lieu of the House bill. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

An act (S. 389) to extend the time for cutting timber on the Coconino and Tusayan National Forests, Ariz.

Be it enacted, etc., That the rights of the Saginaw & Manistee Lumber Co., and its successors in interest, to cut and remove the timber from such of the lands within the Coconino and Tusayan National Forests as were reconveyed to the United States, subject to outstanding timber-right contracts held by said company, under the rules, regulations, and conditions imposed by the Secretary of the Interior at the time of said reconveyance, are hereby extended to and until the 31st day of December, A. D. 1950: *Provided*, That said company executes and enters into an agreement with the Secretary of Agriculture to comply with such additional requirements as may be mutually agreed upon to promote forest-fire protection, reforestation, and forestry administration; but this act shall not be construed to confer upon said company any other rights in addition to those held by the company at the time of said reconveyance, and in the absence of the execution of such an agreement this act shall neither extend nor restrict the present rights of said company.

Mr. STAFFORD. Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The SPEAKER pro tempore. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 2, line 5, after the word "administration," insert: And, further, that all its rights to cut and remove timber from any lands within said national forest are to terminate on the 31st day of December, 1950.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Wisconsin [Mr. STAFFORD].

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. HAYDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. HAYDEN. Mr. Speaker, I ask unanimous consent to have the bill H. R. 273, of similar tenor, laid on the table.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

COLUMBIA RIVER AND ITS TRIBUTARIES.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 2617) to ratify the compact and agreement between the States of Oregon and Washington regarding concurrent jurisdiction over the waters of the Columbia River and its tributaries in connection with regulating, protecting, and preserving fish.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Reserving the right to object, I do not incline to object, but I wish to obtain some information as to what are the rights of the Federal Government in control of fisheries in boundary streams.

Mr. HADLEY. Mr. Speaker, the States have complete jurisdiction over the Columbia River except in respect to commerce and navigation, and those are both exempted from the operation of the bill. There is no question of Federal jurisdiction involved here, in so far as fisheries are concerned.

Mr. STAFFORD. I suppose the title to the adjoining land on the Columbia River terminates at the high-water mark of that stream?

Mr. HADLEY. The high-water mark. I should say——

Mr. STAFFORD. And that the title, up to the median line, is in the State in which the property is located?

Mr. HADLEY. A more pertinent question, if the gentleman will permit, is as to what is the real boundary of the States. The boundary of the States is really the middle of the channel and the jurisdiction of the States is concurrent over the stream, but in the exercise of their powers under this general and concurrent jurisdiction, in the absence of uniform laws, there have frequently been very serious controversies which have arisen and which could not be avoided, because in the nature of things, where the boundary is in the middle of the stream, in the course of time, with the changed conditions, which are effective on either side, the question of determining where the middle of the stream is is one that is difficult for even scientific or accurate determination, and for practical purposes a very annoying situation is presented. With a view to reaching the difficulties that are involved, the States of Oregon and Washington entered into a compact, through their respective legislatures, in 1915, as it appears in this bill, and they adopted uniform laws with respect to fisheries on the Columbia River; that is, the agreement was made subject to ratification by Congress, because under the Constitution no such agreement can be made between the States, and, in fact, no agreement can be made between States without the consent of Congress.

A compact was entered into, and subsequently a bill identical with this passed the House in the Sixty-fourth Congress, but it failed to be reached in the other body, and in the sessions of 1917 following both States again entered into a further agreement with regard to the same general subject matter, desiring to amend their fishing laws concurrently in certain particulars. That was done, and in the report of the joint conference committee to each legislature, which was adopted by both legislatures, they again referred to this compact and agreement and expressed the desire on behalf of each State that this compact previously referred to in the bill which was passed in this House be ratified by Congress. That was done in the sessions of 1917, so that the compact continues, and the legislation has been consistent with that compact.

Mr. STAFFORD. Mr. Speaker, I have recognized the need of such action to confirm the action of the respective legislatures of the States, and therefore I withdraw my objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 2617) to ratify the compact and agreement between the States of Oregon and Washington regarding concurrent jurisdiction over the waters of the Columbia River and its tributaries in connection with regulating, protecting, and preserving fish.

Be it enacted, etc., That the Congress of the United States of America hereby consents to and ratifies the compact and agreement entered into between the States of Oregon and Washington relative to regulating, protecting, and preserving fish in the boundary waters of the Columbia River and other waters, which compact and agreement is contained in section 20 of chapter 188 of the general laws of Oregon for 1915, and section 116, chapter 31, of the session laws of Washington for 1915, and is as follows:

"All laws and regulations now existing, or which may be necessary for regulating, protecting, or preserving fish in the waters of the Columbia River, over which the States of Oregon and Washington have concurrent jurisdiction, or any other waters within either of said States, which would affect said concurrent jurisdiction, shall be made, changed, altered, and amended in whole or in part, only with the mutual consent and approbation of both States."

Nothing herein contained shall be construed to affect the right of the United States to regulate commerce, or the jurisdiction of the United States over navigable waters.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HADLEY, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

ASSISTANT TO THE SECRETARY OF THE INTERIOR.

The next business on the Calendar for Unanimous Consent was the Senate joint resolution (S. J. Res. 104) authorizing the

assistant to the Secretary of the Interior to sign official papers and documents.

The title of the resolution was read.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. I object.

Mr. STAFFORD. Will the gentleman withhold his objection?

Mr. WALSH. Yes; I will withhold it.

The SPEAKER pro tempore. The gentleman withholds his objection.

Mr. STAFFORD. Mr. Speaker, this resolution is strongly urged and recommended by the Secretary of the Interior in order to relieve him of some of the detailed work in the administration of his office.

The gentleman from Oklahoma [Mr. FERRIS], who reported the resolution, is at present engaged in a very important hearing on the water-power bill. Otherwise he would be here to present this need. But, if the gentleman will permit, this assistant to the Secretary, as the Secretary points out in his letter contained in the report, is a high-grade man in the nature of a confidential secretary.

The gentleman realizes that in the administration of large business affairs, matters of detail, of the signing of papers, the signing of letters, is left by the heads of the institutions to the assistant to the president, assistants to the various other executive officers. The gentleman certainly is not opposed to deputing to the assistant to the Secretary such administrative work as is sought to be accomplished by this bill.

I thought that with this presentation the gentleman would see the need of not taking up the time of the Secretary himself in merely signing unimportant papers, but would leave it to his discretion to determine what papers might be signed by his assistant.

Mr. MONDELL. The Assistant Secretary is a good lawyer. He is a man well qualified to pass on any question which might come before the Secretary. But in the law there are considerable classes of papers which can not be signed by the Secretary's assistant.

Mr. WALSH. May I interrupt the gentleman?

Mr. MONDELL. Yes.

Mr. WALSH. This is not to authorize Mr. Vogelsang to sign these papers. This is to authorize the assistant to the Secretary to do it.

Mr. ELSTON. It is the same thing.

Mr. WALSH. Oh, no; it is not the same thing at all. The gentleman from California [Mr. ELSTON] would convey the impression that the Assistant Secretary and the assistant to the Secretary are the same officials, whereas if he would look into the matter a little further he would see that they are not the same persons at all, and that this is not designed to confer any authority upon Mr. Vogelsang to sign papers, but to confer it upon Mr. Bradley or upon Mr. Meyer or on Mr. Brown.

Mr. ELSTON. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. ELSTON. When I suggested in the colloquy here, without obtaining recognition of the Chair, that it was the same thing I was referring to a principle. It is perfectly obvious that the Secretary of the Interior himself can not be here all the time. Mr. Vogelsang has tremendous responsibilities. Now, there are certain departments of the work that are in the nature of pro forma duties, wherein, however, the official signature of the Secretary is necessary. This resolution was considered by the committee of which I am a member. It was unanimously passed out by Republicans and Democrats, and it was considered a very necessary additional facility to the office of the Secretary of the Interior to enable them to do their business expeditiously.

We all know how these departments are run. There is a great deal of routine work, and it is desirable in the interest of efficient work in the departments. I hope the gentleman will not object. It is not a matter of adding to the autocratic power or enlarging the grasp of an ever-grasping Secretary, as he might impute, but it is merely to enable that Secretary the better to perform his functions.

It appeared to the committee, without much argument upon it, that it was a perfectly reasonable and sensible thing to do. I can not see how this resolution could be objected to at all. It is a very inconsequential matter. It amounts to very little. I appeal to the gentleman from Massachusetts to withhold his objection and let this little resolution pass.

Mr. WALSH. Mr. Speaker, I have withheld my objection for the purpose of permitting the gentleman from California to make the statement which he has made.

Mr. TAYLOR of Colorado. Mr. Speaker, will the gentleman from Massachusetts yield to a suggestion from me also?

Mr. WALSH. I will be delighted to.

Mr. TAYLOR of Colorado. I will say that the gentleman from Oklahoma [Mr. FERRIS] asked me to assist in passing this bill if there was any opposition to it. I think you know, and everybody knows, that the Secretary of the Interior is one of the busiest men in Washington, and has been for many months. In fact, all of us western Members, especially who have business with the Secretary of the Interior, or with the Interior Department, know that the assistant to the Secretary is a thoroughly qualified and exceptionally competent man to examine matters and to sign the Secretary's name to such matters as the Secretary may designate. The assistant secretaries have special duties that fully occupy their time. They are all very busy. That is a tremendously important department, and when the Secretary of the Interior has made this earnest request, and made it so urgently to the Senate and House both, to relieve him of this physical drudgery of personally signing his name many hundreds of times, it seems to me that is a reasonable request that Congress should grant. It is practically a personal matter that he has asked of us, and I am perfectly confident that it will not be abused or the Secretary's confidence violated. It seems to me we ought to grant this request in the interest of facilitating business. Certainly nobody will say that Secretary Lane would ask this authority if he thought there was any possibility whatever of its ever being abused. The Senate has promptly passed this bill without any question, and I certainly feel that the House ought to do so.

Mr. WALSH. Mr. Speaker, I recognize the fact that the present Secretary of the Interior is a most capable and excellent official—one of the ablest of the President's Cabinet, in my opinion—and that he had what seemed to him good reason for favoring this legislation. But it is only going to open up the opportunity in the future, when possibly we may not have as competent and capable a Secretary of the Interior as we have now, for confusion and mistake. The present Secretary of the Interior complains that he has only two assistant secretaries. Yet the Secretary of Commerce has but one, the Secretary of Labor has but one, and the Secretary of the Navy has but one assistant secretary. This does not enlarge the authority of the two assistant secretaries in any way whatever. In addition to these two assistant secretaries, the Secretary of the Interior has an assistant to the Secretary, an assistant to the Secretary in charge of the affairs of the Alaska Railroad, a special assistant to the Secretary, a chief clerk, a private secretary to the Secretary, and a confidential clerk, in addition to the various other bureau chiefs, assistants, clerks, and solicitors, and the assistants to the heads of the various bureaus and divisions of the Department of the Interior.

Mr. TAYLOR of Colorado. May I interrupt the gentleman?

Mr. WALSH. Yes.

Mr. TAYLOR of Colorado. Is the gentleman aware that the force in the Interior Department has increased so that to-day in the various bureaus of that department there are more than 25,000 employees?

Mr. WALSH. Yes; and I am also aware that the Navy Department has increased very much more than that, yet we have not been asked to provide another Assistant Secretary of the Navy. The work of the Navy Department is far greater and is of a great deal more importance during the present crisis than the work of the Interior Department.

Mr. TAYLOR of Colorado. But the Secretary of the Navy does not have to sign one one-hundredth part of the documents that the Secretary of the Interior has to sign.

Mr. WALSH. I do not agree with the gentleman at all, because the Secretary of the Navy and his assistants very often sign correspondence that comes to them from the chiefs of other bureaus and divisions, and frequently when you expect to get a reply from the chief of a bureau or division the reply is returned to you signed by the Secretary of the Navy or the Assistant Secretary. Secretary Lane says:

> This, however, does not relieve myself or the Assistant Secretaries from the necessity of signing the documents and papers after they have passed through his hands—

Referring to the assistant to the Secretary. Therefore this is not going to relieve them from the task of signing these documents, apparently, but it simply permits somebody else to sign them before the Secretary does.

Mr. ELSTON. Will the gentleman yield?

Mr. WALSH. I yield to the gentleman from California.

Mr. ELSTON. Does not that leave the gentleman an opening, then, to permit this bill to pass without his objection under these peculiar circumstances? I realize the possibilities in the way of complications and possible abuse that the gentleman

has conjured up here; but in view of the last comment in the Secretary's communication, I do not think these things will eventuate in this case, and I really hope the gentleman will withhold his objection. I do not believe any great harm will result.

Mr. WALSH. Mr. Speaker, I have grave doubts as to whether we ought to establish a precedent such as this with the head of a very important executive department and permit him to allow one of his assistants—not an Assistant Secretary of the department, however—who may be, and probably is, his personal selection for the position, to sign documents of gravest import. The existing law only permits the chief clerk, as I understand it, to sign these documents in the absence of the Assistant Secretary. Probably an additional and impelling reason for the enactment of this proposed legislation may be found in the fact that this distinguished Secretary of the Interior has lately been assigned to a wage arbitration committee, or some similar board or tribunal—for which I know he is amply qualified—that will engage some of his time; but it seems to me that the Secretary of the Interior ought not to transfer the work of signing official documents that become a part of the records of the Government and of his department to an assistant who is not really an executive officer.

However, though I have received sufficient information to convince me that the objections which I have raised are well founded, I have had an opportunity to express my views upon the question, and I am going to withdraw the objection. [Applause.] Should confusion arise in the future, I shall have the satisfaction of knowing that it was, in a feeble way, forecast.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the joint resolution.

The Clerk read as follows:

Senate joint resolution 104.

Resolved, etc., That the assistant to the Secretary of the Interior be, and hereby is, authorized to sign such official papers and documents as the Secretary may direct.

The joint resolution was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

INDEMNITIES TO AUSTRIA-HUNGARY, GREECE, AND TURKEY.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 69) to authorize the payment of indemnities to the Governments of Austria-Hungary, Greece, and Turkey for injuries inflicted on their nationals during riots occurring in South Omaha, Nebr., February 21, 1909.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I ask that this be passed over without prejudice for a week.

Mr. FLOOD. Two weeks.

Mr. STAFFORD. No; the next Unanimous Consent Calendar day is a week from Monday.

Mr. GARRETT of Tennessee. But we may not get that day.

Mr. FLOOD. This bill was introduced by the gentleman from Nebraska [Mr. LOBECK], and I suppose he will have no objection to its going over without prejudice.

Mr. LOBECK. I suppose the gentleman from Wisconsin would like to consider it further.

Mr. STAFFORD. That is my purpose. It is worthy of consideration, because it involves a considerable amount.

Mr. LOBECK. All right.

The SPEAKER pro tempore. The gentleman from Wisconsin asks unanimous consent that the bill be passed over without prejudice. Is there objection?

There was no objection.

PORTRAIT OF WASHINGTON TO ARGENTINE REPUBLIC.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 6966) authorizing the Secretary of State to procure a suitable portrait of Gen. George Washington and present the same to the Military College of the Argentine Republic

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, the amount involved in this bill is small, and the idea is commendable. I wonder whether the committee would not think it advisable to place a limit on the amount that may be expended for other purposes than the procurement of this portrait? The Argentine Republic presented a photograph. This great Republic desires to present a painting of our first President. It is a most laudable undertaking, but I do not believe that the $3,000 appropriated, or the major portion of it, should be expended in expense attending its presentation, as the bill might permit. I think there should be some limit so that the major portion should be expended on the portrait, frame, and inscription. There has been no estimate made as to the cost of the painting, but if we are going to present one, we want a fitting one of the first President and not have the larger portion of it taken up with the expense of traveling and entertainment of a commission on the part of those who may present the portrait to Argentina.

Mr. FLOOD. I do not think there is any intention to send any commission to make the presentation. It will be sent to the American ambassador, and he will make the presentation. If the gentleman has an amendment to prevent anything of that kind, I will accept it.

Mr. STAFFORD. I have prepared an amendment, which says:

Provided, That no more than $1,000 shall be expended for all other purposes except to procure the painting, frame, and inscription of the said portrait.

Mr. FLOOD. I think that is all right, but it would be better to make it $500.

Mr. STAFFORD. That would be more reasonable.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Virginia asks unanimous consent to consider the bill in the House as in Committee of the Whole. Is there objection?

There was no objection.

The bill was read, as follows:

Be it enacted, etc., That as a mark of appreciation of, and esteem for, the people of the Argentine Republic, the Secretary of State is hereby authorized and directed to procure, frame, and have suitably inscribed, a portait of Gen. George Washington, and to present the same to the Military College of the Argentine Republic.

SEC. 2. That the sum of $3,000, or so much thereof as may be necessary to pay the expense of executing this act, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be disbursed by the Secretary of State.

Mr. STAFFORD. Mr. Speaker, I offer the following amendment to be inserted at the end of section 2.

The Clerk read as follows:

Insert at the end of section 2 the following:

"*Provided*, That no more than $500 shall be expended for all other purposes except the procuring of the painting, frame, and inscription of the said portrait."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FLOOD, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PROTECTION OF MIGRATORY BIRDS.

The next business on the Calendar for Unanimous Consent was the bill (S. 1553) to give effect to the convention between the United States and Great Britain for the protection of migratory birds concluded at Washington, August 16, 1916, and for other purposes.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. HUDDLESTON. Reserving the right to object, I would like to ask the gentleman from Virginia if it is his intention to press the bill?

Mr. FLOOD. No.

Mr. HUDDLESTON. I object.

UNITED STATES COURT FOR CHINA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10243) to supplement existing legislation relative to the United States Court for China and to increase the serviceability thereof.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. I object.

INCREASE OF SALARY OF THE UNITED STATES MARSHAL, WESTERN DISTRICT OF MICHIGAN.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 7796) to increase the salary of the United States marshal for the western district of Michigan.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. SLOAN. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Nebraska asks unanimous consent to consider the bill in the House as in Committee of the Whole. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That from and after the passage of this act the salary of the United States marshal for the western district of Michigan shall be at the rate of $4,000 a year.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. SLOAN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ROCKY MOUNTAIN NATIONAL PARK.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 171) to repeal the last proviso of section 4 of an act to establish the Rocky Mountain National Park, in the State of Colorado, and for other purposes, approved January 26, 1915.

The SPEAKER pro tempore. Is there objection?

Mr. STAFFORD. Reserving the right to object, the bill changes the limitation on the amount of appropriation that could be made by Congress in the original law creating the Rocky Mountain National Park only three years ago. I ask the gentleman to withdraw this bill so as to give the committee an opportunity to consider matters in connection with the administration of these national parks.

Mr. TIMBERLAKE. Mr. Speaker, I hope the gentleman will not object to the consideration of this bill at this time. It is true the prohibition was placed on it at the time of the organization of the park, one of the most extensive parks in this country, and yet this was the first park that was discriminated against in this way. The gentleman from Wisconsin urges that it be laid over in order that more information may be secured from the department as to the necessity for additional appropriations for the parks. The Secretary of the Interior has repeatedly, during the three years since this inhibition was made, recommended to Congress a larger appropriation, and gone into details as to the necessity for a larger appropriation. There have been more visitors to this park than to any other of our national parks. Last year there were more than 135,000 people visited it. It is not as accessible to people as it should be, and, being the property of the United States, it seems to me that an appropriation of $10,000 a year is hardly sufficient even for its supervision, let alone any improvements necessary to bring the park accessible to the people. It is not sufficient to make trails and roads, and it does seem to me that, inasmuch as the Secretary of the Interior could not get a larger appropriation, that this inhibition should be removed. I want to say further that if this is done, making it possible for the Government to make a larger appropriation—and I will say that the demand will not be excessive—the people of Colorado, upon their own initiative, are prepared to treble the amount appropriated by the Congress out of the State funds in order to assist in the development and improvement of this park.

Mr. STAFFORD. Mr. Speaker, we all remember when this national park was created and taken under the supervision of the National Government. We all recall that at that time assurance was given that the National Government would not be called upon to expend more than $10,000 in the maintenance of that park. It was essentially a State park. The National Government took it over, and there is now being presented the very condition which anyone who is acquainted with the trend of affairs to impose upon the National Government State functions feared, namely, the limit is sought to be raised and the whole burden of maintenance thrown upon the National Government. Unless the gentleman is willing to have this bill passed over without prejudice, I shall be constrained to object.

Mr. TIMBERLAKE. Will the gentleman yield for a moment?

Mr. STAFFORD. Oh, just a few moments ago I withheld a point of order that there was no quorum present, and I do not wish to take up the time longer, because it is getting late and it is Saturday afternoon.

Mr. TIMBERLAKE. Mr. Speaker, in view of the statement of the gentleman, I ask unanimous consent that this bill be passed over without prejudice, to go to the foot of the calendar.

The SPEAKER pro tempore. Is there objection?

There was no objection.

SALARIES IN CUSTODIAN SERVICE, TREASURY DEPARTMENT.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 344) for the regulation of salaries in the custodian service of the Treasury Department.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, I would like to inquire of the gentleman from Nebraska the percentage of increase this bill provides for these employees.

Mr. LOBECK. The average increase, according to the report on this bill, above what is paid now is 12.38 per cent.

Mr. WALSH. Mr. Speaker, while I think there is no question but that some of the salaries of these various employees ought to be increased, in view of the fact that the other day we passed a bill increasing the salaries of employees $120 a year, and I take it that would include these comprehended in this measure, and in view of the further fact that this is too important a measure to be considered by unanimous consent at this time of the day and in this day of the week, I trust the gentleman will ask to have it passed over without prejudice and go to the foot of the calendar.

Mr. LOBECK. Mr. Speaker, in view of what the gentleman says, and because it is an important measure—we have had continuous hearings on it—and these are the lowest salaried men in any department——

Mr. WALSH. I notice that, and I think they are entitled to the increases provided.

Mr. LOBECK. And if the gentleman will promise to give this matter careful consideration so that we can take it up next unanimous-consent day, I shall be glad to ask to have it go over.

Mr. WALSH. I shall be glad to give the matter the consideration that it deserves.

Mr. LOBECK. Mr. Speaker, I ask that the bill be passed over without prejudice, to go to the foot of the calendar.

The SPEAKER pro tempore. Is there objection?

There was no objection.

SALARY OF UNITED STATES MARSHAL, WESTERN DISTRICT OF MICHIGAN.

Mr. RAKER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RAKER. Was a motion made to reconsider the vote by which the bill (H. R. 7796), to increase the salary of the United States marshal for the western district of Michigan?

The SPEAKER pro tempore. There was. The gentleman from Nebraska [Mr. SLOAN] made the motion.

Mr. SLOAN. I made the motion.

Mr. RAKER. My recollection is there was no such motion made.

The SPEAKER pro tempore. There was a motion made to reconsider. The Chair has a very distinct recollection. The Clerk started to read the next bill just as the gentleman from Nebraska [Mr. SLOAN] made the motion. He says he made it, and the Chair remembers distinctly hearing him make it. Then the Chair made the statement, "Without objection it will be so ordered," and there was no objection.

Mr. RAKER. That statement settles it, of course.

LANDS IN THE TOWN SITE OF PORT ANGELES, WASH.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 5351) providing for the disposal of certain lands in block 32, in the city of Port Angeles, State of Washington.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Washington [Mr. HADLEY] if this is the measure that came up during the Sixty-fourth Congress and on which there was considerable discussion about the matter in which the then gentleman from Washington [Mr. Humphrey] took a very prominent part?

Mr. HADLEY. No, Mr. Speaker, this bill has no relation to the bill of which the gentleman speaks, as far as I know; because this was a bill which passed in the Senate in the Sixty-fourth Congress, as I remember it, but it was not introduced in this body and never was up in this House at all. There have been other bills relating to property in this town site, but nothing related to this, and nothing of the same nature, as far as I know.

Mr. WALSH. Well, reserving the right to object, will the gentleman make a brief statement about the necessity for this legislation?

Mr. HADLEY. I will be glad to do it; yes. The property is located in a block which was reserved from sale when the town site was to be disposed of. That is, I should say, it was an original Government town site and this block was reserved. In 1912 under an act passed by Congress provision was made for the sale of all lots except those required for governmental use. The Government investigated the matter and decided to reserve for the Treasury Department three and for the Department of Agriculture three. Those six lots have been set aside and reserved. Seven lots have been sold and passed to patent. Six are desired as excepted in the bill for governmental use, leaving seven which have not been disposed of, and each of

those lots by this bill would be sold under the terms of the act of 1912 providing for appraisement and sale.

Mr. STAFFORD. Will the gentleman yield?

Mr. HADLEY. I will.

Mr. STAFFORD. Back in 1913 the Treasury Department had reserved for its use lots 6 to 15, inclusive, and now their decision as to the number of lots that may be needed for a Federal building is of a more restricted amount. Has the city gone backward, so that the Treasury Department does not believe so large a number of lots will be needed in the future for the Government's use?

Mr. HADLEY. No; but the Government has made investigations and determined just what would be necessary and has examined the physical conditions as they exist in that block. I know what they are myself and I know that part of the property which was reserved under that original order to which the gentleman refers, was not suitable at all, and it was not contiguous, but had an alley separating it from the property that is now reserved. The property now reserved consists of three lots 150 feet wide by 140 feet in depth with an alley in the rear on the corner of a business street, and the other property——

Mr. STAFFORD. Is it not a fact the lots the Treasury now reserves were included in the larger site reserved back in 1913?

Mr. HADLEY. That is true.

Mr. STAFFORD. Now, will the gentleman explain the general character of this block that is partly reserved for the Agricultural Department and partly for the Treasury Department, whether there are any private buildings on that square or block?

Mr. HADLEY. There are some private buildings on some of the lots. The act of 1912 gave a preferential right to purchase to persons who were actual settlers prior to a certain date, I think in 1910. But that is not involved here, yet as a matter of fact I take it that under the act of 1912 such land as may be sold would carry a preferential right to those persons to purchase who may have been bona fide settlers upon the land prior to that date.

Mr. STAFFORD. What is the population of Port Angeles?

Mr. HADLEY. I would estimate it at from 5,000 to 6,000 people.

Mr. STAFFORD. The land reserved under this bill for that public building is a tract, according to the report, 300 feet by 250 feet.

Mr. HADLEY. It has 150 feet frontage by 140 feet in depth. I have not the report.

Mr. STAFFORD. Well, perhaps the gentleman is right. If the gentleman is right in that the size of these three lots is but 150 by 140, I will be obliged to object, because I believe that would not be large enough for a public building.

Mr. HADLEY. The gentleman misunderstood my statement. I did not say they were 50 by 140. I say 150 by 140.

Mr. STAFFORD. I understand. The gentleman does not believe that a tract of land 150 feet by 140 is adequate for a Government building?

Mr. HADLEY. I do, indeed; and furthermore——

Mr. MONDELL. It is a quarter of a block.

Mr. HADLEY. If the gentleman will permit, the department has passed upon it, and the report of the Secretary says it is adequate for the purposes of that town. And I am sure if the gentleman will investigate the public buildings in the past he will find that there are not many larger places.

Mr. MONDELL. If the gentleman will permit, that is the area ordinarily reserved. It is practically a quarter of a block. Except in a very large city, that is abundant space for a public building and leaves sufficient space all around the building.

Mr. HARDY. I will say that that is the size of a lot in a town in my district—a quarter of a block.

Mr. STAFFORD. These gentlemen here are acquainted with the size of land in small burgs on which they erect public buildings, and with which I am not so well acquainted, and I will take their judgment about that. But I considered that in a great and rushing city like Port Angeles the population would be so large that a small lot would not be useful for a Government building and meet the needs of the Government service.

The SPEAKER pro tempore. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. HADLEY. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in the Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Washington asks unanimous consent that the bill be considered in the House as in the Committee of the Whole. Is there objection? [After a pause.] The Chair hears none.

The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 5351) providing for the disposal of certain lands in block 32, in the city of Port Angeles, State of Washington.

Be it enacted, etc., That all lots in block 32, in the city of Port Angeles, State of Washington, now reserved for Government purposes under an act entitled "An act providing for the reappraisement and sale of certain lands in the town site of Port Angeles, Wash., and for other purposes," approved March 16, 1912, except lots 1, 8, 9, 10, 16, and 17, shall be disposed of under and pursuant to the provisions of said act of March 16, 1912, and the Secretary of the Interior is hereby directed to proceed at once to carry out the provisions of this act.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HADLEY, a motion to reconsider the vote by which this bill was passed was laid on the table.

Mr. WALSH. Mr. Speaker, I desire to direct the attention of the gentleman from California [Mr. RAKER] that the gentleman from Washington [Mr. HADLEY] moved to reconsider.

Mr. RAKER. And I want to say to the gentleman from Massachusetts that there is no need for the gentleman saying that, because I am here attending to my business all the time.

Mr. STAFFORD. Mr. Speaker, I will make the point of no quorum if there is going to be an altercation here.

BRIDGE ACROSS WHITE RIVER, FORSYTH, MO.

The next business on the Calendar for Unanimous Consent was the bill H. R. 10365, granting the consent of Congress to the Forsyth special road district of Taney County, Mo., to construct a bridge across White River at Forsyth, Mo.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 10365) granting the consent of Congress to the Forsyth special road district of Taney County, Mo., to construct a bridge across White River at Forsyth, Mo.

Be it enacted, etc., That the consent of Congress is hereby granted to the Forsyth special road district of Taney County, Mo., and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the White River at a point suitable to the interests of navigation, at or near Forsyth, Mo., in the county of Taney, in the State of Missouri, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. RUSSELL, a motion to reconsider the vote by which the bill was passed was laid on the table.

GRANT OF LAND TO CITY OF SAN DIEGO.

The next business on the Calendar for Unanimous Consent was the bill H. R. 10587, granting to the city of San Diego certain lands in the Cleveland National Forest and Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, I will——

Mr. CARTER of Oklahoma. Mr. Speaker, I reserve the right to object.

Mr. CRAMTON. Does the gentleman care to make a statement? Personally I feel that this bill is of entirely too much importance to be taken up at this time of the week and on this calendar. If the gentleman desires to make a statement I will withhold.

Mr. CARTER of Oklahoma. Mr. Speaker, this bill proposes a grant to the city of San Diego of certain lands, a small part of which seem to be public lands but a larger portion Indian lands. Only a very small part seems to be public lands—a portion of a park of something like 120 acres—and some 2,000 acres of the land are Indian lands. What this bill proposes to do is to take the land away from those Indians, which has always been their homes, at some price fixed by the Secretary of the Interior, and purchasing them other land. There has been for some time carried in the Indian appropriation bills different sums of money for the purchase of land for homeless Indians in California, and very little land has been purchased. The result might be that these Indians would be left homeless, in which case the responsibility might fall on the Government to furnish lands for them.

Mr. Speaker, this bill evidently should have gone to the Committee on Indian Affairs, because it is a matter dealing with

Indian lands in the main, and a matter dealing with getting homes for these Indians, if they are left homeless by taking this land away from them. The bill is doubtless intended to serve a good purpose, and I have no doubt that it is drawn with proper care, giving every protection to all the parties concerned, because it is reported by a committee which bears a reputation for such conduct. I am not very jealous of the prerogatives of committees, but I would like myself, personally, to make some investigation of the bill before final action is taken by the House. For that reason I believe that the bill ought to go over until next unanimous-consent day.

Mr. RAKER. Mr. Speaker, may I just answer the gentleman's statement?

Mr. CARTER of Oklahoma. Yes.

Mr. RAKER. The matter referred to by the gentleman—that it does take a part of the Indian reservation—is true. It takes some 2,000 acres of an entire reservation of about 16,000 acres. But the bill not only provides that there shall be condemnations in the courts and judgment fixed as to the price and value of the land but, in addition to that, the Secretary of the Interior must approve that judgment and may assess any amount that he may desire.

Mr. STAFFORD. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present.

Mr. O'SHAUNESSY. Mr. Speaker, I want to ask the gentleman to withhold his point of order. I want but one minute of time. We are within three bills of finishing this calendar. We have been waiting patiently all the day. Our constituents pay us for legislating and attending to the public business. Here we are in sight of finishing this calendar, and somebody captiously makes the point of order.

Mr. STAFFORD. Mr. Speaker, I make the point of order when a gentleman says I do it "captiously." The bill he refers to was considered 10 days ago.

ADJOURNMENT.

Mr. GARRETT of Tennessee. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The gentleman from Tennessee moves that the House do now adjourn. The question is on agreeing to that motion.

The question was taken, and the Speaker pro tempore announced that the ayes seemed to have it.

Mr. O'SHAUNESSY. Mr. Speaker, I demand a division.

Mr. CRAMTON. Mr. Speaker, how does this leave the status of this bill?

The SPEAKER pro tempore. An objection was made.

Mr. RAKER. That does not dispose of it.

The SPEAKER pro tempore. It disposes of the present consideration of it.

Mr. O'SHAUNESSY. Mr. Speaker, I demand a division on the motion to adjourn.

The SPEAKER pro tempore. The gentleman from Rhode Island demands a division on the motion to adjourn.

The House divided; and there were—ayes 18, noes 13.

So the motion was agreed to; accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until Monday, March 25, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GOODALL, from the Committee on Coinage, Weights, and Measures, to which was referred the bill (H. R. 10852) to provide for the appointment of a commission to standardize screw threads, reported the same without amendment, accompanied by a report (No. 407), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. HULL of Iowa, from the Committee on Military Affairs, to which was referred the bill (H. R. 7768) for the relief of Edward Looby, reported the same with amendment, accompanied by a report (No. 406), which said bill and report were referred to the Private Calendar.

Mr. FRENCH, from the Committee on Indian Affairs, to which was referred the bill (H. R. 8655) to authorize the Secretary of the Interior to issue deed to G. H. Beckwith for certain land within the Flathead Indian Reservation, Mont., reported the same with amendment, accompanied by a report (No. 403), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 9865) to authorize the sale of certain lands to school district No. 28, of Missoula County, Mont., reported the same without amendment, accompanied by a report (No. 404), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HAMILTON of New York: A bill (H. R. 10974) to provide for payment of expenses incurred by the Seneca Indians in defending members prosecuted by the State of New York for fishing on lands ceded by said Indians; to the Committee on Indian Affairs.

By Mr. HULL of Iowa: A bill (H. R. 10975) to establish a home or homes for aged and infirm colored people and working girls and to establish an industrial farm and to aid people who must move from the alleys on July 1, and to provide work for the colored youth during the summer vacation; to the Committee on Public Buildings and Grounds.

By Mr. DOUGHTON: A bill (H. R. 10976) requiring the Government to furnish uniforms to officers of the Army or Navy, and for other purposes; to the Committee on Military Affairs.

By Mr. KNUTSON (by request): A bill (H. R. 10977) to provide additional revenue to defray war expenses and to accumulate a fund with which to pay the war bonds, and for other purposes; to the Committee on Ways and Means.

By Mr. JAMES: A bill (H. R. 10978) providing for the interment of the bodies of the soldiers and sailors who died by the sinking of the *Tuscania*, and the erection of a suitable monument at Arlington National Cemetery; to the Committee on the Library.

By Mr. JOHNSON of Kentucky (by request of the Committee on the District of Columbia): A bill (H. R. 10979) to provide for the redistribution of general taxes and special assessments due and payable on real estate in the District of Columbia in cases of subdivision or sales of land therein; to the Committee on the District of Columbia.

By Mr. CARY: A bill (H. R. 10980) to regulate and license the business of selling pianos, jewelry, furniture, clothing, and other commodities on installment; to the Committee on the District of Columbia.

By Mr. DILL: A bill (H. R. 10981) to provide revenue for the support of the Army and Navy and provide for the common defense and to defray war expenses, and for other purposes; to the Committee on Ways and Means.

By Mr. LUFKIN: Memorial of the Commonwealth of Massachusetts, requesting the President and the Congress to devise and enact measures for the drafting of aliens; to the Committee on Military Affairs.

By Mr. TINKHAM: Memorial of the general court of the Commonwealth of Massachusetts, requesting the President and the Congress to devise and enact measures for the drafting of aliens; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 10982) granting an increase of pension to Benjamin D. Barr; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 10983) granting an increase of pension to William Warner; to the Committee on Invalid Pensions.

By Mr. BORLAND: A bill (H. R. 10984) granting an increase of pension to Reuben T. Berry; to the Committee on Invalid Pensions.

By Mr. BRITTEN: A bill (H. R. 10985) granting a pension to Alice Morgan; to the Committee on Invalid Pensions.

By Mr. COOPER of Wisconsin: A bill (H. R. 10986) granting an increase of pension to William P. Underwood; to the Committee on Invalid Pensions.

By Mr. COOPER of West Virginia: A bill (H. R. 10987) granting an increase of pension to Augustus C. Godfrey; to the Committee on Invalid Pensions.

By Mr. CURRY of California: A bill (H. R. 10988) granting a pension to John D. Gardenhire; to the Committee on Pensions.

By Mr. DRUKKER: A bill (H. R. 10989) granting an increase of pension to Mary C. Murray; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 10990) for the relief of John K. Ashley, jr.; to the Committee on Public Buildings and Grounds.

By Mr. GILLETT: A bill (H. R. 10991) granting a pension to Kate Watson; to the Committee on Pensions.

By Mr. HAMILTON of New York: A bill (H. R. 10992) granting an increase of pension to George Merchant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10993) granting a pension to William E. Warren; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 10994) granting an increase of pension to Charles E. Blake; to the Committee on Invalid Pensions.

By Mr. KEATING: A bill (H. R. 10995) granting a pension to Mary J. Sharp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10996) granting an increase of pension to Henry Stone; to the Committee on Invalid Pensions.

By Mr. LITTLEPAGE: A bill (H. R. 10997) granting an increase of pension to William D. Medley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10998) to reimburse Tennie A. Anderson, postmaster at Maplewood, Fayette County, W. Va., for money, money orders, and postage stamps stolen; to the Committee on Claims.

By Mr. LONGWORTH (for Mr. HEINTZ): A bill (H. R. 10999) granting an increase of pension to Alonzo G. Burdge; to the Committee on Invalid Pensions.

By Mr. LUFKIN: A bill (H. R. 11000) granting an increase of pension to James B. Wildes; to the Committee on Invalid Pensions.

By Mr. POWERS: A bill (H. R. 11001) granting an increase of pension to Adam Wooten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11002) granting an increase of pension to Elizabeth Faris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11003) granting an increase of pension to George W. Fulcher; to the Committee on Invalid Pensions.

By Mr. SHERLEY: A bill (H. R. 11004) granting a pension to Jennie K. Burke; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 11005) granting a pension to Addie L. Barr; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 11006) granting an increase of pension to Nathan Long; to the Committee on Pensions.

By Mr. TINKHAM: A bill (H. R. 11007) granting a pension to John P. Leonard; to the Committee on Pensions.

By Mr. VESTAL: A bill (H. R. 11008) granting an increase of pension to Myers Silvers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11009) granting a pension to Miranda Q. Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11010) granting a pension to Margaret L. Cassady; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11011) granting an increase of pension to Charles E. Hall; to the Committee on Invalid Pensions.

By Mr. WHITE of Ohio: A bill (H. R. 11012) granting a pension to Calla R. Landsittel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11013) granting a pension to Barbara Schroder; to the Committee on Invalid Pensions.

By Mr. WHITE of Maine: A bill (H. R. 11014) granting an increase of pension to John French; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11015) granting a pension to Meda E. Dodge; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H. R. 11016) granting an increase of pension to Malberry Gaskins; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BARKLEY: Petition of Congress Heights Methodist Episcopal Church, favoring war prohibition; to the Committee on the Judiciary.

By Mr. CARY: Petition of the Old Line Life Insurance Co. of America relative to payment of income tax; to the Committee on Ways and Means.

By Mr. COOPER of Wisconsin: Petition of citizens of Beloit, Wis., against passage of compulsory Sunday-observance bill; to the Committee on the Judiciary.

By Mr. HILLIARD: Petition of Dean Swift, Wilkin Sheldon, C. G. Webster, Mrs. Sady Simons, Susie M. Fabling, O. H. Bonney, John W. Brunton, Grace E. Shannon, Mrs. M. H. Muehling, John Milton Walker, F. D. Foster, W. A. Collings, John Huntington, Ethel V. Huntington, N. R. Crooks, Mrs. E. D. Humphrey, Helen D. Kohl, Mrs. W. E. Davis, Mrs. R. B. Hardman, E. G. Eger, and C. A. Taub, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

Also, petition of Hess Kolienberg, of Denver, Colo., praying for the repeal of that section of the war-revenue act providing for increased postage rates on periodicals; to the Committee on Ways and Means.

Also, resolutions adopted by the Missouri Federation of Women's Clubs, protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

By Mr. GRIFFIN: Memorial of Foreign Service Camp, No. 87, United Spanish War Veterans, New York City, favoring pensions for widows and orphans of Spanish War veterans; to the Committee on Pensions.

By Mr. LONERGAN: Petition of People's Church of Christ of New Britain, Conn., favoring war-time prohibition; to the Committee on the Judiciary.

By Mr. PRATT: Petition of Newark Valley Grange, No. 1422, protesting against an order of the United States Food Administration relative to eggs and poultry; to the Committee on Agriculture.

Also, petition of 26 members of the Chemung County Medical Society, at Elmira, N. Y., urging passage of House bill 9563, to give physicians who have been commissioned in the Medical Reserve Corps of the Army rank and percentage of such rank equal to that given similar officers in the Navy; to the Committee on Military Affairs.

By Mr. TILSON: Petition of Connecticut State Council of Defense, favoring increasing allowance for officers of the Army; to the Committee on Military Affairs.

Also, petition of Connecticut Hardware Association, protesting against repeal of zone postal rate for second-class mail matter; to the Committee on Ways and Means.

Also, petition of L. P. Breckenridge, of Yale University, against passage of House bill 2878, relative to metric system; to the Committee on Coinage, Weights, and Measures.

By Mr. VESTAL: Memorial of Major May Post, No. 244, Department of Indiana, Grand Army of the Republic, asking for increase of pension for Civil War veterans to $50 per month; to the Committee on Invalid Pensions.

Also, petition of citizens of Elmwood, Ind., favoring passage of the Moore purple cross bill; to the Committee on the Judiciary.

By Mr. YOUNG of North Dakota: Memorial of Burleigh County Farmers' Union, Bismarck, N. Dak., favoring appropriation for seed and feed in certain areas upon time; to the Committee on Agriculture.

Also, memorial of Grand Forks Trades and Labor Assembly, favoring the election and recall of Federal judges; to the Committee on the Judiciary.

SENATE.

MONDAY, *March 25, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thou who dost sit upon the throne of the universe, we come reverently before Thee lifting up our hearts in prayer. The dread alarm of nations calls us to prayer this day. We seek Thy favor and Thy blessing. We present ourselves to Thee with a consciousness of having come short of Thy glory and having failed in much that Thou hast committed to our hands in our national and personal life. We pray Thee to forgive our sins. Cleanse us from our impurities. Give to us the baptism of Thy spirit and the leadership of Thy spirit, that we may yet accomplish Thy will in the earth through the things that are pleasant in Thy sight. We pray that Thou wilt make bare Thy arm to save, and lead the forces of justice and liberty and truth to a final victory. For Christ's sake. Amen.

The journal of the proceedings of Saturday last was read and approved.

ELIZABETH H. RICE *v.* UNITED STATES (S. DOC. NO. 205).

Mr. SMOOT. On Saturday last the Chair laid before the Senate a communication from the chief clerk of the Court of Claims transmitting a certified copy of the findings of fact and conclusions filed by the court in the cause of Elizabeth H. Rice against the United States, which contained certain illustrations, and that they may be printed an order of the Senate must be granted. I therefore ask that an order be made for the printing of the illustrations.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bills and joint resolution:

S. 1546. An act to permit the use of certain refined products of petroleum as stores on steam vessels carrying passengers;

S. 3129. An act to provide for the disposition of the effects of deceased persons in the naval service;

S. 3130. An act to amend section 1570 of the Revised Statutes of the United States;

S. 3445. An act to authorize the payment of gun pointers and gun captains while temporarily absent from their regular stations, and for other purposes; and

S. J. Res. 104. Joint resolution authorizing the assistant to the Secretary of the Interior to sign official papers and documents.

The message also announced that the House had passed the bill (S. 3401) to authorize the President to reduce temporarily the course of instruction at the United States Naval Academy, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 3400) to regulate the pay of retired chief warrant officers and warrant officers on active duty, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (S. 389) to extend the time for cutting timber on the Coconino and Tusayan National Forests, Ariz., with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the bill (S. 3404) to authorize the President to drop from the rolls any naval or Marine Corps officer absent without leave for three months, or who has been convicted of any offense punishable by confinement in the penitentiary by the civil authorities, and prohibiting such officer's reappointment, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 117) amending the act of July 2, 1909, governing the holding of civil-service examinations.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2617. An act to ratify the compact and agreement between the States of Oregon and Washington regarding concurrent jurisdiction over the waters of the Columbia River and its tributaries in connection with regulating, protecting, and preserving fish;

H. R. 4910. An act to authorize the establishment of a town site on the Fort Hall Indian Reservation, Idaho;

H. R. 5351. An act providing for the disposal of certain lands in block 32, in the city of Port Angeles, State of Washington;

H. R. 5559. An act to authorize a preference right of entry by certain Carey Act entrymen, and for other purposes;

H. R. 6966. An act authorizing the Secretary of State to procure a suitable portrait of Gen. George Washington and present the same to the Military College of the Argentine Republic;

H. R. 7796. An act to increase the salary of the United States marshal for the western district of Michigan;

H. R. 8563. An act to amend the homestead law in its application to Alaska, and for other purposes;

H. R. 9832. An act to authorize the incorporated town of Seward, Alaska, to issue bonds in any sum not exceeding $25,000 for the purpose of constructing dikes, flumes, and other works to confine the waters of Lowell Creek for the protection of said town; and

H. R. 10365. An act granting the consent of Congress to the Forsyth special road district of Taney County, Mo., to construct a bridge across White River at Forsyth, Mo.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (S. 3689) authorizing the Postmaster General to cancel or readjust the screen-wagon contract of H. H. Hogan at Kansas City, Mo., and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

Mr. GRONNA presented a petition of the Northwestern District Medical Society, of North Dakota, praying for the enactment of legislation to provide for advanced rank for officers of the Medical Corps of the Army, which was referred to the Committee on Military Affairs.

He also presented resolutions adopted by the Commercial Club, of Larimore, N. Dak., favoring the enactment of legislation providing for universal military training, which were ordered to lie on the table.

He also presented petitions of the congregations of the McCabe Methodist Episcopal Church, of Bismarck; of the Methodist Episcopal Churches of Norma, Jud, Nortonville, and Sharlow; of the Woman's Christian Temperance Union of Bismarck; and of sundry citizens of Tyner, all in the State of North Dakota, praying for national prohibition as a war measure, which were ordered to lie on the table.

He also presented a memorial of Sweet Clover Grange, Patrons of Husbandry, of Valleyford, Wash., remonstrating against the repeal of the present tax on oleomargarine, which was ordered to lie on the table.

Mr. NELSON presented resolutions adopted by Local Union No. 106, Painters, Decorators, and Paper Hangers of America, of Duluth, Minn., favoring the enactment of legislation fixing the price of flaxseed, which were referred to the Committee on Agriculture and Forestry.

Mr. TOWNSEND presented a petition of the Teachers' Club of Lapeer, Mich., praying for a repeal of the present zone system of postage rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

Mr. PHELAN presented a resolution adopted by the Taxpayers' League of Oakland, Cal., favoring the passage of the so-called administration water-power bill, which was referred to the Committee on Commerce.

Mr. WARREN presented a petition of the Borner Grange, No. 7, Patrons of Husbandry, of Lander, Wyo., praying for a repeal of the present zone system of postage rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of sundry citizens of Cheyenne, Wyo., praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. COLT. I present resolutions adopted by the Legislature of the State of Rhode Island and Providence Plantations, in favor of a league of nations to safeguard the peace of the world. I ask that the resolutions be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the resolutions were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

[H. 694. State of Rhode Island and Providence Plantations, January session, A. D. 1918. Approved Mar. 21, 1918.]

Resolution in favor of a league of nations to safeguard the peace of the world.

Whereas the President of the United States has declared that our present and immediate task is to win the war; and

Whereas he has set forth that the chief aim of the war is to secure a permanent peace guaranteed by a partnership of free nations: Therefore be it

Resolved, That this general assembly pledges this State to hearty cooperation with the Federal Government in all measures necessary for a vigorous prosecution of the war until Prussian autocracy has been defeated; and be it further

Resolved, That we favor the entrance of the United States, after the war, into a league of nations to safeguard the peace that must be won by the joint military forces of the allied nations; and be it further

Resolved, That a copy of this resolution be forwarded by the secretary of state to the Senators and Representatives from this State in Congress and to the Secretary of State of the United States.

A true copy.

Attest:

[SEAL.]

J. FRED PARKER,
Secretary of State.

WOMAN SUFFRAGE.

Mr. SHAFROTH. Mr. President, I have received a telegram from Colorado Springs signed by over 100 of the best citizens of that city, which reads as follows:

We, citizens of Colorado Springs, Colo., urge you to rush immediate passage of the Federal suffrage amendment in the Senate.

It is signed by Dr. Bertha W. Fowler, Leonard E. Curtis, Judge Louis W. Cunningham, and others. I will say with relation to these men and women that they are among the very best citizens of that community.

And, Mr. President, I wish to say further that the interest which these people are taking in the cause of suffrage has been so marked and the constitutional amendment has been so strongly advocated by them because of the good government that has resulted from the participation of women in politics in the State of Colorado. There the sentiment is practically unanimous in favor of extending this privilege to all women of the world, and inasmuch as great progress has been made in numerous nations on lines so much in the interest of their movement it seems to me we ought to extend it to every State in the Union by the constitutional amendment which is pending. All movements in behalf of human liberty continually advance, and hence the right of women to vote is sure to prevail. Let us speed the passage of the measure.

I ask that the telegram be incorporated in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

COLORADO SPRINGS, COLO., *March 21, 1918.*

Senator JOHN F. SHAFROTH,
United States Senate, Washington:

We, citizens of Colorado Springs, Colo., urge you to rush the immediate passage of the Federal suffrage amendment in the Senate.

Bertha W. Fowler, Leonard E. Curtis, Helen W. Curtis, Edward W. Kent, Leila S. Kent, Robert Keer, Lillian H. Keer, T. C Turner, Elizabeth Solly, E. O. Collins, Charles Emery, Diana Tobey, Lawrence T. Gray, Susan Gray, Myrtha A. Morrison, Berneh Hopkins, Isabel Hopkins, Melville M. Sinton, Marion T Sinton, W. K. Sinton, Lula B. Sinton, Thomas P. Craig, Allietta Craig, J. E. McIntyre, L. W. Cunningham, Emma L. Cunningham, C. W. Stephenson, D. G. Johnson, Charles Chapman, R. L. Holland, C. H. Auld, Lucy Auld, Charles Payne Smith, C. C. Hamlin, J. L. Bennett, John E. Little, John W. Sheafor, Harriet Sheafor, Peter Oliver, Hanford Bell, A. Hanford, Fonetta Flansburg, Alda Flansburg, Florence Rossbach, Rowena Dashwood, Nichols Vandenarend, Lily Vandenarend, Anne Ritter, George A. Boyd, Jenny Shelley, Boyd O. H. Easley, Georgia Easley, E. A. Stetson, L. C. Perkins, Mary Perkins, A. P. Sumner, M. C. Francis, C. M. Balkan, Clara Balkan, Romano Brady (assistant editor Gazette), J R. Robinson, Harvey McGarry, Bertha McGarry, Roscoe C. Hill, Joseph Flynn, C. M. Ware, Minnie B. Crowder, Louisa D. Coffin, Dena Kinder, Laura E. Leech, E. E. Hedblox, Lilian Lowry, Anna N. Rudy, H. Allen Nye, Eva Shannon, L. B. Grafton, E. A. Jackson, Nellie A. Remich, Adelaid Denis, Katherine Courtney, Ira B. Perryman, E. L. Keeton, Carrie Gledhill, Arthur Gledhill, Bessie Smith, Louise Preston, H. Howell Hise, Mino Hise, Mary S. Hawkins, H. A. Scholton, B. A. Banta, J. W. Potter.

REPORTS OF COMMITTEES.

Mr. SHEPPARD, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3469) to amend an act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products," approved August 10, 1917, reported it with amendments and submitted a report (No. 328) thereon.

Mr. KENDRICK, from the Committee on Public Lands, to which was referred the bill (S. 728) to permit the State of Wyoming to relinquish to the United States lands heretofore selected and to select other lands from the public domain in lieu thereof, reported it with an amendment and submitted a report (No. 329) thereon.

Mr. NELSON, from the Committee on the Judiciary, to which was referred the bill (H. R. 9504) to amend section 4067 of the Revised Statutes by extending its scope to include women, reported it with amendments.

Mr. OWEN, from the Committee on Indian Affairs, to which was referred the bill (S. 4151) to provide for a determination of heirship in cases of deceased members of the Cherokee, Choctaw, Chickasaw, Creek, and Seminole Tribes of Indians in Oklahoma, conferring jurisdiction upon district courts to partition lands belonging to full-blood heirs of allottees of the Five Civilized Tribes, and for other purposes, reported it without amendment and submitted a report (No. 330) thereon.

EDUCATION OF ADULT ILLITERATES.

Mr. SMITH of Georgia. From the Committee on Education and Labor I report favorably, without amendment, the bill (S. 4185) to require the Commissioner of Education to devise methods and promote plans for the elimination of adult illiteracy in the United States.

This is the same bill that I reported on Saturday as a House bill. That report was subsequently withdrawn and the bill was introduced as an original Senate bill, and that is why I report it this morning as a Senate bill.

This is the bill referred to in the letter of Secretary Lane printed a few days ago in the RECORD. It is a bill which provides for the appropriation of $50,000 to be used by the Commissioner of Education with a view of stimulating the removal of illiteracy especially with reference to the drafted men. While the sum is small, it is not expected to be used to pay any teachers. It is to be expended simply to plan the way and to obtain local cooperation and to stimulate an intense local effort in the direction of removing illiteracy, especially among the drafted men, but illiteracy of grown men and grown women.

Mr. JONES of Washington. If the Senator will yield a moment, I sympathize with the purpose of the bill, but I understand that on Saturday the Senator reported a House bill covering the subject and this morning he reports a Senate bill.

Mr. SMITH of Georgia. I was misled as to the bill having passed the House. I was advised that it had passed the House. It had been reported unanimously from the committee, but it was on the House Calendar. It was sent to me, and after reporting it I found I had been misinformed about it. So I withdrew the report on the House bill and introduced the same bill as a Senate bill, and now report favorably the Senate bill.

Mr. JONES of Washington. That explanation is entirely satisfactory. I thought the House had passed it, and if we substituted a Senate bill we would just complicate matters. That explains it fully.

Mr. SMITH of Georgia. I hope we can have action this morning upon the bill. If the Commissioner of Education is to accomplish anything with the next draft, he must commence at once. Yet until the morning business is finished I do not wish to take up time with this measure.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

A bill (S. 4187) to correct the military record of E. D. Judkins; to the Committee on Military Affairs.

A bill (S. 4188) granting an increase of pension to Sarah M. Brown; to the Committee on Pensions.

By Mr. WATSON:

A bill (S. 4189) granting an increase of pension to William H. H. Padgett; to the Committee on Pensions.

By Mr. HOLLIS:

A bill (S. 4190) granting an increase of pension to John C. Carkin (with accompanying papers); and

A bill (S. 4191) granting a pension to Lanson O. Brown (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 4192) granting an increase of pension to John S. Ranlett (with accompanying papers); to the Committee on Pensions.

By Mr. BANKHEAD:

A joint resolution (S. J. Res. 142) to amend the provisions of section 124 of the act of Congress approved June 3, 1916, entitled "An act for making further and more effectual provision for the national defense, and for other purposes"; to the Committee on Military Affairs.

TRAINING OF ADDITIONAL OFFICERS.

Mr. SMITH of Georgia submitted the following resolution (S. Res. 217), which was read:

Resolved, That the Committee on Military Affairs be requested to advise the Senate, in executive session, what plans have been made for training additional officers, together with the number that it is proposed to train.

Mr. SMITH of Georgia. I shall not ask consent for the consideration of the resolution this morning, but I shall call it up to-morrow.

The VICE PRESIDENT. The resolution will lie on the table subject to call.

OPERATION OF SEAMEN'S ACT.

Mr. OWEN. Mr. President, I ask to have printed in the RECORD a letter from the president of the International Seamen's Union of America as to the operation of the so-called seamen's act. It is a very interesting statement, which, I think, ought to be published.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERNATIONAL SEAMEN'S UNION OF AMERICA,
Washington, D. C., March 18, 1918.

Hon. ROBERT L. OWEN,
United States Senate, Washington, D. C.

MY DEAR SENATOR: The earnest interest which you took in the enactment of the seamen's bill into law causes me to believe that you will be pleased to have the seamen's view of its operation, hence this letter. Of course if it had been purely a seamen's bill it would never have been passed. You supported it first because of its humanitarian features. It was intended to improve the condition of the seamen, but this was, after all, a means to an end. A nation without native seamen can have no sea power. This was postulated by the bill. This war has abundantly proven our contention, but it will be further demonstrated before the war is ended.

We contended that with the seamen's condition in the vessels and on shore remaining as it was the Americans would not come to sea, but that the Americans would come if the seamen's bill be passed and enforced. The experience of more than 40 years had demonstrated the truth of the first statement; the second is being gradually demonstrated. The number of native American sailors has, on the Pacific, increased from less than 1 per cent to more than 10 per cent; the increase on the Atlantic is from less than 10 per cent to more than 25 per cent, since the act became operative. And this increase has come notwithstanding the fact that the law has not been given anything like a fair chance. I shall give particulars later.

We contended that the inevitable result of the act would be to equalize the wage cost of operating American and foreign ves-

sels leaving American ports; we contended that this would be the first result, and that later there would be an equalization of seamen's wages all over the world. To accomplish this the seaman must be made free, so that the law of supply and demand could operate freely, and, further, that seamen leaving our ports must have the same qualifications in all vessels, and that they must be hired or engaged under the same law. Improve the law so that an improvement may come to the American seaman and make this law applicable to all vessels coming within the jurisdiction of the United States.

The act was passed on March 4, 1915. It became operative on November 4, 1915, in American vessels. It became finally operative after August 1, 1916, in all vessels. The last seamen arrested and detained under the old laws and the treaties were arrested at Norfolk, Va., in the last days of July, 1916. The vessel could not get to sea before August 1 and the men had to be released. Those men were shipped on another vessel of the same nationality at the American wage rate of $45, to which rate the American wages had been raised from $30 since the laws became enforceable. To prove that equalization was in full operation at the beginning of the last year let me quote from an authority not over friendly to the seaman—the Legal Aid Society.

On pages 19 and 20 of the report of that society for the year 1916 (the report was published in 1917) is the following report from its chief attorney, Mr. Leonard McGee:

> Our activities were in line with the provision of the seamen's bill abolishing involuntary servitude and removing the remedies given to foreign Governments and foreign shipowners to arrest seamen who desert in ports of the United States. Seamen, being given a right on American and foreign vessels alike to demand one-half wages, or half the wages earned by them and unpaid in American ports, have been able to enforce that right by the provision of the law which enables them to bring suit for the full amount of wages owing them in case the master refuses to pay them half. I am inclined to believe the theory and actual operation of the seamen's bill is bound in time to prove its soundness and efficiency.
>
> I am informed that seamen coming here on foreign vessels which are sent to American ports to compete in American trade leave their vessels unless the master voluntarily guarantees them an increase in wages which will bring their earnings up to a par with the average earnings of American seamen and other seamen in American ports which have already arrived at the American standard. As a rule, seamen on foreign ships demand one-half their wages and then quit. The result is the foreign shipmaster must refurnish his vessel with a crew before leaving. To do this he must apply to shipping masters or one of the seamen's institutions who supply seamen, but he has to pay the going wages in the port of New York or Norfolk or whatever port he happens to be in. * * * One need not be a mathematician or student of economy to conclude that the enforcement of this legislation means the creation of an opportunity to the American shipowner to compete with foreigners on a par, so far as labor cost is concerned.

The above was the situation when the attorney's report was submitted. It must have been in the latter part of 1916. Of course we seamen knew this, and we might state it as of our own knowledge, but deem it better to submit this highly respectable authority.

Some time in June or July, 1917, representations were made by the British Government to our Department of State that the operations of the seamen's act were burdensome to British shipping, and suggestions were made that it ought to be suspended during the war. The British seamen were deserting, the vessels had to pay higher wages, and they had to pay the "crimp" (marine employment agent) for finding new men. The vessels were delayed, so it was alleged. This was true only whenever the masters refused to pay the wages of the port.

Then, the masters of vessels were evidently instructed to refuse the demand for one-half wages earned and the courts became literally choked with cases in which the seamen appealed to the courts for their wages under section 4 of the act—the half-pay section. Also under section 2, the section forbidding advances or the payment of wages before it is earned—known to the seamen as the anticrimping section. Most of the district courts construed the law as it reads and ordered the wages paid. A district court in Florida and another in Philadelphia placed a different construction on section 4 and the seamen had to appeal.

A New York firm of lawyers drew up a brief which was then submitted to the courts by the British consuls as amicus curiæ. The circuit court of appeals, sitting at Philadelphia, upheld the decision of the district court and dismissed the libel.

The circuit court of appeals, sitting at New Orleans, certified the case up to the Supreme Court of the United States on a question of constitutionality. Both sides are asking to have the case advanced, and it is hoped and expected that it will be.

I am informed that the Governments of Italy and Portugal joined with the Government of Great Britain in making representations against the law, or that these Governments made such representations about the same time. I am further informed that our Government suggested that their remedy is in their own hands. The men ship again as soon as they can and they go to the war zone. If they pay the same wages as are paid in American ports, the men will evidently remain with their vessels.

In the early days of February, 1918, the wages of seamen was raised in Great Britain to practically the same as the wages paid to seamen in American Atlantic ports, and now there are no desertions except from vessels which have been away from England too long to have received the new wage. The American wage is not paid only to seamen going to the United States; it is paid to all seamen, no matter where the vessels are bound. The equalization has come in so far as British vessels are concerned. Let the law stand and be enforced and it will come in all vessels of all nations either absolutely or so near that desertions will cease.

There are, unfortunately, several very important sections of the act that are not enforced by our department. The Department of Commerce has ruled that the forecastle clause has no application to vessels built prior to November 4, 1915. The department was overruled by the Attorney General, to whom it was submitted by the President. District Judge Manton, in New York, overruled the Attorney General, and the case is now on appeal in New York. In the meantime the abominable forecastles remain the same.

The Department of Commerce held that, notwithstanding the act, advance wages might be paid by any American vessel if she be in a foreign port. Several district courts overruled the department and appeal was taken, and the circuit court of appeals, sitting in New York, overruled the circuit court on a divided court. An appeal for certiorari will be submitted to the Supreme Court of the United States. It is hoped that it may be granted, because these decisions go to the very heart of the equalization. This is the crux of the act and it is so recognized by foreign shipowners, hence their determined fight. If advance can be paid, and one-half of the seaman's total earnings can be kept by the vessel to insure that he keeps his contract, the foreign shipowners can nearly always arrange so that the seaman can obtain no money at all in American ports, and that he will be compelled by his physical necessities to remain with the vessel. This accomplished and the equalization is defeated.

The Department of Commerce further gave such construction to the language clause that any vessel may leave any American port with men who do not understand the language of the officers. This ruling, together with those above mentioned, has made it very difficult indeed for the American to get into the vessels. Having the usual American race pride the American will not sail in the same forecastle with Chinese, Negroes, or dark-skinned Spanish-speaking men from either South America or the Mediterranean countries. He will sail together with what he calls "white men" who can speak English, even if they speak it poorly.

These rulings have hindered the American from coming to the sea in such numbers as we should now very much like to have seen. If the law had received the fair treatment to which it is entitled, and which it will ultimately get, we should have had about 50 per cent of Americans on the vessels at this time. It must, however, in honesty be said that the seamen now sailing have proven their worth and their loyalty beyond any dispute.

No vessels have been delayed. There has been no difficulty in finding the seamen that were needed. According to figures made public more than 300 seamen have given their lives. This figure was published long ago and there are many more now. Of course, I can not verify these figures. Our own figures are much above those quoted, but they are not of any importance, whatever they may be. The important thing is that the seamen have given willing service and it has not been lip service; they are willing to continue. The seamen ask but one thing and that is that the so-called seamen's act be permitted to remain on the books and that it be protected against any assaults, whether the assaults come from any foreign Government or from those among our own people who either do not understand or whose interests make them blind to the real interests of this Nation during the war and after the war.

With profound gratitude and respect, I am, yours,

ANDREW FURUSETH,
President International Seamen's Union of America.

COCONINO AND TUSAYAN NATIONAL FORESTS.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 389) to extend the time for cutting timber on the Coconino and Tusayan National Forests, Ariz., which was, on page 2, line 2, after "administration," to insert ", and further that all its rights

to cut and remove timber from any lands within said national forests are to terminate on the 31st day of December, 1950."

Mr. ASHURST. I am the author of the bill. The House has made an amendment limiting the time for cutting timber, and it provides that no more timber shall be cut after December 31, 1950. I move that the Senate concur in the House amendment.

The motion was agreed to.

HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred to the Committee on Public Lands:

H. R. 5351. An act providing for the disposal of certain lands in block 32 in the city of Port Angeles, State of Washington; and

H. R. 5559. An act to authorize a preference right of entry by certain Carey Act entrymen, and for other purposes.

The following bills were severally read twice by their titles and referred to the Committee on Commerce:

H. R. 2617. An act to ratify the compact and agreement between the States of Oregon and Washington regarding concurrent jurisdiction over the waters of the Columbia River and its tributaries in connection with regulating, protecting, and preserving fish; and

H. R. 10365. An act granting the consent of Congress to the Forsyth special road district of Taney County, Mo., to construct a bridge across White River at Forsyth, Mo.

The following bills were severally read twice by their titles and referred to the Committee on Territories:

H. R. 8563. An act to amend the homestead law in its application to Alaska, and for other purposes; and

H. R. 9832. An act to authorize the incorporated town of Seward, Alaska, to issue bonds in any sum not exceeding $25,000 for the purpose of constructing dikes, flumes, and other works to confine the waters of Lowell Creek for the protection of said town.

H. R. 4910. An act to authorize the establishment of a town site on the Fort Hall Indian Reservation, Idaho, was read twice by its title and referred to the Committee on Indian Affairs.

H. R. 6966. An act authorizing the Secretary of State to procure a suitable portrait of Gen. George Washington and present the same to the Military College of the Argentine Republic was read twice by its title and referred to the Committee on the Library.

H. R. 7796. An act to increase the salary of the United States marshal for the western district of Michigan was read twice by its title and referred to the Committee on the Judiciary.

URGENT DEFICIENCY APPROPRIATIONS—CONFERENCE REPORT.

Mr. UNDERWOOD. I move that the Senate proceed to the consideration of the conference report on House bill 9867, the urgent deficiency appropriation bill.

The motion was agreed to, and the Senate proceeded to consider the report of the committee of conference on the disagreeing votes of the two Houses upon the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

Mr. SMOOT. There are one or two Senators not present who are interested in this report, and I suggest the absence of a quorum merely that they may be here so as not to go over the same ground again when they enter the Chamber.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Baird	Hale	New	Sterling
Bankhead	Harding	Norris	Sutherland
Beckham	Henderson	Nugent	Swanson
Borah	Hitchcock	Overman	Thomas
Chamberlain	Jones, Wash.	Owen	Tillman
Colt	Kellogg	Page	Trammell
Culberson	Kendrick	Phelan	Underwood
Cummins	King	Poindexter	Vardaman
Curtis	Kirby	Pomerene	Wadsworth
Dillingham	Lodge	Reed	Walsh
Fall	McCumber	Robinson	Warren
Fletcher	McKellar	Shafroth	Watson
France	McLean	Sheppard	Williams
Frelinghuysen	McNary	Sherman	Wolcott
Gallinger	Martin	Simmons	
Gerry	Myers	Smith, Ga.	
Gronna	Nelson	Smoot	

Mr. BECKHAM. I desire to announce that my colleague, the senior Senator from Kentucky [Mr. JAMES], is detained on official business, and that the senior Senator from Maryland [Mr. SMITH] is detained by illness.

Mr. GRONNA. I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is absent due to serious illness in his family. I ask that this announcement may stand for the day.

Mr. McKELLAR. I wish to announce that my colleague [Mr. SHIELDS] is absent on official business. This announcement may stand for the day.

Mr. SUTHERLAND. I desire to announce the absence of my colleague [Mr. GOFF] on account of illness. I will let this announcement stand for the day.

Mr. WOLCOTT. I wish to announce the necessary absence of my colleague [Mr. SAULSBURY].

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Sixty-five Senators have answered to their names. There is a quorum present. The question is on agreeing to the conference report.

Mr. UNDERWOOD. I understand that the Senator from New Jersey [Mr. FRELINGHUYSEN] desires to make a statement with reference to the conference report, and I yield to him for that purpose.

Mr. FRELINGHUYSEN. Mr. President, there are two provisions of the urgent deficiency bill which were inserted as amendments by the chairman of the Appropriations Committee that have no relation to or bearing on an appropriation bill. Both of them should have been introduced as separate acts and referred to the Committee on Foreign Relations.

The first amendment I refer to is one authorizing the President to take over the steamship docks belonging to the North German Lloyd and Hamburg-American Lines. The second amendment is the one empowering the Alien Property Custodian to sell property of aliens in this country. Both of these amendments are necessary legislation in so far as they seize German property and remove the influence of unfriendly German ownership. There can be no doubt as to the wisdom of that policy.

But they have been too hastily prepared and passed, and I feel are not in proper form. In their present shape they seriously affect American interests, and will work great injury and injustice to our own native citizens not only in my own State but in many of the other States.

No opportunity has been given to American citizens to be heard on this legislation, and the effect of this amendment may work an injustice. I do not believe the Senate wishes ruthlessly to destroy American interest and enterprise, particularly when grave consequences are bound to ensue which will subject American citizens to great loss in settling their claims.

I did all I could to perfect these amendments when they came before the Senate, but new developments have arisen since the Senate acted. The seizure of the Hoboken docks works great hardship on the municipality of Hoboken in depriving them of the taxes on the property. It also affects an arrangement that the State of New Jersey has with the city of Hoboken whereby an allowance in taxes is made by the State for the benefit of that community.

I send to the desk a letter from the manager of one of the large property owners of Hoboken, which explains the situation. I ask that the Secretary may read the letter.

The VICE PRESIDENT. Without objection, the Secretary will read.

The Secretary read as follows:

HOBOKEN, N. J., *March 22, 1918.*

Hon. J. S. FRELINGHUYSEN,
United States Senate, Washington, D. C.

DEAR SIR: By the provisions of the act making appropriations to supply urgent deficiencies the President is authorized to acquire the title to the docks, piers, warehouses, wharves, and terminal equipment and facility now owned by the North German Lloyd Dock Co. and the Hamburg-American Terminal & Navigation Co., two corporations of the State of New Jersey, if he shall deem it necessary for the national security and defense; and the act contemplates that the title to these properties shall be taken over and vested in the United States.

I beg to call to your attention the importance of the proposed action as regards the city of Hoboken and the residents within that municipality.

The city of Hoboken has a territorial area of 1 square mile and a population of approximately 75,000. The total assessed valuation of its property for the year 1917 was $79,745,489, and the tax rate $2.322 per thousand on Hoboken and $2.263 Weehawken addition. The city borders on the Hudson River and contains within its area considerable railroad property and terminals which, under existing laws of New Jersey, are not assessed directly for municipal purposes, but in lieu thereof the municipality receives from the State a proportion of a tax assessed and collected by the State and which in amount is materially less than would be that realized from a direct tax on the property at the full municipal rate.

In 1917 the valuation of such railroad property as assessed by the State was $7,752,889. Leaving railroad property out of consideration, the most valuable property within the city limits consists of the water front with its wharves and piers and the buildings appurtenant thereto, and these have in previous years contributed more largely than any other class of property to municipal requirements. The property which it is proposed to take over consists of eight double-deck steamship piers with bulkhead buildings and front thereof and land in front of the bulkhead buildings used for storage and yardage purposes and having a total water frontage of about one-third of a mile. Its assessed valuation in 1917 was approximately $6,283,100 and tax assessed $145,886.72, about 12½ per cent of the total tax payable by all property assessed for taxation for municipal purposes, which was $1,155,479.99 in 1917.

Even in normal times therefore and under normal conditions the withdrawal from taxation of 10 per cent of taxable property would throw upon the remaining property a very materially increased burden,

and from this cause alone the tax rate per thousands would be increased $0.29 per annum. But the situation of the city of Hoboken is not normal; in order to comply with Federal requirements it has lost in excise taxes alone $140,000. The burdens placed upon it for the maintenance of its police have been increased, and with the increased amount of valuable property within its limits the obligation and retaining at its fullest efficiency its fire department is apparent.

It can not hope permanently to maintain a higher tax rate and collect taxes promptly. It can not materially economize its expenditures in the conduct of the city's affairs. Conditions make it imperative that its expenditures for schools should not be materially reduced, and most of the expenditures it is required to make it is required to make under statutes. Further, the city has in an endeavor to contribute its bit toward carrying on the war arranged to supplement the compensation received by its employees from the United States Government by an amount requisite to bring such compensation up to the municipal salaries which they had theretofore received.

It is submitted, therefore, that the situation calls for the most serious consideration in order that the municipality may be treated with fairness and that the burdens placed upon it shall not be so great as to interfere with its administration or be impossible for it to bear, without such limitation of its administration as will defeat the very purpose of this legislation by forcing the municipality to abandon its function along lines which it is submitted the United States has every interest to preserve.

The situation would, of course, be saved if the property is taken over and held in any manner which will not prevent its assessment for taxation for municipal purposes. Whether this should be done by express provision in a bill itself, whether by taking it over and holding it through a private corporation, or any other method which may meet the approval of the United States, I do not now express my opinion, but I respectfully urge most careful consideration before any measure is passed which shall practically mean the financial bankruptcy of a community.

Very truly,

PALMER CAMPBELL,
General Manager Hoboken Land & Improvement Co.

Mr. FRELINGHUYSEN. Mr. President, I have had that letter read in order that the Senate might be informed of the conditions that have arisen by reason of the fact that the Government intends to take this property over. It practically takes from the tax returns $150,000 and increases the tax rate to the citizens of that municipality 29 points, notwithstanding the fact that the city must continue to maintain their schools to educate the children of the Government employees who will take care of and manage these docks, and also must maintain the fire department to protect this Government property from fire loss, and continue police protection, there is removed from the returns of that city for taxation $150,000. I have asked that this statement might be made before the Senate in order that when a bill which I shall introduce for the relief of this municipality is presented to the Senate the Senate may understand the conditions under which that bill shall have been introduced.

Mr. President, there is another amendment to the alien-custodian act in this conference report to which I offered an amendment, which provided:

Provided, That any property sold under this act, except when sold to the United States, shall be sold only to American citizens at public sale to the highest bidder.

There has been added by the conference committee this language:

after public advertisement of time and place of sale, which shall be where the property, or a major portion thereof, is situated.

That undoubtedly improves the amendment. But another proviso provides that "unless the President stating the reasons therefor, in the public interest shall otherwise determine."

That enables the President to interfere with or to interrupt a public sale. I see no objection to that; possibly it is wise to give the President that added power in order to protect ourselves against unfriendly German influence. It also provides further that when the property shall have been sold at public sale by the Alien Property Custodian the President may nullify that sale by stating the reasons therefor, and may order the property resold.

There is also provided a very severe penalty for a violation of the act in selling to an undisclosed person. I believe that also is wise. However, I wish to point out a defect or an imperfection in this act which it will probably be necessary to introduce additional legislation in order to correct the injustice which it imposes upon American property owners. When property is sold no provision is made for private claims of American citizens against alien enemies who own property in this country and have done business with them. There are undoubtedly many such claims, and it would obviously be unjust for the Government to make their collection impossible, and more especially, as in many instances, where credit has been extended or money has been realized upon such property. This would apply not only to all property held by the Alien Property Custodian but to any real estate which might be taken over by the Government.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Minnesota?

Mr. FRELINGHUYSEN. I yield.

Mr. KELLOGG. I should like to ask the Senator from New Jersey—and, if he has not investigated the matter, I should like to ask the Senator from Alabama [Mr. UNDERWOOD], having charge of the conference report—if there is any reason why the alien property situated in New Jersey or in any other State is not first liable for debts, damages, or claims of American citizens and of all other people, the same as is any other property; and if there is anything in this proposed act which takes away any right they have to collect their claims? I have not given the matter any study.

Mr. UNDERWOOD. Mr. President, if the Senator from New Jersey will yield, I shall be glad to answer the inquiry of the Senator from Minnesota.

Mr. FRELINGHUYSEN. I yield to the Senator from Alabama.

Mr. UNDERWOOD. I will state to the Senator from Minnesota that, so far as these amendments are concerned, they do not affect the situation at all or go into it in any way so far as the original Alien Property Custodian act is concerned providing for the custody of alien property. I do not think there is anything in the act now to prevent a man who has a claim against the owner of such property from asserting his claim against the property nor from following the proceeds into the hands of the Alien Enemy Custodian; but, as I understand, there are some gentlemen who have not claims against this property, but who possibly have claims against German citizens who are not in this country and do not have a residence or property here, who want to pursue this particular property for their benefit. That is a question, of course, that will have to be determined at the peace table or by some other forum than this.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Minnesota?

Mr. FRELINGHUYSEN. I yield to the Senator from Minnesota.

Mr. KELLOGG. Then it is the opinion of the Senator from Alabama there is nothing either in this act or in the alien-property act that would interfere with the creditors of citizens of Germany owning property in this country?

Mr. UNDERWOOD. I can say, without any question of doubt, that there is nothing in the amendment to the Alien Property Custodian act that is now pending before the Senate that affects that question in any way whatever; and, so far as I understand the original Alien Property Custodian act, there is nothing in that act to prevent an American citizen from pursuing his just rights against such property at any time.

Mr. KELLOGG. Then the sole question would be whether it would be the policy of the legislative department of the Government, if it could do so, to make the property of one alien liable for the debts of another.

Mr. UNDERWOOD. That is a question that of necessity will probably come to the peace table, but is not for this forum to determine.

Mr. FRELINGHUYSEN. Mr. President, I do not understand that the claims of American citizens against German citizens residing in Germany and owning property in this country are in question. The original alien property custodian act did not provide for the sale of property, as I understand. Is not that so?

Mr. UNDERWOOD. Except for the purpose of preventing waste or loss.

Mr. FRELINGHUYSEN. Except for the purpose of preventing waste or loss. My amendment as it was originally presented provided that the Alien Property Custodian could sell this property, and that when sold the sale should be at public auction. There was no provision which protected the claims of American citizens in this country against that property, and I think, so far as I have read the amendment to the alien property custodian act, that there is no provision which protects the claims of American citizens against the property sold, unless it is under statute provisions or under the common law.

Mr. KELLOGG. The point I wish to be clear about is this: Are not the proceeds of such property subject not only to claims against the property but to claims or personal debts of alien citizens of Germany in every State in the Union? That is the question I was asking.

Mr. FRELINGHUYSEN. The act has been considered by one of the prominent law firms of New York, and this objection was raised by them. I understand that there is grave doubt as to whether the act protects those claims. However, I am simply mentioning the matter in order that I may bring before the Senate an amendment to this act at some future time.

Mr. KELLOGG. I should think if there was any doubt about it it would be very proper to amend the act so as to make the proceeds subject to such claims, the same as would be the case if the property had not been sold.

Mr. FRELINGHUYSEN. This amendment, Mr. President, has for its main object the giving of authority to the Alien Property Custodian of power of sale over property coming into his possession. There is no limitation upon this power in the amendment as offered by the Senator from Virginia [Mr. MARTIN], and it undoubtedly would permit private sale were it not for the amendment offered by me requiring such sale to be at public auction. I am in entire sympathy with this bill; I feel that it is a necessary piece of legislation, and have little concern as to what may be done with the property of enemies, so far as it concerns enemies in the real sense. I call attention, however, to the fact that the trading-with-the-enemy act gives the definition of the word enemy in the following language:

Any individual, partnership, or body of individuals of any nationality resident within the territory of any nation with which the United States is at war or resident outside the United States and doing business within such territory.

That language is so broad as to make an American citizen resident in Germany an enemy and subject to the provisions of the act. Therefore it would seem to me to be important that property belonging to an American citizen who may be a resident in Germany, and whose property is subject to seizure by the Alien Property Custodian, should not be sold at all, as the fact of being an enemy does not necessarily indicate disloyalty to any degree, and the property should merely be held and preserved until such time as such person may change his status by removing from Germany.

Again, this Nation has always been generous, and I feel that it is probably important that if property of enemies is sold, unless such sale is required to preserve the property or prevent waste, it should be sold under such circumstances as to take away any question of inadequate consideration or bad faith, in order that when the owners appeal to the Government for redress after the war sympathy may not be obtained by reason of the manner in which the situation was handled.

There is another class of property which should receive careful consideration. I refer to the property interests which involve the property and property rights of citizens, as in the case of partnerships, joint ownerships, and corporations in which there is a stockholding by American citizens as well as enemies. Assuming that any disloyalty or ground for charging disloyalty attaches to the citizen's interests, many cases of real hardship will result unless great care is exercised. There are many very prosperous corporations in this country in which German capital is invested. In the commencement of the enterprises money has been required and capital was welcome, even though from German sources. The businesses have gone on prospering as the result of the business judgment and skill of the American interests and represents to the stockholders more than the mere stock ownership.

The sale by the custodian will result in new interests coming into the concern. If this power is not judiciously exercised it may destroy the company by putting the control of the business in the hands of a competitor, who could afford to obtain control for the purpose of eliminating competition, and would leave the American interests the holders of shares having no value, or would place the control in the hands of people having no knowledge or experience in the running of the business, who would interfere with the way in which it had been managed in the past, with the result that its prosperity would be seriously impaired.

It may be said that this is a danger which is anticipated and the fear is unfounded. In answer to this I can only say that the Alien Property Custodian expects, even demands, that he have representation on the board of directors of corporations in which he as custodian holds shares, whether a majority or majority holding. In a particular instance he has nominated two members out of a directorate of five members where the enemy stockholding interest was about 30 per cent. If he may do this he could demand a representation on the board of the United States Steel Corporation, the Bethlehem Steel Co., the Midvale Steel Co., and so on, assuming that certain of their shares are held by enemies, as is undoubtedly the case, and even though that stockholding was but one share in each company, as the principle would be the same regardless of the per cent of shareholding. In other cases where the enemy holding is a majority, he will dominate the board controlling the business and may seriously impair the efficiency of the business administration if his power is unwisely exercised.

Mr. President, I have made this statement simply in order that I might bring before the Senate at some future time an amendment to the alien property custodian act. It should be considered by the Foreign Relations Committee. The seizing of German property in this country in order to liquidate our claims for damage against German outrages is perfectly proper; but suppose there was an excess in amount in the value of that property—should we not utilize that in order to liquidate the damages of our allies, the cobelligerents in Belgium and France? The Germans have devastated that country, and if there is an excess in value of this property which we seize and which, as the Senator from Alabama has said, would be settled at the council table, should we not also consider the claims of our allies?

Mr. President, I think this is a very serious provision and should be considered at some future time, and I shall introduce amendments dealing with it later on. I do not wish to interfere with the progress of this important legislation.

Mr. KELLOGG. Mr. President, I should like to ask the Senator another question. Does he think we should provide by a statute of Congress at this time that the property of alien citizens in this country which is sold should be used to reimburse our allies?

Mr. FRELINGHUYSEN. I think the matter should be given consideration.

Mr. UNDERWOOD. Mr. President, the changes made in this bill by the conferees are not many, and are not serious. So far as the appropriations are concerned, the money items in the bill, none of them have been directly increased. There are a few increases in the item relating to the payment of claims of officers for destroyed property. The bill as it originally passed the Senate made an annual appropriation and provided that any of these claims should be paid out of moneys in the Treasury. The conferees limited the claims to moneys hereafter appropriated, and, instead of a blanket annual appropriation, provided for an appropriation of $200,000. So, in effect, it was a reduction of that appropriation from an unlimited amount to a limited amount of $200,000; and, as I say, there were no increases in the appropriations as the bill passed the Senate, but all decreases.

As to the item referred to by the Senator from New Jersey, the only changes made in that item were to specify more distinctly the terms and conditions of public sale and to authorize the President, when he directed that it should be done and gave in writing his reasons for doing so, to set aside one of these sales. The personal action of the President is required to accomplish that result, and he is required to give in writing his reasons for doing so.

It seems to me clear that there ought to be that opportunity under the act. Cases may arise where you can not reach the desire of the Government to protect this property or the desire of the Government to take it away from an alien enemy by public sale; and if the President of the United States, acting himself and not through an agent, determines that it is necessary to be done, and in writing gives his reasons for doing so, it seems to me that is ample protection to the public and to the property.

Now, as to the question of taxation: The conference committee had the question before them. We recognize, of course, that it is a serious matter to the town involved for it to lose $150,000 of taxes if this property is taken over by the Government. In answer to that, though, I wish to say in the first place, that the property has not been taken over by the Government. The bill merely authorizes the President, if he thinks it is necessary, to buy the property. In the next place, the tax year begins on the 1st of May. If the executive branch of the Government determines that that is a vital question it can delay the transfer of this property until after the 1st of May, and then the taxes will be collected from the present source and there will be a year in which the question can be worked out. But the question of authorizing the payment by the Government to a State of taxes on Government property was not before this conference. It was not germane to the issues before the conferees. It could not have been taken up by them. More than that, the question is so far-reaching that it should not have been taken up by the conferees.

This is only one instance of the question as to what should be done in reference to Government-owned property. It is a question that has been before the people of the great Northwest ever since their States were formed. More than that, if in the near future the Government should conclude to take over the ownership of the railroads directly, instead of exercising a control of the railroads, it will be an issue that will confront every State in the Union as to whether that property should continue to be taxable under governmental control. It is a question of vast and far-reaching importance. It would not have been wise and just for the Senate to take up that question on this conference report; but it is a question that the Senate, in its deliberation and in its mature judgment, should ultimately decide. So I do not think there can be any reflection

on the conferees because they did not inject that question into this conference report.

Mr. GALLINGER. Mr. President, as I was somewhat insistent upon the conference report going over and being printed, having given it very careful consideration I want to say that I feel that the conferees did the very best they could under the circumstances and that they have presented a report that ought to be agreed to without opposition from any source.

There are some features in the subject to which the Senator from New Jersey [Mr. FRELINGHUYSEN] has called attention that have been very troublesome to me; but I feel that the conferees have, under the circumstances and considering the conditions surrounding them, solved the problem as well as it possibly could have been solved at the present moment.

Mr. UNDERWOOD. I am glad to know that the Senator from New Hampshire takes that view of the question, and I appreciate the statement he has made. I am sure that the report of the conferees is absolutely within the rules and within the terms upon which it was submitted to the conference.

Mr. President, if no other Senator desires to debate the subject, I ask for a roll call on the adoption of the conference report.

The PRESIDING OFFICER. The question is on the adoption of the conference report. On that question the Senator from Alabama asks for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. TILLMAN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

Mr. WILLIAMS. Transferring my standing pair with the senor Senator from Pennsylvania [Mr. PENROSE] to the junior Senator from New Mexico [Mr. JONES], I vote "yea."

The roll call was concluded.

Mr. CURTIS. I have a pair with the junior Senator from Georgia [Mr. HARDWICK]. I transfer that pair to the junior Senator from Iowa [Mr. KENYON] and vote "yea."

Mr. REED (after having voted in the affirmative). I neglected to announce the transfer of my pair with the Senator from Michigan [Mr. SMITH]. I now announce the transfer to the Senator from Illinois [Mr. LEWIS] and will allow my vote to stand.

Mr. DILLINGHAM. Because of my pair with the Senator from Maryland [Mr. SMITH] I withhold my vote.

Mr. TOWNSEND. I desire to announce the absence of my colleague [Mr. SMITH of Michigan] by consent of the Senate and his pair with the junior Senator from Missouri [Mr. REED].

Mr. HENDERSON. My colleague, the senior Senator from Nevada [Mr. PITTMAN], is necessarily absent from Washington. If he were here, he would vote "yea."

Mr. THOMPSON (after having voted in the affirmative). I inadvertently voted in the absence of the Senator from Illinois [Mr. SHERMAN], with whom I am paired. I transfer that pair to the Senator from Nevada [Mr. PITTMAN] and will allow my vote to stand.

Mr. UNDERWOOD (after having voted in the affirmative). I have a general pair with the junior Senator from Ohio [Mr. HARDING], but have authority to vote on this question notwithstanding his absence, and therefore will let my vote stand.

Mr. JOHNSON of South Dakota. I have a pair with the Senator from Maine [Mr. FERNALD]. I transfer that pair to the Senator from Arizona [Mr. SMITH] and vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY]; and

The Senator from New York [Mr. CALDER] with the Senator from Rhode Island [Mr. GERRY].

The result was announced—yeas 60, nays 1, as follows:

YEAS—60.

Ashurst	Hitchcock	New	Smoot
Baird	Hollis	Norris	Sutherland
Bankhead	Johnson, S. Dak.	Nugent	Swanson
Beckham	Jones, Wash.	Overman	Thomas
Borah	Kendrick	Owen	Thompson
Chamberlain	King	Page	Tillman
Cummins	Knox	Phelan	Townsend
Curtis	Lodge	Poindexter	Trammell
Fall	McCumber	Pomerene	Underwood
Fletcher	McKellar	Reed	Vardaman
France	McLean	Robinson	Wadsworth
Gallinger	McNary	Shafroth	Warren
Gore	Martin	Sheppard	Watson
Gronna	Myers	Simmons	Williams
Henderson	Nelson	Smith, Ga.	Wolcott

NAYS—1.

Frelinghuysen.

NOT VOTING—34.

Brandegee	Hale	La Follette	Smith, Md.
Broussard	Harding	Lewis	Smith, Mich.
Calder	Hardwick	Penrose	Smith, S. C.
Colt	James	Pittman	Sterling
Culberson	Johnson, Cal.	Ransdell	Stone
Dillingham	Jones, N. Mex.	Saulsbury	Walsh
Fernald	Kellogg	Sherman	Weeks
Gerry	Kenyon	Shields	
Goff	Kirby	Smith, Ariz.	

So the report was agreed to.

EDUCATION OF ADULT ILLITERATES.

Mr. SMITH of Georgia. I move that the Senate proceed to the consideration of Senate bill 4185.

Mr. FLETCHER. Will the Senator explain what the bill is?

Mr. SMITH of Georgia. It is a bill authorizing an appropriation of $50,000 to the Bureau of Education to be used in the effort to stimulate the removal of illiteracy. It is especially intended to be used among the men of draft age who have been shown by the Secretary of the Interior in the letter that I put in the RECORD a day or two ago to amount to the number of 700,000 not to be able to read and write. The Secretary of the Interior in connection with that fact called attention to the serious effect of their condition:

They can not sign their names.
They can not read their orders posted daily on bulletin boards in camp.
They can not read their manual of arms.
They can not read their letters or write home.
They can not understand the signals or follow the Signal Corps in time of battle.

* * * * * * *

There is even a larger problem than this that challenges our attention, and that is the teaching of the English tongue to millions of our population.

And the head of the department closes by urging that this bill be given early consideration. He closed his letter with this request and proviso:

* * * which provides for a modest appropriation for the Bureau of Education to begin and conduct a vigorous and systematic campaign for the eradication of adult illiteracy. If the bill can be passed soon, special attention can be given to teaching illiterate men of draft age, and especially those who are classified in Class A.

This is the bill to which my motion refers. The Secretary of the Interior and the Commissioner of Education have a plan for the use of this modest sum, which looks toward stimulating the local work and directing the attention of local workers to the importance of handling this subject.

Mr. TOWNSEND. May I ask the Senator a question? Does it propose to deal with soldiers already in the service who are illiterate?

Mr. SMITH of Georgia. If it can be done, it may be done. The Secretary of the Interior, in his letter upon the subject, calls attention to the fact that it will be a very difficult matter to do much for those who have already been drafted. There are 40,000 already in the ranks who can not read and write. His view was that in a very short time, by intensified, zealous efforts, those in the ranks could at least be taught to read simple print.

Mr. VARDAMAN. Will the Senator yield?

Mr. SMITH of Georgia. Certainly.

Mr. VARDAMAN. Is it proposed that the small sum of $50,000 shall be expended for the education of men scattered all over the United States? It would go a very short way.

Mr. SMITH of Georgia. I sought to explain that not a dollar of it would be used for teachers; that not a dollar of it would be used for immediate work upon the particular person. It is directive work. It is stimulating work. It is work to invite the local educational organizations and local teachers under a uniform plan to take hold of the problem.

Mr. VARDAMAN. To put in operation agencies to impart knowledge?

Mr. SMITH of Georgia. To put the whole thing in operation.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Utah?

Mr. SMITH of Georgia. I yield.

Mr. SMOOT. I understand that this money is to be expended not only directly by the forces of the Commissioner of Education to educate the illiterates of our country who are not in the Army, but also that there will be investigations made in some way, if possible, to educate those who are already in the Army. I hope that that may be the case.

The only objection that I have to the bill at all is that $50,000 is so small a sum that I am afraid it will do no good whatever. If we are going to enter on this class of work, particularly to correct an evil that really exists, found through bringing so many young men between the ages of 21 and 30 into the Army.

I believe that it ought to be undertaken in a more vigorous way than $50,000 will do. I really believe that it would be approved of by the people of the United States if an appropriation adequate to the work is made, and then it would show upon its face that Congress had some intention of doing the work that ought to have been done long ago.

Mr. OWEN. Mr. President, I merely want to express my acquiesence in the view expressed by the Senator from Utah. I think this is a matter of tremendous importance. It is a startling disclosure to find 70,000 young men unable to read and write in the United States over 21 years of age. I was astounded by that report. I believe it would be far better instead of making this appropriation $50,000 to make it $500,000 and really get at the remedy in some adequate fashion. If the Senator would not object to it, I should myself be quite willing to move that as an amendment.

Mr. BORAH. Mr. President, do not the Senator from Utah and the Senator from Oklahoma think that as the matter develops the additional amount if needed will be called for? This is but an initiative proposition, and while it is an important matter we need not have any fears that if the matter is such as to call for more appropriations more appropriations will be asked for and granted.

Mr. SMOOT. Mr. President, I will say to the Senator from Idaho I have not any question at all but that larger appropriations will be asked for. If the evil exists, and no doubt it does exist, it seems to me that $50,000 would be just like taking the money and almost throwing it away.

Mr. BORAH. No; Mr. President, it will not be throwing it away, because it starts the program, and will develop the necessity for a large appropriation if there are other appropriations needed.

I agree with the Senator as to the importance of it. In all probability larger appropriations will have to be had, but I do not like to urge upon a department, knowing the disposition of the departments to call for all appropriations necessary, larger appropriations than they have asked for.

Mr. SMOOT. The Senator is right in that regard, Mr. President; but this is one case where it seems to me it would be far better not to make an appropriation of $50,000 which I know, at least I think, will be virtually wasted.

Mr. GALLINGER. How large a portion does the Senator think would be used in salaries, for instance, and in the employment of agents?

Mr. SMOOT. I think not only the whole $50,000 will be used, but there will also be a deficiency asked for before the end of the following year.

Mr. WATSON. Mr. President——

Mr. GALLINGER. Before we get the work started at all.

Mr. SMOOT. The reason why I would favor a larger appropriation than the bill provides for is this: With an appropriation of $50,000 to cover the whole United States, those who are interested in this question and those whom we expect to work it out will know that it is such a small amount that nothing can be accomplished by it. I should like to see, if the plan is to be carried out, an appropriation sufficient so that the people of the United States would see there is something going to come from this undertaking and not a mere investigation.

Mr. WATSON. Mr. President——

Mr. FLETCHER. I rise to a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. FLETCHER. The point of order is that the bill has not been taken up. I think it ought to be taken up first.

Mr. SMOOT. I understood that it has been taken up.

Mr. KING. Mr. President——

The PRESIDING OFFICER. The Senator from Georgia has moved that the Senate proceed to the consideration of the bill. Is there objection?

Mr. KING. I object.

The PRESIDING OFFICER. Objection is made.

Mr. KING. I regret to object, and I wish to state my reasons.

Mr. SMOOT. It was not unanimous consent that was asked. The Senator from Georgia moved to take up the bill.

Mr. SMITH of Georgia. It was not a request for unanimous consent.

The PRESIDING OFFICER. The Senator from Georgia made a motion, but the Chair understands that the bill having been reported to-day, if objected to, it will have to go over for one day.

Mr. KING. I object.

Mr. SMITH of Georgia. Mr. President, permit me just one word before the bill passes over. I had determined after obtaining the interest of the Senate in the bill and some expression from the Senate to request myself that it go over until to-morrow. There is, however, one feature of the bill I ask that Senators consider between now and to-morrow. I think we might put a specific provision in the bill requiring that at the cantonments at least an hour a day be given to teaching any man in a cantonment who can not read. Surely the capacity to read and also to talk English is worth that portion of the day in the military training, and I intend to confer——

Mr. WATSON. How could you prevent that from interfering with military discipline and with the regular order of procedure at the cantonment?

Mr. SMITH of Georgia. It could be done as a part of military discipline. There could be given an hour of additional time to the illiterates besides their actual work of military drill. At any rate, I will seek to confer with both the Commissioner of Education and either the Chief of Staff or The Adjutant General to see if it would not be practical.

Mr. TOWNSEND. I was going to suggest to the Senator that it is practical, and I think that work is being performed now in practically every one of the cantonments. They have their Young Men's Christian Association Building and young men in charge. I happen to know that in some the men who can not read and write are invited there. Of course, they are all welcome, and they are conducting schools for the benefit of those men. I think it is one of the finest things imaginable. That is why I rose in the first place and asked if this was to be extended to the cantonments. I did not think it was necessary that it should be done there, because I know that with proper encouragement every one of the cantonments can be served by these volunteers who are there not only for the spiritual but for the intellectual welfare of the soldiers.

Mr. SMITH of Georgia. I would be glad to say also to the Senator from Michigan that the entire scheme of this bill is to enlist volunteers and to enlist teachers, to enlist cooperation and to obtain service not paid for out of the $50,000.

Mr. WATSON. After all, is it not a fact that all the illiterates——

The PRESIDING OFFICER. The Senator from Florida has raised a point of order, and the discussion is out of order.

Mr. WATSON. If discussion is out of order, I do not care to proceed.

Mr. SMITH of Georgia. It can go on as soon as the Senator from Florida brings something to the attention of the Senate.

The PRESIDING OFFICER. Nothing is before the Senate. The Senator from Florida has the floor.

Mr. FLETCHER. I saw that unless the bill was before the Senate we were not getting anywhere by discussing something which had not been laid before the Senate, and therefore I raised the point of order. Since the bill can not come before the Senate, I do not think we should go ahead with it.

Mr. WATSON. I do not want to transgress the rule. I thought the debate was simply proceeding by unanimous consent.

Mr. FLETCHER. I am not out of sympathy with the Senator's bill.

Mr. SMITH of Georgia. Does not the Senator think we are making progress because we are informing ourselves with reference to the measure, and will be better prepared to-morrow to take it up and dispose of it?

Mr. FLETCHER. I want the Senator to understand that I am not out of sympathy with his bill. I simply want to go on with something else.

Mr. GALLINGER. Will the Senator from Florida allow me to ask the Senator from Georgia a simple question? It will take but a moment.

Mr. FLETCHER. I yield for that purpose.

Mr. GALLINGER. As I read the bill it provides for the instruction of illiterates and those of meager means who can not be educated all over the country. My predecessor, Senator Blair, undertook to get a bill of that kind through Congress appropriating six or seven million dollars, and that amount was not too much 30 or 40 years ago. Now, to talk about $50,000 to take care of a question of this kind strikes me as being absurd, to say the least.

Mr. SMITH of Georgia. If the Senator from Florida will let me answer the Senator from New Hampshire, it depends entirely upon the purpose of the bill. If the purpose was to carry instruction to the illiterates with teachers it would be a piece of folly to talk about the appropriation in this bill.

Mr. GALLINGER. That is what the bill says—to educate them.

Mr. SMITH of Georgia. No; the bill is to induce others to do it. It is to enlist the active work of existing agencies. It seeks to put them actively into the effort to remove illiteracy among those of mature age, which is a vastly different proposi-

tion. At this time, when we can show the harm of illiteracy among the grown, when we can appeal to the patriotism of the people, there is an opportunity to wipe out the illiteracy of those of mature years that has not existed before.

TIMBER FOR MILITARY PURPOSES.

Mr. FLETCHER. I move that the Senate proceed to the consideration of the bill (S. 3426) to empower the President to requisition timber and timber products for war purposes.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill.

The PRESIDING OFFICER. The pending question will be stated.

The SECRETARY. The pending question is on the motion of Mr. HARDWICK to amend the committee amendment proposed to section 2. The committee amendment is on page 3, lines 6 and 7, to strike out the words "the Secretary of War, to the Secretary of the Navy, and to the United States Shipping Board," and to insert "a department or agency of the Government designated by him for that purpose." To the part proposed to be inserted Mr. HARDWICK proposes to strike out the article "a" and to insert the words "any existing," so that it will read "any existing department or agency of the Government," and so forth.

Mr. FLETCHER. Mr. President, I think it was stated the other day by the chairman of the committee, and I quite agree, that there would be no objection to that amendment so far as we could see.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to. The question now is on the amendment as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The next amendment reported by the Committee on Military Affairs will be stated.

The next amendment was, in section 3, page 3, line 20, after the word "paid," to strike out "fifty" and insert "seventy-five"; in line 23, after the word "said," to strike out "fifty" and insert "seventy-five," so as to make the section read:

SEC. 3. That whenever any standing or fallen timber or any logs or manufactured lumber or other timber products shall be taken possession of by the President, or under his authority by virtue of the provisions hereof, and whenever any lands or premises shall be entered upon or occupied by virtue hereof, just compensation shall be made to the owner, which compensation shall be determined by or under the direction of the President, and if the amount thereof is unsatisfactory to the person entitled to receive the same, such person shall be paid 75 per cent of the amount so determined by or under the direction of the President, and shall be entitled to sue the United States and recover such further sum as added to said 75 per cent shall make up such amount as will be just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code.

The amendment was agreed to.

The next amendment was, in section 4, page 4, line 4, after the word "authorize," to strike out "in time of," and insert "during the period of the present"; in line 5, after the word "war," to strike out "to exercise the following powers"; in line 7, before the word "in," to strike out "To direct and prescribe"; in line 9, after the name "United States," to insert "Shipping Board"; in line 10, after the word "Corporation," to strike out "the manner of conducting all logging and lumbering operations"; in line 12, before the word "to," to strike out "The President shall have authority"; in the same line, after the word "issue," to insert "and enforce"; in line 15, after the word "operations," to strike out the period and insert a semicolon and the word "and"; and in line 16, before the word "to," to strike out "The President shall have authority," so as to make the section read:

SEC. 4. That the President is hereby authorized, during the period of the present war, in so far as may be necessary to insure an adequate supply of lumber and timber products required by the Army, Navy, and the United States Shipping Board Emergency Fleet Corporation, to issue and enforce orders to persons engaged in logging operations prescribing the length of logs which shall be cut in the course of such operations; and to issue orders to persons engaged in lumbering and in operating sawmills prescribing the dimensions of lumber and timber products which shall be manufactured in the course of such operations.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I know of one or two Senators who are interested in this measure, but I do not think they knew that it would come up at this time. I therefore suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Fletcher	Hale	King
Borah	France	Harding	McKellar
Chamberlain	Frelinghuysen	Henderson	McLean
Curtis	Gallinger	Hollis	McNary
Dillingham	Gerry	Jones, N. Mex.	Martin
Fall	Gronna	Jones, Wash.	New
Nugent	Shafroth	Swanson	Williams
Overman	Sheppard	Thomas	Wolcott
Owen	Smith, Ariz.	Thompson	
Page	Smoot	Warren	
Phelan	Sutherland	Watson	

The PRESIDING OFFICER. Forty-one Senators having answered to their names, a quorum is not present. The Secretary will call the names of absentees.

The Secretary called the names of absent Senators, and Mr. KENDRICK, Mr. STERLING, and Mr. UNDERWOOD answered to their names when called.

Mr. TILLMAN, Mr. JOHNSON of South Dakota, Mr. NORRIS, Mr. SMITH of Georgia, Mr. KNOX, Mr. KELLOGG, Mr. JOHNSON of California, Mr. POINDEXTER, Mr. COLT, and Mr. POMERENE entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-four Senators having answered to their names, a quorum is present.

Mr. FRELINGHUYSEN. Mr. President, is an amendment to this bill now in order?

The PRESIDING OFFICER. The committee amendments have not yet been completed.

Mr. FLETCHER. The committee amendments have not yet been finished. We are on section 5, and committee amendments are first in order.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment of the Committee on Military Affairs was, in section 5, page 4, line 21, after the word "any," to insert "of the provisions of this act or any," so as to read:

SEC. 5. That any person who shall willfully violate any of the provisions of this act or any order of the President issued under the authority of section 4 hereof shall be deemed guilty of a misdemeanor.

The amendment was agreed to.

Mr. JONES of Washington. Mr. President, I desire to ask the Senator in charge of the bill as to the committee amendment on page 2, in lines 6 and 7. I understand the committee amendment has been adopted. That amendment proposed at that point to insert the words "including Indian and military reservations." Does not the Senator from Florida think that forest reservations ought also to be included at that point? The Government of the United States has an abundance of spruce timber in the forest reserves, and it ought to have the right to go in and take it. We have a provision in the Agricultural appropriation bill authorizing the Secretary of War to do something of that kind, but the pending bill is likely to become a law before the Agricultural appropriation bill becomes a law, and I think we ought also to include forest reserves in this provision.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Colorado?

Mr. JONES of Washington. I do.

Mr. THOMAS. The Senator from Washington overlooks the fact that forest reserves are designed to conserve timber for great emergencies.

Mr. JONES of Washington. Yes; I know that.

Mr. THOMAS. And they must exist, if at all, only in the distant future.

Mr. JONES of Washington. But the trouble with it is, as it is now, that it seems when great emergencies arise we can not use this timber without going through all sorts of red-tape regulations, advertisements, and everything of that sort.

Mr. THOMAS. That goes to demonstrate that the present situation is not an emergency.

Mr. JONES of Washington. It may demonstrate that, but it does not prove it.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Florida?

Mr. JONES of Washington. I yield.

Mr. FLETCHER. I see no objection, if the Senator from Washington is addressing his inquiry to me, to including the amendment which he proposes. On the contrary, I think it would be advisable to do so.

Mr. JONES of Washington. Then, after the word "reservations," on page 2, line 7, I move to insert the words "and forest reserves."

Mr. FLETCHER. I have no objection to that amendment.

The PRESIDING OFFICER. The committee amendment has been agreed to, and it will be necessary to reconsider the vote by which it was agreed to.

Mr. FLETCHER. Mr. President, I do not think we need to reconsider the vote whereby the committee amendment was agreed to. The amendment now proposed is simply to insert after the committee amendment the words "and forest reserves."

Mr. FRELINGHUYSEN. Mr. President, I should like to ask the Senator from Washington whether the words "to enter upon any lands" do not cover forest reservations and whether the words "including Indian and military reservations" are not superfluous?

Mr. JONES of Washington. I am not so sure about that; but, in view of the committee amendment, I thought we ought to make it certain that forest reserves could be entered and timber taken from them without question.

Mr. FLETCHER. I think the amendment of the committee was really suggested by the Aircraft Board, and I see no reason why that suggestion should not be made to apply to forest reserves.

The PRESIDING OFFICER. Without objection, the vote whereby the committee amendment was agreed to is reconsidered. The question now is on the amendment offered by the Senator from Washington to the amendment reported by the committee. The Secretary will state the amendment to the amendment.

The SECRETARY. On page 2, line 7, after the word "reservations," it is proposed to insert "and forest reserves."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Military Affairs was, on page 4, in line 24, after the word "shall," to insert "for each violation," so as to make the section read:

SEC. 5. That any person who shall willfully violate any of the provisions of this act or any order of the President issued under the authority of section 4 hereof shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall for each violation be punished by a fine of not more than $1,000 or imprisonment for not more than one year, or by both such fine and imprisonment.

Mr. BORAH. Mr. President, section 5, beginning in line 24, provides:

That any person who shall willfully violate any of the provisions of this act or any order of the President issued under the authority of section 4 hereof shall be deemed guilty of a misdemeanor—

And shall be punished as provided for in the section. I am not going to object to this provision or insist upon its amendment, but in view of the terms of this bill it is going to be a very drastic measure if we include and make criminal acts violative not only of the provisions of the bill but of orders of the President, which may be wholly unknown to the party violating them. Without offering an amendment I wish to ask the Senator if he does not think that provision for the punishment of violations of the act is sufficient of itself? Why should a man 3,000 miles away from the seat of government, working on a forest in connection with the forest, be guilty of a crime for violating some orders of the President the existence of which he had no knowledge? This is a pretty serious matter.

Mr. FLETCHER. I appreciate the suggestion of the Senator, but the language "willfully violate any of the provisions of the act," is seems to me, would protect anyone who violated an order of the President without knowing of the existence of the order; in other words, it would seem that the expression "willfully violate" would contemplate a violation after knowing of the order, and, of course, the offender would not be liable to punishment unless his act was willful. I think that makes the bill free from the objection suggested by the Senator.

Mr. BORAH. Mr. President, under the meaning of the term "willful," as a legal proposition, I do not think that would be of very much protection, and particularly in view of the fact that the burden would be upon the one who violated the law to establish that fact, but I shall not urge the matter if the Senator thinks it is right.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is in the Committee of the Whole and open to amendment.

Mr. FRELINGHUYSEN. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed to strike out section 2, on page 3, and in lieu thereof to insert:

That when it shall become necessary for the military needs of this Government to enter upon any Indian or military reservation or any other Government or private property for the purposes herein provided all operations shall be conducted and controlled under rules and regulations having due regard for conservation, forestation, fire protection, and any and all other rules as shall be prescribed by the Forestry Division of the United States Department of Agriculture.

Mr. FRELINGHUYSEN. Mr. President, this bill is very broad in its powers, and under it practically any branch of the Government can enter upon private forests or public forests and cut the timber needed without regard to any restrictions or any rules or any laws.

One of the policies of our Government has been the conservation of our forests. There never has been heretofore any law that I know of that would permit any encroachment upon private forests, but this does. If these agencies are permitted to cut the timber without any restriction, we are going to subject our forests to the menace of fire; because what do these agencies know about taking care of the slashings, or cutting trees to a certain size, or protecting other trees of a type that they do not need? It is a very serious matter, I think, to allow these agencies that know nothing whatsoever about forestation to go in and cut without any restrictions.

I send to the desk a letter from the Assistant Secretary of Agriculture which relates to the experience in France in regard to forests, and I will ask that the Secretary read the letter for the information of the Senate.

The PRESIDING OFFICER. Without objection, the Secretary will read the letter.

The Secretary read as follows:

DEPARTMENT OF AGRICULTURE,
Washington, March 21, 1918.

Hon. JOSEPH S. FRELINGHUYSEN,
United States Senate.

DEAR SENATOR FRELINGHUYSEN: On June 5, 1917, Henry S. Graves, our national forester, was sent abroad at a request of the French Government to supervise the lumbering and forestry operations by the allied armies in the forests of France. My understanding is that this request was made because some of the allied forces that had been lumbering in the French forests had not always done their logging in such a way as to prevent needless injury to the forests.

Soon after this two regiments of foresters and lumberjacks were recruited in America and sent to France, where they are working in accordance with the rules, regulations, and methods established by Mr. Graves and his associates. The result is that the lumbering operations of the allied forces in France now are being carried on with a minimum of injury to French forests. The speed and efficiency with which lumber is being taken out has not been decreased, but rather the reverse.

Mr. Graves was first made major in the Reserve Corps and then a lieutenant colonel under Gen. Pershing.

Very sincerely, yours,
CARL VROOMAN,
Assistant Secretary.

Mr. FRELINGHUYSEN. The object of my amendment is to obtain in this country what was obtained in France.

Mr. SMITH of Arizona. Will the Senator permit me to ask what section he proposes to strike out?

Mr. FRELINGHUYSEN. Section 2.

Mr. SMITH of Arizona. I have not the section before me. Will the Senator read it?

Mr. FRELINGHUYSEN proceeded to read the section referred to.

Mr. SMITH of Arizona. The Senator need not read further. I have a copy of it now.

Mr. BORAH. Mr. President, would it not be possible to leave section 2 as it is, and simply add some provision with reference to the orderly method of cutting the timber, so that we could be protected in that part of the country where this timber stands from the danger which will inevitably follow from loose cutting and from carelessness in regard to this matter?

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Oregon?

Mr. FRELINGHUYSEN. I yield to the Senator from Oregon.

Mr. CHAMBERLAIN. I really would have no objection to the amendment proposed by the Senator from New Jersey if it were not for the fact that he has included all private property as well as Federal property, and he also strikes out section 2. I would have no objection to having foresting on military reservations and on the forest reserves conducted under the rules and regulations adopted by the Agricultural Department.

Mr. BORAH. Mr. President, aside from the question of private property, the Senator from Oregon knows quite as well as anyone in this Chamber of the danger from fire in our part of the country by reason of carelessness in cutting timber and by reason of carelessness on the part of people who go into the timber reserves for any purpose. There are literally millions upon millions of feet of timber lost every year through the carelessness of people who go about these forests, some legitimately about them and others otherwise. I think that under all circumstances and from every standpoint there ought to be a very strict rule here with reference to guarding the situation against indifferent and careless cutting and leaving the slashings and the débris behind. It would be simply a fire trap in some of these places. These men are engaged upon one enterprise, and they have in mind one object, and that is to get a certain tree, standing where it may in the forest; and they will not unless they are obligated to do so, have due regard to protecting the situation against fire. The fire situation with reference to these forest reserves in our country is not only serious from

the standpoint of preserving the timber but it is serious from the standpoint of protecting the communities near this timber.

Mr. FRELINGHUYSEN. Mr. President, I want to say this in addition to what I have already said:

At the present time, as I understand, there is a force of some 5,000 men employed in one of the Northwestern States taking lumber out of these forests, getting spruce out under the command of a man who has had no experience in forestry, and undoubtedly has not the authority or power to compel the observance of these rules. Therefore I think it is highly important that if we are going to allow people to go into the public forests, or even upon the private property of individuals, they should observe the law in regard to fire protection, because, unless they do, we might have a dry season this year, and millions of dollars' worth of lumber might be destroyed; and they should also observe the law in regard to cutting timber to certain sizes, and other protective features prescribed by the Department of Agriculture.

It is a serious matter to allow unorganized agencies to go into these public forests and private forests, and I think we ought to put a restriction upon these operations by such an amendment. I am perfectly willing to make my amendment a proviso to that section; but I do want the private-property owner protected as regards fire, and as regards the cutting of timber according to certain sizes, and other regulations which are prescribed for the protection of the private owner upon whose property the Government enters to cut his timber.

Mr. SMITH of Arizona. Mr. President, it seems to me it would be better to leave in the second section and add a proviso in the language of the Senator's amendment, for nobody can appreciate more than we men from the West the absolute necessity of protecting against fire in case of any very material cutting in these reserves.

I have been wondering why forest reserves are excluded. There is a great deal of timber in the forest reserves that ought to be cut.

Mr. FLETCHER. They have been included.

Mr. JONES of Washington. A provision to that effect has been inserted.

Mr. SMITH of Arizona. I am glad to hear it. That should be done. Now, the Senator can put in his proviso so as to make them cut just exactly according to the rules and regulations that have been established, and make them clear away from the ground the débris, dead portions of the trees, bark, and so on, so as to prevent fire.

As the Senator suggests, it would be criminal to allow cutting where they please by men unacquainted with it, and not very careful about the result of doing what they were sent there to do. I think that a tree cut or fallen in a forest that is not removed always remains as a menace to the perpetuity of that forest. We lose more every year in western fires than we cut in 20 years with sensible cutting, and it comes from just this kind of carelessness.

I suggest, then, that the Senator put in this language as a proviso to section 2, which looks all right enough, and in that way guard against any of the depredations and carelessness of which he speaks.

Mr. FLETCHER. Mr. President, manifestly it would have a very serious effect and almost destroy the bill to strike out section 2, because that gives the authority to carry out the law through such necessary existing agency as the President may designate. I would have no objection to a proviso to section 2 giving the Forestry Division jurisdiction over the method or plan of operation in respect to those lands where they now have jurisdiction. I do not believe you ought to extend that jurisdiction to private lands, with which they have nothing to do now, and that might hamper the operation of the act. If the Shipping Board, for instance, have to go to the Forestry Division and hunt it up and get it to prescribe rules and regulations before they can secure certain trees which they have found fit to build ships out of. the whole program may be delayed indefinitely.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Washington?

Mr. FLETCHER. I do.

Mr. JONES of Washington. I will suggest to the Senator that the Forest Service have rules and regulations with reference to cleaning up timber that is cut, and these regulations are published.

Mr. FLETCHER. Yes.

Mr. JONES of Washington. It would be very easy to furnish the war authorities with copies of these regulations, and then we either ought to require them through legislation to conform to those regulations, or, as the Senator from Idaho suggests, all that would be required would be an order from the President making them applicable to the taking of this timber, and then they would be required under those regulations to comply with the rules. I want to say that that ought to be done. There is a great deal of private property close to these forest reserves, for instance, from which they may get timber, and if they leave that in such shape that fire spreads it will get right into the forest reserve and cause very great damage.

I think that is a very important matter which ought to be taken care of.

Mr. FLETCHER. If the Senator will offer his proposal as a proviso to section 2, keeping section 2 as it is and merely offering his amendment as a proviso to section 2, I should have no great objection.

Mr. FRELINGHUYSEN. Mr. President, I am perfectly willing to make it a separate section or paragraph following section 2.

Mr. VARDAMAN. Mr. President, I ask that the amendment may be stated again.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 3, after line 10, at the end of section 2, it is proposed to insert as a separate paragraph the following:

That when it shall become necessary for the military needs of this Government to enter upon any Indian or military reservation or any other Government or private property for the purposes herein provided, that all operations shall be conducted and controlled under rules and regulations having due regard for conservation, forestation, fire protection, and any and all other rules as shall be prescribed by the Forestry Division of the United States Department of Agriculture.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey.

The amendment was agreed to.

Mr. CHAMBERLAIN. Mr. President, I assume that the numbers of the sections will be changed to conform to the amendment.

The PRESIDING OFFICER. The clerks are authorized to make the necessary changes in the numbers of the sections.

Mr. FRANCE. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 4, at the end of section 4, it is proposed to add the following:

Provided, That no such persons engaged in operating sawmills shall be required to saw lumber or timber products except to such dimensions as said sawmills may at the time of such order be equipped to produce.

Mr. FLETCHER. I think there is no objection to that.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to empower the President to requisition, for war purposes, timber and timber products, rights of way, and logging equipment; to construct and operate logging roads and sawmills; and fixing a penalty for the violation thereof."

REGISTRATION FOR MILITARY SERVICE.

Mr. CHAMBERLAIN. I ask unanimous consent that the Senate proceed to the consideration of Senate joint resolution 124.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent that the Senate proceed to the consideration of the joint resolution referred to by him, the title of which will be stated by the Secretary.

The SECRETARY. Joint resolution (S. J. Res. 124) providing for the registration for military service of all male persons citizens of the United States or residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution.

Mr. BORAH. Mr. President, in order to protect some Senators who want to be here, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	Martin	Sutherland
Bankhead	James	Myers	Thomas
Chamberlain	Johnson, Cal.	Nelson	Thompson
Colt	Johnson, S. Dak.	New	Tillman
Culberson	Jones, Wash.	Norris	Townsend
Cummins	Kellogg	Nugent	Trammell
Curtis	Kendrick	Overman	Underwood
Dillingham	Kenyon	Page	Vardaman
Fletcher	King	Phelan	Walsh
France	Kirby	Poindexter	Warren
Frelinghuysen	Knox	Robinson	Williams
Gore	McCumber	Shafroth	Wolcott
Gronna	McKellar	Sheppard	
Hale	McNary	Smith, Ariz.	

The PRESIDING OFFICER. Fifty-three Senators have answered to their names. There is a quorum present. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919.

Mr. CHAMBERLAIN. The Senator from Arizona [Mr. ASHURST] has very kindly been consenting to allow us to proceed with one of these military bills, and another was laid before the Senate just before a quorum was called. I ask the Senator if he will not lay aside the unfinished business for a little while longer?

Mr. ASHURST. A situation has arisen which requires some explanation from me, because I have told a large number of Senators that there are various matters in the Indian appropriation bill that would come up at 2 o'clock. I realize, of course, the importance of the military bill, and owing to its great importance I have no doubt that it can be disposed of in 20 minutes. I therefore ask unanimous consent that the unfinished business be laid aside for 20 minutes, which, of course, is ample to pass a bill of such tremendous importance as the bill the Senator has in charge.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The question is on the amendment offered by the Senator from New Hampshire [Mr. GALLINGER] to the amendment of the committee.

Mr. KIRBY. I understand that the Senator from Indiana [Mr. NEW] has offered an amendment. If he wants to discuss his amendment, I yield the floor to him. Otherwise I want to oppose the amendment.

The PRESIDING OFFICER. The amendment of the Senator from New Hampshire to the amendment of the committee will be stated.

The SECRETARY. Amend the amendment on page 3, line 4, by inserting after the words "divinity schools" the words "and students who are preparing for the practice of medicine and surgery in recognized medical schools."

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed to the bill as in Committee of the Whole?

Mr. KIRBY. What was done with the New amendment?

The PRESIDING OFFICER. The Senator from Indiana withdrew it.

Mr. NEW. No; I have an amendment which is not withdrawn and to which I desire to speak.

The PRESIDING OFFICER. The clerks at the desk informed the Chair that the amendment had been withdrawn March 23, 1918. The Senator can reoffer his amendment if he desires.

Mr. NEW. I never withdrew my amendment.

The PRESIDING OFFICER. That is the record on the bill. The Senator can reoffer it.

Mr. NEW. Then I will reoffer it.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. Add as a new section the following:

SEC. 5. That in addition to the persons subject to registration and selective draft under the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, all male persons between the ages of 19 and 30, both inclusive, shall be subject to registration and draft in accordance with the provisions of said act: *Provided*, That all registered male persons who have attained the age of 19 years shall be subject to military training in accordance with regulations to be prescribed by the President, but shall not be called for active service until they have attained the age of 21 years.

Mr. NEW. Mr. President, I desire to say a few things in reference to this amendment, promising not to detain the Senate, unless interrupted, more than 15 minutes.

Mr. President, I anticipate that every Senator who is opposed to universal military training will object to this amendment, for frankly that is what it calls for. But, if for the sake of argument their objections are conceded, I am wholly convinced that the certainties of the present and the prospects for the future make it absolutely necessary. Within the last few days I have heard it urged that this is no time to propose such a plan. Mr. President, as one American who is deeply impressed with the tremendous import of the existing military situation and desirous of doing now everything that is necessary to save it and not only to bring success to our cause, but to avert great national disaster. I am more than ever persuaded that the present is the time of all times when this step should be taken. Each day that passes makes it more conspicuously apparent that the United States entered upon this war most woefully unprepared. What we are to suffer by reason of this failure can not be foretold and can not be overestimated. It is my deliberate judgment that had the measure for which this amendment provides been made a matter of national policy when it was suggested to this body three years or more ago by my friend, Senator CHAMBERLAIN, and accompanied by substantial industrial preparation, as it should have been, this country would have been in condition to take such a part in the war upon its entrance as a belligerent that we would have before this been able to force a peace that would have been satisfactory and wholly creditable to the United States. There would have been no collapse in northern Italy, no Russian debacle. The saving in life and in money would have been beyond measure. Had we earlier devoted our energies toward preparation for war rather than to issuing pronouncements of terms on which we would make peace we would now be much nearer the day when our voice as to terms would command and receive more attention. But objection, sentiment, hesitancy combined to prevent anything that even approximated preparation, with a result that is now apparent—appallingly so. Mr. President, it is time the people should know the truth. If they are to be told anything, they should be told the facts and not half truths. Within the last few days I have seen statements given out from high places, for which the best that can be said is that they are perilously misleading. Anything that tends to keep the people from a realization of the truth is in my opinion a huge mistake. I have unlimited faith in our capacity as a Nation, if we but know our true condition, are not made overconfident through failure to realize it, and if we but know the extent and character of the task before us.

It is true that during the past year great things have been accomplished. It is true that we have built great docks in France, miles upon miles of them; that we have built a great railroad system over there; that we have built a great system of cantonments at home and have recruited an army of a million men; that we have trebled our Navy; that we are preparing—still preparing—a great equipment of aeroplanes; that we have adopted a machine gun which we believe superior to any yet devised, and which we are now ready to produce in quantities; that we have built great shipyards, and are now more or less ready to build ships; and that we have done and are doing many other things. But, sir, while this has been going on Germany has subjugated half a continent, at least temporarily.

Only a few days ago the junior Senator from New Hampshire, addressing himself to a bill then before the Senate, said that one could not rig a ship during a storm. That is exactly what we have waited to do. The junior Senator from Arkansas told the Senate the other day that before the end is reached the United States will have an army of 10,000,000 men in the field. I do not see how the Senator can hold such an opinion and vote against this amendment. To those who thought that statement extreme I would say that the situation to-day will not justify anyone holding it to be a wild prediction; and if not, from what source are these men to be drawn? Does anyone think we can win with the force we now have?

Mr. President, I am fully aware of the widespread objection to seeing the young men, the boys, go to war. No one regrets the necessity for it more than I. It is, indeed, an awful thing. But, sir, there are other awful things to contemplate, and while we are reflecting on the one we should consider the alternatives.

What of the men who fought the Civil War? We are all more or less familiar with the facts for the figures have been often published, but it can do no harm to repeat them here. Just what they show with regard to those who wore the gray I do not know, but the official reports of the War Department show that of all who wore the Northern blue 2,159,798 were boys under 21. Of these 1,151,438 were 18 and under. Of men over 22 there were but 618,511, and of all over 25 there were but 46,626. I have no doubt the same was true of the armies of the South. From this it will be seen that the boys of this country fought the Civil War. The one great fact disclosed by this is that the very class of men who waged that conflict and from which the best soldiers are conceded to come are left out of the present draft entirely. But, Mr. President, it is not contem-

plated by this amendment to send these boys into active service until after they are 21. What it does provide is that they shall be trained and prepared for service at a time and in a manner prescribed by the President. One of the best reasons for this is found in the fact—a fact known to everybody and testified to by Surg. Gen. Gorgas in the recent hearings before the Senate Committee on Military Affairs—that one of the chief causes of sickness among soldiers in the camps is that the boys do not know how to take care of themselves. This trouble would be remedied by a course of judicious training. It is a well-known truth that once trained and prepared, the very young men endure the rigors of a campaign better than their elders, accounted for by the resiliency of youth and their previous freedom from both mental and physical strain.

It will be urged, too, that the country boys can not be spared from the farms. This is at least partially met by the discretion vested in the President as to the time of year and length of period during which they will be called for training. He must be relied upon to obviate this objection to the fullest extent possible. I realize fully the predicament of the farmer and I would go to the farthest limit in an effort to enable him to adjust himself to it. I would like to see a draft measure passed that would take every loafer in this country, every man not already employed in some useful occupation directly contributing to war requirements or in some way contributing to the general public need, and send him to the farms. I will gladly vote for such a provision.

The further we go beyond the age of 21 the greater the number of exemptions because of dependency, accident, illness, and other causes. Inasmuch as this amendment does not call the boys to the colors immediately, it really adds nothing to their liability to service, for under existing law they are to be called at 21, and it therefore becomes a question of whether they shall be called trained and equipped for service or untrained and unfit and more most precious time lost in preparing them.

We now have the cantonments ready to receive them. If it be objected that their capacity is already taxed, I respectfully call attention to the recent public declaration by the Secretary of War that we are to send several hundred thousand men abroad at a very early date, in which case there will be ample accommodation for those herein provided for.

It will also be urged that we have not the officers who can be spared for the training of a new contingent. Well, Mr. President, that presupposes that we now have all the officers we can get. That we shall require more is most manifest if we are to have more men. Get the additional officers just as we have acquired most of those we have at present, through additional training camps and merited promotions from among those who have seen service.

Still another objection that has been offered is that the recruiting of a larger army may cause some other nation to doubt our altruism. Mr. President, our present extremity is so full of hazard and immediate peril that such an objection is not to be dignified with an answer. It is far more important that we set out resolutely upon the task of saving our own national honor, if not our national existence, than to be wasting time in reflection on what some one else may think of our purposes. Our intention is to win this war for ourselves, to preserve this Nation for the generations to come, to save this democratic Republic from the greatest menace of all time. To do this our present military force would appear to be but the beginning of what we must have. I would have the Kaiser understand from our fixed course that we are prepared and determined to fight it out for years if necessary, and to furnish as many men as may be required to complete the job.

There are some who contend that it is useless to provide such an army at this time for the reason that we have not the ships to transport them beyond seas, even though we have the men. Well, Mr. President, I have known men who might be classed as fairly conservative who have indulged a more violent assumption than that we may need our Army at home in the not distant future. As to that, it seems not unlikely that much depends on the strength of our present allies. But if we are to pursue our usual course and take it for granted that we are immune from attack, it is still true that it requires as much time to make a soldier as it does to build a ship. We are now launched upon a program to build a fleet of our own. Are we to run true to recent form and wait until we have the transports before starting on the year-long process of making the soldiers? Why not build both at the same time, so that when we have one we shall have the other and not have the ships held up indefinitely while we are making the soldiers they are designed to carry?

And then we are told that the present is no time to undertake such a step as is contemplated in this amendment, that we are at war, and the whole matter should be left until peace has been restored, when we may be in better frame of mind to consider this question. To admit this, Mr. President, is to adopt the philosophy of the gentleman who has been commemorated, if not immortalized, in the song known as the "Arkansas Traveler." Tradition does not make it clear whether he is historic or mythical, but it does tell us that he played the fiddle and that when asked why he did not put a new roof on his house, the old one being full of holes and leaking like a sieve, assigned as his reason for not doing so that it was because when it rained he could not and when it did not he did not need to. The same gentlemen who will argue that we should not do this now that we are at war will argue quite as volubly that there is no need for it after peace has been restored.

Who can tell how long this war is to last? If present indications are to be relied upon, it will not end soon. Are we prepared to carry it on for years? Not in our condition as it stands to-day. Let us realize, admit it, and prepare accordingly. We of this country have been a peace-loving people, opposed to war, and blindly oblivious to the fact that war comes to the unwilling as certainly as to those who seek it. We have hoped to keep out of war and have based our military policy upon our hopes and desires rather than upon our fears and the great underlying fact that wars have their origin in the brains of overambitious kaisers and in the weaknesses of human nature. We have ignored all the lessons of the past and blinded ourselves to our own experience and the experiences of others like us throughout the ages. We have been rigging our ship after the storm has broken. We have been training our Army and equipping ourselves for conflict after we have engaged in war. Is this policy to be continued or have we learned our lesson?

Mr. President, the time to demonstrate whether we have or have not learned it is here. There are some who oppose further military preparations in the belief that this is to be the last war. I get letters from them regularly. I would say to them that should this war end in a stalemate or in any other way than in victory for ourselves and our allies it is my belief that far beyond the day when these hopeful souls shall have passed from the scene the peace-loving United States will from very necessity be an armed camp, and that if there are to be no future wars it will be because no nation is left with strength and will sufficient to fight kaiserism. Should this amendment be rejected now, I feel certain I shall be called upon to vote for it or one like it before this session of Congress shall have adjourned. I believe the sound and sober judgment of the Senate is for it, Mr. President. I urge the adoption of this amendment here and now.

Mr. THOMAS. Mr. President, when the subject of universal military training was before the Committee on Military Affairs some two years ago I was opposed to it. It was my purpose at that time if it came up for discussion to speak and vote against it; but in view of the mighty events that have convulsed the world since then my convictions upon the subject have undergone a complete change, and as these mighty tragedies succeed each other so rapidly in these days I have reached the conviction that military training in the United States will very soon become a national necessity and essential to protect not only the institutions of the United States from autocracy but in all probability to preserve the Anglo-Saxon race and its institutions.

I want to see military training, therefore, as soon as we can adopt it consistently with the present demands upon our economic, industrial, and political resources. These are so stupendous now and will remain so absorbing for some time to come, embracing as they do military training as applied to those who are subject to military duty under the draft law, that I hesitate to vote for this amendment at the present time.

We are spending between $35,000,000 and $40,000,000 per day. We have been spending upward of $35,000,000 per day for a long time. This tremendous outpouring of the money of the people will increase instead of diminish as the days of 1918 go by. The demands now made for money for shelter, for uniforms, for armament, and for men will demand, as they have demanded, the extreme responsibility of the richest people in the world. Inasmuch as their resources are being and have been put to the test, we can not afford, unless it is absolutely necessary at this time, to increase the burden.

Some of the objections have been anticipated by the Senator from Indiana [Mr. NEW] in his very able presentation of the amendment, but, Mr. President, when they are considered seriously they seem to me to be absolutely prohibitive of the present favorable consideration or adoption of the amendment. I presume that there are reaching the age of 19 years in America annually between 600,000 and 750,000 youths. To train these youths as they should be trained requires an army of officers, and every competent, efficient officer in the country is at present

engaged in the service of his country. We have no surplus of officers. On the contrary, we are confronted with a deficiency. We can only supply officers for the proposed training camps by robbing the National Army, the Regular Army, and the National Guard of indispensable trainers and leaders. We can not train 600,000 young men with a handful of officers. We must have 40,000 or 50,000 of them, and they must be capable of transmitting instruction, which means that they in turn must have been trained as officers for that purpose

We can not use present cantonments for the housing of these young men, because while it is true that some of the cantonments will soon be vacated by their present occupants it is equally true that their places will be filled by the next call of the draft, and the officers necessary for their training are lacking. We must, therefore, if we are to call these men immediately——

Mr. ASHURST rose.

Mr. THOMAS. Just a moment. If we are to call these young men immediately from their schools and from their homes to the training camps we must build shelters for them in addition and supplementary to those which we have constructed for the National Army. I yield to the Senator from Arizona, although I intended to occupy but a moment longer.

Mr. ASHURST. I did not wish to interrupt the Senator, because he is making a very able speech on a matter which I would be glad to see incorporated into law as soon as possible. I simply rose to ask the Senator to yield to me long enough to have the unfinished business again laid before the Senate, because it was laid aside for 20 minutes only, and I observe it is now 10 minutes beyond the time. Of course, then the Senator can finish his very able speech, and I hope he will do so.

Mr. THOMAS. Mr. President, I have a very important meeting with the Committee on Military Affairs, which has been called for this moment, and I am so anxious to attend it that, if there were no other reason, I should certainly be compelled to abbreviate my remarks.

Let me add, Mr. President, to what I have already said upon the subject one or two other considerations. To properly train and equip a body of men both uniforms and guns are required. We are turning out both in considerable quantities now, but the demand for them at the front is insatiate. We are not at present, therefore, in condition to furnish either in very great quantity to a new and additional army of recruits in training.

Another consideration is the expense consequent upon it. That expense, Mr. President, will mount into the hundreds of millions of dollars. I do not begrudge it for a purpose of this kind; it may be absolutely essential to the salvation of American institutions, as I have said, but at this time and in this crisis I think this amendment should be postponed.

Mr. MYERS. Mr. President, I merely want to say that I think the amendment which has been offered by the Senator from Indiana [Mr. NEW] is one of the best and wisest of all the amendments that have been offered to any military bill which has been before the Senate since we entered the European war. It is one of the best and wisest suggestions that have been made to our program of military preparation. I am very heartily in favor of it and hope it may be adopted.

The young men who are 19 years of age, who, under its provisions, would be called to service, would not be required to go to Europe and to participate in the fighting until they should become 21 years of age. By the time they were 21 years of age they would constitute a splendidly equipped and trained army, having had two years of training. This is a splendid idea. It has much merit.

Mr. VARDAMAN. Will the Senator from Montana yield to me?

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Montana yield to the Senator from Mississippi?

Mr. MYERS. With pleasure.

Mr. VARDAMAN. The Senator from Montana is doubtless aware that there is a very great scarcity of labor in this country now. If all of these men are to be taken from the industrial walks of life and their time devoted to military service, where are we going to get food with which to sustain the Army and clothing for the people at home and for our allies abroad?

Mr. MYERS. My answer to that is——

Mr. KIRBY. Mr. President, I desire to make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NEW. Mr. President, will the Senator from Montana yield to me?

Mr. MYERS. I yield to the Senator from Indiana, who offered the amendment to which I have referred.

Mr. NEW. In answer to the point which has been suggested by the Senator from Mississippi——

Mr. KIRBY. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. KIRBY. I understand that the joint resolution, together with the amendment, has been laid aside and that the pending measure now is the unfinished business, the Indian appropriation bill; is that correct?

The PRESIDING OFFICER. The Senator from Arkansas is correct.

Mr. KIRBY. I merely wanted to know that.

Mr. VARDAMAN. If the Senator will permit me, a Senator is not compelled to stick to the text or confine his remarks to the question before the Senate.

Mr. KIRBY. That is all right; I merely wanted to know whether we were going to get any action on the joint resolution.

Mr. NEW. Mr. President, will the Senator from Montana prmit me to answer the question which has been asked by the Senator from Mississippi [Mr. VARDAMAN]?

Mr. MYERS. With a great deal of pleasure.

Mr. NEW. Taking the boys, as provided for in this amendment, will relieve us of the necessity of taking just that many older men. It is a fair presumption that the younger men are less skilled in labor than are their elders, and that by reason of their very youth they have not yet entered upon this call.

Mr. VARDAMAN. But the Senator from Indiana does not contend that we need these men now so much?

Mr. NEW. In answer to that I will say to the Senator from Mississippi that, in my judgment, we need these men now; we need them at this hour to put them in training, because it requires at least a year's training to make a soldier——

Mr. VARDAMAN. But we already have men drafted.

Mr. NEW. The testimony of Army men is that it requires 14 months to make a corporal.

Mr. VARDAMAN. But the Senator from Indiana is aware of the fact that we already have more men drafted for training than we shall probably be able to carry to the trenches in France this year.

Mr. NEW. I do not concede that point at all.

Mr. VARDAMAN. I hope the Senator's information is not as mine, because I should like to agree with him about that.

Mr. NEW. I agree with what the Senator from Georgia [Mr. SMITH] said on yesterday, which was, I think, that we must double our Army. I think we must do so, and that we must not only double it but that we must quadruple it.

Mr. VARDAMAN. With the indulgence of my friend from Montana [Mr. MYERS], I desire to say that I hope when we double it we shall raise the age limit instead of lowering it.

Mr. NEW. Possibly we may be required to do both.

Mr. VARDAMAN. I had rather take men of my age than to take boys, mere infants, who are not even permitted to vote. I would greatly prefer that those of us who have lived the larger part of our lives should be sacrificed if necessary to win this war.

Mr. NEW. I have no doubt the Senator from Mississippi shares my own willingness to see the age limit raised so that it will include ourselves.

Mr. FRELINGHUYSEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New Jersey?

Mr. MYERS. I yield with pleasure.

Mr. FRELINGHUYSEN. Mr. President, I will say for the benefit of the Senator from Mississippi [Mr. VARDAMAN] that these boys between the ages of 19 and 21 are not to be taken from their vocations and daily pursuits. The object of the amendment which has been proposed by the Senator from Indiana [Mr. NEW] is to take boys between 19 and 21 years of age, before they become of draft age, and to train them in the elementary principles of military drill. We begin to draft them at the age of 21. It has cost this Government millions of dollars, yes, billions of dollars, to take men at that age who are untrained. This is simply an insurance that the men who arrive at the age of 19, and who are between the ages of 19 and 21, shall obtain a preliminary military training, so that they will have a certain amount of training when they are drafted.

Mr. VARDAMAN. But the Senator does not think——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Mississippi?

Mr. MYERS. I yield to the Senator from Mississippi.

Mr. VARDAMAN. Does not the Senator think that, in order to train these men, they will have to be taken from their ordinary vocations?

Mr. FRELINGHUYSEN. That is left entirely to the President. Under this amendment I hope that some method may be

adopted which will provide for the training of these men in the localities in which they live.

Mr. VARDAMAN. It may be done. The time may be saved by some legislative legerdemain, like the daylight legislation. It may be that time may be saved in that way.

Mr. FRELINGHUYSEN. There is no legerdemain in this proposed legislation. This country at the present time, in my opinion, is menaced by one of the gravest dangers it has ever seen. The reason for that is that heretofore we have not properly prepared an army. This proposes to provide an insurance against the future that we shall train the young men. It is not proposed to create a military nation, but it is proposed in order that they may have the necessary elementary training in military principles. It will avoid the mistakes of the past and prepare for future contingencies in the event that they should arise.

In my opinion, at this time, Mr. President, we should be training 5,000,000 men to protect this country against the danger that confronts it. I do not think anyone should object to the passage of a measure which would provide that the youth of this country, at the age of 19, should be trained in the elementary principles of military drill.

Mr. MYERS. Mr. President, in further answer to the Senator from Mississippi [Mr. VARDAMAN], I will say that we also need more men—many more—on the firing line in Europe. I think we shall have to enlarge the draft age by going upward and downward before we win this war. As has been suggested by the Senator from New Jersey [Mr. FRELINGHUYSEN], I think we will probably have to put 5,000,000 men in this war before we win it. I think that the amendment offered by the Senator from Indiana is about the most sensible and meritorious suggestion that has been made in all of our discussions about war preparation. It wisely takes time by the forelock—something that we have not always done heretofore. I think the amendment by all means ought to be adopted, and I hope it may be adopted. I should like to say more in favor of it, but I do not care further to infringe upon the time of the Indian appropriation bill.

Mr. GALLINGER. Mr. President, I have been told that the joint resolution concerning the draft age has gone over. Is that correct?

The PRESIDING OFFICER. The joint resolution has gone over.

Mr. GALLINGER. I will take but a moment. I offered an amendment to the joint resolution, which I understand was agreed to in my absence—I was necessarily absent from the Chamber for a little while—relating to students in medical colleges. I want, Mr. President, to ask unanimous consent that there may be inserted in the RECORD an article which I clipped from yesterday's New York Times entitled "Mobilization of medicine for war." It is a most interesting article on that subject, and I ask unanimous consent that it may be inserted, without reading, in connection with the debate on this question.

The PRESIDING OFFICER. The Chair hears no objection, and it is so ordered.

The article referred to is as follows:

MOBILIZATION OF MEDICINE FOR WAR—HOW PHYSICIANS OF UNITED STATES HAVE BEEN ORGANIZED UNDER SURGEON GENERAL FOR SERVICE IN ARMY.

[By Caswell A. Mayo.]

In April the executive offices of the Surgeon General of the United States Army occupied four rooms in the great War, State, and Navy Building at Washington, and the functions of the office were performed by 6 officers and 20 clerks. Now there are attached to the Surgeon General's office 165 officers, who employ 545 clerks, and the staff fills five entire buildings and parts of other buildings, exclusive of the Surgeon General's Library, the Army Medical Museum, and the Army Medical School. Within a day 6,000 telegrams and 5,000 other communications have been received, replied to, and filed. The latest and most approved systems of filing records and correspondence have been installed under expert supervision, for the Surgeon General has called to his aid specialists in other fields, as well as in the field of medicine. He has called chemists and statisticians, bankers and efficiency engineers, sanitarians and electrical experts, architects and engineers, and assigned them to duty in his office.

The Surgeon General himself, Maj. Gen. W. C. Gorgas, was appointed to the office in recognition of the invaluable services rendered by him as Chief Sanitary Officer of the Panama Canal Zone. The study of his work there in protecting the laborers in the Panama Canal from infectious disease is one of the most brilliant chapters in the history of American medicine. Without that work the efforts of Goethals would have been as fruitless and as costly in lives and money as those of De Lesseps. The Surgeon General's still greater task now is to provide against every emergency which may affect the health and lives of millions of men taken from the fields, the farms, the factories, and the countinghouses of the country, gathered into camps for organization, and sent across 3,000 miles of ocean. He must know how many men will be taken sick, and where. He must know how many men will be wounded, and where, and he must have at those points adequate provision of expert surgeons and enlisted men, of medical and of surgical supplies, of food and of clothing, of housing and of transportation, so that at no time will any American soldier be sick without succor or lie wounded without aid.

In carrying out this gigantic task the Surgeon General has mobilized the medical forces of the country, calling into his office the leaders in every specialty of medicine and of surgery. At their desks as early as 7 o'clock in the morning will be found medical specialists whose professional incomes are written in five and six figures, but who have abandoned these incomes for the modest pay of a major, who have given up their luxurious homes for a Washington boarding house, and who, instead of enjoying a well-earned leisure, toil ceaselessly from early morning until late at night in their efforts to coordinate most effectively the work of the doctors in the war. It is for the purpose of doing justice to the attainments of these men that Gen. Gorgas is advocating scores of new commissions of high rank in the National Army.

Every morning at 7.30 the Surgeon General's truck delivers his mail at the Mills Building, at Seventeenth Street and Pennsylvania Avenue, Washington, in which are situated the central executive offices. The mail is distributed and on the desk of the officers for final disposition not later than 9.15. Within 12 working hours practically every communication received will have been acted upon and returned to permanent files. Here, as in every other phase of the work, a specialist has been employed, Capt. J. L. Gooch having been called from his position as subscription manager for the Butterick Co. to organize the office routine. The most approved mechanical devices, including statistical machines, have been installed under Capt. Gooch's direction.

A complete medical history is kept of every soldier and of every officer from the time he enters the service until he retires, resigns, or dies. A special fireproof building is now being erected which will be devoted exclusively to the care of these records, the preservation of which may be a matter of vital importance 50 years hence.

Attached to the Surgeon General's office are three representatives of the Royal Army Medical Corps of Great Britain—Col. T. H. Goodwin, C. M. G., D. S. O.; Capt. John Gilmour, of the Royal Army Medical Corps; and Lieut. Col. J. J. Aitken, of the Royal Veterinary Corps; and two representatives of the French Army Medical Service, Col. C. U. Dercle and Maj. Edouard Rist. These four surgeons act as liaison officers, keeping the Medical Department of the United States Army in touch with the medical services of Great Britain and France. They have made many informing addresses to medical societies all over the United States, and have given lectures at the Army Medical School.

The immediate staff of the Surgeon General comprises his personal aid, Maj. M. C. Furbush, M. R. C., of Philadelphia; Col. George E. Bushnell, M. C. (Medical Corps of the Regular Army); Col. Deane C. Howard, M. C.; and Lieut. Col. James V. Van Dusen, M. C. Col. Bushnell, besides being chief assistant to the Surgeon General, has devoted his special attention to the field in which he has won a unique reputation, that of the treatment of tuberculosis.

Gen. Gorgas has enlisted the cooperation of the leading surgeons of the United States as members of the "Rotary Surgical Staff." Among those Medical Reserve Corps officers who have already served for a period at the Surgeon General's office, and who are still subject to call from time to time as occasion requires, are Maj. William J. Mayo, former president, and his brother, Maj. Charles H. Mayo, now president of the American Medical Association.

The work of the Surgeon General's office is divided up among 17 general main divisions. The work of each division is practically independent of the others, though the work of all is coordinated. At the head of each of these divisions is an expert in that particular field, usually a medical officer of the Regular Army, who has around him a group of expert associates, many of whom are drawn from civil life.

On April 1 there were 700 medical officers and about 10,000 enlisted men in the Medical Department of the United States Army. There are now more than 17,000 medical officers in active service, and about 150,000 enlisted men in the Medical Department.

INDIAN APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919.

The PRESIDING OFFICER. The Secretary will state the first committee amendment which was passed over.

The SECRETARY. The first committee amendment passed over was, on page 5, line 21, under the head of "Suppressing liquor traffic," where the Committee on Indian Affairs proposed to insert the following proviso:

Provided, That the sale of anhalonium or peyote to an Indian, or its introduction into the Indian country, shall be, and is hereby, declared to be a violation of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506), and punishable in accordance with the penalties provided for therein: *Provided further*, That possession by a person of intoxicating liquors in the country where the introduction is prohibited by treaty or Federal statute shall be an offense and punished in accordance with the provisions of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506).

Mr. GRONNA. Mr. President, I ask that that amendment may go over for a while. I know there are some Senators who are interested in the matter who are not now present. I will therefore ask that it now go over.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

Mr. ASHURST. There is no objection to that.

The PRESIDING OFFICER. Without objection, the amendment will be passed over. The Secretary will state the next committee amendment which was passed over.

The SECRETARY. The next committee amendment which was passed over was, on page 33, after line 3, to insert:

The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States the sum of $4,000, or so much thereof as may be necessary, to be used in the construction of a suitable school building at the town of White Earth: *Provided*, That the

State school district in which the town of White Earth is located contributes a like amount, to be used in the construction of a building the total cost of which shall not exceed $8,000, the said appropriation to remain available until expended: *Provided further*, That when said building is completed it shall be turned over to the local school authorities of the said town of White Earth, and shall thereafter be operated and maintained by them, and Indian children shall at all times be admitted to said school on the same conditions as white children.

Mr. KELLOGG. I move that lines 4 and 5 of the amendment be stricken out and that in lieu thereof there be inserted the words:

There is hereby appropriated, out of the Treasury of the United States, the sum of $4,000.

I understand that to be satisfactory to the committee.

Mr. ASHURST. On Saturday, Mr. President, I was uncertain as to whether this appropriation was intended to be a gratuity out of the Treasury or out of certain Indian funds. I have since learned that it is not to be appropriated out of Indian funds, but ought to be simply a gratuity. Therefore I am very heartily in favor of the amendment to the amendment which has been proposed by the Senator from Minnesota.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The SECRETARY. The next amendment passed over is in the Montana items, on pages 34, 35, 36, and part of 37—passed over at the request of Mr. MYERS.

Mr. ASHURST. Mr. President, before we take up the Montana items I should like at this time to offer an amendment on page 27, after the numerals in line 17. I send the amendment to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Arizona.

The SECRETARY. On page 27, line 17, after the numerals "$10,000," it is proposed to insert the following:

Including the construction and equipment of necessary buildings on lands set aside by the State of Florida by act of its legislature for the perpetual use of said Indians: *Provided*, That the $8,000 appropriated by the act of March 2, 1917 (39 Stats. L., p. 976), for the relief, civilization, and education of the Seminole Indians in Florida, or such part thereof as may be available for the purpose, may also be used for construction or equipment of necessary buildings on the lands aforesaid.

Mr. ASHURST. Mr. President, in explanation of that amendment I wish, first, to say that it does not increase the appropriation, but is simply designed to make it available. I will ask the Secretary to read a short justification in support of the amendment.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

JUSTIFICATION.

In order properly to carry out the intent of Congress for the relief, civilization, and education of the Seminole Indians in Florida certain school and agency buildings are absolutely essential.

The Comptroller of the Treasury has decided (copy of decision attached) that no existing appropriation can legally be used for such buildings on land the title to which is in the State of Florida without specific authorization by Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona.

The amendment was agreed to.

Mr. STERLING. Mr. President, I wonder if the chairman of the committee will not be willing now to submit what I understand to be a committee amendment on page 71, in the items relating to appropriations for South Dakota?

Mr. ASHURST. I think I know something concerning the amendment, and, so far as I now know, I am very heartily in favor of it; but I rather think it will not be in order until the committee amendments have been disposed of.

Mr. STERLING. I am simply suggesting that the committee now propose the amendment before taking up the other amendment, which I understand may take considerable time.

Mr. ASHURST. Does the Senator refer to the proposed amendment on page 71?

Mr. STERLING. Yes, sir.

Mr. ASHURST. Will the Senator have his amendment read?

Mr. STERLING. Yes; I send it to the desk and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 71, at the end of line 6, it is proposed to insert the following:

That the sum of $2,801.50, being the unexpended balance of the sum of $5,000 appropriated by the act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1917," approved May 18, 1916, as a proportionate share of the cost of constructing a wagon road or highway through the Standing Rock Indian Reservation in Corson County, S. Dak., be, and the same is hereby, reappropriated for the purpose of such construction: *Provided*, That such sum shall be available until expended, and that the same shall be expended under the direction of the Secretary of the Interior in such manner and at such times as he may deem proper in the employment of Indian labor for the construction of such highway, and that the same shall be reimbursable from the Standing Rock Reservation 3 per cent fund under the act of February 14, 1913 (37 Stat. L., p. 675).

Mr. ASHURST. Mr. President, the committee has reported the amendment and authorized the chairman or some other member of the committee to offer it as a committee amendment.

The PRESIDING OFFICER. Does the Senator from South Dakota offer the amendment?

Mr. STERLING. I understand it is offered as a committee amendment.

Mr. ASHURST. It is.

Mr. STERLING. It is offered as a committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GRONNA. I call the attention of the chairman of the committee to an amendment on page 80, which was authorized by the committee on Saturday. I refer to an amendment to come in on page 80, line 2, to provide a small per capita payment to the Menominee Indians. I think the Senator from Arizona has the amendment, and I should like to have it disposed of.

Mr. ASHURST. It is true, as the Senator from North Dakota says, that the Committee on Indian Affairs held a meeting and authorized the chairman of the committee or some other member thereof to propose as a committee amendment the following: After the word "Tribe," in line 2, page 80, strike out the colon and insert a comma and the following:

A per capita payment of $50 to be made immediately after the passage of this act to each member of said tribe and the remainder of the share of each Indian to be deposited to his or her credit.

Mr. President, if that amendment should be adopted, then the language of the entire provision respecting the withdrawal of Menominee funds would be the same as in last year's bill. I now offer the amendment.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona will be stated.

The SECRETARY. On page 80, line 2, after the word "Tribe," it is proposed to insert:

A per capita payment of $50 to be made immediately after the passage of this act to each member of said tribe and the remainder of the share of each Indian to be deposited to his or her credit.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. OWEN. On page 66, after line 4, I propose an amendment, and I send to the desk a letter from the Commissioner of Indian Affairs in support of it. It provides for adding $15,000 out of the Chickasaw funds to the school at Tishomingo.

The PRESIDING OFFICER. Is it a committee amendment?

Mr. OWEN. No; I thought the committee amendments had been disposed of.

The PRESIDING OFFICER. The committee amendments are first in order and have not been disposed of. The Senator will please withhold his amendment for a few moments. The Secretary will state the next committee amendment passed over.

The SECRETARY. The next amendment passed over is in the North Carolina items, all of lines 6 to 25, on page 43, and lines 1 to 4, on page 44.

Mr. MYERS. Mr. President, are we now to proceed with the North Carolina items? If so, I should like to know why were the Montana items passed over?

The PRESIDING OFFICER. The Chair misunderstood the request of the Senator from Arizona. Without objection, the Montana items will be considered next.

The SECRETARY. The items referred to are on pages 34, 35, 36, and part of 37.

Mr. MYERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Montana suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gore	Kirby	Nugent
Bankhead	Gronna	Knox	Overman
Beckham	Hale	Lodge	Owen
Borah	Henderson	McCumber	Page
Chamberlain	James	McKellar	Phelan
Colt	Johnson, Cal.	McNary	Poindexter
Curtis	Johnson, S. Dak.	Martin	Reed
Fall	Jones, Wash.	Myers	Robinson
Fletcher	Kellogg	Nelson	Shafroth
Frelinghuysen	Kendrick	New	Sheppard
Gallinger	King	Norris	Sherman

Smith, Ariz.	Swanson	Vardaman	Williams
Smith, Ga.	Thomas	Wadsworth	Wolcott
Smoot	Tillman	Walsh	
Sterling	Trammell	Warren	
Sutherland	Underwood	Watson	

The PRESIDING OFFICER. Sixty-one Senators have answered to their names. A quorum is present. The Secretary will state the next committee amendment passed over.

The SECRETARY. The first amendment in the Montana items is, on page 35, after line 10, to strike out:

For continuing construction of the irrigation systems on the Flathead Indian Reservation, in Montana, $750,000 (reimbursable), which shall be immediately available and remain available until expended.

And insert:

For continuing construction, maintenance, and operation of the irrigation systems on the Flathead Indian Reservation, in Montana, $250,000 (reimbursable), which shall be immediately available and remain available until expended.

Mr. MYERS. Mr. President, I move to amend the committee amendment by striking out "$250,000," in line 17, page 35, and inserting "$500,000," and upon that I wish to be heard.

As the reading of the committee amendment discloses, it is intended to be the annual appropriation for the continuation of the work on the Flathead reclamation project, on the Flathead Indian Reservation, in the State of Montana. The appropriation for that purpose for the year 1916 was $750,000; the appropriation for the year 1917 again was $750,000, and for the appropriation this year the department made an estimate again of $750,000. That amount was put in the bill by the House Committee on Indian Affairs, in which this bill originated, and which reported the bill to the House, and the House passed the bill with that amount in it—$750,000. It came to the Senate, and the Senate committee reduced the amount to $250,000, and I wish to state what I consider some very urgent and cogent reasons why the amount should be increased at least to $500,000. I earnestly ask the attention of the Senators who are present to the reasons which I shall state. I will try not to make my remarks occupy an undue length of time. I simply want to cover the ground as well as I can without consuming too much time, and to state my reasons and urge the Senate to regard them favorably.

Mr. GALLINGER. Mr. President——

Mr. MYERS. I yield, with pleasure.

Mr. GALLINGER. For the purpose of acquainting myself with the facts in this case, I will ask the Senator how much money has been expended on this project up to the present time?

Mr. MYERS. I will tell the Senator; I have the figures here.

Mr. CURTIS. If the Senator has not the figures at hand I can give them to the Senator.

Mr. MYERS. I have them right here. If I am not correct, I would be glad to be corrected by the Senator from Kansas. There has been appropriated for this project, up to this time, according to the latest report of the Reclamation Service, the sum of $3,318,372. Has the Senator any further question to ask?

Mr. GALLINGER. One further question. How large an area is it in contemplation to irrigate?

Mr. MYERS. About 140,000 acres.

Mr. GALLINGER. And how much has been irrigated up to the present time, if the Senator pleases?

Mr. MYERS. About 80,000 acres have been put under the project and are ready for irrigation.

Mr. GALLINGER. Do the Indians control that or are white people interested in it to some extent?

Mr. MYERS. Neither one controls it. It is divided between Indians and whites, the Indians having allotted to them a little more of the area than is occupied by the white homesteaders; but, of course, it is controlled by Congress and the Reclamation Service.

Mr. GALLINGER. The matter that has always interested me—and therefore I have taken occasion to ask Senators like the Senator from Montana who know about these things, whereas I do not claim to know much about them——

Mr. MYERS. I am always glad to afford any information I can.

Mr. GALLINGER (continuing). Is the question as to how much development the Indians are showing in the matter of agriculture.

Mr. MYERS. They are developing slowly and steadily; some of them are taking to farming. A few Indians are taking hold of it successfully and in good manner. More are leasing their land. A large proportion of them, I admit, have not yet put it to use. If they will not farm, however, that should not be allowed to hold back the project and work an injustice to the innocent white homesteaders.

Mr. GALLINGER. I gleaned from some source, a little while ago, the suggestion that the white men were leasing these lands from the Indians——

Mr. MYERS. They are, to some extent.

Mr. GALLINGER (continuing). And getting the benefit of the irrigation.

Mr. MYERS. The lands of the Indians are subject to lease, and some of them have been leased and in that way cultivated and put to a useful purpose. More of their lands have been leased than have been farmed by the Indians themselves, I believe the facts show. However, if whites lease Indian lands, they cultivate them, put them to a useful purpose, and the Indians get the rentals.

Mr. GALLINGER. I thank the Senator for answering my question.

Mr. MYERS. I am glad to afford any information possible.

Mr. President, I contend that this is a subject which is vitally connected with our successful prosecution of the great war in which we are engaged. It was so regarded by members of the House Committee on Indian Affairs. It is so regarded by the Interior Department and the Indian Bureau, both of which concurred in recommending an appropriation of $750,000 for the project for the coming year. I insist most earnestly that it is vitally connected with and is a vital factor in the prosecution of this most tremendous undertaking of our national existence, the great war which we are waging in Europe. I shall try to show this beyond any doubt. These are most momentous times; this is a most important subject. Everything connected with the prosecution of this war is of boundless importance to the American people; and I shall try to show to the Senate that this proposition is connected most intimately with the successful prosecution of the war.

I shall try not to be too long. I shall try to be reasonably concise in my remarks; and I would like to have the earnest and careful attention of such Senators as are in the Chamber to the reasons which I shall submit, because I believe I can talk some reason to you and give you some facts and figures; I believe I can talk some sense to you, and that, if you will listen, what I may say will be bound to commend itself to your favorable consideration.

As I said, the departmental estimate for this purpose was $750,000 again this year, just as it was last year and the year before. I have no doub, that most of the Senators are well acquainted with the way in which these estimates are made. Of course, all of those who serve on committees which handle appropriation bills are thoroughly familiar with the procedure through which these appropriations pass in order to get before Congress; but for the benefit of those not on such committees and who have not given particular attention to the subject, I want to give a brief résumé of the history of such an appropriation as this.

These appropriations for governmental purposes must originate with the appropriate department of the Government; that is, in order to stand any chance of favorable consideration at the hands of Congress it is almost absolutely necessary for such a matter to have an estimate of a department back of it. The way this annual appropriation is handled is this:

The Reclamation Service makes out an estimate of what it will need for this project for the ensuing fiscal year—what it ought to have in order to reasonably prosecute the work. Then, when the Reclamation Service makes out that estimate and asks for what it wants and thinks it ought to have, the figures are submitted to the Commissioner of Indian Affairs, because this is on an Indian reservation and comes under his direct supervision. The Commissioner of Indian Affairs and his assistant take the figures furnished by the Reclamation Service, and if they think they are justifiable they approve them; if not, they cut them down and say that only a part of the sum asked should be appropriated. They make their recommendation to the Secretary of the Interior. The Secretary of the Interior then passes on the figures furnished by the Indian Bureau, and he has the privilege of paring them down and saying that too much has been asked. The Secretary of the Interior when he makes up his annual estimate of what his department should have for the different branches of its work makes his formal estimate and sends it to the Secretary of the Treasury. The latter official must have it in his hands immediately after the 15th of October. According to law, the Secretary of the Interior must make his estimate not later than the 15th day of October, and he sends it to the Secretary of the Treasury.

Mr. OWEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Oklahoma?

Mr. MYERS. With pleasure.

Mr. OWEN. Did the Reclamation Service call for $750,000?

Mr. MYERS. It did.

Mr. OWEN. Did the Commissioner of Indian Affairs ask for that sum?

Mr. MYERS. He did.

Mr. OWEN. Did the Secretary of the Interior estimate for it?

Mr. MYERS. He did. I am going to go right down the line and show who has asked for this.

The Secretary of the Interior turns his estimate in to the Secretary of the Treasury. The latter official takes all the estimates of all the departments and puts them together, and has the privilege of pruning, revising, and readjusting them. He can cut out any item or reduce any estimate as he may see fit. He puts them all together, when in shape to suit him, and sends them to the Speaker of the House of Representatives by the first Monday in December. The Speaker segregates the estimates and sends each of them to the appropriate committee, which, under the rules of the House, has the privilege of passing on it. This particular appropriation he sends to the chairman of the House Committee on Indian Affairs. The chairman of that committee lays it before the committee. The House committee decides whether or not it will put in the bill the amount asked. Then, of course, the bill is framed and introduced by the chairman of the committee and referred back to the committee, and the committee considers it and reports it out to the House.

Those are the steps that an appropriation of this kind has to go through, and the facts in this case are these——

Mr. OWEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana further yield to the Senator from Oklahoma?

Mr. MYERS. I do, with pleasure.

Mr. OWEN. Did the Indian Affairs Committee consider this item in the House?

Mr. MYERS. Yes.

Mr. OWEN. Did they approve it?

Mr. MYERS. They did.

Mr. OWEN. Why is it now reduced?

Mr. MYERS. I will get to that in a minute.

Mr. OWEN. That is what I want to know.

Mr. MYERS. It seems to me to have been the result of a very sudden spasm of unjust and unaccountable economy. That is all I can say about it. The members of the committee themselves, I suppose, can give their reasons, but this particular appropriation has now had this career:

Last August the Chief of the Reclamation Service made out a statement to the Indian Bureau, saying that for this project he needed and wanted and ought to have for the coming year the sum of $750,000. The Commissioner and the Assistant Commissioner of Indian Affairs took that application for that amount of money and put their stamp of approval on it, and said that this project ought to have, for the coming year, $750,000. They passed it on to the Secretary of the Interior. He reviewed it and put the stamp of his approval on it, and said that he wanted this project for the coming year to have $750,000, just as it did last year and the year before. He put that amount in his estimate. He sent it to the Secretary of the Treasury. The Secretary of the Treasury had the power of reducing it if he thought it too much. He virtually put the stamp of his approval on it by passing it on to the Speaker of the House of Representatives, with the recommendation that $750,000 be allowed. The Speaker sent it to the House Committee on Indian Affairs. That committee considered it and approved the sum and put into the bill $750,000, just what had been asked by all of the departmental officials. The bill was reported out of committee to the House, and the House passed the bill with $750,000 in it.

Thus, what have we up to this time? We have the Reclamation Service, the Commissioner of Indian Affairs, the Assistant Commissioner of Indian Affairs, the Secretary of the Interior, the Secretary of the Treasury, the House Committee on Indian Affairs, and the House of Representatives all granting $750,000 this year for this project. It came to the Senate Committee on Indian Affairs, before which I had the honor of presenting it, and after much debate and deliberation that committee reduced the amount to $250,000.

I can not understand why it did so, except that it appears to me to have been on account of a sudden and unexplainable streak of economy—the plea to reduce all appropriations to as low a figure as possible. This sudden streak of economy on the part of the Senate committee was very surprising to me, because every agency of the Government which up to that time had passed on the item had recommended $750,000.

Mr. OWEN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Oklahoma?

Mr. MYERS. I yield, with pleasure.

Mr. OWEN. Can not the Senator state what were the reasons alleged?

Mr. MYERS. Yes.

Mr. OWEN. And what the answer is to those alleged reasons?

Mr. MYERS. Yes; with pleasure.

In the first place, a lot of what I call disgruntled Indians came down here and appeared before the committee and made a fight on the appropriation; said it was not fair to the Indians and said the Indians did not want it; and I say they stated to the committee a lot of things that were not true. They said that the large majority of white homesteaders did not want this project to go ahead and that all of the Indians wanted it abandoned. There were no homesteaders here to speak from their viewpoint. None were heard, except by petition. A lot of telegrams and petitions for the appropriation and remonstrances against the statements of the Indians were received and presented to the committee. The Indians were here in person, however, claiming to represent all of the Indians on the reservation and opposing the appropriation.

Furthermore, some of the members of the committee contended that on account of the war in which we are engaged all reclamation projects should be cut down to the very lowest possible figure. The contention was advanced that they all should be cut down to just simply the amount of money necessary to keep the canals, the ditches, and the construction work heretofore done from deteriorating and going backward, just to keep the status as it is now and keep things intact, and to do no more construction work until the war is over; and then, some of them said, resume construction work after the war.

That is diametrically opposed to the idea of the Indian Bureau, the Interior Department, the House Committee on Indian Affairs, and the House of Representatives. I think we are in greater need than ever before of a liberal appropriation for a project of this kind. We have on our hands the most gigantic undertaking that has ever confronted any people on the face of the earth since the beginning of time, and that is the winning of this awful war against the central powers of Europe; and we not only need men and munitions with which to win that war, but we need food supplies for our own people, for our soldiers in Europe, and for the soldiers of our associates in this war, who are fighting our battles with us. We must have food for the winning of this war. To undertake to fight this war without an adequate supply of food would be just as futile and useless as to undertake to fight it without an adequate supply of ammunition.

Mr. KING. Mr. President, will the Senator yield to me?

Mr. MYERS. With pleasure.

Mr. KING. Apropos of the last observation submitted by the Senator from Montana, I want to suggest this thought to him, which, however, is in opposition to the position which he is now taking:

My information is that in the West—and I know it is true in my State—large areas that heretofore have been cultivated, and upon which agricultural crops have been grown in great abundance, will not be planted this year; and, of course, if the war is continued next year, will not be planted then, because of the scarcity of labor. It looks as if we will be compelled to take from the agricultural districts of the United States not thousands but hundreds of thousands and millions of men. I am inclined to think that the Senators to-day, if they had the opportunity, would vote for drafting at the earliest possible moment from two to five million more men. Now, if more men are taken—and they will be—there will be more fields uncultivated, unplowed; and it occurred to me as a member of the committee, and it occurs to me now, notwithstanding the able argument of the Senator, that it would be unwise to attempt to bring larger areas of land under cultivation now, because if we do get them so they are susceptible of cultivation we will not have the labor for the growing of crops.

I repeat, in my own State I know that there are large tracts of land that heretofore have yielded abundantly that will not be put into crops at all this year. Labor was so scarce last year that we could not gather all the crops that we grew. In the State of Idaho hundreds of thousands of bushels of potatoes rotted in the ground because there was no labor with which to dig potatoes. It seems to me that it would be unwise to divert the small amount of labor that we now have from absolutely imperative employment and put it upon unfinished projects—projects which can not be completed under one, two, or three years, and in the case of which, if completed, there will be no labor to devote to the irrigation of the land and the growing of crops.

Mr. MYERS. What would the Senator do? Does he think that the less land that is put in crops the better?

Mr. KING. No.

Mr. MYERS. What would he do—just submit without an effort to a decreased area of cultivation?

Mr. KING. No. If the Senator will pardon me, I think that the land now under cultivation will be more than we can take

care of, and that any augmentation of the acreage will not increase the crops, and it will take from the fields of labor men that could be advantageously employed in things that are imperatively required to work upon reservoirs and canals which it will take years to complete, and in the case of which, when completed, there will be no men to till the soil until long after this war is over.

Mr. MYERS. Mr. President, the information which the Senator gives about his State, according to my understanding, does not apply to Montana. The advices that I get from Montana are that the people there are preparing to put a larger area in crops than they did last year, a larger area than ever before; and the people on the Flathead Reservation, under this reclamation project, are planning and intending, if they can get water, to put in larger crops than ever before. The people there are desperately in earnest. They are willing for the women and the children to go into the fields and help raise crops with which to fight our battles in Europe if they can only get water to put on the land.

As far as the cultivation of crops is concerned, I realize that the scarcity of labor, as the Senator from Utah says, is a serious factor; but, in my opinion, we will have to resort to many things in this country before this war is over which we do not now seriously contemplate. In my opinion, before this war is over women will have to go into the fields and do the work of men, just as women by the thousands in industrial enterprises and factories and shops and on railroads in Great Britain are now doing the work of men. We will have to send women and children into the fields in order to raise crops in this country. We will have, possibly, to take young men out of college, and boys out of school, in order to till the soil and raise the crops in order that those who fight for us may have food, and may continue to fight, and fight effectively.

A gentleman who arrived in Washington the other day told me that as he was coming through the State of Ohio he saw, as he looked from the car window, a man plowing in a field, breaking up a field with a double team and plow, and right behind him, following him, was a woman with another team and plow, turning under just as much soil as was the man. I do not believe that the people of Ohio are more patriotic or energetic or determined than the people of the rest of the country upon an average. I hope not. I am sure they are no more so than the people of Montana; and we must raise the food. We must produce the food in some way. Before the close of the war we may have to conscript people to work in the fields. I believe that it probably will be a long war, lasting several years yet, and that we shall need to bring under cultivation many acres that are not now cultivated in order to supply our troops and those of our associates with adequate food supplies.

I want to give utterance now, in a systematic way, to a few facts about this project.

It was authorized and started by act of Congress about nine years ago. The Flathead Indian Reservation was thrown open to allotment to Indians and to settlement by homesteaders on the unallotted land about 10 or 11 years ago. The Indians were given the first choice of the land. They were allowed to take their allotments first, thus giving them the choice of the land, which I think was right. Then the balance which was not taken by them in their allotments was thrown open to a form of homestead entry—sale really at the appraised value of the land; most of it at not less than $1 nor more than $7 per acre on 10 years' time, and that time has since been extended to 20 years. The reclamation project, putting water on the land by the Reclamation Service, was authorized and work began about nine years ago, and it should have been completed long ago. It would have been economy, wisdom, and business sense to have completed it long ago.

The irrigable area of this reservation comprises about 140,000 acres. About four-sevenths of it is comprised of Indian allotments. The other three-sevenths was thrown open to sale and entry to homesteaders. Thus the Indians have a little more than half of the irrigable land. There have been about 47,500 acres entered by homesteaders. The Indian allotments amount to 81,375 acres. There are 11,000 acres of State land and 900 acres of privately owned land. There has been up to this time water provided for 80,300 acres. The area yet to be covered by water is 59,700 acres. Thus about four-sevenths of the land has been covered by water—that is, water has been provided for it—and about three-sevenths of the area must yet be provided with water. Therefore the project is a little more than half completed. Of the 80,300 acres for which water has been provided the officials of the Reclamation Service state that about fifty or sixty thousand acres are Indian allotments. The water was put on the Indian allotments first, so the Indians could have no ground for complaining that the project was being finished for the benefit of the white settlers in preference to the Indians.

The intention, the idea of the Reclamation Service, was to provide water for the Indians first, and give them the first opportunity; and, as I said in response to a question by the esteemed Senator from New Hampshire a little while ago, the Indians are slow about taking up actual cultivation of the land. As a rule, they are not farmers. They must be educated up to the point of farming and cultivating their land. They are slow about it, but each year they are taking more and more to it. Some of them are cultivating their lands now. Others are leasing their lands to men who do cultivate them; and the hope and belief is that year by year more Indians will become actual farmers, and thus become self-supporting and valuable citizens and contribute to the support of their Government.

When the project was thrown open it was divided into irrigable and nonirrigable land. Some of it was not suitable for irrigation. It was on high bench lands and hillsides where water could not be easily put, and it was more suitable for grazing. There the units of allotment to the Indians are 160 acres. The irrigable part of the project, down in the lowlands, which it is intended to cover with water, or which have already been covered with water, was divided into units which average something more than 40 acres. They run from 40 to 80 acres, according to the nature of the land and the location. The Indians were allowed to take their allotments either of irrigable land or of grazing and nonirrigable land. They were allowed their choice. Some took grazing land, and they will not be subjected to one cent of cost on account of the project. Other Indians took irrigable land, and of course will have their lands covered by water and will have their share of the cost of the project charged to their land.

Mr. OWEN. Mr. President——

The PRESIDING OFFICER (Mr. TRAMMELL in the chair). Does the Senator from Montana yield to the Senator from Oklahoma?

Mr. MYERS. I yield with pleasure.

Mr. OWEN. Will it interrupt the Senator if I ask how many acres were actually cultivated last year?

Mr. MYERS. Eighteen thousand two hundred and forty acres under the project.

Mr. OWEN. Eighteen thousand acres that could be supplied with water?

Mr. MYERS. Yes; 18,240 acres were supplied with water and cultivated by irrigation.

Mr. KING. Will the Senator permit me?

Mr. MYERS. Certainly.

Mr. KING. The Senator from Oklahoma asked the Senator from Montana how many acres were cultivated. The Senator answered, as I understood him, that there were 18,000 under the project——

Mr. MYERS. Cultivated. I say 18,240 acres were irrigated and cultivated.

Mr. KING. Were there crops raised upon that 18,240 acres?

Mr. MYERS. Yes; the report of the Reclamation Service so shows.

Mr. KING. I know one reservation in my State in which the Indians are interested and the Government flowed a large amount of water primarily for the purpose of holding title, because, as the Senator knows, unless they use the water they may lose it by abandonment or alleged abandonment. I know that in the instance to which I referred the land was not cultivated. Water was just scattered over the land.

Mr. MYERS. That is not the case here.

Mr. KING. I was wondering if this is in actual cultivation.

Mr. MYERS. It is.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Kansas?

Mr. MYERS. I yield, with pleasure.

Mr. CURTIS. I know the Senator has no desire to make a misstatement. The records show that for the year 1917 only 969 acres were farmed by the Indians.

Mr. MYERS. I have not stated how many acres were farmed by the Indians. I gave the total.

Mr. CURTIS. I want to give the total, as the Senator made a mistake about the amount farmed.

In 1917 only 1,700 acres were farmed by lessees. According to a list furnished me by the department only 2,548 acres were farmed by white settlers.

There was an increase of acreage cultivated after the last report, as testified to by the Chief of the Reclamation Service.

Mr. MYERS. I call the attention of the Senator from Kansas to the nineteenth line on page 370 of the sixteenth annual

report of the Reclamation Service for 1916 and 1917, which says:

Area under water rental application, season of 1917, to June 30, 18,240 acres.

I have the authority of the Reclamation Service in its official report, and that is all I can give.

Mr. CURTIS. I hold in my hand the statement sent to me by the Commissioner of Indian Affairs, and furnished as I was informed by the Reclamation Service. This was sent me during the hearings on the Indian bill. Here is the sheet. I do not know which is right.

Mr. KING. Will the Senator permit me?

Mr. MYERS. With pleasure.

Mr. KING. I think there is a good deal of distinction between water under rental and land actually cultivated. I can conceive that individuals might rent water for 100 acres or a thousand acres and actually cultivate only a few acres. The statement read by the Senator from Montana, from the report now in his hands, indicated water rental rather than land actually cultivated. So the Senator from Montana may be right and the Senator from Kansas may be right, the latter stating that only two or three thousand acres, possibly 4,000 acres, were cultivated, and the Senator from Montana stating that there were 18,000 acres of water rental.

Mr. MYERS. Does the Senator from Utah think in the hard times that have existed on this project, with settlers struggling with might and main to make ends meet and to make payments on their lands, they would pay rental for water on land that was not used? Does the Senator think that is reasonable?

Mr. KING. Perhaps the same plan or an analogous one is pursued here as that in the case to which I referred in the State of Utah. I know upon Indian lands a large number of white people went and a man would actually farm only a few acres but would turn water out upon a large area. Doubtless he paid a small rental for the water.

Mr. MYERS. That was not the case here. Mr. Bien, of the Reclamation Service, who was before the Senate committee, testified, according to my recollection, that 18,000 acres were actually cultivated. I think I can find it in his testimony. It is on page 318 of the Senate hearings on this bill. Mr. Morris Bien, of the Reclamation Service, testified as follows:

On account of the large spread of the project, and also because of the first policy adopted by Congress to reach the land of the Indians, the work was quite scattered. The idea was to reach as many of the Indian allotments as possible, so that a large territory was covered for the purpose of delivering water to those Indian lands where the owners desired to irrigate. So there has been invested a considerable sum of money, amounting to somewhere in the neighborhood of two million and a half dollars, to get the water to places where it could be used. The result has been a gradual increase in the area that could be irrigated from the system as constructed.

In 1910 and 1911 we began with 10,000 acres to which water could be furnished. That increased from year to year until now over 80,000 acres can be furnished with water from the existing system.

Senator MYERS. You say 80,000 acres can be furnished now?

Mr. BIEN. Yes, sir—80,300 acres. In the annual report of the Reclamation Service that has just been issued, on page 373, there is a statement of the acreage irrigated each year. That began with 2,191 acres—

I ask the Senator to observe this testimony. He says here:

there is a statement of the land irrigated each year. That began with 2,191 acres and increased to 6,400 acres in 1914; then it diminished in 1915 and 1916 to between 3,000 and a fraction the first year, 1915, and 4,000 or a ittle more in 1916.

Senator NUGENT. Six thousand four hundred when?

Mr. BIEN. Six thousand four hundred and sixteen in 1914. For 1917 our annual report, which has just been issued, made an estimate from the appearances early that year as 4,200 acres, due to the fact that up to that time the applications for water were coming in very slowly. However, as the season advanced, the rainfall which was expected did not materialize, the streams were very dry, and the people rushed in to get water, so that nearly 16,000 acres were brought under irrigation.

Senator CURTIS. When was that?

Mr. BIEN. Last year: in the middle of the year.

Senator CURTIS. In the middle of 1917?

Mr. BIEN. Yes, sir.

Senator CURTIS. How many thousand acres did you say?

Mr. BIEN. Nearly 16,000.

Senator GRONNA. Do you mean by that that they were under cultivation?

Mr. BIEN. Under irrigated cultivation, and crops being raised. That was actual acreage for which we had crop reports.

I ask the Senator's attention to that. By the middle of the growing season of 1917, Mr. Bien says 16,000 acres were under irrigated cultivation on which crops were being raised; that that was the actual acreage for which he had crop reports. That is as strong testimony as I can give. I can not give any better. The official reports of the Reclamation Service show that in 1916 the area under the project under actual irrigation and cultivation was 4,373 acres, and that in 1917 it leaped to 18,240 acres, showing a tremendous increase, thus showing the increased interest in and the growing success of the project. As I have said, the most of that area, by far the greater part of it, was cultivated by white homesteaders. The Indians have the more land under water, but they do not take to farming so readily, but their interest is increasing. With 18,240 acres actually cultivated last year, as against 4,373 the year before, I am assured there will be an equal increase this year if the work will only be allowed to go on. I am assured that the white homesteaders will put in crops every acre of their land under water and will cultivate far more than was cultivated last year.

Mr. WALSH. Mr. President——

Mr. MYERS. I yield with pleasure to my colleague.

Mr. WALSH. I desire to inquire of the Senator from Kansas whether the figures he has given the Senate can be made to harmonize with the testimony of Mr. Bien?

Mr. CURTIS. I understood that the explanation was made in this way: The figures were for the year 1917. After the war was declared the Commissioner of Indian Affairs got busy and secured leases on two or three thousand more acres during the summer and fall. I asked Mr. Bien to explain the difference, and my recollection is that that was the explanation—that the land was leased after the middle of 1917, and these reports are supposed to be made about June 1. These figures, however, were presented while the bill was being considered by the Senate committee. I asked for an official report, and I have here the official report I received in response to my request.

Mr. MYERS. I have read here Mr. Bien's testimony before the committee, which says that up to the middle of the crop season for 1917 there were 16,000 acres under irrigated cultivation for which the reclamation officials had crop reports. I have read from the official report of the Reclamation Service for 1916–17, which says the total area for the season 1917 under water-rental applications was 18,240 acres. So, if there was water used or paid for on any area of land which was not actually used on the land, as the Senator from Utah [Mr. KING] seems to think might have been the case, it could only have been the difference between 18,240 acres and 16,000 acres for which Mr. Bien said they had crop reports. This is the official report, and that is all that I can go by. I will resume the data which I was giving.

There has been appropriated up to this time for the project the sum of $3,318,372. About four-sevenths of the project has been completed; about three-sevenths remains to be completed. To complete the project there will have to be expended yet about $2,750,000, quite a little less than has already been expended. To expend the $2,750,000 necessary to complete the project at the rate of $250,000 a year would take 11 years, when they have been working already about 9 years on the project. That would make a total of 20 years to put water on this land. How manifestly and grossly unjust that would be to the settlers, the homesteaders, who, with their families, were induced by the Government to go there and enter that land and put in their time and services and labor and expend their earnings and savings, their all, under the expectation, a reasonable expectation, that the Government would complete this project within a reasonable time! They bought the land at the Government's figures; they paid the appraised price for the land; they went there and put improvements on the land; they put in their time and labor preparing it for cultivation. Their families put in their services. They undertook to make their homes there. The land is practically worthless without irrigation. The most of it will not raise enough for seed for the next year without irrigation.

These people were invited to come there from the East and other sections of the country and to buy this land at the Government's own price, expecting to be able to cultivate the land and make money out of the land with which to pay for the land. They can not do that until water is put on the land, and they had a right to expect that water would be put on the land within a reasonable time. Yet at the present rate of procedure it will be 20 years that those people will be required to starve and struggle in the hope of establishing their homes and reclaiming farms on which they can make a living for their families. Yet if the appropriation should be continued at the rate of $750,000 a year, the rate which was established year before last, it would take only a little over three years—between three and four years—to complete this project.

I wish to refer a little to some history of the project. When this land was thrown open, it was advertised and made known by the Government that the land was arid land and that it would only produce crops successfully by irrigation. It was advertised and made known that the Government would start a reclamation project there and would put water on the land, and on those terms people were induced to go there and buy the land and undertake to cultivate it and make homes on it. They went there at the express invitation of the Government, on those terms and conditions. Yet for about seven years the Government doled out annual appropriations of

$200,000, $250,000, and $300,000, the last sum being the largest that was appropriated any year during the first seven years, I believe. It was going at a rate that would have taken 40 years to complete the project.

But year before last, in 1916, the Indian Bureau and the Interior Department seemed at last to awaken to the just needs of the homesteaders that water be put on the land more expeditiously. The Interior Department made an estimate and recommended for that year an appropriation of $750,000 and the poor homesteaders took heart; they thought they saw the light of a better day coming, when the project would be pushed more speedily to completion. In 1917 their hearts were again gladdened by an appropriation of $750,000, and they took stronger hope and felt and believed that in three or four years more the project would be completed and water would be put on all the land and then they would know what the expense would be of putting water on the land, what the construction charges would be, and what would be the amount of the lien on their lands. They felt they could go to work with renewed hope and energy and complete payment on their homes and become useful citizens and help to support their Government.

But, greatly to their chagrin and disappointment, the Senate committee now takes a step backward and goes back to the old rate of about $250,000 a year, which, as I said, will yet take 11 years more to complete this project, and the homesteaders are desperately disheartened and discouraged, and naturally so.

I claim that there is no business sense in proceeding at that rate to complete this project. If a man is going to build a business block that is to cost $40,000, there would be no business sense or judgment in putting $500 a year into the building and taking 80 years to complete it. He would rush it to completion as rapidly as he could, even if he had to borrow the money with which to do it, in order that the building might be occupied or rented, and might bring in some revenue and serve the purpose for which it was erected.

I claim that the same business principles apply to this project, and unless we go ahead with due diligence and complete the project within a reasonable time, I claim we are doing a gross injustice to the white homesteaders and as well to the Indians on the reservation.

The plan of the project is that the Indians are allotted a certain amount of land per capita. Then the rest of the land is sold to homestead entrymen. They are to pay the appraised price. That price goes to the Indians. The whites pay for putting the water on their land—the white mans' land—in addition to the price of the land. The money realized from the sale of the land is to go to the Indians. Now, the homesteaders can not pay for their land, they can not meet their payments, until they can make it out of the land. They can not make it out of the land until water is put on the land, and the longer this is delayed the longer the Indians are going to be kept out of their money.

If the water is speedily put on the land, so the homesteaders can raise crops on their land, the sooner they can pay for their land and the Indians will get their money the sooner. It would be justice to both homesteaders and Indians to complete the project as soon as possible, in order that the homesteaders may pay for their lands and the Indians may get their money the sooner.

I claim there is no justification for killing this project by a slow process of strangulation. It should be either rushed rapidly to completion or totally abandoned. Now, an appropriation of $250,000 per year is doing neither. It is not doing justice to anybody. It is not rushing the project speedily to completion and it is not killing it; it is just drawing out the agony, extending the suspense, and preventing the homesteaders from being able to make a living and paying for their land, and it is keeping the Indians out of their money. Furthermore, the overhead expense is far greater when construction proceeds slowly than when it is rapid.

Something was said before the committee about the project being unfair to the Indians. I thought that was all settled. The first few years after this project was started the principal opposition came from the Indian Bureau, on the ground that the provisions of the law were not fair to the Indians, in that the law held the lands of the Indians for the cost of putting the water on the white man's land. There was a show of reason in that contention, and the Indian Bureau held back the project for a long time by refusing to make liberal estimates for the construction work. But we finally got that all adjusted. We adopted, about three years ago, an amendment to the law which overcame every objection which the Indian Bureau had, and we adopted further amendments to the law year before last which I thought overcame every objection which had been advanced by any member of the committee or by the Indians themselves. The way the law now is, those Indians who have grazing lands—nonirrigable lands—above the project can not have their lands held at all for one cent of the cost of this project. Their lands are free from the cost of the project. As to the lands which are under the project, the cost of putting the water on the land of the Indians is a lien on the land of the Indians and the cost of putting water on the land of the white homesteaders is a lien on the land of the white homesteaders. I consider that entirely fair, and under the terms of the law as it now exists there is no possibility by which any Indian having land under this project could lose his land or have it taken away from him for the cost of putting water even on his own land. The cost of putting water on the lands of the whites must be paid for by the whites in annual installments covering a period of not to exceed 20 years from the time that they entered the land. They pay for putting the water on their land. The cost of putting the water on the land of the Indian allotments which are under the project becomes, it is true, a lien on the Indian land, but there is no provision of law for enforcing it or taking the land away from the Indians.

The lien on Indian land can only be enforced in this way: The Indians are to get large amounts of money from the sale of land to homesteaders and from the sale of the timber and from grazing permits and leasing. All that money goes into the tribal funds of the Indians, and in time there will be a large amount of money to the credit of the Indians, and in time it will be proper to distribute that money to the Indians as they become competent to manage their affairs. Then when an Indian who has an irrigated piece of land becomes competent and wants his share of the tribal fund the cost of putting the water on his land will be held out of his share. For instance, if the cost of putting the water on his land is $2,000 and there is $4,000 coming to him there will be $2,000 held out on account of the lien and $2,000 in cash will be paid to him.

Mr. CURTIS. Mr. President——

Mr. MYERS. I yield with pleasure.

Mr. CURTIS. I ask the Senator if he knows what the policy is going to be toward those Indians to whom patents in fee have just been issued, whether there will be any attempt to enforce the lien against their land now that a patent in fee has been issued?

Mr. MYERS. There is no provision in the law for taking their land away from them. There is a lien on it for the cost of putting the water on it. If they sell their land, the man who buys it must pay to the Government the cost of putting the water on the land and the balance to the Indian, and when an Indian's share of the tribal funds is to be turned over to him the cost of putting the water on the land is to be held out and, of course, the balance is to be paid to him.

Mr. CURTIS. Mr. President——

Mr. MYERS. I yield with pleasure.

Mr. CURTIS. The Senator said the cost of the project was a lien on the land if the Indian sold the land on which a patent in fee had been issued.

Mr. MYERS. I understand so. When sold somebody should pay for putting the water on it.

Mr. CURTIS. Does the Senator contend that the Government has a right to put a lien on that Indian allotment?

Mr. MYERS. I understand that the law so provides; but there is no provision for taking the land away from the Indian.

Mr. President, I contend that unless Congress makes larger appropriations than this bill provides for this project, and pushes it to a speedy conclusion, it will not be keeping faith with the homesteaders. Those men were invited to go there, and they have paid their filing fees to the Government. Some of them have made one, two, three, or more payments on their land, and the United States has their money right now. It has in its Treasury their money, which it has taken away from them on the assurance that water would be put on their land; and it was a reasonable conclusion that it would be put on the land within a reasonable time and that the project would be pushed to completion with all due diligence.

Now, would we be treating those people right if we dallied along with this matter and dragged it out over 11 years more, making 20 years, all told, for the completion of the project? I claim that it would be a violation of good faith on the part of the Government with its citizens who have entered that land.

It is true that there was something said in the committee about the necessity of reducing expenditures during war time; that we should stop these appropriations during the war; but I say the fact that we are engaged in war is no excuse for the United States Government treating its citizens unfairly or dishonestly; it is no excuse for the United States Government

refusing to discharge its just obligations. Would anybody argue that an individual should not pay his debts or discharge his just obligations because the country is at war? No; that would be an absurd claim; and the same principle should apply to the United States Government. Individuals owe obligations and debts, and they are required to pay them, war or no war. The United States Government owes obligations to these homesteaders, and it should discharge them, whether we are at war or not.

I want to show the feeling of the homesteaders there to some extent: I have received a great number of telegrams, letters, and petitions from homesteaders and other people under this project urging and praying that Congress make at least the usual appropriation of $750,000 for this project. Most of these came to hand after the committee had acted and after the bill had been ordered reported out; some of them were produced before the committee and put into the hearings, but only a few of them; most of them were received after the committee had acted. Here is one which is addressed to the Senate Committee on Indian Affairs. It was received too late to be presented to the committee, but it states so conservatively, so concisely, and so reasonably the claims of the homesteaders on the project that I will read it and consider it as addressed to the Senate as well as to the Committee on Indian Affairs. It is as follows:

To the Senate Committee on Indian Affairs, Washington, D. C.

GENTLEMEN: The undersigned, residents of the Flathead Reservation, Mont., being both white and Indian, also of mixed blood, holding homesteads and allotments, and resident professional and business men of Ronan, Mont., on said reservation, would respectfully protest against any change in policy on the part of the Senate respecting the completion of the Flathead irrigation system, and urge that the amount of money necesssary for the completion and extension of same for the year 1918 be not less than $750,000.

In support of this protest we desire to call your attention to certain pertinent facts in connection therewith, to wit:

1. That those who came here and homesteaded the land described and known as farm units, the same being lands under the surveys of the said reclamation project, were given to understand by and on the part of the United States that said homesteads were to be irrigated by said system, and, as many of said farm units comprise only 40 acres, and the vast majority being of only 80 acres, a great injustice would result should said project be now abandoned or even temporarily retarded. The good faith of the Government with the homesteader is at stake.

2. The past year has demonstrated for all time to come that no assurance can be placed on the ability of the farmer to successfully grow crops unless his lands be under said irrigation system, as all crops not irrigated during 1917, except isolated fields of winter wheat, were practically total failures, and that irrigated fields gave profitable yields of grains and grasses.

3. That the value of the lands depends upon the acreages which are or can be irrigated. The farm units and the allotments under the system find a ready market at a price per acre entirely unexpected by even the most optimistic, while, on the other hand, homesteads and allotments not susceptible to irrigation have little or no market value.

4. That in so far as so much money has been heretofore expended in the construction of said system, and the same being so nearly completed, the remaining additional cost should not be allowed to practically render worthless all that has been expended. This part alone should be a sufficient reason for continuing the work and the appropriation of the sum of $750,000 for the current year.

5. Indian allotments have increased in value in the same ratio as farm units, while it is a fact that many of them are still in the virgin state, unplowed and untilled. Sales of such lands held by and under authority of the Indian Bureau will fully corroborate this statement. Therefore the mere statement of a few discontented souls should have no weight as against the record facts referred to under this subdivision.

6. The paid agents of Victor J. Evans, the Washington attorney of certain Flathead Indians and a few Indians with allotments adjacent to the Mission Range of mountains, which some years do not need irrigation, are responsible for all the agitation against the completion of said irrigation system. Were it not for the mercenary reasons attached to their efforts there would not have been nor would there be any Indian delegates appearing before your committee endeavoring to destroy the real reason for all the prosperity this reservation now enjoys or is to enjoy in the years to come.

7. To stop now means that your committee would destroy 90 per cent of our chances to produce annually millions of bushels of wheat, an article the United States at this time stands in dire need of. It means that we will not be permitted to do our share in winning the war, whether it be won this year or some years to come.

Therefore we pray you to keep faith with our people, help us to aid you in winning the war, give us the money to complete the project, and we will do our share.

I received many such petitions which came too late to be presented to the committee, as well as many letters and telegrams on the same subject which were too late. Many of them were heartrending in the extreme, showing the dire need and desperation of these people—the trouble in their souls—growing out of the efforts to retard them in their desire to get what is their right and due from the Government which they are loyally supporting. The petition which I have read was signed by large numbers of homesteaders. I received one petition signed by scores of Indian allottees. It was read before the committee and put into the hearings.

Indian as well as white homesteaders are pleading and praying and urging that Congress proceed in the way in which it started out year before last for a speedy completion of this project. I will say that until last year there never had been a particle of opposition to this project from the Indians. Last year the first opposition from the Indians that was ever heard of cropped out and made itself known. Up to that time I had traveled often over the project; I had met delegations of Indians and many individual Indians, and not one Indian up to the year before last had ever raised his voice or uttered a syllable against this project and its speedy completion. On the contrary, delegations of Flathead Indians had met me at Missoula, Mont; they had waited on me time after time and year after year and had urged that I procure the speedy completion of this project. They seemed to understand it; they said they could not get their money until the white man could pay for his land; and that the white man could not pay for his land until he got water on it and could raise crops.

All this talk about the white homesteaders not wanting the water, being opposed to it, is nonsense; it is untruthful; there is not a word of truth in it. I have traveled extensively over that project, and I know that the white homesteaders who have not yet had water put on their lands are in the direst distress and are begging and urging and pleading and praying for the early completion of the project.

Mr. KING. Mr. President, will the Senator from Montana yield merely for a question?

Mr. MYERS. With pleasure.

Mr. KING. If the project is not completed and the appropriation provided by the committee is expended, will it not properly take care of the settlers out there, give them all the water they require, and enable them to obtain title to their lands and make their homes, as they would do if the project were completed?

Mr. MYERS. No; not at all. They can not make a living there unless they can get water on the land. They will starve. It is pathetic to go there and see a man who has been starving and struggling for nine years on a piece of land without water on it.

Mr. KING. I understood, if the Senator will pardon me, that water was available there for 80,000 acres of land.

Mr. MYERS. Yes; out of 140,000 acres, and mostly on Indian allottments.

Mr. KING. Does the Senator from Montana state that there are more than 80,000 acres actually taken up by settlers?

Mr. MYERS. Practically all of the 140,000 acres are allotted to Indians or taken by homesteaders. I doubt if there is a tract to-day subject to homestead entry that is not taken. Many homesteaders have not yet had water put on their lands, because the Indians were given preference.

Mr. KING. And are settlers there?

Mr. MYERS. The settlers are mostly there, and most of them have been waiting for nine long years, hoping against hope that their Government would keep its word with them; that it would do justice by them, and would give them just and fair treatment. There are only about 80,000 acres for which water has been provided, and there are 60,000 acres for which water has not been provided. There are scores and scores of homesteaders who have tracts of land on which water has not been placed, but who have been waiting for water for nine long years, who are in desperate straits.

Some of them have been compelled to abandon their homesteads and walk out and carry their possessions on their backs, nail up their shacks and houses, and to nail up with them every hope they ever had of fair dealing from their Government, and go out into the world and hunt jobs at day's labor. Some of those men put $5,000 into their homesteads—all they had—and invested on the faith of the promise that their Government, after taking their money, would put water on the land in order that they might make a living. It has not yet been done, as to some, and they have lost their $5,000, all they had in the world, their lifetime savings. I repeat, they have put as much as $5,000 into dwelling houses, barns, and fences, and into the ploughing of land, and into teams and implements, and improvements, and yet they find that their Government has broken faith with them and turned them out into the cold world without a dollar.

Some of them have had to go to work, to hire out for day's wages to dig ditches, to work on railroads and the construction of dams nearby and on water-power plants, and at anything they could get to do in order to make a living. Some have had to leave the country altogether, and their whereabouts are now unknown.

Referring to the Indians, I say that up to year before last there was never heard from them a word against this project; but year before last a man of Indian mixed blood, one George Wasson, from Oregon, who is not a Flathead Indian and has no allotment there, who has not one iota of interest in the Flathead Tribe or in the Flathead project, and has no right to any

interest there, appeared down here on the ground—mind you, a man from Oregon, not even a Flathead, who has no right or interest on the Flathead Indian Reservation—came down here with about 8 or 10 Flathead Indians, whose expenses were all paid down here. Most of them were old, decrepit chiefs, who knew nothing about irrigation or farming. I think there were 8 or 10 of them, all told, with Wasson, whom I consider a mischief maker and meddler in this matter, for he has no interest in it. They appeared before the committee and made a terrific assault on this project. They said that the land was better off without water than with it; that much of the land was too wet and needed draining instead of irrigating, and that the people on the project did not generally want water put on the land. It was disclosed in the course of the hearing that Wasson and all the others who were down here had had their expenses paid to come by one Victor J. Evans, an attorney of Washington; that Wasson was in his employ; that he had been hired by Evans, and had spent three months on the Flathead Reservation working up opposition to the project.

But that year they arrived here too late; they miscalculated their time; the bill had been reported to the Senate with $750,000 in it for the project. It passed the Senate, and the project got that amount last year.

This year there appeared another delegation of Indians—about six or eight of them—led by Wasson, who admitted under examination that he was still in the employ of Victor J. Evans, and again they opposed any appropriation for the project. From the time that Wasson appeared here year before last dates all the opposition from the Indians to this project. I do not think it is a legitimate opposition.

I will hurry on and will not speak much longer. I do not wish to tire the Senators. I will read another communication which was sent to me from people of the Flathead project, which sets forth some additional facts:

CONDITIONS ON FLATHEAD PROJECT.

In the year 1917, 20 per cent of the 80,000 acres under ditch was irrigated and possibly 5 per cent more, or 25 per cent in all, would have been irrigated if a full water supply had been available.

On the project there are four tracts, aggregating approximately 23,000 acres, on which construction was started last year, but which, because of the great increase of labor and material, it was impossible to complete. Crops in these districts were a total failure without irrigation. If money is available for construction early this spring, water can be made available for all of this land very early in the crop season. The districts are Moiese, Little Bitter Root Valley, Horte, and Valley View, and a small tract near Tabor.

In the past few months the project office has received petitions and delegations representing about 7,500 acres of land asking for irrigation on their lands because farming without irrigation was a failure. These delegations represented three widely different areas on which no construction has been done.

There were 567 farms irrigated in 1917, comprising a total of 16,000 acres, an average of 28 acres apiece. One hundred and thirty-two more applied for water. As stated above, more water would have been used had it been available, and this increase would have consisted in an increase in the amount irrigated by each farmer as well as supplying these other applicants. Additional construction will make more water available, and this construction waits on additional appropriation.

Two-thirds of the work done last year was on the aforementioned tracts on which work was not completed, and therefore two-thirds of the amount spent last year will have gone for naught unless more money is appropriated.

In Polson seepage conditions, while improving, are not satisfactory and considerable detriment has been caused to the town. A new appropriation will furnish additional money to remove this blemish.

Mr. President, we are engaged in the most desperate war of all history. We must have food for the conduct of this war. I do not care how we are to get it; I do not care how we are to get the supply of labor; we must have the labor and we must have the food. If the women have to quit their households, if the young men have to quit the colleges, and the boys and girls have to quit the schools, we have to have labor on the farms and we have to raise crops or else we can not win this war. I say that Germany already has the war half won. She has won her way halfway to victory. When the war opened there was powerful opposition to Germany both on the east and the west. Every vestige of opposition on the east has been removed and conquered; there is not one shred of it left. The opposition remaining is on the western side, and Germany is making the most superhuman, the most supreme, the most powerful and determined effort that ever was made by any set of people on God's earth to win the remaining half of the war by the most terrific onslaught on our forces on the western front, and the outlook to-day is serious.

The administration says we must have food; all who know conditions say we must have food. The settlers on this project are willing to put their women and children to work and raise more food if you will only give them the water for which they are begging and pleading and praying day and night. Here is a chance to increase the food production of the country by millions of bushels of wheat this very year of our Lord nineteen hundred and eighteen. Give these people an appropriation of at least $500,000 and they will respond nobly and loyally, I know, with a largely increased crop of food products. They are willing; they are ready; they have everything but the water. Will you give them the water? If so, they will increase our food crop this year; they will increase it next year; they will increase it each and every year until this war shall have been won, as it must be won beyond any doubt and at all hazards.

I do not believe that the benefit of the increased food production would be confined to this year; I do not believe this war is going to be ended in a day nor in a year; I believe it will continue several years, probably as many as five years, and we will need the wheat that can be grown on every acre of this land which is capable of producing crops. If only the water can be supplied, that will be done. In this connection I will read an editorial from the Washington Post under date of Wednesday, February 27, 1918:

INCREASED FOOD PRODUCTION NECESSARY.

It is a serious question whether the United States Government is not neglecting one of the most important precautions that could be taken by a nation at war—the adequate production of food.

The war is to go on. Germany's increased strength resulting from the betrayal of Russia by the bolsheviki means that the enemy will not make peace on any terms acceptable to the allies. Chancellor von Hertling's speech in the Reichstag this week was the most cynical utterance yet made by the German populicides. Under the thin coating of phrases regarding universal peace principles appears the ravenous and murderous policy that is working its will in Russia. Only the other day the German Emperor declared in so many words that peace would not come until Germany's enemies acknowledged Germany's victory.

Since it is not in the nature of the French, British, or American peoples to submit to the loss of liberty, the war will go to the bitter end. One side or the other must succumb to the fatal hammering of war.

The enemy is not in such sore stress for food as he has been. There is a great scarcity, but not a famine, and the prospect of obtaining essential food from Russia is solidifying into a certainty. The blockade of Germary does not starve the enemy now that he has conquered fertile regions and forced the native populations to perform agricultural labor.

The actual status of affairs at the beginning of 1918 is that Germany has improved her food prospects, while the food prospects of the allies have not improved. A comparatively slight increase of wheat acreage has been planted in the United States, but this is more than offset by the steady diminution of food production in France and England in spite of the heroic efforts of the populations, particularly the women.

There is no occasion for despondency in scrutinizing this situation, provided the Governments concerned take prompt and adequate measures to increase production. Nature is not against them. There is an abundance of land and an abundance of muscle, at any rate in the United States. The territory owned and temporarily controlled by the central empires, counting all the newly gained Russian territory, is less than one-third of the area of the United States. The potential productivity of that part of Europe under the black flag and the potential productivity of the United States, acre for acre and man for man, presents a comparison vastly in favor of the United States.

But there is a great difference between potential and actual productivity. Under the German system the enemy territories occupied by the Hun are cultivated by slave and prisoner labor under conditions more arduous than Americans have ever dreamed of.

There is frequently a willingness to neglect or disguise this bedrock truth: that the world is running short of food and will face famine conditions in a year or two as things are going. What is gained by neglecting this truth? What miracle is expected to happen? Is the enemy to change his nature and forego his advantage? If not, it is suicidal folly for the allied nations to ignore the food conditions and fail to improve them. The civilized world would cut a sorry figure, indeed, if, after several more years of heroic fighting it should pass under the black flag because of its failure to raise enough food to maintain resistance.

Increased production of food is the urgent necessity. Mere conservation of what is on hand and in sight is not enough. More acres must go under the plow and more harvest hands must be provided. Tractors should be liberally employed. The schools throughout the United States should lend their capable boys and girls to the farms to aid in the raising and harvesting of the crops There should be an organized transfer of suitable manhood and womanhood from the cities to the farms during this spring and summer.

This problem has been barely considered by the Government. Congress has neglected it. Yet it underlies all the other problems of the war. There will be no arms for soldiers, nor will soldiers go to Europe, nor will ships be built to carry them if the United States does not produce sufficient food.

Can you resist that appeal for food for our cause? There is sound sense in that article; and here are people on the Flathead Reservation ready and willing to produce more food if you will only keep your promise to them, only give them water and enable them to do so.

I read another editorial from the Washington Post of Tuesday, March 19, 1918:

FOOD CONDITIONS IN FRANCE.

In his address at Baltimore last night M. Andre Tardieu, French high commissioner, revealed many important facts which Americans should know. Whether the enemy is comforted by these facts or not, it is absolutely necessary that the people of the United States should not deceive themselves as to conditions in France. The first step toward giving effective aid is to know that aid is imperatively needed.

France has always been a heavy consumer of wheat. The consumption before the war was about 700,000 tons per month. It has now been cut to about 530,000 tons, a reduction of about 25 per cent. The ration of soldiers at the front has actually been cut down,

although the heaviest cut has been made, of course, in the civilian ration. The French soldier now gets 21 ounces of bread instead of the 25 ounces he received at the beginning of the year. The civilian ration has been cut from the normal consumption of about 30 ounces to only 10 ounces.

In order to make even these rations available France has been compelled to stop brewing in order to save barley and to stop feeding of cereals to animals. This has resulted in a loss of 50 per cent of the horses and a large reduction in the number of cattle. Pastry making, fancy bread, confectionery, sandwiches, and all fancy uses of cereals have been absolutely suppressed.

Because of the shortage of cereals the French people have been compelled to kill off their cattle, and this has forced the consumption of meat instead of wheat to a large extent. In the meantime the consumption of other foods, such as sugar, rice, vegetables, oils, and fats, has been reduced by dire necessity.

This drastic food régime has been borne with fortitude by the French people at a time when they have mobilized 7,000,000 men out of a population of 35,000,000 and have suffered a loss of nearly 1,000,000 men killed and 1,000,000 maimed.

Do Americans realize the full force of this information from the French commissioner? Do the citizens of this country individually feel that they are doing everything that in their duty lies to aid the lion-hearted ally that now holds two-thirds of the western front? Is each American thinking of the help that he might be giving to some heroic French soldier at the front or an equally heroic French woman doing a man's work in France?

France needs no cargoes of faith or courage from the New World. She needs no messages telling her to do her duty. She is not in need of sermons on patriotism. But she does need food. If Americans are heart and soul in this war, they will not see the army and people of France go hungry while there is food in the United States to share with them.

There must be fresh efforts in producing, saving, and transporting food to France. Americans must strive to picture the real conditions. They must sweep aside imaginary visions of easy victories over an intimidated and broken-down foe and face the brutal fact that America and France, with their allies, are fighting for life against a terrible enemy. France is on the burning line, side by side with the British nation, fighting with dauntless courage. American soldiers are joining them in rapidly increasing numbers. All of these fighters must be fed and equipped. The civilian populations that supply the armies must be fed.

The United States is not doing its full duty in the production and delivery of food to the allies. More acres should be planted and more strict methods of saving should be adopted forthwith. By the convoy system fewer vessels laden with food are lost than heretofore, which is a most encouraging factor. There is fair assurance that every vessel carrying food will arrive in France or England.

There must be more vessels carrying food. It is the vital necessity of the situation, the trumpet call to every individual citizen of the United States. Every person can help, either by planting or by saving. Not to help is to incur terrible risk now and hereafter.

Can Senators resist that touching plea to produce more food and thereby respond to the distressing cry of our noble associate in this war—France—for more food for her soldiers? Is it in your hearts not to hearken to that pitiful, soul-stirring plea for more food for the gallant French soldiers?

It was said some time ago that the motto of this war on our part should be "Ships, ships, ships." I would add to it "Food, food, food." Here is an appeal that I do not think should be denied or resisted by anybody who has the welfare of his country at heart. It is in your power to respond to this appeal, to provide an increased production of food by voting a liberal appropriation to this object and thus heartening and encouraging the people of the Flathead project to put in every acre available, every acre for which water is supplied, and to raise the biggest crop that they have ever raised in the history of the project. They are ready to do their share. Will you do your share?

As I have said, the Indian Bureau, the Reclamation Service, the Secretary of the Interior, the Secretary of the Treasury, the House Indian Affairs Committee, and the House of Representatives have all asked for $750,000 for this project for this year. The Senate committee allowed only $250,000. I have made a motion to increase that amount to just $500,000. I have not made my motion to increase it to the amount originally asked for by all departments of the Government that are concerned—$750,000. I ask just to split the difference between what the Senate committee gave and what the House of Representatives gave. The House of Representatives gave $750,000. The Senate committee gave $250,000. I ask you, in the name of the suffering people on this project, in the name of American citizenship, in the name of our associates who are fighting in France for our lives and rights, in the name of all of this, just to go half way, just to split the difference and give this project $500,000 this year. I believe it is a most reasonable request, a most just one. I believe that it ought to be granted. I believe there are good reasons for it; and if you have listened to my arguments and appeals I believe you will see that there is reason and justice in them.

I have nothing to say against the committee. I have much to say against its action, but nothing against the members of the committee. Doubtless the committee did what it thought was right; but I have presented to you facts, figures, arguments, and reasons which I believe ought to be persuasive and ought to convince you that the committee did not take the right view of the matter. Therefore I certainly hope that the Senate will sustain my motion to raise this amount to $500,000. It ought to be $750,000. That pace was set year before last. There was every reason to hope and believe that it would be kept up until the project was completed; but I do ask you, in the name of justice, right, and the cause of our country, to give $500,000 for this purpose. I urge that you do that much. I urge that my motion be adopted.

The PRESIDING OFFICER (Mr. KING in the chair). The question is upon agreeing to the amendment offered by the Senator from Montana [Mr. MYERS].

Mr. WALSH. Mr. President, I inquire if the chairman of the committee expects to get a final vote on the bill this evening?

Mr. ASHURST. Oh, Mr. President, there is no hope of getting a final vote on the bill this evening, because there are other contested items.

Mr. WALSH. Then, Mr. President, I ask unanimous consent that these items may go over until to-morrow. I should like very much to have a vote on them and also to address the Senate very briefly on them, but I feel obliged to leave the Chamber now. I had supposed that possibly we would get a vote before this time.

Mr. ASHURST. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Arizona?

Mr. WALSH. I do.

Mr. ASHURST. If no other Senator wishes to discuss the bill or any of the amendments relating to it now, I feel constrained to move to adjourn.

Mr. WALSH. I withdraw the request, Mr. President.

Mr. ASHURST. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 38 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, March 26, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *March 25, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Bend low, O God, our Heavenly Father, and throw Thy protecting arms about us. Hold us close to Thee, lest we forget, in the terrible crisis through which the world is passing, the past, which is replete with the evidence that Thy providence has shaped and guided the destiny of men and of nations, and ever led them on to larger, grander civilization; that our faith and confidence in Thee may not be diminished one jot or tittle, for Thou dost live and reign, and time will vindicate Thy wisdom, power, and goodness.

Hear us, comfort, uphold, and sustain us, in this hour of trial, in Christ Jesus our Lord. Amen.

The Journal of the proceedings of Saturday, March 23, 1918, was read and approved.

HOUSE RENTS IN THE DISTRICT OF COLUMBIA.

Mr. JOHNSON of Kentucky. Mr. Speaker, I ask unanimous consent to read a short letter to the House.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to read a short letter to the House. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. Mr. Speaker, I should have said that I do not desire to read any names nor the location of the premises referred to. This letter is dated March 22, and is addressed to me:

DEAR SIR: The other day in speaking in the House you were reported in the papers to have cited the "Blank" case, but there was one feature of the case which I believe you did not mention and perhaps you did not know.

The facts as related here in the neighborhood are said to be: The former tenant was paying $40 per month. He was ousted, and the house furnished and rented to 16 girls, 2 in a room, at $10.50 each per month. That much I guess you already know, but the joke of the matter is that Mr. "Blank," or some one, has a sign on the front door naming the place the Merah, which, you will observe, is backward—the Harem. I wonder—Oh, well, what's the use? You go ahead and wonder.

I can vouch for the sign. I saw it not an hour ago. The rest is hearsay.

I don't want my name known, because I am a civil-service employee and mustn't talk.

Sincerely, yours, ——— ———.

This letter is signed, giving the street and number where the writer resides.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the report of

the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 117) amending the act of July 2, 1909, governing the holding of civil-service examinations.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 121. An act to prevent the desecration of the flag of the United States, and to provide punishment therefor;

S. 3528. An act authorizing the President during the existing war to sell war supplies, materials, and equipment heretofore or hereafter purchased, acquired, or manufactured by the United States;

S. 3693. An act to prescribe the personnel of the Army Nurse Corps, the qualifications for appointment and the method of appointment therein, the pay, allowances, and leave of absence of members of said corps, and the conditions under which they may be retired;

S. 3863. An act to provide quarters or commutation thereof to commissioned officers in certain cases;

S. 3980. An act to prevent interference with the use of homing pigeons by the United States, to provide a penalty for such interference, and for other purposes;

S. 988. An act providing for the payment of certain interest on items 1 and 4 of the judgment of the Court of Claims of May 18, 1905, in favor of the Cherokee Nation;

S. 3803. An act authorizing the President during the existing emergency to sell supplies, materials, equipment, or other property heretofore or hereafter purchased, acquired, or manufactured by the United States in connection with or incidental to the prosecution of the war;

S. 3801. An act to amend section 8 of "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917;

S. 3736. An act to provide for the payment of six months' pay to the widow, children, or other designated dependent relatives of any officer and enlisted man of the Regular Army whose death results from wounds or disease not the result of his own misconduct;

S. 4166. An act to amend section 3 of an act of Congress approved February 23, 1887 (vol. 24, Stats. L., ch. 210, p. 409), entitled "An act to provide for the execution of the provisions of article 2 of the treaty concluded between the United States of America and the Emperor of China on the 17th day of November, 1880, and proclaimed by the President of the United States on the 5th day of October, 1881";

S. 3691. An act to provide for reimbursement of actual expenses or flat per diem for enlisted men of the Army traveling on duty under competent orders; and

S. 3982. An act to suspend certain restrictions on the purchase and distribution of military stores and supplies, and for other purposes.

ADDITIONAL SECRETARIES OF WAR.

Mr. DENT. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9352) creating two additional Secretaries of War, and that the House disagree to the Senate amendments and request a conference.

The SPEAKER. The Clerk will report the bill.

The Clerk read the title of the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War, approved March 5, 1890, and for other purposes."

The SPEAKER. The gentleman from Alabama asks unanimous consent for the present consideration of this bill. Is there objection?

There was no objection.

Mr. DENT. I ask unanimous consent that the House disagree to the Senate amendments and ask for a conference.

The SPEAKER. The gentleman from Alabama asks unanimous consent that the House disagree to the Senate amendments and ask for a conference. Is there objection?

There was no objection; and the Speaker announced as conferees on the part of the House Mr. DENT, Mr. FIELDS, and Mr. KAHN.

WITHDRAWAL OF A MOTION.

Mr. TILSON. Mr. Speaker, I ask unanimous consent to withdraw the motion previously made by me to discharge the Committee on Coinage, Weights, and Measures from further consideration of House bill 2878.

The SPEAKER. The gentleman from Connecticut asks unanimous consent to withdraw the motion previously made by him to discharge the Committee on Coinage, Weights, and Measures from further consideration of House bill 2878. Is there objection?

Mr. ASHBROOK. Reserving the right to object, I should like to inquire of the gentleman why he introduced the resolution? It stirred up considerable of a muss.

Mr. TILSON. The bill is all right. It should be considered by the gentleman's committee, which should not be discharged from consideration of it. I ask unanimous consent to withdraw the motion, although I do not anticipate that there is any danger of the motion being granted.

The SPEAKER. Is there objection?

There was no objection.

OREGON AND CALIFORNIA GRANT LANDS OPEN TO ENTRY.

Mr. HAWLEY. I ask unanimous consent to address the House for five minutes.

The SPEAKER. The gentleman from Oregon asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. HAWLEY. In 1916 Congress enacted legislation disposing of certain lands which were formerly a part of the Oregon and California land grant in Oregon. Since that time many Members of the House have inquired of me when these lands would be listed for entry. The act of June 6, 1916 (39 Stats., 218) required the Department of the Interior to make the necessary examinations to determine the agricultural areas and to cruise the timber on the land. They have completed now a large proportion of that work. On March 23, last Saturday, the department opened 300,000 acres of this land to homestead entry. Filings may be made beginning on the 20th of April and ending on the 25th of May. Persons interested may obtain, after April 5, from the land office at Roseburg, Oreg., a description of the particular areas so opened and the regulations under which the land may be entered. All entries will be considered to have been made simultaneously, and those living near the land will not have any advantage of anyone living at some distance from the land. If two or more persons make entry for the same tract, a drawing will be held to determine which one shall be entitled to the tract.

I ask unanimous consent to extend my remarks by printing the statement furnished me by the Interior Department.

Mr. CANNON. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. CANNON. These lands are to be entered at what price?

Mr. HAWLEY. At the price stated in the act, the basic price of $2.50 an acre, but all they need to pay at first is 50 cents per acre and the ordinary filing fees.

Mr. CANNON. What are these lands worth for the timber?

Mr. HAWLEY. These are agricultural lands, not timber lands.

Mr. CANNON. Agricultural lands?

Mr. HAWLEY. Yes; 300,000 acres of agricultural lands.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

The statement is as follows:

DEPARTMENT OF THE INTERIOR,
Office of the Secretary, March 23, 1918.

Secretary Lane, of the Department of the Interior, has just approved regulations opening to entry under the homestead laws, as modified by the act of June 9, 1916 (39 Stat., 218), about 300,000 acres of land classified as agricultural, situated principally in Jackson and Josephine Counties in southern Oregon. These lands are a portion of what are commonly known as the Oregon and California Railroad land grants, title to which was resumed by the Government under the act of June 9, 1916. The agricultural lands opened to entry at this time are by no means all of the agricultural lands in the grant. Additional agricultural lands in the grant will be restored to entry from time to time as the classifications are completed.

The classification as agricultural does not necessarily imply that the lands are suitable for the plow. The law under which the classification was made directed that such lands be separated into three classes: First, those valuable for power sites; second, timber lands, including those containing 300,000 feet, board measure, of timber to a tract of 40 acres; third, agricultural lands, those not falling within either of the other two classes. Large areas so restored are covered with brush or varying quantities of timber less than 300,000 feet, board measure, to the 40-acre subdivisions, and some are valuable only for grazing.

Applications to enter any of the lands thus restored may be filed by any duly qualified person for a unit of 160 acres or less in the United States land office at Roseburg, Oreg., at any time during the period beginning April 29 and ending May 25. All applications filed during this period will be considered as filed simultaneously. Persons filing at or near the end of the period will have the same opportunity as those who file at the beginning. In case of conflicting applications for the same land, a drawing will be held on May 28 to determine the successful applicants.

Applications to enter must be sworn to before the register or receiver of the United States land office at Roseburg, Oreg., or before a United States commissioner or judge or clerk of a court of record within the county in which the land is situated. Each application must be accompanied by the required land-office fees, together with an amount equal to 50 cents per acre to apply on the total purchase price of $2.50 per acre, the balance of $2 to be paid at time of final proof. Applicants must personally examine the land.

Any person who served for more than 90 days in the United States Army or Navy during the Civil War, Spanish-American War, or the Philippine insurrection, and was honorably discharged, may file a soldier's or sailor's declaratory statement through an attorney in fact on the ground and make his application to enter within six months thereafter, but such declaratory statement must be accompanied by the fee of $3 and the installment of purchase price required of other applicants.

A pamphlet containing the regulations and a list of the lands, with a brief description thereof, will be mailed after April 5 to those requesting same from the register and receiver of the United States land office at Roseburg, Oreg.

Mr. RUCKER. Can the gentleman give us approximately the value of these lands for agricultural purposes? Can he give us some idea of the value?

Mr. HAWLEY. If a tract of 160 acres contains less than 1,200,000 feet of timber, board measure, it is classed as agricultural land. Doubtless there will be a number of quarter sections which have nearly the limit of timber upon them, and such lands will have an agricultural value when the timber is removed. The timber also covers only a portion of each quarter section. The other quarter sections will be agricultural lands, and some of the land will be very valuable for agriculture and some will not be so valuable. It varies so much from locality to locality that it is impossible to make any statement as to average values.

ALIENS NOT QUALIFIED VOTERS IN OREGON.

While I am on my feet I ask unanimous consent to insert in the RECORD a letter from the Hon. George M. Brown, attorney general of Oregon, replying to a statement made on the floor of the House to the effect that aliens may vote in the State of Oregon and quoting the statute in regard to the matter.

The SPEAKER. The gentleman asks unanimous consent to print in the RECORD the opinion of the attorney general on the subject stated. Is there objection?

There was no objection.

The letter referred to is as follows:

STATE OF OREGON,
LEGAL DEPARTMENT,
Salem, March 12, 1918.

Hon. W. C. HAWLEY,
House of Representatives, Washington, D. C.

DEAR SIR: I have observed a press dispatch of the 11th instant from Washington to the effect that enemy aliens would be denied the right to vote for President, Vice President, Senators, or Representatives in the 10 States where they now enjoy that privilege under provisions of a bill introduced to-day by Representative FLOOD, of Virginia, chairman of the Foreign Affairs Committee. The article states that "after declaring intention to become citizens aliens may vote in Alabama, Arkansas, Indiana, Kansas, Michigan, Missouri, Oregon, South Dakota, and Texas."

This is an error so far as applied to the State of Oregon, and an error that I have been called upon to correct a number of times since the declaration of war.

Section 2 of article 2 of the constitution of the State of Oregon was submitted to the people of this State at the election held November 13, 1914, and was amended to read as follows:

"In all elections not otherwise provided for by this constitution every citizen of the United States, of the age of 21 years and upward, who shall have resided in the State during the six months immediately preceding such election shall be entitled to vote."

There were 164,897 votes cast for the article as amended and 39,847 against.

Prior to that time section 2 of article 2 of the constitution, before it was amended, extending the right of suffrage to women, read as follows:

"In all elections not otherwise provided for by this constitution every white male citizen of the United States, of the age 21 years and upward, who shall have resided in the State during the six months immediately preceding such election, and every white male of foreign birth, of the age of 21 years and upward, who shall have resided in the United States one year and shall have resided in this State during the six months immediately preceding such election and shall have declared his intention to become a citizen of the United States one year preceding such election, conformably to the laws of the United States on the subject of naturalization, shall be entitled to vote at all elections authorized by law."

At the election of November 5, 1912, said section was amended so as to admit of woman's suffrage, and read as follows:

"In all elections not otherwise provided for by this constitution every citizen of the United States, of the age of 21 years and upward, who shall have resided in the State during the six months immediately preceding such election, and every person of foreign birth of the age of 21 years and upward, who shall have resided in this State during the six months immediately preceding such election and shall have declared his or her intention to become a citizen of the United States one year preceding such election, conformably to the laws of the United States on the subject of naturalization, shall be entitled to vote at all elections authorized by law."

Very truly, yours,

GEO. M. BROWN,
Attorney General.

HOUSE RENT IN THE DISTRICT OF COLUMBIA.

Mr. CARY. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. CARY. Mr. Speaker, I hand to the Clerk's desk a letter, with my answer thereto, to be read in my time for the benefit of the House.

The SPEAKER. The Clerk will read, without objection.

There was no objection, and the Clerk read as follows:

I wish to file the following answer to a charge of cruel behavior as a "would-be profiteer" preferred against me by Chairman JOHNSON on the floor of the House yesterday, said charge based on a communication he had received from a former tenant of mine.

In the first place, let me state that the house in question is 521 Rock Creek Church Road: that it is the only house I own in the District of Columbia; that it was built for my own private home; and that I occupied it until I had occasion to leave the city, at which time I stored my furniture and placed my house on the market for rent. Mr. De Pue rented my house unfurnished in April, 1915, at a time when there was but little demand for houses, and he only paid me $40 per month for a nine-room, semidetached house, with all the latest modern improvements, a house which I could not build to sell to-day under $9,000. Mr. De Pue had the advantage of this low rent for a period of over two and one-half years at this price. When the situation for houses became acute I was persuaded by Mrs. E. L. Hollis, of New York City, to furnish my house in such a manner as to comfortably accommodate 14 to 16 ladies. The house is now occupied by the following ladies:

[Names omitted.]

These ladies inform me that they are paying the rent on a cooperative basis at an average cost of $10.71 each per month, and they further inform me that their salaries are $1,100 and $1,200 a year each. They have also expressed their willingness and their desire to be interviewed on this matter as to the fairness of the rental charges, and I rest my case on the testimony they may give.

In regard to the charges made by Mr. De Pue, I will state that when I decided to make the change I gave Mr. De Pue the regular 30-day notice, upon receipt of which he came to my office and in the presence of a witness made certain threatening and abusive statements to the effect that he would not move; that he had employed a good attorney; and that he was sure I would not get him out under six months; and that he would give me all the trouble he could. He made no mention of any old lady or any member of his family who was not able to move.

Finally, in defense of these charges preferred against me, I respectfully urge that you have a committee appointed to interview these ladies, and I am willing to abide by their testimony.

I was born in a log cabin in the mountains of old Virginia. I have been actively engaged in general contracting and building in this city for the past 14 years; and until this time I have never been accused of any transaction that was not fair and legitimate.

I think the above a fair example of what can be done under my plan of fixing rent on a per capita basis, and no hardship would be experienced by anyone.

Respectfully submitted.

GUY S. ZEPP.

—

MARCH 22, 1918.

Mr. GUY S. ZEPP,
Southern Building, Washington, D. C.

DEAR SIR: I have your circular letter (without date) relative to the letter written to Mr. JOHNSON by Mr. De Pue.

I have seen the De Pue letter, and it contains four principal statements, as follows:

First. That he had rented your house at $40 a month;
Second. That you put him out, demanding more rent;
Third. That his invalid mother was put out with him; and
Fourth. That you increased the rent from $40 a month to $140 a month.

Now, in your circular letter you admit all that Mr. De Pue says in his letter, except that you did not know that Mr. De Pue had an invalid mother in the house.

However, your lack of knowledge of that fact does not contradict the remaining fact that he did so have an invalid mother.

In your circular letter you say there are now 14 ladies in the house, and that the rental is divided equally among them and that each pays $10.71 per month. Fourteen ladies paying $10.71 each makes a total of $149.94 per month. Therefore the statement of Mr. De Pue understates the rental you are charging rather than overstating it, and the fact is thereby admitted by you that you have increased the rent of the house from $40 a month to $149.94 a month.

You place your emphasis upon your assertion that the house was built for your own use. From that it seems you feel that you should charge working girls more for the honor of living in a house built for yourself than if it had been built for somebody else.

In your communication you take $9,000 as the value upon which you base your rentals, while, on the other hand, the house and land are valued at $4,668.30 for taxable purposes. Therefore you value the property for rental purposes at almost double its value for taxable purposes. At the rate for which you are now renting the property the rent for three and three-fourths years would pay for house at the value at which you are giving it in to the assessor for taxable purposes.

In view of these facts, I am compelled to entertain the opinion that you have driven a hard bargain with the working girls who are now occupying your house.

Very truly, yours,

WM. J. CARY.

DELIVERY OF SOLDIERS' MAIL TO FRANCE.

Mr. ROGERS. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. ROGERS. Mr. Speaker, on Friday I brought to the attention of the House, not for the first time, the delays in the Postal Service to our soldiers in France. In this morning's mail comes rather an interesting illustration of the condition to which I referred. I hold in my hand two envelopes, both addressed to a major general commanding one of the divisions of the American Expeditionary Forces. One of them was postmarked in Washington December 13, and the other was postmarked in Washington December 31. Both were delivered to the addressee in France on February 24. In one case the time in transit was 73

days, and in the other case the time in transit was 52 days. The letter which transmitted the envelopes back to me required just 28 days in transit; so that the slower of the two round trips consumed 101 days from Washington back to Washington. Civilians are able to get a reply to their letters in 35 days for the round trip. Why should it take three times as long to a major general or to a private in the American Expeditionary Forces?

EXTENSION OF REMARKS.

Mr. HICKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein a letter from the adjutant general of the State of New York showing the enlistments in our State National Guard.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

INCREASED PAY FOR POSTAL EMPLOYEES.

Mr. MOON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 9414) granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9414, with Mr. CARAWAY in the chair.

Mr. RUCKER. Mr. Chairman, is there an amendment pending?

Mr. MADDEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. There is an amendment pending; yes.

Mr. MADDEN. I was about to inquire if the motion was not on the amendment of the gentleman from Indiana [Mr. COX].

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Indiana, [Mr. COX].

Mr. HASTINGS. Mr. Chairman, can we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Amendment by Mr. COX: Amend by striking out the following language, line 1, page 2: "after the passage of this act," and insert the words "during the fiscal year, 1919."

Mr. CANNON. Mr. Chairman, is this subject to amendment at this stage?

The CHAIRMAN. It is.

Mr. CANNON. Then I would like to make the pro forma amendment and be heard for five minutes.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. CANNON. Mr. Chairman, I have no doubt that the pay of the postal employees ought to be increased, and I stand ready to vote for an increase. I have not had the privilege of listening to the debate upon this bill, for I have been otherwise engaged on a conference by the order of the House, so that I have not kept up with the debate. I just asked a gentleman what would be the cost of this increase, and he said from forty to fifty million dollars. I asked how many of the civil employees there were outside of the Postal Service, and he said 265,000 as against 145,000 in the Postal Service. I then asked, so far as the increase in salaries was concerned, how this bill corresponded with the other increases that we have made from time to time from one fiscal year to another. If I understood him correctly he said about double. I have not had the opportunity to investigate to see whether the increase ought to be made as reported by the Post Office Committee; but I want to say that I have a large number of these employees in my district—not as many as in the great cities, but I have a district that is 150 miles long and 25 to 30 miles wide. I think it has more railroad trackage in it than any district in the United States. There are many cities in it; one is hardly ever out of sight of an elevator stack, and it is very thoroughly organized into rural-carrier districts. I have nothing to say against the Government employees. No doubt they are worthy and perform good service. It is true that under the present wage the increased cost of living is felt very much, and in God's chancery they ought to have an increase in their pay. I am not going to discuss the question of whether this is too much or whether it is too little. I notice an amendment was agreed to in committee in effect striking out the provision that this increase was to be paid until the close of the war and that an amendment was accepted striking out the words "during the war" and inserting the word "hereafter," so as to make it permanent law.

I am going to vote against that amendment in the House, because if we make this permanent law after the war all along the line for these civil employees—and there is double the number of them outside of the postal employees—we will make a very great increase. You may say that the increase in the cost of living is because of the decrease in the purchasing power of money. In many cases money does not buy half what it did buy before, and I think probably one might well say that there has been an average advance in the cost of living of probably 20 to 25 per cent. That is not a close estimate. What is going to happen when the war closes? Congress will be in session, though I am afraid that I shall not be here—not that I have no desire for further service in Congress, but from present conditions I fear this war is going to last so long that the probabilities are three to one that I shall have crossed over and joined the great majority before its close. Now, when it is over, let us not fool ourselves. We will come back under normal conditions, competing with the world in production. We will come back to 70-cent wheat, instead of $2.50 wheat. We will come back to 7 and 8 cent a pound cotton, instead of 30 cents a pound for short staple and 40 cents for long staple. We will come back to 30 and 40 cent corn, and other things in proportion. We will come back to all the necessities of life greatly reduced in price. Now, if that is so, if I am correct about it——

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes additional.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that at the close of five minutes, to be occupied by the gentleman from Illinois, that all debate close on this amendment.

Mr. SAUNDERS of Virginia. Mr. Chairman, I object.

Mr. MADDEN. I move that all debate close on this amendment at the end of five minutes.

Mr. SAUNDERS of Virginia. I desire to offer a preferential amendment.

The CHAIRMAN. The Chair thinks the unanimous consent should first be disposed of. Is there objection to the request of the gentleman from Wisconsin that the gentleman from Illinois have five minutes additional? [After a pause.] The Chair hears none.

Mr. MADDEN. Mr. Chairman, I move that at the end of five minutes all debate on the pending amendment close.

Mr. MOON. Let the gentleman from Illinois complete his speech first.

Mr. CANNON. Mr. Chairman, now it will be a pretty serious matter. The committee, of which I am a member, now has a conference report that will come up for consideration, and the authorizations and appropriations in that conference report are substantially a billion one or two hundred millions—I am not exactly accurate. That can be stated a little later. Mind you, this is a deficiency for this fiscal year ending the 30th of June next, and there is another deficiency bill to follow. We are financing our allies. We are raising and preparing an Army and a Navy. Oh, none of us can conceive of the extraordinary expenditures we are making and will continue to make until this war closes. Now, as near as I can find from a little consultation, I think that this bill makes sufficient increases. It classifies the service and provides for promotions and all that kind of thing, and I believe we ought not to set an example now of taking a departure from the course which we have heretofore followed.

Mr. COX. Will the gentleman yield?

Mr. CANNON. Yes.

Mr. COX. Does the gentleman know how much the bill would cost the Government, as it is now prepared, up to the 30th day of June, 1919?

Mr. CANNON. I do not——

Mr. COX. I have those figures.

Mr. CANNON. I asked a gentleman who is pretty well informed, and he said certainly from forty to fifty million dollars.

Mr. COX. I have the figures prepared by Mr. KOONS, of the Post Office Department, whom I regard as one of the best-informed men on this question, and he figures out it will cost $60,000,000 to pay this bill up to the 30th day of June, 1919. Now, another question: Does the gentleman know how much it will cost if we will pay the Post Office employees on the identical basis that we pay all Government employees as fixed in the legislative bill?

Mr. CANNON. No; I do not.

Mr. COX. As prepared for me by the Post Office Department this morning, up to June 30, 1919, it would cost $18,613,150. The difference between that figure and $60,000,000 if this bill becomes a law as it is now prepared.

Mr. CANNON. I have made up my mind not to be bound by it; but I apprehend I shall vote for this bill, provided the amendment of my good friend and colleague, for whom I have great respect, inserting the word "hereafter" is not agreed to when we come into the House. Gentlemen may say the postal employees will fight us unless we vote to made this permanent law. I do not believe the postal employees desire any greater per cent of increase than other employees of the Government receive.

Then when the day comes and all products go down from 25 to 50 per cent—agricultural products cut in half—Congress will take care of that when the time comes. I have passed through the period of the Civil War. My God, I recollect what a revolution there was when corn went down to 15 and 20 cents a bushel and the populists abounded and demagogues abounded, and, if you will allow me the expression, hell was to pay and no pitch hot. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MOON and Mr. AUSTIN rose.

The CHAIRMAN. The gentleman from Tennessee.

Mr. MOON. Mr. Chairman, I move to close debate on this amendment.

Mr. AUSTIN. Mr. Chairman, I thought I had been recognized.

The CHAIRMAN. The Chair will recognize the gentleman later.

Mr. AUSTIN. The trouble is that recognition of the gentleman from Tennessee cuts me off now.

Mr. SAUNDERS of Virginia. Mr. Chairman, I move as an amendment to that, that debate close in 10 minutes.

The CHAIRMAN. The gentleman from Virginia moves to amend the motion offered by the gentleman from Tennessee by making it 10 minutes.

The question was taken, and the amendment was rejected.

The CHAIRMAN. Now, the question occurs on the motion of the gentleman from Tennessee that debate on this amendment do now close.

The question was taken, and the motion was agreed to.

Mr. GALLIVAN. Mr. Chairman, I would like to have the amendment reported.

The CHAIRMAN. Without objection, the amendment will be again reported.

The Clerk read as follows:

Amendment by Mr. COX: Amend by striking out the following language in line 1, page 2: "After the passage of this act," and insert "during the fiscal year 1919."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. COX. Division, Mr. Chairman.

The committee divided; and there were—ayes 47, noes 98.

So the amendment was rejected.

Mr. MADDEN. Mr. Chairman, I have an amendment which I desire to offer.

Mr. RUCKER. Mr. Chairman——

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN], a member of the committee, offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 7, after the word "grade," insert the following:

"*Provided*, That on the passage of this act clerks in first and second class post offices and letter carriers in the City Delivery Service who are in grades 2, 3, 4, 5, and 6, under the act of March 2, 1907, as amended, shall pass automatically from such grades and the salaries they receive thereunder to the new grades 1, 2, 3, 4, and 5, respectively, with the salaries provided for such grades in this act.

"*Provided further*, That all promotions of both clerks and carriers shall be made at the beginning of the quarter following the expiration of one year's service in the next lower grade."

Mr. MADDEN. Mr. Chairman, I desire to say a word in explanation of this.

Under the classification act of 1907 it was provided that there should be six grades. The first grade was $600, the second $800, the third grade $900, the fourth grade $1,000, the fifth grade $1,100, and the sixth $1,200. In 1913 the Congress amended the act by the elimination of the first grade, cutting out the $600 compensation. That left but five grades. The first of the five grades under the law as amended would be grade 2, but everybody has understood grade 2 to mean grade 1, the entrance grade. And in the preparation of the legislation so far it has always been understood that the man in what is legally called the second grade, but technically the first grade, was in the first grade; that when we created the new grades and the new compensations it was always understood that the man in what we understood to be grade 1 would pass to grade 1, with a $900 salary instead of $800 salary; the man in grade 2 would pass from $900 to $1,000 salary; the man in grade 4 would pass to grade 3 in the new compensation salary; and the man in grade 5 would pass to grade 4; and the man in grade 6 would pass to grade 5, so that there would be a $200 increase for the man in the $800 grade, a $200 increase for the man in the $900 grade, a $200 increase for the man in the $1,000 grade, and a $200 increase for the man in the $1,100 grade, and a $200 increase for the man in the $1,200 grade. That would leave one grade for which we make no provision except that we fix the salary. Under the present law that has been the practice. We began by leaving the top grade out of consideration, except in so far as the Congress appropriated money for it from time to time, and to-day we are appropriating for 85 per cent of the men in the grade below the sixth grade. And so this amendment that I propose will give the men a uniform increase of $200 in their compensation, no matter what grade they are in.

And we leave for the Congress the right to appropriate for such percentage of the men in the next lowest grade to the highest grade, namely, the sixth grade, as they may think proper from time to time. I think this is what everybody understood we were trying to do. If we do the thing that the provision already adopted would provide, the last promotion would mean a $300 advance. And the Post Office Department and a great many men outside of the Post Office Department think that that would impose too large a burden upon the Treasury. And in talking with the men who are interested, and most vitally interested, in this subject, they agree that this amendment will cure the opposition, deal fairly with the question, give the men what they expected to get, and certainly do in this bill what I expected I was doing from the beginning.

Mr. SNYDER. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. SNYDER. I do not understand all this talk about grades, but what I would like to know is this: A carrier in my town now gets $1,200——

Mr. MADDEN. And will get $1,400 if this bill becomes the law.

Mr. SNYDER. Will in the future get $1,400?

Mr. MADDEN. And later on will get $1,500.

Mr. SHERWOOD. Why not make it permanent?

Mr. MADDEN. It is supposed to be.

Mr. HAMLIN. I would like to ask the gentleman a question simply for information, as I do not know of anybody better from whom to make the inquiry than the gentleman from Illinois. Here you have a first grade with salary at $1,000.

Mr. MADDEN. Yes, sir. The man that gets $800. That goes up to $1,000.

Mr. HAMLIN. What is the present grade?

Mr. MADDEN. Eight hundred dollars. That is the second grade now, but should be classed grade 1, as the grade below was abolished in 1913.

Mr. HAMLIN. You have made one new grade?

Mr. MADDEN. Yes.

Mr. HAMLIN. And that is grade 1?

Mr. MADDEN. That is grade 1. We had grade 1 under the law, but we abolished the salary connected with it in 1913.

Mr. HAMLIN. So that you have horizontally increased all of these $200 as they go from one grade to another?

Mr. MADDEN. Yes, sir.

Mr. HAMLIN. Suppose a man is now in the fifth or sixth grade. Under the present law what grade would he be in under this bill?

Mr. MADDEN. The amendment provides that if he is in the sixth grade he goes into the fifth grade.

Mr. HAMLIN. He goes down?

Mr. MADDEN. Down in grade but up $200 per annum in salary.

Mr. HAMLIN. Suppose he draws the sixth-grade salary?

Mr. MADDEN. Under the present law he draws $1,200, and under the new bill he will be drawing $1,400.

Mr. WALSH. There is nothing to prevent the department, however, from demoting these men after they pass into the upper grades, so that they will get the salary they were getting before.

Mr. MADDEN. They can not do it.

Mr. WALSH. It is being done.

Mr. MADDEN. As a matter of discipline, of course, it is.

Mr. WALSH. Not as a matter of discipline at all.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes; I yield.

Mr. DOWELL. As I understand it, the employees pass from one grade to the other annually?

Mr. MADDEN. They pass after they have served in the grade one year if they qualify, whether it is the beginning of the year or the beginning of the quarter.

Mr. DOWELL. But they must serve where they are now under this provision?

Mr. MADDEN. They pass automatically to the new grade now if they have been in the grade long enough—one year.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the gentleman may have two minutes more, so that I may ask him a question.

Mr. MOON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five minutes. I desire to ask him a question.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the gentleman from Illinois may have five minutes more. Is there objection?

There was no objection.

Mr. MOON. Will the gentleman yield?

Mr. MADDEN. I yield to the chairman of the committee.

Mr. MOON. If I understood the gentleman from Illinois correctly, this is a modification of the amendment that has already been adopted by the House?

Mr. MADDEN. Yes, sir.

Mr. MOON. Now, what is the decrease involved in it?

Mr. MADDEN. It would confine the man at present in this grade to a $200 increase, whereas the amendment already adopted, if strictly construed and executed, would give him a $300 increase.

Mr. MOON. That was my understanding of the amendment and of the purpose when the gentleman spoke to me about it, but some gentlemen thought that it did not accomplish that purpose.

Mr. MADDEN. It does, absolutely.

Mr. MOON. It strikes me that it does.

Mr. MADDEN. It absolutely accomplishes the purpose.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman from Illinois repeat again what he said about the $600 employee?

Mr. MADDEN. Yes. In 1907 Congress classified the clerks and carriers. It made these grades. The first grade had a salary of $600, and the second a salary of $800.

Mr. COOPER of Wisconsin. Now, the $600——

Mr. MADDEN. In 1913 Congress modified the law by striking out the $600 grade and making $800 the entrance salary, but did not change the number of the grade.

Mr. COOPER of Wisconsin. None of these employees now get $600?

Mr. MADDEN. No; $800 is the lowest. Now, Mr. Chairman, I yield the floor.

Mr. STAFFORD. Mr. Chairman, I wish to understand the parliamentary situation. As I understand the purpose of the gentleman from Illinois [Mr. MADDEN], he wishes to withdraw the amendment that was voted on the other day—the amendment that he offered—and to substitute this amendment in its place. I am not certain whether that is the purpose of the gentleman or not, but I believe it is.

Mr. MADDEN. I want to do it in the most expeditious way and least complicated, if necessary. If necessary I want to ask unanimous consent to vacate the former proceeding.

The CHAIRMAN. The gentleman from Illinois asks to vacate the amendment adopted on Friday after the motion to strike out and insert.

Mr. SAUNDERS of Virginia. Mr. Chairman, that is the point I was trying to call to the attention of the gentleman from Illinois—to strike out and insert.

Mr. MADDEN. I move to strike out and insert.

The CHAIRMAN. The amendment of the gentleman will be so modified, without objection.

There was no objection.

Mr. GARRETT of Tennessee. Mr. Chairman, I very much hope that the amendment proposed by the gentleman from Illinois will prevail. I am very glad to see the committee in a temper where it is willing to submit by unanimous consent to a proposition that looks toward some measure of economy at least. I hope the members of the committee will consider very thoughtfully certain of the amendments that have already been adopted before we reach the point at which we shall vote upon them in the House itself, because to my mind a mistake has been made in adopting certain amendments that have been proposed.

I appreciate the equities that exist; I appreciate the conditions that exist in the country, which render it not only entirely equitable but necessary to grant some increases in compensation to the employees dealt with in this measure, to the end that they may meet the high scale of prices that now exists for those things that are necessary to life. But, Mr. Chairman, it is absolutely impossible for me to understand how intelligent business men should insist upon taking a position which is abnormal economically and making that the basis for permanent legislation.

I heard the gentleman from Illinois [Mr. MADDEN] read the other day, when he presented his first amendment, a letter from the President of the United States, and invoked the sentiment therein expressed as being a basis for the support of that amendment which he was then proposing, when the whole tenor of that letter of the President was devoted to emphasizing the thought that conditions are to arise in the future and with which men must then deal.

Yet what are we here doing? We are fixing a scale of pay that we believe to be fair under conditions that now exist. We know that those conditions will change when the war is over. We know that there is not going to be that continuation of inflation in prices. We know that the expenses of the rural carrier and other postal employees are not going to be so great after this war is over as they are now.

I come from a district where most of the postal employees are rural carriers. Is it fair, is it right, is it good business policy, to take this abnormal condition which now exists and make that the basis of pay for all time to come, no matter what change in conditions may arise? "Oh," gentlemen say, "it can then be changed." It will not be changed. The same influences that now drive it into permanent law will prevent it from being repealed when the time shall come. Whoever heard of decreasing a Government salary?

I repeat, Mr. Chairman, I appreciate the equities that exist in the case of these employees. I am in sympathy with the purpose. I reported the rule from the Committee on Rules that made this in order. I should have hesitated long to support such a rule if I had thought the bill was going to be made the basis of permanent legislation.

There are some other people in the country besides the postal employees. Many interests must be considered, many sacrifices made, and all must share in these sacrifices. I have heard from the rural carriers in my district to some extent. There is not nearly so much dissatisfaction expressed among them as some gentlemen insist. I realize that there ought to be an increase, and I favor it. But I have also heard from some others in my congressional district, who have something to do with the paying of the bills. They are willing that the postal employees shall have a fair wage and a just pay at all times, but they are not willing that we should take an abnormal condition and make it the basis of permanent law. [Applause.]

Mr. WALSH. Mr. Chairman, I want to support this legislation, but I am inclined to agree with the gentleman who has just spoken [Mr. GARRETT of Tennessee] that if we start in upon this basis of making these increases permanent, we are going to arrive at a point before this Congress concludes its labors for this session where we will be astounded at the effect of this legislation upon the Treasury of the United States.

I have favored a reasonable increase for all Government employees during the present war emergency, but I doubt if these increases which have been voted into the bill can be termed "reasonable" under all the circumstances, and I doubt the wisdom of making them permanent. I do not believe it costs a letter carrier or a clerk any more to live than other Government employees in the same section of the country. I believe, as I have said, that the postal employees are entitled to an increase in their compensation. Why they should get any extraordinary increase over and above employees in other branches of the Government service I have yet to learn. There is one thing, however, that I do wish to say, in justice to the postal employees, and that is that, in my opinion, they have at the head of their establishment at the present time an official who seems to be obsessed with the idea that he is conducting the Post Office Department of this Government on the theory that it is his duty to see to it that he returns a profit to the United States as a result of his conduct of its affairs, and in many instances and in perhaps nearly every instance of radical change of policy he seems to sacrifice efficiency for economy. I have an instance in my own city where the postmaster asked for an extra carrier for his force, as this is a growing, busy city, where many of the industries are engaged for the most part on war work. Unbeknown to the postmaster some inspectors were sent to that city to make an investigation, as a result of which six of the carriers in that office had their salaries reduced from $1,200 to $1,000 each. One of them was a veteran in the service of the United States, a Civil War veteran, who had been in the post office for a great many years. Without solicitation of the postmaster, without any warning, that man's salary was cut from $1,200 to $1,000, simply in order that there might be a saving in that office which might warrant putting on an extra carrier. No opportunity was given them, I understand, to pre-

sent their side of the case, as would be allowed if charges were preferred against them.

Mr. LARSEN. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. LARSEN. Do you know whether or not that individual's efficiency for service had increased or decreased?

Mr. WALSH. I know that the inspectors reported that that individual's record for efficiency was not up to the standard, but I know he claims he was doing the same work he had been doing for a long period, and I am informed that the postmaster had made no complaint nor had any falling off in the efficiency of that carrier been brought to his attention or of any of the six men whose salaries were reduced.

Mr. LOBECK. That is what the inspectors are for, is it not; to examine the force and demote efficient men?

Mr. WALSH. It is not the intention of the legislation under which we authorize inspectors that they should go snooping around at these various offices without notifying the postmasters that they are coming, or that they are there, or the purpose of their visit, unless a charge has been made concerning the efficiency or honesty of some employee. They are not attached to the Secret Service, nor are they enforcing the espionage law.

Mr. LOBECK. They do it anyway.

Mr. WALSH. They do it under this administration all over the country.

Mr. GORDON. I should like to ask the gentleman what he understands to be the duty of an inspector? Has he got to go around with a brass band?

Mr. WALSH. Oh, no; he does not have to go around with a brass band.

Mr. GORDON. Well, what are his duties?

Mr. WALSH. I think an inspector is sent out to inspect, usually upon request filed by the postmaster, and it is only fair that the postmaster should know when the inspectors expect to arrive, and that he should be consulted, and that he should be asked as to whether a man is performing his duty in an efficient manner.

Mr. GORDON. The gentleman wholly misunderstands the duties of inspectors. Inspectors are not under the orders of the postmaster.

Mr. WALSH. I do not contend that they should be.

Mr. GORDON. Why should the postmaster be notified, then?

Mr. WALSH. I will say to the gentleman that the postmaster is supposed to have some knowledge as to the manner in which the employees under his supervision are doing their work.

Mr. GORDON. Sometimes he has and sometimes he has not.

Mr. WALSH. I will say that in this instance he had, and that he protested against this reduction. It is not fair that the department should follow a policy that immediately puts a cloud on the postmaster and his office if he seeks to add to his force.

In this instance the worthy hawkshaws not only recommended demotion of these six men but also recommended abolishing a branch post office, which had been established a few years ago in the same city. That recommendation was followed only to the extent of issuing an order abolishing the branch office and then rescinding the order.

I submit, Mr. Chairman, that this would be a most opportune time to enact legislation looking to retirement of the superannuated employees of the Post Office Department, and it ought to be put on this law. Such a provision is of more vital importance than Government ownership of telephones here in the District, and it would save thousands of dollars to the department. The present head of the Post Office Department seeks to rule with a rod of iron, and his attitude toward his force is not such as to merit approval.

Mr. LONDON. Mr. Chairman, I move to strike out the last word. I want to speak on this amendment.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. LONDON. Mr. Chairman, I desire to make a few observations in connection with this bill granting increased compensation to employees in the Postal Service. The difficulty with this legislation is that we fail to approach the subject of compensation for Government employees in a thoroughgoing or logical manner. This is piecemeal legislation. The complaint of the distinguished gentleman from Tennessee [Mr. GARRETT], who spoke a few minutes ago, is to a great extent well founded. It looks at first glance as if we are trying to legislate permanently for a situation which is temporary in its character. The mistake he makes, however, is this: The permanent feature of this bill is an attempt to provide an adequate compensation. Inflated prices have reduced the purchasing value of the dollar. There has been an actual diminution of the salary of the Government employee. This bill seeks to overcome the discrepancy.

Mr. MADDEN. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. MADDEN. This legislation was not originated on account of the war. It was originated long before the war, and should have been enacted before the war, and is entitled to be enacted on its merits, regardless of the war. [Applause.]

Mr. LONDON. I understand that. Will the bill accomplish the proclaimed object? I doubt it. We should, without delay, undertake legislation to secure to the men and women who work for the Government at least a minimum wage. The minimum should enable the worker to provide for himself and his family food, clothing, shelter, an opportunity for education and for recreation, to rebuild one's body. That is the minimum, and whether a man is skilled or unskilled, whether he is a bricklayer or an astronomer, he is entitled to that minimum compensation, particularly if he is in the employ of the Government.

When we take old men who are utterly incompetent, a man who has been 50 years or 40 years in the service, who has in his younger days contributed to the welfare and prosperity of the country by rendering loyal service in the particular field in which he was engaged; when we take an old veteran who has offered his life to save the Republic and we retain him in the employ of the Government solely because of his past services, we do an injustice. We do not promote efficiency. The proper way to handle that situation would be to adopt proper retirement legislation, an old-age pension system, so that the old man who has spent his entire life in the service of the community should not be thrown upon the scrap heap when he is physically incapable of continuing his work.

Mr. GORDON. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. GORDON. What would you do with the old men in private employment who have reached the same stage of inefficiency?

Mr. LONDON. In the few minutes I have, I have set out to deal with the subject of Government employees. The Government can not afford to be a mean employer. In the relation between the Government and its employees there should be a higher standard than the standard which Carlyle designated as the standard of the dollar mark. These relations must be humanized. I know what I would do with the private employee who has been rendering useful service to the world and who has been helping to build up industries and the prosperity of the country. I would take care of him in his old age. I would not throw him into the junk heap. That was the object of the insurance resolution which I introduced and which many of you gentlemen, who did not understand, voted against, and which some of you who did understand voted against, because it was for the benefit of the people.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. LONDON. Yes.

Mr. REAVIS. Would it not be an excellent example to furnish to the private employer if the Government itself would do it?

Mr. LONDON. Of course, the Government should be the first to teach us humanity in economic relations and not rely upon the old worn-out theory of the so-called law of supply and demand and survival of the fittest, which in industry very often means the survival of the vilest scoundrels and the most shameless and conscienceless employers.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. LONDON. Yes.

Mr. COOPER of Wisconsin It is true that some of the railroads of the country have taken their old employees and have placed them on the pension list.

Mr. LONDON. The difficulty with private pensions is just this: When a private corporation puts a man on the pension list, it acts upon the theory that the employee during his hours of vigor shall do everything the employer asks him to do, so that the old-age pension is held up by the private employer as a bribe, as an inducement to the employee that he should be obedient, submissive, and docile during that period of his life when he could by fighting obtain better conditions, or private pension for old age is held out as a reward for being a slave during the active age of life.

Mr. BLACK. Do I understand the gentleman to take the position of opposing the methods that some corporations have resorted to in the pensioning of employees?

Mr. LONDON. I say that the methods of employment of private corporations——

Mr. BLACK. Is the gentleman opposed to it?

Mr. LONDON. I am in favor of compulsory old-age pensions for private employees. I do not believe in charity——

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. LONDON. Mr. Chairman, I ask unanimous consent to proceed for two minutes further.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LONDON. A minimum wage bill and a thoroughgoing old-age pension system would go a great way to improve the situation.

Mr. FOCHT. Mr. Chairman, I would like to ask the gentleman a question. Will he yield?

Mr. LONDON. Yes.

Mr FOCHT. I would like to ask the gentleman how he accounts for the fact that in the presence of old-age pensions in England, France, Germany, Australia, New Zealand, and even Turkey, this great munificent Nation has overlooked it?

Mr. LONDON. Because we have too many stand-pat Republicans and too many Bourbon Democrats. [Laughter.]

Mr. MAGEE. Mr. Chairman, I have no doubt that the pending measure will pass the House by an overwhelming vote. I am heartily in favor of the bill, especially as amended, making the compensatory provisions permanent. The increases in compensation are extremely moderate, and no substantial reason can be given why these faithful employees of the Government should be compelled to make another long and protracted fight for well-merited recognition after the termination of the war. Now that the opportunity is at hand to give them justice, we should give them full justice. Only in this way, in my judgment, can we show that heretofore we meant what we said when we told them that we would do all within our power to obtain for them the fair and equitable allowances to which they are reasonably and most deservedly entitled. [Applause.]

Mr. NEELY. Mr. Chairman, I am not in favor of making a raid on the Treasury such as the gentleman from Tennessee [Mr. GARRETT] and the gentleman from Illinois [Mr. CANNON] have so vividly described, but I am very much in favor of the Government doing justice to its servants and paying a living wage to its employees in the Postal Service. At this very hour we are facing a crisis that beggars description and surpasses comprehension. In order to meet it the Government is calling upon its citizens of every rank and station to make such sacrifices of money, time, and men as have never before been called for in the history of any land. The people are promptly and freely responding to the call. They are donating their time to the Government; they are lending their money to the Government; they are giving their flesh and blood to the Government to be consumed upon the altar of war. At such a time and in such circumstances, when the Government is admonishing all to be generous, it can not afford to be less than just to those who perform its most important functions and bear its heaviest loads.

This is a time when patriotism should be promoted, not suppressed. While no one provided for in the pending bill would measure his patriotism or allegiance to his country by any increase in compensation that might be granted or withheld, it is, nevertheless, a fact that the employees in the Postal Service can not continue to live on the rate of wages they are now receiving. When the laboring class, to which these most deserving employees belong, shall cease to live then allegiance and patriotism will necessarily die.

Some of those for whom we are providing in the measure before the House have received no increase in compensation since 1907; the remainder have had no advance since 1912. It is therefore apparent that the present rate of pay for postal employees was fixed under economic conditions that have long since been swept away. Since 1912 the cost of living has increased about 63 per cent; since 1907 it has increased considerably more than 63 per cent. Therefore the increase in wages provided by this bill, though large it may seem to those who oppose the measure, will scarcely offset the last five years' increase in the cost of living. To my mind, simple justice demands that the proposed relief should be speedily granted and that these worthy employees be thus enabled to live up to the present standard of life set by an entirely new order of things.

As there is absolutely no evidence before us that normal conditions, as we knew them before the war, will ever again prevail, it is my sincere hope that the House will agree to the amendment of the gentleman from Illinois [Mr. MADDEN], adopted by the committee on last Friday, making all the increases carried in the bill permanent, instead of temporary. If the present high cost of living, largely brought about by the war, should be substantially reduced upon the restoration of peace, and it should then be found that the increases allowed are excessive, Congress will still have the power of repeal and the authority to make such adjustments as good judgment may suggest and justice may require. Let us not anticipate the future by fixing a date upon which this beneficent legislation shall automatically expire. Let us rather leave to a future Congress the task of dealing with a future problem. "Sufficient unto the day is the evil thereof."

Mr. REAVIS. Will the gentleman yield?

Mr. NEELY. I yield to the gentleman from Nebraska.

Mr. REAVIS. Assuming the prewar condition will recur after this war is over and prices that obtained before the war should return, does the gentleman believe that $100 a month to a Government employee who gives all of his service and all of his time to the work of his employment is too much, even under normal conditions?

Mr. NEELY. I do not think it is enough.

Mr. DOWELL. Mr. Chairman, I believe these employees are entitled to receive a reasonable compensation for the services rendered. These men are giving the very best part of their lives to our Government and are only receiving a small wage. It has been a number of years since the employees of the Postal Department have received an increase of pay. The cost of living during this time has been constantly increasing. We must take into consideration the fact that these employees must support their families and educate their children on the compensation received from the Government, and I submit that the present high cost of living will quickly absorb this compensation.

The rural carrier is confronted with a double expenditure. He must not only provide for his family at the present high cost, but he must pay for his own equipment and the upkeep of the same at the greatly increased cost.

The Postal Department requires a high standard of efficiency in all its branches. The people of the country want and require efficient service in this department. I believe all these employees should receive reasonable and fair pay for the faithful and efficient services they are rendering the people.

Mr. GALLAGHER. Mr. Chairman, the most noisy and boisterous speeches I have heard here for a long time have been made by those people who are denouncing this bill as a raid upon the Treasury; that we are doing something that is unfair and unwarranted. Now, I am going to support this bill, not because of the war or anything in connection with the war. I heard men say it is a shame to spend the Government's money at this time to increase salaries when men are going to the trenches at $30 a month. Why, are not the sons of those men who are working for the Government going into the trenches like the sons of anybody else? The Government employee is a man who is working for a salary, and a very stingy salary in most cases, and any man who wants to live respectably at such wages can not raise a family and do it in a respectable way, because we are not giving them suitable pay, a respectable wage.

Now, these men who work for the Government, many of them, are losing their sons who are going into the Army at a time when they are needed at home, because many who are working for the Government have little homes they are compelled to pay for to save them. Now, there is no consideration given to those people whatever, and thousands have left the Government service for the Army and we want to provide a decent wage for them when they come back. Why, some men say here, "We are in favor of the rural carrier getting more wages; we are in favor of all the employees of the postal department getting more wages but——," and they stop at that because of some reason. If there is any class of employees in the Government service that Congress is afraid of it is the rural carrier, and and I do not except the farmer, and God knows they have been well taken care of. There is no employee in the service of the Government that a Congressman will jump quicker for or they are more anxious to help than a rural carrier, and you can not deny it. With what unanimity we proceeded to increase the salary of the rural carrier. Boost it up everybody. What about the country merchant? There are a good many people doing business in the rural districts, little country merchants as well as general stores, and if there is one thing more than another that has helped put the little country merchant out of business it is the rural carrier. They have made many millionaires in our cities because of the rural free delivery, and great mail-order houses have grown up in every section of the country as a result of the rural carrier service, putting the small country merchant and the general store out of business. Let the country merchant read the proceedings here and find out how anxious this Congress is to increase the salary of the rural carrier.

The rural carrier has a chance to provide for his family on the side by raising produce in his little garden. He can also secure cheaper rent. But the city carrier or clerk has no such opportunity. The city carrier has nothing but expense from morning until night. The rural carrier has many advantages

that are not to be had in the city, and here we find Members protesting about giving city postal employees a respectable wage. I know something about living conditions in the city. The poor in the big cities, and in medium-sized cities, are much worse off than the poor in the rural districts. They can not live as well at the same salary, and if they are raising a family they are ground down to the bare necessities of life.

Now, I am in favor of a respectable wage for all these people. I am not afraid of any of the powers that be. I have no post office in my district nor any postmasters to appoint, so I am free to say what I please about this situation. If there is any class of people that are entitled to a respectable wage from the Government it is the postal employees, and I make no exceptions. And I am not in favor of it because these are abnormal times. I am in favor of it because they are entitled to it. I think we are simply proceeding to give them what they earn—a respectable wage—and I want it to continue not because we are at war but after the war, because they are entitled to it and are deserving of it.

I hear so many Members here telling about the condition of the Treasury. They are frightened. Why, I heard somebody say here the other day when we talked about increasing the wages of Government clerks that the farmers did not have anybody in the gallery to show their appreciation of what was being done for the farmer. But they do not need anybody here. The farmers' interests are well looked after right on the floor of this House, and have been for some time, while those working for the Government in cities are compelled to have representatives here to obtain the recognition that they deserve.

Some idea of the conditions surrounding postal employees in the city can be gleaned from the testimony of Mrs. Frank Halas, president of the Woman's Auxiliary of the National Federation of Postal Employees, before the House Post Office Committee December 17 last. She said:

I have had Congressmen tell me that if postal clerks did not like the conditions under which they are working at the post office, let them go back to the farm. That is not an answer. You can not pack your things in a suit case and go back to the farm just because you do not like the conditions under which you are working. It takes money to pack your things and go back to the farm. Suppose some one came to the postal employees in Chicago with money and said to them, "You can all pack your suit cases and go back to the farm; here is the money to do it with"; what would be the result? Every one of those postal clerks would be arrested for conspiracy to delay the mails.

Now, is it fair, when you are trying to live, when you are nearly starving, when you can not buy the necessities for your family, when you have to see your children go to school not clothed as warmly as they might be, when they have to go without the pleasures and sometimes without the necessities that other children are enjoying—is it right—is it fair and square for a Congressman to come and say to you, "If you do not like it you can go back to the farm," knowing perfectly well all the time that if all the post-office clerks in Chicago did go back to the farm to-morrow they would land in jail for conspiracy to delay the mails?

And if they did go back to the farm, who would step in to take their places? Now, is that fair? I can not answer that question in the affirmative; I can not say it is fair.

* * * * * * *

I had a peculiar situation come up a while ago. A woman called me up and asked me to go to her house; she wanted me to hear her story, but she did not have presentable clothes to come out in. Her husband is getting $900 a year in the Chicago post office, and they have three children. Three days before each pay day—one is on the 3d and one on the 18th—that husband and wife have black coffee, without cream or sugar, and unbuttered brown bread; that is what they are living on; and I am going to ask you, as true a citizen as I am, do you think that a man can get up and cheer as lustily, living on black coffee and unbuttered brown bread, as you and I can, with three square meals a day? He can not do it. I am patriotic; but I say you are asking the impossible when you ask that.

And I say the women are smarting under the unfairness of it. Their husbands are working nights, many of them, and those women are going out and hunting up jobs for their men, going out looking for chances for their men to get out of the service. There is a shortage of help now in the Chicago post office. I have a statement here [indicating] in a newspaper quoting Mr. Galbraith, superintendent of mails in Chicago. He says:

"We have men now in all of the Chicago regiments and in camp at many different cantonments. Then we have had an unusual number of resignations of capable mail workers who have taken at higher salaries places of men who have left mercantile life in Chicago to join either the Navy, Army, or Aviation Corps."

He says there is a shortage now. He is sending out appeals for people to come in.

I was recently asked to sit on a subcommittee on women and children in Chicago, of which Mr. Boyd, who is the head of the State employment department in Chicago, was chairman. All the men in that work in Chicago know that I am the head of the women's work. They see me aged-looking and careworn at the stories I have had to hear in the last two or three years; and when the women see me on these different committees, like Mrs. Raymond Robins's, they always think of the postal clerks; they know that when I am quiet I am thinking of the postal clerks. That day I was not saying much, and Mr. Boyd was talking about the labor situation; and Mrs. Robins said to me, "What is the matter there at the post office?" Mr. Boyd said, "We are sending them men every day; there is not a shortage of men in Chicago." That was in October. He said, "We are sending them men every day. But they can not keep their men; those men are put in as substitutes at 35 cents an hour; as soon as they have been there long enough they are put on regularly at 27½ cents an hour. They are given a big scheme to study after their working hours. If it is a day shift, they work 11 hours, and the night shift works 13 hours.

Our families have to double up; two families are going into one small house; and you have again an exemplification of the old story that there is no house big enough to hold two families. There are houses in Chicago now that hold three families, so that the postal clerks can live. Some of our women are working, although they have little children to take care of, so that their husbands can have a few hours off at night.

And am I saying anything wrong; am I exaggerating in any way when I say that our women are smarting under the unfairness and the injustice of the thing? I am sure that it is all because you gentlemen do not understand. A very good friend of the postal employees said last year when I told him that our standards of living are being broken down—he said, "Don't tell me that; don't I know it." Everyone else has had his salary increased. How about our salaries, that have not been increased for 10 years? How about us? We are simply on the verge of desperation, and the men are leaving the post office; and if something is not done for them they will keep on leaving the post office every time they find an opportunity on the outside.

These are conditions that I wish to bring to the attention of the Members of this House, and I believe you will agree with me that they ought to be remedied. The Postal Department is not run for gain or profit, and with the increased postage of 3 cents on first-class letters it will more than pay double the amount of the increase of salaries provided for in this bill. What we should do, and ought to do, if we wish to do the right thing, would be to provide a suitable retirement law that would provide for old-age pensions that would insure Government employees against want in their old age after spending all of the best years of their lives in faithful and honorable service for the Government.

I hope this bill will pass with a good big majority in its favor.

Mr. MADDEN. Mr. Chairman, I am going to insist that debate shall be confined to the amendment after this.

Mr. GALLAGHER. Did I not talk on the amendment?

Mr. MOON. Mr. Chairman, I move that all debate on this amendment close in five minutes.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on this amendment close in five minutes. Is there objection?

Mr. LINTHICUM. Reserving the right to object, I would like the five minutes.

The CHAIRMAN. The gentleman from Maryland [Mr. LINTHICUM] is recognized for five minutes.

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee——

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. I wanted to inquire if the motion made by the gentleman from Tennessee [Mr. MOON] was put and carried.

The CHAIRMAN. It was a mistake of the Chair. The Chair was stating a unanimous-consent request. It was a motion. The vote is on the motion of the gentleman from Tennessee [Mr. MOON] to close general debate in five minutes.

The motion was agreed to.

Mr. CLARK of Florida. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CLARK of Florida. I understood the gentleman from Tennessee [Mr. MOON] about 20 minutes ago made a motion to close debate in 10 minutes, and that was carried.

The CHAIRMAN. That was on another amendment.

Mr. CLARK of Florida. There was no vote on the other amendment.

Mr. MOON. That was on the Cox amendment, which was voted on and lost. This is on the Madden amendment.

Mr. LINTHICUM. Mr. Chairman, the bill now under consideration, entitled "Granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes," is a great step in the right direction.

I am heartily in favor of the bill and for a long time have used every effort in having the same brought to the attention of Congress and justice done to these Government employees.

I do not think that the bill is fair, however, in that it limits the increased pay for the period of the war and for 90 days after the proclamation of peace. And for that reason I am in favor of the amendment proposed by the gentleman from Illinois [Mr. MADDEN], which so changes the bill as to make its provisions and increases permanent legislation.

There is certainly no class of employees in the Government service who have the greater confidence of the American people than do the postal employees. They enter into closer association with our social, political, and business operations than any other class of men.

Representing as I do a district wholly within the city of Baltimore, I come in direct communication with that class of employees known as carriers and postal clerks. They are as fine a body of men as one can meet in his general social and business operations. They are always courteous and agreeable, ready and willing to do everything in their power for the benefit of the service and the convenience of the public. From them must spring in future the men and women who are to comprise a large part of the body politic of our land.

The postal clerks have not had an increase of salary for more than 10 years, and have long been protesting to the Government against the injustice done them. The letter carriers have had some increases, but they have not been in proportion to the cost of living and other expenses which they are compelled to sustain. The cost of living has increased during the last few years some 43 per cent, while the increases provided in this bill amount to only 15 or 20 per cent.

If we would have our postal employees continue the high standard which they have always maintained we must provide them with sufficient salary upon which to live and to educate and provide for their offspring and care for them in the proper manner.

The increases as provided in the bill are as follows:

Clerks in first and second class post offices and letter carriers in the City Delivery Service shall be divided into six grades, as follows: First grade, salary $1,000; second grade, salary $1,100; third grade, salary $1,200; fourth grade, salary $1,300; fifth grade, salary $1,400; sixth grade, salary $1,500. Clerks and carriers shall be promoted successively to the sixth grade.

That hereafter the salaries of railway postal clerks shall be graded as follows: Grade 1 at $1,100; grade 2 at $1,200; grade 3 at $1,300; grade 4 at $1,400; grade 5 at $1,500; grade 6 at $1,600; grade 7 at $1,700; grade 8 at $1,800; grade 9 at $1,900; grade 10 at $2,000.

You will note from this that these salaries are not much larger than the ordinary laborer can obtain in these war times. More than 200,000 employees are affected by this bill, and they are efficient and loyal, as everyone here can certify. Upon them rests the responsibility of performing a very important part of our public service, and they are entitled to receive such compensation as will attract and hold competent men.

I realize that this bill will entail an outlay of about $30,000,000, but we must also take into consideration that this money is not taken from the pockets of the taxpayer, but is provided out of the revenue of the Postal Department. The Postal Department has for some years past had a surplus, and with the increased cost of the mail the amount provided herein will be far exceeded by the increased revenue, so that it will not be a charge upon the individual, but a charge upon the funds of the Postal Department, which is self-sustaining.

For many years this Government provided mailing facilities for second-class matter at a loss of $80,000,000 to our country. But this has been largely corrected by legislation recently enacted, so that we are now enabled to do justice to the employees instead of making this huge gift to publishers.

In creating this increase we must not only take into consideration the increased cost of living, but we must also take into consideration the fact that since the creation of the Parcel Post System a very large amount of additional work has been cast upon these employees. I have seen, and no doubt you have all seen, these men laden to their full strength with parcel-post matter, which they deliver in their respective sections of the city and country. The work has become onerous and exacting, but the efficiency of the men has been maintained and they have shown by their constancy that they are willing to do the utmost amount of work within their power and strength. While all this additional work has been cast upon them, I have yet to find one man complaining of his task. But each and every one has gone about it with continued energy, exactness, and willingness.

I realize that we should not increase salaries any more than it is necessary to do; but we must take into consideration the fact that the income of the vast majority of these men depends solely upon the work they perform and that they have no other revenue nor opportunity to earn money except that which comes through the salaries provided. Their labor is their sole capital and the only thing they have to sell.

These men have never threatened strike. They have never threatened a walkout. Their unions have never exerted undue influence upon the National Government. They have always been ready to lay their case before the Committee on the Post Office and Post Roads and to leave it with that committee to decide what is fair and just compensation for the work performed. That committee, after a long and exhaustive hearing, taking into consideration every angle of the case, hearing men on all sides, have concluded that the salaries provided in this bill should be granted. I am therefore strongly in favor of the prompt passage of this bill so that these men may obtain what they should have had long ago.

Mr. MOON. Will the gentleman allow me to interrupt him a moment?

Mr. LINTHICUM. Yes.

Mr. MOON. What is the gentleman proposing to discuss here? He is not talking to this amendment.

Mr. LINTHICUM. I am talking about the bill in general.

Mr. MOON. That is general debate, but go ahead. I do not object.

Mr. LINTHICUM. I realize, as do we all, that the demands upon the National Government are extremely heavy during this critical period of the world war. I realize that the taxpayers of the country are contributing to the National Treasury the sums demanded of them without a murmur of complaint, but with a willingness and desire to do all that they can in the support of the National Government in this time of need and in the prosecution of this tremendous war. I realize that in the years to come the burden must rest more heavily upon the people of the country than perhaps ever in its history. Yet we must also take into consideration that it is the duty of the National Government to be just and fair with its employees, as private enterprise has been with those under its employment. As I look about me I behold that every industry of commerce and business, every manufacturing concern, even private employers and all persons needing the help of others, have increased the salaries of their men. They do it not from a desire to be generous or to dispose of their funds, but they realize that if they would have their men live and be able to perform the work devolving upon them they must have proper salaries to maintain themselves and their families and to equip their children for the work of future generations.

The National Government has not been liberal in salaries. It has obtained splendid men without very large compensation, but it has always been the desire of the Government to be fair and just, and for that reason the bill reported from the committee will become a law and will redound to the great benefit of the postal employees and naturally to the Postal Service.

No man can perform with efficiency the work before him unless he is able to be properly cared for and to care for those dependent upon him. This bill, I believe, will accomplish that end.

The amendment of the gentleman from Illinois making it permanent legislation is to my mind quite essential to this bill. It has been the history of our country that when prices advance they seldom react to their original level. In some instances or for some articles the prices may go down, but as a general rule they are maintained permanently.

I do not think that there is any Member of this House before me to-day who will contend that there is any possibility of prices reacting to such an extent that the salaries called for by this bill will not be required. It is, therefore, essential that we pass the bill with the amendment, so that the employees will know that their salaries are fixed permanently and that there will be no need of further hearings and agitation in order to maintain them at the standard established in this bill.

I sincerely hope, Mr. Chairman, that the bill with this amendment will pass and become one of the laws of the country at an early date.

I can speak in behalf of those men of my city engaged in the postal work that they will not only appreciate the justness and fairness of the legislation but that they will be, if it is possible, more energetic and more earnest in the performance of their duties than ever before. As I have said, they are a splendid body of men, always energetic, always willing, and always perform their duty in the most efficient and proper manner. They have the confidence and esteem of every class of our citizens.

The old and the young of our great metropolis wish them well. They perform their work with quietude and exactness, are always on their job, whether it be in the heat of the summer's noonday sun or among the winter's blasts. I am glad to see justice done them at last. [Applause.]

The CHAIRMAN. The vote is on the amendment of the gentleman from Illinois [Mr. MADDEN].

The question was taken, and the amendment was agreed to.

Mr. BLACK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas [Mr. BLACK] offers an amendment, which the Clerk will report.

Mr. BLACK. This is an amendment as a substitute to the section. If any gentleman has anything to perfect the section, it should be offered now.

Mr. McCLINTIC. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

Mr. MOON. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 20 minutes.

The CHAIRMAN. The gentleman from Tennessee [Mr. MOON] moves that all debate on this section and all amendments thereto close in 20 minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. RUCKER. Mr. Chairman, I have an amendment that I wanted to offer there.

The CHAIRMAN. The gentleman from Oklahoma [Mr. MCCLINTIC] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MCCLINTIC: Add to section 1 the following: "*Provided*, That those who were performing service as motor carriers shall receive a 10 per cent increase of salary on the amount they are now receiving."

Mr. McCLINTIC. Mr. Chairman——

Mr. MADDEN. Mr. Chairman, I would like to have that amendment reported again, so that I can understand it.

The CHAIRMAN. Without objection, it will be reported again.

The amendment was again read.

Mr. MOON. Mr. Chairman, I reserve a point of order on that amendment.

The CHAIRMAN. The gentleman from Tennessee reserves a point of order on the amendment.

Mr. McCLINTIC. Mr. Chairman, I have been informed by a member of the committee that the present bill under consideration does not contain any provision for the increase of the salary of those who are at this time performing service as motor carriers. I do not believe it is the intention of this House to make an unjust discrimination against any class of Government employees. I am specially pleased that the rural carriers have been granted a substantial increase. I know that the cost of living has increased in leaps and bounds, and when it is taken into consideration that the rural carrier must pay out for upkeep practically half of the amount he receives for performing this service, it can be readily seen that the increase of salary provided for in this bill is just and right.

I am sure that no Member of Congress who is posted as to the amount of expense necessary to keep up automobiles but will say that the motor carriers labor under as hard, if not harder, conditions as those who perform service as rural carriers. If you please, Mr. Chairman, the motor carrier must first take the examination under the rules and regulations of the Civil Service Commission and make an eligible grade before he can receive an appointment. He must to a certain extent be a little better qualified than some of the wagon carriers, because he must know how to operate an automobile or a Ford before he can successfully perform the duties that devolve upon him.

In many sections of the United States they have macadam roads, and those who are performing service as motor carriers have a much easier time than those in the Middle West and the extreme West, where the roads are not so good. However, it can be said that in certain sections of the East where they have macadam roads the motor carriers often have to turn aside and follow the meanderings of some byway, and consequently their duties are often very hard when weather conditions are bad. Out in the central part of the United States and the Middle West, where we have no roads to speak of except those given us by nature, when wet weather comes, and especially in the wintertime, the trials and hardships of the motor carrier are very difficult, and it makes it nearly impossible for him to perform his duty in the proper manner.

Mr. Chairman, in the last week I have received three communications stating:

We would like to give up our contract with the Government. We would like to have these two routes that were formerly consolidated for the purpose of establishing a motor route discontinued, and, instead, wagon routes be reestablished. We would like to be given employment as carriers on wagon routes instead of motor routes.

A few minutes ago I opened my mail and I noticed an appeal that came from a motor carrier living in western Oklahoma. He says:

Mr. MCCLINTIC.

DEAR FRIEND: I have resigned as motor carrier on route A, as I believe I could not carry it without buying a new car. I have had three on it already, and for this reason I have decided to quit.

Mr. MOON. What is the length of the route?

Mr. McCLINTIC. About 50 miles, I think.

Mr. MOON. Do you know what the man was getting?

Mr. McCLINTIC. I think he was getting something between $1,600 and $1,800. I could not make an authentic statement as to that.

Mr. MOON. Do you know how long it took to perform the service?

Mr. McCLINTIC. I can not give an accurate answer to your question; but, Mr. Chairman, I do know when the wet weather comes the motor carrier has to hire and pay out of his own pocket a man to go in a wagon or buggy and cover one-half of the route while he covers the other half.

Mr. MOON. That sort of a route ought to be abolished, ought it not?

Mr. McCLINTIC. There is not a person living in that section of the country who can cover the motor route in wet weather with a team in a day. Consequently when bad weather comes the motor carrier has to suffer a great deal more than the wagon carrier. I do not believe that Congress should make a discrimination against this class of service. I think if there is any one class of Government employees that is entitled to some consideration it is that class which is to-day performing this kind of service at a financial loss. From the information I have received, practically every motor carrier in the district I have the honor to represent would gladly welcome the opportunity of accepting service on a wagon route on a basis of $1,200 for a standard route and give up his position as motor carrier. This being the case, I think the United States Congress should be a little more merciful and not make a discrimination against those who are at this time rendering such splendid service while serving in this capacity.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. McCLINTIC. Mr. Chairman, I hope this amendment may be adopted.

Mr. POU. Mr. Chairman, the House of Representatives has now been considering for some days a bill which, it seems, ought to have been speedily acted upon. The proposition is to increase the salaries of postal employees from 15 to 20 per cent. The cost of living during recent years has increased from 43 to 50 per cent. Why should there be any controversy about such a bill? Who is there that can dispute the justice of the contention of the proponents of this measure?

At this very moment, when the fate of civilization is hanging in the balance, men are criticizing the Government because, as they say, it does not synchronize the great industrial agencies of this Government and throw them in the balance of this war. There are at this very minute measures of most supreme importance absolutely necessary for the successful prosecution of this war that are held up by this prolonged, and, as I submit, unnecessary, debate in the House of Representatives. [Applause.]

If you are going to pass your housing bill, which is necessary, as we are told by men upon both sides who know—necessary in the building of ships, when the cry is, "Ships, and ships, and more ships"—if we are going to take up that measure, and other measures equally vital, for God's sake let us put this one aside and bring these war bills to a vote. And there are still other measures that are pending before the committees of the House that are absolutely and vitally necessary for the prosecution of this war for which the departments of the Government are anxiously waiting before they have authority to act. And all the while the criticism goes on. Why isn't this done? Why will not officials speed up, speed up? And here we are consuming days in discussing a measure which should have come to a vote after two hours' debate. I rise here to make a plea that we come to a vote on this measure. Every man in this Chamber knows right now how he is going to vote. Further debate will accomplish nothing. Let us dispose of this bill and then take up these other measures that are supremely necessary to enable this Nation to do its part in saving civilization itself from destruction. [Applause.]

The CHAIRMAN. Does the gentleman from Tennessee [Mr. MOON] press his point of order?

Mr. MOON. Mr. Chairman, I do not believe I care to make the point of order. I believe I will agree to this amendment for 10 per cent. It will cost the Government less money that way than it would under the bill as heretofore amended.

The CHAIRMAN. The question is on the amendment of the gentleman from Oklahoma.

The question being taken, on a division (demanded by Mr. STAFFORD) there were—ayes 46, noes 14.

Mr. STAFFORD. I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Wisconsin makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and fifteen Members present, a quorum. The amenmdent is agreed to.

Mr. RUCKER. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr RUCKER (substitute for the paragraph on page 1, beginning at line 7): That carriers in the Rural Free Delivery Service shall receive a salary not exceeding $2,200 per annum, the maximum salary to be based on the length of routes, the time required to serve them, and the number of pieces and weight of mail transported: *Provided*, That the minimum compensation of such carriers, payable monthly, shall be as follows: On routes of 24 miles, six times a week, $1,380 per annum, and $24 per mile per annum for each additional mile over 24 miles; on routes 22 miles and less than 24 miles, $1,152; on routes 20 miles and less than 22 miles, $1,080; on routes 18 miles and less than 20 miles, $960; on routes 16 miles and less than 18 miles, $840; on routes 14 miles and less than 16 miles, $720; on routes 12 miles and less than 14 miles, $672; on routes 10 miles and less than 12 miles, $624; on routes 8 miles and less than 10 miles, $576; on routes 6 miles and less than 8 miles, $528; on routes 4 miles and less than 6 miles, $480. A rural carrier serving one triweekly route shall be paid on the basis for a route one-half the length of the route served by him, and a carrier serving two triweekly routes shall be paid on the basis for a route one-half of the combined length of the two routes: *Provided further*, That rural routes on which the use of a motor vehicle would be required shall be established only when a motor vehicle can be operated thereon with reasonable regularity for 10 months in the year: *And provided further*, That when any route is authorized that absorbs or eliminates existing routes the carriers affected thereby shall be retained in the order of their relative efficiency.

Mr. MOON. Mr. Chairman, I reserve a point of order on the amendment.

Mr. RUCKER. Mr. Chairman, if I can have the attention of the committee, I will say that no friend of this amendment need fear the point of order, because I do not think, with all deference to the distinguished chairman of the committee, that it is subject to a point of order.

I want to address myself particularly to those members of the committee who are friends of rural carriers, and, addressing them, I want to say that there is not a more loyal friend of the men engaged in the Rural Free Delivery Service of mail than myself. I am their pronounced and unwavering friend. My vote on this question, or on anything that pertains to this bill, or on any question pertaining to any other bill is not the result of any menace of the rural carriers in my district nor is it because of any favor that I hope to receive at their hands. Many of them are Republicans and vote wrong anyway. I do not care the snap of my finger how any of them vote. It is a mere question of what is right in the premises. They are serving our constituents, and it so happens that we are charged with the responsibility and intrusted with the power of fixing their compensation, and it is our duty to be just and fair in our treatment of them.

Mr. MOON. Mr. Chairman, will the gentleman yield?

Mr. RUCKER. Yes.

Mr. MOON. Can the gentleman inform the House what would be the difference in cost between the amount to be paid under his amendment and the 10 per cent proposition which has been adopted?

Mr. RUCKER. I am going to get to that in just a moment, if the gentleman will pardon me. Let me say that the first part of the substitute which I have offered reads as follows:

That carriers in the Rural Free Delivery Service shall receive a salary not exceeding $2,200 per annum, the maximum salary to be based on the length of routes, the time required to serve them, and the number of pieces and weight of mail transported.

That provision gives latitude or flexibility and permits the Post Office Department, if it sees fit to do so in meritorious cases, to allow compensation to the rural carriers above the minimum amount which the substitute that I offer authorizes.

This substitute provides a minimum salary of exactly the same sum that is carried in the bill reported by the committee, $1,200, with 15 per cent added to it, or $1,380 per annum. It not only does that, but it goes down the line in the same ratio as to the salaries for carriers on shorter routes than 24 miles. It provides the same pay for routes in excess of 24 miles that the pending bill provides.

The pending bill is unjust in this: It provides a flat rate of pay. Where the carrier now gets $1,200 under the bill as amended, he would get 20 per cent added. Under this amendment that I offer the minimum amount that the carrier would receive is the amount written in the bill as reported by the committee, namely, $1,380. Thus the pending substitute would enable the Post Office Department under the first clause of this amendment to regulate and adjust salaries above the minimum, taking into consideration the number of miles traveled, the number of pieces of mail handled, and the weight of the mail. For instance, out of a given town two routes are established, one 24 miles long and the other 22 miles long. The man who travels over 22 miles delivers, I will assume, 3,000 pieces of mail a month, while the man who travels 24 miles delivers only 2,500 pieces of mail a month. So the man traveling the shorter distance performs the greatest service, based on the number of pieces of mail delivered. This substitute would permit the department to deal fairly with the carrier on the short route and pay him for service actually performed.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. RUCKER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

Mr. MOON. Mr. Chairman, reserving the right to object, I would ask how much more time there is for debate on this section?

The CHAIRMAN. There is just five minutes remaining.

Mr. MOON. Some other gentlemen may want to offer an amendment.

Mr. TAGUE. Mr. Chairman, I have an amendment I want to offer.

Mr. HAMLIN. Mr. Chairman, I ask unanimous consent that my colleague's time may be extended for five minutes, regardless of the agreement.

Mr. MADDEN. Oh, no; I object.

Mr. RUCKER. I would like time to answer the chairman's question.

Mr. MOON. I will state that I do not control the time.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. RUCKER. Mr. Chairman, I ask unanimous consent to proceed for five minutes, unless some one else wants the time.

Mr. TAGUE. Mr. Chairman, reserving the right to object, I have an amendment which I desire to offer.

Mr. MADDEN. Mr. Chairman, the committee just fixed the time a moment ago in which to close debate. I object.

The CHAIRMAN. The gentleman from Illinois objects. The question is on the amendment offered by the gentleman from Missouri. Does the gentleman from Tennessee press his point of order?

Mr. MOON. No.

Mr. STAFFORD. I renew the point of order.

The CHAIRMAN. Does the gentleman desire to be heard on the point of order?

Mr. RUCKER. I will be glad to.

Mr. STAFFORD. Mr. Chairman, it is obvious that this is not germane because the amendment that is proposed here seeks to enact legislation as to what shall be the basis of pay. At the present time the Postmaster General has full authority to determine the conditions under which the scale of pay shall be based, within the various grades, with a maximum of $1,200 and $24 per mile for extra mile. That is the existing law. The gentleman from Missouri [Mr. RUCKER] attempts to change that law, which the Chairman will find, I believe, in the Post Office appropriation act for the fiscal year 1916, in some radical particulars. This bill does not seek to change the basis of compensation, except the maximum that may be received, and does not seek to interfere with the discretion of the Postmaster General.

Mr. RUCKER. Mr. Chairman, the gentleman is needlessly disturbing himself about interfering with the discretion of the Postmaster General. The very amendment I offered was written in the Post Office Department this morning.

Mr. STAFFORD. That does not affect the position which I take, that it is a change of law.

Mr. RUCKER. Mr. Chairman, the paragraph for which I offer this amendment as a substitute has reference to fixing the compensation of rural delivery carriers. This substitute does that. It does no more than that, and the only reason the point of order is made by the gentleman from Wisconsin, in my judgment, is because he knows that it is a good amendment and fears that it will be adopted.

The CHAIRMAN. The Chair overrules the point of order. The question is on the amendment offered by the gentleman from Missouri.

The question was taken, and the amendment was rejected.

Mr. TAGUE. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Strike out the amendment offered by Mr. TAGUE and amended by Mr. BLACK and insert:

Line 13, page 2, after "$2,000," add the following:

"The Postmaster General shall classify and fix the salaries of railway postal clerks under such regulations as he may prescribe in the grades provided by law and for the purpose of organization and of establishing maximum grades to which promotions may be made successively, as hereinafter provided; he shall classify railway post offices, terminal railway post offices, and transfer offices with reference to their character and importance in three classes, with salary grades as follows:

"Class A, $1,100 to $1,400; class B, $1,400 to $1,500; and class C, $1,500 to $1,700. He may assign to the offices of division superintendents and chief clerks such postal railway clerks as may be necessary, and fix their salaries within the grades provided by law without regard to the classification of railway post offices: *Provided*, That upon the passage of this act railway postal clerks shall pass automatically from the grades they are in and the salaries they receive under the act of August 24, 1912, to the corresponding grade, with salaries provided for in this act."

Mr. FOSTER. Mr. Chairman, on that I reserve a point of order.

Mr. TAGUE. Mr. Chairman, if there is any objection to this amendment, which is clearly in order, I am ready to withdraw it. My amendment merely clarifies the situation that was brought about on Saturday, when I offered an amendment, which was afterwards amended by the gentleman from Texas [Mr. BLACK], as to just how the amendment offered by me would operate.

Mr. FOSTER. I would inquire of the gentleman if it simply clarifies that and makes it subject to the law?

Mr. TAGUE. That is all. It makes it in accordance with the permanent law, except in so far as it changes the figures $200.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. TAGUE. Yes.

Mr. STAFFORD. As I understood the original amendment offered by the gentleman and adopted on Friday, it would have compelled the department to promote every railway mail clerk regardless of the work or grade in which he is performing that work until they receive the maximum salary of $2,000. That was the original amendment offered by the gentleman from Massachusetts.

Mr. TAGUE. That clearly was not the intent of the amendment, although the gentleman raised that point.

Mr. STAFFORD. It is clear on its face it would have that effect. Then the gentleman from Texas offered an amendment attempting to restrict it, and now the gentleman is seeking to clarify the situation by this substitute amendment.

Mr. TAGUE. Yes.

Mr. STAFFORD. Now, may I inquire what is the maximum salary a railway postal clerk will receive under the amendment now offered?

Mr. TAGUE. What grade?

Mr. STAFFORD C.

Mr. TAGUE. Not above $2,000.

Mr. STAFFORD. One gentleman says $2,000 and another says $1,700, what does the gentleman say?

Mr. TAGUE. Seventeen hundred dollars. I want to say, too, Mr. Chairman, after all has been said about the amount of increase the men in the Post Office Department are going to get under this bill that the employees of railway post-office section under this amendment will receive a raise of 16 per cent over that which they are getting at the present time. There has also been a great deal said about the raid on the Treasury and how we are swooping down to get all of this great amount of money out of the pockets of the people.

The Post Office Department is a self-sustaining body and there is no money taken out of the Treasury of the United States to pay any of these salaries. They have had a surplus every year in the Treasury of this department. I want, also, to call to the minds of the Members of this body who recall the debate on the report of the Committee on Ways and Means in the last session, that the fact was brought out then that we were presenting every year to the magazine men of this country and the newspapers of this country over $80,000,000 that was paid out of the earnings of the Post Office Department. Yet when we are asking a raise of salary and wages of men who earn this money there is an objection made and a strong one, too. Now, another question brought out here has been that this is practically a war measure, and the boys are going to the front and fighting for $30 and $40 a month. Yes; Mr. Chairman, they are going to the front—God bless and protect them—and thousands of these same young men who have answered the call to do their duty were in the service of the United States in the Post Office Department and have already gone to the front, and we are trying to help them, too. Now, I believe, Mr. Chairman, that there is no question in the minds of the people of the country that the employees in this branch of the service are entitled to a raise in their salaries. They earn the money, and the increase will not be a drain on the Treasury of the United States.

You have been told that the increases in this bill will cost more than $60,000,000, and figures already presented here show that this item of raise in railway post-office clerks' salaries will cost over $5,000,000. I submit these figures are not correct and will insert in the RECORD figures showing that the amount for compensation to railway postal clerks by an increase of $200 in each grade, based upon the number of clerks actually employed during the fiscal year of 1917, will total not more than $3,759,000. In this one item alone it shows the discrepancy of almost a million and a half. I believe a fair criticism of the figures submitted by several of the Members who have preceded me are inclined to show a somewhat similar discrepancy, and that the increase resulting from the passage of this bill will not reach the amount claimed by its opponents.

Percentage increases in salaries of railway postal clerks if $200 is granted in each grade.

	Per cent.
$200 increase in $900 grade equals	22⅔
$200 increase in $1,000 grade equals	20
$200 increase in $1,100 grade equals	18⅔
$200 increase in $1,200 grade equals	16⅔
$200 increase in $1,300 grade equals	15⅓
$200 increase in $1,400 grade equals	14⅔
$200 increase in $1,500 grade equals	13⅓
$200 increase in $1,600 grade equals	12½
$200 increase in $1,700 grade equals	11¾
$200 increase in $1,800 grade equals	11⅛
$200 increase in $1,900 grade equals	10½
$200 increase in $2,000 grade equals	10

One thousand five hundred dollars is the maximum salary of railway postal clerks; $1,600, $1,700, and $1,800 are clerks in charge.

Average daily wage of railway postal clerks in the various grades and the number in each grade, 1917.

Grade.	Salary.	Number of clerks.	Average daily wage.
1	$900	915	$2.50
2	1,000	80	2.88
3	1,100	771	3.09
4	1,200	4,153	3.33
5	1,300	1,624	3.61
6	1,400	851	3.88
7	1,500	7,587	4.16
8	1,600	549	4.44
9	1,700	1,872	4.72
10	1,800	413	5.00

The CHAIRMAN. The time of the gentleman has expired; all time has expired. Does the gentleman from Illinois make the point of order?

Mr. FOSTER. I do not make the point of order; I withdraw it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

Mr. BLACK. Mr. Chairman, I ask unanimous consent that the amendment may be again reported.

The amendment was again reported.

The CHAIRMAN. The question is upon the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

Mr. LARSEN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

Mr. MADDEN. Mr. Chairman, regular order; it is too late.

Mr. LARSEN. This is the regular order.

Mr. SAUNDERS of Virginia. Does not the gentleman rise for recognition in connection with his amendment? And if he is recognized, he has the right to offer the amendment.

The CHAIRMAN. The Chair recalls that he promised the gentleman to recognize him to offer an amendment, which had escaped the memory of the Chair.

Mr. LARSEN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 7, after the word "grade," insert *"Provided*, That the salary of no carrier in City Delivery Service shall be advanced to a grade or receive such compensation as will permit his salary to exceed the compensation allowed to the assistant postmaster in such office."

The CHAIRMAN. The question is upon the amendment offered by the gentleman from Georgia.

Mr. LARSEN. Mr. Chairman, one minute. Am I not entitled to recognition to discuss the amendment?

The CHAIRMAN. The time was fixed by motion, and it has expired.

Mr. LARSEN. Mr. Chairman, I ask unanimous consent that I may have an opportunity to explain the provisions of this amendment.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that he may proceed for five minutes to explain the provisions of the amendment. Is there objection?

Mr. MADDEN. Mr. Chairman, I am very sorry to object, but we must proceed with the consideration of this bill.

Mr. LARSEN. The gentleman will not make any time, I will promise.

Mr. MADDEN. That is all right.

Mr. LARSEN. I have a right to be heard——

The CHAIRMAN. The question is upon the amendment.

Mr. MADDEN. The gentleman does not make anything by making threats.

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. LARSEN) there were—ayes 3, noes 22.

Mr. LARSEN. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The Chair will count. [After counting.] A hundred and fifteen gentlemen are present, a quorum, and the Clerk will read.

The Clerk read as follows:

SEC. 2. That assistant postmasters in first and second class post offices, departmental clerks and post-office clerks, laborers, watchmen, printers, chauffeurs, messengers, charwomen, janitors in post offices and per diem employees, and all other postal employees not enumerated in section 1 whose rate of compensation is $1,200 or less per annum shall receive 15 per cent increase in their compensation, and those receiving salaries from $1,200 to and including $1,800 shall receive an increase of 10 per cent: *Provided*, That substitute letter carriers and substitute clerks shall receive as their compensation 40 cents per hour: *Provided further*, That hereafter watchmen, messengers, and laborers in first and second class post offices shall be required to work not more than eight hours a day, and that the eight hours of service shall not extend over a longer period than 10 consecutive hours, and the schedules of duty of the watchmen, messengers, and laborers shall be regulated accordingly, and that in cases of emergency or if the needs of the service require, watchmen, messengers, and laborers in first and second class post offices may be required to work in excess of eight hours a day, and for such additional services they shall be paid extra in proportion to their salaries as fixed by law.

Mr. MOON. Mr. Chairman, I move to amend section 2, page 2, line 15, by striking out the words "departmental clerks."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment: Amend section 2, page 2, line 15, by striking out the words "departmental clerks."

Mr. MOON. Mr. Chairman, the reason for that amendment is this: The departmental service is a distinct service from the Postal Service. This bill, in its main features, pertains to the postal and not the departmental service. Some days ago the House passed a bill in which it provided for the salaries of all clerks in the departmental service of the Post Office and, of course, the House does not want now to undertake to——

Mr. MADDEN. If the gentleman will yield, that is provided for in the deficiency bill, is it not?

Mr. MOON. Yes; that is the bill of which I am speaking.

Mr. MADDEN. And ought not to be reenacted.

Mr. MOON. The House does not want to take up and review that matter, and the understanding was when this rule was granted, too, that the motion to strike out those words "departmental clerks" would be made.

Mr. STAFFORD. Will the gentleman yield?

Mr. MOON. Yes.

Mr. STAFFORD. I wish to inquire of the gentleman whether the class "janitors in post offices," who are paid out of the sundry civil bill and receive $120 general increase provided for in the legislative, executive, and judicial appropriation bill that was passed recently, should not also be eliminated from this bill?

Mr. MOON. I think any departmental clerk or official ought to be stricken from this bill in view of the other bill.

Mr. STAFFORD. I am referring especially to the class in line 17, page 2, "janitors in post offices."

Mr. MOON. No; they are really under the Treasury Department.

Mr. STAFFORD. And I am directing the attention of the chairman to the fact that they are paid for out of the sundry civil appropriation bill, and, if so, they would be provided for in the general increase of $120 that was carried by the legislative, executive, and judicial appropriation bill.

Mr. MOON. They ought to be stricken out too.

The CHAIRMAN. The Clerk will report the amendment as suggested to be amended.

The Clerk read as follows:

Modify the committee amendment by striking out on page 2, line 17, the words "janitors in post offices."

Mr. COOPER of Wisconsin. Mr. Chairman, I would like to ask my colleague a question. The reason I rose at this time was to ask this question: In the legislative, executive, and judicial appropriation bill, my colleague reminds us, there was an increase of $120 for "janitors in post offices." Is that so?

Mr. STAFFORD. There was; and to all those who were in the governmental service except those paid from the postal revenues and from the Treasury to meet the deficits arising when the postal revenues were not adequate.

Mr. COOPER of Wisconsin. Now, then, a janitor receiving $55 a month, which is $660 a year, under that provision in the legislative, executive, and judicial bill would receive $120 increase, which would be $780.

Mr. STAFFORD. The gentleman is correct in his mathematics.

Mr. COOPER of Wisconsin. And then under this bill he would receive 15 per cent——

Mr. STAFFORD. On $660. Of course, the inquiry that I made of the chairman was whether it was his purpose to give these employees a double increase. He says that is not his purpose.

Mr. COOPER of Wisconsin. That, Mr. Chairman, would only give them $870 if they received both increases, which is not a large salary. Indeed, it is a very inadequate salary in these times for a man and his family to live on.

Mr. MOON. Of course, this committee and the committee that brought the bill to the House have the right to legislate on that subject. But, so far as the appropriation is concerned, why, fundamentally, they do not have the right to appropriate for departmental clerks, and janitors in that department would be under the Treasury Department. I made that motion to cover departmental clerks in order to have no conflict with the other bill.

Now, I agree with my friend from Wisconsin [Mr. COOPER] that these janitors are poorly paid, and ought to be well taken care of. But I thought it my duty to bring that before the House for whatever action they wanted to take.

Mr. CARTER of Oklahoma. As I understood the amendment offered by the gentleman from Wisconsin [Mr. STAFFORD] it was to strike out "janitors in post offices."

Mr. STAFFORD. I offered no amendment. The gentleman from Tennessee offered it.

Mr. CARTER of Oklahoma. The gentleman from Wisconsin called attention to it.

Mr. MOON. Mr. Chairman, I am going to change my motion again. Before we come to the question of "janitors in post offices," I ask leave to submit the other motion, and then we can take that up afterwards.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. MOON].

The question was taken, and the amendment was agreed to.

Mr. LARSEN and Mr. CARTER of Oklahoma rose.

The CHAIRMAN. Has the gentleman from Tennessee [Mr. MOON] another amendment?

Mr. MOON. No. I have no other amendment.

Mr. CARTER of Oklahoma. Mr. Chairman, I have an amendment.

Mr. MOON. I move, Mr. Chairman, that when the amendments are offered all debate on this section and amendments thereto close in 30 minutes.

Mr. CLARK of Florida. Will the gentleman permit me? Will not the gentleman include in that that all amendments may be offered now, and then they may be pending to be voted on when the time comes?

Mr. MOON. The gentleman can amend my motion.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on this section——

Mr. LARSEN. Mr. Chairman, can I be heard in opposition to that?

The CHAIRMAN. When the Chair states it.

Mr. LARSEN. It is not a request for unanimous consent?

The CHAIRMAN. It is on a motion.

Mr. LARSEN. I want to be heard in opposition to the motion.

Mr. MOON. It is not a debatable motion, Mr. Chairman.

The CHAIRMAN. Just wait until the Chair states it.

The gentleman from Tennessee [Mr. MOON] moves that all debate on section 2 and all amendments thereto shall close in 30 minutes. The motion is not debatable.

The question was taken, and the motion was agreed to.

Mr. CARTER of Oklahoma, Mr. CLARK of Florida, and Mr. DALLINGER rose.

The CHAIRMAN. The gentleman from Oklahoma [Mr. CARTER] is recognized.

Mr. CARTER of Oklahoma. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. CARTER of Oklahoma moves to amend by inserting on page 2, line 18, after the word "employees," the words "including allowances for clerk hire at third-class post offices."

Mr. FOSTER. Mr. Chairman, I reserve a point of order on that amendment.

Mr. CARTER of Oklahoma. Mr. Chairman, in reporting this bill the Committee on the Post Office and Post Roads seems to have omitted from the increases the poorest paid employees in the Postal Service, to wit, the clerks at third-class post offices. The compensation of these clerks is not stationary and fixed as that of the usual Government employees. The third-class postmaster has an allowance of from $300 to $800 for clerk hire, $300 being the limit of compensation at the lowest class office and $800 at the highest office. The salaries of the third-class postmaster range from $1,000 to $1,900 per annum. This would

make a maximum allowance at the low-grade third-class office for pay of postmasters and clerk hire of not exceeding $1,300, which we must admit is woefully insufficient for the subsistence of two families.

I have consulted with the First Assistant Postmaster General concerning this matter, and he agrees that these employees are about as poorly paid as any in the Postal Service and thinks that if this bill becomes a law these clerks at third-class post offices should be provided for. He has examined this amendment and says it covers the case completely.

Mr. FOSTER. Will the gentleman yield?

Mr. CARTER of Oklahoma. I yield.

Mr. FOSTER. Take a case like this: Suppose in third-class post offices there is allowed for clerical hire, say, $600. Now, how would the gentleman's amendment affect that allowance?

Mr. CARTER of Oklahoma. The $600 class?

Mr. FOSTER. Yes.

Mr. CARTER of Oklahoma. It would increase his allowance by $90, making it $690.

Mr. FOSTER. It would be $690?

Mr. CARTER of Oklahoma. Yes, sir.

Mr. FOSTER. Supposing you had two of them. Supposing you had $800 and paid each clerk $400?

Mr. CARTER of Oklahoma. Then each clerk would get $60 extra.

Mr. FOSTER. Suppose the postmaster pays out of his own pocket, which is sometimes done, the additional amount of $200. What would be done?

Mr. CARTER of Oklahoma. That would not have any effect on it. The department does not contemplate allowance for clerk hire in the salaries paid third-class postmasters, though, as a rule, this class of postmasters do have to take care of a part of this expense from their salaries. The proposed amendment will correct that injustice to some extent and tends to give these clerks a living wage.

Mr. FOSTER. Your amendment would add 15 per cent to the amount allowed for clerk hire in third-class post offices?

Mr. CARTER of Oklahoma. Yes, sir.

Mr. FOSTER. Now, of course, you know it is optional with the Post Office Department. Heretofore they have been allowing $600, and then there would be 15 per cent. If they would allow $510 they will get just the same, would they not?

Mr. CARTER of Oklahoma. They can not allow the lowest grade office over $300 for clerk hire.

Mr. FOSTER. But suppose it were left optional with the Post Office Department.

Mr. CARTER of Oklahoma. That would incur the same additional appropriation, and it would be the difference between tweedledee and tweedledum.

Mr. FOSTER. It is optional.

Mr. CARTER of Oklahoma. Yes; it is optional; but the Post Office Department can not increase them above these amounts. I am informed by the Post Office Department that they would like to have this authority if this bill passes.

Mr. FOSTER. Then they can not go above that?

Mr. CARTER of Oklahoma. They can not go above that. It will involve an expense of $300,000 additional. The allowance now is $2,000,000, and it will increase this amount $300,000 for the poorest-paid class of employees in the service.

Mr. FOSTER. I know that these employees are usually paid very small wages.

Mr. CARTER of Oklahoma. They are the lowest paid clerical employees in the service.

Mr. BARKLEY. The postmasters in these cases have a great many expenses of their own to bear?

Mr. CARTER of Oklahoma. Yes. I have an instance in my own State where a postmaster gets a salary of $1,100. His original allowance for clerk hire was $300, but that has been increased to $400, the maximum for that grade office. This aggregates the magnificent total for salary and help of $1,500. Due to the heavy work at that office it is necessary to employ two clerks, and the postmaster puts in about 10 or 12 hours per day himself. One of these clerks is paid $600 per annum and the other young lady must certainly receive as much as $400 per annum, which would only be $33 per month. This deducted from the total of $1,500 would leave the postmaster the princely sum of $500 a year, or $41.66 per month to maintain his family after working 10 hours a day.

Mr. RUSSELL. Mr. Chairman, will the gentleman yield?

Mr. CARTER of Oklahoma. Yes.

Mr. RUSSELL. As I understand this bill, as it is now written, it does not provide any increase at all for clerks in third-class post offices or the postmasters themselves?

Mr. CARTER of Oklahoma. No; it does not.

Mr. RUSSELL. It provides for all other clerks in post offices, but the third class gets no increase at all?

Mr. CARTER of Oklahoma. Under the provisions of the bill as reported by the committee the fourth-class postmasters get an increase in allowance for their own salaries, but they have no allowance for clerk hire. The clerks in the first and second class offices are taken care of in section 1, but no provision whatever is made for clerks in the third-class offices, whose wages are lower than any of the others.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired. Does the gentleman from Illinois [Mr. FOSTER] make a point of order?

Mr. FOSTER. I do not; because I think it is just and fair that these men should be included.

Mr. MOON. Mr. Chairman, if we can have order for a minute, I want to say that I know the anxiety of the House to increase the salaries of everybody. Of course I appreciate the anxiety of my friend from Oklahoma [Mr. CARTER] to increase the salary of that particular third-class post office, but we must remember that this comes out of the National Treasury.

I want to lay down a few propositions that are undoubtedly correct. The third-class postmaster is getting enough money now. That is the reason why he is not receiving an increase in this bill. There is no increase for the first and second classes. The lowest type of third-class postmaster is the man who gets $1,000. That salary is based upon the receipts of the office, and it is adequate for the mail matter handled. The salary increases from $1,000 to $1,900 as the office progresses in importance and work, finally ripening into a second-class office at $2,000.

Now, the department gives an allowance for these offices in accordance with the status of their work. They have the right to make an allowance up to $800, and they can make whatever allowance is necessary, so that it is a self-evident fact that that third-class postmaster does not now get anything less than he deserves in accordance with the statute that grades the salary from $1,000 to $1,900. Then, again, he gets $500 for rent, and he has $100 for light and fuel, and there is no necessity for increasing the salary of the first, second, and third class offices. There is a reason for increasing the fourth class.

Mr. SAUNDERS of Virginia. Mr. Chairman, I desire to say a word or two in relation to this amendment offered by the gentleman from Oklahoma [Mr. CARTER]. It seems to me that in view of the fact that the Post Office favors this increase of compensation there is but little force in the suggestion that it is extravagant, and unreasonable.

It is a sufficient demonstration of the merits of this amendment, that it is supported, and I understand recommended, by the Post Office Department. I gather that much from the gentleman from Oklahoma [Mr. CARTER]. This being so, I think that all of us can afford to vote for this amendment, viva voce.

Mr. BLACK. Mr. Chairman, I would like to have that amendment reported again.

The CHAIRMAN. Without objection, the amendment will be again reported.

The amendment was again read.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma [Mr. CARTER].

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. MOON. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 27, noes 38.

Mr. CARTER of Oklahoma. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed Mr. MOON and Mr. CARTER of Oklahoma to act as tellers.

The committee again divided; and the tellers reported—ayes 64, noes 38.

So the amendment was agreed to.

Mr. DALLINGER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

Mr. LARSEN. Mr. Chairman, I have an amendment that has been on the desk for some time, and three other amendments were sent up since that time.

The CHAIRMAN. The gentleman will have to call the attention of the Chair to it when he sends up an amendment. The Chair does not know what is on the desk.

Mr. LARSEN. I would like to be notified when my amendment can be read.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: Page 2, line 20, after the word "received," strike out "fifteen" and insert in lieu thereof "twenty."

Mr. CLARK of Florida. Mr. Chairman, can we have that amendment read again? I think that is in the third section.

The CHAIRMAN. Without objection, the amendment will again be read.

The amendment was again read.

Mr. DALLINGER. Mr. Chairman, this amendment simply does for the laborers and other employees in the city post offices what the committee has already done in regard to the rural free-delivery carriers who receive less than $1,200. The committee by amendment raised the increase in the compensation of the latter from 15 per cent to 20 per cent, and this does the same by the other postal employees.

Mr. Chairman, as I said on Friday, the question that is before this House now is not a question of raising slaries. It is simply a question of partially preventing a diminution in the actual compensation of a body of faithful Government employees. The fact that Congress for years has refused to do justice to Government employees until the time has come when it takes a large amount of money to do so is no argument against this legislation at all. As well might a man allow his bills to run until they get to be a large amount and then say that he will not pay any of them as to say that this Congress should not do justice now that this matter is before the House.

There is another consideration to which I wish to call the attention of the committee, and that is the connection between unjust compensation and poor service. Every Member of this House knows that the Postal Service of this country has been demoralized for some time. Every Member has had more or less unsatisfactory experience with his own mail. We know that the boys at the front are not hearing from home. I have letters every day from boys at the front who have been over there for months and who have never heard from their parents, although their parents have written them every other day. My colleague from Massachusetts [Mr. ROGERS] to-day called attention to the utterly unreasonable time that it took to get a letter to a major general over there. Now, what is the reason for this unsatisfactory postal service, both at home and abroad? One reason is because the present Postmaster General—and I am not criticizing his motive—has been trying to cut down expenses in order to show a surplus at the expense of impairing the service. He has opposed any proposition to pay the employees what they ought to have, he has refused to allow extra clerks and carriers where business has increased, and he has doubled up rural free-delivery routes and railway-mail routes until the whole postal service is demoralized. You can not overwork men and underpay them and refuse them justice and expect to get good service.

During this great emergency we should try to have the best postal service between the parents at home and the boys at the cantonments in this country. Above all, we should try to have the best possible service between the folks at home and the boys at the western front across the sea regardless of what it costs. This bill simply proposes to do partial justice to the postal employees of the United States, and I trust that this amendment, which is simply in the interest of fair play to the employees in the city offices, will be adopted just as the amendment to section 1 was adopted.

Mr. GALLIVAN. Mr. Chairman——

The CHAIRMAN. Does the gentleman rise to oppose the amendment?

Mr. GALLIVAN. To favor the amendment.

The CHAIRMAN. Is anyone opposing it?

Mr. RUCKER. I am opposed to it.

The CHAIRMAN. The gentleman from Missouri is recognized for five minutes.

Mr. RUCKER. Mr. Chairman, in opposing the pending amendment I will take this opportunity, in the first place, to say that upon mature reflection I do not believe gentlemen can get any large permanent satisfaction out of criticising a very faithful officer of this Government. I believe the Postmaster General is doing right in trying to economize, and to the extent that he does economize I justify his action and approve of his policies. Nor do I believe that the increasing of the salaries of those now engaged in the Postal Service is going to tend to give us very much more efficient service. If I correctly understood my good friend from Massachusetts [Mr. DALLINGER] who just preceded me, he thinks that to increase a salary will tend to secure more efficient service. I doubt that. If there is a man in this whole country to-day who will render more efficient service if you will give him a 20 per cent increase than he will without it, that man ought to be kicked by a Missouri mule clear out of the service, because he is not fit to be in it. He ought to give the best and most efficient service he can or quit the job.

Mr. Chairman, I think the increase of compensation provided for in this bill is enough. So far as I am concerned, I am not going to vote for 20 per cent increase, because I think a 15 per cent increase is as much as should be provided, although I have a whole lot of Democrats in third-class offices in my district who, perhaps, would like to have me vote for this amendment. I will vote against it, because I think that is the proper vote to cast.

Mr. GALLIVAN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The Chair does not think that is in order, with the amendment pending.

Mr. GALLIVAN. I ask unanimous consent for five minutes.

Mr. CLARK of Florida. I shall have to object.

Mr. LARSEN. Mr. Chairman, I understood we had 20 minutes on this section.

The CHAIRMAN. Twenty minutes. There are 17 minutes now remaining.

Mr. LARSEN. If five minutes are given to the gentleman from Massachusetts will that be taken out of the 17 minutes time?

The CHAIRMAN. Yes.

Mr. DYER. I ask that the gentleman have five minutes regardless of the time remaining.

Mr. MOON. You can not do that.

Mr. DYER. You can by unanimous consent.

Mr. MOON. You can not get unanimous consent.

Mr. DYER. I ask for it.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the gentleman from Massachusetts [Mr. GALLIVAN] may proceed for five minutes, the time not to be taken out of the allotted time. Is there objection?

Mr. MOON. There is objection.

The CHAIRMAN. The gentleman from Tennessee objects.

Mr. GALLIVAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GALLIVAN. I should like to ask how I can get five minutes?

Mr. MOON. The gentleman can get it on the next section if he will talk about the section.

Mr. GALLIVAN. I should like to reply to the gentleman from Missouri [Mr. RUCKER], who has just spoken, and I would like to reply now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. DALLINGER].

The question being taken, on a division (demanded by Mr. DALLINGER) there were—ayes 22, noes 52.

Accordingly the amendment was rejected.

Mr. RANDALL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California [Mr. RANDALL], a member of the committee, is recognized to offer an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RANDALL:

On page 3, line 1, after the word "offices," insert "and railway postal clerks who perform service eight hours per day six days per week."

On page 3, line 5, insert "railway postal clerks" after the word "messengers."

On page 3, line 7, after the word "messengers," insert "railway postal clerks."

Mr. RANDALL. Mr. Chairman, this amendment applies technically only to railway postal clerks who are employed in what are known as terminal railway post offices. It makes the eight-hour day uniform as to all employees who are employed in post offices, whether they are clerks, carriers, or laborers. There is a class of railway postal clerks who are employed exclusively in terminal post-office service, who have an eight-hour day, but that eight-hour day may run through the entire 24 hours. This amendment provides that they shall be employed only 8 hours out of 10 hours, the same as clerks, carriers, and laborers. It simply makes the law uniform.

Mr. SNYDER. Is it possible to do that in the Railway Mail Service?

Mr. RANDALL. It is possible in terminal railway post offices. It would not be possible on the trains, but in the post offices it is possible and should be done if clerks distributing mail side by side are to be treated uniformly. I am very well aware that railway mail clerks, especially those assigned to terminal service, are not many in number and have not a legion of champions here, like the rural-route men, the post-office clerks, and city carriers have, but I appeal to the House to do justice. This amendment costs nothing, but it gives a class of employees treatment in hours of service on a par with their associates.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. RANDALL].

The question was taken; and on a division (demanded by Mr. RANDALL) there were—ayes 11, noes 31.

Accordingly, the amendment was rejected.

Mr. CLARK of Florida. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Add, after the word "law," in line 11, page 3, the following proviso: "*Provided*, That all postmasters of the third class shall be allowed at least one clerk at a salary at not less than $480 per annum."

Mr. MOON. Mr. Chairman, I reserve a point of order on that.

The CHAIRMAN. Does the gentleman make it?

Mr. MOON. Yes; I make the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. CANDLER of Mississippi. Mr. Chairman, I offer an amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 2, line 24, after the word "hour," add "*Provided further*, That village-delivery carriers shall receive $75 per month."

Mr. MOON. Mr. Chairman, I make the point of order on that. If the gentleman just wishes to talk for a while, I will withhold the point of order.

Mr. CANDLER of Mississippi. I am in dead earnest about this. I do not care to talk about it if the point of order is going to be sustained.

The CHAIRMAN. The point of order is sustained.

Mr. ROBBINS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 2, line 19, after the word "compensation," strike out "is $1,200 or less" and insert "is $800 or less per annum shall receive 20 per cent increase in their compensation, and those whose compensation is in excess of $800 and not more than $1,200."

Mr. ROBBINS. Mr. Chairman, that amendment simply increases the wages to be paid to the low-paid employees provided for in this section up to 20 per cent, from 15 per cent; that is, those that receive less than $800 per annum. It leaves those that receive over $800 and up to $1,200 at the same rate as provided in this section of the bill. There are a lot of employees in these smaller post offices who receive less than $800 a year—assistant clerks, janitors, firemen, charwomen, and employees of that kind—and this proposed amendment simply increases their pay by 20 per cent, whether they are paid by the day, month, or year. For instance, it would give the man who now receives $500, $600; the man who now receives $600, $720; and the man who now gets $800 would receive, if this amendment is adopted, $960 per year. I think we all understand by this time that these poorly paid post-office employees are entitled to an increase in compensation, and the increase asked by this amendment is a reasonable increase. The postmasters of these third-class post offices have had entailed upon them, under the law enacted by the last Congress which went into effect during the last year, a duty that I have not heard referred to by anyone who has discussed this bill. There is established in every county in the United States a central accounting post office, that must keep accounts with every post office and rural carrier in that county, and that work is entailed upon the postmaster and his chief clerk, and not one cent of extra compensation is allowed for it. On page 25 of the Postmaster General's report of this year we find the following:

Under this statute passed last year the smaller post offices, known as district offices, now obtain their postage stamps and render their accounts through a central accounting post office in each county.

I wonder if there is any reduction in the expense of the Post Office Department here in this city because of the pitching over of all this extra work onto the local postmasters. There are in the congressional district which I represent 160 post offices and 115 rural routes, and every one of these rural routes and every one of the postmasters send their accounts into and obtain all their supplies from the central office. I have been in one of these offices there at 9 and 10 and 11 o'clock at night and have found the postmaster and the chief clerk poring over the little accounts that have been sent in, letters by the dozen from postmasters calling for stamps and supplies, and so on, and not one cent of extra compensation has been allowed them for that additional work.

These postal employees are the class that ought to be taken care of. Every man who receives less than $800 a year as a postal employee is receiving less than a living wage. We have in my district 160 post offices and 115 rural routes, and many of those rural carriers receive far less than adequate pay. I will give three cases from the actual data furnished me as an example. Here is one that has to use an automobile and a two-horse team. His expenses run as high as $71.75 in a single month, leaving him less than $30 to live on. Here is another that uses a one-horse conveyance, and his expense amounted to $40 in the month of September and $34 in the month of October, showing that these men are all working for less than a living wage, remembering that these men have families to support. I appeal here for those low-paid employees receiving less than $800 a year and ask that they be granted the 20 per cent of increase.

Mr. LANGLEY. Mr. Chairman, will the gentleman permit me to say that I represent a district somewhat similar to his, and there are cases there of central accounting postmasters, some of them of the fourth class, who are working 14 and 15 hours a day, and some of them are threatening to resign and will resign unless they get some relief. I want to see them treated justly, too.

Mr. ROBBINS. The clerk in the post office I refer to told me that he was going to resign because of the overwork. Another thing that has not been alluded to in this debate is this: You talk about the fact that these men are not paid, but I call attention to a large part of the population served by the rural routes that is not now being served at all, because the rural carriers are stopping, going away from their routes, and I know one route in the northern part of Westmoreland County, Pa., in my district, that is 10 miles long, and there has not been a rural mail delivery over that by a rural carrier for three months. The patrons have written me complaining that the rural carrier had abandoned the service and that all the fourth-class offices that formerly served these people had been closed when the rural service had been installed and now that the service of the carrier had ceased they had no mail delivery whatever and that they were 10 miles from a post office.

The mail is delivered there by the farmers taking turns by carrying it to the receiving boxes along the route because the rural carrier can not carry the mail at the miserable compensation that is paid by the United States Government for that service.

Let me give a few figures which were furnished me by these mail carriers to show how utterly impossible it is under present conditions for them to carry the mail at the compensation the Government pays for this service to rural carriers.

During the month of November this carrier, who uses a horse and conveyance, was compelled to give $32 for his horse feed, $4.80 for horseshoeing, and $6.50 for repairs to his buggy, or a total of $43.30, leaving him out of the $100 compensation the sum of $56.70 upon which to live and support his family.

Another carrier, who uses an automobile only, in September last he paid $24.20 for gasoline, $18 for auto tires, $11 for repairs, and $3 for oil, or a total of $56.20, leaving him the sum of $43.80 for his wages.

During November he paid $24.50 for gasoline, $21 for auto tires, $12 for repairs, and $3.10 for oil, or a total of $60.60, leaving him $39.40 upon which to live.

Take the example of another carrier, who uses both horse and wagon and automobile. In August, September, and October last, and it is a hard, mountainous route, the amount expended was $191.56, leaving him $108.44 for the three months, or $36.13 per month.

Another one who carries by auto out of Greensburg, Pa., over improved roads, under the best conditions, expends $42.17 a month, leaving him $57.83.

I might multiply these examples, because I have scores of them that were furnished me by the mail carriers, but I filed a large number of these at the time of the hearings on this bill, and they are found on pages 13, 14, 15, 16, and 17 of the hearings given in detail, which was compiled by the carriers, showing the amount received and the expenses connected with carrying the mail over the rural routes, and showing the small amount that is left in each instance to them at the end of each month upon which they must live and support their families according to the American standard of living, which is the only one that any Government employees should have.

Mr. Chairman, these men live in civilized communities; they have families; they are human beings, and they ought to be treated as such; and they ought not to be humbled in the presence of their neighbors and their children excluded from school for the want of presentable clothing or their families starved at home for the want of the necessaries of life; and it must be apparent to everyone here that a rural carrier can not support a family in a proper manner on the wages that are paid to these carriers.

Many of the rural carriers have quit summarily, and the routes are in some instances supplied temporarily and in many instances are entirely without service. Hence I make this plea not only for the carriers but for the good of the mail service and for the patrons who live in the agricultural districts and small communities of the country and who are now without mail service. I have filed protests with the Post Office Department and have always received courteous acknowledgments

and pleasant promises that the matter would be investigated and given due consideration, but the Post Office Department can not reestablish this rural service unless they are enabled to pay the carriers and the men who must do the work proper, adequate, and just compensation for the service to be rendered.

These carriers can not engage in any other kind of work. The horses they use are unable to do hauling or delivery work or cultivate farms or any other labor after the hard driving required by the rural carriers, and these carriers themselves after driving 24 or 30 miles are not in condition to take up additional labor, and they should not either be expected or required to do so.

There was a time when the rural carrier could make something by carrying packages and doing small errands for the patrons along the route, but this entirely disappeared by reason of the installation of the rural parcel post over its routes. Now all packages are carried at postal rates. The carrier receives nothing for this extra service; it is all paid to the Government. Yet the package business on the rural routes is increasing enormously. The farmers not only send their products to market, which is one of the beneficial purposes of this service, but the merchant sends by parcel post commodities to his patrons in the country. This is exactly what the Government wanted to accomplish. It is a benefit to the merchant and increased benefit to the patrons of the Rural Parcel Post Service. But, Mr. Chairman, it is very burdensome on the carrier to carry these packages and the mail, for which the Governmental is paid, but for which the rural carrier receives nothing—it is now all mail matter. He is required to keep up a stronger wagon, keep a larger conveyance, and his horses and conveyances are worn out and broken down by this extra heavy traffic, for all of which the Government receives compensation, but not an extra cent has been allowed to the carrier on this account.

This amendment, with the other amendments offered, is to take care of these underpaid Government employees. Why anyone should hesitate to vote for so meritorious a proposition I can not understand. I therefore beg of you, gentlemen of the House, to adopt this amendment.

Mr. Chairman, I wish to state that Mr. MOORE of Pennsylania is very much in favor of this amendment and asked me to present it, as he was compelled to attend a committee meeting at this time.

The CHAIRMAN. The time of the gentleman has expired. The question is upon the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the Chair announced that the noes appeared to have it.

On a division (demanded by Mr. ROBBINS) there were—ayes 43, noes 41.

Mr. MADDEN. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Nineteen gentleman have arisen, not a sufficient number.

Mr. JUUL. Mr. Chairman, I move to strike out, page 2, line 24, the figures "40" and insert in lieu thereof the figures "50," and in support of that, Mr. Chairman——

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 24, strike out the figures "40" and insert in lieu thereof the figures "50."

Mr. JUUL. Now, Mr. Chairman and gentlemen, part of the section which I seek to amend is as follows:

That substitute letter carriers and substitute clerks shall receive as their compensation 40 cents per hour.

If a substitute carrier or a substitute clerk worked the entire full week his pay would be approximately $19 per week, but he does not work the full week. He sits in the big post offices subject to call, and for the time he is waiting he receives nothing and the condition in some offices is such that the clerks have repeatedly come and sought to obtain leave of absence for months at a time so they might earn living wages elsewhere while the time they have to put in as substitute carriers might pass by until they could become regular. Now, we have been talking here about the war and appropriating money for the war.

I want to tell you there is something worse than war, and that is slow starvation, waiting week by week for the time to pass to know that you may receive enough money so that you can get three square meals a day, a place to sleep, and sufficient clothing to cover you; and I tell you that to-day there are not only dozens but hundreds of men who under the old pay of 35 to 40 cents an hour are unable to eat regularly. I submit to you that the United States Government, represented by you gentlemen here, ought not to want people to sit on waiting benches in the post offices of this country at a rate of nothing an hour and take the chances of making the 40 cents per hour when finally put to work. If you give them 50 cents an hour for the number of hours that they might work in a week they might make $18 a week, and I submit that you gentlemen know what an increase of 5 cents per day means when everything you buy is increased 100 per cent in many cases. I appeal to you, gentlemen, to strike out the figure "40" for these substitute carriers and clerks, and make it "50" cents. It is just, it is fair; you can afford to do it, and you ought to do it. You want nobody to serve the Government and starve while they are working and waiting. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Page 3, line 11, insert, at the end of the section, the following: "*Provided further*, That the increases herein provided shall apply only to such employees who are paid from the postal revenues and sums which may be advanced from the Treasury to meet deficiencies in postal revenues."

Mr. STAFFORD. Mr. Chairman, in the legislative, executive, and judicial appropriation bill providing for increases we excepted all employees paid from the postal revenues or from sums advanced from the Treasury to meet deficiencies in postal revenues. The phraseology of this section is broad enough so as to include some who are covered in the general increase of $120 to all employees. For instance, janitors in post offices are paid out of the sundry civil appropriation bill and will receive the $120 increase. Chauffeurs may be connected with the Postal Service and paid out of the legislative, executive, and judicial appropriation bill. There may be per diem employees, and unquestionably the committee only desires to extend this increase to those who are paid out of the postal revenues. The purpose of the amendment is to carry that into effect.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

Mr. MADDEN. Mr. Chairman, I would like to ask to have the amendment again reported.

Mr. LARSEN. I object.

The CHAIRMAN. The gentleman from Georgia objects. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 3. That postmasters of the fourth class shall receive the same compensation as provided by law prior to the passage of the act of Congress "An act to provide revenue to defray war expenses and other purposes," approved October 3, 1917, except that they shall receive 100 per cent of the cancellations up to and including $100 quarterly.

Mr. MOON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. MOON: Amend section 3, line 18, page 3, by striking out the words "up to and including $100 quarterly" and insert after the word "cancellations" the words "on the first $100 or less per quarter instead of on the first $50 or less per quarter."

Mr. MOON. Mr. Chairman, I want to say, in reference to the amendment, that fourth-class postmasters—that is, postmasters who receive less than $1,000 for their services—that a great many of them do not receive more than $12, $20, or $30. Many of the offices have little or no work to do at all, and are usually adjuncts to stores or business places. Under the law now they are paid—and I read from the statute so that the gentlemen may know just what these officials get if they have overlooked it—as follows:

The compensation of postmasters of the fourth class shall be fixed upon the basis of the whole of the box rents collected at their offices and commissions upon the amount of canceled postage-due stamps and postage stamps, * * * stamped envelopes, postal cards, * * * canceled, on matter actually mailed at their offices, and on amounts received from waste paper, dead newspapers, printed matter, and twine sold, at the following rates, namely:

On the first $50 or less per quarter, 100 per cent; on the next $100 or less per quarter, 60 per cent; on the next $200 or less per quarter, 50 per cent; and on all the balance, 40 per cent; the same to be ascertained and allowed by the Auditor for the Post Office Department in the settlement of the accounts of such postmasters upon their sworn quarterly returns.

Mr. LANGLEY. Will the gentleman yield for a question?

Mr. MOON. Yes.

Mr. LANGLEY. Does this section give any relief to fourth-class offices that have been made central accounting offices—more than it does to any other fourth-class office?

Mr. MOON. Not more than any other.

Mr. LANGLEY. Why did not the committee recognize the fact that their work has been increased much more than the others and make due provision for that?

Mr. MOON. If the gentleman will wait until I get through, I will reach his question. I do not want to speak on that now.

Now, this amendment that I have offered here is to take the place of this language:

On the first $50 or less per quarter, 100 per cent.

That is what they get now, and the amendment gives them on the first $100 per quarter, 100 per cent. So it is an increase in that quarter of double the amount they are now getting. Where they receive $50 now they will get $100.

Mr. LANGLEY. But why did not the committee make some allowance in favor of the fourth-class offices that have been made central accounting offices, where their work has been nearly doubled, while the work of the others has not been?

Mr. MOON. There is a difference of opinion whether their work has been doubled or not. As a matter of fact, it is not so, as I am informed by the department.

Mr. LANGLEY. The department does not know anything about it, if it says that.

Mr. MOON. I am sure that what the gentleman knows personally about a place in Kentucky ought to control the whole country.

Mr. LANGLEY. I am not claiming to know about the whole country in this respect, but I do know of the offices in my section of Kentucky, and I am speaking for them. I know postmasters who pay part of their own salary to their clerks since this central accounting scheme came into operation. Some of them work 14 or 15 hours a day themselves in addition to the help they employ.

Mr. MOON. Is the gentleman going to ask a question or make a speech in my time?

Mr. LANGLEY. I would like to make a speech if I could.

Mr. MOON. I will let you quit right now.

Mr. LANGLEY. That is the gentleman's privilege, as he has the floor.

Mr. MOON. Now, Mr. Chairman, these fourth-class postmasters receive statements from other offices once a month, and tabulate them and send them on to Washington. It does not take two hours to do it.

Mr. RUCKER. I believe the gentleman made a statement which he did not intend to make a moment ago.

Mr. MOON. Let us see if I did.

Mr. RUCKER. That is what I am going to do if I can. I understood the gentleman to say that the amendment now pending at the Clerk's desk would double the amount that a fourth-class postmaster now receives on the first $100 of cancellation.

Mr. MOON. Oh, no. I stated it would double the amount on the first $100 received.

Mr. RUCKER. On the first $100?

Mr. MOON. Yes.

Mr. RUCKER. Is that right?

Mr. MOON. That is right. He now receives 100 per cent on the first $50, and under the amendment he would receive 100 per cent on the first $100.

Mr. RUCKER. What is he now receiving on the first $50?

Mr. MOON. One hundred per cent.

Mr. RUCKER. I want to see if I am not right about this. On the first $50 he gets 100 per cent, on the next $50, and not exceeding, he gets 60 per cent, which would be $30, would it not, and $30 and $50 will be $80. Now, then, under this provision on the first $100 he gets 100 per cent. Is not that $20 more than $80. It is $80 of an increase instead of $50.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. RUCKER. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment to the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RUCKER to the Moon amendment: Amend the amendment by inserting after the word "thereof" the following: "Such postmasters shall hereafter be allowed the sum of $100 per annum, payable quarterly, for rent, fuel, and light: *Provided*, That whenever such post offices are kept in residences or in rooms in which other business is usually conducted the postmaster may, in his discretion, make such reasonable allowance for rent, fuel, and light, not exceeding $100 per annum."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on that.

Mr. RUCKER. Mr. Chairman, the purpose of this amendment, let me state to the committee, and I can state it in a few words, is to supply what I think ought to be supplied to fourth-class postmasters in order to enable them to perform their duty to the public with efficiency.

I do not want any gentleman here to make the mistake that is sometimes made in connection with these matters. I know there are thousands and thousands of fourth-class post offices in the United States that do not need or merit any especial legislation in their behalf. They are the little offices, sometimes kept in private residences, sometimes in storerooms, in drug stores, in grocery stores, and in dry goods stores, and so forth. They are usually solicited by the postmaster in order to help sell his goods, whatever they may be. The class of offices that I am trying to benefit by this amendment is a better or higher class of offices, those offices which in a few years in the ordinary course of affairs will become third-class offices, offices which now pay from $600 to $700, $800, or $900.

When the office becomes a third-class office the Government pays for rent and fuel and light, the rent being at the usual rental value of the property in the town. I have presented here a plain, flat proposition to allow all postmasters who maintain post offices in separate buildings separate and apart from any other business—in obedience to the will, or very probably the demand, of the community, $100 to compensate them for rent and fuel and light.

Now, mark you, the $100 will not cover it all, because $5 a month for rent is too low, and $30 for fuel for a year and $10 for light is too low. I am not trying to wholly reimburse the postmasters, but I am trying to give them $100 more than they now get, because I believe they ought to have the additional allowance and thus be encouraged to maintain a post office where the public business may be transacted.

Now I yield to the gentleman from Kentucky.

Mr. LANGLEY. I am in favor of the proposition of the gentleman, but I do not think it goes far enough. In addition, he does not provide especially for the class of postmasters that I referred to a moment ago—those who have an accounting office. I have an amendment that I want to offer on that point.

Mr. RUCKER. I will say to the gentleman that it has not been the policy of the Post Office Department to allow any extra pay on account of an office being made an accounting office. That applies to second and third class offices as well as fourth-class offices. The pending substitute also provides that where a post office is kept in a store building or a residence, perhaps, the Postmaster General may, in his discretion, allow a reasonable sum for rent, leaving it wholly to his discretion. However that discretion may be used it will probably be used wisely, because, in my judgment, they ought to have but little compensation. But in a nice little town where there is seven or eight hundred population, where there are two or three banks, where the cancellations amount to enough to pay the postmaster under existing law $750, for instance, I believe we ought to furnish a room for him to do business in, especially where he maintains that room. I know that all over the country little post offices are kept in that way. In my district there are a number of them.

Let me say to you that I have some very pathetic letters from postmasters of this class, one man suggesting that his salary during the last calendar year was but $750, but that the work, by reason of the parcel post, made it necessary for him to have his wife as his assistant most of the year. The total pay is $760, out of which he has to pay rent and fuel and light for the building in which he keeps his post office. I know that man well, and I know that his story is true, and he tells me he is suffering from an affliction and that he tried to save enough money to enable him to go a hospital to be treated; but he did not have the money to do it in that quarter, and in the last quarter he has been trying by the closest economy to save the amount of money necessary to defray his expenses at a hospital. Two people ought not to be required to work for the public a whole year, furnish rent free an office, furnish fuel and light for such a pitiful sum. [Applause.]

Mr. MOON. Mr. Chairman, how much time has the gentleman from Missouri left?

The CHAIRMAN. The gentleman's time has expired.

Mr. MOON. Mr. Chairman, under the rule adopted by the House limiting debate, all time has expired. No; I am mistaken about that. I move to limit debate on this section to 10 minutes further.

Mr. LANGLEY. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN (Mr. MONTAGUE). The Chair did not catch the statement of the gentleman from Tennessee.

Mr. MOON. I will modify that, and move, Mr. Chairman, that all debate on this section and all amendments thereto be concluded in 20 minutes.

Mr. CANDLER of Mississippi. Reserving the right to object, Mr. Chairman——

Mr. MOON. I will make it 30 minutes.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on this section and all amendments thereto be concluded in 20 minutes. The question is on agreeing to the motion.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. THOMPSON. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

Mr. FIELDS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FIELDS. I want to know if the Chair got the amendment of the gentleman from Tennessee to make it 30 minutes?

Mr. FOSTER. I move to amend. Mr. Chairman, by making it 20 minutes.

Mr. LANGLEY. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. LANGLEY. I desire to submit a parliamentary inquiry to the Chair.

The CHAIRMAN. Yes. The gentleman will state it.

Mr. LANGLEY. I have an amendment that I desire to offer to this section, and I want to inquire whether I would still have an opportunity?

Mr. MADDEN. Mr. Chairman, I move to amend the motion of the gentleman from Tennessee and make it 15 minutes.

Mr. LANGLEY. I thought the Chair had recognized me to make a parliamentary inquiry.

The CHAIRMAN. The Chair can not recognize anybody during a division. A division is called for. The question, as the Chair understands it, is the motion to extend the time of this debate on this section and all amendments thereto by 10 minutes, making it 20 minutes.

Mr. CANDLER of Mississippi. "Thirty minutes" the gentleman from Tennessee said.

Mr. MOON. My motion was that all debate on this section *and all amendments* thereto should close in 30 minutes. The gentleman from Illinois [Mr. FOSTER] moved to amend by making it 10 minutes.

Mr. MADDEN. I moved to substitute 15 minutes.

The CHAIRMAN. The division is upon the original motion.

Mr. SAUNDERS of Virginia. Mr. Chairman, I make this point of order, that all of these substitutes and amendments were out of order, because we were in the act of dividing on the motion of the gentleman from Tennessee.

The CHAIRMAN. The Chair has already ruled that such motions are out of order.

Mr. THOMPSON. I want to find out whether the motion was 20 minutes or 30 minutes.

Mr. WALSH. Regular order, Mr. Chairman.

Mr. THOMPSON. I want to find out. The gentleman can not cut me off in that way, even is he is from Massachusetts.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on this section and all amendments thereto close in 20 minutes, and on that the gentleman from Oklahoma [Mr. THOMPSON] demands a division.

The committee divided; and there were—ayes 103, noes 10.

So the motion was agreed to.

Mr. CANDLER of Mississippi. Mr. Chairman, I hope the amendment of the gentleman from Missouri [Mr. RUCKER] will be adopted. I had a similar amendment in my hand which I intended to offer, and therefore I am glad to support the amendment proposed by the gentleman from Missouri. I believe it is just and right. The Government pays for fuel and light and rent for first-class post offices, where the Government also furnishes the office and the equipment and pays all the expenses. The Government pays the expenses of second-class post offices in the same way, and it pays the expenses of third-class post offices by paying rent, fuel, and light.

The Government in practically all the places where first-class post offices are located, and in many places where the second-class post offices are located, owns a public building, and in addition to providing the building itself provides all the furnishings and equipment in the building, including fuel and light and every convenience and comfort necessary for the transaction of the public business. The postmasters, therefore, at these first-class and second-class offices are furnished all their necessary equipment, and the postmasters at the third-class offices are furnished their rent, light, and fuel, but it is very different with the postmaster at the fourth-class post office.

When it come to the fourth-class postmasters—and they are as deserving as the first, second, or third class postmasters, but they receive very different treatment at the hands of the Government, because all the conveniences that the Government can furnish are given to the first and second class post offices, and third-class post offices receive pretty fair treatment, whereas no provision is made for the fourth-class post offices at all—the fourth-class postmaster has to provide the house in which his office is located, all equipment, fuel, light, and everything else, and the remuneration he receives is in very many instances small. While others are being considered here it is time to do something for these faithful and deserving public servants. They are entitled to the allowances proposed, and I trust they will receive it. I make this appeal in the interest of justice and fair play to these postmasters of small offices. They receive but little. Give them this very reasonable allowance. [Applause.]

Mr. MOON. Will the gentleman permit me to ask him a question?

Mr. CANDLER of Mississippi. Certainly.

Mr. MOON. Does this amendment which the gentleman is advocating leave it to the discretion of the Postmaster General or does the provision require the payment of this $100 a year?

Mr. CANDLER of Mississippi. The provision requires the payment of $100 a year except under certain conditions, when the post offices are in stores, residences, or things of that kind, and then it leaves it to the discretion of the Postmaster General.

Mr. STEVENSON. Where the post office is in a separate building.

Mr. CANDLER of Mississippi. Where the post office is in a separate building, the amendment gives $100 a year.

Mr. MOON. In a great many places where the salary as fixed under the law does not amount to more than $25 a year, does the gentleman think it fair that there should be an allowance of $100 a year for rent?

Mr. CANDLER of Mississippi. No; that would be covered under the discretion given the Postmaster General, and he would have to investigate that.

Mr. MOON. Does not the gentleman think the Postmaster General ought to be allowed full discretion and control?

Mr. CANDLER of Mississippi. This amendment, I think, gives discretion and control to the Postmaster General under the circumstances suggested by the gentleman from Tennessee, as I understood it when read by the Clerk from the desk; but where it is a separate office, and where a considerable building is required and considerable equipment has to be provided because the volume of the business makes it necessary, then it provides that this appropriation of $100 a year shall be made for rent, fuel, and lights, which would not in many cases be a sufficient sum under those circumstances; but the postmaster himself would, even then, in many cases have to pay a considerable part of his bill for rent, fuel, light, and equipment out of his own pocket, as he pays it out of his own pocket now. I say that these fourth-class postmasters are entitled to some consideration along this line, and I sincerely hope Members will give serious consideration to this amendment and vote for it in justice to these efficient and faithful servants of the Government. [Applause.]

I understand the gentleman from Kentucky [Mr. LANGLEY] will offer an amendment in reference to the situation where a fourth-class post office is also a central accounting office. That is another phase of this situation deserving attention, and I hope that matter, when presented by him, will have serious consideration.

Mr. SAUNDERS of Virginia. Will the gentleman from Mississippi yield?

Mr. CANDLER of Mississippi. If I have the time.

Mr. SAUNDERS of Virginia. I just want to point out that the suggestion of the gentleman from Tennessee [Mr. MOON] a few minutes ago has some force in it. Take the case of a fourth-class postmaster receiving $25 or $30 a year; he could very well undertake to build some little building in which to maintain his post office, and in that event under this amendment he would be absolutely entitled to the $100.

Mr. CANDLER of Mississippi. No; I think he would come under the second provision of the amendment, which leaves it to the discretion of the Postmaster General. The Postmaster General would not permit a subterfuge to be resorted to, but would decide each case on its real merits.

Mr. SAUNDERS of Virginia. But that is only where the office is in a store or residence.

Mr. CANDLER of Mississippi. If he built a little addition to his residence or store it would still be discretionary with the Postmaster General whether to make the allowance or not. I think we could safely trust the Postmaster General to take care of the Government's interest and at the same time do justice to the fourth-class postmasters under this amendment if adopted. I hope it will be adopted.

Mr. SAUNDERS of Virginia. He might make it a separate building.

Mr. RUCKER. Suppose a man does want to build a little separate building. If he puts up a building that the people of the community will tolerate for a post office, he ought to have rent for it.

Mr. SAUNDERS of Virginia. As suggested by the gentleman from Tennessee [Mr. MOON], there are many of these offices—I think I have as many of them as any Member of this House—where the compensation does not amount to more than $30 or $40 or $50 a year. Now, to allow the postmaster $100 a year in addition for rent would be entirely out of proportion to the importance of the office, and would be an imposition on the Government.

Mr. RUCKER. Is not every one of the offices where the salary is so small maintained in a store?

Mr. SAUNDERS of Virginia. Many of them are maintained in dwelling houses.

Mr. RUCKER. But a man would not go to the expense of putting up another house simply for the sake of this allowance.

Mr. SAUNDERS of Virginia. Yes; he would to get the hundred dollars.

Mr. RUCKER. I do not think he would.

Mr. LANGLEY. Mr. Chairman, I have an amendment which I wish to offer, but during the parliamentary wrangle which occurred a little while ago I did not get the opportunity to offer it. I desire to do so.

The CHAIRMAN. The gentleman will be recognized after the pending amendment is disposed of.

Mr. MOON. Mr. Chairman, I want to read this amendment:

Such postmasters shall hereafter be allowed the sum of $100 per annum, payable quarterly, for rent, fuel, and lights: *Provided*, That whenever such post offices are kept in residences or in rooms in which other business is usually conducted the Postmaster General may, in his discretion, make such reasonable allowance for rent, fuel, and light, not exceeding $100 per annum, as he deems just.

As has been intimated, if you give this $100 extra, in addition to the 100 per cent proposed by the amendment that I have offered, that will increase the salary 100 per cent on the first quarter and then will give this $100 extra, and you will not find any of these little post offices any longer in stores or residences. The man will simply build himself a little shack in the corner of his lot, which may not cost him over $20, and will draw $100 a year from the Government and get this 100 per cent increase, and it will be one of the best-paying things in the Government.

Mr. MADDEN. There are over 40,000 of these offices, and $100 a year to each one will be $4,000,000.

Mr. MOON. I do not assume to reflect on the judgment of the House in any way, but while we have made some pretty wild movements about this proposition, in my opinion none would be more shameful than the adoption of a thing like this. You gentlemen all feel that you are very strongly backed in your movement about this overwhelming increase of salaries that you propose over and above the very liberal proposition provided in the bill. I want to tell you that there are communications coming to our committee room in this hour of peril and danger to our country that are more patriotic than following the lead of the postmasters, carriers, and postal clerks. I want them to have ample compensation and no more. To-day I had a letter from a very patriotic and capable citizen who lives 8 miles from a post office. He said that the farmers in his section of the country who have sent their sons to war, but can not go themselves, feel that the expenses in the Post Office Department and all departments of the Government ought to be retrenched and the money put into munitions of war. He suggested that we wipe out the Rural Free Delivery Service entirely during the war; that the people in the country can get along without it while we are fighting the enemy; and that would save the Government $53,000,000, which would help pay the expenses of the war. He suggested that we take away five out of the seven or nine deliveries in the great cities, which would save $50,000,000 more. And you, gentlemen, in the midst of the most perilous conditions that have ever affected the world are absolutely taking the money out of the Treasury and giving an increase in salaries, not temporary but permanent, to nearly every official of this Government. I am for this bill. I reported it by direction of the committee, and I favor it, but this bill as it came from the committee has added about $25,000,000 to the salaries of the postal officials. We thought that was enough. If you persist in the amendments that have been offered and pass those now proposed, I shall be forced at the end of this bill, in order to cover the expenses that it carries, to move an appropriation of more than $50,000,000 for salaries.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. RUCKER. Mr. Chairman, I ask unanimous consent that the gentleman be allowed five minutes.

Mr. MOON. I do not want any more time.

Mr. RUCKER. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to answer a few questions.

Mr. MOON. I do not want any time, and all debate has been exhausted on this section, and I ask for a vote.

Mr. RUCKER. I have another amendment that I want to offer.

Mr. ALMON. Mr. Chairman, I desire to offer a substitute.

The CHAIRMAN. Has the gentleman from Alabama an amendment by way of substitute?

Mr. ALMON. Yes.

Mr. STAFFORD. Mr. Chairman, I make the point of order that I reserved.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order?

Mr. STAFFORD. Mr. Chairman, I would be glad to say a word. The paragraph that is under consideration is to provide an increase of compensation to fourth-class postmasters. Their present compensation is based upon the cancellations, carying in percentage according to the amount of cancellations. The amendment of the gentleman from Missouri [Mr. RUCKER] provides for something of an entirely different character. It provides for an allowance to these fourth-class postmasters for rent, light, and heat. Under existing law there is no authority whatsoever for paying any allowance to fourth-class postmasters for rent, light, and heat. There is, however, authority at law for making an allowance to postmasters for rent, light, and heat in the first, second, and third class offices.

The CHAIRMAN. If we have an increase of compensation by way of light and allowance for heat and rent, would that increase the compensation?

Mr. STAFFORD. Mr. Chairman, this provision alone relates to compensation for services of fourth-class postmasters and is limited to the existing law in the way of computing it. The committee brings in an amendment that seeks to change the present basis of compensation. If you are going to carry the rule to the extent intimated by the chairman of the Committee of the Whole, then you would make in order an amendment that would provide for his living expenses. You could say that the fourth-class postmaster should receive an allowance for the support of himself, his wife, and his children, and as many other relatives as you see fit. Certainly the Chair would not hold such an amendment to be germane, and yet, following out the logic of the intimation of the Chair, that this allowance in the way of rent, light, and heat would be germane, it would follow necessarily that an allowance for his own support, for the meals that he would take in the post office, or for traveling expenses from the post office to his home, expenses of every character, would be germane. There is no allowance under existing law granted fourth-class postmasters for light, rent, and heat, and if the Chair would hold this amendment to be in order he would have to hold one granting an allowance for any character of support or maintenance of the fourth-class postmasters. The Chair would have to hold in order an allowance for fixtures and furniture, and if you were to go to the extreme you would hold in order an amendment for an allowance to authorize the postmaster to purchase the real estate on which the post office was located, or to pay him an allowance for wall paper, for carpets, for beverages, or any character of expenditure. I submit that the amendment is not germane.

Mr. RUCKER. Mr. Chairman, I submit that this is not an appropriation bill, as the gentleman argues, but is a legislative bill. Then, again, this provision seeks to increase the compensation of fourth-class postmasters and therefore is directly in harmony with the text of the paragraph reported by the committee. The text which this seeks to amend is clearly subject to a point of order, and if that is subject to a point of order, propositions to amend it are in order. I submit to the Chair that it is not subject to the point of order.

Mr. SAUNDERS of Virginia. Mr. Chairman, may I say a word on this point of order? I would say in reply to the suggestion of the gentleman from Missouri [Mr. RUCKER] that this is not an appropriation bill, that this suggestion has no significance in this connection. The question of the germaneness of an amendment is a principle that applies to any other bill, as well as to an appropriation bill, and the only question in connection with the amendment under consideration is whether it is germane to the subject matter of this particular section. As to whether this section is out of order, or not, brings up another principle. It would be out of order but for the rule, but the rule makes in order the section and all germane amendments to the same. I submit that the amendment of the gentleman from Missouri goes outside of the action contemplated by the section. The section provides for an increase of compensation of fourth-class postmasters within certain limits, and in a certain prescribed manner, and it would be perfectly competent to

offer germane amendments to this plan of increase and within those limits, but you can not go outside of those limits and submit a system of allowances for these fourth-class postmasters not contemplated by the original terms and purpose of the section.

The CHAIRMAN. The Chair is ready to rule. The Chair is of the opinion that the amendment to the amendment is not germane, and therefore sustains the point of order.

Mr. RUCKER. Mr. Chairman, I am going to offer an amendment which even the gentleman from Tennessee will admit is in order. I move to strike out the $100 in the amendment offered by the gentleman from Tennessee and insert $150, and I want to be heard on that.

Mr. MOON. Offered where?

Mr. RUCKER. On the gentleman's amendment; I do not know where. I will ask the Clerk to read the gentleman's amendment.

The CHAIRMAN. Without objection, the Moon amendment will be again reported.

There was no objection.

The amendment was again reported.

The CHAIRMAN. The Clerk will read the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Amendment offered by Mr. RUCKER to the Moon amendment. Strike out "$100" where it appears the second time and insert in lieu thereof "$150."

Mr. MOON. What sort of a looking thing would it be when that is done?

Mr. RUCKER. I really do not know, but it will look just as well as it will with the amendment the gentleman has offered. I will tell the gentleman that. Mr. Chairman, I want to amend my motion so as to strike out the "100"——

Mr. MOON. Let us have a vote.

Mr. RUCKER. No; I am going to talk on this amendment. I want to amend the Moon amendment by striking out "100" in both places and inserting "150."

The CHAIRMAN. The gentleman will suspend just a moment. The figures only appear once.

Mr. RUCKER. That is the place I want the figures "100" to go out. Now, Mr. Chairman, I want to present a few commonplace remarks here. A marvelous condition exists. I heard the distinguished gentleman, parliamentarian, and statesman from Virginia [Mr. SAUNDERS] on Friday prove by the record which he held in his hand that it cost a rural carrier in his district about $700 a year to equip himself. Is not that right?

Mr. SAUNDERS of Virginia. That is on those routes——

Mr. RUCKER. On routes near where some of these fourth-class postmasters live.

Mr. SAUNDERS of Virginia. On those routes where a man has to provide both a motor car and two horses, but not on all.

Mr. RUCKER. Seven hundred dollars necessary expense, where they only get $1,200 for doing the work; and yet the gentleman stood here and told us with pathetic eloquence that moved the House about the condition of the poor rural carrier in his district, due to the high prices prevailing everywhere; and yet when it comes to men filling other places—public servants—in order to defeat them the gentleman says that men somewhere, perhaps in Virginia, would take advantage of the phraseology of the amendment offered by me and build houses for $25 per house and rent them to the Government at $100 per year. My God, is everything high down there in Virginia, except building houses? [Laughter.] Mr. Chairman, if this committee wants to defeat this amendment, why, defeat it. But I insist that it ought to be on reason and logic and not such argument as that made by the gentleman from Virginia [Mr. SAUNDERS], because, I tell you, where it costs $50 or more to feed a horse one month it will cost more than $25 to build a house which even the citizens of a Virginia community would permit a Virginia postmaster to maintain a post office in. It is rot to make such argument, and no one will be deceived by it, I hope. Now, I want to pay my respects to the chairman of this committee [Mr. MOON], the distinguished jurist, who asked me in what sort of condition this amendment would leave his bill. Why, my God, it can not be worse disjointed than it is now. Any kind of change would improve its appearance.

Mr. MOON. Does not the gentleman think it would rather deform a bill when he——

Mr. RUCKER. With the improvement my amendment would make, this bill as amended would make the whole country smile like the smile on the gentleman's face, that never comes off except when he occasionally gets in a colloquy with gentlemen on the other side of the aisle. Mr. Chairman, the distinguished jurist and logician who wrote this bill—presumably because, I am sure, he would not let anybody else write one of his bills, nor will he allow anybody to improve his bill—this gentleman tells the House seriously that the amendment he has offered doubles the amount that the fourth-class postmasters get on the first $100 of cancellation under existing law, and I tell him he is wrong——

Mr. MOON. I want to say this to the gentleman——

Mr. RUCKER. His amendment only provides an increase of $20 per quarter more than such postmasters now receive under existing law—an increase of $80 per year for the poorest paid of all Government employees.

Mr. MOON. The language of this bill is not exactly as it was given to the printer and is dubious, and the purpose of the amendment I offered was to make it clear that they would get not 50 per cent of the first $100 salary received, but the whole of it.

Mr. RUCKER. Does not your proposition simply give the fourth-class postmaster $20 a quarter more than he gets now?

Mr. MOON. Not by quarters. As the proposition now stands in the present law, on the first $50 collected the first quarter he would get 100 per cent; under the amendment he would get 100 per cent not on the first $50, but the first $100.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RUCKER. I ask five minutes more time, because the gentleman has taken up the best half of my time in making that speech.

Mr. GALLIVAN. Mr. Chairman, reserving the right to object, the gentleman has had a lot of talk this afternoon and would not permit me five minutes a moment ago.

Mr. RUCKER. I?

Mr. GALLIVAN. Yes.

Mr. RUCKER. The gentleman is mistaken.

The CHAIRMAN. The gentleman from Missouri [Mr. RUCKER] asks unanimous consent to proceed for five minutes. Is there objection?

Mr. MOON. Mr. Chairman, before we proceed, I would like to know how much time there is left.

The CHAIRMAN. That takes all the time.

Mr. MOON. I think that would hardly be fair.

Mr. RUCKER. I will take two minutes of it. I want to be fair.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed for two minutes. Is there objection?

Mr. LARSEN. Mr. Chairman, I want to ask the gentleman from Tennessee a question.

Mr. MOON. I have not the floor.

The CHAIRMAN. Just a minute. No one has the floor. Is there objection to the request of the gentleman from Missouri [Mr. RUCKER]?

There was no objection.

Mr. RUCKER. Gentlemen, I say to you, in plain figures, dollars and cents, the provision suggested in the amendment offered by the gentleman from Tennessee [Mr. MOON] gives to fourth-class postmasters the munificent and magnificent increase of $80 a year and no more——

Mr. BLACK. Will the gentleman yield?

Mr. RUCKER. Make it short.

Mr. BLACK. I want to state that it makes in all $1,900,000 a year.

Mr. RUCKER. It may do it. We are spending money by the billions. I am not talking about that. I am appealing to these gentlemen who determine the amount of pay that all the clerks of the Government shall receive. I tell you that I fear somewhere way down in the hills and mountains of Tennessee, in the beautiful resorts and luxurious homes there, I am afraid the language of the poet Longfellow is applicable. You remember the stanza of three or four lines, in which the poet says:

> The blind man is poor, and blind a poor man is.
> The former sees nobody, the latter nobody sees.

And I tell you somewhere in this land people can not or will not see the poor devil who performs the work, with his wife at his side helping him to toil and labor for the public for $600 or or $700 a year; but when it comes to the high-class fellows, who through organization make themselves felt, then even the gentleman from Tennessee [Mr. MOON] sometimes responds to them. I take the side of the poor devil and, with an approving conscience, take my chances.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri to the amendment offered by the gentleman from Tennessee [Mr. MOON].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. RUCKER. Division, Mr. Chairman.

Mr. ALMON. Mr. Chairman, I suggest that the vote be taken again. You said "the gentleman from Tennessee."

The CHAIRMAN. The Chair will state it again.

The vote now recurs on the amendment of the gentleman from Missouri [Mr. RUCKER] to the amendment of the gentleman from Tennessee [Mr. MOON].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. RUCKER. Mr. Chairman, I would like to have a division, because I am sure many of these gentlemen did not understand it.

The committee divided; and there were—ayes 37, noes 73.

So the amendment to the amendment was rejected.

The CHAIRMAN. The vote now recurs on the amendment of the gentleman from Tennessee [Mr. MOON].

Mr. LANGLEY. Mr. Chairman, I have an amendment to offer to that amendment.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LANGLEY: Amend the Moon amendment by striking out the period, inserting a colon, and adding the following: "*Provided*, That postmasters of the fourth class whose offices have been made central accounting offices shall receive 100 per cent of the cancellations up to and including $200 quarterly."

Mr. LANGLEY. Mr. Chairman, I have already said in the colloquy with other gentlemen about all that I care to say on this subject. I desire to emphasize this point, however, and that is that these central accounting offices of the fourth class have had their work largely increased as compared with the other fourth-class post offices; and while I think all fourth-class postmasters should be allowed more under present conditions, I feel that it is only just and fair that this amendment that I have offered to the amendment offered by the gentleman from Tennessee, giving special recognition to that kind of fourth-class postmasters, should be adopted in order to give them at least some extra compensation for the greatly increased amount of very onerous work that they are now doing. I want to repeat the statement that I made awhile ago, that I know of some fourth-class postmasters who are doing this central accounting work who tell me that they can not live on the amount they have left after deducting the amount they have to pay for additional clerical help, to say nothing of the double work they do themselves, and that they are going to resign unless Congress gives them some relief.

Mr. MOON. Do you desire also to increase the salaries of those in the first, second, and third class offices?

Mr. LANGLEY. O, I think they all need relief, but I am like the gentleman from Missouri [Mr. RUCKER], I am for "the poor devil" first. [Laughter.] They need help the most. Moreover, the larger offices are already getting more liberal treatment, and with the aid that has already been given them in this bill they will be much better fixed than the fourth-class offices are. I want to help them all, but let us help the most needy first, and more liberally.

Mr. MOON. You are looking at the fourth-class post offices?

Mr. LANGLEY. Yes; because they are nearly all of the fourth class in my district and need help the most. [Laughter.]

Mr. CANDLER of Mississippi. Has all time expired, Mr. Chairman?

The CHAIRMAN. There is one minute remaining.

Mr. CANDLER of Mississippi. That is too short a time.

Mr. MADDEN. The accounting offices in the counties referred to by the gentleman from Kentucky [Mr. LANGLEY] are not fourth-class offices at all. The accounting of all the fourth-class post offices in each county is transferred either to a third-class or a second-class or a first-class office.

Mr. LANGLEY. When was that done?

Mr. MADDEN. That has been done by the order of the law passed by the Congress of the United States, and there is no necessity for this additional compensation, and it ought not to be granted. The amendment of the gentleman from Kentucky ought not to prevail.

Mr. FIELDS. The gentleman ought not to misinform the House.

Mr. LANGLEY. The gentleman from Illinois [Mr. MADDEN] is simply mistaken. He does not know the facts. There are five of them in my district, and many more of them in other rural sections of the country.

The CHAIRMAN. All time has expired.

Mr. FIELDS. Mr. Chairman, I want to submit a unanimous-consent request. Mr. Chairman, I ask unanimous consent to proceed for five minutes on this proposition.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that he may be permitted to proceed for five minutes. Is there objection?

Mr. MOON. The rule was fixed, Mr. Chairman. I do not like to object. The gentleman can speak on the next amendment. I think we ought to take the vote of the committee on this amendment.

The CHAIRMAN. The gentleman from Tennessee objects. The question is on the amendment of the gentleman from Kentucky [Mr. LANGLEY].

Mr. LANGLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LANGLEY. I do not know whether I correctly understand; and what did the Chair understand the gentleman from Illinois [Mr. MADDEN] to say?

The CHAIRMAN. That is not a parliamentary inquiry. The question is on the amendment offered by the gentleman from Kentucky [Mr. LANGLEY].

The question was taken, and the amendment was rejected.

Mr. RUCKER. I have an amendment to the amendment offered by the gentleman from Tennessee [Mr. MOON].

The CHAIRMAN. The gentleman from Missouri offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RUCKER to the Moon amendment: Add at the end of the Moon amendment the following:

"Such postmasters at offices where the annual pay is not less than $500 per annum shall hereafter be allowed the sum of $100 per annum, payable quarterly, for rent, fuel, and light: *Provided*, That whenever such post offices are kept in residences or in rooms in which other business is usually conducted the Postmaster General may in his discretion make such reasonable allowance for rent, fuel, and light, not exceeding $100 per annum, as he deems just.

Mr. MADDEN. I make a point on that, Mr. Chairman.

The CHAIRMAN. The point of order is made. The point of order is sustained. The vote recurs on the amendment of the gentleman from Tennessee.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That the Postmaster General shall have authority to investigate conditions arising from contracts in the star-route and screen-wagon service, with a view to adjusting compensation, and adjust the same in cases where the facts disclose the necessity for such adjustment.

Mr. ROUSE, Mr. DOUGHTON, Mr. FIELDS, Mr. LARSEN, and Mr. MONTAGUE rose.

The CHAIRMAN. The Chair will recognize the gentleman from Kentucky [Mr. ROUSE], a member of the committee.

Mr. ROUSE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROUSE: Page 3, line 21, after the words "service," insert "and contracts for supplies."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on that amendment.

The CHAIRMAN. The gentleman from Wisconsin reserves a point of order on the amendment. Does the gentleman from Kentucky [Mr. ROUSE] want to be heard?

Mr. ROUSE. Not on the point of order, but I want to be recognized.

The CHAIRMAN. The Chair will recognize the gentleman.

Mr. ROUSE. Mr. Chairman, this amendment gives the Postmaster General the right to investigate all contracts for supplies of the Post Office Department. This section provides that he shall investigate the contracts for star-route and screen-wagon service, and it is no more than right that he should have the authority to investigate all contracts.

Mr. HAMLIN. Mr. Chairman, will the gentleman yield for a question?

Mr. ROUSE. Yes.

Mr. HAMLIN. I would like to ask the gentleman if any contracts for the hauling of the mail between the railroads and the post office are included in star-route contracts?

Mr. ROUSE. That should be included in section 4.

Mr. HAMLIN. That is included in the screen-wagon service?

Mr. ROUSE. Yes. It should be.

Mr. HAMLIN. I know of one or two instances where the railroad station is located a mile and a half from the post office. The transportation of the mails from the station to the town is let by contracts. Would it include that?

Mr. ROUSE. That is termed "messenger service."

Mr. HAMLIN. I thought that perhaps the language used in this paragraph would not cover that.

Mr. ROUSE. It will not. The section refers to the screen-wagon and star-route service.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Kentucky yield to the gentleman from Virginia?

Mr. ROUSE. Yes.

Mr. MONTAGUE. The word employed by the gentleman from Kentucky, as I understand, is "supplies"?

Mr. ROUSE. Yes; "supplies."

Mr. MONTAGUE. Does the gentleman think the word "supplies" covers printing contracts and contracts for paper and envelopes, and things of that kind?

Mr. ROUSE. I will say to the gentleman that is exactly the intention of my amendment.

Mr. MONTAGUE. I am very much obliged to the gentleman.

The CHAIRMAN. Does the gentleman from Wisconsin [Mr. STAFFORD] want to be heard on the point of order?

Mr. STAFFORD. Yes.

Mr. Chairman, from the reading of the section to which the amendment is offered, it appears that it is sought to authorize the Postmaster General to investigate conditions solely as to contracts in star-route and screen-wagon service, with a view to adjusting the compensation. That is the main purpose of this section, and I assume that another purpose is to increase the compensation if these contractors engaged in this service.

The amendment of the gentleman from Kentucky [Mr. ROUSE] introduces an entirely new character of investigation by the Postmaster General that is not in any wise connected with compensation for the service referred to in the section. The gentleman from Virginia [Mr. SAUNDERS], a leading parliamentarian of this House, directed attention a moment ago to the fact that in determining germaneness to this bill, in the case of amendments that are offered, attention must be given to the subject matter of the paragraph or section under consideration, and it rests upon the Chair to determine what that subject matter is. The question before the Chair is, supposing there was a bill presented for consideration in this House, in regular order, which contained only one section—namely, section 4, vesting authority in the Postmaster General to investigate conditions solely as to one subject matter, and that related to compensation—whether it would be germane under the rules of the House, when a bill refers to but one subject matter, to introduce another subject matter which is in no wise related or akin to it.

There have been many decisions made by various occupants of the chair which have held that in order for an amendment to be germane it must be akin and related to the subject matter; that where a bill relates to but one subject matter—as with this section, and that is seeking to increase compensation—you can not introduce another amendment, even of the same kindred character. The general case cited is the case of a bill providing for the admission of one State to the Union, where it would not be germane to provide for the admission of a second State.

By this amendment the Postmaster General is to be authorized to investigate contracts of an entirely different character, contracts relating to supplies, with which compensation for service is not related. It is something apart from the purview of the section, and, with regard to the merits, the amendment would open the consideration of contracts of an entirely different character, involving many millions of dollars, which is not only indefensible, but which the rules of the House say shall not be admitted under color of germaneness when there is only one subject matter under consideration.

The CHAIRMAN. Does the gentleman from Kentucky want to be heard on the point of order?

Mr. ROUSE. No. If the Chair sustains the point of order I shall offer another amendment.

The CHAIRMAN. The Chair sustains the point of order.

Mr. ROUSE. Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Kentucky offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROUSE: Page 3, line 20, strike out the words "conditions arising from contracts in" and insert in line 20, after the word "investigate," the words "or contracts including."

Mr. ROUSE. I think, Mr. Chairman, that will take care of all the contracts in the department, so that no point of order can be sustained.

Mr. STAFFORD. Mr. Chairman, I make the same point of order to that amendment. The gentleman's amendment goes further. There is nothing more fundamental in the rules and precedents of this House——

Mr. MONTAGUE. Mr. Chairman, will the gentleman permit a question?

Mr. STAFFORD. In a moment. There is nothing more fundamental in the rules and precedents of this House than that in a provision that relates to a single subject matter you can not offer an amendment which relates to a generality of matter.

Mr. MONTAGUE. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Virginia.

Mr. MONTAGUE. I understood the gentleman a moment or two ago to say that the substance of this proposition was compensation.

Mr. STAFFORD. It is.

Mr. MONTAGUE. If you adhere to compensation as being the substance of the proposition, then the question of service is an incident, and you can extend it to any sort of service or contract and the compensation for that service.

Mr. STAFFORD. The gentleman fails to recognize that in a bill limited to one subject matter you can not introduce an amendment that will extend it to the subject in general.

Mr. MONTAGUE. The gentleman from Virginia recognizes the argument made by the gentleman from Wisconsin, namely, that he contended compensation was the substance of the proposition, and I am simply trying to hold the gentleman to his own argument. If the gentleman's argument is right, that compensation is the substance of this proposition, then I maintain that contracts for supplies are incidents. If you reverse it, then it may be that the gentleman is correct, but he thereby recedes from his own argument.

Mr. STAFFORD. I am not backing down from the original proposition, because that was a different case presented than what is now presented for the consideration of the Chair. The only question was whether you could add a second matter to a provision that related to only one subject matter. Now the amendment is of a different character entirely. The amendment that is offered in the nature of a substitute provides for a generality of all contracts, and I can cite the Chair to decisions on the subject of germaneness, that where a bill relates to one single matter you can not offer an amendment general in its character to extend to all subject matters.

Mr. MONTAGUE. Will the gentleman from Wisconsin permit me to ask him a question?

Mr. STAFFORD. The gentleman has my attention.

Mr. MONTAGUE. I want to suggest to the gentleman the equities of a case, with the hope that upon reconsideration he will withdraw his point of order. I am now recurring to the original proposition. It is perfectly obvious that its purpose is to give permissive authority to the Postmaster General to correct certain contracts the performance of which works manifest wrongs and inequities to one party to the contract. May I cite one instance in order to make myself clear to the gentleman?

Mr. STAFFORD. I might be influenced not to press the point of order if this matter had been investigated by the regular committee of the House, and that committee had had the matter brought before it for consideration. But here the gentleman asks me to withdraw the point of order upon a subject matter which has not been given consideration by the duly authorized committee of the House—a matter which may involve the Government in an expenditure of tens of millions of dollars. I recall one case, in connection with the contract for the manufacture of embossed envelopes, where the Postmaster General, with questionable authority of law, changed that contract, which involved the expenditure of many millions of dollars, which enabled the Postmaster General to grant increases over the contract price by providing for a quality of envelopes different than had theretofore been provided.

Mr. MONTAGUE. When the gentleman gives his illustration, will he permit me to give one?

Mr. STAFFORD. On the merits. I wish to discuss the point of order further.

Mr. MONTAGUE. I want to get the converse of the proposition in the gentleman's mind. I know of a contractor who undertook to do printing for the Government. The estimates were given to him that the printing would not exceed $80,000 for four years. Of course the mere letter of the contract gives the Government the right to require him to do 80 times $80,000 if it sees fit, but when the contract was entered into assurances were given him that $80,000 would be the maximum for four years. But because of this war the Government has demanded from him more printing in one year than he would have had to do in five years. Owing to the increased cost of labor and paper he is losing enormous sums of money, and the Government is driving him into bankruptcy. He asks that the Government may have authority to release him and not to drive him into ruin. In cases of that sort it seems to me the Postmaster General ought to have permissive authority to investigate and respond to the plain equities and justice of the case.

Mr. STAFFORD. If there is an administrative officer of the Government who is performing that character of an unconscionable practice——

Mr. MONTAGUE. The Government is adhering to the contract. It is the contract that is unconscionable.

Mr. STAFFORD. Then some remedy general in its character ought to be provided in a bill introduced and referred regularly to the proper committee.

Mr. MONTAGUE. How can we get a remedy when the gentleman interposes points of order against everything?

Mr. STAFFORD. The gentleman has been long enough in this Chamber to know that the only protection to this Government is to invoke points of order, and that the proper remedy is for the gentleman to introduce a bill and have it take the regular course and be reported upon by the department, or else there will be no protection to the Treasury in these times.

Now, on the point of order I merely wish to say——

Mr. MONTAGUE. Will the gentleman permit me?

Mr. STAFFORD. I can not yield further.

Mr. MONTAGUE. In order that the gentleman may not impute to me negligence I was going to offer an amendment somewhat similar that would have been acceptable to the entire committee. It was not my purpose——

Mr. STAFFORD. Why has not the gentleman been before the committee in the regular way?

Mr. MONTAGUE. I have been before the committee.

Mr. STAFFORD. If the Chair will permit me——

The CHAIRMAN. The Chair is ready to rule. The section under discussion deals with authority to investigate conditions arising from contracts in the star-route and screen-wagon service, a matter relating to the transportation of the mails. The amendment would seem to open it to any kind of an investigation—with relation to buildings or anything else. The Chair thinks that the amendment is not in order, and sustains the point of order.

Mr. LARSEN. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LARSEN: Page 3, line 23, after the word "adjustment," insert "*Provided*, That in no case shall an increase of more than 15 per cent be allowed."

Mr. LARSEN. Mr. Chairman, the purpose of this amendment is to limit the increase which the Postmaster General shall be permitted to make in existing contracts.

Mr. MOON. Mr. Chairman, I reserve the point of order on the amendment.

Mr. LARSEN. Mr. Chairman, I would like to be heard on the point of order at the proper time. I am one of the Members of Congress who heretofore has not taken up the time of the House, either in offering amendments or in discussing such bills or amendments as were before it. I came here with the belief that it was best for a young Member to sit and listen to the older ones for a while. I have been here for nearly a year, and I have heard a half dozen men, or perhaps a dozen, at most, who have grown old here in the service talk continually day in and day out. I have not been greatly edified by such talk. [Applause.] I regret to say some Members remind me of corn in the roasting-ear stage, the time when the grain is the largest. When the silk dies the grain begins to shrink and harden; before long the weevils are in it and it is unfit for use. Some of our Members undoubtedly came here in the roasting-ear stage. They have been shrinking ever since they came, the weevils have got into them, and I think it is time they were relegated. [Laughter.] The committee, it seems, desires to be very brief at times. The chairman of the committee, when the previous section was under consideration, made a motion that we have 20 minutes in which to discuss the section and all amendments thereto. The committee, the chairman principally, took up practically all of the 20 minutes, and other Members of the House who wanted to offer amendments and who wanted to be heard on the section were denied the privilege. Do you think that is right? I ask the membership of this House, is it right or just? [Cries of "No!"] I am here, I hope, to stay for some time. I propose to be heard on this and other matters now and hereafter. [Applause.] I have sat here, I believe, for a solid month, all put together, and have listened to speeches delivered by consent agreement by the able gentleman from Illinois [Mr. MADDEN], and yet when I come before the House and ask that I may have five minutes he is the first gentleman on his feet to deny me that humble privilege.

Mr. MADDEN. Will the gentleman yield?

Mr. LARSEN. No; I will not. The gentleman has been heard too much already.

Mr. MADDEN. I make the point of order that the gentleman is not discussing the amendment.

The CHAIRMAN. The gentleman will proceed in order.

Mr. LARSEN. I desire to say to the Chairman and to the members of this committee that I think I am throwing a little enlightenment on this bill, and I believe I am serving a good purpose.

Mr. MADDEN. Mr. Chairman, I insist that the gentleman shall talk to the amendment.

Mr. LARSEN. I object to being interrupted by the gentleman from Illinois.

Mr. MADDEN. I make the point of order that the gentleman is not proceeding in order.

Mr. LARSEN. And I will reply to the gentleman's point of order by saying his conduct shows that he does not know what I am discussing.

The CHAIRMAN. The gentleman from Georgia will proceed in order.

Mr. MADDEN. The gentleman from Georgia will not get anywhere talking that way.

Mr. LARSEN. I think it is a dangerous precedent for this Congress to permit any man to be clothed with such authority as this section gives. It puts unlimited authority in the Postmaster General to investigate contracts now being performed on star routes and in screen-wagon service. It gives him authority to add any amount as compensation to such contracts he may see fit. If the Government were losing money on such contracts, no adjustment could be made. Perhaps if gentlemen of the committee, especially the able gentleman from Illinois [Mr. MADDEN], had given that due consideration to the bill that it deserves he would have discovered this very grave mistake. When such a bill as this is brought before the committee, and it seeks to give unlimited power to one man, it seems to me that it should be scrutinized closely.

It should be justified by facts and circumstances, and the authority to increase compensation should be limited. My amendment provides that he shall not increase the amount beyond 15 per cent. It simply limits the amount of the increase. It is just, it is equitable. If the Postmaster General looks into these contracts and decides that they should be increased, he has the right to do it, but in no case could he increase the amount more than 15 per cent. That is about the amount of increased compensation we have granted to the employees of the Government. I expect the gentleman from Illinois [Mr. MADDEN] and perhaps some others will be opposed to it because it seems that it would do justice to the common people.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LARSEN. Now I desire to be heard on the point of order.

The CHAIRMAN. Is the point of order made by the gentleman to be pressed?

Mr. MOON. Oh, if the gentleman had been here a little bit longer he would have known that the point of order was not very much in earnest.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

Mr. MOON. Mr. Chairman, I am sorry that my friend from Georgia is so outraged as he seems to be and that he has not heretofore manifested to the House his splendid ability. I know that if this committee that he criticizes could have had the benefit of his profound judgment and experience in legislation it is possible that some of these sections might have been changed very much; but I am glad to have the assurance that hereafter we shall have the benefit in this House of his ability—not discovered until the gentleman announced it himself a few moments ago.

Mr. LARSEN. May I ask the gentleman a question?

Mr. MOON. No.

Mr. LARSEN. I am not surprised that the gentleman has not discovered it, for he has not discovered any feature in anything.

Mr. MOON. Mr. Chairman, the gentleman from Georgia, an estimable gentleman, and, as he says, a new Member, upon that ground must be overlooked and excused for some of the things that he has said and some of the reflections that he has cast. After he has been here a while he will learn, I think, that there may be some one else who knows something. A new man when he gets here thinks that there is never anyone here but himself.

Mr. LARSEN. Mr. Chairman, will the gentleman let me ask him a question.

Mr. MOON. Oh, I suppose I shall have to; yes.

Mr. LARSEN. Is it not also a fact that these old men have about made up their minds that there is nobody here but them? [Laughter.]

Mr. MOON. No.

Mr. LARSEN. Does the gentleman not think that they are suffering from the same complaint?

Mr. MOON. No.

Mr. LARSEN. Is not this the trouble with the gentleman? You older men are so jealous of your authority——

Mr. MOON. Now, Mr. Chairman, I do not yield further. Mr. Chairman, I want to say this, that the gentleman from Georgia does not appreciate the fact that under the rules of the House that the members of the committee have to manage this bill and any and every bill, and we do that the best we can, and I know we will be able to do better hereafter with his assistance than we have heretofore, and I am glad that we are to have him.

Mr. LARSEN. One more question, if the gentleman will permit me, and then I will be through.

Mr. MOON. Oh, no; I do not think it necessary to answer any more questions. Now, Mr. Chairman, to be serious about it I do not have any serious objection to the gentleman's amendment as far as I am concerned, but I do not think it would be a wise thing for the House to limit the Postmaster General in his discretion. Some of these contracts for an amount paid in excess of 15 per cent ought to be allowed for adjustment. Some of course ought not to be. When you give discretion to a public officer and limit it too closely then it is valueless for the public service and is valueless to the man who is seeking relief. Unquestionably some of these contracts are made where the relief asked for ought to be greater than 15 per cent; somewhere it ought to be less. I think that the House ought to vote down the amendment of the gentleman from Georgia.

The CHAIRMAN. The question is on the amendment——

Mr. BURNETT. Mr. Chairman, I desire to offer an amendment to the amendment.

Mr. FIELDS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FIELDS. I desire to offer a substitute to the section. When is the proper time?

The CHAIRMAN. After the section has been perfected, then the motion to strike out and substitute will be in order.

Mr. FIELDS. I ask unanimous consent to have it read now, and that it may be pending.

Mr. BURNETT. Not in my time, I hope.

Mr. FIELDS. I do not want to cut the gentleman out of his time.

Mr. BURNETT. Mr. Chairman, I move to strike out in the amendment of the gentleman from Georgia the figures "15" and insert instead "20."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out of the amendment offered by the gentleman from Georgia [Mr. LARSEN] the figures "15" and insert in lieu thereof the figures "20."

Mr. BURNETT. Mr. Chairman, that would be more in line, it seems to me, with the action of the House last week. In reply to some of the remarks of the chairman of the committee I thank the Lord, and there is not a man in this House who does not, that the committee was not allowed to manage this bill entirely last week but that the House took the bit in its own mouth and had something to say about it. Now, the committee is evidently trying to manage that part that refers to the star-route men in a manner adverse to the star-route carriers, and I hope they will find some friend on the floor of this House to look after them, if there are only a few of them. [Applause.] It is a crying shame that this committee or anybody would allow this discretion to the Postmaster General, in the face of what we know—that he tried to nullify the law in regard to the rural carriers, and did nullify it until this House passed a law directing him in terms in regard to it. We should not leave this discretion in the hands of the Postmaster General. I merely offer this amendment, Mr. Chairman, as an amendment, hoping that substitutes of other gentlemen that will come later will not be declared out of order that will fix definitely and absolutely some standard of measure, and that we will try to do justice by these men in order that they may have some sort of an increase given to them in positive terms. I say to you, gentlemen of this House, that if it is left to the Postmaster General whether these star-route men shall get an increase I very much fear that he will never give it to them. Now, I believe there are gentlemen——

Mr. MOON. Will the gentleman allow me to ask him one question for information?

Mr. BURNETT. Certainly.

Mr. MOON. I understand the gentleman's amendment does not take from the Postmaster General any of the discretion, but limits it to 20 per cent instead of 15 per cent, as contained in the amendment offered by the gentleman from Georgia?

Mr. BURNETT. This is an amendment to the amendment offered by the gentleman from Georgia in view of the fear that I have that other amendments giving them more may be declared out of order——

Mr. MOON. But the gentleman does not propose to take the discretion away by his amendment at all, does he?

Mr. BURNETT. In other words, that it may go to the extent of 20 per cent instead of 15 per cent. I am opposed to the limitation proposed to be fixed by the amendment offered by the gentleman from Georgia, and by my amendment also, but if we are to have a limitation I prefer 20 per cent rather than 15 per cent.

Mr. MOON. A further question. The gentleman leaves the discretion still in the Postmaster General's hands, but he amends it so as to make it so that he may be permitted to go to 20 per cent in the amount, but suppose these friends of yours you are talking about have contracts where in order to relieve them he would have to give 30 per cent or 35 per cent, ought that discretion be left to the Postmaster General to do that?

Mr. BURNETT. No; he ought not to have any discretion at all, but some fixed rule ought to be adopted for the increase, and I hope the amendments that are adopted later on will take such discretion away from him.

Mr. MOON. A further question there. Inasmuch as this is not a salary proposition but is a contract proposition, where one contract may be made for one sum and another for another, thousands of contracts applying in different sums of money, how could you pass a law, a mandatory act, that would require the allowance of a certain amount or a certain per cent by the Postmaster General without bringing about a condition that would fit one case but not another? Would it not be impossible?

Mr. BURNETT. In regard to the discretion?

Mr. MOON. The amount of discretion in fixing the amount.

Mr. BURNETT. I am not for fixing it absolutely, and if I can have the assurance——

Mr. MOON. The point I am making is that you can not do that. It might be a proper rate in one case and may be bad in another. Some of these contracts are very valuable to the contractors, and some of them are not. You can not do that.

Mr. BURNETT. Mr. Chairman, that can easily be arranged by taking into consideration the increased cost and expense of carrying out each contract, and then allowing these percentages of increase to be based on those increased expenses. Now, there is a way to get at it, Mr. Chairman, it seems to me. I am not afraid of some of these subordinates of the Postmaster General not doing right, because I believe they will, but when the iron heel of the Postmaster General is placed upon these men they do not dare do what they would believe to be right. And is it equity and justice——

Mr. MOON. May I ask the gentleman a question? Is it the purpose of the gentleman to fix an amount that must be allowed to the star-route contractors?

Mr. BURNETT. Not a fixed amount. That, as the gentleman says, can not be—a fixed percentage for each carrier. But certainly there can be an allowance based upon the expense that he has incurred and the additional expense that has been incurred since the beginning of this war.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. MOON. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Alabama [Mr. BURNETT] be extended one minute.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the time of the gentleman from Alabama be extended one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. MOON. Now, will the gentleman give me his attention for just a minute? Do you want these allowances made to the contractors or the subcontractors? You know the contractors are all making money out of these star routes, and it is the subcontractor who takes it at a much less amount than the contractor who is probably losing money. Are you for the relief of the contractor, or the subcontractor who does the work?

Mr. BURNETT. I know, Mr. Chairman, that there was a time when a man in any locality of the country could go into this bidding business, but now it is arranged so that the bidder, as I understand it, has to live along the route, and I am wanting it fixed so that the man who does the work may get the pay, whoever he may be, whether contractor or subcontractor. Now, I am opposed to the amendment offered by the gentleman from Georgia [Mr. LARSEN], because I do not believe there ought to be any limitation; but I had rather see 20 per cent than 15 per cent if there has to be any limitation, and that was my only reason for offering my amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FIELDS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. That amendment is not in order.

Mr. STEENERSON. Mr. Chairman, I want to oppose the amendment of the gentleman from Alabama [Mr. BURNETT].

Section 4 provides:

That the Postmaster General shall have authority to investigate conditions arising from contracts in the star-route and screen-wagon service with a view to adjusting compensation and adjust the same in cases where the facts disclose the necessity for such adjustment.

And the gentleman from Georgia proposes to limit that authority to 15 per cent and the gentleman from Alabama [Mr. BURNETT] proposes to limit it to 20 per cent. The gentleman from Alabama comes up here and professes to be a friend of the star-route men, but his amendment is directly opposed to their real interest. Under this provision, if it passes and becomes a law, the Postmaster General, when he finds upon investigation that the star-route contractor is losing 50 or 100 per cent and ought to be relieved, can grant the relief; but under the provisions of the amendment he is limited in that relief to 20 per cent.

Mr. DOUGHTON. Will the gentleman yield?

The CHAIRMAN. Does the gentleman yield to the gentleman from North Carolina?

Mr. STEENERSON. Not now.

It seems to me that the friends of the star-route carriers, of whom there are a great many in the United States, ought not to be deluded into supporting either one of those provisions. There may be cases where the loss to the star-route contractors amounts to 100 per cent, and they would go bankrupt in a short time, and the Government of the United States would not be benefited by putting them in bankruptcy, and the Postmaster General is granted, by this, authority to adjust the matter according to equity and justice. Therefore I am opposed to both the amendment and the amendment to the amendment.

Mr. LANGLEY. Will the gentleman yield to me for a question? I want to ask the gentleman if he thinks the present Postmaster General will give the star-route carriers any increase under this section?

Mr. STEENERSON. The Postmaster General has requested this provision. He sent it to the Committee on the Post Office and Post Roads and requested that he be authorized to investigate and grant the relief. The gentlemen are going off on a tangent about the Postmaster General not being willing. It is an administration matter, and I have no doubt he will exercise the authority in the interest of fairness and justice both to the contractors and the Government.

Mr. LARSEN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Minnesota yield to the gentleman from Georgia?

Mr. STEENERSON. I yield to the gentleman from Georgia.

Mr. LARSEN. I want to ask you this question: Do you think it would be proper to increase the compensation of the contractors on the star routes in a greater per cent than other employees? Do not you think 15 per cent is a very reasonable increase on account of the increase in the cost of living?

Mr. STEENERSON. I do not agree that you should limit it to 20 per cent or 15 per cent. I believe this provision is all right the way the committee reported it. Give the Postmaster General the power to investigate and correct any injustice there may be in the contract. There are cases where the loss exceeds 20 per cent. I hope the amendment will be voted down.

Mr. DOUGHTON. Mr. Chairman, I want to offer another amendment, when the right time comes, to section 4.

The CHAIRMAN. There is an amendment already pending. The question is on agreeing to the amendment offered by the gentleman from Alabama to the amendment offered by the gentleman from Georgia.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Georgia.

The amendment was rejected.

Mr. HAMLIN. Mr. Chairman, I desire to offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. HAMLIN: Page 3, line 21, after the word "routes," insert "messenger service between railway station and the post office."

Mr. HAMLIN. Mr. Chairman——

Mr. MOON. Mr. Chairman, I reserve a point of order on the amendment. Before the gentleman begins I desire to move that all debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Does the gentleman from Missouri [Mr. HAMLIN] yield to the gentleman from Tennessee to make the motion?

Mr. HAMLIN. I do not. I suggest, however, to my friend from Tennessee that if he thinks this amendment is subject to a point of order he should make the point of order and state why. If it is subject to a point of order, I do not care to take up the time of the House in discussing the amendment.

Mr. MOON. What is your amendment?

Mr. HAMLIN. My amendment is to add "messenger service between railway stations and the post offices."

Mr. MOON. I do not object to that.

Mr. MADDEN. Mr. Chairman, I make the point of order against that.

Mr. HAMLIN. What is the point of order?

Mr. MADDEN. That it is adding a new activity, and that is against the rules of the House.

The CHAIRMAN. The Chair is prepared to rule. The point of order is overruled, and the gentleman from Missouri will proceed.

Mr. HAMLIN. Mr. Chairman, this amendment is to take care of a service that is not included in the bill. I was not certain whether the star-route or the screen-wagon service mentioned in the section would take care of these contracts made for hauling the mail between the railway station and the post office, where the station is located outside of the town, and upon inquiry of the chairman of the committee having charge of this bill he admitted that it would not take care of that service, because that service is designated as "messenger service."

I have in mind a particular case, called to my attention this morning, where the railway station is situated about a mile and a half from the little town in which, of course, the post office is located. Now, that service of hauling the mail from the station to the town is let by contract. The complaint in this particular case is that under present conditions the party performing that service now is doing it at a loss and wants some relief.

I think that kind of service ought to be included in this section of the bill, so that the Postmaster General may have authority to adjust that kind of service just as well as the star-route or screen-wagon service. That is all there is to it. I want to provide so that in cases of this kind relief may be granted, if in the wisdom of the Postmaster General he thinks it is justified. That is all I care to say.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

Mr. FIELDS, Mr. DOUGHTON, and Mr. MOON rose.

The CHAIRMAN. The gentleman from Tennessee [Mr. MOON] is recognized.

Mr. FIELDS. Mr. Chairman, I offer a substitute.

Mr. MOON. Mr. Chairman, I move that all debate on this section and amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Tennessee moves——

Mr. MOON. In 15 minutes.

The CHAIRMAN. The gentleman from Tennessee moves that all debate on the section and all amendments thereto close in 15 minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. FIELDS. Mr. Chairman, I will withdraw my substitute and offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Kentucky.

The Clerk read as follows:

Amendment offered by Mr. FIELDS: Page 3, lines 19 and 20, strike out the words "shall have authority" and insert "is hereby authorized and directed."

Mr. MOON. Mr. Chairman, I want to hear that amendment read again.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The amendment was again read.

Mr. FIELDS. Mr. Chairman and gentlemen, nearly two days have been devoted to the interests of rural carriers and clerks, but largely to the rural carriers, who have an organization throughout the country, and I am for them and have voted for their increases. But gentlemen have overlooked the fact that more than one-fourth of the carriers of United States mails in the country are star-route carriers, and they are the poorest paid men who are working for the Government of the United States in any capacity. There are 43,318 rural carriers and 11,029 star-route carriers. The star-route carriers, however, have no organization. If those 11,000 men who are carrying the mail on star routes had an organization, I will warrant you that they would receive more recognition in this bill and in this House.

We heard much in the beginning of this debate on the bill about justice, but as the hand of organized labor is withdrawn from this Chamber, the form of justice goes with it.

What are these star-route carriers getting? As I said, they are the poorest paid men in the service of the Government, and

the fourth-class postmasters are the next poorest paid. Many of the star carriers are going into bankruptcy. I intend to offer an amendment before this debate closes which will authorize and direct the Postmaster General to make investigations and increase their compensation in proportion to the increase in the cost of the service since the contracts were awarded under which they operate.

What has brought about this great increase in the service that they are required to do? The parcel post. Many men are operating their routes now with two horses and a wagon, whereas at the time they took the contract the mail was carried with one horse, in an ordinary pouch, and the work performed by a boy. But because of the increase in the parcel-post matter they have been compelled to put on a team. The boy who could formerly ride the horse and carry the pouch can not handle the team. Therefore it has become necessary to hire a man and pay him a man's wage. A few days ago I received a letter from one star carrier who is getting $2 a day, and the actual cost of operating the route is $5 a day. I have a letter from another man who gets $1.80 a day, and the actual cost is $3.20 a day. These are only two out of hundreds of letters that I have received. The only difference that this bill makes with regard to star carriers is to authorize the Postmaster General to make such investigations as he cares to make and such adjustments as he may deem proper. That is a step in the right direction, but it does not go far enough. The matter should not be left to the discretion of the Postmaster General. The bill should specifically provide for an increase in the compensation of star carriers and certain fourth-class postmasters, and I hope that the substitute I shall offer later on may be adopted, which will give the star carriers an increase in proportion to the increase of the service on the routes since the contract under which the carrier is operating was awarded.

Gentlemen, it is nothing but fair and just. First, the star-route carrier performs the service for half or less than half what the rural carrier receives. Take, for instance, two routes in one county in my district. They pass over the same sort of territory. They are the same distance. I got a rural route established over one of them two or three years ago. The only difference between the one over which the rural route is operated and the one that still remains a star route is that there is an unbridged stream on the latter, and for that reason I could not secure the establishment of a rural route over it. On this one which still remains a star route there are just as many boxes as there are on the rural route. There is a box at every home. The star carrier performs the same kind of service that the rural carrier performs. He collects the mail from the office and deposits it in the boxes of the patrons of the route and collects their mail from the boxes and carries it to the post office. He receives $548 per annum, while the rural carrier on the other route receives $1,080, and many others in the star service are working for much less than the amount that is paid to the star carrier to whom I have just referred, and, as I have previously stated, the amount of mailable matter has so increased since their contracts were awarded because of the increase in parcels post and other mailable matter, due to the general increase in business, that many of them have been forced to double or more than double their facilities, and this hardship, in addition to the increase in the cost of feeding their animals, is forcing many of them into bankruptcy. Yet they are under a bonded contract from which they can not resign, while the rural carrier can resign; so, in view of these conditions, the compensation of star carriers should be increased, and I sincerely trust that the amendment that I shall offer at the proper time in the nature of a substitute will be adopted. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SAUNDERS of Virginia. Mr. Chairman, in my judgment there is no more meritorious section of this bill than the one which undertakes to afford relief to these parties. I would not favor a proposition which sought to compel the Government to supplement the amount of a star-route bid to such an extent that the contractor would be guaranteed a profit. The equities of the case do not call for such a guarantee, nor is that what is proposed to be done by this section. Many of the star-route contractors are men of small means who undertook these contracts on a very narrow margin of profit. In a number of cases the margins were so close, that the contractors were in substance hiring themselves and their teams to the Government, at a very modest wage. These contracts were made one year, or more ago. Since that time we all know that great changes have occurred throughout the entire country in the items of living cost for man and beast. A very large proportion of the Members of this body represent country districts, and are familiar with the conditions I am describing. I think I am justified in appealing to these Members to confirm all that I have said with reference both to the small margin of possible profit in a large proportion of these contracts, and the plight in which the contractors now find themselves, in consequence of supervening conditions. Many of these contractors are discharging their contracts at a daily, and ruinous loss.

Mr. MONDELL. May I give my testimony on that point to the gentleman from Virginia?

Mr. SAUNDERS of Virginia. Certainly. I will be glad to hear from the gentleman.

Mr. MONDELL. That is true over the entire intermountain west at this time.

Mr. SAUNDERS of Virginia. With respect to these contractors the bill does not undertake to provide that the Government shall guarantee them a profit. Not at all. But it is proposed that when the Government shall have ascertained by proper inquiry that any contractor as a result of conditions that he could not anticipate, is carrying out his contract at a loss, even when exercising the utmost economy, and good judgment, a supplementary allowance may be made sufficient to save the contractor harmless, or in the exercise of further discretion by the Postmaster General that the contract may be canceled, and the route relet.

Mr. RUCKER. If a fourth-class postmaster was renting a house, and his rent was increased, why would not his condition call for the same relief?

Mr. SAUNDERS of Virginia. The case suggested, is by no means analagous. I think that I have as many fourth-class postmasters in my district as any other Member of this body, and I am as anxious as anyone, to protect their just rights and secure their proper interests, but the situation of the fourth-class postmaster is very different from that of the star-route contractor. As I have said, it is not proposed that the Government shall guarantee any star-route contractor a profit, but without the relief contemplated by this bill many of these small contractors will be absolutely ruined, if held to the letter of their contracts. It is not a case of sympathy for one or more contractors who exercised poor judgment in respect of their bids. The present unhappy situation of these contractors is due to supervening conditions which they could neither anticipate, nor control.

Mr. LANGLEY. Will the gentleman yield?

Mr. SAUNDERS of Virginia. Yes.

Mr. LANGLEY. The gentleman is well posted on this subject?

Mr. SAUNDERS of Virginia. I have tried to secure the facts both as to the circumstances under which these star-route contracts were made, and the present plight of the contractors.

Mr. LANGLEY. The gentleman from Illinois [Mr. MADDEN], a while ago, made the statement that there are no longer any fourth-class post offices that are central accounting offices. Is that correct?

Mr. SAUNDERS of Virginia. I am not able to answer the gentleman's question. On principle a fourth-class office ought not to be an accounting office. These offices ought to settle their accounts with an office of a higher grade, a second, or a third-class office. But some fourth-class offices, may be accounting offices. The gentleman from Illinois [Mr. MADDEN] ought to be able to answer this inquiry.

Mr. MADDEN. I think I know that there are no fourth-class offices that are accounting offices.

Mr. LANGLEY. What do they do in a county where there is no presidential office?

Mr. SAUNDERS of Virginia. This has nothing to do with the argument that I am making.

Mr. LANGLEY. The gentleman from Illinois is not correct, that is all.

Mr. SAUNDERS of Virginia. All that I wish to say in conclusion is that many of these little contracts for carrying star-route mail have been undertaken in good faith by men of limited means on a narrow margin of profit. As a result of supervening conditions a number of these contractors are executing their contracts at a ruinous loss. Some authority ought to be given to the Government under which a measure of relief in the way of a supplementary allowance, or a cancellation of the contracts, may be afforded to these contractors.

Mr. MADDEN. Does the gentleman think the section of the bill that is under consideration gives sufficient authority?

Mr. SAUNDERS of Virginia. It is to that section of the bill that I am addressing my remarks. In this connection I will say that the section ought to be amplified by an amendment that will hereafter be offered. A final word with respect to the difference between the condition of the postmasters, the rural carriers and the other postal employees, and the star-route con-

tractors. A postmaster, or a carrier, or a clerk can at least throw up his job, and undertake something else.

Mr. RUCKER. But can not the star-route contractor do that as well?

Mr. SAUNDERS of Virginia. No, he can not. He is bound by a contract which he has made with the Government, and for the fulfillment of which he has given bond and ample security. That is the essential difference between him, and the other parties mentioned. He is compellable to carry out his contract. That is the law.

Mr. ROBBINS. I have one in my district that has a five-year contract with a bond under it.

Mr. SAUNDERS of Virginia. Every star-route contractor is required to execute a bond with security to carry out his undertaking. Mr. Speaker, this is a highly meritorious bill which will correct hardships growing out of war conditions. It should receive the hearty support of the Members of this House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The amendment was rejected.

Mr. DOUGHTON. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment by Mr. DOUGHTON: Strike out all of section 4 and insert in lieu thereof the following:

"That the Postmaster General shall, as soon as practicable, investigate conditions arising from contracts in the star-route and screen-wagon service with a view to adjusting compensation in all cases where the present compensation is inequitable. Whenever the Postmaster General upon such investigation shall ascertain that any star-route contract or screen-wagon contract was entered into prior to the entrance of the United States into the war with Germany, and that the compensation agreed to be paid in said contract is at the present time inadequate, by reason of the increase in the cost of materials, labor, and maintenance of equipment employed in the performance of such contract, the Postmaster General is hereby authorized and directed, upon the request of the contractor and his bondsmen, to cancel the same or readjust the terms of said contract in such manner as to relieve the contractor from the hardships being by him suffered on account of such increased cost and expenses."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on that.

Mr. MOON. Mr. Chairman, does the gentleman desire me to make the point of order or to reserve it.

Mr. DOUGHTON. I would ask the gentleman to reserve the point of order.

Mr. MOON. After the gentleman has talked on it for five minutes, I shall make the point of order.

Mr. HAMLIN. Mr. Chairman, I observe that the gentleman in the first part of his amendment followed the language in the original bill. Would the gentleman be willing to modify his amendment so as to insert the amendment the committee adopted a few moments ago at my suggestion?

Mr. DOUGHTON. I have no objections to that.

Mr. HAMLIN. Then I ask unanimous consent that the amendment be so modified.

The CHAIRMAN. As to include messengers?

Mr. HAMLIN. Yes; between the railway stations and the post office.

Mr. CANNON. Does that include the railroads that have to deliver the mail?

Mr. HAMLIN. No; those stations located outside.

The CHAIRMAN. Without objection it will be so modified.

Mr. DOUGHTON. Mr. Chairman and gentlemen of the committee, section 4 of the bill, as I understand, has for its purpose the granting of relief to the star-route carriers of the country. I think it will be admitted by all who have taken the pains to investigate that the star-route carriers are the poorest paid of any of the Government employees. They hold these contracts under a four-year contract. In other words, the contracts are awarded as the result of competitive bidding and for a term of four years. The present contracts were entered into June 30, 1916, and expire June 30, 1920.

I fear that if the language contained in the bill is adopted, it is so ambiguous and weak, that the purpose sought will not be accomplished. If I thought it would be I should not offer the substitute, but I can not see any harm in directing the Postmaster General to make this investigation. The language in section 4 authorizes him to make the investigation, while the language in my substitute directs him to do so; and if he finds on such investigation that as a matter of fact the compensation paid is unjust and inequitable, he is then directed, upon the request of the contractor and his bondsmen, to either cancel the contract and readvertise or make such adjustments as are equitable and just. I think the fairest solution of this whole matter is this, that as these services are being performed under the contract system if the contractor is not satisfied and is suffering a loss, and the contract is unjust and inequitable and a hardship is being imposed upon the carrier, then for the Government to readvertise the routes and open them up to competitive bids.

Mr. MONDELL. These contracts only have about three months to run.

Mr. MADDEN. They are pretty nearly through.

Mr. DOUGHTON. About three months? How do you figure that out? They expire June 30, 1920.

Mr. MONDELL. Oh, in the gentleman's section they do.

Mr. DOUGHTON. In my section they do.

Mr. MONDELL. In my section the four-year contract expires the 1st of July next. The gentleman's substitute invites the Postmaster General to cancel these contracts. I think the Postmaster General will be very glad to accept such an invitation as the easiest way out, in which event these contractors who have been carrying mail at a heavy loss for two or three years will not be reimbursed. It occurs to me that you are not helping the contractor by suggesting to the Postmaster General that the contract be canceled.

Mr. DOUGHTON. I did not yield for a speech. I do not understand that under the bill the contractor will be reimbursed by any legislation we can enact. I am trying to prevent his sustaining further loss.

Now, gentlemen of the committee, if the routes are readvertised in the light of present conditions, why these men, if they wish, as well as others, can bid with their eyes open, and the Government and the bidder are placed upon equal terms. If the contractor is forced to carry out his contract with the present high prices for material, labor, and everything that goes to make up his equipment practically doubled in price he will, in many cases, be bankrupt. Not only is the contractor liable himself but his bondsmen are cocontractors, and if he fails, as he is doing in many instances, his bondsmen are forced to carry out the contract entered into by the contractor.

Now, gentlemen of the committee, there has been no legislation offered here during this term of Congress, in my judgment, that would come to the relief of a class of people that are standing in greater need of relief than the star-route people.

At the time these contracts were made, as a result of competitive bidding, the prices then paid were very low, not more than half the average price paid to the rural carriers for performing similar service, and entirely out of proportion to the work performed. However, had not conditions been so radically and adversely changed by the war these carriers would have no moral grievance, having entered into these contracts voluntarily, but they could not foresee the coming of the war, and consequently should not be held to a performance of the contract when in so doing it means their ruin.

These men have no organization through which they can speak and bring their troubles to the attention of the Congress as do other postal employees. However, I have received hundreds of individual letters from all sections of my State begging and appealing for relief. One man says his expenses alone are $50 per month, and he gets $28.69, which leaves him a loss of $21.31, and nothing for his own time. I have many letters showing conditions equally as disastrous as this one.

Gentlemen of the House, no class of Government employees perform a more essential service than do the star-route carriers, or services that are fraught with more difficulty. Many of them have schedules which start as early in the morning as 5 or 6 o'clock, which, as you know, is long before daylight in the winter time. Traveling at a distance of from 30 to 35 miles, and in some cases 40 miles per day, over rough roads, breaking the ice in the streams, battling with snowdrifts, and other difficulties incident to rough roads and bad weather. Then when they get to their destination are forced to wait, in some cases two or three hours, in order to make connection with some other mail before they start on their long, wearisome journey homeward. In many cases it is 8 or 9 o'clock at night before their day's work is completed.

Gentlemen, it is for this humble, honorable, underpaid, and overworked class that I lift my voice and plead, that they may be given, not a profit but simple justice and a reasonable wage for their difficult service. Unlike other postal employees, they can not throw up their jobs or resign at will, but are tied securely by heavy bonds for the faithful performance of their duties.

Of all the requests that have come or will come before this Congress for relief, none will be so meritorious as this one.

Early in this session of Congress I appeared before the Committee on the Post Office and Post Roads and requested that the pending bill contain a section granting certain relief in some form to the star-route carriers and I appreciate the fact that the committee has written this section in the bill; and while I think it should be amended by the adoption of the substitute which I have offered, or something similar, yet I feel that in

any event, when the bill is finally approved, that it will be in such form as to afford a reasonable measure of relief.

There are doubtless a few instances where the carriers are receiving a reasonable compensation, and for this reason I would not favor a percentage increase, but the Postmaster General should be authorized and directed to investigate all cases where complaint is made, and where he finds the compensation now being paid is inequitable and unjust, the contract should be canceled and the route readvertised in the light of present conditions, or an increase in the present compensation should be allowed which will be commensurate with the increase in the expense incident to the carrying out of the present contracts. Not to grant this relief in some form would, in my judgment, be nothing short of a grave crime.

The CHAIRMAN. The time of the gentleman has expired; all time has expired. Does the gentleman from Tennessee press his order?

Mr. MOON. The point of order is all right——

Mr. STAFFORD. I make the point of order.

Mr. BANKHEAD. Mr. Chairman, what is the point of order?

The CHAIRMAN. Does the gentleman from Wisconsin want to be heard on his point of order?

Mr. STAFFORD. If the Chair will indulge me for a moment. I make the point of order that the amendment offered in the nature of a substitute is not germane to the section which it seeks to amend. The language of the section presented to the committee for consideration is limited solely to authorizing the Postmaster General to investigate conditions arising out of certain contracts.

The CHAIRMAN. The Chair will call the attention of the gentleman from Wisconsin to the fact that the committee has adopted an amendment that authorized and directed him to investigate and compensate.

Mr. STAFFORD. I was not aware of that amendment having been adopted.

The CHAIRMAN. It was adopted.

Mr. MOON. I would ask the Chair to have the amendment read. I do not think it went quite that far.

The CHAIRMAN. Will the gentleman suspend just a minute? The Clerk will report the amendment of the gentleman from Missouri [Mr. HAMLIN]——

Mr. STAFFORD. That was rejected.

Mr. HAMLIN. My amendment was not that one.

Mr. STAFFORD. That amendment was rejected.

Mr. MOON. The amendment of the gentleman from Kentucky was rejected.

The CHAIRMAN. The Chair is in error. The gentleman from Wisconsin will proceed

Mr. STAFFORD. The amendment did not provide for compensation, but as it was rejected I will proceed with my argument. The section merely provides for investigation.

The amendment of the gentleman from North Carolina not only provides for investigation but offers virtually an amendment to the existing section directing the Postmaster General, not merely authorizing him, but directing the Postmaster General upon the request of the contractor or the surety to the contractor to cancel the contract, thereby relieving the contractor of an obligation that he now owes to the Government, a matter entirely apart from the subject matter presented to the House for consideration. The subject matter to the section before us is merely investigation, and I direct the attention of the Chair——

The CHAIRMAN. May the Chair ask attention of the gentleman to the language in line 22: "And adjust the same in cases where the facts disclose the necessity for such adjustment."

Mr. STAFFORD. Leaving it, as the Chair notices, to the discretion as to the adjustment, where in his discretion it is advisable, but in this amendment it takes away the discretion entirely and directs him to cancel the contract. The theory upon which the amendment of the committee is predicated is that there shall be an investigation and leaving it to the discretion of the Postmaster General. Here, if the Chair holds this amendment to the section in order, another amendment will be in order fixing the salary, fixing the compensation that may be paid these various star-route contractors, and certainly the Chair would not hold that an amendment fixing the compensation that may be paid to these various contractors, whether a per cent of increase or definite amount, would be in order. The amendment offered compels him to cancel the contract, virtually takes away from him discretion instead of leaving it to him to determine when the contract shall be modified, and says the contract upon the request of the contractor or the surety company shall be immediately terminated. That is not akin to the matter presented by the committee, and I call the attention of the Chair to the citation found on page 345 of the Manual on the subject of germaneness, where it says:

To a bill modifying an existing law as to one specific particular, an amendment relating to the terms of the law rather than those of the bill—

Is not germane.

This is something that relates to the terms of the contract and is not related and differs entirely from the provision carried in the bill.

The CHAIRMAN. Does the gentleman from North Carolina desire to be heard?

Mr. DOUGHTON. I do. Mr. Chairman, the gentleman from Wisconsin, so anxious to criticize the language of the amendment, being in a difficult situation in his effort, after having put on his glasses, read into my amendment, or substitute, language not contained in it. The gentleman said it calls for the immediate cancellation of the contract. I do not have the amendment before me, but——

Mr. STAFFORD. Will the gentleman from North Carolina yield?

Mr. DOUGHTON. If I have made a misstatement, I will yield.

Mr. STAFFORD. Does not the language of the gentleman's amendment say that the Postmaster General is hereby authorized and directed, upon the request of the contractor or the surety company, to cancel the contract?

Mr. DOUGHTON. Or readjust, certainly; or readjust, but the gentleman said "immediately," but it is not immediately. He is to investigate.

I contend, Mr. Chairman, that this substitute is germane because it relates entirely to the purpose sought to be obtained, and that is the granting of relief to star-route carriers; and, of course, so far as the contention of the gentleman from Wisconsin is concerned, "immediately" was not written into the language. It first authorizes the Postmaster General to investigate, and then if he finds these contracts are unjust and inequitable he can cancel or readjust along the lines of equity.

Mr. STAFFORD. Will the gentleman yield in that particular?

Mr. DOUGHTON. Well, the gentleman, I think——

Mr. STAFFORD. If the gentleman desires to make a misstatement.

Mr. DOUGHTON. I am not making a misstatement, as the gentleman did when he read into my speech language I never used.

Mr. MONDELL. Mr. Chairman, I desire to discuss the point of order.

I am not in favor of the amendment offered by the gentleman from North Carolina [Mr. DOUGHTON], but I have an interest in the correct and proper parliamentary usage of the House, and I am very much surprised that the gentleman from Wisconsin [Mr. STAFFORD] should urge at length that the amendment is not in order. It is clearly in order. This is a provision for the readjustment of the star-route contracts. It is a provision taking up star-route contracts with a view to readjusting them. Congress having entered upon that sort of a procedure, can take such action as it deems wise and best in regard to star-route contracts. The amendment proposes an adjustment of compensation by relieving a contractor of any further service. That is one way of adjusting compensation. I do not care to take the time of the Chair to any great length on a matter as simple and plain as this. There can be no question but what the amendment is in order.

The CHAIRMAN. The Chair is ready to rule. The Chair is of the opinion that the amendment is in order, and therefore overrules the point of order.

Mr. STEENERSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STEENERSON. Under the amendment, as I understand it, relief is only granted to those contractors who made their contracts before we entered the war—a year ago. I would like to have the amendment reported.

The CHAIRMAN. Without objection, the amendment will be again read.

The amendment was again reported.

Mr. HAMLIN. A point of order, Mr. Chairman. If I understood the Clerk to report that amendment correctly, he left out the modification that the gentleman from North Carolina very kindly made—railroads and post offices.

The CHAIRMAN. The Chair remembers that the amendment was modified. The gentleman from Missouri [Mr. HAMLIN] will state wherein the amendment is not right.

Mr. HAMLIN. Insert after "star route" the words "messenger service between railway station and post office." That was my amendment.

The CHAIRMAN. The vote then recurs on the amendment of the gentleman from North Carolina [Mr. DOUGHTON].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. COX. Division, Mr. Chairman.

Mr. ALMON. Mr. Chairman, a parliamentary inquiry. What is the vote on?

The CHAIRMAN. It is a vote on the amendment of the gentleman from North Carolina to strike out the section and substitute.

The committee divided; and there were—ayes 27, noes 58.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. FIELDS. Mr. Chairman, I have an additional substitute that I desire to offer.

The CHAIRMAN. The time has expired. The Clerk will report the substitute.

The Clerk read as follows:

Substitute of Mr. FIELDS: Strike out section 4 and substitute the following:

"SEC. 4. That the Postmaster General is hereby authorized and directed to investigate conditions arising from contracts on the star-route and screen-wagon service, and whenever it is ascertained by such investigation that there has been an increase in the amount of the mailable matter handled by such contractor in the star-route and screen-wagon service since awarding the contract under which he is at the time operating that a corresponding increase in the compensation of such contractor shall be allowed during the duration of the contract."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. FIELDS].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. FIELDS. Division, Mr. Chairman.

The committee divided; and there were—ayes 9, noes 60.

So the amendment was rejected.

The Clerk read as follows:

SEC. 5. That the provisions of section 3 of the act of March 3, 1917, entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1918, and for other purposes," providing increased compensation at the rate of 10 per cent per annum to employees who receive salaries at a rate of more than $480 and not exceeding $1,000 per annum, shall apply during the fiscal year 1918 to all watchmen, messengers, and laborers.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. MONDELL. Mr. Chairman, I shall take only a moment to explain what I understand to be the purpose and intent of section 4, the readjustment of the star-route contracts.

There have been some misleading statements in regard to that section, and I think the matter ought to be cleared up a little. Under that section as the committee wrote it, and I think the committee wrote it in good form, it becomes the duty of the Postmaster General, as it is, I understand, the desire of the Postmaster General, to investigate these star routes and make a thorough investigation, not only with regard to the increases of the amount of mail, but with regard to the increased cost of carrying the mail from any cause, and, having made these investigations and learned the facts, to adjust the compensation as he sees fit and believes is fair, just, and equitable. He can pay the contractor any additional sum he believes equitable, and which under the circumstances he believes the contractor is entitled to. Now, that is very much better than a provision inviting him to cancel.

Mr. BRUMBAUGH. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. BRUMBAUGH. Under this could he cancel a contract?

Mr. MONDELL. I doubt if he could; but if he can give the contractor sufficient allowances for his losses in the past, and sufficient for the future, to make his contract a reasonably paying one, that is better for the contractor in the majority of cases than to cancel the contract. At any rate, it is better than an invitation to the Postmaster General to cancel contracts that have run three years and a half already in the intermountain country. The cancellation of such contracts would be the easiest way for the Postal Department to wash its hands of all responsibility. What we want them to do is what they, I think, wish to do, make an examination and give reasonable compensation for past losses and for the future.

Mr. DOUGHTON. Take line 23, beginning with the word "where," on line 22, "where the facts disclose the necessity for such adjustment," does the gentleman think the word "necessity" there is a proper one?

Mr. MONDELL. I do not like the word "necessity." I think some other word might better have been used. Where the facts disclose that it is proper and just and equitable to do it is what it means. The necessity for adjusting the pay in order to do justice is what the word "necessity" means in such a case.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 6. That this act shall be in force and effect from and after its passage. That all laws and parts of laws in conflict herewith are hereby repealed

Mr. STEENERSON. Mr. Chairman, I move to strike out the section.

Mr. MOON. I will ask unanimous consent, Mr. Chairman, that the consideration of that section be postponed until we have finished the other sections of the bill permitted to be introduced under the rule.

Mr. STEENERSON. Why not strike it out? It is absolutely useless.

Mr. MOON. I think we had better wait until we reach the close.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the consideration of the section just read be postponed until the other sections of the bill permitted to be introduced under the rule shall have been disposed of. Is there objection?

There was no objection.

Mr. MOON. Mr. Chairman, I want to offer an amendment provided under the rule and have it read, and then I will make a motion that the committee rise. I send the amendment to the desk.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

I.

That to promote the conservation of food products and to facilitate the collection and delivery thereof from producer to consumer, and the delivery of articles necessary in the production of such food products to the producers the Postmaster General is hereby authorized to conduct experiments in the operation of motor-vehicle truck routes in the vicinity of such cities of the United States as he may select, and under such rules and regulations as he may prescribe, and the cost of such experiments, not exceeding $300,000, may be paid by the Postmaster General out of any unexpended appropriations of the Postal Service, and the Postmaster General shall report the result of such experiments to the Congress at the earliest practicable date.

SEC. —. That the Secretary of War may, in his discretion, deliver and turn over to the Postmaster General from time to time, and without charge therefor, for use in the Postal Service, such aeroplanes and automobiles, or parts thereof, as may prove to be, or as shall become, unsuitable for the purposes of the War Department; and the Postmaster General is hereby authorized to use the same, in his discretion, in the transportation of the mails and to pay the necessary expenses thereof out of the appropriation for inland transportation by steamboat or other power boat or by aeroplanes or star route.

SEC. —. That from and after the passage of this act the Postmaster General, in his discretion, may require the payment of postage on mail carried by aeroplane at not exceeding 24 cents per ounce or fraction thereof.

II——

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. We are considering this bill by sections.

The Clerk is proceeding to read another section.

The CHAIRMAN. It was sent up to the desk merely to be read.

Mr. MOON. To be read as section 6.

Mr. STEENERSON. Will they be considered section by section?

The CHAIRMAN. The Chair understands that it is offered as one section.

Mr. STEENERSON. I do not believe I will consent to that.

Mr. STAFFORD. Mr. Chairman, the Clerk was about proceeding to read the second section of this amendment.

Mr. MOON. It is offered as one section to the bill.

The CHAIRMAN. Yes; it is offered as one section to the bill.

Mr. STEENERSON. Then there will be no opportunity to consider it section by section?

Mr. MOON. That is a section itself. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Tennessee moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CARAWAY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9414) granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes, and had come to no resolution thereon.

ADDITIONAL SECRETARIES OF WAR.

The SPEAKER. The chair is informed that the gentleman from California [Mr. KAHN], who was appointed on the confer-

ence on the bill (H. R. 9352) to amend the act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, is not in town and will not be for several days. Therefore the Chair appoints Mr. ANTHONY in his place.

ENROLLED BILLS SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 9903. An act to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes; and

H. R. 9571. An act to authorize the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands drafted into the service of the United States, and for other purposes.

The SPEAKER announced his signature to enrolled bills and joint resolutions of the following titles:

S. 3445. An act to authorize the payment of gun pointers and gun captains while temporarily absent from their regular stations, and for other purposes;

S. 3130. An act to amend section 1570 of the Revised Statutes of the United States;

S. 3129. An act to provide for the disposition of the effects of deceased persons in the naval service;

S. 1546. An act to permit the use of certain refined products of petroleum as stores on steam vessels carrying passengers;

S. J. Res. 117. Joint resolution amending the act of July 2, 1909, governing the holding of civil-service examinations; and

S. J. Res. 104. Joint resolution authorizing the assistant to the Secretary of the Interior to sign official papers and documents.

LEAVE OF ABSENCE.

Mr. DAVIDSON, by unanimous consent, was granted leave of absence for one week, on account of death in his family.

AMENDMENT OF THE WAR-RISK INSURANCE BILL.

Mr. BARKLEY. Mr. Speaker, I call up Senate joint resolution 133, and ask that the House insist on its amendments and agree to the conference requested by the Senate and that the conferees be appointed.

Mr. GILLETT. What bill is that?

Mr. BARKLEY. The joint resolution amending the war-risk insurance bill, permitting insurance by prisoners.

The SPEAKER. The gentleman from Kentucky calls up Senate joint resolution 133 and asks that the House insist on the House amendments and agree to the conference asked by the Senate. The Clerk will report the resolution by title.

The Clerk read as follows:

Senate joint resolution 133, authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured.

The SPEAKER. Is there objection?

Mr. WALSH. I assume the gentleman desires to insist on the House amendments.

Mr. BARKLEY. Yes.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the House insist on the amendments of the House and agree to the conference asked for by the Senate. Is there objection?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. SIMS, Mr. RAYBURN, and Mr. WINSLOW.

ADJOURNMENT.

Mr. MOON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p. m.) the House adjourned until to-morrow, Tuesday, March 26, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Savannah River at or near Augusta, Ga., for the purpose of determining what erosion is taking place and what improvements are necessary to prevent the same in the interest of navigation; also the consideration of any proposition for cooperation on the part of local or State interests (H. Doc. No. 985); to the Committee on Rivers and Harbors and ordered to be printed.

2. A letter from the Assistant Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Suison Bay Channel, from Martinez to Antioch, Cal. (H. Doc. No. 986); to the Committee on Rivers and Harbors and ordered to be printed with illustration.

3. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of William S. Boyd *v.* The United States (H. Doc. No. 987); to the Committee on War Claims and ordered to be printed.

4. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Samuel Fallows *v.* The United States (H. Doc. No. 988); to the Committee on War Claims and ordered to be printed.

5. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Nelson D. Curtis *v.* The United States (M. Doc. No. 989); to the Committee on War Claims and ordered to be printed.

6. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Dicey E. Stockham, widow of David M. Stockham, deceased, *v.* The United States (H. Doc. No. 990); to the Committee on War Claims and ordered to be printed.

7. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Eva A. Ingersoll, widow of Robert G. Ingersoll, deceased, *v.* The United States (H. Doc. 991); to the Committee on War Claims and ordered to be printed.

8. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Charles A. Stocksdale, son and sole heir of Sidney A. Stocksdale, deceased, *v.* The United States (H. Doc. No. 992); to the Committee on War Claims and ordered to be printed.

9. A letter from the chief clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of Margaret Eichorn, administratrix of the estate of Charles Obst, deceased, *v.* The United States (H. Doc. No. 993); to the Committee on War Claims and ordered to be printed.

10. A letter from the chief clerk of the Court of Claims transmitting a copy of the findings of the court in the case of Jefferson Good *v.* The United States (H. Doc. No. 994); to the Committee on War Claims and ordered to be printed.

11. A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings of the court in the case of William Poe, son of William Poe, deceased, *v.* The United States (H. Doc. No. 995); to the Committee on War Claims and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. WINGO, from the Committee on Banking and Currency, to which was referred the bill (H. R. 10205) to provide for the consolidation of national banking associations, reported the same with amendment, accompanied by a report (No. 408), which said bill and report were referred to the House Calendar.

Mr. GLASS, from the Committee on Banking and Currency, to which was referred the bill (H. R. 10691) to amend section 5200 of the Revised Statutes as amended, reported the same without amendment, accompanied by a report (No. 411), which said bill and report were referred to the House Calendar.

He also, from the same committee, to which was referred the bill (H. R. 11020) to amend and reenact sections 5136, 5137, 5139, 5147, 5172, 5200, 5222, 5230, and 5239 of the Revised Statutes of the United States, accompanied by a report (H. Rept. No. 412), which said bill and report were referred to the Committee on Banking and Currency.

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 8424) to provide for the purchase of additional land for the enlargement of the site of the public building at Stamford, Conn., reported the same without amendment, accompanied by a report (No. 409), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. CROSSER, from the Committee on the District of Columbia, to which was referred the bill (H. R. 289) to provide for the acquisition, ownership, and operation by the Commissioners of the District of Columbia of all the street railroads located in the District of Columbia, reported the same without amendment, accompanied by a report (No. 410), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DILL: A bill (H. R. 11017) to authorize the county of Okanogan, Wash., to construct and maintain a bridge across the Okanogan River; to the Committee on Interstate and Foreign Commerce.

By Mr. HICKS: A bill (H. R. 11018) to regulate the salaries of keepers of lights and lighthouses; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 11019) to increase the pay of keepers of the Coast Guard during the period of the war; to the Committee on Naval Affairs.

By Mr. GLASS: A bill (H. R. 11020) to amend and reenact sections 5136, 5137, 5139, 5147, 5172, 5200, 5222, 5230, and 5239 of the Revised Statutes of the United States; to the Committee on Banking and Currency.

By Mr. O'SHAUNESSY: Memorial of the General Assembly of the State of Rhode Island, favoring a league of nations to safeguard the peace of the world; to the Committee on Foreign Affairs.

By Mr. STINESS: Memorial of the General Assembly of the State of Rhode Island, favoring a league of nations to safeguard the peace of the world; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11021) granting an increase of pension to Benjamin F. Potter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11022) granting an increase of pension to Jacob A. Thuma; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Kansas: A bill (H. R. 11023) granting an increase of pension to Nathaniel Sandford; to the Committee on Invalid Pensions.

By Mr. FARR: A bill (H. R. 11024) granting an increase of pension to Abel B. Conger; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 11025) granting an increase of pension to Presley Jackson; to the Committee on Invalid Pensions.

By Mr. FOCHT: A bill (H. R. 11026) granting an increase of pension to Edward H. Harpster; to the Committee on Pensions.

By Mr. GODWIN of North Carolina: A bill (H. R. 11027) granting an increase of pension to George T. Constable; to the Committee on Invalid Pensions.

By Mr. JACOWAY: A bill (H. R. 11028) granting a pension to Edward Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11029) for the relief of John P. Willard; to the Committee on Military Affairs.

By Mr. KETTNER: A bill (H. R. 11030) for the relief of H. D. Field Safe Co.; to the Committee on Claims.

By Mr. McFADDEN: A bill (H. R. 11031) granting an increase of pension to Lyman D. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11032) granting an increase of pension to George Snow; to the Committee on Invalid Pensions.

By Mr. NEELY: A bill (H. R. 11033) granting an increase of pension to John L. Skinner; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 11034) granting an increase of pension to Samuel P. Thurber; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 11035) granting an increase of pension to John R. Holt; to the Committee on Pensions.

Also, a bill (H. R. 11036) granting an increase of pension to Richard Holden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11037) granting a pension to James A. McIntyre; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 11038) granting an increase of pension to Minor M. Webb; to the Committee on Invalid Pensions.

By Mr. SNYDER: A bill (H. R. 11039) granting an increase of pension to John H. Shaver; to the Committee on Invalid Pensions.

By Mr. STRONG: A bill (H. R. 11040) granting an increase of pension to John M. Thomas; to the Committee on Invalid Pensions.

By Mr. SWITZER: A bill (H. R. 11041) granting an increase of pension to Elizabeth S. Reed; to the Committee on Invalid Pensions.

By Mr. STEPHENS of Nebraska: A bill (H. R. 11042) granting an increase of pension to Gus. H. Weber; to the Committee on Pensions.

Also, a bill (H. R. 11043) granting an increase of pension to Edwin H. Dorsett; to the Committee on Invalid Pensions.

By Mr. WALSH: A bill (H. R. 11044) granting an increase of pension to Charles H. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11045) granting a pension to William H. LeBaron; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request) Memorial of the South Point Farm Club, Washington, Mo., urging higher prices for farm products and making other recommendations; to the Committee on Agriculture.

By Mr. CARY: Petitions of the Mutual Life Insurance Co. of New York and Northwestern Mutual Life Insurance Co., of Milwaukee, Wis., relative to tax on life insurance; to the Committee on Ways and Means.

Also, petitions of Milwaukee Association of Life Underwriters and Metropolitan Life Insurance Co., asking exemption from taxation of life-insurance policies; to the Committee on Ways and Means.

By Mr. DALE of New York: Petition of Fortnightly Literary Club of Indianapolis, Ind., and other clubs of the United States, against increase in second-class postage; to the Committee on Ways and Means.

Also, memorial of United Irish Societies of Chicago, Ill., favoring freedom for Ireland; to the Committee on Foreign Affairs.

Also, petition of Boise (Idaho) Commercial Club, favoring passage of Senate bill 313, relative to freight-rate charges; to the Committee on Interstate and Foreign Commerce.

Also, petition of S. Karpen & Bros., of New York, against passage of H. R. 10591, to regulate sale of goods on installment plan; to the Committee on the District of Columbia.

Also, resolution of the Flatbush Medical Society, Brooklyn, N. Y., indorsing S. 3748 and H. R. 9563, giving advanced rank to officers of the Medical Reserve Corps; to the Committee on Military Affairs.

Also, petition of the New York Moline Plow Co., urging the passage of House bill 9501, providing for the purchase of seed wheat for farmers in the northwestern part of the country; to the Committee on Agriculture.

Also, resolution of the advisory committee of the New York State conference of mayors and other city officials, urging that the rights and privileges covered by patents on the "Imhoff tank" process of sewage disposal be given to cities and municipalities; to the Committee on Patents.

By Mr. DALE of Vermont: Petition of Dr. J. R. Wilson, of Bennington, Vt., favoring bill for the higher rank for medical officers and also dentists; to the Committee on Military Affairs.

By Mr. DOOLING: Petition of Barbers' Supply Dealers' Association of America, against increase in second-class postage; to the Committee on Ways and Means.

By Mr. DYER: Memorial of the Lithuanian National Council, praying that Lithuania be separated from Germany and Russia and reinstated among the nations of the world; to the Committee on Foreign Affairs.

By Mr. ELSTON: Petition of the First Presbyterian Church, Berkeley, Cal., for the passage of a law to prohibit the manufacture of any kind of food into any kind of alcoholic drink; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of the Rotary Club of Chicago, Ill., favoring continuance of the pneumatic-tube mail service; to the Committee on the Post Office and Post Roads.

Also, memorial of a citizens' meeting at Sycamore, Ill., favoring prohibition of the liquor traffic; to the Committee on Alcoholic Liquor Traffic.

Also, petition of William E. Golden, of Chicago, Ill., for reduced fare on railroads for soldiers; to the Committee on Interstate and Foreign Commerce.

Also, petition of the Million Population Club, of St. Louis, for the retention of the pneumatic-tube mail service; to the Committee on the Post Office and Post Roads.

Also, petition of the Sandwich (Ill.) Manufacturing Co., opposing the metric system of weights and measures; to the Committee on Coinage, Weights, and Measures.

Also, petition of the American Wood Preservers' Association, opposing the increase of second-class postage rates in the war-revenue act; to the Committee on Ways and Means.

By Mr. GALLIVAN: Memorial of the United Irish Societies of Chicago, Ill., favoring freedom for Ireland; to the Committee on Foreign Affairs.

By Mr. GRAHAM of Illinois: Petition of voters of Kirkwood, Ill., for the passage of proper legislation prohibiting the use of all food products in the manufacture of alcoholic beverages for the period of the war; to the Committee on the Judiciary.

Also, petition of Gerlaw United Presbyterian Church, Gerlaw, Ill., requesting the passage of legislation to prohibit the manufacture of foodstuffs into beer and other alcoholic liquors, and making the Nation bone-dry during the period of the war; to the Committee on the Judiciary.

Also, petition of West Side United Presbyterian congregation, of Monmouth, Ill., requesting legislation to prohibit the use of foodstuffs for the manufacture of beer and other alcoholic liquors, and making the Nation bone-dry during the period of the war; to the Committee on the Judiciary.

Also, petition for a repeal of the zone rate for second-class mail matter; to the Committee on Ways and Means.

By Mr. KENNEDY of Rhode Island: Resolution of Rhode Island House of Representatives, favoring a league of nations to safeguard the peace of the world; to the Committee on Foreign Affairs.

By Mr. NOLAN: Petitions of County Clare Association of California, by R. Barry, secretary; John McBryde Branch, Friends of Irish Freedom, by M. Gaul, president; Ladies' Auxiliary to the Connaught Social and Benevolent Association, by Mary M. Roddy, secretary, favoring Rankin resolution No. 204, for Irish independence; to the Committee on Foreign Affairs.

Also, petition of Division No. 2, Ancient Order of Hibernians in America, by J. J. Leveney, secretary; Division No. 10, Ancient Order of Hibernians in America, by M. J. Giles, secretary; Division No. 12, Ancient Order of Hibernians in America, by P. J. Mahoney, secretary, favoring Rankin resolution No. 204, for Irish independence; to the Committee on Foreign Affairs.

By Mr. O'SHAUNESSY: Memorial of Newport County Medical Society, urging the passage of the Dyer bill, giving advanced rank to officers in the Medical Reserve Corps; to the Committee on Military Affairs.

By Mr. SABATH: Resolution of the United Irish Societies of Chicago, asking that Ireland may be made an independent republic; to the Committee on Foreign Affairs.

By Mr. SMITH of Michigan: Petition of Mrs. C. S. Thorp and 11 citizens of Battle Creek, Mich., against intemperance; to the Committee on Alcoholic Liquor Traffic.

By Mr. STAFFORD: Petition of the Mutual Life Insurance Co. of New York, against tax on life insurance premiums; to the Committee on Ways and Means.

By Mr. STINESS: Petition of the Rhode Island Fish and Game Protective Association, favoring the passage of the migratory treaty bird law; to the Committee on Foreign Affairs.

By Mr. TIMBERLAKE: Petition of members of the Larimer County Medical Society, favoring bill for higher rank for medical officers in the Army; to the Committee on Military Affairs.

By Mr. TILSON: Petition of the Employers' Association of the Lower Naugatuck Valley, Derby, Conn., favoring amendment to revenue bill relative to payment of excess profits; to the Committee on Ways and Means.

By Mr. YOUNG of North Dakota: Petition of J. S. Miller, pastor of Methodist Episcopal Church, and 70 other citizens of Wimbledon, N. Dak., praying for national prohibition; also a resolution of the same import by the congregation and pastor of Methodist Episcopal Church, of Harvey, N. Dak.; to the Committee on the Judiciary.

SENATE.

TUESDAY, *March 26, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we know that every part of human activity leads to Thy throne; that to think out the problem of life is to think back to Thee. Thou art still the ruler of the universe. Thou dost still sit in judgment upon the conduct of men. We come to Thee in the midst of the Nation's alarm, in the midst of the great crisis that is upon us, and pray Thee, O God of our fathers, Thou who didst establish us, Thou who didst give inspiration to the founders of this Government to erect a government upon the principles of Thy revealed Word, to hear us this day. Give success to our arms. Lead us to victory. May brute force and hate not prevail over justice and truth and right. Grant, we pray, that the outcome of it all shall be for the glory of Thy name and the permanent establishment of a real peace and brotherhood in all the earth. For Christ's sake. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (James M. Baker) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 26, 1918.

To the SENATE:

Being temporarily absent from the Senate, I appoint Hon. JOSIAH O. WOLCOTT, a Senator from the State of Delaware, to perform the duties of the Chair during my absence.

WILLARD SAULSBURY,
President pro tempore.

Mr. WOLCOTT thereupon took the chair as Presiding Officer and directed the Secretary to read the Journal of yesterday's proceedings.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. THOMAS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House disagrees to the amendments of the Senate to the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. DENT, Mr. FIELDS, and Mr. ANTHONY managers at the conference on the part of the House.

The message also announced that the House insists upon its amendments to the joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. SIMS, Mr. RAYBURN, and Mr. WINSLOW managers at the conference on the part of the House.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills and joint resolutions, and they were thereupon signed by the Presiding Officer:

S. 1546. An act to permit the use of certain refined products of petroleum as stores on steam vessels carrying passengers;

S. 3129. An act to provide for the disposition of the effects of deceased persons in the naval service;

S. 3130. An act to amend section 1570 of the Revised Statutes of the United States;

S. 3445. An act to authorize the payment of gun pointers and gun captains while temporarily absent from their regular stations, and for other purposes;

H. R. 9571. An act to authorize the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands drafted into the service of the United States, and for other purposes;

H. R. 9903. An act to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes;

S. J. Res. 104. Joint resolution authorizing the assistant to the Secretary of the Interior to sign official papers and documents; and

S. J. Res. 117. Joint resolution amending the act of July 2, 1909, governing the holding of civil-service examinations.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a petition of sundry citizens of Hillsdale, Wyo., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. CURTIS presented resolutions adopted by the Kansas State Board of Agriculture, at a quarterly meeting held at Topeka, Kans., relative to the cost of production of wheat and the price the farmer receives as compared with other commodities, which were referred to the Committee on Agriculture and Forestry.

Mr. McLEAN presented petitions of sundry citizens of West Haven, Guilford, New Haven, and Rocky Hill, all in the State of Connecticut, praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

He also presented a memorial of the Guilford Branch of the Association Opposed to Woman Suffrage, of Guilford, Conn., and a memorial of the Litchfield Branch of the Association Opposed to Woman Suffrage, of Litchfield, Conn., remonstrating against the adoption of a Federal suffrage amendment, which were ordered to lie on the table.

He also presented a petition of the Fairfield County Medical Society, of Connecticut, praying for an advanced rank for officers of the Medical Corps of the Army, which was referred to the Committee on Military Affairs.

Mr. OWEN presented a petition of Private Soldier Post, No. 62, Grand Army of the Republic, Department of Oklahoma, of Blackwell, Okla., praying for an increase of pensions to veterans of the Civil War, which was referred to the Committee on Pensions.

Mr. LODGE. I wish to read the following telegram:

BOSTON, MASS., *March 24, 1918.*

Senator HENRY C. LODGE,
Senate Office Building, Washington:

Resolved, That this mass meeting, held in the Park Square Theater, Boston, March 24, call upon our two Massachusetts Senators, Mr. LODGE and Mr. WEEKS, to do all in their power to secure the support of the Republican Party in the Senate to the national suffrage amendment by urging all Republican Senators to stand solidly in favor; be it further

Resolved, That this resolution be sent to the President, the Vice President, the majority and minority leaders of the Senate, and to Senators LODGE and WEEKS, with the request that Mr. WEEKS read it into the CONGRESSIONAL RECORD.

Adopted unanimously.

OLIVE MILLS BELCHES,
State Chairman Massachusetts Branch National Woman's Party.

In the absence of my colleague [Mr. WEEKS] and in his behalf, I have complied with the request of the telegram and have read it into the RECORD.

REPORTS OF COMMITTEES.

Mr. OVERMAN, from the Committee on the Judiciary, to which was referred the bill (S. 4135) to amend an act entitled "An act to amend an act entitled 'An act to provide for the appointment of a district judge, district attorney, and marshal for the western district of South Carolina, and for other purposes,' approved September 1, 1916," so as to change the time of holding courts in the western district of South Carolina, reported it with amendments.

Mr. THOMAS, from the Committee on Military Affairs, to which was referred the bill (S. 3945) to authorize the President of the United States to appoint Fred H. Gallup major of Field Artillery in the United States Army, reported it without amendment and submitted a report (No. 331) thereon.

He also, from the same committee, to which was referred Senate resolution 216, requesting information of the Secretary of War, reported it with amendments.

Mr. WALSH, from the Committee on Pensions, submitted a report (No. 332) accompanied by a bill (S. 4193) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors, which was read twice by its title, the bill being a substitute for the following Senate bills heretofore referred to that committee:

S. 36. William C. Black.
S. 37. James Golden.
S. 223. Elmer H. Martin.
S. 238. Kathryn B. Steiner.
S. 334. Anthony W. Presley.
S. 369. Pyrrhus Williams.
S. 600. Ellsworth E. Welch.
S. 666. Edward L. Frabe.
S. 671. Thomas S. Gher.
S. 893. Thomas E. Cruess.
S. 1437. George W. Gray.
S. 1524. John Stone.
S. 1724. Thomas Bailey.
S. 1896. Thomas Harrison.
S. 1944. Mary C. Christensen.
S. 2054. Mamie E. Bridgewater.
S. 2241. William Shoemaker.
S. 2272. Harry H. Hallock.
S. 2338. John Aldrich.
S. 2448. Luther C. Wright.
S. 2580. Albert P. Ramsey.
S. 2603. William W. Cook.
S. 2612. Robert L. McFarland.
S. 2841. George White.
S. 3176. Harvey Day.
S. 3188. Etta S. Jeffrey.
S. 3192. Martha H. Saers.
S. 3228. Abbie M. Peabody.
S. 3441. Richard McDermott.
S. 3492. John M. Taylor.
S. 3598. Lottie J. Miller.
S. 3641. Lawrence O. Loughlin.
S. 3660. Walter J. Hawthorne.
S. 3695. Murtha Doyle.
S. 3844. Israel Wood.
S. 3846. Sarah Whittle.
S. 3867. Catherine Grace.
S. 3891. Henrietta A. Forbes.
S. 3912. William W. Keyser.
S. 4016. Virginia A. Porter.
S. 4027. Edwin C. Gasque.
S. 4029. Charles H. Lufkin.
S. 4128. Sallie Hardwick.

Mr. WALSH, from the Committee on Pensions, submitted a report (No. 333), accompanied by a bill (S. 4194), granting pensions and increase of pensions to certain soldiers and sailors of the Civil War, and certain widows and dependent relatives of such soldiers and sailors, which was read twice by its title, the bill being a substitute for the following Senate bills heretofore referred to that committee:

S. 204. William Colpetzer.
S. 205. Caroline W. Congdon.
S. 206. David Craft.
S. 210. Hezekiah Dixson.
S. 213. Josiah H. H. Feather.
S. 229. Uriah P. Getz.
S. 342. Simeon L. Coen.
S. 344. Hugh L. Eyler.
S. 571. Daniel R. Cokeley.
S. 575. George B. Douglass.
S. 579. Jacob J. Lee.
S. 581. Samuel McAtee
S. 584. Levi Morris.
S. 595. Benjamin Taylor.
S. 596. James W. Toothman.
S. 612. Christopher C. Stemple.
S. 613. Leander N. Thornberry, now known as Frank H. Reynolds.
S. 766. Frederick J. Young.
S. 878. Henry Harrison, alias Thomas Carman.
S. 990. Samuel J. Evans.
S. 991. Samuel Cook.
S. 1055. Julius Cohn.
S. 1074. John T. Quinby.
S. 1110. Ira Bier.
S. 1112. Martin H. Conger.
S. 1117. Mitchell Larock.
S. 1118. Lewis T. Holstin.
S. 1135. George W. Welch.
S. 1137. Thomas R. Alway.
S. 1139. Benjamin F. Jacks.
S. 1151. William H. Thompson.
S. 1159. Nicholas Johnson.
S. 1160. James W. Dorman.
S. 1244. Davis B. Wilcoxson.
S. 1245. Minard Van Patten.
S. 1261. Ephraim Otto.
S. 1264. Daniel Newby.
S. 1281. James A. Rutherford.
S. 1282. Joseph H. Rowland.
S. 1287. Charles Rhodes.
S. 1292. Arthur M. Phillips.
S. 1297. Thomas C. Moore.
S. 1300. Elcazar L. Miner.
S. 1304. Francis Marsh.
S. 1337. Robert P. Gailer.
S. 1344. Henry W. Ela.
S. 1370. James H. Gunion.
S. 1381. Reuben H. Chapel.
S. 1392. Samuel S. Baird.
S. 1507. Albert G. Dodds.
S. 1509. Charles W. Lindsay.
S. 1510. Orlando S. Hartman.
S. 1511. Benton P. Wood.
S. 1519. Samuel Gray.
S. 1574. William H. H. Knight.
S. 1575. Mark P. Morton.
S. 1577. George W. Townsend.
S. 1578. Morey Mulliken.
S. 1584. William P. Cook.
S. 1585. John L. Bradford.
S. 1771. John J. Swain.
S. 1822. Daniel W. Green.
S. 1842. Edward Curtis.
S. 1855. Philander Wright.
S. 1865. Adam Flesher.
S. 1905. Rufus Reynolds.
S. 1957. James Inman.
S. 2057. George W. Hill.

S. 2058. Cyrus Fike.
S. 2060. Joseph Bristow.
S. 2063. Gilliam L. Craven.
S. 2073. Jabez Smith.
S. 2103. Albert B. Watrous.
S. 2112. Anna Schiler.
S. 2114. Walter Emerson.
S. 2151. Thomas J. Walker.
S. 2158. James H. Shutts.
S. 2159. Henry Wheeler.
S. 2160. Nathan Vanmetre.
S. 2163. John M. Jones.
S. 2282. Lyman F. Demind.
S. 2339. George A. Stanhope.
S. 2342. William M. Somers.
S. 2345. Joshua A. Epperson.
S. 2346. William F. Hicks.
S. 2386. Thomas G. Higgins.
S. 2388. Elisha L. Hyatt.
S. 2397. Abner A. Ellis.
S. 2409. Charles S. Lavanway.
S. 2420. Franklin Johnson.
S. 2426. David E. Seekins.
S. 2427. Albert W. Hassan.
S. 2499. Sanford Smith.
S. 2564. Bennett B. Fuller.
S. 2570. William H. Kelsay.
S. 2599. Elijah Bullock.
S. 2607. Thomas Dunam.
S. 2610. William R. Jones.
S. 2611. Elijah Borin.
S. 2615. Joseph Wolf.
S. 2628. Isaac B. Childs.
S. 2629. Francis Dwelley.
S. 2682. John L. Ridenour.
S. 2708. Charles F. Ward.
S. 2731. John M. Anderson.
S. 2732. George H. Ross.
S. 2797. John L. Downing.
S. 2811. Thomas J. Wood.
S. 2876. Melvin C. Wolf.
S. 2899. Charles Woodall.
S. 2903. Anthony Wilkinson.
S. 2977. William F. Mullin.
S. 2978. William I. Jones.
S. 2993. Nathaniel Southard.
S. 2999. John S. Birdsall.
S. 3024. William H. Nott.
S. 3025. Solomon J. Campbell.
S. 3075. Christopher C. Ghearhart.
S. 3108. John W. Morrill.
S. 3115. William D. Bash.
S. 3119. Joseph S. LeHew.
S. 3147. Henry Chapman.
S. 3150. Thomas Madigan.
S. 3185. William H. Comstock.
S. 3195. Grace E. Waterbury.
S. 3209. William H. McGovern.
S. 3210. Samuel H. McCormick.
S. 3229. Jeremiah McBee.
S. 3301. Oxley Johnson.
S. 3320. George M. Sawyer.
S. 3337. George O. Miller.
S. 3352. Mary M. Shapr.
S. 3353. Edward Mills.
S. 3355. Isaac Williams.
S. 3356. Reuben H. Neff.
S. 3357. Elijah Roberts.
S. 3359. John A. Van Loan.
S. 3396. Gilbert L. Holmes.
S. 3416. Robert Masters.
S. 3428. Benjamin S. Waggener.
S. 3429. Eri C. Tuller.
S. 3443. Catherine A. Kanouff.
S. 3449. Charles David Jackson alias David W. Jackson.
S. 3452. Sarah S. Hubbell.
S. 3456. John M. Stephens.
S. 3457. Thomas W. Wilkey.
S. 3487. Thomas W. Stone.
S. 3534. John S. Jordan.
S. 3550. Jennie L. Holmes.
S. 3564. Philip Bixby.
S. 3567. John McCracken.
S. 3575. William H. Temple.
S. 3584. Franz Nibler.
S. 3604. Joseph Langenberger.
S. 3634. Frederick H. Barker.
S. 3635. John W. Keffer.
S. 3639. George W. Hamilton.
S. 3643. Logan Russell.
S. 3647. Joseph H. Chapman.
S. 3666. Wesley J. Ladd.
S. 3675. Richard Hardesty.
S. 3677. James M. Alloways.
S. 3678. Taylor Edwards.
S. 3680. Marion Davis.
S. 3681. William H. Cliff.
S. 3682. Robert R. Robinson.
S. 3683. Martin V. B. Clark.
S. 3685. Anthon O. Kruger.
S. 3686. James Hood.
S. 3703. William H. Phillips.
S. 3704. Barton O'Neal.
S. 3707. Wesley Woodard.
S. 3708. Robert D. Hunter.
S. 3709. Zachariah R. Thornton.
S. 3717. John Magorien.
S. 3722. Godfrey Bohrer.
S. 3747. Evan T. Jay.
S. 3761. Elizabeth J. Edson.
S. 3770. William J. Nelson.
S. 3794. Warren H. Rhoades alias Orin Bush.
S. 3811. Mathew W. Clark.
S. 3812. Edward A. Rowley.
S. 3819. Lydia Wixson.
S. 3820. Charles F. Marble.
S. 3822. William Mulloy.
S. 3824. Frederick Zimmerman.
S. 3826. Joseph O. Swigert.
S. 3832. John M. Honeywell.
S. 3837. James H. King.
S. 3838. Emma J. Naylor.
S. 3847. Alice Hersh.
S. 3871. Edgar Taylor.
S. 3889. Merritt S. Harding.
S. 3921. Nora B. Higgins.
S. 3924. Freeman A. Forbes.
S. 3926. George J. Trask.
S. 3927. Henry Wiese.
S. 3951. August Schaeffer.
S. 3975. Nathan L. Brass.
S. 3976. John F. Jackson.
S. 3996. George L. Jaquith.
S. 3998. William H. Young.
S. 4041. Albert J. McGannon.
S. 4056. Amos B. Horton.
S. 4089. Frank D. Russell.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CURTIS (for Mr. FERNALD):

A bill (S. 4195) for the relief of Sarah E. Church; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 4196) granting an increase of pension to Lewis Nicholson (with accompanying papers); to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 4197) granting a pension to Catherine N. Wilson (with accompanying papers); to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A joint resolution (S. J. Res. 143) to permit any and all members of the military or naval forces of the United States serving in the present war to accept decorations from the Government of any of the countries concurrently engaged with the United States in the prosecution of said war; to the Committee on Military Affairs.

AMENDMENT TO LEGISLATIVE, ETC., BILL.

Mr. CURTIS submitted an amendment proposing to increase the salary of the minute and Journal clerk of the Senate from $3,000 to $3,600 per annum, intended to be proposed by him to the legislative, etc., appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

WITHDRAWAL OF PAPERS—G. W. JOHNSON.

On motion of Mr. WALSH, it was

Ordered, That the papers accompanying the bill S. 2133, Sixty-fourth Congress, first session, granting a pension to G. W. Johnson, be withdrawn from the files of the Senate, no adverse report having been made thereon.

WAR WITH GERMANY.

Mr. CURTIS. Mr. President, I have a manuscript, prepared by Dr. Henry Plumb, of Pleasanton, Kans., giving certain views as to why we are at war with Germany. I ask that the manuscript be referred to the Committee on Printing, with a view to having it printed as a public document.

The PRESIDING OFFICER. The matter will be referred to the Committee on Printing for action.

ASSISTANT SECRETARY OF WAR.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. CHAMBERLAIN. I move that the Senate insist upon its amendments, agree to the conference asked for by the House, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. CHAMBERLAIN, Mr. HITCHCOCK, and Mr. WARREN conferees on the part of the Senate.

OUTPUT OF COAL.

Mr. THOMAS. Mr. President, the Post of this morning published the statement which I now read. The headlines are:

"BUY COAL EARLY," PUBLIC AGAIN TOLD—PRODUCTION 500,000 TONS OFF LAST WEEK, GARFIELD SAYS.

More than half a million tons loss in coal production last week caused the Fuel Administration last night to reiterate warnings contained in the announcement of its zone distribution system that next winter's supplies of fuel should be laid in early to keep mines working to capacity. The falling off, if continued, officials said, would mean serious shortage in fuel next winter to those sections not forehanded enough to purchase in advance.

The Fuel Administration holds that having provided a normal and economical method of distributing fuel, it can not go further than its warning to consumers to purchase early in order to protect them from suffering later in the year. Accumulation of reserve fuel by the administration to fill shortages next winter is not considered either wise nor feasible.

Fuel Administrator Garfield in a letter to Senator THOMAS, who recently announced that Colorado mines were closing down because of low prices, says the committee of engineers which investigated the matter reported that the reduction in summer prices to encourage storage was made at the request of the Colorado operators' committee.

I dislike, Mr. President, to occupy unduly the time of the Senate in repeatedly calling its attention to the fuel situation in my State. If Colorado alone were interested in the problem, I should not do so, because however severe the situation might be it would only concern a very small portion of the Union.

The Colorado situation, Mr. President, according to this statement, which is assumedly from the Fuel Commissioner, is merely one of the trouble spots of a national situation and can be used perhaps as well, if not better, than any other in calling attention at this time not only to that situation but to its inevitable national consequences.

Mr. President, it is not true that the Colorado operators ever requested the commissioner to fix summer prices for their coal product. They did say that it had been their custom in years past, in order to encourage storage in the summer months, to reduce prevailing prices as an inducement to that end and that the custom would be adhered to.

The commissioner, in addition to severely cutting the established prices under which the operators were working, now deliberately informs the country that the added reduction for the summer months was made by the request of the operators.

Mr. President, I can conceive of no adequate illustration to convey the injustice of that statement. It is very much like holding up an innocent individual on the street, who, to save something, offers to make a small contribution and who is then robbed of practically all that he possesses plus an added amount upon an assumed request.

These operators under prevailing prices can and ought to encourage the storage of coal during the summer months as fully as possible, but a permanent decrease in the prices of coal supplemented by an added decrease of prices for the summer months necessarily spells suspension, if not ruin, to a very large proportion of the independent operators, and I protest with all my heart, Mr. President, against a statement emanating from official sources which tells the public that this added decrease was made by the request of the operators.

So much, Mr. President, for that phase of the statement I have read. It is a very insignificant part of it. Its most sinister feature is the acknowledgment by the commission of a present shortage of 500,000 tons per week in the output of the coal mines of the United States. That is the equivalent of 26,000,000 tons for the current year, an amount, Mr. President, appalling in its magnitude and I fear much more appalling in its inevitable consequences.

Mr. President, the situation of the United States is graver perhaps than at any other time in its history. We need every possible resource of the Nation, and we need it now, if we are to prevail in the mighty struggle in which we were forced to engage for the preservation of our institutions and the honor of the Republic.

Food will win the war, say some; others that our manufactured output will do so. Mr. President, I aver deliberately that every available resource, food, fuel, clothing, the output of our great industries, the young manhood of the Nation, all these things, Mr. President, must be summoned to the support, possibly to the defense, of the country if we are to maintain our place among the nations and preserve in all their vigor the essential institutions of freedom and of justice.

The sale of liberty bonds will win the war, say some. Mr. President, the people of the United States have responded to calls for money with an enthusiasm and a generosity without parallel in the history of nations. They will continue to do so. But that, Mr. President, will not win the war unless the vast sums so contributed shall be used frugally and efficiently and unless they be supplemented by the encouragement of industry and by the forcing of production to the last degree in all lines of human endeavor.

Mr. President, coal is the foundation of our industries. Without it we are paralyzed industrially. Without it comfort and health are both jeopardized. It is as essential to a modern civilized industrial community as the pulsation of the blood through the arteries of the human system to sustain continued physical life. We may build ships but we can not operate them without coal. Our lines of communication over the country are as perfect as any system on earth. They can not be operated without coal. Our manufactories are equipped as efficiently as those of any other nation. Their capabilities of output are almost without limitation. Yet they can not turn a wheel in the absence of a coal supply.

The patriotism of a nation can not be maintained, Mr. President, through the winter season in any country, certainly not for two successive seasons in the midst of cold and suffering, without the means of supplying artificial heat. The splendid heroism of Washington at Valley Forge and his battered men, who stood behind him during that awful test of patriotic endurance, was put to the supreme test of devotion. I doubt whether their magnificent endurance could have been duplicated for a second winter.

We have felt, Mr. President, during the past cold season in many of our communities, and particularly among the poor and the needy, the absence of that most useful and indispensable material without which the rigors of our Northern climate mean suffering, sickness, and death.

But, Mr. President, during the present and coming season, in addition to supplying our manufactories, our railways, our vessels, and our own people with coal, comes the added obligation of extending that supply to our allies if we would keep them in line another 12 months in this terrible struggle. How can we expect the Englishman at home, the Italian standing behind his last barrier and holding back the overwhelming flood of vandalism, their people looking with anxious eyes to this country for aid and for sustenance—can we expect them, Mr. President, to stand steady and hold firm if the absolute essentials of life which they must depend upon this country to furnish shall fail them?

And there is France—heroic France—whose magnificent struggle against the tides of barbarism is the wonder of the world, who has kept the fires of liberty burning upon the altars during the past three and a half weary and bloody years, whose last supply of coal is now threatened by the advancing hordes of the Kaiser. What will become of France next winter unless we can furnish them with the coal that they must have, not only to keep their industries going and to produce the munitions of war but to shield their families, their wives and children from its cold and piercing blasts.

Oh, my God, Mr. President, when I consider the tremendous demands made and that must be made upon this country, the last reservoir and the last hope of civilization, when I consider that at this hour instead of an increased production the commissioner tells the country that the shortage is 500,000 tons a week, I shudder to think what is to become of the allies and of us next winter if this shortage continues? Where will that relief come which must come if democracy is to be saved and the institutions of America preserved from destruction?

It is that feature, Mr. President, of this announcement which gives me the gravest concern. The Kaiser is thundering at the

gates of Paris. His mighty legions are flushed with plunder and with victory. His insidious spy system and the dissemination of his subtle poison behind the ranks will find mighty support when the rigors of the next fall shall come if there do not come with them the absolute essentials not only to victory but to preserve the patriotism and the morale of the noncombatant population.

Patriotism, Mr. President, is a noble and uplifting impulse, but it can find no enduring place in the haunts of cold, of hunger, of misery, and of suffering. The two can not long coexist. We do not know what this strain is now. We have not yet been put to the test as have the peoples across the sea. But we know what will follow if through strain and stress the morale of our allies is broken.

Should we not, Mr. President, encourage production? Should we not at this fateful moment in history keep the cables busy with good news for those across the sea, assuring them of our redoubled efforts in their behalf and our own? Should we call "Hold the fort, for we are coming—coming 5,000,000 strong, with our treasure, our coal, and our food"? We can not do it, Mr. President, unless present matters are corrected. A shortage of 500,000 tons of coal in the month of March will, I fear, mean a much greater one in the month of April.

Mr. President, I have been criticized by some of my own people for the earnestness which I have displayed concerning the orders of the Fuel Administration and their effect upon the coal mines and operators of my own section of the State. Mr. President, there are no more patriotic people in this country than those whom I have the honor, in part, to represent upon this floor. The coal measures of Colorado exceed those of any coal section of the world. The people want to produce coal; they are begging for permission to produce it. Their miners are standing with their picks in their hands waiting for orders to use them, while here in Washington tyros are busily balancing the averages of cost and the averages of profit, then fixing prices that are suffocating to the trade and that must result in disaster.

Mr. President, this is no time for silence; no time for partisanship. I have been, Mr. President, all my life affiliated from conviction with one of the great parties of this country, but I would willingly see that party and every other party pass into oblivion rather than hesitate to speak here in protest against the menace of an admitted situation in the hope that the Nation may be aroused in some degree to the peril that confronts it.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Nebraska?

Mr. THOMAS. I yield.

Mr. HITCHCOCK. I only came into the Chamber a few minutes ago and I desire to inquire, has the Senator stated, or is he able to state, somewhere near the quantity of coal that could be produced in Colorado above the present quantity, if a wiser policy were adopted?

Mr. THOMAS. In my State, Mr. President, we produced last year 12,000,000 tons of coal. It was the purpose of the producers to increase that to 15,000,000 for 1918, as they could do and can do now, if they are permitted to make a living profit, without which, Mr. President, they can not contribute their proportion—their "bit"—to this mighty struggle.

Mr. HITCHCOCK. Mr. President, I trust the Senator from Colorado will not think I am interrupting him with any desire to disconcert him, for I think he is suggesting one of the most important problems before the American people to-day, and I agree with him that this policy of suppressing production at this time, when production is vitally necessary, is absolute insanity.

Mr. THOMAS. Mr. President, far be it from me to charge any undue or improper intention or to challenge the good faith of any man; I believe that those in charge of this great industry are doing what they think they ought to do; but, Mr. President, they should, like others, learn wisdom from experience, if they can learn it in no other way; and when this commission comes before the people with a cheerful statement that the shortage of coal for this week is 500,000 tons and upward, and for that reason urges all to begin the work of storage, it would seem they can not even from experience perceive the crisis which we are approaching with double speed in the coal supply during the spring and summer months of 1918.

My purpose, therefore, in speaking about it this morning as earnestly as I can is, if possible, to call public attention to this critical prospect, to the end that the people may speak with mighty protest for its avoidance.

Mr. President, I want nothing but good for my country. I am unable to see a silver lining upon the clouds that veil the immediate horizon from our view. I know that, however dark it is, if this mighty people will gird their loins about, resolve that nothing shall prevent the accomplishment of their purpose in this war, inspired by the spirit which animated their fathers in winning independence and in establishing the greatest and freest Government on earth, we shall go forward to victory, regardless of the conditions with which we are at present confronted. Unless they do this, Mr. President, some time in the not distant future the Hun, gloated with victory and with booty, the invader of our soil, may sink his fangs into America and write "Mene, mene tekel upharsin" upon the bomb-shattered walls of an American Babylon.

Mr. WATSON. Mr. President——

Mr. THOMAS. I yield to the Senator from Indiana.

Mr. WATSON. Agreeing entirely with all that the Senator from Colorado has so admirably and so eloquently said, I want to ask him, Is there any remedy at hand other than the repeal of the law?

Mr. THOMAS. I hope so, Mr. President. I am prepared to support any remedy, to advocate the prospect of any remedy that will bring home to all our people a realizing sense of our overwhelming peril. For that reason I have taken the time of the Senate this morning, I hope for the last time, upon this very important subject.

REGISTRATION FOR MILITARY SERVICE—PROSECUTION OF THE WAR.

Mr. LODGE. Mr. President, I am obliged to leave the Senate for an important conference on the financial corporation bill, and I therefore ask unanimous consent of the Senate, and their indulgence, to say a few words occupying but a few minutes, in regard to the bill which the Senator from Oregon [Mr. CHAMBERLAIN] will presently call up and to which has been offered by the Senator from Indiana [Mr. NEW] an amendment providing for universal military training.

I have long supported the purpose of that amendment. I believe in it most thoroughly. I am not going to take the time of the Senate at this moment to argue it. I advocated it as a measure of preparation before war came; I advocate it as a measure of preparation now that the war is here; I advocate it because I believe that in war or in peace the training that would thus be given would be of value to us as a people. I especially urge it at this time because, in my belief, it would enable us to have the young men of this country ready, when they were called upon in the draft, to take their places in the ranks trained and disciplined. It is above all as a measure of immediate value and immediate preparation that I advocate it. How many more bitter lessons must we have in order to learn the necessity of preparation and of taking every step possible to meet the terrible situation which is now upon us?

This is one thing which we can do; but there is another thing, Mr. President, which I wish to say this morning, and I am encouraged thereto by the example of the Senator from Colorado [Mr. THOMAS], and that is to tell the truth upon certain subjects to the American people. The fate of the war is trembling in the balance. Our gallant allies are holding back the German advance at enormous sacrifice and with a courage which goes beyond the range of eulogy. In this dark hour it is a crime to keep from the American people facts well known to our enemies, but about which our own citizens are misinformed.

We know here and we have known for weeks, as the Germans have known, that we have no fighting planes in France. The Secretary of War spoke a short time ago of our beginning to send fighting planes to France. He said the number was small, but we had begun to send them. We returned at that time the two French models which we had had here. Since then I believe one American plane has gone; it may be on the water now; it may have been landed. The heavy Liberty motor, according to the best information I can get, may be developed so as to furnish adequate power for bombing planes. The light motor does not show a capacity for fighting planes. We have not a fighting plane in France. The front where our men are is not defended in the air. The French and the English have use for every plane they can bring up, and our men are not defended at all.

We have spent $840,000,000 for aeroplanes in the past year, and we have not a fighting plane in France. I was shown a statement from the Aero Club of America saying that what was needed was money—three thousand million dollars to build aeroplanes. Mr. President, we have granted powers and we have given money without stint; but appropriating money and granting powers will lead to nothing unless the money is wisely expended and the powers are efficiently exercised. This idea which some persons seem to have that all that is necessary is to appropriate money and utter brave words in order to end the war is one of the worst delusions which ever tempted a people to destruction.

The facts I have recited in regard to aeroplanes are known to Germany. It is time our people understood them.

We have no guns in France, except a few old coast guns which we sent out early and for which the French are making carriages. We are using French guns. That is the hard fact. We decided to make 75-millimeter guns. We got the French plans; they gave us everything, including the secret of the recoil, and six months were wasted while we were trying to improve the best recoil of the best gun in the world, and now we have no guns. We have gone back to the French plans, with six golden wasted months behind us.

We have turned out two American ships, according to the best information I can get. The country is told about 26, or whatever the number is. We have been finishing some commandeered foreign ships; we have commandeered other ships; but we have got only two American ships, and yet the Shipping Board has been in existence since September, 1916. Two American ordered and built ships is our whole contribution thus far to the new tonnage of the world.

Mr. President, it is to the last degree painful to say these things, but they are the truth. The facts are there to be dealt with. I have the deepest confidence in the American people, and I believe they should not be misled with tales of what we are about to do and not be told what we have done and what we have failed to do. Let them know the truth; whether it is bad or good, let them have the truth. If they have the truth and they see the difficulties, it will arouse the American spirit—not merely the spirit of generous patriotism with which they have come forward to give their sons and their brothers, their money, and their time to the country, but the grim determination, the hard setting of the teeth which was shown on both sides during the Civil War. Tell them the truth; tell them where we are to-day.

The world looked to us a year ago and said we had come to the rescue of the situation. If the situation is ultimately to be saved, it can only be saved by the resources and the man-power of the United States. We have a good draft law; it has been well administered. We got the men; we can get more men; but, apart from that, what have we to show in accomplishment? A wasted year.

Mr. President, the only relief that I can see is to appeal to the spirit of the American people. You can not do that if you deceive them. Tell them the truth. Let them know the dangers and the perils in which they are; that we are fighting for freedom, for civilization, for all that makes life worth living; and that we may be fighting before very long for our very existence as an independent nation. It is no time to deceive ourselves. Let us look facts in the face. I for one have held my peace a long time, but the day has gone by when it is right to hold our peace.

What I said is well known to Senators on both sides of the Chamber; just as well known as it is to me—better known, by far, to the members of the Committee on Military Affairs, which has done such great work during the past winter. But, Mr. President, I for one will no longer stand by in silence.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Minnesota?

Mr. LODGE. Yes.

Mr. KELLOGG. I should like to ask the Senator why it is that the Military Affairs Committee have not published the testimony of Mr. Gifford and Gen. Wood and others who appeared before them?

Mr. LODGE. Mr. President, I am not on the committee. I have no fault to find with them. I think they have done great work. I am far from having a criticism on anything they have done. I praise them in every respect. They will give us the testimony of which the Senator speaks whenever they think it right to do so. All I want to say is that I, for one individual, one American—that is all—want my people to know just what the situation is, and then they will rise up and meet it; but if they do not know, they never will.

Mr. HITCHCOCK. Mr. President, I think it is proper to say that the President has appointed a committee which is at the present time undertaking a thorough investigation of the aircraft production matter, and that the War Council, with which the Military Affairs Committee meets each Saturday, has been promised a statement next Saturday of the facts thus developed up to that time.

I am not combating in any degree the statements made by the Senator from Massachusetts. The Military Affairs Committee, which has gone far in revealing failures and proposing reforms, has been criticized already in certain quarters for what it has done. At the present time it is engaged in an effort to cooperate with the War Department, the organization of which has been immensely improved since the investigations of the Military Affairs Committee commenced. I should not speak for the committee, as the chairman is here, but I believe I am safe in saying that the committee will give to the Senate as rapidly as possible any information or recommendation which may be of value regarding this aircraft matter. The committee is naturally under some restraint. It has a public duty to perform but can not make public all the information that comes to it and all the rumors that come to it. But an investigation is now in progress, and the Senator from Massachusetts will be gratified and the country will be gratified when that investigation has progressed a little more in having revealed the exact truth. There is, so far as I know, no disposition to conceal it. Whatever the mistakes of the past may have been—and they have been enormous—I believe they are in course now of being cured.

Mr. POINDEXTER. Mr. President, it is quite encouraging to hear the Senator from Nebraska assure the Senate that there is a prospect that on next Saturday, or some other time in the future, the United States may get information as to what is being done in regard to the production of airplanes. That is quite a considerable progress for the United States to have made after it has been engaged for a year in the most desperate war that the world has ever seen.

I am somewhat surprised at the statement of the Senator from Nebraska, because my impression was that the substantial facts in regard to the airplane situation were known to the entire world. They are very simple. There is nothing complicated about the matter. The facts are admitted by those who are responsible for the production of airplanes. Nobody denies them, that I have ever heard. The substantial, fundamental fact in the situation is that we have been engaged for a year in this war, which the Senator from Massachusetts says may ultimately result in a struggle for the independence of this Nation, and that we have no airplanes. That is all there is about it.

I should like to know if the Senator from Nebraska is informed of the fact that the plan of those who have been made responsible for the expenditure of about a billion dollars which the Congress of the United States has appropriated for the production of this essential of modern warfare is that we are not going to have any airplanes at all, at any time, so far as fighting battle planes are concerned?

Mr. THOMAS. Mr. President——

Mr. POINDEXTER. Does the Senator from Nebraska know that that is the deliberate purpose and plan of this administration?

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. POINDEXTER. I do.

Mr. HITCHCOCK. Since the Senator asks me the question, I am perfectly free to make an answer so far as I am acquainted with the facts.

In the first place, the Senator's statement that the facts are all known to the world is true, so far as the fact goes that we are probably many days behind time in the delivery of combat airplanes. Substantially, we are not behind time in the delivery of training airplanes, of which we have about 2,000. When I stated that an investigation was being made, I meant that an investigation is being made to develop who is responsible for the present delinquency in the delivery of combat airplanes.

Referring now to the last question of the Senator, I may say that we have every assurance in the Military Affairs Committee that a certain number of combat planes will be ready for delivery on the 1st of July.

Mr. POINDEXTER. What does the Senator mean by "combat planes"?

Mr. HITCHCOCK. I mean planes to be used in combat—the highest type of combat planes.

Mr. POINDEXTER. The Senator does not seem to have the understanding of that term that the Aircraft Production Board has. We saw here the other day an exhibition of a combat plane, not made in this country, because there have been none made here, but made in France and brought here after we had been engaged in this war for a year, in order that here, at the Capital of the Nation, we at last might be given an exhibition of an aviator flying in a battle plane which we were not able to provide for ourselves; and, if I am correctly informed, we never will be able, under the administration and the plans and purposes of the Aircraft Production Board, to see as the product of American genius the spectacle of a battle plane such as that that was exhibited to us here on Sunday afternoon, because it is not the intention of this administration to make any of those planes.

Mr. HITCHCOCK. Mr. President, the Senator there is in error, unless the committee has been entirely misinformed.

Mr. POINDEXTER. The committee has been misinformed.

Mr. HITCHCOCK. Let me state to the Senator approximately the facts.

Last summer the Aircraft Production Board, in the excess of very oversanguine expectations, promised the country an enormous number of combat planes by a certain date of the present year. I think it was fixed at 20,000.

Mr. SMOOT. Twenty-two thousand.

Mr. HITCHCOCK. A very foolish and a very impossible estimate. Later on, about October, that estimate was reduced to 15,000. Later on, approximately in November some time, the estimate was reduced, as I recall, to 7,000. On the 1st of December it was again reduced, and it has been reduced since that time, say, on the 1st of January or some time in February, until it is now only about one-tenth of the original delivery promised by the 1st of July. It is true, however, that combat planes are being made. A number have been made in the United States—a very small number, it is true. I am not going to tell the number that are already in existence in this country. It is a ridiculously small number. It will be a larger number in April, and a still larger number in May.

I do not think it is proper to say that the manufacture of combat planes has been abandoned. It may be true that the liberty motor will not be used in the combat planes that are constructed, because the international conferences have developed the fact that possibly another motor may be superior to the liberty motor for combat planes, and the use of the liberty motor may be confined to the bombing planes; but it is not true that America will abandon the manufacture of combat planes, because America can not do that thing. France is now going to her limit in the manufacture of combat planes and is unable to deliver combat planes to us; and it is for that reason that our aviators across the water are not now flying in combat planes, because France is not able to deliver any to them.

What the Senator from Massachusetts said, however, is not strictly correct——

Mr. POINDEXTER. I prefer that the Senator should answer the Senator from Massachusetts in his own time.

Mr. HITCHCOCK. It will only take a moment, if the Senator will allow me to finish this. Our line is not entirely without protection, because French aviators do to a considerable extent, and to the extent that they are able, protect our line at the present time.

Mr. POINDEXTER. We ought to be very proud of the fact that we are depending upon the French for protection on our battle line.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Colorado?

Mr. POINDEXTER. I yield to the Senator.

Mr. THOMAS. It may perhaps be illuminating to inform the Senator what the opinion of the Aero Club of America is regarding our shortage of planes. I read from a clipping from a New York paper of date March 19:

> Lack of funds has prevented the United States from carrying out an aircraft program which will gain and maintain the allies' supremacy in the air, according to a statement issued to-night by the Aero Club of America.
>
> Recommendation is made that an appropriation of $3,000,000,000 be made by Congress for the work. The present appropriation is $640,000,000.

Mr. POINDEXTER. It is a little more than that. There was only $640,000,000 in one appropriation, but there have been several appropriations for this purpose.

Mr. MYERS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Montana?

Mr. POINDEXTER. I yield to the Senator.

Mr. MYERS. I should like to ask the Senator from Washington how he knows that it is the plan of this administration not to have any fighting airplanes?

Mr. POINDEXTER. I will give the Senator my information. Of course, I am not in the confidence of the administration. It is deduced from circumstances which surround the articles that are published in the newspapers.

Mr. MYERS. Then, I will say, if the Senator will permit me, that it appears to be simply the opinion and conclusion of the Senator, not the announcement of an authentic fact.

Mr. POINDEXTER. No; it is an announcement of a fact. I do not claim to be infallible. My conclusion may not be correct, but I believe that it is. Whether or not it is correct is subject to determination upon all the circumstances which anybody can produce. If the Senator has any better information, let him produce it, and let the world decide what the truth of the case is.

Mr. MYERS. Then it simply seems to resolve itself down to a statement and assertion of the Senator.

Mr. POINDEXTER. I have not had an opportunity, on account of interruptions, to give the source of my authority. I am going to undertake to do it.

There have been a great many publications made of the admissions of the Aircraft Production Board similar to that which was quoted just now by the Senator from Nebraska [Mr. HITCHCOCK], apparently with an easy assurance that everything is all right. He says that this program is coming along, and that it will be only 90 days behind the schedule. Mr. President, the fate of nations is often decided in 90 days. My recollection is that France was conquered and put under the heel of the German emperor in less time than that in the War of 1870–71.

Mr. HITCHCOCK. Mr. President, I hope the Senator will not put me in the light of an apologist. I certainly have not intended to appear in that light.

Mr. POINDEXTER. The Senator, then, is not satisfied with the fact that the programme is 90 days behind time?

Mr. HITCHCOCK. By no means. The committee——

Mr. POINDEXTER. Why, Mr. President, this great battle that is now on in France will not last 90 days. It has already lasted only four days, and it has almost come to a decisive point. To come and say that we have performed our duty, that we have met with some discouragements but, notwithstanding those discouragements and obstacles, we are only 90 days behind the program, is to put the administration which is responsible for these things in an absurd position.

Mr. HITCHCOCK. There is something in the Senator's tone which indicates that I am appearing as an apologist. I am not. I am a critic. I have been condemning and attacking and endeavoring to speed up. I am only rising for the purpose of stating the facts. I say this Nation has not abandoned its policy of building combat planes.

Mr. POINDEXTER. I say that it has. Has the Senator ever seen a battle plane produced in this country such as the French plane that was exhibited here the other day?

I have in my hand, Mr. President, a statement which bears the earmarks of authenticity. I am accustomed to weighing, with some discrimination, the merits of newspaper publications and undertaking at least to determine how much credence they are entitled to; and this one bears all the evidences of having come from interviews with the officials who have charge of this work. In fact, it so states. On paragraph is that—

> while admitting that the airplane program is two months behind the original schedule—

Of course it is a great deal of satisfaction, Mr. President, when the fate of the Nation is to be determined, when defeat stares us in the face, to be confronted with the excuse that the schedule that was made for the equipment of the armies of this country was somewhat in fault. I have seen a number of statements to the effect that the number of airplanes and of guns and of machine guns was ahead of the schedule, and yet here is a statement that it is 60 days behind the schedule. Those statements come from the same sources. Which is correct? Has not the Senator from Nebraska, has not every Senator, seen those statements, put out from the various executive bureaus of the Government, that we are ahead of the schedule, that airplane production is ahead of the schedule? Well, what is the matter with the schedule? If our production of nothing at the end of a year is ahead of the schedule, who made the schedule, and why was it made upon that basis? And how does the Senator reconcile being ahead of the schedule with the statement which I have just read that we are 60 days behind the schedule and the Senator's statement that we are 90 days behind the schedule?

Mr. HITCHCOCK. Mr. President, there is no reconciliation. We are behind. I know we are at least 90 days behind.

Mr. POINDEXTER. The Senator does not agree with the statements that have been put out from time to time that we are ahead of the schedule on aircraft production, then?

Mr. HITCHCOCK. Of course I do not. I admit that, and I am not standing as an apologist. I object, however, to having the Senator state that this country has abandoned the construction of combat planes. This country has not abandoned that policy, and it can not abandon that policy.

Mr. POINDEXTER. No; I agree with the Senator; it can not abandon the policy, because it has never undertaken the policy. It has not any policy to build battle planes, according to the best information I can get.

I asked the Senator a moment ago what is the distinction, what the battle plane was, and he said it was a fighting plane. I have in my hand here a statement written by, I presume, a correspondent of the New York World, reported in the local Washington Times. The New York World is, I understand, a paper whose correspondent has the confidence of the administration and access to sources of information. Here is the statement contained there, and I believe it, Mr. President, because

of its intrinsic evidence of truth. It corroborates the substantial evidence of the Senator from Nebraska, together with the visible, ocular demonstrations which are open to everybody, or rather the lack of ocular demonstration of the existence of any battle planes after all the efforts we have made to obtain them. This statement says:

> By combat planes is meant the machines used for raiding and observation purposes and for day and night bombing. The term does not include the single-seated light exclusively fighting planes—the thoroughbreds of the air—nor does it include elementary or advanced training planes. They are listed on separate tables. The delivery of elementary-school planes is well into the quantity stage, and the advanced planes will soon reach that point. The highly developed single-seated fighters are being built in France and England. America has never intended and does not now plan to build that type. She is too far away from the front, where changes in this class of aircraft are of almost weekly occurrence.

Now I believe that statement. I have heard it a number of times made here at every period when inquiry was made for information, and I shall continue to base my conclusion upon its accuracy until I have some evidence to the contrary which has not yet been produced, notwithstanding the inquiry and the testimony of witnesses which the Senator from Nebraska has heard as a member of the Committee on Military Affairs.

Mr. HITCHCOCK. The only element of truth in the statement of the correspondent read by the Senator, so far as I know, is that it has been argued that combat planes should be made near the seat of combat for the reason that they are compelled from week to week or at least from month to month to modify and change them according to the progress and development of the art of manufacture. It is probable—I do not know but that it is already the fact—that America will ship over the material partly constructed, to complete the manufacture of combat planes in France for the purpose of taking advantage of the latest changes; but that America will abandon the manufacture of combat planes is not true. We have that from very definite authority. We know that some of the combat planes are in existence this month and that more are promised for next month, and that we will have at least 2,000 of them by July unless present calculations go awry.

Mr. POINDEXTER. That is in conflict with the statement of the correspondent I have just read. He states that the production of combat planes is not yet in the quantity stage, and he carefully explains that combat planes are the bombing planes, the heavy planes for raiding purposes, and not the light battle planes which are absolutely essential to protect our lines of battle from the observation planes and the bombing planes of the enemy.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Mexico?

Mr. POINDEXTER. I yield.

Mr. FALL. The Senator is right. The term combat plane to the ordinary layman or the average American citizen is considered as a scouting, fighting plane. As I understand the Senator, the combat plane is not only necessary for the protection of our men in the trenches, but it is necessary for the protection of both the bombing plane and the scouting plane. The object of the scouting plane is to carry information, to obtain photographs, and so forth. It must be protected against the attack of fighting planes; it can not protect itself. The scouting plane is in the same condition. Those planes are protected by the battle plane.

Mr. POINDEXTER. The only way they can be protected is by the fighting plane.

Mr. President, one other point I want to call attention to.

Mr. BORAH. Before the Senator takes that up, has he read an article in the New York World which purports to contain the report of a special agent of the President upon the situation with reference to aircraft——

Mr. POINDEXTER. No; I have not read it; but I will say in that connection that I have made no search for material for criticism of the Government. On the contrary, I have searched for evidences of good administration rather than bad, and it is only when things come to such a pass as to be a scandal to the entire world, in my judgment, that I have felt it necessary to call attention to them.

Mr. BORAH. This purports to be a report of the confidential agent of the President. It is not a criticism at all; it is a report made, and I assume it was put out authoritatively. It could not have been given to the public except in one way.

Mr. KING. Will the Senator yield to me just one moment?

Mr. POINDEXTER. I would much prefer that the Senator from Idaho complete his statement, and then I will yield.

Mr. KING. I just wanted to inquire of the Senator from Idaho, with the permission of the Senator from Washington, if when he speaks of confidential agent of the President he refers to Mr. Borglum.

Mr. BORAH. I do.

Mr. KING. I think I can state to the Senator from Idaho that he does not occupy that relation to the President.

Mr. BORAH. Of course, I do not know. But the article states that by virtue of a letter received by the President on the 2d day of January this gentleman was authorized to make the investigation, and he made the investigation and made a report to the President, the report being confidential, and to the President. I take it it would not have been published in the New York World without a basis for the statement. But I read a single paragraph. If it is true, it is a terrible situation; and if it is not true, some correction ought to be made. If this report is not authoritative, it should be repudiated. The report says:

> The general situation indicates a terrible state of confusion and irregularity, as report shows, due to self-interest and intrigue, together with predetermination to thwart the effort of our Nation and the work of able and trusted assistants.

Mr. POINDEXTER. I can state on my own knowledge at first hand that a gentleman high in the organization of the airplane construction board stated to me that there seemed to be in the effort to produce airplanes some mysterious unknown influence that was putting a blight upon the entire efforts of the board that he could not explain. I know something about the efforts of the board and something of why we have no airplanes. I know that of my own knowledge.

In that same article that I referred to a moment ago it was stated that one of the difficulties which have prevented the production of airplanes has been the difficulty of getting spruce. I know where the spruce is. There are quantities of it in the State I in part represent and in the adjoining State of Oregon, and I myself have presented to the gentlemen who have been delegated to produce the airplanes the offer of men of wealth, of character, of patriotism, to produce and deliver to them all the spruce that they needed; men who are able to make good their word; men who could produce and deliver the spruce in record time if there had been merely one word of consent. But that consent was refused. They were unable to get permission to produce spruce, and yet it is said that the reason why we have no airplanes is because they could not get spruce. I know they could have gotten spruce not 60 days or 90 days ago but 6 months and 9 months ago. All the spruce that was needed could have been had for the asking for it and the payment of a reasonable price, to be fixed by the Government itself.

I also know something, Mr. President, in this connection, about the reason for the delay and failure to have ships. There are in my State great harbors. There are men skilled in building ships. There are men there with the resources and the capital who do not need to come to New York or anywhere else to secure the necessary funds to carry on their operations; men who are experienced in the construction of ships; men who have had organizations of employees ready at their bidding to carry out their contracts. I made offers on their behalf to the Shipping Board months ago and have informed the Shipping Board that I knew that if these men agreed to deliver a ship the ship would be delivered. Their record of accomplishment, the means which they possess, was a guarantee that the ship would be delivered in accordance with any agreement they made; and I was unable to get permission for these men, who were largely actuated by patriotic motives in offering to assume these contracts, because there are many other avenues of employment with a profitable return in which they have been engaged. But their offers were refused. They were delayed from week to week and month to month before they could get any answer at all.

In the meantime the lines of ships that carry the lifeblood of the Nation across the sea were being destroyed by the German submarines, while month after month men who were, in September, 1916, commissioned with authority to produce ships quibbled about preparations and about time and about specifications. Men have known how to produce ships that would sail the seas and carry freight to the people of the world long before the men who sit upon this Shipping Board were born. The members of the Shipping Board held no exclusive knowledge of the plans and specifications of ships. There are great organizations in the world whose business it is to determine whether a ship is seaworthy in order that they may insure it, and if a ship is built that comes within the rules and regulations of their register it is a sufficient ship for the needs of a Nation that is fighting for national existence.

Mr. OVERMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Carolina?

Mr. POINDEXTER. In just a moment. Those shipbuilders were ready to comply with those regulations and those condi-

tions, and they were not only not sought but their offers were positively declined.

Mr. OVERMAN. Does the Senator think this is a proper time, admitting everything to be true, to discourage the American people in the saddest hour of our history during the war? Does he think it is the proper course to take on the floor of the Senate? Sometimes silence is golden.

Mr. POINDEXTER. I infer from what the Senator from North Carolina says that if these things are true that I say are true we should remain silent about them. I have remained silent about them for a long time.

Mr. OVERMAN. The Senator is taking this opportunity, when I say we are in great distress, to discourage the American people, when we need to have them enthused instead of being disheartened.

Mr. POINDEXTER. This is not going to discourage the American people.

Mr. OVERMAN. It discourages everybody. Now is the time for all men to be true and to be silent about matters that we may admit to be true.

Mr. POINDEXTER. I do not agree with the Senator. I think there comes a time after a while when silence and forbearance is a fault. I will tell you it is the duty of the Senator from North Carolina and of other patriotic citizens not merely to be silent but to exert yourselves to improve the administration and the efforts of the Government.

Mr. OVERMAN. The Senator is here at this time criticizing the administration because of mistakes, when it is doing the best it can to carry on the war.

Mr. POINDEXTER. I am here for the purpose of pointing out what the Senator is seeking to cover up—an undisputed and scandalous failure of the administration.

Mr. OVERMAN. I ask the Senator, admitting what he says to be true, is this the proper time for the Senator to be throwing it out to the American people, when they ought to be enthused? I think the Senator is a member of the Committee on Military Affairs.

Mr. POINDEXTER. No; I am not; but that does not make any difference

Mr. OVERMAN. I thought the Senator was. He is making statements here. I do not know whether they are true or not. They may be true, but I say we ought to correct these mistakes, but correct them in the proper way. Every man here on the floor wants to correct them. Every man here, I think, is a patriot; and why does the Senator stand here, at this very time when we are in a serious condition, to make the people of America unhappy and discourage them? This is not the time. I want every effort made to correct the errors, if there are errors. It is a time for everybody to get together and correct these errors.

Mr. POINDEXTER. How can everybody get together and correct the errors if everybody does not know about the errors?

Mr. OVERMAN. I think every Senator on this floor is trying to correct them. I know we have the Military Committee, which is a great committee, that has been investigating these matters; and they will be corrected.

Mr. POINDEXTER. That is encouraging. I am glad to know that they will be corrected. It may be that the discussion here this morning may lead toward that end.

Mr. OVERMAN. The point I make is that the Senator from Washington is stirring up trouble in the country.

Mr. POINDEXTER. If it stirs up trouble, Mr. President, in order to point out the actual situation we are in, with a view of remedying that situation, with a view of changing this policy of nonproduction and removing the secret influences and mysterious blight that are thwarting the efforts of the administration, then it is time to understand that situation, in order that everybody, as the Senator from North Carolina says, may unite to bring about a successful issue of this war.

Mr. OVERMAN. My point is that the Senator is not going about it in the right way, and I do not believe—if he will allow me to say so—it the best way to do it at this time.

Mr. FALL. Will the Senator from Washington yield to me?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Mexico?

Mr. POINDEXTER. I yield to the Senator from New Mexico.

Mr. FALL. As I understand, the Senator from North Carolina [Mr. OVERMAN] is now in charge of a bill providing that absolute power be vested in the President of the United States, and that the Senator is going to insist upon the passage of that bill. I am one of those who have advocated, or at least who have voted for, practically every particle of legislation of that character; I am not at all sure that I shall not support as strongly as I can the bill, the passage of which the Senator will urge; but, Mr. President, as an American I am exactly in the frame of mind which was so eloquently and so forcefully expressed by the Senator from Colorado [Mr. THOMAS] this morning—one who would see his party sink to the uttermost depths of hell rather than that the people should suffer any further from inaction and failure and want of knowledge; one of those who would rather vote absolutely autocratic powers to the President; but I do want to know what the President is doing with the powers which have already been given. For that reason I think that a discussion of this kind as to evident failures, which we all know, every one of us, the Senator from North Carolina as well as I, or else the Senator who says he is seeking for information has not been in fact seeking for such information.

As one of those who recognizes that failures have been made, I think that the time has come for the application of remedies. I do not think that the President himself can be reached in any way except by the knowledge that the people of the United States are finally getting information which, apparently, he has not yet assimilated.

Mr. OVERMAN. I say to the Senator that I agree with him and I fully indorse the sentiments which have been expressed by the Senator from Colorado [Mr. THOMAS], but I do not think the floor of the Senate is the proper place to discuss these matters at this time. I think it ought to be done by the committee; that that is the proper place to do it.

Mr. FALL. If I may trespass upon the time of the Senator from Washington [Mr. POINDEXTER] a moment longer, I desire to say that the Senator from North Carolina calls himself a Democrat and I have been called a Republican. I believe, as a Democrat and as a Republican and as a citizen, and I have always so believed, that the people of the United States can attend to their business and can force their administrative and their legislative officers to attend to their business as it should be attended to if they are informed. Time and again here I have said that I was never afraid of inflamed public opinion if public opinion had an opportunity to inform itself. I say, with due respect to the President of the United States, that he is simply representing as an Executive, or he should represent as an Executive, the wishes and desires of the people of the United States as expressed through their legislative officers elected by them for that purpose. He should execute the laws which this Congress passes, and should administer the powers which they vest in him for the protection of the American people. I have been willing to vote the very ultimate power to the President; but I as one now say to you, sir, that I shall demand, as an American citizen, to know how those powers are being administered, not only with reference to the construction of airships but with reference to the control of the business of this country; with reference to the placing of our men in the trenches, where they may be captured to-day or may be dying by the thousands.

I want knowledge and I want the people to have that knowledge. I am one of those who differ from the Senator from North Carolina. I am not afraid of the people knowing.

Mr. SMOOT. Mr. President, will the Senator from Washington yield to me?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. POINDEXTER. I yield.

Mr. SMOOT. I want to say to the Senator from New Mexico [Mr. FALL] that there is no lack of channels under this administration through which information can be conveyed to the American people of the conditions as they exist to-day. I hold in my hand here, Mr. President, a list of the governmental publicity bureaus—I should say a partial list. I want Senators to understand that there are over 47 of them that I have recorded upon these pages [exhibiting]—47 governmental publicity bureaus. There is no lack of agencies on the part of this Government to see that information reaches the farthest ends of the country, in all the homes of the people; but I will undertake to say to the Senator that I do not believe that one of those agencies has published one thing in the way of criticism or calling the attention of the American people to the unfortunate position in which we find ourselves to-day.

Mr. POINDEXTER. I think that is true.

Mr. NEW. Mr. President——

Mr. POINDEXTER. I shall conclude in just a minute, if the Senator pleases.

Mr. President, I have as much interest in the success of the American Army on the battle front in France as has the Senator from North Carolina [Mr. OVERMAN], but when we read from day to day the utterances of soldiers in the trenches to the effect that they see German bombing and gas planes flying over their lines and back of their lines, and that they have no means of protecting themselves except such as may be afforded them through the friendship and the common interests of our French

allies, I think that devotion to that cause demands that any effort that I may be able to make in the way of publicity or otherwise be put forth to lead to the production of airplanes to accompany the other branches of our military service in France in order that they may be protected and that they may have opportunity to gain the victory which we all expect, but which will be impossible unless they are thoroughly supplied with airplanes.

One thing to which I object is the explanations and excuses which are made by those officials who are responsible for the production of the equipment of our Army. I have here a statement, recently published in the newspapers, in which these officials proceed to say that they have been successful because they have spent so many billions of dollars of money and have employed so many clerks in their offices. I do not think that is a proper standard of success. I admit they have spent billions of money; I admit that they have employed thousands and tens of thousands of clerks, but I say that when they have expended that money and employed this army of employees and assistants, and after the expiration of a year, when we are confronted with the fact, which I believe is not denied, that we have no machine guns, that we have no cannon except those that are supplied to us by our friends and allies in France, it is time to give public utterance to those facts and to call the attention of the country and the world to them.

Mr. SHERMAN. Mr. President, will the Senator permit an inquiry?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Illinois?

Mr. POINDEXTER. I yield to the Senator.

Mr. SHERMAN. In view of the statement made by the Senator from Utah [Mr. SMOOT] that there are 47 publicity agents, I will ask the Senator if he cares to express his opinion as to the output of those agencies proportioned to the effort and the expense involved?

Mr. POINDEXTER. Well, I have here in my hand a statement, evidently coming from executive officers, with the heading, "Sixteen cannon plants ready for operation." Upon reading it I find that instead of 16 cannon plants being ready for operation, the statement is to the effect that negotiations are in progress which, it is hoped, will lead to the establishment of 16 cannon plants. That is the progress that we have made a year after we entered the war.

So it is said that another accomplishment has been the—

expenditure of approximately $40,000,000 for plant facilities to manufacture artillery cannon, with an estimate that $300,000,000 will be spent for cannon alone within two years after the outbreak of the war.

I do not dispute those facts. It may very well be that they have spent $40,000,000 already for plant facilities, and that they have made estimates to expend $300,000,000 more, but if the amount were $300,000,000,000 and they had produced no cannon, it would not be an evidence of the performance of their duty.

So it is said—and this is a peculiar excuse, which is put out for the situation of affairs—that—

By June of this year the memorandum said—

And this memorandum was put out by the Assistant Secretary of War—

the division will have a staff of 1,500 officers and 10,000 civilians.

That is quite an accomplishment, to get 1,500 officers and 10,000 civilians employed, if the standard of success in preparing this country to carry on this war is the number of officers and the number of civilians employed; but, however great the number of officers and however many thousands of civilians may be employed, it is very poor satisfaction to the country, in the time of a crisis such as this, if we have no results in the way of equipment or arms from that great establishment.

It was said a moment ago by one Senator that very soon we may be fighting for our national existence. Well, the trouble is that there are too many people in this country who are not in favor of independent national existence, and they have received entirely too much encouragement. There is a doctrine called "internationalism," which means a surrender of independent national existence and a merger with all of the different peoples of the world, which is openly preached and advocated by a considerable number of people. Not long ago I was very much surprised to hear read upon the floor of the Senate, with the approval and eulogy of distinguished and patriotic Senators, a letter from a gentleman by the name of Thompson, which contained a fulsome eulogy of Trotsky and Lenine, German traitors masquerading under the guise of Russians, who sold out their adopted country and who do not believe in the doctrine of independent nationality, but believe in that counter and inconsistent doctrine of what they call "internationalism."

Not long since we saw official utterances from the President of the United States, in which he offered encouragement to this misnamed government of Russia, which in the name of liberty has sacrificed the Russian people to the most tyrannical autocracy, perhaps, that any government has ever developed.

We have an ally in whom we are very much interested on the Pacific coast, an ally that has scrupulously kept her engagements in this war, an ally that has lived up to the best traditions of western civilization, although she has but recently acquired it. The great Empire of Japan has been a faithful ally to the United States and the other democracies of the world in this war; and yet, in the face of the advancing German influence in Russia, in the face of an army of German and Austrian prisoners who had been released and who, the papers this morning state, are gathering into an army in Siberia, fully equipped with machine guns, with powder, and with cannon, and although Japan is ready and willing, in pursuance of her obligations to her allies, in perfect good faith to do for Russia in the face of the German menace what we in our feeble and inefficient way are seeking to do for France, to send her troops there to stem that tide, to protect our Pacific coast, to protect the great store of railroad material and of war equipment which the taxes of our people have provided and assembled at Vladivostok, instead of offering a hand of encouragement, instead of showing our gratitude, we offer discouragement; we indicate, in the face of all the good faith that Japan has displayed, a doubt of her intentions. Consequently we leave this great drama of the secret machinations between the bolsheviki of Russia and the German Kaiser to go on, spreading their net around the liberties of the Russian people, gathering up her resources and consolidating their gains, organizing the Russian railroads, preparing to use all of the material of food and of men—because the men will be but slaves working under German military commanders—and to produce the materials with which Germany will meet France and England and the United States on the western front; and we not only sit idly by while that is going on but we dissent; we object to the help which the generous hand of Japan is proffering us.

We object to this disinterested policy on the part of Japan—I call it disinterested because I can readily see that it would be to the interest of Japan to conserve her forces, to keep her army intact, to maintain undiminished her supply of guns and powder. She offers to use them for the allied cause. From the statesmen of France and England come words of encouragement and of good faith, but from the American Government comes only dissent and refusal not only to assist but to consent for Japan to engage in this undertaking.

What can we expect from a foreign policy such as that? Time and time again there have been difficult and more or less acute issues between Japan and the United States in the Pacific, and there are certain plain and fundamental principles in which the people of the Pacific coast are not only interested but upon which they have planted themselves irrevocably. One of them is that the Pacific coast is for the people of the United States. It is a branch of that doctrine by which the United States has said to Europe and to Asia, in effect: "Do not interfere in the affairs of the Americas." Now, I am in favor of that doctrine. It is essential to our safety and to our future prosperity. But if we assume that attitude—that Japan must keep her hands off from the Western Hemisphere—Japan must expand in some other direction. She must find food for her people, room for her increasing population, somewhere on the face of the earth. We have said to her: "You can not find it in America"; yet because of an unfounded doubt, even as to her intentions on the mainland of Asia, we refuse to accept her assistance in meeting the German menace in Siberia. I say that it is a mistaken policy.

Mr. TILLMAN. Mr. President, will the Senator inform us what information he has that is official about that? The newspapers, perhaps, have said it, but does the Senator believe everything he sees in the newspapers?

Mr. POINDEXTER. No; I do not believe everything I read in the newspapers, but I undertake to pick out of things in the newspapers those which I do not believe and those things which I do believe. I have been accustomed for a good many years to consider the credibility of witnesses in the light of circumstances; and when I see a situation which is known to everybody to exist in Siberia, and when the universal statement is not only in the newspapers but everywhere, from Europe and Asia and America, that Japan is willing and ready to use her army and her fleet to protect the property of the allies and the interests of the Russian people, and when that enterprise is stopped, is not carried out, in the face of the great need for it, when the crisis is acute, I do believe in the face of that corroborating circumstance that our administration has refused to give its assent.

Mr. SMITH of Arizona. Mr. President——

Mr. POINDEXTER. I yield to the Senator from Arizona.

Mr. SMITH of Arizona. I do not profess to speak from any more knowledge than any other Senator has. I confess to an ignorance about as deep as I think all of us have of the relations between Japan and Russia and the probable effect of an assault by Japan upon Russia, and whether as between the German assault on the one side and the Japanese assault on the other Russia in its disorganized condition might not immediately join the forces of Germany itself in an assault on Japan. So that it is a very serious question, and not to be laid down, it strikes me, as a matter of mere unquestioned dictum that it is a proper thing to rush in there. I do not know. I am not in the confidence of those who are in touch with these matters; but those things have occurred to me while the Senator was speaking. I do not know what effect a Japanese invasion might have on the Russian people, especially as Russia is absolutely headless and has gone to pieces. Suppose that under the machinations which Germany has so successfully practiced in more than one country she should persuade Russia that her interest lies in standing with Germany against a Japanese invasion?

Mr. POINDEXTER. That is a confirmation of the proposition which the Senator from South Carolina questioned. The views and the doubts expressed by the Senator from Arizona, with his means of access to the executive branch of the Government, confirm the public report that the administration entertains the same doubts that the Senator from Arizona has just expressed.

Now, while we are doubting, while the President is doubting—and I have no desire to embarrass the President in any way; I agree with him generally, and want to support him in every way possible—and while the Senator from Arizona is doubting whether we ought to act, Germany is not doubting. Germany is not hesitating. She has the ability to decide and to act, while we have only the ability in this particular matter to debate and doubt and hesitate; and while we are doubting the fate of Russia and her position in this war are being fixed and settled forever.

Mr. SMITH of Arizona. Mr. President, I will suggest, if the Senator will permit me, that sometimes people walk in where other individuals or spirits are afraid to tread. This is not a matter of fear, but it is a matter of common sense. It strikes me that if this country is in the deplorable condition that the Senator has been an hour telling about, we are in a very poor attitude from that standpoint to say that we will just rush in anyhow, nolens volens, prepared or not, and take on another coast in a war that is giving us about as much as we can attend to across the Atlantic. It seems to me that instead of laying down a course of action for the President, who probably has as wide a field and as many facts to deal with as we, I for one, at least, would be very careful before I laid down the absolute dictum that he was making an enormous mistake in a matter of this importance.

Mr. POINDEXTER. It is not a dictum, Mr. President; it is the expression of an opinion.

Mr. KING. Mr. President——

Mr. POINDEXTER. Just a moment. Although it is somewhat embarrassing to differ with the President, it has always been the practice in the United States for American citizens to be guided by their own judgment and their own opinions in these matters; and whether the Senator from Arizona is right or the President—who, I understand, occupies the same position on this question that he does—is right, or whether those who differ from him are right, must be determined in the light of events. The thing to be ascertained is not what the opinion of the President is or his judgment about these matters. Many Presidents have made mistakes. The thing to be ascertained is the truth.

I may not find it; the Senator from Arizona may not find it; but in the expression of conflicting opinions, and in calling the attention of the public in order that that great agency of democracy, an enlightened public opinion, may have an opportunity to operate, we may be able to ascertain the truth in this matter.

Mr. KING and Mr. SMITH of Arizona addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Washington yield; and if so, to whom?

Mr. POINDEXTER. I yield to the Senator from Utah, as he rose first.

Mr. KING. I will defer to the Senator from Arizona.

Mr. SMITH of Arizona. I was only about to suggest, in the line of the argument the Senator has already made in his expressed admiration of the go-to-it-ness of the German people, that I have never seen any particular effort to question behind the German Emperor's back his assault on the English forces.

Mr. POINDEXTER. I do not know that I can question it behind his back. I hope it will be questioned in front of his face to such an extent that it will not succeed.

Mr. SMITH of Arizona. I meant no offense to the Senator by saying "behind his back." I was referring to the fact that behind the back of the invading lines of Germany there was no one questioning that course of action.

Mr. POINDEXTER. I understood what the Senator said.

Mr. SMITH of Arizona. I did not mean that offensively to the Senator.

Mr. POINDEXTER. I know that the Senator did not. I do not expect that the intervention of Japan in Russia would result in any formidable or increased movement of the Russian people against the allies. The Senator knows that Russia is now under the control of the Germans; and if he has read the multitude of dispatches which, all taken together, indicate the true situation, he knows that Germany's constant and persistent labor and work in Russia is to fasten her tentacles upon the resources of that country; and unless they are stopped by the only thing that appeals to those who direct the movement of the German armies—namely, force—we will have what the Senator fears, and that is the resources of the Russian Empire directed against the allies in this war.

Mr. SMITH of Arizona. Mr. President, if the Senator will permit just one more interruption, I will not trouble him any more.

I will ask the Senate to think for just a moment of the vast stretch of country lying between the proposed assault by Japan and the great Russian Empire, of which Germany at the present time has but a drop in the bucket in her possession, and to consider whether an assault from the extreme opposite side by an alien race might not have the effect that I have suggested. Not knowing that it was the President's attitude, not standing in the light of defending his attitude in any way, but seeing the geography of the situation and the immense differences of opinion in the Russian Empire, so far as we can safely gather them, it seems to me that we might be a little timid before we say, and think very carefully before we say, to the Commander in Chief of the Armies of the United States: "We advise right now an assault on eastern Russia."

Mr. KING. Mr. President, will the Senator permit a suggestion?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. POINDEXTER. I yield.

Mr. KING. I agree with the able Senator in his observations respecting Japan, and her integrity, and her scrupulous regard of all obligations as an ally, and her desire to carry out her international responsibilities. I agree with him that there is no reason justifying anyone in expressing or entertaining a doubt as to the fidelity of Japan to the allies in this great contest. I think I can say to the Senator—and I make this observation after having made some investigation—that the subject concerning which he is now speaking, namely, the intervention of Japan in Siberia, has received and is receiving the most serious consideration of the executive department of the United States and of the allies.

I do not think that there is a concurrence of view upon the part of all the interested parties in the wisdom or necessity of a military expedition immediately by Japan into Siberia. It has not been determined yet, as I understand, that the military grounds demand or justify the sending of a Japanese army into Siberia. Of course, the situation changes almost daily, so that no absolutely immutable plan can be adopted. My information is that the stores of munitions and war supplies the Senator refers to are not imperiled by any attack, threatened or potential, now apparent upon the part of German or Austrian forces; and I think the Senator can be assured that just as soon as it becomes apparent that military exigencies demand the intervention of Japan in Siberia Japan will go into Siberia with the support of all of the allies, including the Government of the United States. I feel sure that the executive department of the Government is dealing with this serious and important matter in a broad and comprehensive way. It is not always an easy task to ascertain the facts with reference to a condition so far away as that now existing in Siberia and eastern Russia, and the uncertainty of a situation and the daily change therein renders the consideration of the same difficult and delicate.

In my opinion there will be concord between our Government and those associated with her against the central powers in dealing with the Far East situation.

Mr. POINDEXTER. Mr. President, my only hope is that the decision will not be delayed until it is a repetition of being

too late, as has been so often the case in this war. The experiences in the war have indicated that the successful defense of what America stands for—free government, the principles of Christianity, and the teachings of civilization—must be defended in the west. From the beginning Russia has made but a feeble opposition, compared with her resources and numbers, to the central powers, which have started out to impose their "kultur" upon the world. The farther west we come, in my judgment from the experience of military operations of the war, the stauncher and stronger people are found. Austria perhaps is a little better than Russia; Germany is a little better than Austria; France and England are far superior to Germany; and when America finds herself, when her people are advised as to the issue, when we recover from the long campaign which was made by those in authority to prevent us from preparing to defend our rights, I am in hopes that we will, at least, be able to prove ourselves worthy to take our stand as equals beside those great people who are now defending civilization from the barbarism of Germany.

Mr. OVERMAN. Mr. President, I have been sitting here in my seat wondering why this speech was made and this discussion had this morning. What is the purpose of it? Does anybody think it is going to do any good? I hope my friend was not playing politics when he was discussing these matters. I hope to God that is not true. This is no time to do that.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 8696, the Indian appropriation bill.

Mr. NEW. Mr. President, I was much impressed, as I am sure we all were, by the remarks of the Senator from North Carolina [Mr. OVERMAN] a few moments ago. I agree with him, as I am sure the Senator from Washington will also, that this is no time to discourage the American people. But, Mr. President, while that is true, by the same token no more is it the time to mislead the people as to our condition of preparedness for the great task that is ahead of us.

In the course of some remarks that I addressed to the Senate yesterday I stated that I had recently seen in the public prints some statements which I regarded as perilously misleading. I do not withdraw the adjective. I think some of the statements I have seen are perilously misleading. For instance, on the 21st day of February there appeared in the Washington Post and in other newspapers a statement given out by the Secretary of War. The headlines over that article in the Post read as follows:

UNITED STATES AEROS GO ABROAD—FIRST SHIPMENT IS FIVE MONTHS AHEAD OF ORIGINAL SCHEDULE—LIBERTY MOTOR SETS PACE—MAKES POSSIBLE ATTACKS ON HUNS MUCH SOONER THAN EXPECTED—BREAKS EVERY KNOWN RECORD FOR SPEED AND CLIMBING OF THAT TYPE OF MOTORS FOR FLIERS, SECRETARY BAKER ANNOUNCES—THOUSANDS OF SKILLED MECHANICS NOW NEEDED AND MUST VOLUNTEER, NUMBER BEING 115,000.

Then the article begins with this:

The first American-built battle planes are en route to France, near five months ahead of the original schedule.

Mr. President, I am loath to believe that the Secretary of War gave out that statement. I can scarcely credit it as true, and yet it is attributed to him in this article and other newspapers of the same date.

Mr. President, I submit that that statement was wholly misleading and, as I said yesterday, perilously so. I mean by that just this: That any statement which leaves the American people under the impression that things are as they are not is perilously misleading. The people are entitled to know the truth. If we can not tell them the truth, let us not feed them upon statements of a kind which tend to quiet them and lessen their appreciation of the tremendous efforts that must be put forth by all, if we are to win this war.

Just 10 days ago there appeared in the newspapers a dispatch on the same subject, and the Indianapolis Star, a newspaper printed in the city in which I have my home, printed as headlines over this article:

"United States air fleet certain by July."

"Battle planes sufficient to protect all American sectors will then be in France."

The article which those headlines lead is not so very definite in what it has to say, but the impression made by the tenor of the dispatch upon the mind of the editor who wrote those headlines was in conformity with the character of the headlines themselves, and the whole American people are misled by that sort of thing, as they should not be.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Florida?

Mr. NEW. I yield.

Mr. FLETCHER. The Senator surely does not mean to hold the Secretary of War responsible for headlines in a newspaper or even for the contents of the newspaper article?

Mr. NEW. I did not. I said I was loath to believe that the Secretary of War had said what was attributed to him. The headlines, of course, are written in the office of the newspaper, but I read the first paragraph of it and I will read a little further:

The first American-built battle planes are en route to France, near five months ahead of the original schedule.

In making this announcement last night, Secretary Baker said the first shipment, although not large, "marks the final overcoming of many difficulties met in building up this new and intricate industry."

That is what the Secretary is quoted as having said.

Mr. President, I did not rise here for the purpose of criticizing the Secretary of War or of criticizing anybody else particularly, but I do think the point ought to be made clear that it is time the American people should be told the truth about their own affairs and not to be misled into a condition of mind that is too complacent considering the tremendous emergency with which we are brought face to face.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from North Dakota?

Mr. NEW. I yield.

Mr. McCUMBER. I agree with the Senator that the public should be told the truth, and I assume therefore that the Senator will tell the truth now. Have we one single fighting airplane over in Europe to-day?

Mr. NEW. Not one.

Mr. McCUMBER. Have we a machine to-day, according to the testimony of experts, that will stand the strain of a fighting machine?

Mr. NEW. We have not a single combat plane in France to-day, unless it has been landed within the last few days.

Mr. JOHNSON of California. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from California?

Mr. NEW. I do.

Mr. JOHNSON of California. I have, Mr. President, somewhat the same intention of the Senator who has just propounded his query. I am a very humble Member of this body, but, like every other Member here, I am willing to give of my blood just as you are ready to give of your blood; but we ask for the blood that we give a fair chance in fighting this war. I take it the Senator understands and knows just what the situation is, and therefore, with his permission, I want to ask him what was the aircraft program for July 1 of this year?

Mr. NEW. I think, while I had not intended to mention it, it is fair and just to say that the original program called for delivering in France 12,000 combat planes by the 1st of next July.

Mr. JOHNSON of California. Then I ask the Senator if he can answer, and if the answer violates no confidence, how many were delivered or how many will this Government deliver on the 1st day of July in France?

Mr. NEW. Thirty-seven.

Mr. JOHNSON of California. Mr. President, with the permission of the Senator from Indiana, I desire to ask concerning the accuracy of a startling statement which has been repeated all over this building to-day. Is it in testimony before the Military Committee that the condition of our boys in the trenches to-day is that without let or hindrance German planes are flying over them and flying so low that our boys are shooting at them with revolvers? I want to know whether that is the testimony before the Military Committee?

Mr. NEW. It is.

Mr. JOHNSON of California. Then, Mr. President, in answer to the animadversions of the Senator from North Carolina and others, I say that there is just one way to correct this sort of outrage upon American youth, and that way is, in the language of a distinguished Executive, "pitiless publicity." [Applause in the galleries.]

The PRESIDING OFFICER. If there is any further demonstration in the galleries the Chair will direct the Sergeant at Arms to clear the galleries. The occupants of the galleries must understand that they are here by the courtesy of the Senate, and that manifestations of approval or disapproval form an infraction of the rules.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Washington?

Mr. NEW. I yield.

Mr. POINDEXTER. The Senator says that it is now expected that there will be 37 combat planes delivered in France in July. Certain statements that bear intrinsic evidence of being from a well-informed source that I called attention to

this morning make a distinction between aeroplanes which go under what I think is a misleading name of combat planes. He states that these planes that are called combat planes are listed alongside of another list that are called primary training planes and another list called advanced training planes; that the combat planes in that list are not fighting planes, but they are raiding and bombing planes; and there is stll another list of battle planes which are the only ones that are supposed to engage in battle in the air with hostile airplanes. I should like to know if that is correct?

Mr. NEW. Mr. President, the Senator is correct. All planes, as I undestand it, that are engaged in combat are designated combat planes. That includes the rapid flyer and the bombing plane. They are distinguished from the observation plane and the scout plane. When I refer to combat planes I include in that list all the different varieties that are used in actual combat—bomb dropping and attacking other planes, and all that sort of thing.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Colorado?

Mr. NEW. I yield.

Mr. THOMAS. In view of the answer of the Senator to the question of the Senator from California, I think it is fair to add to that statement that the original estimate of 12,000 machines was made last year, and that the estimate of February was about 2,100 or 2,200.

Mr. NEW. That is fair, because it is true.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Florida?

Mr. NEW. I yield.

Mr. FLETCHER. I suggest this thought also to the Senator: There has been a great deal said on the floor by distinguished Senators, members of the Military Affairs Committee, about drawing to the assistance of the national defense distinguished captains of industry, men who are known throughout the commercial and business world as successful business men. The demand has been made that such men ought to have been brought into the War Department, mobilizing the industries of the country and to better plan and outline and provide for this great national exigency. I suggest that the aircraft development has been largely in the hands of business men and not of military men. If I am mistaken the Senator will correct me.

Mr. NEW. Mr. President, I have not, up to this time at least, criticized the gentlemen who have had in charge the production of aircraft, but I have pleaded for a cessation of the making of misleading statements to the people of the United States and I have pleaded that they may know the truth about their own affairs.

There is no Senator on this floor who has any more abiding faith in the capacity of the American for great things than I have. I believe they can accomplish wonders once they set about it, once they know just what they have to do.

Mr. President, it is not calculated to make men go down into their pockets and subscribe for liberty loans, as we all must, if we are told that our airplane program is five months ahead of schedule, if we are told that everything is swimming, that all is just as it should be and all that could be asked. If they realize the truth, Mr. President, it will be far better for our soldiers who are abroad and far better for the cause they represent, and it is for that, Mr. President, that I plead.

Mr. POINDEXTER. Of course, it would not do the American people any good for the program to be five months ahead of the schedule if it was six months behind the war. I do not want to seem to be too persistent in asking the Senator a question. I wish to ask him one more question, because I think it is very important to ascertain, if possible, from the different sources of information the exact truth about this particular matter.

The distinguished Senator from California [Mr. JOHNSON] very graphically described in a few words and drew a picture of the situation of our young men in the battle trenches of France, and of German airplanes flying over those trenches with impunity so low that they shot at them with revolvers.

Mr. McCUMBER. The airplanes dropping gas bombs.

Mr. POINDEXTER. Dropping gas bombs on the trenches and in the rear of the trenches, on our camps, and in villages where our soldiers were living. If I understand the matter correctly, and I think I do, there is only one type, one class, I may say—there may be several types, but one class—of airplane that is capable of attacking the German planes that have been referred to that are doing the damage, and that class is not what is described as combat planes, which carry loads of bombs for raiding purposes, but small battle planes, intended for one purpose and one purpose only, and that is to reach the enemy plane and to attack it and destroy it. It is called a battle plane.

I should like to ask the Senator, because he is unusually well informed and has the benefit of all the testimony that has been given before the Military Affairs Committee, how many, if any, of the 37 planes that will be ready in July, that magnificent accomplishment of 37 planes one year and three months after we have been engaged in the war, will be battle planes that will be capable of attacking these German planes and destroying them?

Mr. NEW. Mr. President, I am afraid the Senator will credit me with more information than I have, because I am unable to answer that question definitely. I only know that we are to have in France on July 1 the number of fighting planes of all classes that I mentioned in answer to the question of the Senator from California a few moments ago.

REGISTRATION FOR MILITARY SERVICE.

Mr. KIRBY. Mr. President, I wish to ask the chairman of the Committee on Indian Affairs to lay aside temporarily the appropriation bill and take up Senate joint resolution 124 and let us finish that business to-day. I regard it as one of the most important measures that is going to come before the Senate. It is a war measure exclusively; it has been on the calendar nearly a month and a half, and it ought to be passed.

Mr. ASHURST. I share fully the view of the Senator from Arkansas. For that reason I did not insist that the unfinished business should be discussed during the morning hour, realizing that the Senate is a very efficient body of men, and that it can give a great answer in the hour of peril as to how to do business. I ask that the unfinished business be laid aside for 20 minutes that the joint resolution may be taken up and passed. Twenty minutes, I am sure, will be ample time.

Mr. KIRBY. Twenty minutes should be ample time to pass it in view of all the discussion that has preceded it this morning, but I doubt if that will be enough. I think it is of sufficient importance to displace anything on the calendar. I should like to have the Senator give an hour, and if it should not require an hour, then the appropriation bill could be taken up as soon as the joint resolution has been passed.

Mr. McKELLAR. I should like to say to the Senator from Arizona that I think the joint resolution is most important. It will require only a very short delay in the consideration of the appropriation bill, and I hope he will allow it to be taken up.

Mr. ASHURST. It is so important that I sit here in shocking amazement when Senators talk, talk, talk, when they ought to be voting. I ask that the unfinished business be laid aside for one hour and at the end of that hour, if it is not disposed of, I shall demand the regular order.

The PRESIDING OFFICER (Mr. HOLLIS in the chair). The Senator from Arizona asks unanimous consent that the unfinished business be temporarily laid aside not to exceed one hour. Is there objection?

Mr. JONES of Washington. Mr. President, I am not going at this time to continue the discussion that we have had to-day. I think it is a discussion that will do a great deal of good in the country, and I believe it will do a great deal of good with those who are administering the affairs of the Government. I am going to discuss some phases of it on to-morrow at the first opportunity I may have. I would not object to laying aside the Indian appropriation bill if there is any assurance that the joint resolution will be passed, but we are simply wasting time by taking a short while in the discussion of one bill and then taking up the unfinished business. We will gain time if we will continue the unfinished business and finish it and then take up these other measures, unless we can pass the joint resolution in 15 or 20 minutes.

Mr. McKELLAR. We can pass it in five minutes, I will say to the Senator, if we just quit talking about it.

Mr. JONES of Washington. That is true. I am not going to discuss it, but I imagine that the amendment of the Senator from Indiana [Mr. NEW] will create considerable discussion. If there is any assurance that it will not lead to prolonged discussion, I will not object to laying aside the unfinished business.

Mr. McKELLAR. The joint resolution was discussed very thoroughly yesterday. I hope the Senator will not object to letting it come up. I think we can pass it in the course of an hour.

Mr. JONES of Washington. It was not discussed very long yesterday.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas that the unfinished business be laid aside for one hour in order that Senate joint resolution 124 may be considered?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 124) providing for the registration for military service of all male persons citizens of the United States or residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Indiana [Mr. NEW].

Mr. KIRBY. Mr. President, I desire briefly to oppose the amendment proposed by the Senator from Indiana. Here is a joint resolution which proposes to require the registration of all men who have become of age since the last day of registration that they may be drafted into the service in order that they may be mobilized into camps and trained to become soldiers at the end of the training period. It is regarded necessary that this shall be done. The War Department has long since asked that it be done; the Military Affairs Committee has recommended favorably the joint resolution, and now this amendment is proposed, which requires neither more nor less than that in addition to registering men who have come of age since the last draft, all men of 18 years of age shall be registered and trained as soldiers, but shall not be required to fight until after they become 21 years of age. That, it seems to me, will confuse the system we now have for organizing and mobilizing our Army. It will bring men into the training camps where we have no room to train them. It will bring them into training camps requiring an expenditure of money that we can not afford to spare from the training of the Regular Army. It will bring men into camp to be trained by officers who can not be taken away from the training of the regular soldiers. It will do all this. It will bring men in and mobilize them and expend money on them to the exclusion of soldiers when they can not be put into the battle line after the training is finished.

We are in war. We need more men. The imperative need of the allies yonder to-day is for more soldiers equipped and trained. England has asked for 250,000. We have not sent them yet. Now, what we want is soldiers who when trained can be put into the fighting front.

The joint resolution ought to be passed without any sort of universal-training theory attached to it. When the war is finished, in my opinion, there will be 10,000,000 men in the United States who will have been trained effectively, and 3,000,000 of them will have fought across the sea. That is the sort of Army you will have in the United States when the war is over if it is brought to a successful conclusion, and I believe it will be.

Now, why do you want to talk about universal training under those circumstances? There will be time then to talk about training men who can not be used now. Then, let us cut this amendment off, let us take it out now and pass the joint resolution.

I am not going to discuss the general situation here. There have been some very disquieting declarations made, but I want to say for the benefit of the public that there have been misstatements or rather inaccurate statements made here this morning. I am not able to state the condition accurately about some of the matters. But we have fighting planes on the American front in France. They are not American made; no. We have no battle planes which are American made on the American front in France, but we have contracted with France to supply the fighting planes over there, and we are furnishing the raw materials in order that it may be done. We have enough, as I understand, now to protect the fighting front yonder in France. That is the condition on that point, but it is true, as a matter of imperative need——

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Minnesota?

Mr. KIRBY. I yield.

Mr. KELLOGG. I should like to ask the Senator from Arkansas if he heard Gen. Wood's testimony on yesterday?

Mr. KIRBY. I heard Gen. Wood's testimony, and if you should ask me my private opinion about it I would give you such an answer as I would not like to make before the Senate here, and it would not be—well, I will not say, because Gen. Wood was urged to make some of the statements that he did.

Mr. KELLOGG. I desire to ask the Senator from Arkansas if Gen. Wood did not testify that the soldiers on the front were unprotected by airplanes?

Mr. KIRBY. I did not so understand him. He said the soldiers were well fed; that they were in good health and in fine spirits; that they were as capable a body of soldiers as there were in the world; and that man for man they were excelled by none. He also said there were no American big guns over there, but we knew that. We bought our big guns from France. We bought our fighting planes from France. They are there, and I did not understand Gen. Wood to deny it. I do not care to go into that, although I have my own view about what Gen. Wood said before the committee on yesterday, and if it becomes necessary later on I shall give expression to it.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Indiana [Mr. NEW].

Mr. STERLING. Mr. President, I offer the amendment which I send to the desk to the amendment offered by the Senator from Indiana.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment offered by the Senator from South Dakota.

The SECRETARY. At the end of the proposed amendment it is proposed to insert the following:

Provided further, That the period of training between the ages of 19 and 21 years shall be in the aggregate not less than six months.

Mr. STERLING. Mr. President, just a word in regard to this proposed amendment to the amendment of the Senator from Indiana. Reading the amendment of the Senator from Indiana, it simply provides:

That all registered male persons who have attained the age of 19 years shall be subject to military training in accordance with regulations to be prescribed by the President, but shall not be called for active service until they have attained the age of 21 years.

Mr. President, I see no necessity for that great Executive discretion in the matter of military training during the period of two years between the ages of 18 and 21. Under the provisions of the amendment of the Senator from Indiana a period of 24 hours might be prescribed as the period for military training or a period of one year might be prescribed as the period of military training. It is left absolutely in the discretion of the President as to the time of the military training for these two years.

Mr. McKELLAR. Will the Senator from South Dakota yield to me?

Mr. STERLING. I yield to the Senator from Tennessee.

Mr. McKELLAR. I imagine that the reason for that is because this joint resolution, if the two classes of men—those 19 and 20—were put into actual training all the time, would withdraw from the industrial and the agricultural world 2,000,000 of our young men, or the greater portion of 2,000,000 of our young men. It seems to me that there ought to be limitations, and I have expressed that view to the Senator from Indiana [Mr. NEW]; but, after all, his idea about the matter, it seems to me upon reflection, is correct, because it is going to be a very serious thing to withdraw 2,000,000, or thereabouts, of young men from the commercial and industrial and agricultural systems of the country. It ought to be left to regulation, so that those young men can be trained in those portions of the year which will take them away the smallest amount of time from industry, agriculture, and commerce, which are so necessary to be carried on in this country at this time.

Mr. STERLING. Mr. President, I will simply say, in answer to the Senator from Tennessee, that the period of military training in order to equip these men for efficient service ought not to be less than six months; and that is the period provided for in the original Chamberlain bill, the bill which is now known as Senate bill No. 1—a period of training for six months during the year in which the young man becomes 19 year of age—but here now are two years and no period of training provided for, but all is left in the discretion of the President.

It occurs to me that the industries of the country might be protected with six months' training within that period of two years, and that men might be taken for two months or three months of the time, as the case might be, and that, too, when there would be the least prejudice to the various industries from which they are taken.

The object is to prescribe a period of military training and to provide that there shall be during the two years at least six months of such training.

Mr. VARDAMAN and Mr. NEW addressed the Chair.

The PRESIDING OFFICER. Does the Senator from South Dakota yield; and if so, to whom?

Mr. STERLING. I yield to the Senator from Mississippi.

Mr. VARDAMAN. May I suggest to the Senator from South Dakota that if the services of these boys are to be used in this war, he need have no fear, without his amendment, of their being subjected to less than six months' training, because six months' training is absolutely necessary if they are to be prepared to perform the duties of a soldier when they reach their

majority and become subject to the present law. I do not think the amendment is at all necessary, even to carry out the honorable Senator's purposes.

If the Senator will indulge me further, I desire to say that I am going to vote against the amendment of the Senator from Indiana, even if it should be amended by the adoption of the amendment offered by the Senator from South Dakota, because I really think that under the present law we can raise more men than we shall have ships to carry across the waters within the next two years, and I am fully mindful of the disastrous consequences which will follow taking these men from the industrial walks of life. If this war shall be won by the allies, it will be won by the combined use of bread and bullets. It is impossible to have sufficient food and clothing for our people at home, our soldiers and allies across the seas, unless the lands are cultivated, and the lands can not be cultivated without man power to do it. Every one of these boys is needed in industrial pursuits very much more than they are needed to use the gun. I am afraid that in the excitement of the moment, caused by the desperate conflict going on in Europe at this time, that we are liable to do imprudent and unwise things. There is no difference of purpose between the proponents of this amendment and myself on the ends to be reached; the difference is only in the means to the end.

Mr. NEW. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Indiana?

Mr. STERLING. I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. NEW. Mr. President, the amendment which I have offered was drawn in the form in which it now appears before the Senate with the thought that the President, in calling these young men, would have in mind the requirements of the callings in which they may be engaged, so far as they are engaged in any calling; that where they are students they might be taken at a time of the year when their colleges and schools were not in session; that as farmer boys they might be taken at the time of the year when the planting and harvesting seasons were not on; and that, if they were in other callings, they might be taken at the time of the year when they might be best spared from those callings whatever they may be.

I agree with what the Senator from Mississippi [Mr. VARDAMAN] has just stated to the effect—because that was the effect of it—that a period of less than six months' training—an aggregate of that much—in the two years covered would not amount to any training at all. I am therefore perfectly willing to accept the amendment offered by the Senator from South Dakota.

Mr. VARDAMAN. I desire to ask the Senator from Indiana a question. The life of this joint resolution, and therefore of the amendment, as I understand, is limited to the term of the war, is it not?

Mr. NEW. It is; yes.

Mr. HENDERSON and Mr. KELLOGG addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized; but before the Senator proceeds the Chair desires to state that the Senator from Indiana [Mr. NEW] has accepted the amendment of the Senator from South Dakota [Mr. STERLING] to his amendment. Therefore the pending question is on the amendment of the Senator from Indiana as modified.

Mr. HENDERSON. Mr. President, during the early stages of the war press and periodical earnestly and seriously printed columns on "Will the West fight?" While the West has shown that it will fight, in view of what has been said here this morning, I wish to read a short but a very interesting statement, which has been issued by the adjutant general of Nevada, indicating in the highest degree just what the West has done, and particularly that the West is back of the President in his great work almost to a man, and when I say that I include the western women. The statement to which I refer reads as follows:

NEVADA HEADS STATES IN PERCENTAGE OF VOLUNTEERS FOR ARMY.

CARSON CITY, NEV., *March 14, 1918.*

Figures received by Adj. Gen. Maurice J. Sullivan from The Adjutant General of the Army, Washington, D. C., show that Nevada's patriotism, as reflected by volunteer enlistments for the Regular Army, is the highest of any State in the Union. Nevada has gone "over the top" 900 per cent in the quota of enlistments called for, her volunteers from April 1, 1917, to February 26, 1918, reaching a total of 1,447, as against a required quota of 162.

Western States make a much better showing than any other section of the country, with Nevada standing at the head of the list, giving to the Nation nine times the number of volunteers called for by the Government as her proportion for the Regular Army, and followed in sequence by Montana, at 758.78 per cent; Utah, at 516.09; Oregon, at 472.10; Wyoming, at 432.41; Idaho, at 360.92; Washington, at 352.80; and California, at 337.57.

Nevada's record in volunteers is in keeping with her performance in every other call upon her patriotism and resources in the present world crisis, as it was her proud distinction to be the first State to oversubscribe its quota on the first liberty loan, narrowly missing making the same record on the second loan; and in Red Cross and other contributions and activities pertaining to the war Nevada loyally and zealously bears her banner of the "Battle-born State" at the very head of the procession of patriotic Commonwealths.

The average percentage of the volunteer enlistments compared to the specified quota for each State, based upon the official figures received by Adj. Gen. Sullivan, is 207.16 per cent. Nevada, therefore, heading the list at 893.21 per cent, is 696.05 per cent above the average for all of the States.

Mr. President, I have read this statement for the purpose of showing the patriotic spirit which has been manifested throughout the western portion of the United States, and particularly as showing how enthusiastically, and almost unanimously, the President has the support of that section in the great work in which he is now engaged. I believe that the figures which I have presented show that the West is most heartily in accord with the sentiment which has been expressed by our President, and I heartily approve of the principle which is involved in and covered by this joint resolution.

I can say, I believe without contradiction, that there are no better soldiers in our ranks than those that come from the great West. I am here to legislate for their comfort and welfare, as well as the comfort and welfare of all our soldiers and fighting men. I am here to assist our President in the work that confronts him at this critical time. It seems to me to be wise legislation to increase our fighting force and provide for the needs and requirements of our Army with all the speed that is in us.

Mr. KELLOGG. Mr. President, I shall take but a moment of the time of the Senate, but I should like to express my views and reasons for voting for the amendment of the Senator from Indiana. To my mind, it is one of the most important pieces of legislation that has come before the Senate since I have been a Member of it. It proposes a military and economic principle far-reaching in its effects and of surpassing importance.

Will we not be warned by the experience of England, a democracy which, like ourselves, for years labored under the delusion that the ocean and the channel were her protection; that her navy was all that was necessary? A standing army was deemed to be a danger to the English nation rather than a protection. Had England had a million men trained as soldiers, the war would not have occurred. They would have been an insurance for the peace of Europe. England has paid dearly for her folly—the loss of a million men, the shaking of the foundations of the British Empire, and possibly the loss of her colonies. We are not interested, perhaps, in the extension of that dynasty, but we are interested in the principles of Anglo-Saxon government and civilization which she has spread over the world.

Mr. President, I am not going to revert to the failures and the follies of the last year; I shall look forward. I realize that before we entered the war, since Germany was confined at least upon the east within her natural boundaries and only occupied a part of France and Belgium, it was difficult to make the American people believe in world domination of Prussian militarism; but to-day it is different. With Germany occupying all or nearly all of Russia, the Balkan Peninsula, a part of Italy, and making the most tremendous efforts to break through the English and French lines and complete the destruction of France, German world domination is not so remote, perhaps, as we may imagine; and we may have to answer at the bar of history for our failure to prepare. Is there a better time to do it than now?

Sir, I fear we do not realize what Prussian slavery means. If we could but hear the sobs of Belgium, see the ravishing of Serbia, know the crimes against Poland, and bring them home to our people, I think we might realize what some day we may be confronted with. The Hun has not changed in 2,000 years. Civilization may have sharpened his lust for conquest and power, and knowledge and science increased his instruments of destruction, but he is a Hun at heart, and he is seeking the domination of the world by the most brutal and barbaric methods ever employed. We might just as well understand that now as at any other time.

If the war continues, as it may, for two or three years, the highest military authorities say we may need two and a half million or three million men in France. Gen. Wood says we may; and I consider him one of the highest military authorities. It is better to procure those men through universal military training than in any other way. Such training has many advantages; it is democratic. I call as a witness the same distinguished general when he says that the American drafted Army, man for man, is the finest army in the world, better by far than the old

Regular Army of this country, and that was a fine Army. It is economical because the youth can receive his training with his education. Moreover, it engenders patriotism and love of country, inspires a feeling of responsibility, and augments his interest in his country. It improves health and morals.

If you will but look at the thousands of spindle-legged, narrow-chested, weak-hearted young men who have been discharged or not taken because physically unfit, you will know that the Nation needs universal military training. That training will make vigorous, strong men; and when they go back to the employments of civil life, after undergoing military training, they will be better qualified for the struggle of life than would otherwise be the case.

But, say the pacifists, it inspires war. I deny it. Look at Switzerland. She has not been engaged in war since the Napoleonic wars, although she is in the midst of the troubled nations of Europe. She has always had universal military training. It could not inspire war under our form of government. Our form of government is a protection against Prussian militarism or any other. A soldier is a citizen with the same interest in his country, with the same interest in his home, with the same interest in peaceful occupations. I never knew a private soldier to desire war for the glory of it. We have but to look at the millions of men who constituted the armies of the North and the South at the close of the rebellion, who returned to their occupations and their homes better citizens, and loving peace more than before, but with a feeling of responsibility born of the knowledge that they had done something for their mother country.

We may say—and we deluded ourselves at one time with the thought—that the age of war has passed. Peace societies were formed, Hague conventions organized, and all the literature of peace was spread over the world; and yet in an instant, in an age of peace and civilization, a war has descended upon the world the horrors of which surpass babarism. All history gives the lie to the statement that war has ceased. From the time the first and greatest Republic known to history was struggling against the efforts of oriental power to the dawn of the twentieth century the troubled pathway of progress and civilization has been lined with the wrecks of war. It was war that brought democracy to France; it was war that insured the liberty and the institutions of the Anglo-Saxon; it was war that brought to this country the establishment of the principles of freedom, and in time it may be, and probably will be, necessary to fight for the preservation of this Nation. A government that is worth having is worth fighting for.

If we reserve this measure until after the war we shall never pass it. Now is the time to prepare for the future, when we are confronted with the greatest crisis the Nation has ever known or may ever know. I hope that the amendment will be agreed to and that the joint resolution will pass.

Mr. TOWNSEND. Mr. President, I have for many years been in favor of universal military training. It develops physical manhood for both peace and war. I have, however, serious doubts as to the advisability of attaching to this emergency measure the amendment of the junior Senator from Indiana. We have already provided for a larger Army than we have thus far been able to equip, and we have millions of men of legal age already on the registered list ready to be called. We do not need these boys below the age of 21 for this war. We are in the midst of a great emergency, which is not only military but industrial, and one quite as much as the other. To me it would seem a most unwise thing for the country at this time to take a million and a half or two million or three million of the boys who are needed for the industrial life of the Nation, who are quite as much needed in peaceful pursuits to preserve the Nation as is the Army or the Navy, and compel them to go into training camps. Not only that, but I am thinking somewhat of the expense that this plan is going to charge upon the country. If, however, I thought this amendment could be beneficial in winning the war, I would not hesitate to support it, but I do not believe that it can be utilized to promote the successful prosecution of the war. On the contrary, I can conceive how it may retard the victory. We have already called for the Army and Navy about 2,000,000 men between 21 and 30 years of age, and that has made a tremendous drain upon the industrial support of the Nation. The agricultural interests of this country are in jeopardy to-day, and they being in danger the result of the war itself is threatened. I believe it would be very unwise at a time when food shortage is threatened for lack of farm labor to increase that danger by taking unnecessarily more men from the pursuit of agriculture to train them for an emergency beyond the present war. Our business is to win this war. Whatever is necessary to that end should be—must be—employed, but no unnecessary burden should be carried.

I admit the force of all the arguments that have been made in favor of the principle of universal military training. In ordinary times I am in favor of it; I have stood for it; I wanted to adopt it four years ago; but we have now made our plans for this war; we are drafting our resources almost to the limit; and we are really placing in danger the production of the food that is necessary for ourselves and our allies. Now, you propose to force a system of universal training, which shall take not less than a million and a half, and probably more, of our boys who are needed to carry on the work of the country, to train them for not less than six months in two years, while their fathers and brothers are already in the military camps. Every man, woman, and child in the United States has a duty to perform. Those of military age who are physically fit should enter the Army or Navy in either their active or reserve departments. The balance, and it will require all of them, should help to win the war by performing the agricultural and industrial work of the Nation.

Mr. BORAH. Mr. President, if we take the boys off the farm for six months of the year, so far as the farm is concerned we had just as well take them for 12 months.

Mr. TOWNSEND. I think so. To take these men, who are now needed to balance up our program, out of all productive activity for six months seems to me the height of folly, and that notwithstanding, as I have already said, I am in favor of universal military training.

Mr. KELLOGG. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Minnesota?

Mr. TOWNSEND. I yield.

Mr. KELLOGG. Does not the provision of the amendment making them subject to military training under rules and regulations prescribed by the President safeguard that matter?

Mr. TOWNSEND. The original amendment did that; but the Senator from Indiana has accepted the amendment of the Senator from South Dakota [Mr. STERLING], which compels the President to take them for six months out of two years.

Mr. KELLOGG. I was not aware of that.

Mr. TOWNSEND. It is a compulsory proposition now. It might have been better if it had been left as the Senator introduced it, although, as has been suggested by the Senator from Nebraska [Mr. NORRIS], the President might impose 12 months' training, but I do not think he would. If it is left in the discretion of the Commander in Chief of the Army and Navy, with this crisis on our hands, I do not believe he would compel them for six months or three months during the pendency of this war to leave the works that are necessary for the country to engage in this particular training plan.

Mr. NORRIS. Mr. President, will the Senator yield to me?

Mr. TOWNSEND. Certainly.

Mr. NORRIS. I did not mean, by my suggestion, to convey the idea that the President would enforce 12 months' training without the amendment of the Senator from South Dakota, because I, like the Senator, do not believe he would. Probably he would not make it less than six months. But, in addition to the reasons which the Senator has given, is it not fair to say that when we do, if we do, provide for universal military training, Congress ought as a matter of fact to enact and put into the statutes the definite time that soldiers should be trained—in other words, not turn it all over to the President? We might have one President who would want to train them 6 months, and the next President might want to train them 30 days. In other words, when we do enact such a law, ought we not to make it comprehensive, so that it would be a definite statute?

Mr. WATSON. Mr. President——

Mr. TOWNSEND. Just let me answer the question of the Senator from Nebraska, and then I will yield to the Senator from Indiana.

Mr. WATSON. Certainly.

Mr. TOWNSEND. I answer the Senator from Nebraska by stating, as I began, that this is emergency legislation. It is proposed to put an amendment on the measure without proper consideration.

Mr. NORRIS. Exactly.

Mr. TOWNSEND. We are proposing to write into a war statute—that is, limited to the period of the war—this universal military training proposition, without having considered it in all of its details and relations to all of the matters involved in this war.

Mr. WATSON, Mr. STERLING, and Mr. SHERMAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield; and if so, to whom?

Mr. TOWNSEND. I yield to the Senator from Indiana.

Mr. WATSON. I simply desired to ask this question of the Senator from Nebraska: Does the Senator understand that this is the permanent policy of the Government, as announced in this amendment, or is not this only a temporary measure, for the duration of this war?

Mr. TOWNSEND. I shall be glad to allow the Senator from Nebraska to answer the question.

Mr. NORRIS. My understanding is that this amendment is the announcement of a permanent policy.

Mr. WATSON. I had not so understood it.

Mr. TOWNSEND. The act itself, of course, is temporary; but there could be no argumnet for this amendment except as a permanent measure——

Mr. NORRIS. That is right.

Mr. TOWNSEND. Because it can not be used during this war, if it ends, as many people think the war will end, in two or three years. It must be urged because of its effect upon the future, which I think would be a good effect and justifiable, if it did not cost too much now. If it did not interfere with the war now, I should say it was a good time to adopt it; the earlier the better.

Mr. NORRIS. Mr. President, will the Senator yield right there?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Nebraska?

Mr. TOWNSEND. I yield.

Mr. NORRIS. The amendment itself provides that it shall be a permanent policy, as I understand it. It says:

That in addition to the persons subject to registration and selective draft under the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, all male persons between the ages of 19 and 30, both inclusive, shall be subject to registration and draft in accordance with the provisions of said act: *Provided*, That all registered male persons who have attained the age of 19 years shall be subject to military training in accordance with regulations to be prescribed by the President, but shall not be called for active service until they have attained the age of 21 years.

Mr. TOWNSEND. I understood from the author of the amendment that he intended it to be limited to the period of the war.

Mr. WATSON, Mr. STERLING, and Mr. BORAH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and if so to whom? There are three Senators on their feet.

Mr. TOWNSEND. I yield to the Senator from Indiana.

Mr. WATSON. This amendment provides that in addition to the persons at present subject to registration and selective draft, these others shall be added. Now, the provision for registration and for selective draft is only for the duration of the war.

Mr. BORAH. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Idaho?

Mr. TOWNSEND. I yield to the Senator from Idaho.

Mr. BORAH. Then, do I understand that this is simply another form of draft for the war?

Mr. NEW and Mr. NORRIS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield; and if so, to whom?

Mr. TOWNSEND. I yield to the junior Senator from Indiana to answer that question.

Mr. NEW. Is that inquiry addressed to me? I did not get the inquiry of the Senator from Idaho.

Mr. BORAH I understood from the remarks of the Senator's colleague that this was only a temporary war emergency that was being provided for.

Mr. NEW. The whole act is temporary in its application.

Mr. BORAH. Then do I understand that the Senator is simply offering an amendment here that would be considered a war measure, to end with the war?

Mr. NEW. I think it is a war measure.

Mr. BORAH. And to end with the war?

Mr. NEW. No.

Mr. BORAH. That is precisely what I was seeking to ascertain.

Mr. NORRIS. That is what I was getting at, too.

Mr. TOWNSEND. I understood the Senator from Indiana [Mr. NEW] to answer the Senator from Mississippi [Mr. VARDAMAN] a few minutes ago and say that it was.

Mr. NEW. I think it would end with the war, because the whole act is limited to the duration of the war.

Mr. BORAH. But the Senator's intention is to inaugurate and initiate a permanent policy of universal military training?

Mr. NEW. That would be the Senator's desire.

Mr. BORAH. Is that the Senator's intention with this amendment?

Mr. NEW. To inaugurate it, in the hope that Congress will continue it.

Mr. WATSON. That is the point precisely.

Mr. STERLING. Mr. President——

Mr. TOWNSEND. I yield to the Senator from South Dakota.

Mr. STERLING. I thought the Senator had yielded the floor.

Mr. TOWNSEND. No.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Mississippi?

Mr. TOWNSEND. I do.

Mr. VARDAMAN. Mr. President, a moment ago I addressed an interrogatory to the Senator from Indiana [Mr. NEW] as to the life of this amendment. His answer was that it was limited to the period of the war. Now, I do not understand the Senator to say that his amendment extends beyond the war, do I?

Mr. NEW. No; I do not think the act at all, any part of it, extends beyond the war; but I say I am offering it now in the hope that Congress will continue it and make it ultimately a permanent policy.

Mr. VARDAMAN. I trust I may be permitted to indulge the hope that it will not, after this war is over.

Mr. TOWNSEND. Mr. President, I would like to see universal military training after the war is over. I would have liked to have seen it before we entered the war; but with the preparations that we have already made, with 10,000,000 men registered for Army and Navy service and subject to call, with the conditions which surround us now, I think it would be a great mistake to divide and weaken our resources by putting in force a proposition that can not with any reason be expected to be of any avail to us during the war, but which may result in great embarrassment to us. I want universal military training to be discussed and settled upon its merits and not confined to an hour's discussion upon an emergency piece of war legislation. The proposition involved in the pending amendment is right in principle and in time of peace, but when our country is in war, when every able-bodied man is subject to call to the colors, when farms and factories and shops and mines are being denuded of men, when all the camps we can build and equip for our soldiers and recruits are already overcrowded, when the Public Treasury is carrying a load of almost crushing weight it is a poor time to force our boys into military-training schools unless such a thing is necessary to win this war. At any rate, let us take time to consider the matter.

Mr. FLETCHER. Mr. President, I presume it is useless, but I most sincerely wish the Senator from Indiana [Mr. NEW] would withdraw this amendment and let us proceed with this joint resolution. It is a very important measure. Everything is depending now upon this legislation. We ought to go on with it and we ought to complete it. We have not an unforgiving minute to lose, and this proposition does not affect the conduct of this war. It does not reach the present conditions at all. Under the very provisions of the amendment the boys who are brought into training must continue this training for two years before they can register and be available as part of the Army. This war, in all probability, will end very much within that time. In fact, my own judgment is that the story will be told within the next six months; and this amendment does not bear one particle upon the conduct of the present war, inasmuch as it does not make available a single man, it does not train a single man that can be used in this war.

These boys from 19 to 21 are brought into compulsory training and they can not register until they are 21. It simply hampers the present arrangement. It puts an additional burden upon the country to train boys who can not be used for two years. Now, that thing can wait. It will be just as much in order and just as efficacious and just as wise, if we decide to do it at all, six months from now or a year from now as to-day. It will have just as much bearing on this war, except that if we do not adopt the amendment it will relieve us of the necessity of providing for this training which we shall be compelled to undertake if the amendment is adopted.

I wish the Senator from Indiana could see his way clear to let us pass this joint resolution, which provides for the registration of these men, and complete the call. They ought to be registered at once, as provided in this joint resolution. We now have something like 300,000 men, in round numbers, in the Navy, something like 400,000 men in the Regular Army, and

something like 700,000 men in the National Army, with 2,000,000 now waiting for call. You now propose to provide by this amendment that a million or a million and a half boys shall be taken out of the industries, out of the farms, and elsewhere, not less than six months every year and trained in order that two years from now they may be registered and become a part of the Army.

There is no use to bother with this now. It does deal with a permanent policy of the Government. It is a policy which can be settled and determined, as I said, a year from now just as well as now, and there is no occasion for insisting upon this amendment on this joint resolution, which is highly important that we should enact this day.

Mr. NEW. Mr. President, that is just exactly one of the troubles with us in this country—"the war will probably end so-and-so." We hope that the war may not last more than six months, never taking into the account the other probability that it may last more than two years; that it may last indefinitely; and that our ultimate resources may be called upon to enable us to prosecute it to a successful conclusion.

As to these boys——

Mr. KIRBY. Mr. President, I should like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Arkansas?

Mr. NEW. I yield.

Mr. KIRBY. Is it not a fact that under the amendment proposed here to-day we bring in practically a million new men every year? There are coming of age every year a million men who will be registered under this joint resolution that we propose to pass now.

Mr. NEW. There are about 500,000 men, physically fit, who would pass muster in the draft, becoming of age each year, according to the best information I can get. But, Mr. President, as to the argument made here that it is going to take these men for two years away from service, that assumes that every one of them is to-day only 19 years of age. Why, they are all the way from 19 up to 21 now. There are as many of them between 20 and 21 as there are between 19 and 20, and not all of them will have to wait two years; but every one of them is liable to service under this draft the minute he reaches the age of 21.

I contend that it is far better to begin on those men who are soon to be called and put them through a course of training that will make them available for use as soldiers when they have reached the age of 21 than it is to wait until they have reached that age, then put them into the Army, and require the time that is necessary to make a soldier of a man after he reaches that age.

Mr. SHERMAN obtained the floor.

Mr. WALSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Montana will state his parliamentary inquiry.

Mr. WALSH. Has the hour elapsed which was allotted for the discussion of this measure?

The PRESIDING OFFICER. Not until 25 minutes past 3. There is still 10 minutes remaining for the consideration of the joint resolution under the unanimous-consent agreement.

Mr. SHERMAN. That is an abundance of time for the present occupant of the floor.

Mr. President, why delude ourselves by mistaking hopes for conditions? The footfalls of destiny are 3,000 miles away. When the Secretary of War returns to his native soil I trust that by the light of bursting shells and the roar of German cannon he will have ceased in his heart to be a pacifist. I ask leave to insert in the RECORD, without reading, from his report under date of November 20, 1917, on page 36, the paragraph relating to universal military training.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

UNIVERSAL MILITARY TRAINING.

The subject of universal military training continues to be discussed in the country. The department has not sought and does not now seek legislation on the subject, chiefly for the reason that the formulation of a permanent military policy will inevitably be affected by the arrangements consequent upon the termination of the present war. Civilized men must hope that the future has in store a relief from the burden of armament and the destruction and waste of war. However vain that hope may appear in the midst of the most devastating and destructive war in the history of the race, it persists—perhaps because we are encouraged by the analogous substitution of courts for force in the settlement of private controversies; perhaps because all the perfections of nature teach us that they are the product of processes which have eliminated waste and substituted constructive for destructive principles. When a permanent military policy, therefore, comes to be adopted it will doubtless be conceived in a spirit which will be adequate to preserve against any possible attack those vital principles of liberty upon which democratic institutions are based, and yet be so restrained as in no event to foster the growth of mere militarist ambitions or to excite the apprehension of nations with whom it is our first desire to live in harmonious and just accord.

Mr. SHERMAN. I trust, if in the providence of God the Secretary of War shall survive to write another report for 1918, this paragraph will not be found in it; or, if any be found in it upon that subject, that it will be in accord with the opinion of the chairman of the Committee on Military Affairs [Mr. CHAMBERLAIN]. For some years I have seen him stand upon the floor of this Chamber, in season and out of season, when there was but little sympathy with his views, and when the piping times of peace were in the land, asking for universal military training. His appeal has fallen upon heedless ears.

To-day, whether we will it or not, Mr. President, we must face the conditions of the world. The German now is like he was 2,000 years ago. He is animated by the desire for world-wide conquest; and he is not other or different than in the days of Julius Cæsar, when he hung upon the flank of the Roman. The face of the general who is on the front against the lingering remnant of American troops found across the ocean is the face of the German who destroyed civilization and left a refuge for it only in the church and the monasteries of an ancient age. He is the one survivor of the Dark Ages, because the civilized portion of mankind at that time, because of their vices, had not strength enough to defend themselves.

The civilized world to-day is not in that condition, but it is in a condition of lamentable unpreparedness. Since Strasburg and Sedan, and since the ancestor of the present Kaiser began his preparations for the military conquest of the world, the rest of us have slumbered under the delusions of universal peace. It will not come in my lifetime. I am prepared to pay war taxes the rest of my days. It is with a feeling of sadness that I realize that in my generation we will not see our hopes accomplished. I only hope to leave to the new generation a world that may conquer at least this power that has undertaken to spread its dominion around the globe.

I am in complete accord with this amendment, only if there is a question about its permanence I trust it will become the permanent policy of this country. If we do not prepare to defend by force republican government in the New World, we may confidently expect that we will be unable to preserve the Government founded by our fathers. To us, the principal Republic in the world, comes the sober responsibility to defend by brute force its right to survive.

This is no war for novices. It is a war against a military power that for 40 years, as I have suggested, has prepared to dominate the world. The senior Senator from Idaho [Mr. BORAH] expressed the situation in language that ought to remain in the memory of every Senator. It is a contest between these two forms of government; and whether we wish it or not, we face the issue. There is no essential difference between Russian socialism and Prussian despotism. They both arrive at the same end. The poet Goethe, and in his time Heine, the German poet, described the Prussian of their generation as he is to-day. Both those poets, speaking for the better genius of the German people, said: "The Prussian is made by nature stupid and cruel, and by science he is made ferocious, wicked, and dangerous." The latter is the foe we face.

I believe Hindenburg foresaw the condition when he said: "The west line of our battle is not in France, but on the Atlantic coast of America." I hope the war will end in six months, or less time—who does not? But I refuse to be deluded by my hopes that it may be accomplished.

So far as I have a vote or can be heard on the floor of this Chamber I propose to put this country into a condition of defense. It is time we trained soldiers from the years of understanding until they reach the age when they can become full-fledged military men to meet the power across the sea. If we do not, this Republic never faced the crisis that it does now. The way we must prepare is by military force to meet the power that has humbled England, France, and their allies. Whatever we may think, however hopeful we may be, we can not close our ears nor our understanding to what has happened in the Old World.

The age of universal military training is at hand. Whether by our fiat to-day or by these amendments it can be accomplished avails but little. It is bound to come if we are to preserve ourselves against the power with which we are now at war.

Mr. NORRIS. Mr. President, I do not care to go on if the unfinished business is about to be laid before the Senate. I understand that the hour has expired now.

The PRESIDING OFFICER. It will expire in about a minute.

Mr. NORRIS. I should like to inquire of the chairman of the committee if he is going to ask to have the unfinished business laid aside still further?

Mr. ASHURST. Mr. President, of course, when I asked unanimous consent that the unfinished business be laid aside for one hour I had no doubt that a body of patriotic American Senators would dispose of this joint resolution within the hour. If it can be disposed of in the next 10 minutes, as I think it ought to be, I will ask unanimous consent that that be done.

Mr. BORAH. Mr. President——

Mr. NORRIS. I yield to the Senator from Idaho.

Mr. BORAH. I have no desire to delay the consideration of the joint resolution which is now pending, but I look upon this amendment as presenting a very serious proposition at this particular juncture. I am very much opposed to the amendment, and I shall want some time to present my views as to why I am opposed to it. It can not be disposed of in the next 10 minutes.

INDIAN APPROPRIATIONS.

The PRESIDING OFFICER. The unanimous-consent agreement having expired, the Chair lays before the Senate the unfinished business, the Indian appropriation bill.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. NORRIS. Mr. President, I was going to speak on the amendment that was pending when the joint resolution was up. I have no desire to speak on the Indian appropriation bill. If the Senator does not expect to lay aside the unfinished business, I will yield the floor.

Mr. WALSH. Mr. President, though a member of the Indian Affairs Committee, I was unfortunately absent at the time the bill under consideration was before it; but I desire to say a few words upon the item now before the Senate, notwithstanding the very complete presentation of the merits of the question by my colleague [Mr. MYERS] on yesterday.

I desire to preface what I have to say by some brief observations prompted by some inquiries addressed on yesterday to my colleague by the senior Senator from New Hampshire [Mr. GALLINGER]. He has always evinced a very keen and sympathetic interest in these questions that are of primary concern to the people of the West. The inquiries naturally suggested that in the opinion of the Senator from New Hampshire the appropriation, while nominally for the improvement of the lands of the Indians and for the irrigation of their allotments, really operated practically exclusively for the benefit of the white settlers.

I am sure that the Senator from New Hampshire, if fully advised of the facts, would not recognize in that fact, even if it were true, any valid objection to the appropriation under consideration; and I take a little time to advise him and other Senators who may entertain like views why that is the case.

Under the bill by which this reservation was opened the Indians residing upon it were entitled to select their allotments, which they did. The remaining lands then became open to homestead entry, provision being made in the bill for the irrigation of a considerable area of the land thus opened to homestead settlement. The Reclamation Service outlined an extensive, and I may say, an ambitious plan for the irrigation of these lands. The plan was outlined even before the Indian allotments were selected, so that the Indians in selecting their allotments had an opportunity to select lands which would eventually be irrigated by the project which was contemplated by the bill. The white settler had an equal opportunity to select lands under the ditch that could be irrigated by the system or he had an opportunity to select lands above. Before the lands were opened to homestead entry at all they were appraised. Obviously the lands under the ditch and capable of irrigation from the canal to be constructed were valued at a comparatively high figure relatively, while the lands above the ditch, those that could not be irrigated by it, those that must be cultivated by the dry-farming system, if they are to be cultivated at all, were estimated at a relatively low figure.

Likewise, Mr. President, the homestead entryman was permitted to take only a single unit under the ditch, a limited area, in some cases 40 acres, but not to exceed 80 acres. The homestead entryman was invited by the Government to go upon this area and select lands as he saw fit, either under the ditch or above the ditch. He was required to comply with all the requirements of the homestead law and to pay into the Treasury of the United States for the benefit of the Indians the appraised value of the land.

Accordingly settlers went there. Each settler had an opportunity to select lands under the ditch that were to be irrigated by the system or to select lands above the ditch. Vast numbers of them selected lands under the ditch upon the assurance given by the Government that in due and reasonable time the irrigation system would be completed and their lands would be thus opened to irrigation. The Government carried out that project, making, however, small appropriations, comparatively speaking, until last year, when an appropriation of $750,000 was made.

Now, let me call the attention of the Senator from New Hampshire and others who do me the honor to listen to this discussion to this, that up to the present time of the 134,500 acres under the ditch it is estimated that by July 1, 1918, with the aid of the large appropriation that was made last year, there will be opened to irrigation under the ditch 97,300 acres, leaving 37,200 acres under the ditch capable of irrigation by the system, when it is completed, now after nine years still without water.

The Senator will, I think, readily understand, and it can be very readily appreciated, that the man who made the selection of land under the ditch and has not yet been able to get water is in a most desperate situation. I undertake to say that if the Senator himself had gone out there and had exercised his homestead right and had taken 80 acres under that ditch, and had made all his preparations for farming, by irrigation rather than by the dry-farming system, not yet, after the lapse of nine years, being able to get water for his farm, he would appreciate the situation of many of those people.

So, Mr. President, I say it is a matter of no consequence how much of this land is being farmed by Indians. I will say with the greatest frankness here in the Senate that the expectations that were generously indulged at the time this project was started, and which had been harbored for many years before, that the Indians could be taught the use of water for irrigation and taught the arts of agriculture, and that they would use the water for that purpose have been most disappointingly met.

The fact about the matter is that there is only a very small proportion of the Indian allotments that are actually cultivated by the Indians themselves. Many of them, however, get the benefit of the irrigation by leasing their lands to white men who do cultivate the allotments. I undertake to say that there is not a full-blooded Indian upon the Flathead Reservation who actually makes use of the water for the purpose of irrigation. There are probably 1,000 acres cultivated by irrigation by breeds of various degrees of blood. However, there are still a large number of the Indians whose lands are included in this area of 37,200 acres that have not yet been supplied with water, and the appropriation is for the purpose of constructing laterals and extensions of the system in order that they may be supplied with water. They practically went there under an assurance from the Government carried in the legislation that in due course of time and with reasonable rapidity the water would be supplied to these lands, and they paid their money for the lands, and the money is in the Treasury of the United States upon practically that assurance and guaranty.

Mr. GALLINGER. Will the Senator permit me to ask him a question?

The PRESIDING OFFICER (Mr. KENDRICK in the chair). Does the Senator from Montana yield to the Senator from New Hampshire?

Mr. WALSH. Certainly.

Mr. GALLINGER. Can the Senator tell the Senate whether or not the entire appropriation of last year has been exhausted, or is there a large surplus still in the hands of these parties?

Mr. WALSH. I am not able to give that information.

Mr. GALLINGER. One other question. Can the Senator give the Senate any idea, judging from the number of acres that have been irrigated under the appropriation of $750,000, how much more money will be required to irrigate the lands that are now not irrigated?

Mr. WALSH. I can help the Senator with that. It was estimated that the appropriation of last year would extend the irrigated area by 17,300 acres. It would take two appropriations of that amount practically to cover the unirrigated area; that is, assuming that the same area would be covered by the additional appropriation.

Mr. GALLINGER. That is precisely the information that I wanted to get. An appropriation of $750,000 this year and of an equal amount next year would almost accomplish the purpose?

Mr. WALSH. That would appear to be the case from the statement here.

Mr. President, I am not unmindful of the force of the argument that is made here, and that doubtless was made before the committee, upon the ground of economy, but there never has been a time since this project was commenced, certainly no time since I have been in the Senate, when the argument of economy could not be urged with plausibility and with a great degree of force But, Mr. President, the consideration to which I have adverted, and others, moved the Senate to act a year ago, when really the considerations impelling us to exercise economy in the very last degree were effective. The Senate recognized, in view of the appropriations that had been made theretofore—$200,000 the year preceding, $325,000 the year preceding that, and so on—if that policy were continued the overhead charges would be terribly burdensome ultimately and the completion of the project would be indefinitely delayed, and practically the guarantee of the Government to the settlers would be violated.

So, Mr. President, considering all these things, I have no doubt the Secretary of the Interior in making his estimate of $750,000 for this project had in mind all the suggestions that have been made, to the effect that economy ought to be exercised. I have no doubt in the world that the House committee making the appropriation recognized the force of everything that could be said concerning the necessity of conserving all our resources for the purpose of carrying on this war. The House could not have been uninfluenced by the same considerations. So I do not believe that the argument here made ought to be persuasive now.

I do not desire to travel over the ground so ably covered by my colleague on yesterday, but I wish to advert to a consideration that is important in this connection. The most successful irrigation project in the State of Montana, and I undertake to say, without fear of contradiction from any source whatever, one of the most successful that the Government has undertaken, is the Huntley project in the Yellowstone Valley, in the State of Montana. The success of that project is very largely due, if it is not entirely due, to the fact that it is in the vicinity of Billings, Mont., at which is located a very large and successful beet-sugar factory.

Those lands are particularly adapted for beet culture, and only lands that are irrigated are available for that work. During the past year a very complete and extensive sugar-beet factory has been established at Missoula, a city to which this Flathead Reservation is immediately tributary. In addition to that a branch line of the Northern Pacific Railroad has been constructed up the Flathead Valley and through the Flathead Reservation, making practically all the lands under this great irrigation system available for beet culture, it being immediately tributary to Missoula. So we have added assurances in this fact of the ultimate success of this great enterprise.

Mr. President, it is true that you can cultivate grain upon the Flathead Reservation without irrigation. A crop will be insured in most of the seasons. But, Mr. President, you will bear in mind that the Flathead Reservation is 1,250 miles from the terminal market of Duluth and Minneapolis. It is nearly 700 miles from the market of Portland. I need say nothing further to assure everybody who knows anything about the cultivation of wheat that it can not be grown with success in that region by reason of the enormous distances to which it must be transported. It is most signally fortunate for this project that the beet-sugar factory has been established at Missoula.

My esteemed friend and neighbor, the Senator from Utah [Mr. KING], is much concerned about the labor problem. It is, of course, a most serious one, but I can assure the Senate that, whatever may be the condition in the State of Utah, there was no difficulty experienced, at least last year, in harvesting crops in the State of Montana. I was there immediately after the harvest. I attended the State fair, and I found no complaints from any source of a lack of labor to take care of the crops, and our people have gone to work this spring with a purpose to sow a very much greater area than has ever been sown before. Apparently the labor proposition discouraged no one from making every possible effort toward producing everything that can be produced.

Accordingly I hope that the amendment offered by my colleague to amend the report of the committee by fixing the appropriation at $500,000 may prevail.

Mr. CURTIS. Mr. President, the amendment offered by the senior Senator from Montana [Mr. MYERS] to increase this appropriation to $500,000, I think, under the circumstances should be defeated. The committee had three reasons for reducing the appropriation. The first was the question of economy; the second was the high cost of material; and the third was that there was not enough of the land used and cultivated by the Indians and settlers now under the ditch to justify a larger appropriation at this time.

It will be recalled that in the speech made by the senior Senator from Montana yesterday he stated there were 80,000 acres under the ditch, and that is the testimony that was given before the committee.

Mr. MYERS. How much did the Senator say? I did not catch it.

Mr. CURTIS. Eighty thousand acres. Of that 80,000 acres, according to the testimony, taking the last figures, those given by the Senator, there is a difference of only some 2,000 acres between the figures that I submitted yesterday and those submitted by the Senator; there are only 18,000 of the 80,000 acres cultivated.

It does seem to me that if the argument of the Senator from Montana [Mr. MYERS] is to be considered very seriously, there ought to be a showing made that more of that 80,000 acres of land is cultivated.

Mr. MYERS. If the Senator will permit me——

Mr. CURTIS. Certainly.

Mr. MYERS. Of course I can not give any assurance that the Indian part of the land will be cultivated any more this year than last year. The Senator from Kansas will remember that Mr. Bien, of the Reclamation Service, who was before the committee and gave the figures, stated that 50,000 or 60,000 of the 80,000 acres were owned by Indian allottees.

Mr. CURTIS. No.

Mr. MYERS. Yes; that is in the testimony. I can turn to it. Those were his words. I can produce them, I think; but I will make my statement, and then if the Senator wishes to dispute it——

Mr. CURTIS. No; I do not care to dispute the Senator's statement.

Mr. MYERS. The testimony shows that the water was put on the Indian land first. It was the primary object to get it on the Indian land. That policy has been pursued, and while the greater part of the Indian lands have been covered with water, not so great a proportion of the land of the white settlers has yet been reached; and he said of the 80,000 acres already covered 50,000 or 60,000 acres were Indian land. I can not give any assurance as to that, but I will say that of the lands of the white homesteaders, I am assured by many people who are interested, practically every acre that is subject to water will be put in cultivation and put to use this year. As to my authority, I will say one source is Hon. Addison K. Lusk, who lives on the reservation, and is a member of the Montana Legislature, and who appeared before the committee. He assured me he was able to say that practically every acre of the white homesteaders covered by water would be put in cultivation this year, and I have the same assurance from others. Why do they think so, the Senator may ask. For a number of reasons. Because they realize the necessity of producing as large a food crop as possible for our people in this crisis, and because they realize that they ought to make as great a showing as possible of their appreciation of this project in order to have it continued expeditiously. For those reasons and other reasons I can give the Senator the assurance that the lands of the white homesteaders will be quite completely cultivated this year.

Mr. CURTIS. Now, Mr. President, we will take the figures of the Senator from Montana, that 50,000 acres of this land under the ditch are Indian land. That leaves 30,000 acres of land under the ditch-settlers' land. Yet the report given by the Senator from Montana shows that only 15,000 acres, in round numbers, of the settlers' lands are being cultivated.

Mr. MYERS. I say Mr. Bien said 50,000 or 60,000. He did not say it was either. It may be 50,000; it may be 60,000.

Mr. CURTIS. The figures showed that three-eighths of this land was occupied by white settlers and five-eighths under the Indian allotment, which would make 50,000 acres. The Government has spent up to this time over $3,000,000 and you have a showing of 80,000 acres under the ditch and only 18,000 acres of it cultivated. With that showing, is Congress justified in making this great appropriation? I, for one, do not believe that it is. The Indians surely are not taking advantage of the irrigation project. Only 969 acres of their land are being cultivated by the Indians and only 1,700 acres are being cultivated by their tenants.

I asked the Senator yesterday if it was the intention or if he thought that the Government had a right to attach a lien on the Indian allotments. I had a reason for that. The department to-day is forcing the patents upon those Indians without their

consent. It is forcing those patents, going so far as to file them of record, without the consent of the Indians. The statement was made that after those patents were filed, if the Indians attempted to sell the land, there would be a lien upon the allotment. I do not believe under the law Congress can now create a lien upon that land; I do not believe that the department has any right to fix a lien upon that land, because those Indians were allotted under the act of 1887, and in that act there is a positive promise in the following language:

That upon the approval of the allotments provided for in this act by the Secretary of the Interior he shall cause patents to issue therefor in the name of the allottees, which patents shall be of the legal effect and declare that the United States does and will hold the land thus allotted for the period of 25 years, in trust for the sole use and benefit of the Indian to whom such allotment shall have been made, or, in case of his decease, of his heirs according to the laws of the State or Territory where such land is located, and that at the expiration of said period the United States will convey the same by patent to said Indian, or his heirs as aforesaid, in fee, discharged of said trust and free of all charge or incumbrance whatsoever.

Under that provision of the law the Congress of the United States and the Indian Office can not put a lien upon the land allotted to those Indians under the trust patent.

Mr. MYERS. May I interrupt the Senator for a moment?

Mr. CURTIS. Certainly.

Mr. MYERS. If I am wrong, then, in assuming that the cost of putting water on the land by an Indian allottee is a lien on that allottee's allotment—if there is now a law covering it and it can not be done, and there is no lien—then what is the objection to going ahead with the project?

Mr. CURTIS. Because the Senator stated yesterday that the money, from whatever source, that might be placed in the Treasury to the credit of any Indian allottee would be held out to pay off this obligation.

Mr. MYERS. That is only my opinion. I am not the head of the Indian Bureau.

Mr. CURTIS. What are you doing? You are forcing upon these Indian allottees who are not using the water that obligation which the Senator thinks is a lien and which I deny. But whether it is a lien or not, you are putting it upon those Indians and you are going to take the money out of the Treasury as it goes in to their credit to pay off the lien.

Mr. MYERS. I should like to be understood. Of course, I can not speak with authority about what the Indian Bureau will do or what the properly constituted agencies of the United States Government will do. I was only saying what I assumed they would do and what I supposed they would do. It is for them to act, and, as far as I know, I do not know what they are going to do.

Mr. CURTIS. Mr. President, this project was not selected for a reduction alone. Here is the chairman of the committee with irrigation projects in his State, and the appropriations for those projects were cut in two because we wanted to reduce the amount carried in this bill.

Mr. KING. Mr. President——

Mr. CURTIS. I yield to the Senator.

Mr. KING. This project and the conditions surrounding it are not very well known to me. I should like to ask the Senator, as I did not quite understand the point he was making a moment ago, whether the Government is building this reservoir and dam and furnishing water to the Indian lands without any charge to the Indians, either from the money of the Indians or from the lands?

Mr. CURTIS. When the Indians use the water they must pay the annual charge.

Mr. KING. Is there any provision by which the Government is to be reimbursed for the money which it expended in the construction of the reservoir?

Mr. CURTIS. Under the act of Congress of two years ago the settlers must pay their proportionate share and the Indian allottees must pay their proportionate share.

Mr. KING. Well, what is the complaint the Senator is making about the fee-simple titles being forced on them?

Mr. CURTIS. The complaint I am making is that they are forcing title upon these Indians without their consent, after having given them a trust patent under the act of 1887 and promising to give them a patent in fee at the end of 25 years, that would give them land free and clear of every encumbrance.

Mr. KING. Did the Indians understand, when this project was undertaken, that they would have to pay for the water, and do they now object to paying for the water?

Mr. CURTIS. Most of them do object to paying for the water. I have a petition here—and, by the way, I want to refer to the petition filed by the Senator from Montana [Mr. MYERS]; he had such a petition—I have a petition, signed by 65 Indian allottees under the project, stating that they did not want the water.

Mr. MYERS. I will say that I did not receive any such petition.

Mr. CURTIS. No; I am speaking about the petition which the Senator from Montana had in favor of the project. I have a petition, signed by 65 Indian allottees and signed by 5 settlers, owning, I think, some 8 or 10 tracts of land, according to the petition, and stating that they do not want the water. I do not know how these petitions were secured. I do not think the Senator from Montana knew how the one he presented was secured, but in the petition presented by him there is the name of one Indian who is in the penitentiary. I have a letter from him, stating that he never signed the petition and did not authorize anyone to sign it for him. I am told there is the name of an Indian woman on the petition who has been dead a number of years. I refer to this simply to call the attention of the Senate to the manner in which these petitions are gotten up.

Mr. JONES of Washington. Those petitions are like all others, are they not?

Mr. CURTIS. The Senator from Washington says they are like all other petitions.

The strongest point in favor of this measure is the fact that the Government did open up certain land to public settlement, and there were, as I recollect the testimony, between 500 and 600 settlers in that locality. They have 48,000 acres of land within the project. They were promised water, and I am satisfied the Government is going to give it to them. The point, however, is that this year, with the high cost of material, with so many thousand acres unused, was not the Committee on Indian Affairs justified in reducing this appropriation to $250,000?

The chairman of the committee has within his State a number of projects, and yet he willingly consented to have the appropriation for his projects cut in two. Here are the Senators from Washington, neither of whom I believe agrees to the reduction, and who have, in my judgment, the best project on any Indian reservation in the United States, who were not given the amount estimated for the project in their State. We have another project in the State of the distinguished Senator from Wyoming, who is now in the chair [Mr. KENDRICK], an item which was put into the bill by the other House, and yet that was stricken out. An amendment was presented by him, and refused. I refer to this simply to show that the committee tried to treat all sections alike in this bill, and that there was no animus at all.

I am sorry that the Senator from Montana yesterday saw fit to say that this matter was worked up by an attorney in this city and that the result of the reduction was brought about on account of the delegation that came here.

Mr. MYERS. Will the Senator from Kansas let me make a statement?

Mr. CURTIS. Certainly; I will.

Mr. MYERS. The Senator misunderstood me. I did not say that the action of the committee was the result of that. A reading of my statement in the RECORD will show that I did not say that.

Mr. CURTIS. I understood the Senator to say that, but I do not want to misquote him.

Mr. MYERS. I did not say that the action of the committee was the result of that. I was merely referring to the attitude of the Indians. I merely stated that up to the year before last no opposition had ever been heard from the Indians, and that there was no opposition from the Indians until a Washington attorney and a man of Indian blood from Oregon had appeared on the scene. I did not say that their action caused the result in the committee.

Mr. CURTIS. The truth is—and in justice to the committee I feel I should state it—that the committee agreed not to hear any member of the delegation representing these Indians on this question, expecting to hear only the senior Senator from Montana [Mr. MYERS], the junior Senator from Montana [Mr. WALSH] being absent on account of sickness, to hear the officers of the department, and then take action; but while the hearing was going on the senior Senator from Montana produced a witness who lives on the reservation. After that outsider was heard, members of this delegation asked to be heard, and members of the tribe who were members of the delegation were heard in opposition to this appropriation. Those Indians, however, to be fair to that delegation, said to the committee, and they have said in the petition to Congress, that they have no opposition to the irrigation project if their lands are relieved from the charge; that they do not intend to take advantage of this system; that they do not intend to use the water; and that, therefore, they do not want to be charged for it. That is all this delegation has asked. They say if you will relieve their lands from that charge and want to go ahead and put water on and furnish it to the settlers and let them pay for

it, they have no objection; and I believe from the showing made, from the fact that only a small quantity over 900 acres of land is being irrigated by the Indians, that they are justified in asking for this relief.

Mr. JONES of Washington. Mr. President——

Mr. CURTIS. I yield to the Senator from Washington.

Mr. JONES of Washington. I want to ask the Senator whether these lands will produce crops without irrigation?

Mr. CURTIS. I do not want to go into that matter, because I have no personal knowledge regarding it; but some of the witnesses testified that those lands produced better wheat without irrigation than with it.

Mr. JONES of Washington. It merely struck me that if these lands were under the irrigation system and they are desert lands such as we have in our section of the country, they would be practically worthless without water, and that, therefore, the Indians would absolutely need water on their lands.

Mr. CURTIS. Some Indians appeared before our committee with samples of the products of last year, which they said was a very dry one. They exhibited fine potatoes and vegetables of all kinds, good wheat and other grains, which were raised without any irrigation. Many of these Indians at the hearings two years ago contended that irrigation is not needed, as I recollect. The dry-farming expert of the State was here, and witnesses before the committee testified as to how crops could be raised under the dry-farming system in that section.

I do not care to occupy the time of the Senate any longer, but I merely desire to say that it does seem to me that, with an expenditure of over $3,000,000 and with nearly $3,000,000 more required for the completion of the project, Congress should stop and think before it makes this appropriation, when it is shown that less than 20,000 acres of the 80,000 acres under the ditch are actually being cultivated by white settlers and by the Indians and their tenants.

I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana [Mr. MYERS]. [Putting the question.] The noes seem to have it.

Mr. MYERS. I ask for a division, Mr. President.

The PRESIDING OFFICER. A division is asked for. Those in favor of the amendment will rise and stand until counted. [A pause.] Those opposed will rise. [A pause.] The amendment is lost.

Mr. MYERS. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BANKHEAD (when his name was called). I have a pair with the senior Senator from Connecticut [Mr. BRANDEGEE], who is absent from the Chamber, and so I withhold my vote.

Mr. CURTIS (when his name was called). I have a pair with the junior Senator from Georgia [Mr. HARDWICK], which I transfer to the Senator from Maine [Mr. HALE] and vote "nay."

Mr. FLETCHER (when his name was called). I have a general pair with the Senator from New Hampshire [Mr. GALLINGER], whom I do not see present. Therefore I withhold my vote, not knowing how he would vote on this question if present.

Mr. JOHNSON of South Dakota (when his name was called). I have a pair with the Senator from Maine [Mr. FERNALD]. I transfer that pair to the Senator from Nevada [Mr. PITTMAN] and vote "nay."

Mr. MYERS (when his name was called). Has the Senator from Connecticut [Mr. MCLEAN] voted?

The PRESIDING OFFICER. He has not.

Mr. MYERS. I have a pair with the Senator from Connecticut, which I transfer to the Senator from California [Mr. PHELAN] and vote "yea."

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. I do not see him in his seat, and therefore I withhold my vote.

Mr. MCKELLAR (when the name of Mr. SHIELDS was called). I desire to announce the unavoidable absence of my colleague [Mr. SHIELDS] on official business.

Mr. TILLMAN (when his name was called). I have a pair with the Senator from West Virginia [Mr. GOFF], who is absent. I transfer that pair to the Senator from Louisiana [Mr. BROUSSARD] and vote. I vote "nay."

Mr. UNDERWOOD (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. HARDING]. He is absent, and I therefore withhold my vote.

Mr. WALSH (when his name was called). I have a general pair with the senior Senator from New Jersey [Mr. FRELINGHUYSEN], which I transfer to the Senator from Louisiana [Mr. RANSDELL] and vote "yea."

The roll call was concluded.

Mr. GALLINGER. Mr. President, has the senior Senator from Florida [Mr. FLETCHER] voted?

The PRESIDING OFFICER. He has not.

Mr. GALLINGER. I have a pair with that Senator, and for that reason I withhold my vote.

Mr. SHERMAN. I wish to inquire if the Senator from Kansas [Mr. THOMPSON] has voted?

The PRESIDING OFFICER. He has not.

Mr. SHERMAN. I have a pair with the Senator from Kansas, and therefore withhold my vote.

Mr. KELLOGG. I wish to inquire if the senior Senator from North Carolina [Mr. SIMMONS] has voted?

The PRESIDING OFFICER. He has not.

Mr. KELLOGG. I announce my pair with that Senator, and withhold my vote.

Mr. SUTHERLAND. I desire to inquire whether the junior Senator from Kentucky [Mr. BECKHAM] has voted?

The PRESIDING OFFICER. He has not.

Mr. SUTHERLAND. That Senator not being present, and having a general pair with him, I withhold my vote.

While I am on my feet I desire to state that my colleague, the Senator from West Virginia [Mr. GOFF], is absent on account of illness.

Mr. COLT. Mr. President, has the senior Senator from Delaware [Mr. SAULSBURY] voted?

The PRESIDING OFFICER. He has not.

Mr. COLT. In the absence of that Senator I withhold my vote.

Mr. KELLOGG. I transfer my pair with the Senator from North Carolina [Mr. SIMMONS] to the Senator from Michigan [Mr. TOWNSEND] and vote "nay."

Mr. WOLCOTT. I inquire if the senior Senator from Indiana [Mr. WATSON] has voted?

The PRESIDING OFFICER. He has not.

Mr. WOLCOTT. Having a general pair with that Senator I withhold my vote.

I desire to announce the absence of my colleague [Mr. SAULSBURY] and to state that he has a general pair with the senior Senator from Rhode Island [Mr. COLT].

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. KNOX], which I transfer to the Senator from Tennessee [Mr. SHIELDS] and vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from Michigan [Mr. SMITH] with the Senator from Missouri [Mr. REED];

The Senator from Massachusetts [Mr. WEEKS] with the Senator from Kentucky [Mr. JAMES];

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from New York [Mr. CALDER] with the Senator from Rhode Island [Mr. GERRY]; and

The Senator from South Dakota [Mr. STERLING] with the Senator from South Carolina [Mr. SMITH].

Mr. KIRBY. I desire to announce that my colleague the senior Senator from Arkansas [Mr. ROBINSON], the senior Senator from Kentucky [Mr. JAMES], and the Senator from Kansas [Mr. THOMPSON] are detained on official business.

Mr. SHERMAN. I transfer the pair heretofore announced to the junior Senator from Washington [Mr. POINDEXTER] and vote "nay."

The yeas and nays resulted—yeas 16, nays 25, as follows:

YEAS—16.

Chamberlain	Kendrick	Myers	Smith, Ariz.
Henderson	King	Pomerene	Smith, Ga.
Hollis	McCumber	Shafroth	Swanson
Jones, Wash.	McKellar	Sheppard	Walsh

NAYS—25.

Ashurst	Johnson, S. Dak.	Nelson	Thomas
Baird	Jones, N. Mex.	New	Tillman
Curtis	Kellogg	Norris	Trammell
Fall	Kenyon	Nugent	Wadsworth
France	Kirby	Page	
Gore	Lodge	Sherman	
Johnson, Cal.	McNary	Smoot	

NOT VOTING—54.

Bankhead	Fernald	Hitchcock	Phelan
Beckham	Fletcher	James	Pittman
Borah	Frelinghuysen	Knox	Poindexter
Brandegee	Gallinger	La Follette	Ransdell
Broussard	Gerry	Lewis	Reed
Calder	Goff	McLean	Robinson
Colt	Gronna	Martin	Saulsbury
Culberson	Hale	Overman	Shields
Cummins	Harding	Owen	Simmons
Dillingham	Hardwick	Penrose	Smith, Md.

Smith, Mich.	Sutherland	Vardaman	Williams
Smith, S. C.	Thompson	Warren	Wolcott
Sterling	Townsend	Watson	
Stone	Underwood	Weeks	

The PRESIDING OFFICER. On the amendment offered by the Senator from Montana [Mr. MYERS] the yeas are 16, the nays are 25. There are present and not voting the Senator from Alabama [Mr. BANKHEAD], the Senator from Florida [Mr. FLETCHER], the Senator from North Carolina [Mr. OVERMAN], the Senator from Alabama [Mr. UNDERWOOD], the Senator from New Hampshire [Mr. GALLINGER], the Senator from West Virginia [Mr. SUTHERLAND], the Senator from Rhode Island [Mr. COLT], and the Senator from Delaware [Mr. WOLCOTT]. On the vote announced the amendment of the Senator from Montana is lost.

Mr. MYERS. Mr. President, I move as a further amendment that "$250,000" be stricken out of the committee amendment and "$400,000" inserted. I submit that to the Senate.

The PRESIDING OFFICER (Mr. HOLLIS in the chair). The Secretary will state the amendment to the amendment.

The SECRETARY. On page 35, line 17, it is proposed to amend the committee amendment by striking out "$250,000" and inserting in lieu thereof "$400,000."

Mr. ASHURST. Mr. President, I certainly do not wish to take the time of the Senate, but I ought to say a word. Both Senators from Montana must know that, speaking from a personal standpoint, I should be glad to vote for this amendment. I do not share the opinion that some of my colleagues on the committee entertain as to the project. I think it is a very worthy project. The reasons that moved the committee and the only reasons that caused the committee to make these reductions were considerations of economy. I have never been an economist, Mr. President, unless it may be said that I am a "political" economist. I myself have never talked economy; I waste enough words, anyhow; and I think that in talking economy in matters of this kind we sometimes waste words, especially when our constituents send us here and tell us to get appropriations just as fast and as furiously as we may.

But, Mr. President, there is a point where serious men must pause in respect to public expenditures; there is a point where men of judgment ought to stop and reflect before they proceed to appropriate large sums of money out of the Treasury. Meritorious as all these projects are—the one in Montana, the one in Washington, the ones in Arizona, and that in Wyoming—the committee is of the opinion that, in view of the enormous national expenditures, the great demands made upon the Treasury, and in view of testimony, at this particular juncture it is wise and expedient not to appropriate the entire sum which the House of Representatives had seen fit to appropriate for projects in the States of Montana, Wyoming, and Washington. Therefore the appropriation for the Montana item was reduced by the committee from $750,000 to $250,000, and a very substantial decrease was made in the appropriation for the project in Washington. There could be no better project than the one in Washington, but we were of opinion that at this particular time the public interest would be served best by simply keeping the projects from falling into a state of disrepair rather than initiating new work, laudable as new work may be and beneficent as it will be in the future.

Mr. President, I have stated the reasons which induced the committee to make these changes. It is a very infrequent thing that the Senate Committee on Indian Affairs reduces an appropriation, as all Senators will bear witness; but if when we attempt to reduce appropriations we are to meet with discouragement and the committee is not to be sustained, our committee will fall back into our old-time inveterate habit of increasing instead of decreasing the appropriations.

Mr. GRONNA. Mr. President, I wish to call the attention of the Senator from Arizona, the chairman of the committee, to another consideration, which I think was a factor in eliminating these large appropriations from the bill. I refer to the question of labor. It was argued that all the labor we have will be needed for the production of crops, and that no irrigation projects should be undertaken at this time. A still further objection was made that the materials which must necessarily be used in the construction of irrigation projects at this time are exceptionally high, and it certainly would not be wise to expend vast sums of money for the extension of irrigation projects at a time when the materials used in their construction are perhaps from 100 to 150 per cent higher than they ever were before. I think, however, the most serious objection to these undertakings was the question of labor. I simply wanted to remind the chairman of the committee that that was also one of the factors which influenced the action of the committee.

Mr. BANKHEAD. Mr. President, I should like to ask the Senator from Arizona a question. I understand that this is an irrigation project and that there are now under irrigation about 80,000 acres of land. Is that true?

Mr. ASHURST. I will read from page 196 of the House hearings on the bill:

> The area of irrigable land under project, 152,000 acres.

That is what the department says as to the number of acres that may be irrigated.

> Area of irrigable land under constructed works, 63,000 acres.

Mr. BANKHEAD. I understood it was 80,000 acres.

Mr. ASHURST. I am reading from page 196 of the House hearings on which is set forth the statement of the department.

Mr. BANKHEAD. How many of those 63,000 acres are actually under cultivation?

Mr. ASHURST. Of the 63,000 acres, I believe that substantially eighteen or nineteen thousand acres are under irrigation.

Mr. BANKHEAD. I understand that the appropriation estimated for by the department is entirely sufficient to take care of that project and prevent deterioration.

Mr. ASHURST. The testimony of Mr. Morris Bien, who represented the Reclamation Service before the committee and whose testimony was taken by your committee, was that it would require at least $250,000 to continue the project—that is, to maintain it as a going project, prevent it from falling into disrepair, and prevent the work from deteriorating and the material from being scattered.

Mr. BANKHEAD. That is the information I desired, and really I can see no use of increasing this appropriation.

Mr. MYERS. Mr. President, the distinguished Senator from Arizona admits that he is a political economist, but that is no distinction; there are many "political economists." I know numbers of them; that is, people who are economists for political reasons. It seems to me it is the most common branch of learning that I encounter anywhere. So the Senator is not entitled to any singular distinction on that account. We see evidences here every day that he has a great deal of company.

I did not feel that I would be doing my duty in this matter unless I gave the Senate a chance to vote on some amount less than the amount named in the first amendment which I offered, which was $500,000. I thought it my duty to submit to the Senate and give it a chance to vote on an amendment proposing an appropriation of $400,000, which is $100,000 less than the amount named in my last amendment. I thought that concession might be sufficient to satisfy the "political economists." Therefore I submit this amendment to the wisdom of the Senate, and of course would be pleased to see it adopted.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Montana to the amendment reported by the committee.

Mr. POINDEXTER. Mr. President, in regard to the assertion of the Senator from Arizona that the Yakima irrigation project is the best in the United States, it is not necessary for the Senator from Arizona to offer any proof on that subject. I admit it. It is true. But it seems to me that the committee have also conceded that this project in Montana, while it is not up to the standard of the one in the great Yakima Valley, on the Yakima Indian Reservation, is a good one. By their appropriation of $250,000 for the project they approve it. That removes all discussion from the Senate as to whether or not this project is going to be adopted. They have adopted it. They are putting a large sum of money into it. The executive branch of the Government, charged with the responsibility of spending this money, recommend to Congress that the amount which they need for the economical conduct of this work is $750,000.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Dakota?

Mr. POINDEXTER. I yield to the Senator.

Mr. GRONNA. I think the Senator is mistaken in his conclusions. I will say that this is not a new project. The project under consideration is not a new one. The Government has already expended about three million three or four hundred dollars on the project. This appropriation is simply an additional appropriation.

Mr. POINDEXTER. That is what I stated.

Mr. GRONNA. I misunderstood the Senator, then.

Mr. POINDEXTER. I stated that it was not a new project, and that it had already been approved and adopted, and that this bill carried a large sum of money for the continuation of the work on it. My understanding was that the Reclamation Service estimated that for the proper prosecution of this work, upon

which several millions have already been expended, they should have during the next fiscal year $750,000.

Mr. GRONNA. That would be, of course, for an extension of the project.

Mr. POINDEXTER. Yes; but it is regarded as the continuation, I understand, of this same project.

I am not in sympathy with the policy that has been advocated by some that because we are engaged in war all work of internal development and improvement ought to cease. I think that the demands of the war require the maintenance of all of our policies of internal improvement, internal development, and the prosecution of public works. The French Government is more intimately involved in the war than the United States is, or at least more directly. Ultimately, I think, we have as much interest in the war and are confronted with as vital results as France is; but France is more directly in touch with it now than we are, and has been fighting for her very life at the threshold of the Nation. It is not very long since there was a great celebration in France, right in the midst of the war, of the completion of the great Marseille Canal. They did not stop the construction of that great public work because they were involved in this war. They regarded it as essential to the prosperity and to the strength of the Nation, in war as well as in peace, to continue the improvement of the country and the development of its resources and its facilities.

Assuming that this is a meritorious project—as we must assume, because the committee has recommended the appropriation of $250,000 for it—it seems to me it follows that the efficient development of it, the appropriation of a sufficient amount of money to carry on the work in a businesslike way, is in the interest of economy and in the interest of the development of our resources and the maintenance of the national strength. Generally speaking, I do not know of any class of public improvement that yields a larger return than approved irrigation projects. I know that there has been some effort to discredit them recently, but my opinion has never changed in regard to their merits. We see on every hand, and particularly we have a living object lesson in the State of Washington, that these projects, if carried on to their full development, not stopped half way, so that the full results can flow from the undertaking, yield as great returns and in some cases much greater returns than it had ever been estimated would be the result.

I thought I would say this word, although this project is not in my State. It seems to me that certain fundamental considerations rather support the position taken by the Senator from Montana.

Mr. ASHURST. Mr. President, he would be a very bold man who would be higher in his idea of the value of irrigation projects than I. Surely I have a right to speak with some authority on these Indian projects. I have with pride been watching their progress for four years as chairman of the committee and for six years as a member of the Indian Affairs Committee, and I ought to know something about them. I share the views expressed in the splendid speeches that the Senators from Montana have made with reference to the project in their State, and I agree also with the Senators from Washington as to the project on the Yakima Reservation. I repeat that my vote against this appropriation must not be construed as in any sense a feeling of hostility toward the irrigation interests of this country. Indeed, Mr. President, my distinguished colleague and I represent the premier irrigation State, of the agricultural interests of which we are so justly proud. Under the great Salt River project lands that before the project was built were worth but $5 to $10 an acre have sprung to a value of $300 an acre, and are producing millions of dollars' worth of long-staple cotton. The rich lands of the Yuma project are becoming one of the great marvels in crop production. Irrigation is both ideal and practical. It appeals to the poetic fancy and to hard common sense. I am the earnest friend and ready champion of any and all projects where there may be the smallest opportunity for success. But because I am an earnest friend of the irrigation projects of our country it does not necessarily follow that I should vote for large expenditures and huge appropriations out of the Treasury at a time when you have to pay out $3 to get $1 worth of value.

Mr. MYERS. Mr. President——

Mr. ASHURST. Let me finish the sentence. Assume this situation: Assume that a large potato crop was raised in a certain county and that 2,000 carloads could not be gathered, but rotted in their beds because they were not dug out of the ground. Assume a situation with reference to fruit, where $14 per day was offered to agricultural laborers to gather fruit, but the fruit rotted on the trees. Can you fail to gather your harvest and then ask me to vote for large appropriations to stimulate and increase the production in that locality?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana [Mr. MYERS] to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on the committee amendment.

The amendment was agreed to.

Mr. SMITH of Arizona. Mr. President, I should like to ask the chairman of the committee whether the consideration of the committee amendments has been completed?

Mr. ASHURST. No, Mr. President; we have not completed the consideration of the committee amendments, and, indeed, there was a unanimous-consent agreement that we should complete the committee amendments first. If, however, individual Senators at this time wish to offer amendments in their own right, I have no objection, only I hope they will not lead to debate.

Mr. SMITH of Arizona. I prefer to take the orderly course, then, and I will let the committee proceed to dispose of its amendments.

The PRESIDING OFFICER. The Secretary will state the next amendment of the committee.

The next amendment passed over was, on page 35, after line 18, to strike out:

For continuing construction of the irrigation systems on the Fort Peck Indian Reservation, in Montana, $100,000 (reimbursable), which shall be immediately available and remain available until expended.

And insert:

For maintaining the irrigation systems on the Fort Peck Indian Reservation, in Montana, $25,000 (reimbursable), which shall be immediately available and remain available until expended.

The amendment was agreed to.

The next amendment passed over was, at the top of page 36, to strike out:

For continuing construction of the irrigation systems on the Blackfeet Indian Reservation, in Montana, $75,000 (reimbursable), which shall be immediately available and remain available until expended: *Provided*, That not to exceed $25,000 of applicable appropriations made for the Flathead, Blackfeet, and Fort Peck irrigation projects shall be available for the maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles for official use upon the aforesaid irrigation projects: *Provided further*, That not to exceed $3,500 may be used for the purchase of horse-drawn passenger-carrying vehicles, and that not to exceed $4,000 may be used for the purchase of motor-propelled passenger-carrying vehicles.

And insert:

For continuing construction, maintenance, and operation of the irrigation systems on the Blackfeet Indian Reservation, in Montana, $50,000 (reimbursable), which shall be immediately available, and remain available until expended: *Provided*, That not to exceed $15,000 of applicable appropriations made for the Flathead, Blackfeet, and Fort Peck irrigation projects shall be available for the maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles for official use upon the aforesaid irrigation projects: *Provided further*, That not to exceed $3,500 may be used for the purchase of horse-drawn passenger-carrying vehicles, and that not to exceed $4,000 may be used for the purchase of motor-propelled passenger-carrying vehicles.

The amendment was agreed to.

The next amendment passed over was, under the head of "North Carolina," on page 43, line 6, to change the number of the section from 14 to 15, and in line 8, after the word "superintendent," to strike out "$33,600; for general repairs and improvements, $6,000; in all, $39,600" and insert "$41,600; for general repairs and improvements, $6,000; in all, $47,600," so as to make the clause read:

SEC. 15. For support and education of 200 Indian pupils at the Indian school at Cherokee, N. C., including pay of superintendent, $41,600; for general repairs and improvements, $6,000; in all, $47,600.

The amendment was agreed to.

The next amendment passed over was, on page 43, after line 11, to strike out:

For the construction of a bridge across the Oconalufty River, at or near the Indian school at Cherokee, N. C., $8,000, to be expended under the direction of the Secretary of the Interior: *Provided*, That no part of the money herein appropriated shall be expended until the Secretary of the Interior shall have obtained from the proper authorities of the State of North Carolina, or the county of Swain, satisfactory guaranties of the payment by the said State of North Carolina, or by the county of Swain, of at least one-half of the cost of the construction of said bridge, and that the proper authorities of the said State of North Carolina, or the said county of Swain, shall assume full responsibility for, and will at all times maintain and repair, said bridge and the approaches thereto: *And provided further*, That any and all expenses above the amount herein named in connection with the construction of said bridge shall be borne either by the said State of North Carolina or the said county of Swain.

Mr. OVERMAN. Mr. President, I hope the Senate will not agree to this amendment.

I want to say that two years ago the Senate adopted this provision. The House refused to agree to it because they did not have the information before them. This time the House investigated it and put it on the bill.

We have a little band of Cherokee Indians in North Carolina, a Government reservation there of about thirty or forty thousand acres, and the county surrounding it has appropriated the sum of $200,000 and has expended the money on the roads coming up to the Indian reservation. They have a river there which has yet to be bridged, and this is to appropriate the small sum of $8,000 to build that bridge. It is on the Government reservation, right at the Government school, and the children can not get across the river unless the bridge is built. The county has built these fine roads right up to the Indian reservation, and there is the river, and they can not cross over it, and the county can not build it. Unless the Government builds it, they will have no bridge there. The Government has done nothing for these Cherokee Indians in the past except to give them a school.

Mr. CURTIS. Mr. President, did I understand the Senator to say that the bridge was within the reservation?

Mr. OVERMAN. Yes, sir.

Mr. ASHURST. Mr. President, the committee, then, was under a misapprehension. The committee took the view that the bridge was not on the reservation.

Mr. OVERMAN. Yes, sir; I am informed that it is.

Mr. ASHURST. If this bridge is on the reservation, I wish to go on record unqualifiedly as voting for it.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was rejected.

The PRESIDING OFFICER. The Secretary will state the next amendment passed over.

The SECRETARY. The next amendment passed over will be found on page 63, where it is proposed to insert the following after line 10:

That section 6 of the act of Congress approved April 26, 1906 (34 Stat. L., pp. 137, 139), is hereby amended by substituting the following for the proviso in the concluding paragraph thereof: "*Provided*, That the Secretary of the Interior is hereby authorized to perform, in person or by his duly authorized representative, all duties devolving under existing law upon any officer of the Five Civilized Tribes, including the execution of tribal deeds and other instruments, in all cases where the position held by such officer is or shall become vacant."

Mr. OWEN. Mr. President, I make a point of order against the amendment from line 11 to line 21.

Mr. ASHURST. Mr. President, personally I have no doubt that the item is obnoxious to the point of order, but I think one of the Senators from New Mexico is interested in the discussion of that item.

Mr. OWEN. I simply make the point of order against it, Mr. President.

The PRESIDING OFFICER. The Chair will inquire of the Senator from Oklahoma what the point of order is?

Mr. OWEN. That it changes existing law; that it is legislation on an appropriation bill.

The PRESIDING OFFICER. General legislation on an appropriation bill?

Mr. OWEN. Yes.

The PRESIDING OFFICER. The point of order is sustained. The Secretary will state the next amendment passed over.

The SECRETARY. The next amendment passed over is, on page 75, at the foot of the page, where the committee amendment proposes to strike out "$500,000" and to insert "$250,000," so as to read:

For continuing construction and enlargement of the Wapato irrigation and drainage system, to make possible the utilization of the water supply provided by the act of August 1, 1914 (38 Stat. L., p. 604), for 40 acres of each Indian allotment under the Wapato irrigation project on the Yakima Indian Reservation, Wash., and such other water supply as may be available or obtainable for the irrigation of a total of 120,000 acres of allotted Indian lands on said reservation, $250,000, to be immediately available and to remain available until expended: *Provided*, That the entire cost of said irrigation and drainage system shall be reimbursed to the United States under the conditions and terms of the act of May 18, 1916: *Provided further*, That out of the sum herein appropriated the Secretary of the Interior is hereby authorized to pay to Violetta Stone and W. D. Stone, husband and wife, the sum of $629.48 for lands purchased of them for use in connection with the construction of the diversion dam across the Yakima River, as provided for in the act of May 18, 1916 (39 Stat. L., p. 154), and the sum herein appropriated shall be available for the purchase of such other lands as may be required in connection with the construction of the aforesaid irrigation project.

Mr. JONES of Washington. Mr. President, in view of the statements of the Senator from Kansas [Mr. CURTIS] and also of the chairman of the committee with reference to the Yakima project, that it is one of the best if not the best in the United States, it is not necessary to go into details as to the merits of this proposition; but I hope that the Senate will not adopt the amendment proposed by the committee, and I will state just briefly why I think that amendment ought to be rejected.

I believe in economy; but there is sometimes no economy in not making the appropriations necessary to keep the Government work going on as it ought to go. As a matter of fact, I think the most waste that we have committed in connection with Government work results from our failing to provide the money to do the work in a businesslike way; and so here, I think, to cut this appropriation down to $250,000 is not economy but is an actual waste, and will result in waste to the Government in the end. Of course, it makes the appropriation for this year $250,000 less than the amount proposed by the House, but ultimately this project will cost more by reason of cutting it down to $250,000 than it would cost if we appropriated the $500,000; and in my judgment we ought to appropriate more than $500,000.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Kansas?

Mr. JONES of Washington. I yield to the Senator.

Mr. CURTIS. I notice that the item reads:

For the irrigation of a total of 120,000 acres of allotted Indian lands on said reservation, $500,000.

If that amount is reduced to $250,000, could not the department have prepared for irrigation 60,000 acres of that land?

Mr. JONES of Washington. No. The Senator, I think, has a wrong idea as to the project.

Mr. CURTIS. I simply wanted to know what the fact was in that regard.

Mr. JONES of Washington. Probably I had better explain the situation just a little bit.

On the Yakima Indian Reservation there is a project known as the Wapato irrigation project. That is not a reclamation project under the Reclamation Service, but it is an Indian irrigation project and the work is being done by the Indian Service. This Wapato project contemplates the ultimate reclamation of 174,000 acres of land. There is one unit of that project, however, that will cover 120,000 acres when that unit is completed. All this land was allotted Indian land. The Indians have sold some of their lands, so that about 20,000 acres of this land that is under the proposed reclamation project is owned by private parties. There are no homesteads involved in this case as in the Montana case. The total cost of reclaiming this 120,000 acres is estimated at about $3,000,000, so that this $500,000 does not complete the project for the reclamation of 120,000 acres of land, but that is just what they provide for this year. As I say to the Senator, it will cost ultimately about $3,000,000. We have appropriated, I think, about $400,000 to carry on this project. In the last bill we appropriated $200,000 and in the preceding bill we appropriated $200,000 to begin to carry on the work.

Mr. CURTIS. Mr. President——

Mr. JONES of Washington. I yield to the Senator.

Mr. CURTIS. May I ask the Senator if there is a limitation on the cost of the project?

Mr. JONES of Washington. There is no limitation except the estimate submitted by the Indian Office when the project was, we might say, adopted.

I might refer to this phase of the situation, and I hope the Senator will notice it:

For a great many years—in fact, ever since the treaty was made, I think, in 1857, or at any rate since the value of water for irrigation has been realized—there has been a controversy between the Indians and the Government of the United States as to the division of the water in the Yakima River. The Yakima River is the source of irrigation for this reservation; but prior to this controversy coming up, and upon the inducement of the Government, white settlers had gone into that valley generally and had taken up lands under the desert-land act, homestead and otherwise, until they had actually appropriated for irrigation purposes every drop of water of the Yakima River that flows in its channel at the low-water stage. Now, the Indians have asserted this claim: The Indians have contended for a long time that they were entitled to one-half of the water flowing in the Yakima River. They have been asserting that claim for a great many years. To allow that claim and to carry it out would be to dispossess and deprive thousands of settlers of the water that they have put on their land, and destroy their crops and work irreparable injury.

Congress wrestled with that matter for quite a while, and finally got a commission to go out—a joint commission of the House and the Senate—and that commission recognized the justice of the Indian's claim, but it also recognized the condition that had been permitted to grow up in that valley and the injury and damage that would be done if the Indians were allowed to take half of the water out of the natural, normal, low-water flow of the Yakima River. So, in order to do justice to the Indians and in order to do justice to the settlers who had gone in there at the invitation, in fact, of the Government, this joint commission of the House and Senate rec-

ommended that we buy stored water for the Indians equivalent to one-half the flow in the Yakima River and furnish them a free water right for one-half of each allotment. Congress did that, and we appropriate in this bill, I think, the fifth payment of $100,000 of the amount, $635,000, that it was estimated it would cost to furnish stored water to supply these Indian lands. When that was done, they also submitted an estimate of the cost of reclaiming the largest body of land that it was possible to reclaim there. That project embraced this 120,000 acres, and the cost was about $3,000,000; and we have started on it and appropriated, as I remember, $400,000 in two Indian bills before this. So this appropriation made by the House of $500,000 was simply intended to carry on the reclamation of these lands.

It was necessary to include all these lands in this project, because, as the Senator well knows, you can not irrigate one-half of an allotment and let the other half go. Furthermore, to do that would make it tremendously expensive, even if you could do it. So that all the lands were included, and the Indians have to pay for the water right for 40 acres of an 80-acre allotment, and the white people have to pay their part for the water for their land. All of this money will be ultimately repaid to the Government. There is not any doubt about the repayment of this money. So that as a matter of fact this is a loan of money in order to carry on a Government project for the reclamation of Indian lands, and every dollar of it will eventually come back to the Government.

Unless the Senator wants more information as to the details of the project itself, I will not take further time on that point.

None of the objections urged by the Senator from Kansas to the project in Montana apply to the project in Washington, unless it be the matter of economy or keeping down the appropriation. The question of labor was raised by some Senators, by the Senator from South Dakota. Of course, we have not all the labor that we want in this valley. Our people have some difficulty and some trouble in getting labor. The demand is very great; but the fact is that we have always secured all the labor that was necessary to get our crops in and get them harvested, and we expect to do it this year. We have been enlarging the area in different parts of the valley, and our people expect to enlarge the area this year, and there is not any question but that every foot of land that is made available for cultivation and for irrigation will be irrigated and cultivated.

Now, let me suggest this as to the importance attached to this project by the officers of the Government: They considered it so important that last year, in the extra session of Congress, an estimate and recommendation came to this body from the Secretary of the Interior urging that an appropriation of $750,000 be made for this project as an emergency appropriation. Of course, the Appropriations Committee did not feel justified in putting it in the emergency appropriation act, because if that were put in many other claims would be presented, and so it was rejected; but that shows the importance that the department attached to it. Why did they send down this estimate? They sent down this estimate for this project because of its very great importance for furnishing additional food products; and the showing here was that by the expenditure of a dollar of Government money we would get products that the Government needs to the extent of $1, $2, or $3. The showing is that on these lands we can produce from 40 to 60 bushels of wheat to the acre. I have here a statement from the superintendent in charge of this irrigation under the Indian Office, and he estimates that the production per acre is 60 bushels; or, making a conservative estimate of 50 bushels to the acre, he estimates that each year we would have an appropriation of $750,000 we would put under cultivation 30,000 acres of land that would produce 50 bushels of wheat per acre, or a total of 1,500,000 bushels of wheat—one of the farm products that this country deems absolutely vital to the success of this war.

It seems to me that that is something which should appeal to the Senate; that it is something which should appeal to the Congress of the United States; and that it ought to offset this proposition of economy. Every foot of land that can be reclaimed here will be cultivated. The superintendent made the estimate last year when the recommendation of $750,000 was made, that if $750,000 was made available last year 30,000 acres of additional land would be brought under irrigation and cultivation this year, and that if $750,000 would be available for the next year there would be 30,000 acres more next year subject to cultivation; in other words, with the proper appropriation we would have in two years 60,000 acres of additional farm land under cultivation. At 58 bushels to the acre that would be 3,000,000 bushels of wheat that it would make available. Of course, all this land probably would not be put in wheat, but much of it in potatoes. Last year on the Yakima Indian reservation, upon the urging of Government people and those interested, eleven or twelve thousand acres of potatoes were planted and harvested. Every foot of land that can be irrigated now has been and is being cultivated. So there is no question of that character arising in connection with it.

I wish to call attention to another fact. This matter was represented to the State council of defense, and their opinion was asked with reference to it. They adopted a resolution, which I desire to read. This is not a petition from the landowners or those directly interested. It is not a statement made by them, but it is the council of defense not of the county but of the State, composed of men from all parts of the State who are looking upon this matter from a patriotic standpoint, and upon the showing made they adopted this resolution:

Copy of resolution adopted by the Washington State council of defense, July 17, 1917:

Whereas a loan from the Government war funds—

I will say, in explaining the resolution, they thought that without getting an appropriation from Congress the President might allot a sum of money out of the $100,000,000 that we left with him, so they worded their resolution in that way, and really made it a recommendation to the President to allot out of the war fund we gave him the necessary sum of money to carry on this work—

Whereas a loan from the Government war funds to the Indian Service of somewhat less than $2,000,000, to be expended in the extension of the Wapato, Simcoe-Toppenish, and Satus irrigation projects in the Yakima Indian Reservation will make available for wheat production in 1918 30,000 acres of exceedingly fertile lands capable of producing more than a million bushels of wheat, and in 1919 an additional 30,000 acres of equally fertile land, making possible the production of more than 2,000,000 bushels of wheat in 1919;

Whereas the production of such additional 3,000,000 bushels of wheat in two years appears to be a vital military need;

Whereas there is no project in the West where an expenditure of approximately $25 per acre will produce such an increased wheat production of 3,000,000 bushels in two years and 2,000,000 bushels each year thereafter; and

Whereas the rental value of these unused acres is very much needed by the Indian owners, and there is an immediate demand for every acre of these reservation lands as soon as placed under water: Be it

Resolved, That the National Council of Defense, the Secretary of War, and the Secretary of the Interior be urged to arrange for the advancing to the Yakima Indian Reservation service from the war funds of the Government sufficient money for the extension of said irrigation projects, said funds to be returned to the Government by the owners of said lands in annual installments: Be it

Resolved further, That the Senators and Representatives from this State be requested to use their influence with the National Defense Council and the respective departments of the Government to accomplish this purpose.

That is the recommendation of the State council of defense, placing the matter upon the basis of a national necessity by men thoroughly acquainted with the situation and the possibilities of the project.

Mr. ASHURST. Will the Senator kindly yield to me?

Mr. JONES of Washington. Certainly.

Mr. ASHURST. I wish to call attention to the situation which actually exists. Let me call the Senator's attention to the fact that a similar organization composed of able, patriotic men in my own State sent to me, and I have no doubt sent to my colleague [Mr. SMITH], a statement that we at once ought to exercise our energies to secure an additional $500,000 in this bill to stimulate and increase agricultural development in Arizona. There must be a limit somewhere, and the hard and fast line was drawn by the committee. We did not discriminate. The Arizona appropriations were reduced by the committee, and a delegation came on here to talk to me about it. I could not play favorites. I could not vote to reduce appropriations in other States and then increase the appropriations in Arizona.

Mr. JONES of Washington. I hope I have not said a word to lead the chairman of the committee to think that I was thinking the committee had acted unwisely.

Mr. ASHURST. No; the Senator has not.

Mr. JONES of Washington. Or acted in a discriminating way or anything of that sort.

Mr. ASHURST. I was only saying that each locality views the matter from its local viewpoint, and that large appropriations are sought to be made out of the Treasury to stimulate agriculture in this and that locality. This committee was required to look at the situation as a whole and view it by and large.

Mr. JONES of Washington. I hope the Senator does not feel that I am reflecting upon the action of the committee.

Mr. ASHURST. On the contrary, Mr. President, the Senator has made a very able and a very respectful argument. I have not risen to criticize anything or to object to anything the Senator has said. I feared when the Senator sat down we might have a vote or might adjourn, and I wanted to give in a few words the reason which moved the committee to reduce the appropriation from $500,000 to $250,000.

Mr. JONES of Washington. I am just presenting my own proposition upon its merits in the hope that it will appeal to the good judgment of the Senate. I know what actuated the committee, and I have no criticism to make upon its action. The committee felt that they should cut these appropriations down. They felt that they should treat every project in the bill on the same principle and in the same way, and with that I am not finding fault; but I am appealing to the Senate in the hope that the merits of my proposition may convince the Senate that in this case, at any rate, the Senate may think a wiser course could be followed in the interests of the Government.

I know the action of the committee is based upon a fair conception of acting for the best interests of the Government. I do not question that for one moment; but I believe that the interests of the Government will be promoted by allowing the provision that the House adopted to stand. In the first place, as I said a while ago, I think it is not economical to cut up these projects and furnish an amount of money that will not carry them on in the most economical way. Much of the force that will be gotten together under a $250,000 appropriation will have to be disbanded before the year is up, and when another appropriation is made to carry on the work for another year it will cost more to get that force together. So instead of saving money, in the end you will lose money. But the committee took a different view of that. I hope the Senate will conclude that the committee took the wrong view and that they will reject the committee amendment. But, independent of that, I think the interest of the Government in this national crisis will be conserved by making an appropriation that will, at any rate, insure the reclamation of 30,000 acres of land for the next year.

What is the result if you do not do it? According to the superintendent of irrigation, we will get more than 8,000 acres additional for the next year with the $250,000; but his estimate is that if we had $750,000 we would get 30,000 acres. In other words, if we get an appropriation of $500,000 we shall probably get 20,000 or 24,000 acres, but with the appropriation of $250,000 we will get only 8,000 additional on this reservation. Is that wise? I do not think so.

Now, about the additional cost of the work of irrigation, here is what the engineer says, and I simply give you his statement. He met that objection. He said:

> The question has arisen as to what effect the high cost of labor and materials will have on the total cost of the project. While this might increase the cost to some extent, the 20 per cent added to all estimates—

That is the general lump sum that they add in connection with these irrigation projects after they have made an estimate of the cost; they add a lump sum of about 20 per cent to cover contingencies and exigencies. He says—

> the 20 per cent added to all estimates for contingencies is thought to be sufficient to cover any increased cost on account of labor and materials being higher than usual. Should it increase the cost, however, the farmers would be able and willing to pay for this increased cost on account of getting higher prices for their products.

The owners of the land could well afford to pay any additional cost at this time.

Mr. President, this work has been going on. Every dollar that you expend for extension of agriculture—and that is what it amounts to—will be beneficial in the way of bringing additional land under irrigation. You do not have to extend your canal any considerable distance, or any distance at all, until you make the water available for irrigation. That is one of the peculiar features of this project in the beginning. From the time when it was commenced, when you got the main canal out a quarter of a mile, you could begin to irrigate a large area of land; and so, as you extend it, it simply brings an additional area under irrigation. But I take it it is not necessary to go into that.

Mr. President, I am not going to take the time of the Senate any further. The Senate knows the attitude of the committee.

Mr. ASHURST. Will the Senator pardon me just a moment?

Mr. JONES of Washington. Certainly.

Mr. ASHURST. The Senator, I hope, will not think me impertinent.

Mr. JONES of Washington. Not at all.

Mr. ASHURST. I simply desire to inquire if the Senator intends to ask for the yeas and nays, because that will guide my course.

Mr. JONES of Washington. I should like to have the yeas and nays on the amendment.

Mr. ASHURST. I fear there will not be a quorum at this time. Will the Senator object to postponing the vote until to-morrow morning?

Mr. JONES of Washington. No.

Mr. ASHURST. The bill may then be laid aside for the present.

The PRESIDING OFFICER. Without objection, the consideration of the amendment will be postponed until to-morrow.

EXECUTIVE SESSION.

Mr. STONE. Unless there is some matter that some Senator desires particularly to bring before the Senate, I wish to move an executive session. I make that motion.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After eight minutes spent in executive session, the doors were reopened.

RECESS.

Mr. ASHURST. I move that the Senate take a recess until 12 o'clock noon to-morrow.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, March 27, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate March 26, 1918.

COLLECTOR OF CUSTOMS.

Joseph H. Lyon, of Mobile, Ala., to be collector of customs for customs collection district No. 19, with headquarters at Mobile, Ala., in place of Percy W. Maer, whose term of office expired by limitation March 8, 1918.

SUPERVISING INSPECTOR, STEAMBOAT-INSPECTION SERVICE.

Oscar G. Haines, of New Jersey, to be supervising inspector, fifth district, in the Steamboat-Inspection Service, Department of Commerce, vice Eugene E. O'Donnell, resigned. (By promotion from local inspector of hulls.)

RECEIVER OF PUBLIC MONEYS.

Scott White, of Florence, Ariz., to be receiver of public moneys at Phoenix, Ariz., vice John J. Birdno, deceased.

REGISTER OF LAND OFFICE.

Frank Laning, of California, to be register of the land office at Visalia, Cal., his present term expiring April 30, 1918. (Reappointment.)

APPOINTMENTS AND PROMOTIONS IN THE ARMY.

MEDICAL CORPS.

First Lieut. James Harold Leyda, Medical Reserve Corps, to be first lieutenant from March 8, 1918.

QUARTERMASTER CORPS.

Lieut. Col. William G. Gambrill, Quartermaster Corps, to be colonel with rank from March 15, 1918.

Maj. James A. Logan, jr., Quartermaster Corps, to be lieutenant colonel with rank from March 15, 1918.

TRANSFER TO THE ACTIVE LIST OF THE ARMY.

INFANTRY.

To be major with rank from May 15, 1917.

First Lieut. Charles C. Todd (retired).

To be captain with rank from July 1, 1916.

Second Lieut. Claude N. Feamster (retired).

TEMPORARY PROMOTIONS IN THE ARMY.

COAST ARTILLERY CORPS.

To be lieutenant colonel with rank from February 25, 1918.

Maj. Clifford C. Carson, Coast Artillery Corps.

To be lieutenant colonel with rank from February 28, 1918.

Maj. George T. Perkins, Coast Artillery Corps (General Staff Corps).

To be lieutenant colonels with rank from March 1, 1918.

Maj. John B. Murphy, Coast Artillery Corps.

Maj. Jairus A. Moore, Coast Artillery Corps (Quartermaster Corps).

Maj. Frank B. Edwards, Coast Artillery Corps.

Maj. Henry C. Merriam, Coast Artillery Corps.

Maj. Harry W. McCauley, Coast Artillery Corps.

Maj. Robert W. Collins, Coast Artillery Corps.

To be lieutenant colonel with rank from March 2, 1918.

Maj. Elisha G. Abbott, Coast Artillery Corps.

To be lieutenant colonel with rank from March 3, 1918.

Maj. Samuel M. English, Coast Artillery Corps.

To be major with rank from January 4, 1918.

Capt. Edward J. Cullen, Coast Artillery Corps.

To be majors with rank from January 25, 1918.

Capt. Joseph J. Grace, Coast Artillery Corps.

Capt. Oscar A. Russell, Coast Artillery Corps (Quartermaster Corps).

Capt. Walter J. Buttgenbach, Coast Artillery Corps.
Capt. Charles O. Schudt, Coast Artillery Corps.

To be major with rank from January 26, 1918.

Capt. Marcellus H. Thompson, Coast Artillery Corps.

To be majors with rank from January 28, 1918.

Capt. William W. Rose, Coast Artillery Corps.
Capt. Albert Gilmor, Coast Artillery Corps.

To be majors with rank from January 30, 1918.

Capt. Clarence A. Mitchell, Coast Artillery Corps.
Capt. William P. Currier, Coast Artillery Corps (Quartermaster Corps).
Capt. Horace F. Spurgin, Coast Artillery Corps.

To be majors with rank from January 31, 1918.

Capt. Edward A. Brown, Coast Artillery Corps (Quartermaster Corps).
Capt. John G. Donovan, Coast Artillery Corps.
Capt. Guy L. Gearhart, Coast Artillery Corps (Aviation Section, Signal Corps).
Capt. Allen Kimberly, Coast Artillery Corps.
Capt. Geoffrey Bartlett, Coast Artillery Corps.

To be major with rank from February 1, 1918.

Capt. William E. Shedd, jr., Coast Artillery Corps.

To be majors with rank from February 5, 1918.

Capt. Robert Arthur, Coast Artillery Corps.
Capt. William P. Wilson, Coast Artillery Corps.

To be captain with rank from December 22, 1917.

First Lieut. Ross G. Hoyt, Coast Artillery Corps.

To be captain with rank from December 23, 1917.

First Lieut. William Mayer, Coast Artillery Corps.

To be captain with rank from December 24, 1917.

First Lieut. Hubert A. McMorrow, Coast Artillery Corps.

To be captain with rank from December 25, 1917.

First Lieut. Douglas G. Clark, Coast Artillery Corps.

To be captains with rank from December 26, 1917.

First Lieut. Vernon G. Cox, Coast Artillery Corps.
First Lieut. Ralph G. Lockett, Coast Artillery Corps.

To be captain with rank from December 29, 1917.

First Lieut. William F. Lafrenz, Coast Artillery Corps.

NOTE.—This message is submitted for the purpose of correcting errors in the dates of rank of the nominees. These officers were nominated to the Senate January 31, 1918, and confirmed by that body February 13, 1918.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 26, 1918.

RECEIVER OF PUBLIC MONEYS.

Scott White to be receiver of public moneys at Phoenix, Ariz.

UNITED STATES MARSHAL.

John J. Bradley to be United States marshal northern district of Illinois.

HOUSE OF REPRESENTATIVES.

TUESDAY, *March 26, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, Almighty God our Heavenly Father, for all the good, the generous, the pure, the noble, the brave, the great, whom Thou hast from time to time raised up, who by devotion to duty and the rectitude of their behavior left the world better that they lived and wrought.

By devotion to our duty, in the spirit of emulation, help us to leave behind us a record worthy of emulation by those who shall come after us; in the spirit of the Lord Jesus Christ, Amen.

The Journal of the proceedings of yesterday was read and approved.

SOUTH DAKOTA'S RATIFICATION OF PROHIBITION AMENDMENT.

Mr. DILLON. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. DILLON. Mr. Speaker, South Dakota has ratified the proposed constitutional amendment for prohibition. I send to the Clerk's desk a certified copy of the proceedings.

The SPEAKER. The Clerk will read it.

The Clerk read as follows:

Certificate.

UNITED STATES OF AMERICA,
STATE OF SOUTH DAKOTA, SECRETARY'S OFFICE.

I, Frank M. Rood, secretary of state, do hereby certify that the annexed senate joint resolution No. 1 was duly passed by the 1918 special session of the Legislature of the State of South Dakota.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of South Dakota, at the city of Pierre, March 22, 1918.

[SEAL.] FRANK M. ROOD,
Secretary of State.

A joint resolution ratifying a proposed amendment to the Constitution of the United States of America relating to the manufacture, sale, and transportation of intoxicating liquors.

Whereas both Houses of the Sixty-fifth Congress of the United States of America, by a constitutional majority of two-thirds thereof, made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"ARTICLE —.

"SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Therefore be it

Resolved by the Senate of the State of South Dakota, the House of Representatives concurring:

SECTION 1. That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislature of the State of South Dakota.

SEC. 2. That certified copies of this preamble and joint resolution be forwarded to the governor of this State, to the Secretary of State at Washington, to the presiding officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

A. C. ROBERTS,
Speaker of the House.

Attest:

CHAS. M. GARDNER.
Chief Clerk.

W. H. MCMASTER,
President of the Senate.

Attest:

W. N. VAN CAMP.
Secretary of the Senate.

I hereby certify that the within act originated in the senate, and was known in the senate files as senate joint resolution No. 1.

W. N. VAN CAMP,
Secretary of the Senate.

STATE OF SOUTH DAKOTA,
Office of secretary of state, ss:

Filed March 22, 1918, at 3.40 o'clock p. m.

FRANK M. ROOD,
Secretary of State.
By GEO. F. SAYERS,
Assistant Secretary of State.

Mr. DILLON. Mr. Speaker, when South Dakota was admitted into the Union in 1889, when her constitution was submitted to the people for ratification at the general election on October 1 of that year, a separate provision for prohibition was submitted at the same time. At that election there were 40,234 votes in favor of the constitutional provision for prohibition and 34,510 votes against it.

In 1895 the Legislature of South Dakota submitted to the people of the State a proposed repeal of this constitutional provision, and at the general election in 1896 the vote for repeal stood 31,901 for it and 24,910 against it. In 1916 an amendment for prohibition was again submitted to the electors of the State, and the vote at that general election was 65,334 in favor of prohibition and 53,380 against it. The legislature met in January, 1917, and enacted a bone-dry law, which went into effect on July 1, 1917. That law has been vigorously enforced, and it has been violated only in few instances.

Recently the Legislature of South Dakota convened in special session and by unanimous vote of both Houses, not a single vote being cast against it, ratified the Federal prohibition amendment. I take some pride and satisfaction in the record made by my State. [Applause.]

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the amendment

of the House of Representatives to the bill (S. 389) to extend the time for cutting timber on the Coconino and Tusayan National Forests, Ariz.

The message also announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses upon the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years on account of war expenses, and for other purposes.

The message also announced that the Senate had passed bill of the following title; in which the concurrence of the House of Representatives was requested:

S. 3426. An act to empower the President to requistion, for war purposes, timber and timber products, rights of way, and logging equipment; to construct and operate logging roads and sawmills; and fixing a penalty for the violation thereof.

ARMS AND AMMUNITION.

Mr. TILSON. Mr. Speaker, I ask unanimous consent to extend in the RECORD a speech delivered by me before the Union League Club in New York some 10 days ago on the subject of arms and ammunition.

The SPEAKER. The gentleman from Connecticut asks unanimous consent to extend his remarks in the RECORD by printing a speech that he delivered before the Union League Club about 10 days ago on the subject of arms and ammunition. Is there objection?

There was no objection.

FOURTH-CLASS POST OFFICES.

Mr. LANGLEY. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. LANGLEY. Mr. Speaker, on yesterday I offered an amendment to the postal employees' salary bill, which was intended for the relief of post offices of the fourth class that had been made central accounting offices. The gentleman from Illinois [Mr. MADDEN], in opposing that amendment, made the statement that there were no fourth-class post offices that were central accounting offices. I disputed that statement at the time. Of course, it is too late now to correct whatever adverse effect the gentleman's statement may have had upon my amendment, which, of course, was very great because of his prestige as a member of the Post Office Committee and as an expert on these questions; but in the interest of accuracy I desire to call the attention of the House to the fact that upon inquiry at the office of the Auditor for the Post Office Department I find that there are 196 fourth-class offices that are now central accounting offices; that 21 of these are in Kentucky alone, and 5 in my own district, as I stated yesterday. I have discovered that there is even one in the gentleman's own State of Illinois, in Elizabethtown, Hardin County.

Mr. MADDEN. Will the gentleman yield?

Mr. LANGLEY. Certainly.

Mr. MADDEN. And there are 40,000 fourth-class post offices.

Mr. LANGLEY. I do not question that; but the gentleman said there were no fourth-class post offices that were central accounting offices, and yet the records of the department show that there are 196 of them.

Mr. MADDEN. Well, it was not the intention to have any; I knew that.

Mr. LANGLEY. The gentleman was simply mistaken. Inasmuch as he now seems willing to concede that I was right and he was wrong, I believe that is all I want to say.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Young, one of its clerks, announced that the Senate had insisted upon its amendment to the bill (H. R. 9352) to amend an act entitled "An act providing for an Assistant Secretary of War," approved March 5, 1890, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. CHAMBERLAIN, Mr. HITCHCOCK, and Mr. WARREN as the conferees on the part of the Senate.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 389. An act to extend the time for cutting timber on the Coconino and Tusayan National Forests, Ariz.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 9571. An act to authorize the appointment of officers of the Philippine Scouts as officers in the militia or other locally created armed forces of the Philippine Islands drafted into the service of the United States, and for other purposes; and

H. R. 9903. An act to provide for restoration to their former grades of enlisted men discharged to accept commissions, and for other purposes.

URGENT DEFICIENCIES.

Mr. SHERLEY. Mr. Speaker, I call up the conference report on the urgent deficiency bill (H. R. 9867).

Mr. WALSH. Mr. Speaker, this is a most important report. There have been one or two changes in the early part of the bill, made, I understand, chiefly as a result of the labors and ability of the chairman of the House Committee on Appropriations [Mr. SHERLEY]. I think there ought to be a quorum here during the consideration of it.

The SPEAKER. The gentleman makes the point of no quorum present.

Mr. SHERLEY. Personally I hope the gentleman will not insist on the point. I think there will be plenty of Members in attendance here before we are through with the consideration of the report.

The SPEAKER. Does the gentleman withdraw his motion?

Mr. WALSH. I dislike very much to disagree with the distinguished gentleman, but I think there should be a more full attendance in the House.

The SPEAKER. Evidently there is no quorum.

Mr. SHERLEY. I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will lock the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Anthony	Fordney	Key, Ohio	Rowland
Blackmon	Gandy	Kreider	Schall
Borland	Gard	LaGuardia	Scott, Pa.
Caldwell	Good	Lenroot	Scully
Chandler, N. Y.	Goodall	Littlepage	Smith, Chas. B.
Church	Gould	McCulloch	Smith, Thos. F.
Classon	Graham, Pa.	Mann	Stephens, Nebr.
Cooper, Ohio	Gregg	Mason	Templeton
Copley	Hamill	Miller, Minn.	Thomas
Curry, Cal.	Harrison, Miss.	Miller, Wash.	Tinkham
Davidson	Harrison, Va.	Mott	Van Dyke
Dent	Hayes	Overmyer	Vare
Dies	Heintz	Pou	Ward
Drukker	Hollingsworth	Powers	Wood, Ind.
Eagle	Johnson, S. Dak.	Price	
Fairchild, G. W.	Kahn	Riordan	
Flood	Kehoe	Roberts	

The SPEAKER. Three hundred and sixty-six Members have answered to their names, a quorum.

Mr. SHERLEY. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. SHERLEY. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the statement be read in lieu of the report. Is there objection?

There was no objection.

The Clerk read the statement of the conferees.

[For conference report and statement see proceedings of Saturday, March 23, 1918, pp. 3967 to 3971.

Mr. SHERLEY. Mr. Speaker, the urgent deficiency bill as it passed the House carried a total of $687,830,482.46 of cash appropriations and authorizations of $419,339,000. As it passed the Senate it carried in direct appropriations $761,780,912.20 and the same amount of authorizations, or an increase in the bill of $73,950,449.74. As it came out of conference there had been a recession on the part of the Senate of $30,079,142.74 and a recession on the part of the House of $43,871,307, so that the bill now carries $731,901,789.46. The reason for the addition of $43,000,000 over the bill as it passed the House was due, not simply to increases in items that had been passed upon by the House but to the fact that estimates of considerable size came to the Congress after the hearings had been closed and too late to be considered by the House committee; and those estimates were very properly taken to the Senate committee and there considered and some of them allowed, some of them rejected It resulted from that that there were added matters by the Senate which had not been passed upon by the House and that the increases were not of the ordinary kind representing increases in matters upon which the House had expressed judgment. That was true of nearly all of the $73,000,000 that were added. The Senate made few changes in matters that had been considered by the House, and of the $73,000,000 they added they sub-

sequently receded from some $30,000,000. So much for the general financial statement.

There were placed by the Senate upon the bill two provisions of first importance—provisions of legislation that the House should be fully advised of. One of them provided for the purchase by the Government of the Hoboken docks owned by the Hamburg-American and North German Lloyd Steamship Cos., German companies, the title to these properties, however, being held by two American corporations, the stock of which, however, is all German owned.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SHERLEY. I prefer to make a general statement touching these matters and then I shall yield to inquiries. There was also a provision added which enlarged the scope of the power of the Alien Property Custodian. Under the law as it passed the Congress touching alien property the Alien Property Custodian was given the custody of such property for management and control, but with the right to sell only in order to prevent waste, that limitation having been put into the bill in conference and not having been in the bill as it passed through the House or the Senate. The Senate Committee on Appropriations, upon representations made by the Alien Property Custodian, reported a provision authorizing the Alien Property Custodian to sell any property of aliens that came into his possession, the same as if he were the absolute owner thereof, provision, of course, being made for the turning of the moneys into the Treasury of the United States. When the bill reached the floor of the Senate there was added an amendment, upon the motion of the Senator from New Jersey, in the way of a proviso, which required that all property sold by the Alien Property Custodian should be sold to American citizens at public auction to the highest bidder. That amendment was adopted by the Senate, and the provision in that form came to the House and subsequently went to conference. The House conferees agreed to the amendment of the Senate touching the right of the United States to buy the properties at Hoboken, the change made being largely a change in form and not in substance. The Senate amendment as it passed the Senate provided that the President might buy these properties, and further provided that if the price could not be agreed upon that 75 per cent of the value fixed by the President as just compensation might be paid to the person entitled to receive the same, and such person should have the right, having declined to accept the full amount, to sue for such additional sum as he felt entitled to. In other words, the same provision was inserted in the Senate amendment touching the payment of the purchase price of this property as had been provided in connection with property taken by the Government from American citizens, but it did not seem to the House conferees that there was any reason for such a provision under these particular circumstances. We were providing in the second amendment for the right of the Alien Property Custodian to sell any property held by him, and we were providing in the first amendment for the right of the United States Government to buy these particular properties. It did not seem either necessary or desirable to make a distinction between the situation that would arise when the Government bought and when a private person bought. If any private person buys property from the Alien Property Custodian, he simply pays the money to the Alien Property Custodian, and it is then held subject to such disposition as may be arrived at at the end of the war. There was no reason for authorizing suit against the Federal Government touching the price that should be paid.

If the person authorized to sue in the Senate amendment meant the Alien Property Custodian, there was no reason to have him sue the Federal Government. If it meant the German owners of the property, there was a very great reason why they should not be permitted to sue the Government, because it would result that the Government would put itself in the position where it would be bound by the judgment of its own courts and yet the other party to the suit would not be bound, and the final disposition of the moneys that come from the sale of alien property in America will have to be settled at the council table when peace shall come between the warring nations. There was no wisdom in such a provision. The House conferees therefore insisted that the first amendment should simply carry the right to the President to buy, and the Senate acquiesced in that viewpoint. When it came to the second amendment, the provision as it had passed the Senate, while doubtless intended to safeguard the disposition of this property, might have, and in many instances would have, resulted in transferring the property back into the hands of the very people that we desired to take it from, because by having an absolute requirement that the sale must be made to American citizens at public auction to the highest bidder, in many instances it meant that the minority interests, American in name only, would have been the actual purchasers, and the property would really be held in the future, as in the past, for Germany. No greater blow and no more legitimate blow can be struck in this country against our enemy, Germany, than by depriving her of the industrial control that she had through ownership of many corporations and many industries in America. [Applause.] And we would be lacking in ordinary common sense, to say nothing of patriotism, if we did not provide for a separation of these German citizens from control in great industrial matters. A recital could be made, taking hours, showing instance after instance where the German control of industries in this country is great enough to have very far-reaching influence upon the life and the trade of this country. Now, we all of us recognized the need of ending that commercial influence and control. We also recognized the desirability of safeguarding, so far as it can be done, the disposition of this property, which runs into the hundreds of millions, having in mind the major purpose of the legislation, and that presented the real problem to the conference, a problem that was not entirely easy of solution. We present to you the report in the belief that it has been intelligently solved. We provide that when the property is sold it shall be sold at public sale, after public advertisement, where the property or the major portion of it is situated, to the highest bidder who shall be an American citizen. That is the broad rule that we lay down as being the policy that ought to be and shall be followed in all these cases where there is not some compelling reason otherwise. But, having laid down that general principle, we provide that the President, for reasons stated, shall have the right to order the disposition of this property by private sale or otherwise——

Mr. LONGWORTH. Will the gentleman yield?

Mr. SHERLEY. In a moment. And we further provide that after the sale has been made the Alien Property Custodian may upon order of the President set aside such sale for reasons stated, and subsequently the property may be sold by public sale or otherwise, as the President may direct. In other words, we state as the judgment of the Congress that the property, unless there be special reasons to the contrary, when sold, shall be publicly sold, but we give to the President the power in the interest of the Nation to declare that it shall be disposed of otherwise when in his judgment it is necessary so to do in order to protect national interests. Now I yield to the gentleman.

Mr. LONGWORTH. I wanted to ask the gentleman about the cases referred to—the sale of the Hamburg docks.

Mr. SHERLEY. I should have stated that where the sale is to the United States Government it does not require that it be a public sale.

Mr. LONGWORTH. It can negotiate directly?

Mr. SHERLEY. Unquestionably; and manifestly where the Government is to buy there is no reason why there should be a requirement of a public sale, when the Government would be compelled to bid against others in order to acquire property it might need and does need for war purposes.

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. SHERLEY. Certainly.

Mr. COOPER of Wisconsin. The first amendment relates exclusively to the taking over of the docks, piers, warehouses, wharves, and terminal equipment and facilities on the Hudson River now owned by the North German Lloyd Dock Co. and the Hamburg-American Terminal & Navigation Co., two corporations of the State of New Jersey, and so forth. The second amendment relates to the trading-with-the-enemy act, approved last October.

Mr. SHERLEY. Yes.

Mr. COOPER of Wisconsin. That relates to the Alien Property Custodian and what he may or may not do with property of which he is the custodian.

Mr. SHERLEY. Yes; it changes existing law in this particular, that under existing law he is permitted to sell property to prevent waste, and under the amendment as agreed to he is permitted to sell property as if he were the absolute owner—in other words, to sell any property that comes into his hands, but to sell it in the manner provided.

Mr. COOPER of Wisconsin. Now, would the Alien Property Custodian under that second amendment have the power to sell these Hamburg docks?

Mr. SHERLEY. Unquestionably. He has them in his possession and control and has had them for months.

Mr. COOPER of Wisconsin. I call attention to this language of the first amendment:

That if any such property—

That is, docks, wharves, and so forth—

shall be taken over as aforesaid, the United States shall make just compensation therefor, to be determined by the President.

Mr. SHERLEY. Yes.

Mr. COOPER of Wisconsin. "Upon the taking over of said property by the President, as aforesaid, the title for all such property so taken over shall immediately vest in the United States."

Mr. SHERLEY. Yes.

Mr. COOPER of Wisconsin. Now, can that property be sold to the United States if it already has a vested title?

Mr. SHERLEY. Because the gentleman does not make a distinction between the title the Alien Property Custodian has under the law and the title the United States will get under purchase. The Alien Property Custodian under the law that we passed is authorized and directed to take over alien property which he holds as a common-law trustee.

Mr. COOPER of Wisconsin. I understand.

Mr. SHERLEY. Without a fee title to it; but under this, when the President shall have bought this property and taken it over, the fee-simple title in that property vests in the United States Government.

Mr. COOPER of Wisconsin. Well, if that is so, that the fee-simple title is in the United States immediately upon taking over property by the President under the provisions of the first section, how can the Alien Property Custodian under the provisions of the second amendment sell property to the United States to which it already has fee-simple title?

Mr. SHERLEY. Except that you make a premise that does not exist. The Alien Property Custodian has not the fee-simple title now.

Mr. COOPER of Wisconsin. The United States has.

Mr. SHERLEY. The United States has not. It is in these corporations. The control of the property is in the Alien Property Custodian. Under the second amendment, as such custodian he has the right to sell as if he were the absolute owner, and he does sell to the United States, which under the first amendment is authorized to buy and, when it buys, get a fee-simple title.

Mr. COOPER of Wisconsin. I confess I do not exactly understand that myself.

Mr. SHERLEY. I assure the gentleman that the matter has not been dealt with blindly.

Mr. COOPER of Wisconsin. I presume it has not.

Mr. SHERLEY. It has not been done without regard to the questions of law involved.

Mr. COOPER of Wisconsin. If the Alien Property Custodian under the provisions of the law approved last October, known as the "trading-with-the-enemy" act, already has the custody of those docks, wharves, and so forth, and under the second amendment already has the power to sell to the United States, why was it necessary to have this first amendment, authorizing the President to take it and secure at once the fee-simple title?

Mr. SHERLEY. Well, it was thought desirable to expressly authorize the President to acquire these particular properties. The second amendment is very much more far-reaching and wider than the first.

Mr. COOPER of Wisconsin. Well, I know; but if he already has the power to sell it to the United States there was no reason whatever for giving to the President the power to take the fee-simple title right off himself.

Mr. SHERLEY. He does not take the fee-simple title right off himself. He gets it when he shall have acquired the property, either by concrete sale by the Alien Property Custodian or by taking the property and making just compensation therefor.

Mr. COOPER of Wisconsin. The language of the first amendment is this:

Provided, That if such property can not be procured by purchase, then the President is authorized and empowered to take over for the United States the immediate possession and title thereof—

Without any regard to the custodian.

Mr. SHERLEY. Suppose we do. When we have allowed him to take the property of American citizens when he needed to, shall we refuse to give him the power to take the property of alien enemies of the country? [Applause.]

Mr. COOPER of Wisconsin. I do not see why gentlemen are applauding anything except the emphasis the gentleman gave to his reply. It did not meet the point I have made here.

Mr. SHERLEY. If the gentleman will make his inquiries in my time instead of commenting upon my answers, perhaps I can satisfy him.

Mr. COOPER of Wisconsin. I did not comment upon the answer. I commented upon the applause. I made no comment upon the answer.

Mr. SHERLEY. All right.

Mr. COOPER of Wisconsin. It was very eloquent, indeed, and I thought not entirely responsive.

Mr. SHERLEY. That explains the applause.

Mr. COOPER of Wisconsin. Now, then, the point I wish specifically to make is this: The first amendment in express terms authorizes the President, without any regard to the custodian, to take over that property, the immediate possession or title thereof, and when he does that, instantly, by the provisions of the same amendment, the title to that property is absolutely vested in the United States. And yet in the second paragraph they say that the Alien Property Custodian can proceed to sell that to any person that he pleases. It seemed to me upon the face of the two provisions that there was a contradiction. That is all.

Mr. SHERLEY. Well, I do not agree with the gentleman.

Mr. WALSH. Will the gentleman from Kentucky yield?

Mr. SHERLEY. I will.

Mr. WALSH. In reference to the last query propounded by the gentleman, of course, where property is specifically mentioned in the first section, any other legislation of a general character would not annul the specific legislation.

Mr. SHERLEY. But it is inconceivable that an Alien Property Custodian, the appointee of the President, controlled by him, would undertake to dispose of property to somebody other than the Government of the United States when the Congress of the United States says that it will be bought by the President for the United States.

Mr. WALSH. Now, may I ask the gentleman under what conditions, if he feels it is proper to state, would it properly arise whereby the President might decree that in the public interest the property should not be sold at public sale?

Mr. SHERLEY. I will answer the gentleman without undertaking to name specific cases, though I think they could be named. Here is a certain industry owned 10 per cent, or 20 per cent, or 30 per cent by naturalized American citizens, with 60 or 70 or 80 per cent owned by German citizens, all of the capital in the first instance having been practically German. That minority interest might, and in many instances probably would, be in a position to bid most for the property, knowing both its value and also being practically bidding for the interests that were there in the first instance. The purchaser would be technically an American citizen, and yet his money come from and his heart be in Germany. We have scriptural warrant for the saying that where a man's treasure is there is his heart also. In such a case it would be in Germany and not in the United States. It might be highly desirable that the sale should not be permitted to go to such minority interest.

There is even another case that is conceivable that is not related to the question of aliens and alien enemies. There might be a purchase of some of these corporations which represent great dominant influences in certain trades by their large rivals in business that would give to them, if they got possession of the property, a complete monopoly, and it might not be desirable in the interest of the public that that should occur.

There is in this morning's paper a statement touching an alien-enemy corporation owning large sugar properties in the Hawaiian Islands, and the statement—I do not know how accurate it may be—is to the effect that an effort had been made, which was circumvented by the Alien Property Custodian, for the transfer of that property to certain American citizens so as to prevent the taking over of the properties and subsequent sale by the Alien Property Custodian. Suppose that particular property, assuming the statements in the papers are true, should be put up for sale and the purchaser should be the minority American interest, which is American in name only.

It would be the height of folly to permit a sale to take place and that property to come back into the possession of the people who would be operating it simply until the time when they might again give to German citizens and the German Government the influence and control which such ownership carries with it.

Mr. WALSH. Now, just a further question. I agree with the statements of the gentleman, but I thought that an explanation ought to be part of the record. Of course, the second amendment which the gentleman has been discussing does not make it compulsory?

Mr. SHERLEY. It does not.

Mr. WALSH. And certain businesses which are manufacturing things necessary for the war—they can be carried on, I assume, by the Alien Property Custodian if he deems it advisable?

Mr. SHERLEY. That is true.

Mr. WALSH. Under the second amendment?

Mr. SHERLEY. That is true, and of course there is certain property coming into his hands where manifestly there is no reason for the sale. There have come into his hands, for example, stocks in United States companies, in the aggregate representings millions of value. Some German owns certain

shares of stock, we will say, in the Pennsylvania Railroad, or in the United States Steel Co., or in the Illinois Central Railroad, or any other of the great corporations of the country. There is no reason in the world for the selling of that stock. It could be held, and the dividends as they accrue, if they should accrue, turned into the Treasury of the United States, and at the end of the war such disposition of that property could be made as will result from the final adjustment of the claims of the two Governments. But there are many going concerns that are enemy owned, either partially or entirely, many of them representing dominant influences in certain commercial lines. For this country to sit quiet and permit that control to continue; aye, even more than that, to have the Government's own custodian take charge of them, have them expand by virtue of the very war that Germany has forced upon us, and have these people safeguarded in their property, and at the end of the war that they had forced upon this country have that property turned back, greatly enhanced in value and in size, would be so idiotic that it is inconceivable that any people would contemplate it for a moment of time. [Applause.]

Mr. WALSH. The second amendment also changes the trading-with-the-enemy act in another particular by providing a penalty for the undisclosed principal?

Mr. SHERLEY. Yes. We undertake to safeguard the matter not only by giving the President the power to provide for sale other than public but we also provide a very severe penalty for any person buying for an undisclosed principal, or for resale to a person not a citizen of the United States, or for the benefit of a person not a citizen of the United States, with a provision also for the forfeiture of the property.

Now, I ought to say, before turning from these important amendments, that in regard to the first amendment there was presented a very interesting situation, one of great hardship to the city of Hoboken. These terminal properties paid annual taxes to the city of Hoboken of about $140,000. By virtue of their coming into the ownership of the United States they will not be subject to that tax, and the loss at this time of $140,000 of annual revenue to the city of Hoboken is a very severe loss. It was urged, and strongly urged, by my colleague [Mr. EAGAN], the gentleman from New Jersey, who represents that city, that provision should be made to enable the city to continue to collect taxes from such property; that these properties perhaps differed from usual Government property in that they were properties that could and would be used in a commercial way, and that the municipality ought not to be penalized by virtue of the Government taking them over. I do not think there was a man on the conference but was impressed with the equity that underlaid the argument that was so ably presented by the gentleman, but to have acquiesced in it meant to establish a precedent so far-reaching that we felt that we were not warranted in acquiescing, even if the rules controlling conferees had permitted us, which they did not. If this Government shall ever take over all of the railroads of America it would be presented with the problem in a very acute form as to what provision should be made permitting States and political subdivisions of a State to obtain revenues heretofore obtained from taxation of such property. Manifestly we did not feel that we had the right to undertake to solve that in a conference without any previous expression of a judgment by Congress on the subject.

I mention this because it is only fair to the gentleman from New Jersey [Mr. EAGAN], who, in signing this report, has given an exhibition of a Member's ability to look beyond his district and look to the Nation's need rather than simply hold the local viewpoint. [Applause.] The need of the Government in taking this property was great, and he was big enough not to be willing to let a local situation, acute as it was, interfere with him in aiding in the doing of this important national work.

Mr. AUSTIN. Mr. Speaker, may I ask the gentleman a question?

Mr. SHERLEY. Yes; I yield to the gentleman from Tennessee.

Mr. AUSTIN. On page 64 provision is made for temporary office buildings in the District of Columbia, one item being $5,775,000, on page 65.

Mr. SHERLEY. I would say to the gentleman that the only change made in the building program was to authorize the department, if it saw fit, to avail itself of heat furnished commercially rather than to create its own heating plant.

Mr. AUSTIN. I was out of the city when the bill passed the House originally. I wanted to ask the gentleman as to these two items, one being $5,775,000 and the other being $2,377,500. What profits are paid to the contractors for constructing these buildings, which I understand were commenced before this bill passed the Senate?

Mr. SHERLEY. I can not answer the gentleman. I understand the frame buildings in Henry Park are to be built by the War Department directly without the interposition of any contractor. I do not know the terms on which the contract has been made touching the building of the concrete buildings at Seventeenth and B Streets.

Mr. AUSTIN. My understanding or information is that the Government is to pay for the cost of labor and material and $250,000 to the contractor.

Mr. SHERLEY. That is possibly so.

Mr. AUSTIN. I wanted to know whether that embraced all that they were to receive for their work?

Mr. SHERLEY. I will say to the gentleman that the answer to that will depend upon the terms of the contract, and that I have no personal knowledge of it. I know in a general way, from talk with Commander Parsons, that he contemplated the building of these buildings through the assistance of a contractor. I have seen, at Seventeenth and B Streets, some temporary frame buildings that are being put up there by a contractor who, I assume, is the contractor who is going to build these buildings.

Mr. AUSTIN. Does not the Committee on Appropriations know anything at all about what the Government is paying for this work?

Mr. SHERLEY. I will answer the question. I am glad he has made the inquiry. There is probably close to a billion dollars worth of contract work under way or to be taken up shortly. The Committee on Appropriations could not, if it worked 24 hours a day all the time and did nothing else, follow and undertake to pass judgment upon the wisdom or lack of wisdom with which various contracts are let or the terms of such contracts. Now, I say that because the gentleman has touched on a question infinitely bigger than the reason for his inquiry and infinitely bigger than the question as to these buildings.

I believe that the time has come, and I have so stated to responsible heads in the War Department and elsewhere, when the War Department ought to be in a position to perform a lot of work directly without the interposition of contractors. As to whether that is wise or not, men will differ, and men do differ, but it seems to me that that was true as to that character of building which was simple and ordinary and concerning which the department has now had considerable experience. When the war broke they did not have the organization to enable them to do such work, but they ought now to have the organization that would enable them in many instances to do it, and they ought not to pay out money to contractors where contractors are not needed. There is work of some kind where the use of contractors will probably be both necessary and desirable, in the interest of both speed and economy.

Touching these particular concrete buildings, I am not prepared to say that it is not the part of wisdom, having in mind the desire to get them speedily and to get them cheaply, to pay an organization that has had experience in the building of similar work a fee for supervising such work. Now, the price fixed, in my judgment, prevents any great waste of money. We provided for buildings of a size that would make a total cost of $3 a square foot. Before arriving at that opinion we had the judgment of the Army, of the Navy, of the Superintendent of the Capitol, and of Treasury officials as to cost; and their figures, as I stated, and as the gentleman would have heard me state if he had been here when the bill was up, ran from $2.50 to $3.09 a square foot, dependent somewhat on the character of the foundations that might have to be made. I understand that the gentleman has learned—because it came to me through another gentleman—that there was some contractor who claimed that he could build concrete buildings for $1.50 a square foot. If he can, I bid him Godspeed, because he will be doing something that nobody else has ever done for this kind of building, as far as I have been able to learn. I am not a builder and I have to take the advice of the men who ought to know. Now, I would be glad if some of the legislative committees would undertake to function instead of criticize and would provide a rule as to how money should be expended in connection with the building program of the Government. The Committee on Appropriations will welcome such legislation. But I suggest to those who draw it that they will find something of a problem in making a rule which will bind and which will not also prevent.

Mr. AUSTIN. May I say a word or two?

Mr. SHERLEY. The gentleman may ask me a question in my time.

Mr. AUSTIN. I have not criticized the committee.

Mr. SHERLEY. I did not say the gentleman had.

Mr. AUSTIN. The Committee on Public Buildings and Grounds has reported a bill here which I think goes further than this bill or any other bill in protecting the interests of the Government in requiring that this work shall be given out on a competitive basis. There is no safeguard in any of these bills so far.

Mr. SHERLEY. Yes; there is. There is a price fixed.

Mr. AUSTIN. In this bill?

Mr. SHERLEY. Yes.

Mr. SMITH of Michigan. And in the public-building bill, too.

Mr. AUSTIN. As to the contractor who offered to do the work for $1.50, I had no talk with him.

Mr. SHERLEY. I know the gentleman had not.

Mr. AUSTIN. But a Member of this House did, and he said this man came to him with the strongest indorsements as to reliability and efficiency, and that he offered to do it for $1.50, and that we were paying $3.

Mr. SHERLEY. If he can do it, I hope he will get an opportunity to do it. I will say to the gentleman, further, that it is absolutely impossible for either the committee or for Congress by legislation so to safeguard the expenditures of these huge sums as to prevent extravagance at times, desirable as it is to prevent it. I can not do it. In all the matters that the committee has had to deal with it has tried to get all the information it can. When it brings the bills to this floor it gives all the information it has. After the bills have become laws, the responsibility must rest with the administrative officers, and in these particular cases I do not think there is any liability of any great amount of extravagance, because the price was fixed after an investigation which showed what the price would probably be.

Mr. AUSTIN. Does the gentleman know whether in this instance that I am giving him, of the Government building where the contractor was given a contract which gave him $250,000 profit for three or four months' work, any other reliable contractor in the United States was asked whether he would do it for less money?

Mr. SHERLEY. I do not know; but I have no doubt that the Bureau of Yards and Docks of the Navy Department, having had considerable experience as to cost, and having control over the cost as they will have control over this, and desiring to build the building within the time necessary and within the limit of cost necessary, chose people who they thought were responsible and capable. I had nothing to do, as I will never have anything to do, with the suggestion of any human being for any contractual relationship with the Government. The responsibility is with the Navy Department. If the gentleman has a quarrel with what has been done, his quarrel rests with the Navy Department.

Mr. AUSTIN. I am asking this for information——

Mr. SHERLEY. I have no doubt that they will be able to give good and substantial reasons for any action that they have taken.

Mr. AUSTIN. The reason I asked the gentleman whether the contractors were to have more than $250,000 profit was that it was stated that if they succeeded in constructing the buildings for less than a certain fixed amount they were to have an additional fee for their services, and I wanted some information, and naturally thought the committee dealing with this matter and reporting the appropriation could give us some. If the gentleman does not know of any means or method by which we can protect the interests of the Government against these exorbitant prices for this work, very good.

Mr. SHERLEY. Mr. Speaker, the gentleman mixes up assumptions with statements of facts that make his conclusions totally illogical. He says exorbitant fees. The gentleman assumes that a fee of $250,000 for the construction of buildings of this character within a certain time that will cost about $5,000,000 is an extravagant fee. I deny on the face of it that it is an extravagant fee. If it is an unnecessary fee, it ought not to be paid, but the assumption that the gentleman makes I submit has not yet been supported by anything more than his statement.

Mr. AUSTIN. Mr. Speaker, if the Committee on Appropriations would say to these departments that are getting this money "you must submit the proposition to more than one reliable contractor and have competitive bids," it would be done.

Mr. SHERLEY. I will say to the gentleman that I have not only gone to the heads of the departments but I have gone further and oftener than the gentleman or any gentleman he can name to various officials of this Government to safeguard public expenditures whenever I learned of anything that warranted me in doing so. I can not take idle rumor and make it the basis of representations, and no other man with any appreciation of responsibility of office and of the tremendous tasks that we are dealing with now could do so; but if the gentleman at any time will bring to me any detailed statement of facts I will guarantee to see to it that it comes to the immediate attention of the responsible officials of the Government.

Mr. AUSTIN. I do not challenge or question the gentleman's sincerity or his splendid work in reducing expenditures, for we all know——

Mr. SHERLEY. Oh, let us dispense with the compliments.

Mr. AUSTIN. That he favors economy and reduction of public expenditures; but I do not think I am giving offense by in this public manner——

Mr. SHERLEY. The gentleman could not be offensive.

Mr. AUSTIN. Suggesting to this committee that has the handling of the money of the taxpayers that we might reduce the enormous expenses growing out of the construction of these buildings by having competitive bids or propositions from contractors; and there are many of them all over this country who have been here to Washington appealing to the Members of this House to give them an opportunity to bid on some of these propositions, and they have gone home without having that opportunity.

Mr. SHERLEY. That is quite true; and much of the criticism has been from men who did not get contracts because other people did. Mr. Speaker, how much time have I used?

Mr. BURNETT. Did they have any opportunity?

Mr. SHERLEY. They ought to have a chance, of course, if they are responsible people. How much time have I used?

The SPEAKER. Forty-nine minutes.

Mr. SHERLEY. Mr. Speaker, I ask unanimous consent that I may have 30 minutes additional time.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that he may have 30 minutes additional time. Is there objection?

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry

The SPEAKER. The gentleman will state it.

Mr. COOPER of Wisconsin. Can no other Member of the House get an opportunity for a few minutes to express his views on this bill without the consent of the gentleman in charge?

Mr. SHERLEY. He can not do it in my hour.

The SPEAKER. He can not as long as the gentleman's hour lasts, and if it is extended to an hour and a half the same conditions apply.

Mr. COOPER of Wisconsin. After that will there be then opportunity?

The SPEAKER. If the gentleman does not move the previous question, the matter can be debated indefinitely.

Mr. COOPER of Wisconsin. Will the gentleman consent that I have a very few minutes at the conclusion of his time?

Mr. SHERLEY. How much time does the gentleman want?

Mr. GILLETT. Does not the gentleman intend to yield any time?

Mr. SHERLEY. Unquestionably I do. I did not want to take half the time that I have consumed, but I have tried to yield to questions of any gentleman on the floor.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky that his time be extended for 30 minutes?

There was no objection.

Mr. SHERLEY. How much time does the gentleman want?

Mr. COOPER of Wisconsin. I would like to have about 15 minutes—or 10 minutes.

Mr. SHERLEY. I shall yield the gentleman 10 minutes in a few moments.

Mr. STAFFORD. Mr. Speaker, will the gentleman from Kentucky yield?

Mr. SHERLEY. Yes.

Mr. STAFFORD. I wish to make an inquiry in connection with Senate amendment No. 44, which is substantive legislation.

Mr. SHERLEY. I was coming to that just when I asked for the time. Amendment 44 is an amendment authorizing the payment of claims for property lost by officers, enlisted men, and female nurses of the Army. As originally proposed by the Senate it was very much broader than as it was agreed to in conference. The House conferees insisted upon the amendment going out, believing it could more properly await action of the Military Committees of the House and Senate. The Senate conferees insisted and persisted upon its remaining in the bill. The Senate Committee on Military Affairs had reported such a bill and it had been put on in the Senate in accordance with their rules. A similar bill was pending before the Committee on Military Affairs of the House and the conferees finally agreed to the provision with a limitation that narrowed it, and instead of the provision as it left the Senate providing for the repayment either in money or in kind of all the property that officers or

enlisted men or nurses were required to have and which might be lost under circumstances enumerated it now provides for the reimbursement in money or in property of only such property as they are required to have in the field service, restricting it in that regard. It also eliminated one of the cases, which was that the property should be reimbursed whenever the loss was without fault or negligence on the part of the owner. We provided it should be reimbursed whenever it was without fault or negligence on the part of the owner in the three cases set forth in the report.

Mr. STAFFORD. Was it the purpose of the conferees to limit this reimbursement for property lost by the enlisted force in the Army to the war alone?

Mr. SHERLEY. Yes; and it is limited to the war.

Mr. STAFFORD. Well, the only limitation I find of that character is next to the last paragraph, which, after the prior language, would lead me to believe it was to continue for all time.

Mr. SHERLEY. It was not so intended. What happened was the Senate undertook to amend the present law which relates to the payment of claims in peace times by making it apply both to peace and war times and making it very much wider. We did not change that statute at all, but we limited this to the cases enumerated, and in the limitation of the time when claims can be presented it is provided that claims must be made within one year after the claim arises, or made within six months after peace. That necessarily limits it to the war, and then we also limit it to property which they are required to have in field service.

Mr. STAFFORD. So virtually that limitation is in effect during the existence of the pending war, that this authority shall be granted for the payment of these claims?

Mr. SHERLEY. That is my understanding. I now yield to the gentleman from Massachusetts.

Mr. DALLINGER. I would like to ask the gentleman from Kentucky why the appropriation of $100,000 for the Watertown arsenal was stricken out of the bill?

Mr. SHERLEY. It was stricken out because it related to some offices at Watertown that we felt we could get fuller information about and come to a better judgment on in connection with the estimates of the sundry civil bill, and that is a bill that will necessarily come on the statute books within two or three months, and it was not such an emergency as to warrant us in carrying it at this time.

Mr. DALLINGER. It does not mean——

Mr. SHERLEY. It does not mean we either approve or disapprove of the item.

Mr. ROWE. Will the gentleman yield?

Mr. SHERLEY. Yes.

Mr. ROWE. With reference to the other item, amendment No. 44 to the Senate bill, why was not that made to apply to commissioned officers and men in the Navy as well as in the Army?

Mr. SHERLEY. Well, they have a law of their own, and then the Senate put this on, and we could not have added a provision as to the Navy as a germane amendment.

Mr. ROWE. There seems to me a good deal more complaint in my section of the country in reference to losses by men in the Navy.

Mr. SHERLEY. That is a matter that should address itself to the Committee on Naval Affairs. We have no jurisdiction of it.

Mr. EAGAN. Mr. Speaker, the urgent deficiency bill, as it passed the House, as explained by the gentleman from Kentucky [Mr. SHERLEY], was amended in one very important respect. The first amendment authorized the President to acquire the title to the docks, piers, warehouses, wharves, and terminal equipment and facilities now owned by the North German Lloyd Dock Co. and the Hamburg-American Line Terminal & Navigation Co., in Hoboken, if he shall deem it necessary for the national security and defense, provided that if such property can not be procured by purchase the President is authorized to take over for the United States the immediate possession and title thereof. Upon the taking over of the property by the President, the title to the property shall immediately vest in the United States.

I feel that I should call the attention of the House more explicitly to the effect that that will have on the city of Hoboken. The gentleman from Kentucky said it would mean a loss of $140,000 in taxes. It will be nearer to $150,000, and coming at this time it will work very great hardship on the city, due to the fact that by the operation of the half-mile prohibitory zone the city of Hoboken will lose next year in excise taxes about $125,000 additional. Four-fifths of the saloons of the city are within the prohibited area and a good many of them have already been closed, and the city expects to lose practically all of that revenue next year.

In addition to that, Hoboken will lose a very substantial amount—the exact amount can not be figured now—in the taxable value of the properties in which those saloons are located, so that all in all Hoboken will be placed in a most embarrassing position.

I did my utmost in the conference committee to provide some remedy for Hoboken, but without success. I do not know whether any remedy can yet be found, but I submit that it will be a very great injustice to Hoboken if some way can not be found whereby the city may continue to receive the taxes on these docks. Were it not for the fact that many of the items carried in this urgent deficiency bill bear directly on the prosecution of the war, I should have refused to agree to the conference report.

This amendment was put on as a rider to the urgent deficiency bill in the Senate. No opportunity was afforded to the officials or citizens of Hoboken to be heard, and under the rules that govern conference committees no legislation could be effected in the conference.

The amount of money represented in the taxes paid by these steamship companies is about one-eighth of the total taxable revenues of the city from real estate taxes.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. EAGAN. Yes.

Mr. COOPER of Wisconsin. What is the property said to be worth?

Mr. EAGAN. The German steamship piers, buildings, and lands were assessed for taxation purposes in 1917 to the extent of about $6,283,000, if I remember correctly. Our total ratables are about $79,000,000. This property along the river front comprises about one-third of our entire water-front, and is probably the most valuable property in the city.

Hoboken is a thoroughly loyal city. It has done its full duty in the liberty-bond drives and in every war appeal that has been made to the American people, including the call to the colors. It feels particularly honored by being made the port of embarkation of our fighting forces in the great war in which we are now engaged. It is the last bit of American soil which the boys in khaki tread upon before embarking for France. It welcomed the taking over of these docks by Uncle Sam.

I submit that if this is to be not only a war measure but must be extended over into peace times as well, and the property owned for all time by the United States, some remedial legislation, some way must be found to provide the money that we are going to lose in taxes. Hoboken can not stand this loss. It will be a blow from which it may not be able to recover. Hoboken can not materially reduce its expenses. It is the most thickly settled city in America, probably in the world, and this imposes, of itself, a serious tax burden, especially for school purposes.

Hoboken has no means of substantially increasing its taxes, and its tax rate will be increased upward of 50 points by the loss of this revenue and by the loss in excise revenue that I referred to a moment ago.

Mr. MADDEN. What does the gentleman mean by "50 points"?

Mr. EAGAN. The rate is now $23.20 per thousand, and the loss of this revenue and the excise revenues will mean that the remaining property of the city, exclusive of the steamship docks, will have to bear all of the tax burden.

Mr. MADDEN. About 1 per cent additional?

Mr. EAGAN. No; it is very much more than that. The German steamship docks and buildings paid nearly $150,000 in taxes last year. The estimated loss in excise revenues will be about $125,000, or $275,000 in all. The total of the taxes of the city last year was about $1,400,000. The loss in revenue from both of these sources amounts to about 20 per cent, and this loss will have to be borne by the remainder of the property in the city subject to taxation. As I have said before, Hoboken can not stand this great loss of revenue, and it must be given relief in some way, so far as the German docks are concerned. If this 20 per cent is added to the remaining property subject to taxation, it would make the tax rate about $27.86 a thousand.

Mr. MADDEN. $23 per capita?

Mr. EAGAN. $23.20 per $1,000 is now the tax rate.

Mr. MADDEN. That is $2.32 per hundred?

Mr. EAGAN. Yes.

Mr. MADDEN. "Fifty points" would mean that you would go up to almost $2.80 a hundred, instead of $2.32?

Mr. EAGAN. Yes; on the remaining property.

Mr. NORTON. Mr. Speaker, will the gentleman yield?

Mr. EAGAN. Yes.

Mr. NORTON. Has Hoboken any municipal docks?

Mr. EAGAN. No. Unfortunately we have not a foot of water-front property that belongs to the municipality.

Mr. NORTON. Could the city take over these docks and operate them?

Mr. EAGAN. The city would be very glad of the opportunity to take over the docks and lease them to the Federal Government at an agreed price that would represent the interest on the bonds and the amount that the city now receives in taxes. There is no objection whatever to the Federal Government taking over the property, but the city is not in a position to stand this drain. I submit it should not be put to such a great hardship and injury as this will entail.

Mr. NORTON. It occurred to me that the municipality might be able to operate the docks more efficiently than the Government at this time.

Mr. EAGAN. The municipality would be glad to do that, but it yields, of course, to the Federal Government.

Mr. DEWALT. Mr. Speaker, will the gentleman yield?

Mr. EAGAN. Yes.

Mr. DEWALT. I suppose it is true that this property is always increasing in value. Would it not therefore be an increasing loss each year, because the rate would be the same and the property value greater?

Mr. EAGAN. That is so. During the last 10 years the assessed value of the property has increased about 100 per cent. Perhaps the property was undervalued for taxation purposes in the past, but the increase in the assessed valuation is due, in the main, I think, to the great increase in the value of this property. It is invaluable.

Now, Mr. Speaker, I ask leave to extend my remarks by the insertion of a telegram from Hon. P. R. Griffin, mayor of Hoboken, an editorial from the Hudson Observer, of Hoboken, and an editorial from the Hudson Dispatch, of Union Hill, N. J.

The SPEAKER. The gentleman from New Jersey asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

The matter referred to is as follows:

HOBOKEN, N. J., *March 16, 1918.*

Hon. JOHN J. EAGAN,
Member of House of Representatives, Washington, D. C.:

The city of Hoboken is very much opposed to the Government taking title to the German steamship piers, unless adequate provision is made for the protection of the city on the taxes. If the Government takes title, and thereby the taxes of the piers are lost, it will practically mean bankruptcy to the city. I would request that you arrange for a hearing and give Hoboken an opportunity to be heard. Wire me particulars if you please.

P. R. GRIFFIN,
Mayor of Hoboken.

—

[From Hudson Observer, of Hoboken, N. J., Mar. 22, 1918.]

A MOST SERIOUS PROBLEM NOW CONFRONTS THE TAXPAYERS OF HOBOKEN—TIME TO ACT.

What will the Government do to recompense Hoboken for the loss of taxes involved in the taking over of the piers and their permanent retention? The loss of $150,000 a year in taxes on top of the shrinkage from liquor licenses certain to follow the continuation of the barred zone is a blow from which the whole city will stagger unless speedy methods of relief are found. Wiping out at one swoop 20 per cent of its ratables is just about the most serious blow any community can sustain.

In Hoboken's case the destruction is worse than that caused by a great fire, for in such a case the ground value remains and buildings may be replaced. But local taxation of Government-owned property is impossible, either directly or indirectly, and hence, so far as Hoboken's finances are concerned, the docks and piers are irretrievably wiped out.

The situation is unprecedented. No other city in the country ever has or probably ever will be called on to face its like. But it is distinctly a war emergency. The burden is cast upon Hoboken for the benefit of the entire country. Therefore, at least until Hoboken can be afforded ample opportunity to readjust itself to the changed conditions the problem is in effect a national problem and should be dealt with as such by the National Government which has created it. We do not know what form of assistance can be extended under the circumstances, but it must be given, and given quickly, in one way or another. The situation deserves and will doubtless have the prompt attention of the President. The entire New Jersey delegation in Congress should be prepared to act if remedial legislation is deemed advisable. It stands to reason that the United States Government will see that the situation is cleared up satisfactorily to the city. Mayor Griffin and the city commissioners should not delay action in the matter.

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[From the Hudson Dispatch, of Union Hill, N. J., Mar. 23, 1918.]

THE TAXES ON HOBOKEN PIERS.

It would be outrageously unfair for the Government to take title to the valuable German piers in Hoboken, without making provision for the payment of taxes in full upon the property. Hoboken can not afford to lose $150,000 taxes, and the Government has no right to expect the taxpayers of the city to make up such a deficit.

The exemption of the piers from taxation would be vastly different from the exemption of post offices. Every city and every municipality has a post office, which is exempt from taxation, so that it is about "even up" on that score.

But when it comes to steamship piers Hoboken would be carrying a burden which no other municipality in the land would carry for the Government. A city like Hoboken has to depend upon its valuable water-front property for a big share of its taxes, and any plan for the Government ownership of the piers should be predicated upon the payment of taxes upon them.

Mr. SHERLEY. I yield 10 minutes to the gentleman from Wisconsin [Mr. COOPER].

Mr. COOPER of Wisconsin. Mr. Speaker, the first of these amendments proposes new legislation; the second does not propose new legislation, but only to amend an existing law enacted last October and known as the trading-with-the-enemy act. I voted for the trading-with-the-enemy act, as did also, I believe, every other Member of the House who was present when the vote was taken, and I am prepared to vote for anything proper which will make it more effective. And therefore it is of course clear that I questioned the distinguished chairman of the Committee on Appropriations [Mr. SHERLEY] about the legal purport of these two amendments during his opening speech, not because I was opposed to the trading-with-the-enemy act, or to its amendment, but because of the exceeding importance of his statement that the two amendments, if enacted into law, would permit the custodian of alien property, in his discretion, to sell certain wharves and docks in Hoboken belonging to two New Jersey corporations which are specifically named in the first amendment. Now, that, I think, is not a proper construction of the two amendments taken together. On the contrary, in my judgment, if these two amendments become law, the power to acquire the title to the property named in the first amendment will be vested exclusively in the President of the United States.

Before further discussing this point I desire briefly to remind gentlemen of the importance of water terminals, and to say that it is my strong belief that on grounds of high public policy the United States should not sell any of its wharf or dock property located on navigable waters. This, I believe, because of the constant embarrassing troubles which communities undergo through the private monopolization of water terminal facilities. I maintain that whenever the United States Government becomes the owner in fee of wharfage, dockage, or similar facilities on navigable streams or harbors, it never should absolutely relinquish that title.

This question is not a new one in Congress. Some years ago a bill was introduced in the House which proposed to give the Government the right to sell virtually at private sale wharves and docks which it owned in the harbor of San Juan in Porto Rico. That bill was opposed and defeated on the floor. A few years earlier an attempt was made to sell wharfage and docks which the Government owned in Alaska. That provision was in a bill favorably reported here, but when brought to the attention of the House it was defeated. Now, I think, at least I hope, that the President will construe this amended bill so that the first Senate amendment will mean that he, the President, shall have the exclusive authority to acquire the title to and to control the Hoboken wharfage and other property here in question. This, I hope, in part also, because of the predicament in which Hoboken may soon find herself. If necessary, the President might be empowered, in behalf of the National Government, to lease the docks and other property to that municipality for a time, or perhaps until after this war is over and normal conditions shall be restored, or perhaps with the privilege—though this I do not urge—of buying the property at a certain figure, on an amortization plan, so much each year for interest and so much for payment of an installment on the principal, and with a provision that if Hoboken ever should attempt to sell the property the title should thereupon immediately revert to the Government of the United States.

But the only really sound policy is for the Government not to sell any of its water terminals. That is a forward-looking view to take of a problem now being presented to the business interests of this country everywhere, but with especial force wherever there is a monopolization of such terminal facilities, and the consequent power to dictate to manufacturers and other shippers. It is, and for years has been, one of the most important business problems before the American people—this question of the control of transportation terminal facilities.

I now ask the attention of gentlemen to the language of this first amendment:

The President is authorized to acquire the title to the docks, piers, warehouses, wharves, and terminal equipment and facilities on the Hudson River now owned by the North German Lloyd Dock Co. and the Hamburg-American Line Terminal & Navigation Co., two corporations of the State of New Jersey, if he shall deem it necessary for the national security and defense: *Provided*, That if such property can not be procured by purchase, then the President is authorized and empowered to take over for the United States the immediate possession and title thereof.

The President will not have to wait for a jury. He himself can take and pay for the property, and thereupon the title instantly will vest in the United States. He can alone fix the amount to be paid as compensation.

If any such property shall be taken over as aforesaid, the United States shall make just compensation therefor, to be determined by the President. Upon the taking over of said property by the President, as aforesaid, the title to all such property so taken over shall immediately vest in the United States

This first amendment, when enacted, will be new legislation. And this new legislation will relate exclusively to certain property—docks, wharves, and so forth—therein specifically described. Now, this property, so specifically described, is property which was previously included in the provisions of the trading-with-the-enemy act approved in October last, but only in general terms. In that act of last October there is no specific mention of these particular wharves and other property. On the contrary, as I have said, the provisions of that act apply to all alien enemy property and are general in character. And, therefore, in so far as that act of last October may be held to include in its general terms this property in Hoboken, it is now, as to that property, to be entirely repealed by this first amendment, which makes new and complete provisions concerning that property, and in express, specific terms. Under the trading-with-the-enemy act power over all the property of all alien enemies is given in general language to the Custodian of Alien Property, but under this first amendment power over certain particular pieces of such property belonging to certain of these alien enemies is in specific language given to the President, and to him alone.

In other words, the first amendment, in clear, specific terms, takes the particular property in Hoboken out from under the general language of the trading-with-the-enemy act, and therefore repeals that act in so far as it relates to that particular property.

The SPEAKER. The time of the gentleman has expired.

Mr. CANNON. I yield to the gentleman five minutes.

Mr. COOPER of Wisconsin. I thank the gentleman from Illinois. Certainly it ought not to be considered the intention of Congress to give the Custodian of Alien Property the right to sell this property in the city of Hoboken to any corporation, any steamboat company which already may have abundant wharfage facilities, and may desire to acquire this Hoboken property to help enable it to secure a monopoly of terminal facilities.

Mr. JUUL. Mr. Speaker, will the gentleman yield for a question?

Mr. COOPER of Wisconsin. Yes.

Mr. JUUL. If the property is owned in part by loyal American owners, what would the gentleman say as to the constitutionality of these proceedings?

Mr. COOPER of Wisconsin. I understand it is owned by two New Jersey corporations, the stockholders of which are Germans and alien enemies. Nevertheless, the corporations are both New Jersey corporations, and the dealings would be had with New Jersey corporations, artificial beings, acting through their officers.

And the title to be taken over would be the title of the corporation, not the title of the individual stockholders.

Mr. DEWALT. Mr. Speaker, will the gentleman yield?

Mr. COOPER of Wisconsin. I would not wish the custodian of alien property to have power to sell this property to some steamship company which already in the city of New York has abundant dock facilities. And yet he will have that power if the construction is that the first amendment does not confer upon the President exclusive jurisdiction respecting the property in Hoboken. I yield to the gentleman from Pennsylvania.

Mr. DEWALT. The trading-with-the-enemy act provides that the Alien Custodian can take stock of any alien enemy in any corporation.

Mr. COOPER of Wisconsin. Is a New Jersey corporation an alien enemy?

Mr. DEWALT. No, no; but if the stock of the corporation, and whether it be a New Jersey or a Pennsylvania corporation makes no difference, is owned by an alien enemy, and an alien enemy is one who resides in alien territory, then that stock can be taken by the Alien Custodian. So here the remedy would be for the Alien Property Custodian to take the stock, and he would have the voting power of the stock naturally as he had the stock; but that would not necessarily give him title to the real estate. He would only have the stock.

Mr. SHERLEY. And if the gentleman would permit, he has had the stock for months.

Mr. COOPER of Wisconsin. But the first amendment authorizes and empowers the President of the United States to take over the specifically described Hoboken property of two corporations.

This means all of the property of the corporations—stock and everything else. He can take it, regardless of the wishes of the custodian of alien property. The first amendment expressly authorizes the President to do this. It does not leave it to inference.

Mr. GRAY of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. GRAY of New Jersey. Does not the gentleman remember that the United States Government has taken over all of the rest of the property of these corporations without the consideration that the gentleman had in mind, namely, the ships belonging to them, for which these terminal facilities were secured?

Mr. COOPER of Wisconsin. But the gentleman mistakes the point under discussion. The law of last October gave, in general terms, the custodian the right to take over all of the property of all alien enemies. Here is a new section to be enacted now—in March, 1918—taking out in express terms from the general provisions of the trading-with-the-enemy act of last October certain specific property, which it names, and giving complete authority over it to the President. Therefore that property thus named is taken out of the jurisdiction of the custodian of alien property.

Mr. STEELE. Mr. Speaker, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. STEELE. This is a new, specific authority to condemn, regardless of the trading-with-the-enemy act of last October.

Mr. COOPER of Wisconsin. Yes.

The SPEAKER. The time of the gentleman from Wisconsin has again expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman three minutes more.

Mr. COOPER of Wisconsin. Repeals by implication are not favored in the law. That is the ordinary rule of statutory construction. But it is true also that in this instance we have what is equivalent to a repeal in express terms, because, as I said a moment ago, the act of October, 1917, in general terms, gives authority over all the property of all alien enemies to the Custodian of Alien Property, while the pending first amendment gives authority over certain portions of this property belonging to certain specifically named alien enemies to the President.

Mr. WALSH. Will the gentleman yield?

Mr. COOPER of Wisconsin. I sincerely hope that the President will thus construe the law and take immediate possession of those wharves and other property up there. That, in my judgment, would be the true way to solve this problem. The two amendments ought not to be so construed as to permit the Custodian of Alien Property to sell it at public or private sale to some corporation which now already has great wharfage facilities in New York and that will pay three time the value of the property in order to own and control it.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. WALSH. Does the gentleman object to the Congress providing for the acquisition of this specific property through legislation such as this, rather than leaving it to the Alien Property Custodian?

Mr. COOPER of Wisconsin. No. The gentleman misunderstands me.

Mr. WALSH. That is all this amendment does.

Mr. COOPER of Wisconsin. Oh, no; not at all.

Mr. WALSH. I think the gentleman is mistaken.

The SPEAKER. The time of the gentleman has again expired.

Mr. SHERLEY. Mr. Speaker, I shall detain the House only a few moments longer.

The SPEAKER. The gentleman has only one minute remaining.

Mr. SHERLEY. The gentleman from Illinois will yield me additional time?

Mr. CANNON. I yield the gentleman such time as he desires.

Mr. SHERLEY. I shall not want more than 10 minutes. I shall not detain the House unnecessarily, and would not at all if it had not been for the statements made by the gentleman from Wisconsin [Mr. COOPER]. I am just as anxious as he is, and I am sure the President of the United States is as anxious as he is, that this property shall neither go back into the hands of former German owners, nor go into the hands of any private monopolistic control. The very purpose of this provision, put in at the suggestion of the President himself, was in order that the United States Government might acquire with the idea of keeping, these terminals at Hoboken and not with the idea of having the Alien Property Custodian sell them to anybody else.

Now, the sole effect of the first amendment is to give plainly the right, first to the President to negotiate and purchase, and failing, if it be conceivable that he could fail, dealing with the Alien Property Custodian—failing negotiations for the purchase, the right to take. That is the plain meaning of it, and he who runs may read. Now, there is no better way I know of to assure the thing that the gentleman has in mind than what we have provided.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. SHERLEY. Not now. Now, the second amendment was an amendment introduced not simply because of the Hoboken docks, but introduced for all alien property in order to correct an omission in the original alien property act, to give to the Alien Property Custodian the right to sell for any cause and not simply the right to sell to prevent waste, which is the way the law now reads which is upon the statute book. Now, what will happen will be this: The President will negotiate with the Alien Property Custodian for the purchase of these properties. Failing to arrive at an agreement he will take the property under the power that is given, and if he does take the properties by the very terms of the act authorizing him to take them he must make just compensation and the title vests in the United States, and having vested in the United States I hope it will not be given or sold to the city of Hoboken or to anybody. I hope it will always remain the property of the United States, and that is the intention of the provision, and there is no amount of construction that can change the plain meaning of this particular section.

Mr. COOPER of Wisconsin. Will the gentleman yield for a question?

Mr. SHERLEY. Just a question.

Mr. COOPER of Wisconsin. The reason I took the floor a moment ago was that I understood the gentleman to say, in reply to my question earlier to-day, that the second amendment—the one which amends the "trading-with-the-enemy act," approved in October last—authorized the Custodian of Alien Property to sell these docks.

Mr. SHERLEY. Authorized him to sell all property that is in his possession as alien-property custodian.

Mr. COOPER of Wisconsin. The docks are in his custody, then can he sell the docks?

Mr. SHERLEY. He can and will to the United States.

Mr. LONGWORTH. If the gentleman will yield, I do not think I understood the argument of the gentleman from Wisconsin. He was trying to provide against the danger, as I understood it, of the Alien Property Custodian selling these docks to some other corporation, but suppose the United States Government buys them, the title comes to the United States and thereupon he loses the right to sell to anybody else.

Mr. SHERLEY. Of course he does.

Mr. LONGWORTH. That takes them out of his custody.

Mr. SHERLEY. It is inconceivable that the alien-property custodian under the control of the President, appointed and removable by him at will, would sell or undertake to sell the property to some one other than the United States when the Congress has gone to the extent, at the instance of the President, of expressly providing that the President may buy them for the United States.

Mr. MADDEN. He could commandeer them if he wished.

Mr. SHERLEY. Not only has he the right to commandeer their use but this property is being controlled by the Government now and used in connection with its war purposes.

Mr. MADDEN. So when the disposition is made of these properties at Hoboken to the United States Government the custodian is out of the control of them entirely?

Mr. SHERLEY. Why, yes; what he will get is a certain amount of money as the purchase price for them, which he will turn over to the United States Treasury.

Mr. MADDEN. For a subsequent accounting?

Mr. SHERLEY. And have to account for it at the end of the war.

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. SHERLEY. Yes.

Mr. COOPER of Wisconsin. That is exactly the construction which I hoped the gentleman will say is the correct one.

Mr. SHERLEY. I have never said anything else from the beginning. The gentleman misunderstood me, and what led the gentleman into error, if he will permit me, was this thought, that he keeps thinking of the second amendment as having been written simply in its relationship to the Hoboken property.

Mr. COOPER of Wisconsin. Oh, no.

Mr. SHERLEY. Whereas the second amendment was written for the purpose of affecting all property in the hands of the custodian.

Mr. COOPER of Wisconsin. The first amendment is new legislation and relates exclusively and specifically in its terms to wharves and docks in Hoboken owned by two New Jersey corporations. I was not mistaken as to the facts. I simply misunderstood the gentleman from Kentucky this morning if he then said what he now says is the proper construction of these two amendments.

Mr. SHERLEY. There is no doubt. I know the matter originated with the President. I know his wishes; I know what we are intending to do here, and anybody who reads the section can have but one conclusion. The first section provides the United States may buy; the second section provides that the Alien Property Custodian may sell this or any other property that he has in his possession. The result will be that the title to this property will be turned over to the United States.

Mr. Speaker, I move the adoption of the report, and upon that I move the previous question.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman permit one question?

Mr. SHERLEY. I yield.

Mr. COOPER of Wisconsin. The gentleman admitted by his last statement that the statute is not mandatory and that the custodian can sell or may sell to the highest bidder those wharves and docks, but he hopes that the custodian will sell them to the President.

Mr. SHERLEY. I do not hope. I know he will.

Mr. COOPER of Wisconsin. Exactly; but I claim that under the best and proper construction it ought to be held that the first amendment confers exclusive power upon the President to acquire these docks and wharves, and that as to them there is no discretion left in the custodian.

Mr. SHERLEY. We do not need to waste any time. What the gentleman believes ought to be compelled I know will be done, and we might as well move on.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

PAYMENT OF INCOME TAX BY INSTALLMENTS.

Mr. BARNHART. Mr. Speaker——

The SPEAKER. The Chair will recognize the gentleman if it does not take over five minutes.

Mr. BARNHART. I send to the desk a letter, which I do not think will take over two minutes to read, from the Commissioner of Internal Revenue relative to the possibility of having the income tax paid by installments.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

TREASURY DEPARTMENT,
Washington, March 22, 1918.

Hon. HENRY A. BARNHART,
House of Representatives, Washington, D. C.

MY DEAR MR. BARNHART: I have your favor of the 16th instant inclosing a letter from Mr. M. W. Mix, president Dodge Manufacturing Co., Mishawaka, Ind., in which he suggests that some plan be adopted for the payment in installments, throughout the year, of income and excess profits taxes due on June 15 next.

There is no provision of law under which this department may defer, beyond June 15, 1918, the payment of income and excess profits taxes, and the financial requirements of the Government are such as to make it unwise for this department to recommend to Congress at this time the enactment of legislation that will authorize the department to defer such payments beyond June 15.

The situation to which you have directed attention has been given most serious consideration. Such action has been taken to minimize the strain of sudden withdrawals as is permissible under existing laws; as, for example, Treasury Decision 2622 authorizes the partial payment, in advance, of income and excess profits taxes established to be due for the taxable year 1917, and Treasury Decision 2639 authorizes and directs the acceptance of Treasury certificates of indebtedness, at par and accrued interest, in payment of income and excess profits taxes due on June 15 next. About $1,250,000,000 of certificates maturing in June and acceptable in payment of income and excess profits taxes have been issued and sold. This is about one-half of the estimated amount of those taxes.

I am strongly in favor of having the taxes paid in installments, but I think they ought to be paid in installments in advance, and that payment of taxes ought not to be deferred.

These devices will serve effectually, it is believed, to reduce the strain on financial institutions, and further relief may be afforded by taxpayers who will anticipate the necessity of paying their taxes and arrange their financial affairs accordingly.

Let me add that the passage of the war finance corporation bill will, I think, have considerable effect along certain lines in relieving any undue strain in connection with the payment of income and excess profits taxes.

Respectfully,

DANIEL C. ROPER,
Commissioner.

INCREASED PAY FOR POSTAL EMPLOYEES.

Mr. MOON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the postal salary bill, H. R. 9414.

The SPEAKER. The gentleman from Tennessee moves that the House resolve itself into the Committee of the Whole House

on the state of the Union for the further consideration of the bill H. R. 9414.

Mr. STAFFORD. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Wisconsin makes the point that there is no quorum present, and evidently there is not. The Doorkeeper will close the doors; the Sergeant at Arms will notify the absentees. Those in favor of going into the Committee of the Whole House on the state of the Union will, as their names are called, answer "yea" and those opposed will answer "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 356, nays 1, not voting 74, as follows:

YEAS—356.

Alexander	Emerson	Kraus	Rouse
Almon	Esch	La Follette	Rowe
Anderson	Evans	Langley	Rubey
Anthony	Fairchild, B. L.	Larsen	Rucker
Ashbrook	Fairfield	Lazaro	Russell
Aswell	Farr	Lee, Ga.	Sabath
Austin	Ferris	Lehlbach	Sanders, Ind.
Ayres	Fields	Lesher	Sanders, La.
Bacharach	Fisher	Lever	Sanders, N. Y.
Baer	Flynn	Linthicum	Sanford
Bankhead	Focht	Little	Saunders, Va.
Barnhart	Foss	Lobeck	Scott, Iowa
Beakes	Foster	London	Scott, Mich.
Bell	Francis	Lonergan	Scully
Beshlin	Frear	Longworth	Sears
Black	Freeman	Lufkin	Sells
Bland	French	Lundeen	Shackleford
Blanton	Fuller, Ill.	Lunn	Shallenberger
Booher	Fuller, Mass.	McAndrews	Sherwood
Bowers	Gallagher	McArthur	Shouse
Britten	Gallivan	McClintic	Siegel
Browne	Garland	McCormick	Sims
Browning	Garner	McCulloch	Sinnott
Buchanan	Garrett, Tenn.	McFadden	Slayden
Burnett	Garrett, Tex.	McKenzie	Slemp
Burroughs	Gillett	McKeown	Sloan
Butler	Glynn	McKinley	Small
Byrnes, S. C.	Godwin, N. C.	McLaughlin, Mich.	Smith, Mich.
Byrns, Tenn.	Goodwin, Ark.	McLaughlin, Pa.	Snell
Campbell, Kans.	Gordon	McLemore	Snook
Campbell, Pa.	Graham, Ill.	Madden	Snyder
Candler, Miss.	Gray, Ala.	Magee	Stafford
Cannon	Gray, N. J.	Maher	Steagall
Cantrill	Green, Iowa	Mansfield	Stedman
Caraway	Greene, Mass.	Mapes	Steele
Carew	Greene, Vt.	Martin	Steenerson
Carter, Mass.	Gregg	Mason	Stephens, Miss.
Carter, Okla.	Griest	Mays	Stephens, Nebr.
Cary	Griffin	Merritt	Sterling, Ill.
Chandler, Okla.	Hadley	Mondell	Sterling, Pa.
Church	Hamilton, Mich.	Montague	Stevenson
Clark, Fla.	Hamilton, N. Y.	Moon	Stiness
Clark, Pa.	Hamlin	Moore, Pa.	Strong
Claypool	Hardy	Moores, Ind.	Sullivan
Cleary	Harrison, Va.	Morgan	Sumners
Coady	Haskell	Morin	Sweet
Collier	Hastings	Mudd	Swift
Connally, Tex.	Haugen	Neely	Switzer
Connelly, Kans.	Hawley	Nelson	Tague
Cooper, W. Va.	Hayden	Nicholls, S. C.	Talbott
Cooper, Wis.	Heaton	Nichols, Mich.	Taylor, Ark.
Costello	Heflin	Nolan	Taylor, Colo.
Cox	Helm	Norton	Temple
Crago	Helvering	Oldfield	Thompson
Cramton	Hensley	Oliver, Ala.	Tillman
Crisp	Hersey	Oliver, N. Y.	Tilson
Crosser	Hicks	Olney	Timberlake
Currie, Mich.	Hilliard	Osborne	Tinkham
Dale, N. Y.	Holland	O'Shaunessy	Towner
Dale, Vt.	Hood	Overstreet	Treadway
Dallinger	Houston	Padgett	Venable
Darrow	Howard	Paige	Vestal
Davis	Huddleston	Park	Vinson
Decker	Hull, Iowa	Parker, N. J.	Voigt
Delaney	Hull, Tenn.	Parker, N. Y.	Waldow
Dempsey	Humphreys	Peters	Walker
Denison	Husted	Phelan	Walton
Denton	Hutchinson	Platt	Wason
Dewalt	Igoe	Polk	Watkins
Dickinson	Ireland	Porter	Watson, Pa.
Dill	Jacoway	Pou	Watson, Va.
Dillon	James	Purnell	Weaver
Dixon	Johnson, Wash.	Quin	Welling
Dominick	Jones, Tex.	Rainey	Whaley
Donovan	Jones, Va.	Raker	Wheeler
Dooling	Juul	Ramsey	White, Me.
Doolittle	Keating	Ramseyer	White, Ohio
Doremus	Kelley, Mich.	Randall	Williams
Doughton	Kelly, Pa.	Rankin	Wilson, Ill.
Dowell	Kennedy, Iowa	Rayburn	Wilson, La.
Drane	Kennedy, R. I.	Reavis	Wilson, Tex.
Dunn	Kettner	Reed	Wingo
Dyer	Key, Ohio	Riordan	Winslow
Eagan	Kiess, Pa.	Robbins	Woods, Iowa
Eagle	Kincheloe	Robinson	Woodyard
Edmonds	King	Rodenberg	Wright
Elliott	Kinkaid	Rogers	Young, N. Dak.
Ellsworth	Kitchin	Romjue	Young, Tex.
Elston	Knutson	Rose	Zihlman

NAYS—1.

Walsh

NOT VOTING—74.

Barkley	Fairchild, G. W.	Kearns	Schall
Blackmon	Fess	Kehoe	Scott, Pa.
Borland	Flood	Kreider	Sherley
Brand	Fordney	LaGuardia	Sisson
Brodbeck	Gandy	Lea, Cal.	Smith, Idaho
Brumbaugh	Gard	Lenroot	Smith, C. B.
Caldwell	Glass	Littlepage	Smith, T. F.
Carlin	Good	Mann	Templeton
Chandler, N. Y.	Goodall	Meeker	Thomas
Classon	Gould	Miller, Minn.	Van Dyke
Cooper, Ohio.	Graham, Pa.	Miller, Wash.	Vare
Copley	Hamill	Mott	Volstead
Curry, Cal.	Harrison, Miss.	Overmyer	Ward
Davidson	Hayes	Powers	Webb
Dent	Heintz	Pratt	Welty
Dies	Hollingsworth	Price	Wise
Drukker	Johnson, Ky.	Ragsdale	Wood, Ind.
Dupré	Johnson, S. Dak.	Roberts	
Estopinal	Kahn	Rowland	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. BLACKMON with Mr. HOLLINGSWORTH.

Mr. THOMAS F. SMITH with Mr. GEORGE W. FAIRCHILD.

Mr. OVERMYER with Mr. WARD.

Mr. VAN DYKE with Mr. GRAHAM of Pennsylvania.

Mr. BORLAND with Mr. GOOD.

Mr. GANDY with Mr. CURRY of California.

Mr. THOMAS with Mr. DAVIDSON.

Mr. BARKLEY with Mr. DRUKKER.

Mr. BRAND with Mr. CARY.

Mr. BRODBECK with Mr. GOODALL.

Mr. BRUMBAUGH with Mr. KREIDER.

Mr. CALDWELL with Mr. CHANDLER of New York.

Mr. CARLIN with Mr. MEEKER.

Mr. GARD with Mr. HAYES.

Mr. HAMILL with Mr. COOPER of Ohio.

Mr. DENT with Mr. KAHN.

Mr. HARRISON of Mississippi with Mr. MILLER of Minnesota.

Mr. DIES with Mr. COPLEY.

Mr. KEHOE with Mr. MILLER of Washington.

Mr. DUPRÉ with Mr. GOULD.

Mr. LEE of California with Mr. MOTT.

Mr. ESTOPINAL with Mr. FESS.

Mr. LITTLEPAGE with Mr. PRATT.

Mr. RAGSDALE with Mr. FORDNEY.

Mr. PRICE with Mr. POWERS.

Mr. SCHALL with Mr. ROBERTS.

Mr. SHERLEY with Mr. TEMPLETON.

Mr. SISSON with Mr. VOLSTEAD.

Mr. CHARLES B. SMITH with Mr. SMITH of Idaho.

Mr. WEBB with Mr. WOOD of Indiana.

Mr. WELTY with Mr. ROWLAND.

Mr. WISE with Mr. VARE.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9414, with Mr. CARAWAY in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9414, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 9414) granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes.

Mr. WALSH. Mr. Chairman, I desire to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. Under the rule adopted on March 21 two measures were made in order as parts of this bill. Both of those two measures have been considered by the Committee on the Post Office and Post Roads, and they both contain paragraphs which are headed as sections. In the rule as printed in the RECORD the sections are not numbered, but the various sections of each measure are grouped together and each group is paragraphed 1 and 2. My inquiry is, In considering parts of the bill, will they be considered by sections in each of the two parts or will they be considered as one section for each measure?

Mr. MOON. Mr. Chairman, there is some doubt in my own mind as to whether under the rule the amendment that was offered, which contains two or three sections, can properly be considered as one section in the bill, and I will therefore change my amendment so that the sections in the bill will be considered in the order in which they appear and are numbered in the original bill. For instance, we will take up the section on the

motor trucks, and then the section on aviation, and then the proposition on the postal employees.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. WALSH. I was unfortunate enough not to have heard the gentleman's remarks when the bill was first taken up for consideration, and I do not know whether or not he devoted any considerable time to explaining these two bills that were made in order. Is it his intention to devote some time now to discussing or explaining the measures in a general way?

Mr. MOON. These two bills were put on in the Committee on Rules for the purpose of being considered with the main bill, H. R. 9414, as amended. We have completed the original bill and have come to the first amendment authorized by the Committee on Rules. In the bill as it was brought into the House and approved by the Committee on Rules the motor truck was the first section, and then the aviation section, and then came the independent section of the postal matter. I had moved to consider them all as one section, but if it is desired by the House to do otherwise—and it may be done more speedily that way—we can take them up one at a time.

Mr. STEENERSON. That is satisfactory.

Mr. WALSH. The gentleman, I think, may have misunderstood my inquiry. I wished to inquire whether the gentleman now intends to make any remarks touching these two important measures in the nature of explanation or general debate, or whether he has heretofore done so?

Mr. MOON. I want the House to have a full explanation of this section. I have no objection to reasonable debate.

Mr. WALSH. My inquiry went more to the intention of the gentleman to make at this time more extended remarks on these two subjects.

Mr. MOON. I am going to offer an amendment to the first section, and then, with the consent of the House, I would like to have the statement of the department, which goes into detail in every particular, read.

Mr. TOWNER. Mr. Chairman, will the gentleman yield?

Mr. MOON. Yes.

Mr. TOWNER. Before the chairman of the committee takes his seat, I think it will be understood, first, that these various paragraphs, including one in this and one in the other, ought to be separately numbered.

Mr. MOON. That is the suggestion I made.

Mr. TOWNER. Now, in order that that may be done and without changing the proposition as now presented, I think it would be proper for the chairman of the committee to ask that they be considered by unanimous consent as separate paragraphs.

Mr. MOON. That is what I asked. Mr. Chairman, I ask that these sections, all of them made in order to be introduced as amendments, be treated as sections.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the amendments, made in order by special rule, be offered as paragraphs, each paragraph treated as a section. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the first section.

Mr. MOON. Let the Clerk report the motor-truck section first.

The CHAIRMAN. It was read for information yesterday, as the RECORD shows. It is being offered now for amendment.

Mr. STAFFORD. If the Chair will permit, last evening the Clerk read the first paragraph and was about to read the second when he was interrupted by a parliamentary inquiry.

The CHAIRMAN. The Chair has just instructed the Clerk to read the first paragraph for amendment.

The Clerk read as follows:

That to promote the conservation of food products and to facilitate the collection and delivery thereof from producer to consumer and the delivery of articles necessary in the production of such food products to the producers, the Postmaster General is hereby authorized to conduct experiments in the operation of motor-vehicle truck routes in the vicinity of such cities of the United States as he may select, and under such rules and regulations as he may prescribe, and the cost of such experiments, not exceeding $300,000, may be paid by the Postmaster General out of any unexpended appropriations of the Postal Service, and the Postmaster General shall report the result of such experiments to the Congress at the earliest practicable date.

The CHAIRMAN. The gentleman from Tennessee [Mr. MOON] has an amendment that he wanted to offer to the first section.

Mr. MOON. Mr. Chairman, I offer an amendment to the first section. The lines in the bill are not the same as those in the amendment, but the Clerk will find, about the middle of the third line from the bottom of the page, the place where I offer this amendment. That is, after the word "service," insert the following: "*Provided*, That the Postmaster General may use the revenue derived from this experimental motor-vehicle truck service to establish and maintain additional motor-vehicle truck routes, and to provide for the purchase of vehicles and operating expenses thereof."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MOON: Insert after the word "service" the following: "*Provided*, That the Postmaster General may use the revenue derived from this experimental motor-vehicle truck service to establish and maintain additional motor-vehicle truck routes and to provide for the purchase of vehicles and operating expenses thereof."

The CHAIRMAN. Does the gentleman from Tennessee want to be heard on his amendment?

Mr. MOON. I hardly think it is necessary to be heard on it.

Mr. STAFFORD. Mr. Chairman, I desire recognition in opposition to the amendment.

The CHAIRMAN. The gentleman from Tennessee has the floor.

Mr. MOON. If there is any opposition to this amendment I want to say that this is purely an experimental service, that the department believes it will accomplish good results, and that instead of bringing a loss it will bring a substantial revenue to the Government. Of course the amount authorized for this experimental service is small. Standing alone it would accomplish good in proportion to the sum that is authorized, but the department suggests—and this amendment is a departmental suggestion—that for the extension of the service the revenues that may be derived from it may be used in the enlargement of the service for the benefit of the public. That will accomplish the desire of the department in trying to make effective a system by which the cities will be connected with the country and the country with the cities in the distribution of the products of the farm and of the merchandise from the cities, so that they will find it mutually beneficial.

There is a vast portion of our country that is not reached by railroads and other common carriers of traffic that can be reached speedily and readily by the motor truck. It has been estimated that there are hundreds of thousands of dollars' worth of farm products that are not brought to the cities, because of the fact that they are on various farms along the road in such small quantities that it is hardly worth the while of the farmer to quit his work upon the farm and lose a day in carrying these products to the city, and yet, although small in amount at any one place, when taken together they constitute a vast amount of food. They can be sent on motor trucks at very small cost to the farmer—one-half of a cent per pound—and with practically no loss to the Government, and the people of the cities can have the benefit of a very much larger amount of food than they now have. Surely it must be conceded that at the present time there is in the cities and towns of our country a dearth of food, that food is very costly, and that this additional supply brought in and placed upon the market, in addition to that which is brought through the general channels of transportation, will so enlarge the supply of food products as to bring down the price to the consumers in the cities, and in the same way the products of the city may go to the farm. That is the general purpose of this provision, and I think that it very well and properly carries out the purpose.

Mr. LANGLEY. Will the gentleman permit me to ask him a question?

Mr. MOON. Certainly.

Mr. LANGLEY. Does the gentleman know about how far from the cities the Postmaster General contemplates sending these trucks?

Mr. MOON. I do not know how far from the cities, but they might go a hundred miles. There has been a very intelligent statement in detail of the purposes of this provision and the effect of it and the cost of it. I will not undertake to state from memory all that has been said upon the subject, but a little later on I will ask that there be read from the Clerk's desk the statement of the Fourth Assistant Postmaster General on the subject, in which he goes into all the details as to the cost of the service, and the benefits that may be derived from it, and the ultimate value of the service without ultimate loss to the Government. The same statement was printed as an exhibit to my remarks made a few days since.

Mr. STEENERSON. Mr. Chairman, I am opposed to the amendment. I have already referred to this bill, and I criticized it. I am not opposed to the principle of the Government undertaking the transportation of farm products and parcels, but I think it ought to be done so as not to encumber the other mail. The statements of the department officials published by me the other day show that the parcel post is impeding the first-class mail. The two ought to be separated, and, in my opinion, the Post Office Department ought to go further than this proposition, and establish a sort of express-package busi-

ness and keep it separate, so as not to interfere with the high-class mails.

This amendment is a most vicious proposition. The constitution provides that no money shall be taken out of the Treasury except pursuant to appropriation by Congress. Here is money collected by the department, which the department wants reappropriated, for use in a temporary experiment. It seems to me that is a vicious practice. They can carry on this experiment and determine whether it is a success without this authority.

Perhaps it will be a success. I do not know. I hope so. But if it is a success they do not need extraordinary authority. They can come to Congress at the next session and get all the money that is required. This is a very dangerous thing to do in the way that it is proposed. We have done it a few times in case of emergency, but certainly there is no emergency existing here that authorizes the Post Office Department to collect revenue and then use it over again for this experimental purpose. This is not a regular postal activity. It is considered simply an experiment in the transportation of articles growing on the farms, bringing them to the city, and bringing to the farmer the things that he gets from the city. It will never be a success unless you do it under different conditions than it is proposed to be done here. It should not be done under fixed rates of postage. If you want to make it a success, they ought to do as an express company does and establish a reasonable rate to meet the rates of competitors. Now, everybody knows that the express companies are using the post office for the purpose of transporting unprofitable business, and where the haul is profitable they take it themselves. With fixed rates of postage that can not be avoided. If you are going to make this movement from the farm to the consumer in the cities and back again to the farm a success, you ought to establish a regular package-freight business. If you then transfer the parcel post to a separate bureau, the two will work together, and you will not hamper the first-class mail.

There is room for an extension of Government authority, but it should be broad and well throughout. We should not only utilize motor trucks and highways, but trolley lines, railroads, and water routes, and establish terminals to transact the business as a separate activity from the regular mail.

Mr. HELM. Mr. Chairman, I move to strike out the last word. I am opposed to this amendment. The Post Office Department in recent years endeavored to establish a so-called parcel post "from the farm to the table" movement. I wanted to inquire of the gentleman who has just taken his seat, what has been the success of that project?

Mr. STEENERSON. Does the gentleman inquire of me?

Mr. HELM. If the gentleman knows, I should like to have the information right quick.

Mr. STEENERSON. All I know is that I have read laudatory descriptions of it in periodicals, which have advertised it without expense to the department.

Mr. HELM. I know that in a general way, in the large cities like Cincinnati, Washington, Baltimore, Louisville, and places of that kind, a systematic effort was undertaken through the parcel post to bring the farm in touch with the table, but I do not think it amounted to much, and this is a worse proposition than that.

But that is a little side issue. In the present condition of our country, when we are in the throes of the most gigantic war, to be piddling and delving into every little experiment of this kind and of every nature is absolutely preposterous, to my way of thinking. My mind may be an abnormal one——

Mr. MOON. Will the gentleman yield?

Mr. HELM. No; I can not yield. We are going to divert $300,000 into this kind of a scheme, we are going to install self-operating telephones, and flying-machine postal service, and every new-fangled scheme and project that can be hatched up right here in war times, when the money ought to be used for war purposes.

Mr. SMITH of Michigan. And for Garabeds.

Mr. HELM. Yes; and for "Garabeds," as if there was no bottom to the Treasury of the United States. I know how futile it is for men to get up here and make this kind of a talk. I might just as well speak against a cliff, but, gentlemen, here is the last edition of a Washington paper, and one of the headlines says, "Defeat, but not disaster." The conditions in France ought to be at this time a sort of "stop, look, and listen" signal, which should be right above the Speaker's desk, so that every Member could see it and cause you to pause. Here you are rushing headlong as if you were on a joy ride, with the bars down. You take another plunge into the Treasury. France is being overrun to-day. It is a vital question as to whether this drive can be stopped or not. Can you not see that our responsibility is growing and expanding at an accelerating ratio every second? More man power is going to be demanded of us. This means more money; it means more expenditures of every kind; yet here we are like a lot of schoolboys picking up every newfangled proposition that is handed to us, and we vote for it like a lot of young birds with their mouths open, while the mother bird perches on a limb with a worm in her bill.

Mr. LANGLEY. Mr. Chairman, will the gentleman yield?

Mr. HELM. Yes; if the gentleman wants a worm, I will give him one.

Mr. LANGLEY. I think the gentleman is fully equipped for scattering that sort of product [laughter], but that is not my purpose in interrupting the gentleman. My purpose is to ask him if the object of this amendment is not to facilitate the transportation of farm products?

Mr. HELM. Foreign or farm products?

Mr. LANGLEY. Farm products, whether for foreign or domestic purposes. Our soldiers, as well as the people of the cities, have to be supplied with food. If that is the purpose of this proposition—to facilitate the transportation of farm products—how can it be so inadvisable as the gentleman states?

Mr. HELM. Is there a road in the gentleman's district where one of these trucks could run? [Laughter.] Before you could use one of these trucks in your district you would have to build a road.

Mr. LANGLEY. Will the gentleman permit me to answer that? Yes; they could run in mine and in his, too. My district adjoins his, and I know personally that there are more mudholes in his district than there are in mine. [Laughter.]

Mr. HELM. My district does not adjoin the gentleman's district by 50 miles. Is my time exhausted, Mr. Chairman?

The CHAIRMAN. The gentleman has half a minute more.

Mr. HELM. Gentlemen, if you have a serious thought about this war, if you are on the fighting side of this war, instead of on the money-making side, then I submit to you that you ought to stop, look, and listen. The sooner the American people get on the fighting side of this war issue instead of on the money-grabbing side of it and the money-making side of it the better.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. HELM. Mr. Chairman, I ask unanimous consent to proceed for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HELM. It is absolutely true that the rural carriers and the city delivery men are having a harder time in making buckle and tongue meet than ever before, but every man, woman, and child in the United States of America is having precisely the same difficulty. What is true of the rural carrier and the city carrier and the postal clerk is true of every human being in the United States. They have precisely the same difficulties to meet as the rural carrrier and the city clerk and the postmaster, and this is a time when everyone has to share his part of the load, when every man, woman, and child in the United States has got to feel the pinch of this war. The office-holding class in the United States is not the only class to be looked after and to be safeguarded and surrounded with comforts and luxuries to make life easier and happier to them. The man who is entitled to some consideration at our hands is the man who has to go down into his jeans and dig up a part of the tax to pay the war expense and also the salaries of the office-holding classes, and you gentlemen ought to let that sink into you. The country is at war. [Applause.]

Mr. MADDEN. Mr. Chairman, if there is any merit in any proposition, it is in this, because this provision seeks to reduce the cost of living; it does not seek to make any money for anybody. It seeks to put the consumer in touch with the producer through the postal department, and we are proposing here to appropriate $300,000, to be placed at the disposal of the Postmaster General, to make an experiment as to whether or not it is feasible and practical to remove the food supply from its place of origin to its place of consumption without having to go through the middleman. This might properly be termed a war measure, for in its execution it is proposed to relieve the burden of the ordinary man by reducing the cost of living. While we are making the experiment we ought to take advantage of all that we receive from the sale of supplies and use that to extend the service to a larger number of people. The people who live in the great cities of the country should have the advantage of a service such as this section proposes, if the Post Office Department can prove the practicability of such a service; and I maintain that, if we are to give the Postmaster General the power to experiment at all, we ought to give him that power to its fullest extent. He can not exercise the power

to its fullest extent unless he be given the right to use the receipts from the sale of the farm products in the form of a revolving fund.

Mr. STEENERSON. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. STEENERSON. Is there anything in this provision to authorize the Government to sell farm produce?

Mr. MADDEN. Well, we bring it in and we make a charge for the service, which amounts to the same thing; and all that we receive from the charge we make, over and above the cost of the service, should be used for the extension of the service.

Mr. MOON. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. MOON. If the gentleman will yield right there, because perhaps the House will not want all of this report read, I want to remind him that the Post Office Department in making this estimate upon a route of a hundred miles, 50 miles each way, in calculating the expense of the whole year on 2,000 pounds at the parcel-post rate, $10 for 313 days a year, estimates it would yield $3,130; but the operating of vehicles to convey half a ton each way is $1,740.15 and the expense account is $1,200 a year of the carrier, so at the lowest estimate the profit will be $189.85.

Mr. MADDEN. So that if we have a profit from all of these routes and we use the funds derived from that profit to extend the service so that it can be granted to more people, if that be done, and if there is any surplus, and if at the end of the year it can be shown that the service is a valuable service; that it is performing the function that it was intended to perform; that it has put the consumer and the producer in touch with each other; that it has reduced the cost of living; that it has proved to be a service in which the Government should engage——

Mr. STERLING of Illinois. Will the gentleman yield for a question?

Mr. MADDEN. Then we ought to continue the service. In just a moment—and if at the end of the period of experimentation——

The CHAIRMAN. The time of the gentleman has expired.

Mr. STERLING of Illinois. I ask that the gentleman have one minute additional, as I desire to ask him a question.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Illinois may speak one minute. Is there objection?

Mr. HAMLIN. Make it three minutes. I want to ask the gentleman a question.

The CHAIRMAN. The gentleman from Missouri asks that the gentleman from Illinois be permitted to speak for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. STERLING of Illinois. Will the gentleman yield to me? I got him the extension of time.

Mr. MADDEN. Let me complete the sentence. If at the end of the period of experimentation the department is not able to show that it is entitled to the expenditure of an additional sum, then the routes can be discontinued. I now yield to the gentleman.

Mr. STERLING of Illinois. But does the gentleman consider who would pay this profit? Somebody must pay it if the Government makes it.

Mr. MADDEN. I presume the consumer would pay the difference between the Government operation and the sum received for the operation.

Mr. BRITTEN. He pays it now.

Mr. STERLING of Illinois. And how is that going to reduce the cost of living if he has got to pay this great profit to the Government to get his produce into town?

Mr. MADDEN. Quite a different proposition from that which now obtains. The farmer to-day produces and then he employs agencies to remove his product to the consumer. Does he move that production to the consumer directly? Not at all. He moves it to the place where some middleman is employed and the middleman then has got to pay a storage charge, clerical force; he has to charge a profit for his own service, and sometimes it is advanced 100 per cent on the original cost.

Mr. STERLING of Illinois. Just one more question.

Mr. MADDEN. Just a moment. Whereas the Government of the United States proposes only to charge the difference between the cost of the operation of his vehicle and price he charges for the use of the vehicle, which is a very nominal difference.

Mr. HAMLIN. Will the gentleman yield to me? I think my question will answer the interrogatory also of the gentleman from Illinois [Mr. STERLING]. Does the gentleman know a very late Member of this House, a very active and honored Member of this House, made a statement before a committee of this House of which I am a member right upon this point? He went out to Maryland about 25 miles and bought, I think, $5 worth of produce—eggs, butter, and so forth—and let it come into the city in the ordinary way and go through the middle man—following it, however, to the consumer—and that $5 worth of produce actually cost the consumer $11 and something.

Mr. MADDEN. I can understand that very well.

Mr. HAMLIN. Whereas, to come by parcel post it would only cost about 50 cents.

Mr. MADDEN. It is to do away with that that we propose this experimentation, and if we can prove that we have saved 10 per cent over and above the present cost, we then have the right to claim that we have done a service worth while.

Mr. WALSH. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. WALSH. How much does the gentleman expect we are going to do away with on a $300,000 scale?

Mr. MADDEN. Oh, we do not expect to be able to serve all the American people, but we do expect possibly to prove from the experiment that we are able to reduce the cost or that we are not able to reduce it. But the main question is, Is it worth while to spend $300,000 if by the expenditure of that money we may be able to do some good?

The CHAIRMAN. The time of the gentleman has again expired. The gentleman from Indiana [Mr. Cox] is recognized.

Mr. COX. Mr. Chairman, I do not think I shall consume the five minutes of time. I can not believe that the three days of debate on this bill has been sincere. It strikes me as a very inopportune time for the Congress of the United States to devote three days of debate to increase of salaries when the world is burning up at this moment. Nero fiddled while Rome was on fire, and it strikes me that that is exactly what this Congress is doing now. With war bills of great and tremendous importance upon the calendar awaiting passage, with a bill on the calendar now, passed out of the Committee on Agriculture, proposing to furnish the farmers $9,000,000 with which to buy seed this spring, every pressure being brought to bear upon the farmers to increase their products this summer, and yet those bills are not called up for consideration. And I have about made up my mind, without criticizing any particular one, that behind this filibuster here there must be an attempt to hold that bill appropriating $9,000,000 for seed back from consideration. I am not able to understand it from any other conceivable viewpoint.

Mr. POU. Mr. Chairman——

Mr. COX. I can not yield now.

Now is the time to sow wheat in the Northwest. Two weeks from now it will be entirely too late to buy seed wheat. If that bill was put through here, with $9,000,000 made available to the Department of Agriculture, there is no doubt the wheat products would be multiplied by hundreds of thousands of acres in that northwest country. The farmers in my State, all over that great corn belt last year, got badly hit as the result of the frost. They are seeking to-day to find where they can buy reliable seed corn in order to plant corn this summer. And yet this bill, that every Member of this House that knows anything about it knows will never become a law in its present shape, will be headed off somewhere before it is time for it to become a law; but three days must be consumed on the floor of this House in order to increase the salaries of certain postal employees.

Now, I quite agree with the gentleman from Chicago that this present provision, in my opinion, is the best provision in the entire bill. Experimental though it is, we must remember that 20 or 22 years ago the whole question of rural-route mail was an experimental matter, which has developed to-day to a certainty. It took 30 years to force through Congress a parcel-post bill. Until six years ago we could send by parcel post cheaper from here to Tokio, Japan, than we could here from one street corner to another. But special interests held it back, all the time claiming that parcel post could not be operated satisfactorily in this country; and it never was forced through Congress until powerful and potential organizations, to wit, of the farmers and the laboring men got behind it and compelled Congress to pass it. The question of food supply to-day is very largely one of transportation. It is bringing the city fellow and the country fellow into close touch. This is an experiment pure and simple. It is the best provision in the entire bill. To-day there is an experimental line like this running from Indianapolis, Ind., to Louisville, Ky.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LANGLEY and Mr. PLATT rose.

The CHAIRMAN. The gentleman from New York [Mr. PLATT] is recognized.

Mr. PLATT. Mr. Chairman, experiment with these motor mail routes has already gone far enough in a tentative way to show that in many sections they are going to be a success, and are almost certain to be a success where the roads are good enough to give them a fair chance. It seems to me that this is no extravagant appropriation, nor is it extravagant to allow the use of the receipts in establishing new routes. These motor mail routes are established so that they cross the railroads generally. That is the idea of the Fourth Assistant Postmaster General, who is very enthusiastic in advocating them, and it is a good idea. If possible, he establishes them so that they cross the railroads instead of paralleling them, and they actually develop new business. They have an effect on the territory served like a trolley road running out into a suburban district. Such a trolley will develop a new residential district. The land out in the country is worth nothing for residence purposes until you make some way for the people to get into town from it. And in the same way you can make it advantageous for farmers to cultivate land which they are not cultivating now, when you give them an easy way to send their products into market. These motor trucks pick up parcels, eggs, chickens, and so forth, properly crated or packed along the route. A great deal of it will doubtless be picked up at the smaller post offices, but a great deal of it also will be picked up at crossroads and at farmhouses and when it reaches the cities it will be delivered directly to the consignees, most of it, without being handled at the post offices. It seems to me this is a project that deserves every encouragement at this time. Doubtless some extravagant statements have been made as to what these motor mail routes will accomplish in the way of winning the war, but that they will cause land to be cultivated that is not now cultivated I have not any doubt. They will bring a certain amount of farm produce that now goes by roundabout ways or not at all directly into the towns and will reestablish in some cases old trade lines which have been abandoned since the building of railroads. They will be a good thing for the farmers and a good thing for the cities.

Mr. BYRNES of South Carolina. Does not the gentleman believe that if you can by these motor trucks transport perishable foodstuffs to the cities you will thus enable us to ship more nonperishable foodstuffs for war purposes?

Mr. PLATT. I think there is some truth in that.

Mr. FARR. It would be a relief to the railroads.

Mr. PLATT. Not only that, but in a good many cases it will bring to the smaller post offices much better connections for first-class mail. There are a great many places where the railroads run on north and south lines into the great cities, or on east and west lines. Mail from towns only a few miles apart now has to go into the cities on one line and out on another. Motor mail routes will in many cases connect such towns directly.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOON. Mr. Chairman, there was an amendment offered and is pending. I do not want to close debate on the section now. I think it would be a very good thing to devote time on the amendment that is offered. I move that debate close in 10 minutes.

Mr. STEENERSON. I was informed that the gentleman from Wisconsin [Mr. STAFFORD] wanted to discuss that amendment for a few minutes.

Mr. MOON. Discuss what?

Mr. STEENERSON. Wanted to discuss this amendment about the revolving fund.

Mr. MOON. I would not have any objection if he desires to discuss it. I want to close debate on that amendment as soon as we can.

Mr. TREADWAY. Mr. Chairman, I would like to have five minutes.

Mr. LANGLEY. I want five minutes.

Mr. STERLING of Pennsylvania. Mr. Chairman, I am a member of the committee, and I would like five minutes.

Mr. MOON. Will it be satisfactory to the gentleman from Pennsylvania [Mr. STERLING] and the gentleman from Wisconsin [Mr. STAFFORD] to take five minutes?

The CHAIRMAN. What was the suggestion of the gentleman from Tennessee?

Mr. MOON. I will ask that all debate close on this particular amendment in 20 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this particular pending amendment close in 20 minutes. Is there objection?

Mr. MOON. I do not mean by that that the debate shall close on the motor-truck section, but that the debate shall close on the amendment offered to the amendment. The discussion will be extended on the motor-truck section.

Mr. SAUNDERS of Virginia. I reserve the right to object. What is that amendment?

Mr. MOON. To the effect that the money is to be used as a revolving fund.

Mr. LEVER. Has the gentleman in mind how much time he will take on this section?

Mr. MOON. I can not possibly tell how long these gentlemen want to talk. I do not want to close them off too soon, but it seems to me this debate should close in half an hour.

Mr. LEVER. I desire to say to the gentleman from Tennessee that there is a rather important bill on the calendar from the Committee on Agriculture, which, if passed at all, ought to be passed very early. I understand that the Committee on Rules is ready to report a rule for its immediate consideration. The rule has been ordered reported out of the committee for some time.

While this matter is an exceedingly important matter, I still rather agree with the gentleman from Indiana [Mr. Cox] that we have spent three whole days talking about whether a fourth-class postmaster ought to get $80 or get $85 a year. It seems to me that there ought to be some close to this, in order that other legislation, more important legislation, may be taken up. [Applause.]

Mr. POU. Mr. Chairman, will the gentleman from Tennessee yield?

Mr. MOON. Yes.

Mr. POU. The gentleman from Tennessee having yielded, I want to say to the House and to the chairman of the Committee on Agriculture that a rule providing for the consideration of the matter to which the gentleman from South Carolina referred is ready to be presented immediately after this bill is disposed of.

Mr. LEVER. I knew that, and therefore I made the statement to the House.

Mr. MOON. The gentleman should not be in too great a hurry about that. I am going to amend my motion, or withdraw the motion I made, and ask that all debate on this section and the pending amendments and all amendments thereto close in 35 minutes.

Mr. LANGLEY. I reserve the right to object.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this section and all amendments thereto close in 35 minutes. Is there objection?

Mr. LANGLEY. Reserving the right to object, Mr. Chairman, I have been seeking recognition for some time.

Mr. MOON. I did not ask unanimous consent, Mr. Chairman. I know I can not get that. I make the motion. [Applause.]

The CHAIRMAN. The gentleman from Tennessee moves that all debate on this section and all amendments thereto close in 35 minutes. The question is on agreeing to the motion.

The motion was agreed to.

Mr. STERLING of Pennsylvania, Mr. LANGLEY, Mr. TREADWAY, Mr. NORTON, and Mr. DEMPSEY rose.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. STERLING] is recognized for five minutes.

Mr. STERLING of Pennsylvania. Mr. Chairman, gentlemen of the committee, in the brief period of time allotted to me I shall urge the adoption by the committee of the amendment proposed by Judge MOON, of Tennessee, to that section of the bill which authorizes experiments in motor-truck delivery and also undertake to show to the committee the wisdom of adopting, when so amended, the section which is in itself being considered by the Committee of the Whole House as an amendment to the pending bill by virtue of the resolution reported by the Committee on Rules and approved.

What is the substance of the section Judge MOON proposes to amend and what is the nature of that amendment? The section provides that the Postmaster General shall expend a sum, not exceeding $300,000, to conduct experiments in the operation of motor-vehicle truck routes, under such rules and regulations as he may prescribe, and between such points or cities of the Nation as he may select.

The Moon amendment provides, in substance, that whatever profits are derived from the experiment, namely the operation of motor-truck routes, may be used by the Postmaster General for the further extension and advancement of the motor-truck delivery system.

Who is there to contend, if this experiment shows a substantial profit, that the plan should not be extended and enlarged? And who is there to contend, if the experiment proves beneficial and helpful to the Nation and to the people, in the present emergency, that the motor-truck delivery system should not be encouraged and supported?

The purpose of the proposed experiment is to determine if such plan will promote a conservation of food products, facilitate a collection and delivery thereof from the producer to the

consumer, and also provide a means of delivery to the producer of those articles necessary and essential to food production.

The cry of our Nation in the present world crisis is that men, ships, and guns will win the war. This same slogan may be said to be the belief of every nation on earth fighting for the maintenance of free government and against the advancement of the military propaganda of the Hun.

Let me say to the committee that in the assembling of the man power of the world for this contest, in the preparation for the construction of ships and the manufacture of guns, there are two primary essentials first to be considered, and those are food and fuel. The men assembled and selected for military purposes are dependent upon the production of sufficient foodstuffs to sustain and support them, and they are equally dependent on the fuel of the Nation to operate and run the industries and manufacturing establishments organized to turn out the ships, the guns, and all war equipment. The industries of the country will become useless unless there is produced and transported to the seats of industry the proper quantities of coal and coke.

The civilian population of the Nation, a great portion of which is found in the centers of population—the large cities and industrial communities—will be found in many instances far from the fields of agricultural development and the production of foodstuffs.

Food and fuel will win the war. It must not only be produced, but arrangements must be made to transport the foodstuffs and the fuel to the places where it is most needed. This duty will fall to the American people. It is imperative. It should and must be encouraged by the National Government. This is no time to quibble about the expense; it is necessary and must be done.

This Government nor its citizenship, the taxpayers, will ever be able to estimate the loss in men and money occasioned by the delays brought about by the unprepared conditions, in power and equipment, of the railroad systems of the country when the present war situation was forced upon us.

The man power of the Nation has already been diverted from the usual avocations of life into two fields, both closely identified with the military preparation. First, 2,000,000 and more of the best man power of the country are now trained for military service in the field of battle. Second, more of the productive man power has been encouraged to engage in that class of labor directly allied with the preparation of the war program; that is, by working in the mines, the munition factories, the shipyards, and all other industries engaged in the construction and manufacture of war equipment.

In my judgment, there will soon necessarily be a diversion of a large portion of the civilian population of the country to special fields of industry. It may be necessary to take the unemployed from the centers of population to the agricultural fields of production in order that we may produce the necessary foodstuffs to support not only the men in the military service, but also to feed the very large number of our people located in the big cities of the country and in the industrial sections of the Nation, where the production of farm and agricultural products has been made almost prohibitive by the high price of wage paid to the laboring man, whose service has been regarded as essential in the preparation of war equipment.

Without these necessary foodstuffs the soldier in the field will be unable to perform his service; without this necessary food in the large cities, centers of population, and industrial communities, there will become unrest, dissatisfaction, and serious conditions.

Therefore we must not only arrange to produce the fuel and the foodstuffs in abundant quantities, but we must also arrange, by every possible method of transportation, to carry that fuel and that foodstuff from the fields of production to the very places where it is needed to satisfy the requirements and the demands of the people.

The power and equipment of the railroad companies were found to be deficient. There may be, and there no doubt is, a better systematized arrangement for the use of the power and the equipment of the railway systems of the Nation under its present management, but who will contend that there has been sufficient opportunity to increase the power and the equipment so as to handle properly the fuel, the foodstuffs, and the war equipment so necessary in this emergency.

Whatever railroad power and equipment can be saved from the transportation of foodstuffs to the centers of population and industrial communities by adopting any other means or method of transportation will make available the use of that railroad power and equipment for the transportation of fuel—coal and coke—to the seats of industry, to the centers of population, for industrial and domestic purposes. In other words, the States of West Virginia, Illinois, and Pennsylvania produce more than 60 per cent of the coal produced annually in the United States, and large sections of these States formerly engaged in the production of agricultural products are now almost entirely engaged in the production of coal and coke, and many thousands of people living in these industrial communities are dependent for their foodstuffs on other sections of the country.

Railroad power and equipment, deficient though it may be, must without other preparation, be used to carry food to these people to feed and sustain them while they labor to produce the fuel so much needed by the Nation. If this railroad power or equipment can be saved, or any portion of it, why not proceed to the necessity?

I assume to make the statement, that if there could be furnished to the sections of the country where is found the valuable deposits of coal, sufficient railroad power and equipment to transport the greatest possible production capable of the man power now engaged in that industry, that much of the necessity for the regulation of coal and coke prices would be removed, and the domestic and industrial needs of the country properly supplied.

The coal and coke operators, in at least a portion of the Pennsylvania district which I have the honor to represent in this Congress—and it is one of the leading coal and coke producing districts of the Nation—are already making preparation to meet the food situation as best they can. Many of the operators of Fayette County, Pa., have purchased thousands of dollars' worth of tractors, seed, and food materials for garden purposes. They have arranged to give the laboring man sections of land to plant and cultivate, furnishing to him the seed and material, with the understanding that he has the benefit of the crops and foodstuffs raised therefrom, and this is all done for the purpose of meeting any possible scarcity of food, and handling any possible condition of disquiet and discontent. These men will do their best, and while the mines and men are idle on account of transportation facilities they will labor in the gardens being now provided.

There extend into and through at least four of the most important counties in southwestern Pennsylvania for the production of coal and coke two highways of recognized national reputation. The Lincoln Highway would open up to the coal fields of southwestern Pennsylvania the great agricultural county of Lancaster, in Pennsylvania, and, through the great agricultural Cumberland Valley, the old National Road extends. These particular agricultural sections, and all of the agricultural lands between these sections and the coal region, would furnish a means of providing foodstuffs to the industrial regions of western Pennsylvania and the large cities thereof if properly organized, and thereby save the railroad power hereinbefore referred to. Like lines of communication could be established elsewhere in the Nation.

There are 156,000 miles of improved hard-surfaced highways in the United States. Important mail matter and valuable food products could be collected and delivered by means of motor vehicles along these highways, so that a distance of at least 80 miles may be covered in a period of 12 hours. I believe that the earning power of the system will exceed the cost. But, after all, the present emergency requires additional methods of transportation for these essential articles. The Post Office Department, gentlemen of the committee, has already in a small way undertaken this character of service. I read to you, and will have placed in the RECORD, a statement of postage, weight, and cost covering a period of six days in the present month on Government-owned motor-truck routes.

On the route established between Baltimore and Oxford the postage on first and fourth class matter amounted to $62.37; the total weight of pounds carried, 749½; and the cost of maintenance, $63.

And now I call your attention to the postage, weight, and cost of six other routes. The first item in each instance will be the postage received by the Government for the carriage of first and fourth class mail matter, the second item the weight, and the third item the cost:

Route.	Postage.	Weight.	Cost.
Baltimore-Mount Airy	$475.73	7,940	$54.33
Hagerstown-Mount Airy	198.35	2,124	74.52
Baltimore-Gettysburg	355.67	4,328½	59.04
Lancaster-Gettysburg	203.82	1,866½	67.80
Baltimore-Solomons	1,120.55	12,427½	127.50
Philadelphia-Oxford	645.66	17,718	145.08

And further, gentlemen of the committee, on Wednesday, March 20, this year, a motor truck left Lancaster, Pa., for New York City, a distance of 180 miles or thereabout. It carried

approximately 3,000 pounds of parcel-post matter, and reached its place of destination in a running time of 12 hours. The postage derived from this trip amounted to $31.60, and the direct expense thereof approximately $10—$4 for a driver, $6 for gas.

The parcel-post matter embraced 4,000 1-day-old chicks, Easter season; 200 pounds of honey; 500 pounds of smoked sausage; 500 pounds of butter; and 18,000 eggs. When the consignment was turned over to the consignee, 9 eggs were found to be broken in transit and 2 chicks had died.

On the same day the same man in Lancaster shipped 28,800 eggs to the same consignee by express, and approximately 10,000 eggs of that consignment were destroyed by rough handling in course of transit.

It seems to me that the character of legislation embraced within the subject now under discussion must not only be considered in the nature of an experiment, but rather in the nature of a necessity. I hope that the amendment offered by Judge MOON after this section will be adopted, and that the section itself will then be adopted by the committee as one of the outstanding and important features of the legislative enactment now before the House.

I desire, briefly, to refer to other sections of the bill, providing for the increase of pay to rural carriers and postal employees. There has been pronounced criticism by a few Members of the House against the character of this legislation. Certain prominent Members, distinguished for their ability and legislative experience, have referred to this measure as an unwarranted raid on the Treasury of the United States, and others have classed it as pork-barrel legislation. Long before I ever expected to have the honor of a seat in the Congress of the United States I very frequently read of Treasury raids by the Congress and of "pork-barrel legislation." In times past allegations have been repeatedly made, regardless of what political party was in power. I do not believe this legislation to be in the nature of pork-barrel legislation, and if it is, no more equitable distribution has ever been made by a legislative body. This proposed increase of wage directly benefits more than 250,000 American citizens. It helps to reestablish and make more efficient the mail service of the country, a service that was inaugurated and has constantly been improved, for the purpose of bringing into closer relationship the commercial life, the business interests, and the people operating and living in one community or State with those in another community or State.

A few years ago the people living in rural communities were afforded an opportunity to carry on correspondence relative to their commercial and business interests with other sections of their county, State, and Nation by going to fourth-class post-offices which had been established by the Government, and to which offices the mail was carried by contractual agreement. Then the Government, through the Post Office Department, seeing the necessity of making a still closer relationship between the people and the business interests, provided a more efficient service by establishing the rural route, until the rural carriers of the country reached annually in this Nation 28,000,000 of its population.

This closer relationship of people, business, and the commercial life of the Nation was further benefited by the establishment of the parcel-post system along these many, many rural routes, and when that great benefit was placed within the reach of the people of this Nation they quickly took advantage of it and established their lines of communication for business and commercial purposes throughout each of the communities, and reaching from community to State and from one State to another. To-day many of these important rural routes have become disabled and inefficient, in fact abandoned entirely, because the carrier is unable to support himself and his family, feed and care for his horses and keep up his equipment and provide for a replacement of the equipment necessary to carry on his business on the salary he now receives. The fact is he has left the rural-carrier route and sought better wages in other fields of industry, and was forced to do it to meet the increased cost of the necessities of life for the support of himself and his family. It has prevented the circulation of the important loyal newspapers of the country to a vast portion of the Nation's loyal citizenship. This citizenship must be kept in close touch, it must be forewarned against the enemy propaganda, and 28,000,000 of the country's population must not be placed beyond the reach of this educational influence. The fourth-class post office can not in this emergency be reestablished where the rural route has taken its place.

In the district which I represent the rural-carrier service is almost hopelessly disorganized. Farmers and laboring men have formed committees and selected one man out of a community to furnish the equipment and deliver the mail for a period covering a week at a time, and then another would substitute and take his place, to the end that all of the patrons of that route would be served. I have tried to have young men, intelligent, bright boys, placed at this work, but have been confronted with a departmental ruling from the Civil Service Commission that no boy under 17 years of age may be a substitute carrier and no boy under 18 years of age may be a permanent rural carrier. This, to me, is a ruling that at least for the present should be suspended. I am unable to see why an American boy, physically and mentally fit to perform the service of keeping intact the lines of communication established by the rural-carrier system, is not competent for that position, when it was the argument, I am told, by the Army Staff, that such character of American manhood was physically and mentally fit to enter the military service of the Nation to fight the trained Prussian military advancement.

The Government can not afford to have this great mail system fail to properly function in this emergency. If there is no other way to maintain these lines of communication in their efficiency, some substantial increase of payment must be made. The rural carriers and the postal employees are entitled to an increase on their own account, and the efficiency of the mail system of the country requires that the line of communication be always open and always working.

Mr. TREADWAY. Mr. Chairman, I should like to supplement the statement that the gentleman from Pennsylvania [Mr. STERLING] has just made by giving the aggregate of the expenses and postal receipts of the six routes to which he refers. The total weight carried over those six experimental routes was 15,236 pounds. The actual cost of operation, maintenance, overhead charges, depreciation of the trucks, and so forth, was $386.22. The total postage received was $2,417.49, a profit of seven times the actual cost. These figures represent six days' operation during the present month. It seems to me that is a very excellent governmental experiment. As a rule, experiments are mighty expensive. Here is an experiment that is making money for the Government, and it is right and fair that that experimental profit should be used for the continuation of the experiment and the extension of the effort to establish these motor-truck routes through farming districts. I disagree absolutely with the gentleman from Indiana [Mr. COX] who said that the debate on this bill had not been sincere, that we were trying to choke off some other legislation. Has there been anything more sincere than the effort that this House has made during the past three days to better the condition of the Postal Service men in this country? I think it has been time well spent and money well invested. [Applause.]

This proposition comes right home to another class of our people. My district is partially a farming community in western Massachusetts, adjoining a section of Connecticut and near to a section of New York, portions as inaccessible as any sections in those respective States. The farms are being depopulated, farming is dying out, and all for lack of accessibility to the markets. This sort of service will provide for farming communities means of reaching market centers. The establishment of a motor route through the section to which I refer, which will put into communication with the market the sort of country where we are appealing to the people to better the farming conditions, to produce more and to bring it to the market for consumption both here and abroad, is one of the most useful propositions in which the Government can engage. I have seen nothing in the way of service to the people of the country that promises more than this move to establish motor routes. The deserted farm in our country has been a very serious question. Our State legislature has for a long time had that problem before it. Our State board of agriculture has been greatly exercised over it. It is not because the farming community is a poor one. It is the richest possible kind of a farming section, but the very fact of the inaccessibility of the market is what prevents its production being brought up to its highest standard. So give the farmer this chance, experiment in just such a section of the country as that, and it will redound both to the profit of the country and to the amount of production of the farm. I am sincerely interested in the passage both of the amendment suggested and the amendment to it that the chairman of the committee has proposed. It is proper that the profit shown in this experiment of 7 to 1 over the cost should be used for a continuation of the experiment. [Applause.]

Mr. SNYDER. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman.

Mr. SNYDER. I should like to say to the gentleman that I live in a farming community, and so far as I have been able to learn no farmer has suggested this proposition to me. I doubt the feasibility of it myself very much.

Mr. TREADWAY. I will say that no farmer in my section has suggested it. It would perhaps be the last thing that the farmer might think of proposing, but we want to offer to bring it to him rather than wait for him to ask to have it brought to him.

The farmers are much exercised over the men who have been called to the service and the great difficulty of securing necessary farm help to take their places. By adoption of motor routes, instead of being obliged to take a considerable portion of time to carry produce to market, it can be loaded onto motor trucks and delivered to the centers in much less time than over the usual means of communication and in much better condition.

Take, for illustration, a shipment of a case of eggs. If loaded on a truck no handling is required until delivery in the market. If sent by any other way, from inaccessible sections, the number of times the case would be handled is problematical. Butter, berries, milk, and every perishable commodity of the farm can be handled better and quicker in this manner than under existing conditions. It opens a very wide field of improvement in farming methods, and I bespeak for the rural communities I represent the favorable consideration of the House for the pending measure. Further than this, it is not like many forms of legislation, entailing large expense. The experiments have been carried sufficiently far to prove the service will be profitable as well as very beneficial.

Mr. SUMNERS. Mr. Chairman, this is a war measure if ever there was one introduced in any legislative body in the world. It is not merely a matter of saving in the cost of distribution which this legislation seeks to attain. We know that if we win this war we must conserve food, man power, and motive power. This bill looks to a better utilization of the vegetable-producing energy of this country. As stated by my colleague from South Carolina [Mr. BYRNES], in proportion as we can increase the use of vegetables in this country we will remove the burden from the grain and meat crops of this country and make possible a greater exportation of those products. There is nothing that can utilize the odds and ends of time and labor as vegetable production can utilize them. Let us see what is the situation. These food commodities are produced in the country. Somebody must get them to market. The practical, comon-sense proposition that presents itself to a Congress engaged in guiding a country in the conduct of a great war is, Can we conserve man power by having one man drive a truck over 50 miles and gather up the products of the farms along those 50 miles instead of having each farmer along that 50-mile route hitch up his own conveyance, take his own time, and undertake to get his commodity to the market? I submit that it is common sense to send somebody around with a vehicle that can gather up from these farms the vegetables and other small parcels of food products which they want to send to market, and let the farmer stay at home, continue the day's work, and raise more food to help win the war. That is practical common sense.

Another thing. If we properly utilize this service we will establish distribution routes in the cities. When these trucks enter the city, instead of going to the post office and having to clear through the post office the products brought in, they will take these commodities over the delivery routes, and the people in the cities can get on their tables that evening the commodities that were gathered fresh from the farms in the morning. And in proportion as you can get these wholesome, fresh vegetables to the table of the city man at a price freed from a multiplicity of profits and which puts no limit upon the amount that he can afford to buy, you will indirectly increase the amount of exportable grain and meat.

Besides, gentlemen, we have reached a point in this country where those of us who live in the cities must recognize the fact that in the price we pay for what we eat we must stand the overhead charges upon distribution. We not only must pay the overhead charges upon distribution, but those of us who buy vegetables and eat them must pay for the vegetables that rot in the field. You know, as a matter of common sense, that a farmer who has, say, one extra basket of beans above what is needed at home can not afford to hitch up his team and take those beans 8 or 10 miles to market, but if a man will come along driving a truck for the Government his wife can send those beans to somebody in the city. If those beans are not eaten by somebody in the city, they will rot in the field after they are produced—a food waste and an economic waste.

Then those of us who do eat beans must pay in the price we give for the beans we eat the value of those beans that rot in the field, which we never had a chance to buy. We must do that because agriculture must be put on a plane with every other calling. We have to pay the farmer as much net profit to stay on the farm as he can make if he goes to the factory. That is the reason why you have been losing your population in New England. Agriculture has not been able to meet the bid of New England industry. Much of this back-to-the-farm-movement stuff is all rot. You might just as well go down here and haul the water out of the Potomac River up to Great Falls and empty it into the river there and expect it to stay as to put people on the farm, unless you make it just as profitable to farm as to engage in any other business in the world. Let us at least make an earnest intelligent test of this proposition, which seems to be practical and unquestionably is aimed in a right direction.

Mr. LANGLEY. Mr. Chairman, a little while ago in a friendly colloquy between my distinguished colleague, Mr. HELM, and myself I stated that my district adjoins his, and he said in reply that the boundary of my district does not come within 50 miles of his. I regret to have to advertise to the House the inaccuracy of his geographical information, and I would not do so but for the fact that I would leave myself in an attitude warranting the presumption that I am lacking in the same line of knowledge if I did not call attention to the fact that the county of Jackson, which is in my district, borders on the county of Madison, which is in his district. It was originally cut off from his district to the eleventh district, and later from the eleventh to the tenth district. Incidentally I might remark in passing that the Republican majority of Jackson County has greatly increased since it was cut off from his district, which warrants the inference, I think, that the county has profited by the transfer.

Mr. HELM. How long has that been taken out of the eleventh district?

Mr. LANGLEY. About six years. It was transferred to the eleventh many years ago and put into the tenth by the act of 1912.

Mr. HELM. That is one of the perambulating counties of the eleventh district.

Mr. LANGLEY. A Democratic legislature is responsible for whatever perambulating there may have been. I did not have anything to do with that.

Mr. Chairman, I believe that this is about the first time since I have been a Member of this body that I have at one and the same time agreed with both the gentleman from Illinois [Mr. MADDEN] and the gentleman from Tennessee [Mr. MOON]. When both of these distinguished statesmen, so radically different temperamentally and politically, come together on a proposition, it must be right. I shall support this amendment because I believe it is a step in the right direction, and I congratulate both of them upon the fact that they are showing a disposition to-day to be a little more generous toward the people in the rural districts than they exhibited yesterday. I regretted to see them throw their powerful influence against the effort we were making to aid the star-route carriers and the fourth-class postmasters, all of whom are greatly underpaid and sadly in need of congressional relief. The gentleman from Tennessee says that these motor trucks will probably go as far as a hundred miles from the city. That will help some, and it shows a tendency to depart from the custom which has prevailed too much heretofore of confining the large appropriations and the benefits of Federal aid generally to the large cities and their environs and neglecting the rural districts. There is another indication, which I am glad to see, that a little more consideration is being given to the people who live in the country.

During my many years of service here I have observed that, as a rule, the city chaps—excuse me, I mean city Members—do not seem to be able to see clearly beyond the corporate limits of their own municipality. I am glad to note that this mental astigmatism is gradually passing away, and the fact that the two distinguished gentlemen to whom I have referred both concur in this proposition to help the farmers a little bit is very gratifying to me as a country Member of Congress. Another healthy sign of the times that I have noticed lately is that we do not hear and read now, as we used to, so much facetious tommyrot about the sharpshooters of the mountains. We need them in this war. We do not hear and read so much as we used to about "Senator Sorghum" and "hayseed," about "Bitter Creek," "Podunk," and "Pumpkin Center." It is now becoming generally recognized that we need this class of our citizenship to produce the foodstuffs necessary to keep the city chaps from starving to death as well as to feed our soldiers. [Applause.]

I hope, Mr. Chairman, that when this proposition becomes a law that it will be so enforced by the Post Office Department as to carry out the purposes which Congress had in view in enacting it, and that it will be enforced in a more liberal spirit than has been the policy of that department with regard to the star-route carriers.

Some resentment has already been shown in this debate of criticism of the Post Office Department in this connection. I

have had a good deal of experience with that department, especially with regard to star routes, and I say to you that in my humble opinion Shylock of old, in the zenith of his unconscionable career, could not have been more merciless in his demand for his pound of flesh than has been the Post Office Department in insisting upon the literal enforcement of its contracts with regard to star routes, which are, in my opinion, the most one-sided contracts, that the Government was ever a party to.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. LANGLEY. I can not yield now. It is no answer to that to say that they are made and enforced in accordance with the laws enacted by Congress, because I know of innumerable cases where the work has increased to such an extent that it is absolutely cruel to insist upon the performance of the contract without additional compensation, which the department has it in its power to grant, and without permitting the reletting of the contract, which the department also has it in its power to do. It is no answer to this argument to say that a contractor ought not to be paid any more than his bid, for the simple reason that conditions have changed since the contract was made: The cost of living has increased enormously; the cost of equipment has increased; the cost of feed and of labor has increased, so that in many instances it actually costs practically twice as much to carry the mail as it did when the contract was entered into. I realize, Mr. Chairman, that I am digressing somewhat from the rules governing the debate under the five-minute rule, but the pressure for time yesterday was so great that I could not get an opportunity to say some things that I wanted to say about these star-route carriers, who are having such a hard time just now under these prevailing high prices. I wish I had the time to tell you gentlemen about some cases that have come under my personal observation. Why, Mr. Chairman, I know of cases where it is costing carriers almost twice as much as they are getting from the Government under their contract. There have been almost enough mountain mules and horses and buckboards put out of commission to supply the Quartermaster Department in the patriotic effort of these men to carry out their contract with the Government. It is unfair and unjust for the Government to refuse to give relief under such circumstances. We have increased the compensation of rural carriers and nearly all other classes of employees in the Postal Service, and it is a crying shame that this class of the Government's employees, who need relief more than any other class, apparently can not get it. I voted for all of these other increases, and yet when we ask for some specific relief for these star-route carriers we are met with a sort of indefinite proposition which is clothed with elastic language that might be construed—— [Applause.]

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BLACK. Mr. Chairman, during the debate that we have had upon this bill to increase the salaries of postal employees I have listened to so much ill-timed and unfounded criticism of the Post Office Department that I am tired of it and feel compelled to say a word in reply. The gentleman from Kentucky [Mr. LANGLEY], who has just addressed the House, says that the policy of the Post Office Department in dealing with these star-route contractors is the policy of a shylock. As a matter of fact, the Postmaster General has no right under the law to alter or modify these star-route and screen-wagon contracts, and the reason we have put this provision in the bill is at the suggestion of the Postmaster General, in order that he may have authority to investigate these cases and give relief in proper cases. There is no question but that there are some contractors now who are laboring under considerable difficulties, and the purpose is to allow the Post Office Department to correct these conditions.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. BLACK. I am sorry that I can not yield.

Mr. WALSH. Then I make the point of order that the gentleman is not discussing the amendment before the committee.

The CHAIRMAN. The gentleman from Texas will proceed in order.

Mr. BLACK. I yield to the gentleman. [Laughter.]

Mr. WALSH. I dislike very much to make a point of order, but the gentleman is a member of this important committee and I would like very much to have whatever information he can give on the pending amendment. I do not think we are interested particularly in the amendments that have been adopted, but the gentleman is a very able member of the committee and I would like to get his opinion upon this.

Mr. BLACK. The gentleman from Texas is discussing the extraneous matters that have been brought in by the gentleman from Kentucky and some other gentlemen who have heretofore spoken in this debate.

Mr. WALSH. Yes; but this is another day.

Mr. BLACK. I believe that the gentleman from Massachusetts referred to the fact on yesterday that post-office inspectors did not give prior notice that they were coming to inspect a post office in order that the postmaster might get ready for the visit. And it occurred to me that would be a very novel matter to criticize the Postmaster General about.

Mr. WALSH. The gentleman appreciates the fact that debate upon this amendment has been limited to a certain time, and I am sure the House would receive valuable information from the gentleman upon the pending amendment.

Mr. BLACK. I did not rise to discuss the pending amendment, and if I am to be held to that——

Mr. WALSH. I withdraw the point of order.

Mr. BLACK. I thank the gentleman. Now, then, I just want to say a word further in reply to some of these criticisms. I think it is an amazing fact that the Postmaster General has been criticized on the floor of the House during the debate on this bill for conducting the Post Office Department upon a self-sustaining basis. I suppose according to that line of argument that if he had created a deficit he would have been entitled to fine praise. During the five years of his administration it is true that the great department under his able management has paid all of the expenses and has left some surplus. Is that to his discredit? Has the time come when an official of the Government is to be penalized for the use of business efficiency in the conduct of the public business? Indeed, I think not. I think he ought to have the approval and support of the country [applause], because notwithstanding all of the criticism that has been voiced upon the floor of this House by some gentlemen who have spoken and by some labor and postal organizations and that has found its way into some of the newspapers—notwithstanding that, I say without fear of successful contradiction that there has never been a time in the history of this country when the Post Office Department taken as a whole was more efficiently administered than it is to-day. I say this in reply to some of the unfair criticism which we have heard during this debate.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEMPSEY. Mr. Chairman and gentlemen of the committee, I am going to refer to the fact that this House has taken some time for the consideration of this bill, as did my distinguished friend from Indiana [Mr. Cox], for whose zeal, earnestness, and ability I have the very highest respect; but I want to refer to the time taken in order to compliment the House that while we have been doing a just and good thing, we have done it deliberately, thoughtfully, carefully. We have not done it hastily. We have not done it in a way to be criticized at all. Now, gentlemen, I want to come to the question here of the Post Office Department operating motor trucks through the country to market agricultural products and bring back goods from the cities. I live in the county of Niagara, one of the greatest producing counties in the United States. We raise in profusion practically everything that can grow in the temperate zone. We raise fruits of all kinds, we raise vegetables, we raise every kind of grain, and we have had practical experience with this question of marketing our products by motor truck. So I speak not from theory, I speak not of what can be done, but I speak of that which actually has been done in the county of Niagara. We have farmers in my county who raise 40,000 baskets of peaches and 7,000 or 8,000 bushels of apples. Last year, when those peaches were hanging ripe upon the trees——

Mr. SNYDER. If the gentleman will permit, I desire to say the gentleman is somewhat of a farmer himself, and I want to say I visited him last summer, and on one of his farms he had 7,000 baskets of peaches. [Applause.]

Mr. DEMPSEY. When we had last fall our peaches hanging ready for harvest upon the trees, when the cities and villages throughout this Union needed them, when they were of incalculable value, the transportation facilities of all the railroads—and we have three trunk lines in the State of New York, and besides that we have the Erie, the Lackawanna, and the Lehigh running out of Buffalo—those great systems all broke down completely, and we had to use the motor truck and the cold-storage warehouses. So I say to you, gentlemen, that, although we did it haphazard—because it was haphazard as we organized it in our need—yet it proved a great relief. What we did haphazardly will prove of great and incalculable value when done as you propose to do it here—systematically, day by day, upon a schedule. It will do more than simply relieve congestion. It will, so far as the railroads are concerned, relieve them of transportation to the near-by centers and supply them by the motor-truck lines. And you will supply them in this way. You will supply them better than the railroad will supply them in two or three ways. First, you will supply them in the knowledge from day to day of what their needs will be. You

will supply them more certainly, because the motor trucks will reach the market when the car may be sidetracked somewhere and stay until the fruit is decayed. Again, when it reaches the market it will be delivered exactly where it is needed, and the car has to be sent to certain people, and it may not reach there for two or three days. Then, it will answer another thing. You will find upon every farm each day that there are articles of food which go to waste, and yet the farmer can not afford to transport them, even though they be of great value in the city. If the farmer has vegetables or fruit ripe and ready for market but too small in quantity to pay him to market them, he will gather them and deliver them to the passing motor truck, to his own profit and to increase the food supply of his city brother. The use of these trucks will save much food which would otherwise go to waste, and it will encourage and stimulate production. The provision of the bill will prove of great value and usefulness and should be adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TOWNER. Mr. Chairman, I am only going to take a couple of minutes. I have introduced an amendment, and I will ask the Clerk to report it.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 1 of Senate bill 2718, line 6, after the word "producer," insert the words "in connection with the Parcel Post Delivery System."

Mr. TOWNER. I desire to call the attention of the committee—I have already called the attention of the chairman of the committee—to this amendment, that there is no statement in this first section that connects the provision of the section and the Postal Department at all, and this was only intended for the purpose of showing it was connected with the Parcel Post Delivery System.

Mr. MOON. Mr. Chairman, I think the amendment offered by the gentleman is a good one and ought to be adopted.

Mr. TOWNER. That is all I have to say, Mr. Chairman.

Mr. WALSH. Mr. Chairman, I offer an amendment.

Mr. TOWNER. May not we have a vote on my amendment now to dispose of it?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

Mr. WALSH. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 9, strike out the words "at the earliest practical date" and insert in lieu thereof the words "not later than December 10, 1918."

Mr. MOON. I call the attention of the Chair to the fact that there is an amendment already pending that has not been disposed of.

The CHAIRMAN. As the Chair understood the agreement, all amendments were to be sent up and read; but if it is the other way, the Chair will put them now.

Mr. MOON. I did it under the supposition that the 35 minutes for debate had expired.

The CHAIRMAN. There are five minutes remaining, and the gentleman from Massachusetts [Mr. WALSH] is recognized.

Mr. WALSH. Mr. Chairman, this amendment I have offered requires a report from the Postmaster General not later than the 10th of next December rather than "at the earliest practical date." The purpose of that is so that if this proves to be the wonderful success it is predicted here in putting Uncle Sam into the green-vegetable peddling business, it might be taken into consideration in making up the next annual appropriation bill. I assume from the remarks of the gentleman from Texas [Mr. BLACK] that the Postmaster Gneral, who is to have charge of this $300,000 experiment, might possibly hail from the great State of Texas. For myself I do not believe that this experiment is going to accomplish the great good that has been prophesied for it. Reading the hearings and seeing the answers to the very adroit questions of the distinguished gentleman from Illinois [Mr. MADDEN], we find that the department is going to keep a record and issue bulletins of the produce and supplies, and prices to producers and consumers and patrons, and to provide for regularity of service, and so forth. And we will find in the purchase of these ton and half-ton trucks, with their $1,200 drivers, you will build up a great paternalistic system operating from certain favored localities, which will confer benefits upon comparatively few; and in return they are supposed to cart back to the producer some of the products in the city which the farmer needs. In other words, this single employee will become the man to do the ladies' shopping. When he comes back to the city with a load of produce, he will run around to the department stores and hardware stores and to other places to purchase articles and carry them back to the farm.

Mr. STEENERSON. Are these chauffeurs, or employees, to be under the civil service?

Mr. WALSH. The hearings state that they are not; that they could not be in the beginning. The gentleman, my colleague from Massachusetts, stated that the debate on this bill during the past three days has been very sincere. I agree with him. Some of the most sincere debates in this body, I have noticed, are those which engage the attention of the House in taking money out of the Treasury for the benefit of some particular class of Government employees amongst our constituents by way of increasing their compensation or salary. I am rather inclined to agree with the gentleman from Indiana [Mr. COX] that this is no time for us to be deliberating at length in order to confer authority upon the Postmaster General to experiment and tinker with this motor-truck system, and that this proposed amendment has no place upon this measure which has to do with increasing the salaries and with regarding the post-office employees.

Mr. MOON. Will the gentleman yield a moment?

Mr. WALSH. I certainly will.

Mr. MOON. I just rise to say that I think you are mistaken about the gentleman from Indiana making a statement against the bill. He spoke for the bill, I think.

Mr. WALSH. The gentleman from Indiana commented upon the fact that we had been three days in debate.

Mr. MOON. And he commented upon the fact that this was a good section.

Mr. WALSH. I understand this particular section has the approval of the gentleman from Indiana, but he commented upon the fact that we had debated three days upon the increase of salaries of these post-office employees. I trust that the amendment to the section will not be agreed to and that this measure may be confined to simply a reasonable salary increase bill.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. The vote is first on the amendment of the gentleman from Tennessee [Mr. MOON].

Mr. ROBBINS. May we have the amendment read again?

The CHAIRMAN. Without objection, the amendment will be again reported.

The amendment was again read, as follows:

Amend the first paragraph by inserting after the word "Service," line 12, page 2, of the printed amendment, the following:
"*Provided*, That the Postmaster General may use the revenue derived from this experimental motor vehicle truck service to establish and maintain additional motor-truck routes and to provide for the purchase of vehicles and operating expenses thereof."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. WALSH. Division, Mr. Chairman.

The committee divided; and there were—ayes 87, noes 7.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will report the next amendment.

The Clerk read as follows.

Amendment offered by Mr. WALSH: Page 2, line 14, of the printed rule, strike out the words "at the earliest practical date" and insert in lieu thereof the words "not later than December 10, 1918."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. WALSH. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 15, noes 77.

So the amendment was rejected.

Mr. WALSH. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. There is an amendment pending.

Mr. STAFFORD. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. I wish to inquire whether the vote does not have to be taken by the committee on the proposal offered by the gentleman from Tennessee to adopt it as a part of the bill?

The CHAIRMAN. The Clerk will first report the amendment of the gentleman from Pennsylvania [Mr. ROBBINS] that has been offered.

The Clerk read as follows:

Amendment by Mr. ROBBINS: Page 2, line 6, after the word "of," strike out "any unexpended" and insert the word "the"; and in line 7 strike out the word "of" and insert in lieu thereof "for."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question recurs on the motion of the gentleman from Massachusetts [Mr. WALSH] to strike out the section.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment of the gentleman from Tennessee [Mr. MOON].

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. WALSH. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 92, noes 6.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That the Secretary of War may, in his discretion, deliver and turn over to the Postmaster General from time to time, and without charge therefor, for use in the Postal Service, such aeroplanes and automobiles or parts thereof as may prove to be, or as shall become, unsuitable for the purposes of the War Department; and the Postmaster General is hereby authorized to use the same, in his discretion, in the transportation of the mails and to pay the necessary expenses thereof out of the appropriation for inland transportation by steamboat or other power boat or by aeroplanes or star route.

Mr. MADDEN and Mr. NORTON rose.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] is recognized.

Mr. MADDEN. Mr. Chairman, I move that the debate on this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Illinois moves that the debate on this section and all amendments thereto close in 10 minutes.

Mr. STAFFORD. Mr. Chairman, a question of order.

The CHAIRMAN. For what purpose does the gentleman from Wisconsin rise?

Mr. STAFFORD. To make a point of order.

Mr. MADDEN. Mr. Chairman, I maintain that the gentleman is too late. The committee is about dividing.

Mr. STAFFORD. There has been no debate on the proposal.

The CHAIRMAN. The gentleman is correct about it. The gentleman from Tennessee, the chairman of the committee, is recognized.

Mr. MOON. Mr. Chairman, I want to say one word upon this amendment. The language is "the Secretary of War may, in his discretion, deliver disabled aeroplanes used in the war to the Postmaster General, to be used, in his judgment and discretion, for the benefit and carrying on of the war." There is no additional cost, as I understand it, and this service has proved to be a very effective service. While it may not be proper to experiment with the purchase of new machines for the expansion of the service, yet I know of no better use to which the disabled war airplanes can be put than to use them for the Postal Service.

As to the next section, if I may be permitted to refer to it, it fixes 24 cents an ounce as the rate for carrying this sort of mail. The airplane can carry mail five times as fast as a train, and if the rate is fixed as proposed in the bill it is bound to be remunerative.

Mr. DYER. Mr. Chairman, will the gentleman yield for a question?

Mr. MOON. Yes.

Mr. DYER. The section provides that the expenses for the upkeep, and so on, shall be charged to the appropriation for inland transportation. Why is that?

Mr. MOON. Because the airplane service would be a branch of inland transportation, and inland transportation for carrying the mail is appropriated for in the Post Office appropriation bill. This bill does not carry a greater appropriation than would be provided for there. It is for an additional service.

Mr. DYER. If any of these automobiles could be obtained, would they be used by the Postmaster General for the extension of the service?

Mr. MOON. Does the gentleman refer to airplanes?

Mr. DYER. No. This includes automobiles as well as airplanes. Would the automobiles be used by the Postmaster General for the extension of the service?

Mr. MOON. I imagine they would be.

Mr. MADDEN. Mr. Chairman, I move that the debate on this section and all amendments thereto close in five minutes.

Mr. NORTON. Mr. Chairman, will the gentleman give me five minutes?

Mr. MADDEN. That will give the gentleman five minutes.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] moves that all debate on this section and all amendments thereto close in five minutes. The question is on agreeing to that motion.

Mr. ROBBINS. I have an amendment pending.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The gentleman from North Dakota [Mr. NORTON] is recognized for five minutes.

Mr. NORTON. Mr. Chairman and gentlemen of the committee, I am heartily in favor of this legislation. The carrying of parcel post and other mail by motor trucks will be a wonderful stimulus to agricultural development in many sections of the country and will in a most material and direct way contribute to the success of the war work of the Nation. I trust that the experiments in the carrying of mail by motor trucks provided for in this bill have been proposed by the Postmaster General with a broad and comprehensive plan in mind for a system of motor-truck mail delivery covering the entire country. I trust that in asking for this legislation at this time from Congress the Postmaster General has done so primarily because its enactment will enable him to put into operation a new system of rural mail collection and delivery which will effectively cooperate and coordinate with the activities of the other departments and branches of the Government to more successfully carry on our part in this war. This legislation has no place here and is entitled to no consideration by the House at this time unless the new system of mail delivery and the experiments it provides for will cooperate and coordinate with and strengthen industries necessary and essential to our successful conduct of the war.

Mr. DYER. Mr. Chairman, will the gentleman yield for a question?

Mr. NORTON. No; I am sorry I do not have the time to do so. I am particularly in favor of that the War Department may turn over to the Post Office Department motor trucks and aeroplanes for which the War Department may have no further use. Aeroplanes, in my judgment, are in the future to play a most prominent part in both the industries of war and the industries of peace. Final victory in the present world war will, in my judgment, be with the side that can place well-manned in the air the greatest number of fighting aeroplanes. It was both surprising and depressing to me to read in the press reports yesterday that Gen. Leonard Wood, who has but recently returned from France, stated to the Senate Committee before which he appeared that, at the time he was in France, while the United States had there more than a thousand trained aviators our Government did not have in France one single fighting aeroplane. I wish to criticize no one at this time. I wish to condemn no one at this time for such a condition. This is no time to criticize or condemn. I want to assist in every way within my power to improve these conditions as rapidly as it is humanly possible to do so. I hope and trust that the condition referred to by Gen. Wood will be very soon changed. I have confidence in the genius and patriotism of my countrymen. I have confidence, that soon, very soon, we shall not only have one, but many thousands of American fighting aeroplanes on the western battle front manned with brave, skillful aviators who will carry the Stars and Stripes to victory against the forces of the mad war lords of Germany and Austria-Hungary and their allies. The one thing of most importance in the world to-day is the one thing of paramount importance to every man, to every woman, and to every child in this land of ours, is the winning of this terrible war in which the very fate of democracy, of free institutions of government, yea of christianity and of modern civilization, is at stake. This war can only be won by us as a united Nation and as a united people dedicated to doing promptly and efficiently whatever will best and most quickly contribute to placing from three to five millions of trained American soldiers, thoroughly well equipped and plentifully supplied with the best munitions and instruments of modern warfare, out on the western battle front in France where the titanic struggle between democracy and military autocracy is being waged.

Mr. DYER. Mr. Chairman, will the gentleman yield for a question?

Mr. NORTON. Not just now.

Mr. DYER. I make the point of order that the gentleman is not talking to the amendment.

Mr. NORTON. Well, what is the gentleman's question? I would be delighted to yield to my good friend from Missouri [laughter] if I only had a little more time. The gentleman knows I only have a few minutes time.

Mr. DYER. I withdraw the point of order. I want to ask the gentleman what is the idea of having automobiles or parts of automobiles in this section? What does the Postmaster General desire to use these automobiles for?

Mr. NORTON. I presume he desires to use these automobiles in carrying out this new system of parcel-post delivery by motor trucks.

The CHAIRMAN. The gentleman yields back one minute of his time.

Mr. ROBBINS. Mr. Chairman, I want to call the attention of the committee to what I think is an omission made in this bill. In the report of the Postmaster General he refers to the aeroplanes that he wants to use as the ones that are "not necessary" for use in military operations. In this bill the aeroplanes referred to are described as those that are "not suitable" for military purposes. My amendment simply puts in the words "or unnecessary." We all know that there will be a lot of aeroplanes constructed that will be serviceable for war purposes, but after the war is over they will not be needed or "necessary." Let us make the law correspond with the report and request of the Postmaster General, as found on page 40 of his annual report.

The rural motor service is a most important provision. It is not now altogether experimental. In the Annual Report of the Postmaster General, page 40, he states:

On June 30, 1917, 774 motor routes were in operation. It is desirable that existing restrictions be removed and opportunity provided for establishing service by motor vehicle to rural communities.

I have, Mr. Chairman, one of these routes proposed through my district, extending from Pittsburgh, Pa., via Butler, Pa., to Erie, Pa. I am very much in favor of this amendment and hope this House will adopt it. Further discussion of so meritorious a proposition I deem unnecessary.

Mr. WALSH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. I should like to inquire what became of the statement of the Post Office Department which the chairman of the committee, the gentleman from Tennessee, said he would ask to have read to the House.

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. WALSH. Why, I submit that it is.

Mr. MOON. I will ask that that statement be printed in the RECORD.

The CHAIRMAN. The question is on the amendment of the gentleman from Pennsylvania [Mr. ROBBINS].

Mr. ROBBINS. Is there any objection to amendment? It is simply to perfect the bill according to the report of the Postmaster General.

Mr. MOON. I do not think there is any serious objection to that.

The CHAIRMAN. The question is on the amendment of the gentleman from Pennsylvania [Mr. ROBBINS], which will be read by the Clerk.

The Clerk read as follows:

Page 2, line 19 of the printed amendment, after the word "unsuitable," insert the words "or unnecessary."

The amendment was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from Tennessee [Mr. MOON] as amended.

The amendment as amended was agreed to.

The CHAIRMAN. The Clerk will report the next section of the amendment offered by the chairman of the committee.

The Clerk read as follows:

SEC. —. That from and after the passage of this act the Postmaster General, in his discretion, may require the payment of postage on mail carried by aeroplane at not exceeding 24 cents per ounce or fraction thereof.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. MOON].

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the next section of the amendment offered by the chairman of the committee.

The Clerk read as follows:

SEC. —. That hereafter the balance to the credit of any one person in a postal savings depository, exclusive of accumulated interest, shall not exceed $3,000. Noninterest-paying deposits shall not be accepted. All laws inconsistent herewith are hereby repealed.

Mr. LOBECK. Mr. Chairman, is an amendment to that amendment in order at this time?

The CHAIRMAN. Yes. Does the gentleman from Tennessee desire recognition on his amendment?

Mr. MOON. The amendment offered to the postal-savings act is for the purpose of securing revenue to the Government of the United States. Before the act was amended about a year ago, the amount which would be deposited by any one depositor in the postal savings bank was limited to $500. At that time we raised the amount to $1,000 interest-bearing and $1,000 noninterest-bearing deposits for any one depositor. The result of that has been to double the deposits, to increase them from $20,000,000 to $40,000,000. The Post Office Department informs us that there is now an intense demand by people in the country who are not willing to trust the national banks or State banks, but who will trust the postal savings bank, that they be allowed to deposit money in larger amounts. Hundreds of them are asking the department to be permitted to deposit $3,000 or $4,000. The department thinks, as the House thought in the beginning, that it was wise to place a limitation upon the amount which might be deposited by any one depositor, but the department is now of the opinion that the limit ought to be raised. If we have the success in the future which we have had heretofore, there will be a large increase in the revenue of the Government. The amount of the limitation proposed is now $3,000. The House understands that the Government collects this money from the depositors and pays 2 per cent interest. The Government loans it out under conditions fixed in the statute at 2½ per cent interest. The revenue derived last year from this source above the expense was $955,000. The department thinks that if you raise the amount of the deposit to $3,000 for any one depositor there will be a great increase of revenue to the Government.

Mr. DYER. Does the gentleman think this will interfere with the sale of Government bonds or that people will put their money into the postal savings banks instead of buying bonds?

Mr. MOON. Oh, no. The people who deposit in the postal savings bank want to put their money where they can get it out readily, without taking the bonds to the market where they can be sold. In my opinion it will not affect the purchase of Government bonds at all.

While I am on my feet I will say that the next paragraph, with reference to the postal savings law, is simply to provide for a small deposit card and for the purchase of 10 adhesive stamps to be placed upon the card, to be held by the depositors and then presented for collection when desired, without any extra accounting system in the department.

Mr. LOBECK. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

Mr. MADDEN. I move that all debate on this section and all amendments thereto be closed in five minutes.

The CHAIRMAN. Does the gentleman from Nebraska yield for the purpose of allowing the gentleman to offer this motion?

Mr. LOBECK. I do.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this section and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. LOBECK. Mr. Chairman, now I offer my amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Nebraska.

The Clerk read as follows:

Amendment offered by Mr. LOBECK: Page 3 of the printed amendment, line 8, after the word "exceed," strike out the figures "$3,000" and insert in lieu thereof the figures "$10,000."

Mr. LOBECK. Mr. Chairman and gentlemen, the gentleman from Tennessee [Mr. MOON], the chairman of the Post Office Committee, has made a very good statement which shows that if a small amount was a good thing for the people of the country who want to deposit their money in postal savings banks, a larger amount would be better. I am in favor of increasing the limit up to $10,000. And, while this section does not cover this point, I think we ought to increase the number of postal savings banks throughout the country. At the present time there are 7,161 postal savings banks scattered throughout the United States. We have 56,170 money-order post offices in the country, and every money-order post office in the country should become a postal savings station. If the present Postal Savings System has brought a revenue of $900,000 annually, as stated to-day on this floor, to the Government, the extension of the system by the establishment of a larger number of postal-savings stations will still further increase the revenue.

Mr. MADDEN. The experience of the Post Office Department shows that there ought not to be as many postal savings banks as the gentleman indicates, because the deposits in some of them are so small that the cost of auditing amounts to more than the benefit that is derived.

Mr. LOBECK. Right in the city from which the gentleman comes there ought to be more postal savings stations. Throughout that city there are small banks that are accepting deposits from foreign-speaking people, and, I am told, for future shipments to Europe after this war is over. They, these foreign-language people, deposit with banks that speak their own language. They advertise in their papers that they will receive these deposits and will hold them for the depositors. Before the war came on, a million immigrants a year came to this country and several hundred thousand returned each year. They sent $300,000,000 of money normally every year in savings to Europe, and to-day there are trust companies in the United States which are advertising to hold this money of foreigners, to be returned when the war is over. Uncle Sam ought to get hold of this money now.

Mr. DYER. Why not buy bonds with it instead of passing this section?

Mr. LOBECK. If we have the money, we can use it.

Mr. DYER. We can not use it for buying bonds.

Mr. LOBECK. We ought to pay 3 per cent, instead of 2, to get these deposits. In every mining industry, in every mechanical industry in this country there are large numbers of foreigners who are making good wages, and they should be encouraged to deposit with our Government and should be given ample conveniences to do so.

Mr. DYER. Does not the gentleman think that a lot of these people would put their money in these postal savings banks at 2 per cent, instead of buying bonds, when they can get 4 per cent if we pass this amendment?

Mr. LOBECK. I would rather they would buy bonds; but they would have to be educated to do so. There are trust companies advertising in this country that they are State and city and Government depositories. They are paying 3 per cent. The foreigners that read that language and do not understand English as they ought to deposit their money with these little or large local banks, when they ought to deposit with the Government. We ought to pay them 3 per cent, instead of 2 per cent, and we ought to get 3½ per cent for our money, instead of 2½ per cent, or the Government make use of it. This whole matter ought to be looked into very thoroughly. We ought to collect and would, if we had enough postal savings banks in this country convenient for the laborers and others to make use of same. We could get $300,000,000 annually, instead of its being held and saved for shipment abroad. Under the privilege to extend my remarks, I had stated that certain banks or trust companies are advertising that they pay 3 per cent, and the following is a translated copy of an advertisement printed in a European language, and which states this offer. This newspaper I am told has a wide circulation:

[From the Népszava, New York, N. Y., Feb. 16, 1918, p. 3.]

Készülödjünk A Békére.
Let us prepare for peace.

On February 11 an event of great significance has taken place. The lofty-souled President of the United States delivered an oration rich in ideas of the possibilities of peace. This manifestation of statesmanly wisdom aroused a strong echo all over the world and has carried forward the cause of peace with a great step. Sooner or later this salutary event will have to take place, which will redeem of suffering the peoples bleeding of a thousand wounds.

We do not enter into soothsaying regarding the time of making peace, but we might say that much, that he acts properly who makes right now the necessary preparations.

As generally known, crowns can not be bought or sold at present, money can not be transmitted to Hungary, and crown deposits can not be placed. But the saved money can very well be sent for deposit to New York, so it shall be at hand at any moment. With the same frankness with which we have till now defended the interests of our clients, we advise them now to place their saved money in their own interest as dollar deposit, bearing interest at 3 per cent, in our mighty bank, where the money—

1. Bears interest from the day of arrival.
2. Is in unconditional safety.
3. Is every moment accessible.

We furnish readily more of information and reply to every letter immediately.

TRANSATLANTIC TRUST CO.,
67 William Street, New York.

Clients in New York and vicinity may personally apply to our East Side branch, which is open daily during banking hours and on Mondays till 8 p. m.

On February 23, 1918, I had the honor to introduce House bill 10186, which reads as follows:

A bill (H. R. 10186) to amend the act approved June 25, 1910, establishing postal-savings depositories, and acts amendatory thereof, and for other purposes, by extending the usefulness of the Postal Savings System and instituting publicity for securing from the public postal-savings deposits.

Whereas the success of the present war and the prosperity of our Nation after the war depends to a great extent upon our ability to bring into circulation savings which are hoarded and intended for export; and

Whereas it has been so far impossible to establish sufficient numbers of United States postal-savings banks, in spite of the fact that this sort of foreign institutions receive in each normal year hundreds of millions of dollars for safe-keeping from our residents; and

Whereas the rate of interest allowed on deposits by our postal-savings banks and required by them for the redeposit of the same from National and State banks is inadequate and in need of proper adjustment; and

Whereas the export of savings interfere with loyalty and the qualification for citizenship; that savings intended for export form a reserve fund for our imperialistic enemies; that savings kept on deposit in this country promote Americanization and thrift, which being a fundamental requirement of stable government and of welfare of citizens and immigrants, it should be encouraged, aided, and assisted in the necessary and practical manner; and

Whereas the masses of wage earners are in need of specific information for taking cognizance of our postal-savings facilities and to counteract the inducements offered to millions of our residents to export and keep on deposit their savings in foreign countries, which are described as the land of opportunities after the war; and

Whereas it is necessary to provide for postal depositories at each and every one of our post offices, to pay a fair rate of interest for such deposits, and acquaint our population of the availability of these governmental depositories: Therefore

Be it enacted, etc., That section 3 of the act approved June 25, 1910, establishing postal-savings depositories, and acts amendatory thereof, and for other purposes, by extending the usefulness of the Postal Savings System and instituting publicity for securing from the public postal-savings deposits, is hereby amended so that it shall read as follows:

"SEC. 3. That said board of trustees is hereby authorized, empowered, and directed to designate all post offices to be postal-savings depository offices, and each and every post office is hereby declared to be a postal-savings depository office within the meaning of this act and is authorized and required to receive deposits of funds from the public and to account for and dispose of the same, according to the provisions of this act and the regulations made in pursuance thereof. Each postal-savings depository office shall be kept open for the transaction of business during such hours as the Postmaster General, with the approval of the board of trustees, shall direct."

SEC. 2. That section 7 of said act is hereby amended so that it shall read as follows:

"SEC. 7. That interest at the rate of 3 per cent per annum shall be allowed and entered to the credit of each depositor once in each year, the same to be computed on such basis and under such rules and regulations as the board of trustees may prescribe, but interest shall not be computed or allowed on fractions of a dollar."

SEC. 3. That section 9 of said act is hereby amended so that instead of reading: "and the sums deposited shall bear interest at the rate of not less than 2½ per cent per annum," it shall read: "and the sums deposited shall bear interest at the rate of not less than 3½ per cent per annum."

SEC. 4. That section 10 of said act is hereby amended so that instead of reading: "which bonds shall bear interest at the rate of 2½ per cent per annum," it shall read: "which bonds shall bear interest at the rate of 3½ per cent per annum."

SEC. 5. That section 14 of said act is hereby amended so that it shall read as follows:

"SEC. 14. That the sum of $500,000 is hereby appropriated, out of any money in the Treasury not otherwise appropriated, or so much thereof as may be necessary, to enable the Postmaster General and the board of trustees to establish the postal-savings depositories in all post offices in accordance with the provisions of this act, including the reimbursement of the Secretary of the Treasury for expenses incident to the preparation, issue, and registration of the bonds authorized in this act; and the Postmaster General is authorized to require postmasters and other postal officers and employees to transact, in connection with their other duties, such postal-savings depository business as may be necessary; and he is also authorized to make, and with the approval of the board of trustees to promulgate, and from time to time modify or revoke, subject to the approval of said board, such rules and regulations not in conflict with law, and compile and disseminate specific information for securing from the public postal-savings deposits, as he may deem necessary to carry the provisions of this act into effect."

SEC. 6. That all laws or parts of laws in conflict with the provisions of this act are hereby repealed.

This legislation has for its very purpose the increase of larger and increased deposits with the United States postal savings bank, and I hope the House will act favorably on the same and that the bill or some better bill be enacted into law.

I have read with interest an article in the Daily Financial America of date March 6, by Lajos Steiner, which reads as follows:

[From the Daily Financial America, New York, Mar. 6, 1918.]

A DRIVE FOR POSTAL SAVINGS DEPOSITS.

(By Lajos Steiner.)

A campaign should be conducted for securing as postal savings bank deposits those amounts which in normal years are exported from here. For decades before the war over $300,000,000 have been exported in each normal year by immigrants to their countries of origin. The war made the exportation of this sum impossible for the time being. Immigrants earn higher wages at present than ever before.

The results of such a campaign would improve conditions for more reasons than one. Immigrants would become emancipated from under the yoke of that multitude of concerns which operate at every nook and corner wherever immigrants receive wages, and which concerns solicit and receive for export this sort of savings, sell steamship tickets for remigration, and in the course of plying their trade obstruct the immigrants in becoming Americanized. They keep away the immigrants from our institutions, methods, and ideals so as to be enabled the better to exploit them and to induce them to remigrate. This proceeding is encouraged and facilitated by the agents of the respective European governments, the steamship companies, and their influential and omnipresent votaries.

Foreign-language newspapers derive the largest part of their income from the concerns which advertise for the savings to be exported and the sale of steamship tickets for remigrants. The income of these papers would decrease by the Americanization of immigrants; therefore, they do not promote assimilation, but stimulate the export of savings. These sort of remittances only strengthen the kaisers, and become a total loss to American prosperity.

Systematic work is conducted for having the immigrants stay away from everything American—to have them acquire the habit of exporting their savings; to have them keep their savings on deposit in the postal savings banks of the countries of origin, and in time to purchase tillable land over there. By these influences immigrants were made to believe that they are disliked in this country; that our Government intends to conscript and even to confiscate their savings; that it is impossible for them to reengage in farming successfully in the United States; that after the war Europe will be the land of opportunities; that those who fail to return to Europe immediately after transportation becomes available will be prosecuted and when apprehended court-martialed; that their property will be confiscated and their families dispossessed.

Well-informed men believe that 5,000,000 immigrants will depart from here as soon after peace comes and they can be transported. At present the timid immigrants keep their savings in belts and stockings, they hide it in crevices under the floor, or deposit it for safekeeping with concerns which are to export same when that becomes again possible. Immigrants know that mill and mine will not employ them in old age, and believe that it is best for them to return to Europe after they have accumulated some savings. While everything that can be done is being done for having this proceeding continue, practically nothing is done to effect improvement. This evil should be corrected.

The present time is opportune for remedial action. Corrective work should be commenced without delay. Branches of our postal savings banks should be established and maintained at each and every one of those suburbs, hamlets, railroad shops, mills, mines, and lumber camps where wage earners could avail themselves of these governmental depositories. A campaign should be conducted for soliciting and receiving the deposits of industrial employees. We have some 17,000,000 resident immigrants: all are wage earners, they are diligent, saving, and thrifty. The aggregate of their savings amounts each year to hundreds of millions of dollars. These deposited sums would be redeposited by our postal banks in our national, savings, and other banks, and would augment our national welfare and prosperity. At present these sums are hoarded and really form a reserve fund of enormous amounts for the kaisers. Once immigrants discontinue to export their savings they could be interested in American problems, they would make efforts in time to become United States citizens, and their children would surely be as useful and loyal Americans as the children of the earlier arrivals.

The forces which interdeal in alienating from Americanism our immigrants are at present less efficient than before. Immigrants arrive and depart since the last four years to small extent; therefore they are fitter for Americanization than they have ever been before. The last to arrive is here for about four years and has picked up at least some of our language. Immigrants are now more inclined and qualified to be reached and properly influenced than ever before. At this psychological moment better results could be secured than at any other time. This opportunity should not be neglected. The moral and financial effect of our success would be a disastrous blow to imperialism and a fortunate factor for democracy. The present time is opportune to eliminate the forces which prevent immigrants from becoming Americans.

Let our postal savings banks penetrate those localities where wage earners' savings could be secured for deposit. Branches should be established in out-of-the-way places, at points distant from post offices, in sections reached by rural free delivery, and in those parts of our cities where this sort of people dwell. If necessary, headquarters should be established in offices of employing companies which would be willing to cooperate to the extent of providing such headquarters. Experience proves that immigrants incline quite strongly to make use of postal savings banks. Out of the $150,000,000 deposited in our postal banks by some 700,000 persons, about 65 per cent are immigrants.

Immigrants trust in governmental institutions. The improvement can be effected, the results could only be beneficial to this country as well as to the depositors. After their savings are kept in this country it will be possible to direct immigrants to our farms and thus increase our food production. Immigrants are land hungry. Just as soon as their savings enable them to do so, they leave industrial employment and reengage in farming. They are good farmers; the lands which they till in Europe are farmed for over 1,000 years and are still productive, because these immigrants know how to till the soil properly and without destroying its fertility. Not only is governmental action called for from the standpoint of humanitarianism, but from the standpoint of our own economic needs of the present and future. The matter involved is a problem no whit less serious than others over which we are concerned because of what the end of the war may mean to us. It is a problem of present as well as future moment, for the agents of foreign governments are utilizing our lack of postal savings facilities to take charge of the funds of resident immigrants to have them sent abroad.

Postal savings bank branches should be established at all those points where wage earners could avail themselves of these governmental depositories, and an aggressive campaign should be conducted to influence the immigrants, by information in the newspapers, by circulars, speeches, and other practical means, to deposit and keep their savings in these Federal banks and make efforts to become good Americans. The present time should be utilized to make a drive for securing postal savings bank deposits.

This subject of increased facilities for the wage earners of this land should be given the most earnest consideration by the Post Office Department as well as Congress at an early date.

The CHAIRMAN. The time of the gentleman from Nebraska has expired. The question is on the amendment offered by the gentleman from Nebraska.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Tennessee.

Mr. DYER. Mr. Chairman, I move to strike out that amendment offered by the gentleman from Tennessee.

Mr. WALSH. Mr. Chairman, that motion is not in order. The section has not yet been adopted.

Mr. STAFFORD. The vote is being taken upon its adoption.

The CHAIRMAN. The rule under which these amendments are being considered says that they shall be considered as sections offered in the bill, and under that construction of the rule which has been heretofore acted upon the Chair thinks the motion of the gentleman from Missouri is in order. The question is on agreeing to the amendment offered by the gentleman from Missouri.

Mr. DYER. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed for one minute. Is there objection?

Mr. COX. Mr. Speaker, I object.

The CHAIRMAN. The question is on the amendment of the gentleman from Missouri to strike out the section.

The question was taken.

Mr. DYER. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 2, noes 99.

So the amendment to strike out was rejected.

The CHAIRMAN. The question now is on agreeing to the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. —. That section 6 of the act approved June 25, 1910, is hereby further amended so that the proviso in said section shall read as follows: "*Provided*, That in order that smaller amounts may be accumulated for deposit, any person may purchase for 10 cents, from any postal-savings depository, specially prepared adhesive stamps to be known as 'postal-savings stamps,' and attach them to a card which shall be furnished for the purpose. A card with 10 postal savings stamps affixed shall be accepted as a deposit of $1 either in opening an account or in adding to an existing account, or may be redeemed in cash."

Mr. MOON. Mr. Chairman, I move the adoption of the section.

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Tennessee.

The question was taken, and the amendment was agreed to.

Mr. MOON. Mr. Chairman, there is still another section, which I ask the Clerk to read.

The Clerk read as follows:

"SEC. —. The additional compensation granted by the provisions of this bill shall be paid out of the revenues of the Post Office Department. If the revenues of the said department shall be insufficient to meet the appropriations made by this act, a sum equal to such deficiency of the revenue of said department is hereby appropriated, to be paid out of any money in the Treasury not otherwise appropriated, to supply said deficiencies in the revenues for the Post Office Department for the year ending June 30, 1919, and the sum needed may be advanced to the Post Office Department upon requisition of the Postmaster General."

Mr. MOON. Mr. Chairman, I move the adoption of the section just read.

The CHAIRMAN. The question is on the amendment of the gentleman from Tennessee.

Mr. BLACK rose.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. BLACK. I want to discuss the amendment.

The CHAIRMAN. The gentleman from Texas is recognized for five minutes.

Mr. BLACK. I am going to take only a few moments of the time of the House to discuss some of the financial aspects of this bill as it now stands amended.

Mr. MADDEN. Mr. Chairman, I move that debate on this section and all amendments thereto close in five minutes.

Mr. WALSH. Mr. Chairman, the gentleman can not make that motion until five minutes is consumed.

The CHAIRMAN. The gentleman from Massachusetts is correct. The motion is out of order.

Mr. BLACK. Mr. Chairman, on Friday, after the reading of the first section of the bill, I moved to strike out the reclassification paragraphs of the bill and substitute for it a provision to pay all of the postal clerks, letter carriers, and railway mail clerks 15 per cent per annum increase in compensation where their salaries were $1,200 or less and 10 per cent per annum increase where their salaries were more than $1,200 and not in excess of $1,800. That amendment was not adopted, and in the brief explanation I undertook to make at the time it was offered within the limited time that was then at my disposal I showed from the figures that had been compiled by the Post Office Department that the adoption of my amendment would within the period of four years mean a saving to the Government of at least $35,000,000.

Now, since I made that motion to amend in the manner that I have just stated other amendments have been placed in the bill which increase still further its annual expenditure $11,240,000, according to the way I have been able to figure it, and so if this bill is adopted in its present form the first year it will cost about $40,000,000; the second year it will cost more on account of the automatic promotions; and the third year it will cost still more, and will reach its peak of cost in the fourth year, and will cost the postal revenues at least $55,000,000 more the fourth year than under present law before the adoption of any salary increases, and therefore when we go into the House from the Committee of the Whole, if I can obtain recognition for that purpose, I will move to recommit the bill with instructions to report the bill back to the House forthwith, with an amendment striking out all of sections 1 and 2 of the bill and to substitute language which will give all the rural carriers, postal clerks, letter carriers, railway mail clerks, assistant postmasters, and all other postal employees who receive a salary of $1,200 or less an increase of 15 per cent per annum, which, in the case of a $1,200 salary, will be $180 a year, and to those who receive a salary above $1,200 and not in excess of $1,800, my amendment would give an increase in salary of 10 per cent per annum. Mr. Chairman, the motion to recommit will not change the effect of the provision in the bill which increases the compensation to fourth-class postmasters, nor will it have any effect on the provision that gives the Postmaster

General the authority to adjust the compensation paid to star-route carriers, screen-wagon services, and so forth.

Mr. MOON. If the gentleman will yield, I want to say to him that the Post Office Department has recommended that we pass an appropriation of $12,000,000 to meet the expenses up to the beginning of the next fiscal year and $48,000,000 for the next fiscal year, so the total amount will be $60,000,000 for this bill.

Mr. BLACK. Yes; I believe that those are the figures which have been compiled by the Post Office Department, but I feel that it is but fair to state that on account of the modification made by the gentleman from Illinois [Mr. MADDEN] of his amendment here Monday there will be about $7,200,000 of that amount which has been estimated by the Post Office Department cut off. But notwithstanding this reduction, if the bill goes through as it now stands during the first year undoubtedly it will cost more than $40,000,000 over present expenditures, and thereafter will cost still more for the second, third, and fourth years, as I have shown.

The CHAIRMAN. The time of the gentleman has expired. The question is upon the amendment of the gentleman from Tennessee.

The question was taken, and the amendment was agreed to.

Mr. MOON. Mr. Chairman, I ask, in pursuance of the unanimous consent heretofore granted, to return to section 6 of the bill.

The CHAIRMAN. The gentleman from Tennessee asks that the committee return to section 6 under the agreement heretofore made. The Clerk will report the section.

The Clerk read as follows:

SEC. 6. That this act shall be in force and effect from and after its passage. That all laws and parts of laws in conflict herewith are hereby repealed.

Mr. MOON. Inasmuch as legally that section means nothing, I move to strike it out.

The question was taken, and the motion was agreed to.

Mr. MOON. Mr. Chairman, I ask unanimous consent that the Clerk be instructed to number these sections numerically in their proper order.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the Clerk be authorized to number the sections consecutively in their proper order. Is there objection? [After a pause.] The Chair hears none.

Mr. MOON. And also to amend the title in accordance with the provisions of the bill.

The CHAIRMAN. Without objection, it is so ordered.

Mr. MOON. Mr. Chairman, I move that the committee do now rise——

Mr. WALSH. I just want to direct the attention of the gentleman from Tennessee to the fact that the title of a bill is not amended in committee.

Mr. MOON. The gentleman is right about that. Mr. Chairman, I move that the committee do now rise and that the bill be reported to the House with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CARAWAY, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 9414, had directed him to report the same to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. MOON. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The motion was agreed to.

The SPEAKER. Is there a separate vote demanded on any amendment? If not, the Chair will put them in gross.

Mr. BARKLEY. Mr. Speaker, I demand a separate vote on the Madden amendment and also on the Almon amendment, the first Madden amendment making a permanent increase.

The SPEAKER. What is it the gentleman demands?

Mr. BARKLEY. I demand a separate vote on the Madden amendment making this provision permanent law, the first Madden amendment.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. BARKLEY. I also demand a separate vote on the Almon amendment, increasing the increase to 20 per cent.

The SPEAKER. Is there a separate vote demanded on any other amendment? If not, the Chair will put them in gross.

The question was taken, and the other amendments were agreed to.

Mr. MADDEN. Mr. Speaker, I ask for the yeas and nays on the motion of the gentleman from Kentucky.

The SPEAKER. The vote will be on the first Madden amendment.

Mr. MADDEN. I ask for the yeas and nays.

The SPEAKER. The gentleman demands the yeas and nays—evidently a sufficient number——

Mr. WINGO. Mr. Speaker, I ask that the amendment be reported.

The SPEAKER. Without objection, the amendment will be again reported.

There was no objection.

The Clerk read as follows:

Page 1, line 3, strike out all after the word "that" up to and including the word "follows," in line 6, and insert in lieu thereof the following: "hereafter the compensation of postal employees shall be as follows."

Mr. MADDEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MADDEN. The gentleman's motion is to strike out the amendment, is it?

The SPEAKER. No; he just simply asks for a vote on the amendment of the gentleman.

Mr. MADDEN. A vote of "aye" would sustain the amendment?

The SPEAKER. Yes.

The question was taken; and there were—yeas 264, nays 97, not voting 72, as follows:

YEAS—264.

Anderson	Fairchild, B. L.	La Follette	Rodenberg
Anthony	Fairfield	Langley	Rogers
Ashbrook	Farr	Lea, Cal.	Rose
Austin	Fisher	Lehlbach	Rowe
Bacharach	Flynn	Lesher	Sabath
Baer	Focht	Linthicum	Sanders, Ind.
Barnhart	Foss	Little	Sanders, N. Y.
Beakes	Francis	Lobeck	Sanford
Beshlin	Frear	London	Saunders, Va.
Bland	Freeman	Lonergan	Scott, Iowa
Bowers	French	Longworth	Scott, Mich.
Britten	Fuller, Ill.	Lufkin	Scully
Brodbeck	Fuller, Mass.	Lundeen	Sells
Browne	Gallagher	Lunn	Shallenberger
Browning	Gallivan	McAndrews	Sherwood
Brumbaugh	Garland	McArthur	Siegel
Burnett	Garrett, Tex.	McCormick	Sinnott
Burroughs	Glynn	McCulloch	Slayden
Butler	Godwin, N. C.	McFadden	Slemp
Caldwell	Goodwin, Ark.	McKenzie	Sloan
Campbell, Kans.	Graham, Ill.	McKinley	Smith, Idaho
Campbell, Pa.	Gray, N. J.	McLaughlin, Mich.	Smith, Mich.
Caraway	Green, Iowa	McLaughlin, Pa.	Snell
Carew	Greene, Mass.	McLemore	Snook
Carlin	Greene, Vt.	Madden	Snyder
Carter, Mass.	Gregg	Magee	Steele
Cary	Griest	Maher	Steenerson
Chandler, N. Y.	Griffin	Mansfield	Stephens, Nebr.
Chandler, Okla.	Hadley	Mapes	Sterling, Ill.
Clark, Pa.	Hamilton, Mich.	Martin	Sterling, Pa.
Cleary	Hamilton, N. Y.	Mason	Stiness
Coady	Harrison, Va.	Mays	Strong
Cooper, W. Va.	Haskell	Montague	Sullivan
Cooper, Wis.	Haugen	Moore, Pa.	Swift
Costello	Hawley	Moores, Ind.	Switzer
Crago	Hayden	Morgan	Tague
Cramton	Heaton	Morin	Talbott
Crosser	Helvering	Mudd	Taylor, Ark.
Currie, Mich.	Hicks	Neely	Taylor, Colo.
Dale, N. Y.	Hilliard	Nelson	Temple
Dale, Vt.	Hood	Nichols, Mich.	Thompson
Dallinger	Huddleston	Nolan	Tillman
Darrow	Hull, Iowa	Norton	Tilson
Davis	Husted	Oldfield	Timberlake
Delaney	Hutchinson	Oliver, N. Y.	Tinkham
Dempsey	Igoe	Olney	Towner
Denison	Ireland	Osborne	Treadway
Denton	Jacoway	O'Shaunessy	Vare
Dewalt	James	Paige	Vestal
Dill	Johnson, Ky.	Parker, N. J.	Voigt
Dillon	Johnson, Wash.	Parker, N. Y.	Volstead
Donovan	Jones, Tex.	Peters	Waldow
Dooling	Juul	Phelan	Walton
Doremus	Kearns	Platt	Wason
Dowell	Keating	Polk	Watson, Pa.
Dunn	Kelley, Mich.	Porter	Weaver
Dupré	Kelly, Pa.	Purnell	Wheeler
Dyer	Kennedy, Iowa	Raker	White, Me.
Eagan	Kennedy, R. I.	Ramsey	White, Ohio
Eagle	Key, Ohio	Ramseyer	Wilson, Ill.
Edmonds	Kiess, Pa.	Randall	Wingo
Elliott	King	Rankin	Winslow
Elston	Kinkaid	Reavis	Woods, Iowa
Emerson	Knutson	Reed	Woodyard
Esch	Kraus	Riordan	Young, N. Dak.
Evans	Kreider	Robbins	Zihlman

NAYS—97.

Alexander	Brand	Connally, Tex.	Drane
Almon	Buchanan	Connelly, Kans.	Ferris
Aswell	Byrnes, S. C.	Cox	Foster
Ayres	Byrns, Tenn.	Crisp	Garner
Bankhead	Candler, Miss.	Decker	Garrett, Tenn.
Barkley	Cannon	Dickinson	Gillett
Bell	Cantrill	Dixon	Glass
Black	Carter, Okla.	Dominick	Gordon
Blanton	Claypool	Doolittle	Hamlin
Booher	Collier	Doughton	Hardy

Hastings	Oliver, Ala.	Sears	Walsh
Heflin	Overstreet	Shackleford	Watkins
Helm	Padgett	Shouse	Watson, Va.
Hensley	Park	Sims	Webb
Holland	Quin	Sisson	Welling
Hull, Tenn.	Ragsdale	Small	Welty
Humphreys	Rainey	Stafford	Whaley
Jones, Va.	Rayburn	Steagall	Wilson, La.
Kincheloe	Robinson	Stedman	Wilson, Tex.
Kitchin	Romjue	Stephens, Miss.	Wise
Larsen	Rouse	Stevenson	Wright
Lazaro	Rubey	Sumners	Young, Tex.
Lever	Rucker	Venable	
McKeown	Russell	Vinson	
Moon	Sanders, La.	Walker	

NOT VOTING—70.

Blackmon	Fordney	Kehoe	Pratt
Borland	Gandy	Kettner	Price
Church	Gard	LaGuardia	Roberts
Clark, Fla.	Good	Lee, Ga.	Rowland
Classon	Goodall	Lenroot	Schall
Cooper, Ohio	Gould	Littlepage	Scott, Pa.
Copley	Graham, Pa.	McClintic	Sherley
Curry, Cal.	Gray, Ala.	Mann	Smith, C. B.
Davidson	Hamill	Meeker	Smith, T. F.
Dent	Harrison, Miss.	Merritt	Sweet
Dies	Hayes	Miller, Minn.	Templeton
Drukker	Heintz	Miller, Wash.	Thomas
Ellsworth	Hersey	Mondell	Van Dyke
Estopinal	Hollingsworth	Mott	Ward
Fairchild, G. W.	Houston	Nicholls, S. C.	Williams
Fess	Howard	Overmyer	Wood, Ind.
Fields	Johnson, S. Dak.	Pou	
Flood	Kahn	Powers	

So the amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. GOULD (for Madden amendment) with Mr. BLACKMON (against).

From March 25 to April 15:

Mr. BORLAND with Mr. GOOD.

Until further notice:

Mr. CHURCH with Mr. HOLLINGSWORTH.

Mr. CLARK of Florida with Mr. GOODALL.

Mr. CHARLES B. SMITH with Mr. HERSEY.

Mr. FIELDS with Mr. MERRITT.

Mr. FLOOD with Mr. MONDELL.

Mr. GRAY of Alabama with Mr. ROWLAND.

Mr. HOUSTON with Mr. SCOTT of Pennsylvania.

Mr. HOWARD with Mr. WOOD of Indiana.

Mr. KETTNER with Mr. SWEET.

Mr. LEE of Georgia with Mr. FORDNEY.

Mr. MCCLINTIC with Mr. MOTT.

Mr. NICHOLLS of South Carolina with Mr. MEEKER.

Mr. POU with Mr. WILLIAMS.

Mr. NEELY. Mr. Speaker, my colleague, Mr. LITTLEPAGE, is unavoidably detained, and he asked me to say that if he were present he would vote "yea" on this vote.

Mr. DYER. Mr. Speaker, did Mr. MEEKER vote?

The SPEAKER. No, sir. He is not recorded.

Mr. DYER. Mr. MEEKER is out of the city. He expected to be back to-day to vote. If he were here, he would vote for the Madden amendment.

The result of the vote was announced as above recorded.

The SPEAKER. The vote will be taken on the Almon amendment.

Mr. BARKLEY. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER. The gentleman from Kentucky demands the yeas and nays. All in favor of the yeas and nays will rise and stand until they are counted. [After counting.] Forty-eight gentleman have arisen, not a sufficient number.

Mr. STAFFORD. The other side.

Mr. COX. The other side, Mr. Speaker.

The SPEAKER. The other side will rise and stand until they are counted. [After counting.] Two hundred and sixty-one gentlemen have arisen in the negative. Forty-eight is not a sufficient number. The Clerk will report the amendment that is called for, the Almon amendment.

The Clerk read as follows:

Almon amendment to the Madden amendment: Strike out "fifteen" and insert "twenty."

The SPEAKER. The question is on agreeing to the Almon amendment.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. COX. A division, Mr. Speaker.

The SPEAKER. A division is demanded.

The House divided; and there were—ayes 232, noes 52.

So the Almon amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. MADDEN. Mr. Speaker, I would like to have the title of the bill amended so as to conform with the text.

The SPEAKER. That comes at the last.

Mr. BLACK. Mr. Speaker, I move to recommit the bill.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BLACK. I am opposed to it as it now stands.

The SPEAKER. If any gentleman is really opposed to the bill and has a motion to recommit, the Chair will recognize him.

Mr. CARTER of Oklahoma. The gentleman says he is opposed to the bill as it now stands.

The SPEAKER. Well, he is able to speak for himself.

Mr. BLACK. I am opposed to the bill.

The SPEAKER. The Clerk will report the motion of the gentleman from Texas [Mr. BLACK].

The Clerk read as follows:

I move to recommit the bill to the Committee on Post Offices and Post Roads with instruction to that committee to report the same back forthwith with an amendment striking out all beginning with line 3, page 1, down to and including all of line 11, page 3, and insert in lieu thereof the following:

"That during the balance of the fiscal year ending June 30, 1918, and during the fiscal year ending June 30, 1919, the increased allowance for postal employees in addition to the compensation now received by them shall be as follows:

"SECTION 1. That carriers in the Rural Free Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum, exclusive of mileage allowance and $24 per mile per anum for each additional mile over 24 miles. That clerks in the first and second class post offices and letter carriers in the City Delivery Service shall receive 15 per cent per annum up to and including those receiving $1,200 per annum and 10 per cent per annum up to and including $1,800 per annum.

"That railway postal clerks shall receive an increase of 15 per cent per annum up to and including those receiving $1,200 per annum and 10 per cent per annum from $1,200 per annum up to and including $1,800 per annum: *Provided*, That nothing herein shall authorize the Postmaster General to discontinue promotion of clerks in first and second class post offices or carriers in the City Delivery Service or railway postal clerks from grate to grade under the provisions of the classification acts fixing the compensation of those employed in these branches of the Postal Service.

"SEC. 2. That the increases herein provided for shall apply to assistant postmasters in first and second class post offices, allowances for clerks in third-class post offices, and substitute clerks and carriers, also to all post-office clerks, laborers, watchmen, per diem employees, printers, chauffeurs, janitors in post offices, and all other postal employees whose rate of compensation comes within the limit to which these increases apply."

Mr. BLACK. Mr. Speaker, I move the previous question on the motion to recommit.

The SPEAKER. The gentleman from Texas moves the previous question.

The previous question was ordered.

Mr. MADDEN. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Illinois demands the yeas and nays.

Mr. STAFFORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STAFFORD. Is the demand for the yeas and nays on the previous question or on the motion to recommit?

The SPEAKER. On the motion to recommit, as the Chair understood. Those in favor of taking the vote to recommit by the yeas and nays will rise and stand until they are counted. [After counting.] Sixty-one gentlemen have risen.

Mr. RUCKER. Mr. Speaker, one more.

The SPEAKER. Sixty-two.

Mr. HUDDLESTON. Mr. Speaker——

Mr. DYER. Mr. Speaker, I make the point of order that the Chair has already announced the vote.

The SPEAKER. The Chair knows; but the gentleman wanted to be counted and came in.

Mr. HUDDLESTON rose.

The SPEAKER. For what purpose does the gentleman from Alabama rise?

Mr. HUDDLESTON. To make the point of order that the demand for the yeas and nays before action is taken on the previous question is too early.

The SPEAKER. The previous question has been voted.

Mr. HUDDLESTON. The Chair did not put the reverse.

The SPEAKER. Oh, yes; he did. There was only one vote against it. Sixty-two gentlemen have risen, not a sufficient number.

Mr. GARNER. Mr. Speaker, a point of order.

The SPEAKER. What is the gentleman's point of order?

Mr. GARNER. I make the point that 62 is a sufficient number.

The SPEAKER. Sixty-two is not.

Mr. COX. The other side!

The SPEAKER. The Chair will count. [After counting.] Two hundred and fifty-seven gentlemen have risen. The yeas and nays are refused.

Mr. GARNER. Mr. Speaker, I demand tellers.

The SPEAKER. The gentleman from Texas demands tellers.

Mr. GARNER. I ask for tellers.

The SPEAKER. You can get tellers if you get enough to vote with you. Those who are in favor of taking this vote by tellers will rise and stand until they are counted. [After counting.] Sixty-three gentlemen have risen—a sufficient number—and tellers are ordered. The Chair appoints the gentleman from Tennessee [Mr. MOON] and the gentleman from Texas [Mr. BLACK] to act as tellers.

Mr. DALLINGER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DALLINGER. Is this vote by tellers on the question of whether we shall have a yea-and-nay vote on the motion to recommit?

The SPEAKER. The Chair has already announced that.

Mr. DALLINGER. Is it on the motion to recommit? The gentleman from Illinois [Mr. MADDEN] says it is not; that it is on the previous question.

The SPEAKER. The previous question was ordered 15 minutes ago.

The House divided; and the tellers reported—ayes 70, noes 245.

The SPEAKER. On this vote the ayes are 70 and the noes are 245. Seventy is enough. The Clerk will call the roll.

Mr. MADDEN rose.

The SPEAKER. For what purpose does the gentleman from Illinois rise?

Mr. MADDEN. To make a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MADDEN. I would like to have the question stated to the House, so that we can tell.

The SPEAKER. The question is on the motion to recommit. Those in favor of recommitting this bill with the instructions offered by the gentleman from Texas [Mr. BLACK] will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 51, nays 311, not voting 69, as follows:

YEAS—51.

Barkley	Doughton	Howard	Rucker
Black	Ferris	Hull, Tenn.	Sears
Blanton	Fuller, Mass.	Humphreys	Sherley
Booher	Garrett, Tenn.	Kincheloe	Sisson
Buchanan	Garner	Kitchin	Small
Byrns, Tenn.	Gillett	Lever	Stafford
Candler, Miss.	Glass	Oliver, Ala.	Steagall
Cannon	Gordon	Quin	Stephens, Miss.
Carter, Okla.	Hardy	Ransdale	Venable
Collier	Heflin	Rainey	Walsh
Connally, Tex.	Helm	Rayburn	Welling
Cox	Hensley	Robinson	Young, Tex.
Dickinson	Holland	Romjue	

NAYS—311.

Alexander	Cramton	French	Kearns
Almon	Crisp	Fuller, Ill.	Keating
Anthony	Crosser	Gallagher	Kelley, Mich.
Ashbrook	Currie, Mich.	Gallivan	Kelly, Pa.
Aswell	Dale, N. Y.	Garland	Kennedy, Iowa
Austin	Dale, Vt.	Garrett, Tex.	Kennedy, R. I.
Ayres	Dallinger	Glynn	Kettner
Bacharach	Darrow	Godwin, N. C.	Key, Ohio.
Baer	Davis	Goodwin, Ark.	Kiess, Pa.
Bankhead	Decker	Graham, Ill.	King
Barnhart	Delaney	Gray, Ala.	Kinkaid
Beakes	Dempsey	Gray, N. J.	Knutson
Bell	Denison	Green, Iowa	Kraus
Beshlin	Dewalt	Greene, Mass.	Kreider
Bland	Dill	Greene, Vt.	La Follette
Bowers	Dillon	Gregg	Langley
Brand	Dixon	Griest	Larsen
Britten	Dominick	Griffin	Lazaro
Brodbeck	Donovan	Hadley	Lea, Cal.
Browne	Dooling	Hamilton, Mich.	Lee, Ga.
Browning	Doolittle	Hamilton, N. Y.	Lehlbach
Brumbaugh	Doremus	Hamlin	Lesher
Burnett	Dowell	Harrison, Va.	Linthicum
Burroughs	Drane	Haskell	Little
Butler	Dunn	Hastings	Lobeck
Byrnes, S. C.	Dupré	Haugen	London
Campbell, Kans.	Dyer	Hawley	Lonergan
Campbell, Pa.	Eagan	Hayden	Lufkin
Cantrill	Eagle	Heaton	Lundeen
Caraway	Edmonds	Helvering	Lunn
Carew	Elliott	Hicks	McAndrews
Carlin	Elston	Hilliard	McArthur
Carter, Mass.	Emerson	Hood	McCormick
Cary	Esch	Huddleston	McCulloch
Chandler, Okla.	Evans	Hull, Iowa	McFadden
Church	Fairchild, B. L.	Husted	McKenzie
Clark, Fla.	Fairfield	Hutchinson	McKeown
Clark, Pa.	Farr	Igoe	McKinley
Claypool	Fisher	Ireland	McLaughlin, Mich.
Cleary	Flynn	Jacoway	McLaughlin, Pa.
Coady	Focht	James	McLemore
Connelly, Kans.	Foss	Johnson, Ky.	Madden
Cooper, W. Va.	Foster	Johnson, Wash.	Magee
Cooper, Wis.	Francis	Jones, Tex.	Maher
Costello	Frear	Jones, Va.	Mansfield
Crago	Freeman	Juul	Mapes
Martin	Ramsey	Slayden	Towner
Mason	Ramseyer	Slemp	Treadway
Meeker	Randall	Sloan	Vare
Merritt	Rankin	Smith, Idaho	Vestal
Montague	Reavis	Smith, Mich.	Vinson
Moon	Reed	Snell	Voigt
Moore, Pa.	Riordan	Snook	Volstead
Moores, Ind.	Robbins	Snyder	Waldow
Morgan	Rodenberg	Stedman	Walker
Morin	Rogers	Steele	Walton
Mudd	Rose	Steenerson	Wason
Neely	Rouse	Stephens, Nebr.	Watkins
Nelson	Rowe	Sterling, Ill.	Watson, Pa.
Nichols, Mich.	Rubey	Sterling, Pa.	Watson, Va.
Nolan	Russell	Stevenson	Weaver
Norton	Sabath	Stiness	Welty
Oldfield	Sanders, Ind.	Strong	Whaley
Oliver, N. Y.	Sanders, La.	Sullivan	Wheeler
Olney	Sanders, N. Y.	Sumners	White, Me.
Osborne	Sanford	Sweet	White, Ohio
O'Shaunessy	Saunders, Va.	Swift	Wilson, Ill.
Overstreet	Scott, Iowa	Switzer	Wilson, La.
Padgett	Scott, Mich.	Tague	Wilson, Tex.
Paige	Scully	Talbott	Wingo
Parker, N. J.	Sells	Taylor, Ark.	Winslow
Parker, N. Y.	Shackleford	Taylor, Colo.	Wise
Phelan	Shallenberger	Temple	Woods, Iowa
Platt	Sherwood	Thompson	Woodyard
Polk	Shouse	Tillman	Wright
Porter	Siegel	Tilson	Young, N. Dak.
Purnell	Sims	Timberlake	Zihlman
Raker	Sinnott	Tinkham	

NOT VOTING—69.

Anderson	Fields	Kehoe	Pratt
Blackmon	Flood	LaGuardia	Price
Borland	Fordney	Lenroot	Roberts
Caldwell	Gandy	Littlepage	Rowland
Chandler, N. Y.	Gard	Longworth	Schall
Classon	Good	McClintic	Scott, Pa.
Cooper, Ohio	Goodall	Mann	Smith, C. B.
Copley	Gould	Mays	Smith, T. F.
Curry, Cal.	Graham, Pa.	Miller, Minn.	Templeton
Davidson	Hamill	Miller, Wash.	Thomas
Dent	Harrison, Miss.	Mondell	Van Dyke
Denton	Hayes	Mott	Ward
Dies	Heintz	Nicholls, S. C.	Webb
Drukker	Hersey	Overmyer	Williams
Ellsworth	Hollingsworth	Park	Wood, Ind.
Estopinal	Houston	Peters	
Fairchild, G. W.	Johnson, S. Dak.	Pou	
Fess	Kahn	Powers	

So the motion to recommit was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. FIELDS with Mr. TEMPLETON.

Mr. DENTON with Mr. HOLLINGSWORTH.

Mr. GARRETT of Tennessee with Mr. GOODALL.

Mr. MAYS with Mr. FORDNEY.

Mr. PARK with Mr. PRATT.

Mr. WEBB with Mr. LONGWORTH.

Mr. NICHOLLS of South Carolina with Mr. PETERS.

Mr. BLACKMON with Mr. GOULD.

Mr. NEELY. Mr. Speaker, I wish to announce that my colleague, Mr. LITTLEPAGE, is unavoidably absent. I am authorized to say that if he were present he would vote "nay" on this roll call.

The SPEAKER. The question is on the passage of the bill.

Mr. COOPER of Wisconsin. Mr. Speaker, I rise to announce that my colleague, Mr. DAVIDSON, has been called home by the death of a relative. If he were present, he would vote "yea" on the passage of the bill.

The result of the vote was announced as above recorded.

Mr. MADDEN. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 344, nays 9, answered "present" 1, not voting 77, as follows:

YEAS—344.

Alexander	Burroughs	Cooper, Wis.	Doughton
Almon	Butler	Cox	Dowell
Anthony	Byrnes, S. C.	Crago	Drane
Ashbrook	Byrns, Tenn.	Cramton	Dunn
Austin	Campbell, Kans.	Crisp	Dupré
Ayres	Campbell, Pa.	Crosser	Dyer
Bacharach	Candler, Miss.	Currie, Mich.	Eagan
Baer	Cannon	Dale, N. Y.	Eagle
Bankhead	Cantrill	Dale, Vt.	Edmonds
Barkley	Caraway	Dallinger	Elliott
Barnhart	Carew	Darrow	Elston
Beakes	Carlin	Davis	Emerson
Bell	Carter, Mass.	Decker	Esch
Beshlin	Carter, Okla.	Delaney	Evans
Bland	Cary	Dempsey	Fairchild, B. L.
Blanton	Chandler, Okla.	Denison	Fairfield
Booher	Church	Dewalt	Farr
Bowers	Clark, Fla.	Dickinson	Ferris
Brand	Clark, Pa.	Dill	Fisher
Britten	Claypool	Dillon	Flynn
Brodbeck	Cleary	Dixon	Focht
Browne	Coady	Dominick	Foss
Browning	Collier	Donovan	Foster
Brumbaugh	Connally, Tex.	Dooling	Francis
Buchanan	Connelly, Kans.	Doolittle	Frear
Burnett	Cooper, W. Va.	Doremus	Freeman

French	Kennedy, Iowa	Oliver, N. Y.	Snell
Fuller, Ill.	Key, Ohio	Olney	Snook
Fuller, Mass.	Kiess, Pa.	Osborne	Snyder
Gallagher	Kincheloe	O'Shaunessy	Steagall
Gallivan	King	Overstreet	Stedman
Garland	Kinkaid	Padgett	Steele
Garrett, Tenn.	Knutson	Paige	Steenerson
Garrett, Tex.	Kraus	Parker, N. J.	Stephens, Miss.
Gillett	Kreider	Parker, N. Y.	Stephens, Nebr.
Glass	La Follette	Phelan	Sterling, Ill.
Glynn	Langley	Platt	Sterling, Pa.
Godwin, N. C.	Larsen	Polk	Stevenson
Goodwin, Ark.	Lazaro	Porter	Stiness
Graham, Ill.	Lea, Cal.	Purnell	Strong
Gray, Ala.	Lee, Ga.	Ragsdale	Sullivan
Gray, N. J.	Lehlbach	Raker	Sumners
Green, Iowa	Lesher	Ramsey	Sweet
Greene, Mass.	Lever	Ramseyer	Swift
Greene, Vt.	Linthicum	Randall	Switzer
Gregg	Little	Rankin	Tague
Griest	Lobeck	Rayburn	Talbott
Griffin	London	Reavis	Taylor, Ark.
Hadley	Lonergan	Reed	Taylor, Colo.
Hamilton, Mich.	Lufkin	Riordan	Temple
Hamilton, N. Y.	Lundeen	Robbins	Tillman
Hamlin	Lunn	Robinson	Tilson
Hardy	McAndrews	Rodenberg	Timberlake
Harrison, Va.	McArthur	Rogers	Towner
Haskell	McCormick	Romjue	Treadway
Hastings	McCulloch	Rose	Vare
Haugen	McFadden	Rouse	Venable
Hawley	McKenzie	Rowe	Vestal
Hayden	McKeown	Rubey	Vinson
Heaton	McKinley	Rucker	Voigt
Heflin	McLaughlin, Mich.	Russell	Volstead
Helvering	McLaughlin, Pa.	Sabath	Waldow
Hensley	McLemore	Sanders, Ind.	Walker
Hicks	Madden	Sanders, La.	Walton
Hilliard	Magee	Sanders, N. Y.	Wason
Holland	Maher	Sanford	Watkins
Hood	Mansfield	Saunders, Va.	Watson, Pa.
Howard	Mapes	Scott, Iowa	Watson, Va.
Huddleston	Martin	Scott, Mich.	Weaver
Hull, Iowa	Mason	Scully	Welling
Hull, Tenn.	Meeker	Sears	Welty
Husted	Merritt	Sells	Whaley
Hutchinson	Montague	Shackleford	Wheeler
Igoe	Moon	Shallenberger	White, Ohio
Ireland	Moore, Pa.	Sherwood	Wilson, Ill.
Jacoway	Moores, Ind.	Shouse	Wilson, La.
James	Morgan	Siegel	Wilson, Tex.
Johnson, Ky.	Morin	Sims	Wingo
Johnson, Wash.	Mudd	Sinnott	Winslow
Jones, Tex.	Neely	Sisson	Wise
Jones, Va.	Nelson	Slayden	Woods, Iowa
Juul	Nichols, Mich.	Slemp	Woodyard
Kearns	Nolan	Sloan	Wright
Keating	Norton	Small	Young, N. Dak.
Kelley, Mich.	Oldfield	Smith, Idaho	Young, Tex.
Kelly, Pa.	Oliver, Ala.	Smith, Mich.	Zihlman

NAYS—9.

Black	Helm	Quin	Sherley
Garner	Humphreys	Rainey	Stafford
Gordon			

ANSWERED "PRESENT"—1.

Walsh

NOT VOTING—77.

Anderson	Fields	Kettner	Price
Aswell	Flood	Kitchin	Roberts
Blackmon	Fordney	LaGuardia	Rowland
Borland	Gandy	Lenroot	Schall
Caldwell	Gard	Littlepage	Scott, Pa.
Chandler, N. Y.	Good	Longworth	Smith, C. B.
Classon	Goodall	McClintic	Smith, T. F.
Cooper, Ohio	Gould	Mann	Templeton
Copley	Graham, Pa.	Mays	Thomas
Costello	Hamill	Miller, Minn.	Thompson
Curry, Cal.	Harrison, Miss.	Miller, Wash.	Tinkham
Davidson	Hayes	Mondell	Van Dyke
Dent	Heintz	Mott	Ward
Denton	Hersey	Nicholls, S. C.	Webb
Dies	Hollingsworth	Overmyer	White, Me.
Drukker	Houston	Park	Williams
Ellsworth	Johnson, S. Dak.	Peters	Wood, Ind.
Estopinal	Kahn	Pou	
Fairchild, G. W.	Kehoe	Powers	
Fess	Kennedy, R. I.	Pratt	

So the bill was passed.

The Clerk announced the following additional pairs:

On the vote:

Mr. LONGWORTH (for) with Mr. WALSH (against).

Until further notice:

Mr. ASWELL with Mr. DRUKKER.

Mr. GANDY with Mr. GOODALL.

Mr. NICHOLLS of South Carolina with Mr. JOHNSON of South Dakota.

Mr. BLACKMON with Mr. ROWLAND.

Mr. HAMILL with Mr. STINESS.

Mr. OVERMYER with Mr. WOOD of Indiana.

Mr. THOMPSON with Mr. ANDERSON.

Mr. WEBB with Mr. HEINTZ.

Mr. MCCLINTIC with Mr. PRATT.

Mr. WALSH. Mr. Speaker, I voted "nay." I have a pair with the gentleman from Ohio, Mr. LONGWORTH, and I desire to withdraw my vote of "nay" and answer "present."

The name of Mr. WALSH was called, and he answered "Present."

Mr. SIEGEL. Mr. Speaker, I desire to announce that my colleagues, Mr. GEORGE W. FAIRCHILD, Mr. GOULD, Mr. MOTT, Mr. CHANDLER of New York, Mr. WARD, Mr. LAGUARDIA, and Mr. THOMAS F. SMITH are unavoidably absent and desire to have it announced that if they were present they would vote "yea."

Mr. MADDEN. Mr. Speaker, Mr. TINKHAM of Massachusetts, and Mr. WHITE of Maine had to leave before this vote was taken and requested me to say that if they were present they would vote "yea."

Mr. NOLAN. Mr. Speaker, Mr. KAHN and Mr. CURRY of California are unavoidably absent and have requested me to state that if they were present they would vote "yea," Mr. CURRY being sick and Mr. KAHN being called away on important business.

Mr. SWITZER. Mr. Speaker, I desire to announce that my colleagues, Mr. HOLLINGSWORTH, Mr. FESS, and Mr. COOPER of Ohio are unavoidably absent, and if present would vote "yea."

Mr. SMITH of Michigan. Mr. Speaker, I desire to make the same announcement with respect to my colleague Mr. FORDNEY. If he were present he would vote "yea."

Mr. LANGLEY. Mr. Speaker, I make the same announcement with respect to my colleague Mr. POWERS, who if he were present would vote "yea."

Mr. GRIFFIN. Mr. Speaker, I desire to announce that if Mr. CALDWELL were present he would vote "yea."

Mr. TAGUE. Mr. Speaker, Mr. KENNEDY of Rhode Island has been unavoidably called away while this vote was pending, and if he were present he would vote "yea."

Mr. NEELY. Mr. Speaker, I make the same announcement with respect to my colleague, Mr. LITTLEPAGE. He would vote "yea" if he were present.

The result of the vote was announced as above recorded.

On motion of Mr. MOON, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. MOORE of Pennsylvania. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Pennsylvania makes the point of order that there is no quorum present.

Mr. MOON. Mr. Speaker, I move that the House do now adjourn.

Mr. LEVER. Mr. Speaker, I ask the gentleman to withhold that.

Mr. MOORE of Pennsylvania. If the gentleman is going to make a request, I would rather not.

Mr. LEVER. I was about to say to the gentleman that I propose to-morrow morning to move to dispense with Calendar Wednesday for to-morrow.

ADJOURNMENT.

The SPEAKER. The gentleman from Pennsylvania makes the point of order there is no quorum present, and evidently there is not. The gentleman from Tennessee [Mr. MOON] moves that the House adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 11 minutes p. m.) the House adjourned until to-morrow, Wednesday, March 27, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. Letter from the Secretary of the Treasury, transmitting copy of a communication from the Commissioners of the District of Columbia, submitting an alternative estimate of appropriation for certain employees of the workhouse, District of Columbia, for the fiscal year 1919, in lieu of the original estimate for these positions, found on page 902, Book of Estimates for 1919 (H. Doc. No. 997); to the Committee on Appropriations and ordered to be printed.

2. Letter from the Secretary of the Treasury, transmitting copy of a communication from the Alien Property Custodian, submitting an estimate of appropriation required by the Alien Property Custodian for salaries and expenses of his office for the fiscal year, 1919 (H. Doc. No. 998); to the Committee on Appropriations and ordered to be printed.

3. Letter from the Secretary of the Treasury, transmitting estimate of additional appropriation for quarantine stations, Boston and Cape Charles, United States Public Health Service (H. Doc. No. 999); to the Committee on Appropriations and ordered to be printed.

4. Letter from the Secretary of the Treasury, transmitting supplemental estimate for increases in certain items for the

Public Health Service, over the amounts originally estimated therefor, for 1919 (H. Doc. No. 1000); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. PHELAN, from the Committee on Banking and Currency, to which was referred the bill (H. R. 10890) to authorize national banking associations to establish branches, reported the same without amendment, accompanied by a report (No. 413), which said bill and report were referred to the House Calendar.

Mr. BURNETT, from the Committee on Immigration and Naturalization, to which was referred the bill (H. R. 10660) to amend an act entitled "An act in reference to the expatriation of citizens and their protection abroad," approved March 2, 1907, reported the same without amendment, accompanied by a report (No. 414), which said bill and report were referred to the House Calendar.

Mr. STEELE, from the Committee on the Judiciary, to which was referred the bill (H. R. 10160) authorizing the several district courts of the United States to appoint official stenographers and prescribing their duties and compensation, reported the same with amendment, accompanied by a report (No. 415), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 10153) granting a pension to George Gwynne, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HAMLIN: A bill (H. R. 11046) creating an additional district judge in the State of Missouri; to the Committee on the Judiciary.

By Mr. BANKHEAD: A bill (H. R. 11047) to require the Commissioner of Education to devise methods and promote plans for the elimination of adult illiteracy in the United States; to the Committee on Education.

By Mr. SIMS: A bill (H. R. 11048) to amend an act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914; to the Committee on Interstate and Foreign Commerce.

By Mr. GODWIN of North Carolina: A bill (H. R. 11049) to amend the first and seventh paragraphs of section 4414 of the Revised Statutes of the United States, as amended by the act of April 9, 1906; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY: A bill (H. R. 11050) granting an increase of pension to Benjamin F. Smith; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 11051) granting an increase of pension to William Norman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11052) granting an increase of pension to John A. Sare; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11053) granting an increase of pension to Roscoe City; to the Committee on Pensions.

Also, a bill (H. R. 11054) granting a pension to George A. Eskew; to the Committee on Pensions.

Also, a bill (H. R. 11055) granting a pension to Nancy Grider; to the Committee on Pensions.

By Mr. BOWERS: A bill (H. R. 11056) granting a pension to J. Forsythe Harrison; to the Committee on Invalid Pensions.

By Mr. BROWNE: A bill (H. R. 11057) granting an increase of pension to Catherine P. Leach; to the Committee on Invalid Pensions.

By Mr. CLAYPOOL: A bill (H. R. 11058) granting an increase of pension to John W. Martin; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 11059) granting a pension to Thomas J. Bland; to the Committee on Invalid Pensions.

By Mr. GEORGE W. FAIRCHILD: A bill (H. R. 11060) granting an increase of pension to George W. Mayo; to the Committee on Invalid Pensions.

By Mr. HAMILTON of New York: A bill (H. R. 11061) for the relief of Orrin F. Strickland; to the Committee on Military Affairs.

By Mr. HAWLEY: A bill (H. R. 11062) granting an increase of pension to Francis C. Mills; to the Committee on Invalid Pensions.

By Mr. HEATON: A bill (H. R. 11063) granting an increase of pension to John Brocious; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 11064) to reimburse Susan Sanders for expenditures and expenses incurred in prosecuting the intermarried white cases on behalf of the Cherokee Indians; to the Committee on Indian Affairs.

By Mr. IRELAND: A bill (H. R. 11065) granting a pension to David O. Spencer; to the Committee on Invalid Pensions.

By Mr. KIESS of Pennsylvania: A bill (H. R. 11066) granting an increase of pension to Samuel Michael; to the Committee on Invalid Pensions.

By Mr. KINKAID: A bill (H. R. 11067) granting an increase of pension to John S. Wray; to the Committee on Invalid Pensions.

Mr. LOBECK: A bill (H. R. 11068) for the relief of Rudolph L. Desdunes; to the Committee on Claims.

Also, a bill (H. R. 11069) for the relief of Mrs. Jennie Brennan; to the Committee on Claims.

By Mr. McCLINTIC: A bill (H. R. 11070) granting an increase of pension to Henry R. Boatman; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 11071) granting an increase of pension to William F. Bartlett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11072) granting an increase of pension to James T. Chapin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11073) granting an increase of pension to Alphonzo O. Drake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11074) granting an increase of pension to Danford Wyllys; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11075) granting an increase of pension to Rhodes J. Colvin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11076) granting an increase of pension to Benjamin P. Branch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11077) granting an increase of pension to John H. Roberts; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 11078) granting a pension to Ellen Arbuckle; to the Committee on Invalid Pensions.

By Mr. SHERWOOD: A bill (H. R. 11079) granting a pension to Jay H. Lautzenheiser; to the Committee on Pensions.

By Mr. TILLMAN: A bill (H. R. 11080) granting an increase of pension to Isaac J. Ledbetter; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 11081) granting a pension to Lafayette Martin; to the Committee on Pensions.

By Mr. VOIGT: A bill (H. R. 11082) for the relief of H. B. Rogers; to the Committee on Public Lands.

By Mr. REED: A bill (H. R. 11083) granting an increase of pension to James W. Duncan; to the Committee on Invalid Pensions.

By Mr. SABATH: A bill (H. R. 11084) for the relief of Andrew Burzynski; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolutions of a public meeting at Birdsboro, Pa., and of the men's class, United Presbyterian Church, Cedar Rapids, Iowa, urging an amendment to the Federal Constitution prohibiting polygamy; to the Committee on the Judiciary.

Also (by request), resolution of Troop A, Philadelphia Home Defense Reserves, favoring universal military training; to the Committee on Military Affairs.

Also (by request), resolutions adopted by the United Irish Societies of Chicago, urging that Ireland be made an independent republic; to the Committee on Foreign Affairs.

Also (by request), petition of the members of the Bœuf Creek Farm Club, urging that higher prices be fixed on farm products; to the Committee on Agriculture.

Also (by request), memorial of the St. Louis Furniture Board of Trade, protesting against the passage of House bill 9683; to the Committee on Labor.

By Mr. CAREW: Memorial of the advisory committee of the New York State conference of mayors and other city officials,

relative to patents on the Imhoff tanks; to the Committee on Patents.

By Mr. CARY: Memorial of the Boise Commercial Club, Boise, Idaho, favoring Senate bill 313; to the Committee on Interstate and Foreign Commerce.

Also, memorial of Marquette University, Milwaukee, Wis., urging tax exemption for bequests, legacies, and gifts to education, philanthropy, and religion; also a resolution of the Woman's Club, Waupaca, Wis., urging the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. DILLON: Petition of 24 citizens of South Dakota and resolutions of the Americans' Loyalty League, of Huron, S. Dak., protesting against the zone system for second-class postage rates; to the Committee on Ways and Means.

By Mr. DOOLING: Memorial of advisory committee of the New York State conference of mayors and other city officials, relative to the patents on the Imhoff tank; to the Committee on Patents.

By Mr. FOSS: Petition of the Swedish Evangelical Church of Edgewater, Chicago, Ill., against House bill 5712, for the protection and help of secret societies; to the Committee on the Post Office and Post Roads.

By Mr. FULLER of Illinois: Petition of joint committee of Philadelphia trade bodies favoring retention of the pneumatic-tube postal service; to the Committee on the Post Office and Post Roads.

Also, petitions of the Travelers' Protective Association of America; the Paris Literary Club, of Paris, Ky.; the Thursday Literary Club, of St. Albans, W. Va.; the Travelers' Club, of Newark, N. J.; the Woman's Century Club, of Nampa, Idaho; the Civic Club, of Philadelphia; the Seattle Class Journal Publishers' Association, of Seattle, Wash.; the Delta Shakespeare Club, of Lake Village, Ark.; the Somerset Chautauqua Circle, of Somerset, Ky.; the Missouri Federation of Woman's Clubs; the Massachusetts State Federation of Woman's Clubs; the Monday Club, of Webster Groves, Mo.; the Placerville Shakespeare Club, of Placerville, Cal.; the Granite State Dairymen's Association, of New Hampshire; the Woman's Club of Oregon City, Oreg.; the Woman's Club of Albuquerque, N. Mex.; the Lowell Club, of Boone, Iowa; and the Fortnightly Literary Club, of Indianapolis, Ind., asking the repeal of the second-class postage provisions of the war-revenue act; to the Committee on Ways and Means.

Also, memorial of American Defense Society, relative to charter of the German-American Alliance; to the Committee on the Judiciary.

Also, petition of C. J. Leinbach, master County Line Grange, No. 1751, of Boone County, Ill., relative to price fixing of farm products and the farm-labor problem; to the Committee on Agriculture.

By Mr. HAMLIN: Papers to accompany House bill 2150, to increase the pension of Joseph A. Craig; to the Committee on Invalid Pensions.

By Mr. HAYES: Resolutions of the Farm Labor Committee, State Council of Defense, urging methods for increasing the production of foodstuffs; to the Committee on Agriculture.

By Mr. HILLIARD: Petition of R. Everette Finnicum, of Denver, Colo., praying for the passage of the Knutson bill, providing for the repeal of that section of the war-revenue act which increases postage rates on periodicals; to the Committee on Ways and Means.

Also, resolutions adopted by the Fortnightly Club, of Indianapolis, Ind., protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of Frances C. Farnsworth, Mary E. Springsteen, Mrs. Allison Stocker, Martha A. Croxby, Paul Brown, Peter J. Theisen, Mrs. Jesse Onyon, Charlotte V. Harvey, and 111 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petition of Dietrich Bros., Baltimore, Md., favoring the establishment of aero mail service from Washington to New York; to the Committee on the Post Office and Post Roads.

Also, petition of Heywood Bros. and Wakefield Co., protesting against the passage of House bill 10591, to limit profits on house-furnishings; to the Committee on the District of Columbia.

By Mr. MOORE of Pennsylvania: Resolution of the Randle Highlands Citizens' Association, in favor of utilization of the Chesapeake & Ohio Canal for shipping purposes; to the Committee on Railways and Canals.

By Mr. OLNEY: Petition of druggists of Massachusetts for the enactment of House bill 5531, establishing a pharmaceutical corps in the Army; to the Committee on Military Affairs.

Also, petitions signed by many citizens of Massachusetts favoring House bill 5407; to the Committee on Military Affairs.

By Mr. O'SHAUNESSY: Memorial of the Irish Women's Council, of Dublin, Ireland, and the principal cities of this country, asking that Ireland be made an independent republic; to the Committee on Foreign Affairs.

By Mr. ROSE: Memorial of Corp. Lucian D. Woodruff, jr., Camp No. 64, United Spanish War Veterans, of Johnstown, Pa., praying for the passage of House bill 1736, known as the Key bill; to the Committee on Pensions.

Also, memorial of T. H. A. Moores, Rev. P. H. Williams, C. W. Cook, Ernest J. Wright, R. T. Schell, Isaac Peck, representing the Johnstown, Pa., branch of the National Association for the Advancement of Colored People, praying that the report of the congressional committee which investigated the St. Louis riots be published; to special committee.

By Mr. SANDERS of New York: Petition of the Livingston County Pomona Grange, N. Y., with 1,470 members, unanimously urging the passage of emergency war prohibition; to the Committee on Military Affairs.

By Mr. TEMPLE: Petitions for war-emergency prohibition as a military necessity, as follows: Highland United Presbyterian Church, Second United Presbyterian Church, Central Presbyterian Church, Mahoning Methodist Episcopal Church, Primitive Methodist Church, Wesley and Simpson Churches, Grace Methodist Episcopal Church, Free Methodist Church, First Baptist Church, and First Christian Church, all of New Castle, Pa.; also a petition of the same significance from the Woman's Club, Ellwood City, Pa.; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, *March 27, 1918.*

(Legislative day of Tuesday, March 26, 1918.)

The Senate met at 12 o'clock m.

PUBLICATION OF CASUALTY LISTS (S. DOC. NO. 208).

The PRESIDING OFFICER (Mr. WOLCOTT). The Chair lays before the Senate a communication from the Acting Secretary of War in response to a resolution of the 22d instant, giving the reasons of the War Department for withholding places of residence of those whose names appear in the casualty lists. The communication will be printed and referred to the Committee on Military Affairs and also ordered printed in the RECORD.

The communication is as follows:

WAR DEPARTMENT,
Washington, March 22, 1918.

To the PRESIDENT UNITED STATES SENATE

SIR: I am in receipt of Senate resolution under date of March 22, 1918, requesting me, if not inconsistent with the interest of the service, to inform the Senate if an order has been issued by the War Department to the effect that hereafter in publishing the casualty lists of the American Expeditionary Forces now abroad that the names of soldiers only would be given, withholding the announcement of their residence and next of kin; and if so, the reasons for such an order. I would inform you in reply that an order to that effect has been issued by the War Department.

The method pursued by the War Department with reference to information concerning casualties is the following:

First. To place in the hands of the nearest relative or the friend given by the soldier in his emergency address prompt and accurate information concerning the casualty before anything is given to the press.

Second. To prevent any information appearing in the papers which will be of any possible assistance to the German cause.

The old system, which gave the date of the casualty, enabled the Germans to get exactly what effect was produced upon our troops in a raid of that date. The publication of the address of the nearest relative or the emergency address did not give the relative any information which had not already been given to them, but it brought down upon them a swarm of claim agents, who guaranteed that they would obtain from the Government the war-risk insurance which is guaranteed by law to the proper inheritor, and in spite of the fact that the department has in each case advised the nearest relatives that their claims will be adjusted by the Government and that they will be furnished the money that is due them without the interposition of claim agents, numbers of poor people have yielded ro the importunities of these claim agents, and are thereby deprived of a portion of what is justly their due. The department has also been informed by the Red Cross that relatives of men who are killed in France were the victims, under the system of giving their addresses publicity, of the most absurd propositions to make money, making their grief an object of exploitation.

The raids which are being conducted along our front are for the purpose of capturing a soldier, if possible, with the object of obtaining from him information about the organization which is opposed to the German lines at that point. With the publication of the address of the nearest relative, the German agents in the United States approach the relatives and obtain from them the very information which Germany is attempting to obtain along our front by attacks on our forces.

In France they publish no casualty lists at all, and the information reaches the relatives from the mayor of the town where the relatives live, who is required to communicate the facts to them verbally.

The matter of a change in our former method of publishing casualty lists was brought up by a cablegram from Gen. Pershing, in which he stated that representatives of the French Government had formally

protested against the methods that were then used, the specific case to which they referred being a statement given out by the War Department officially which permitted the Germans to know definitely the effect of gas shells on a certain date. The whole subject was then thoroughly studied and the decision reached to adopt the policy which is the subject of the Senate resolution.

Respectfully,

BENEDICT CROWELL,
Acting Secretary of War.

DEVICES FOR TAPPING TELEGRAPH AND TELEPHONE WIRES (S. DOC. NO. 207).

The PRESIDING OFFICER laid before the Senate a communication from the Acting Secretary of War, transmitting, in response to a resolution of the 19th instant, a report from the chief of the intelligence branch of the General Staff relative to any devices known to the War Department to prevent spies from tapping telegraph and telephone wires, which was referred to the Committee on Military Affairs and ordered to be printed.

ESTIMATE OF APPROPRIATION (S. DOC. NO. 209).

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Treasury, transmitting an additional estimate of appropriation for the office of the Treasurer of the United States for the fiscal year 1919, in the sum of $1,500, which, with the accompanying paper, was referred to the Committee on Appropriations and ordered to be printed.

NATIONAL PROHIBITION.

The PRESIDING OFFICER laid before the Senate a communication from the secretary of state of the State of South Dakota, transmitting a certified copy of a joint resolution ratifying the proposed prohibition amendment to the Constitution, which was read and ordered to be filed, as follows:

Certificate.

UNITED STATES OF AMERICA,
STATE OF SOUTH DAKOTA, SECRETARY'S OFFICE.

I, Frank M. Rood, secretary of state, do hereby certify that the annexed senate joint resolution No. 1 was duly passed by the 1918 special session of the Legislature of the State of South Dakota.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of South Dakota, at the city of Pierre, March 22, 1918.

[SEAL.]

FRANK M. ROOD,
Secretary of State.

—

A joint resolution ratifying a proposed amendment to the Constitution of the United States of America relating to the manufacture, sale, and transportation of intoxicating liquors.

Whereas both Houses of the Sixty-fifth Congress of the United States of America, by a constitutional majority of two-thirds thereof, made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein). That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"ARTICLE —.

"SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited.

"SEC. 2. The Congress and the several States shall have concurrent power to enforce this article by appropriate legislation.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress."

Therefore be it

Resolved by the Senate of the State of South Dakota, the House of Representatives concurring:

SECTION 1. That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the Legislature of the State of South Dakota.

SEC. 2. That certified copies of this preamble and joint resolution be forwarded to the governor of this State, to the Secretary of State at Washington, to the Presiding Officer of the United States Senate, and to the Speaker of the House of Representatives of the United States.

A. C. ROBERTS,
Speaker of the House.

Attest:

CHAS. M. GARDNER,
Chief Clerk.

W. H. MCMASTER,
President of the Senate.

Attest:

W. N. VAN CAMP,
Secretary of the Senate.

I hereby certify that the within act originated in the senate, and was known in the senate files as senate joint resolution No. 1.

W. N. VAN CAMP,
Secretary of the Senate.

STATE OF SOUTH DAKOTA,
Office of Secretary of State, ss:

Filed March 22, 1918, at 3.40 o'clock p. m.

FRANK M. ROOD,
Secretary of State.
By GEO. F. SAYERS,
Assistant Secretary of State.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

The message also announced that the House had passed a bill (H. R. 9414) granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Presiding Officer:

S. 389. An act to extend the time for cutting timber on the Coconino and Tusayan National Forests, Ariz.; and

H. R. 9867. An act making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

COAL OUTPUT IN COLORADO.

Mr. THOMAS. Mr. President, I ask unanimous consent to present a couple of telegrams from my State bearing upon the coal situation, which I ask may be printed in the RECORD without reading.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

GLENWOOD SPRINGS, COLO., *March 23, 1918.*

Senator CHARLES THOMAS,
Senate Office Building, Washington, D. C.:

Whereas the National Fuel Administration put in effect March 11, 1918, an order drastically reducing the scale of maximum prices to be charged for Colorado coal, and whereas as a result of such order a large number of mines, which could only be operated at a loss at the prices fixed March 11, have been closed down, and others will be forced to discontinue or curtail operations, resulting in a reduction of the output of Colorado coal of at least 4,000,000 tons for 1918, as estimated by the operators, and whereas coal is one of the essentials for the winning of the war, and its production should be stimulated by the fixing of prices that will yield a reasonable profit and permit the intensive operation of all mines, a policy which has been recommended in fixing the prices for other commodities—steel, copper, wheat, etc.—now, therefore, the Business Men's League of Glenwood Springs respectfully petitions the National Fuel Administration to reconsider its order effective March 11, 1918, and to promptly restore the scale of maximum prices effective immediately prior thereto.

BUSINESS MEN'S LEAGUE,
C. R. MCCARTHY, *President.*

—

DENVER, COLO., *March 24, 1918.*

Senator C. S. THOMAS,
343 Senate Office Building, Washington, D. C.:

Answering your wire, received yesterday, information furnished by operators of 14 idle mines in Walsenburg and Trinidad districts indicates date of resumption of work by them is indefinite. General reason for closing down is prices authorized by Fuel Administration. Purchases are now delayed so that buyers may take advantage of new prices effective April 1. Mines where orders have been canceled up to April 1 so as to take advantage of new prices have closed down during the interval on account of high cost of day labor to keep them open during idle times. Some operators state operation under present wages and cost of material is so expensive as to leave practically no margin. Under the new prices established by the Fuel Administration these properties, it is said, will remain closed until prices are resumed in August on the old basis. As further stated in my message of the 21st, dealers with no coal on hand are advising their customers to hold off until lower prices go into effect. Dealers with coal on hand are anxious to release now on coal they have in stock, paid for at prices in force prior to the reduction. There is absolutely no question but that these conditions are causing labor to leave the State, where they can secure employment permitting full time.

H. VANMETER.

PETITIONS AND MEMORIALS.

Mr. JAMES. I desire to present numerous petitions sent to me from various counties in Kentucky signed by thousands of our fellow citizens, praying for the passage of a law to curb the activities of German propagandists and spies in the United States. I ask that one of the petitions, all of which are practically the same, be printed in the RECORD. I shall not ask that the names be printed, as they are too numerous, but that all of the petitions be received and referred to the Committee on the Judiciary.

There being no objection, the petitions were referred to the Committee on the Judiciary, and one of them was ordered to be printed in the RECORD, as follows:

[American Defense Society, State of Kentucky. Petition of the people of the United States of America to the Congress at Washington.]

Whereas the security of the United States and the success of our arms are endangered by the activities of disloyal persons and organizations within the borders of our country, we, the citizens of the United States whose names are hereto subscribed, do hereby petition the Congress of

the United States to enact forthwith a law imposing punishment upon all persons or organizations responsible for pro-German activities, or for the publication or public utterance of statements tending—

To impede or interfere with the operations or success of the United States in war or in recruiting or enlistment, or

To hold the Government of the United States or any of our allies up to ridicule or obloquy, or

To cause disloyalty or refusal of duty on the part of any person in connection with the war.

Mr. CHAMBERLAIN presented a petition of sundry citizens of Eugene, Oreg., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. KNOX presented a petition of the Woman's Suffrage Party of Center County, Pa., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which was ordered to lie on the table.

He also presented a memorial of sundry citizens of the seventh ward of Philadelphia, Pa., and a memorial of sundry citizens of the fifth ward of Philadelphia, Pa., remonstrating against the adoption of a Federal suffrage amendment, which were ordered to lie on the table.

He also presented a petition of sundry citizens of Birdsboro, Pa., and a petition of sundry citizens of Trafford, Pa., praying for the adoption of an amendment to the Constitution to prohibit polygamy, which were referred to the Committee on the Judiciary.

He also presented petitions of the congregations of sundry churches of New Castle and Shickshinny, in the State of Pennsylvania, praying for national prohibition as a war measure, which were ordered to lie on the table.

He also presented a memorial of the Bucks County Fish, Game, and Forestry Association, of Pennsylvania, remonstrating against the repeal of the present game laws, which was referred to the Committee on Forest Reservations and the Protection of Game.

Mr. WARREN presented a petition of sundry citizens of Greybull, Wyo., and a petition of sundry citizens of Basin, Wyo., praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. TOWNSEND presented a petition of the Local Branch of the Association of Collegiate Alumnæ, of Ann Arbor, Mich., praying for the repeal of the present zone system of postage rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of the congregation of the Free Methodist Church, of Bad Axe, Mich., remonstrating against the enactment of legislation making it unlawful to deposit in the mails certain matter to expose the secret work of fraternal orders, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of sundry citizens of Onsted, Mich., praying for national prohibition as a war measure, which was ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 4198) to authorize the county of Okanogan, Wash., to construct and maintain a bridge across the Okanogan River; to the Committee on Commerce.

By Mr. CHAMBERLAIN:

A bill (S. 4199) granting a pension to Edward D. Hagen; to the Committee on Pensions.

By Mr. KING:

A bill (S. 4200) to establish in the District of Columbia a laboratory for the study of the criminal, pauper, and defective classes; to the Committee on the District of Columbia.

By Mr. TILLMAN:

A bill (S. 4201) to authorize the Columbia Railway & Navigation Co. to construct a canal connecting the Santee River and the Cooper River, in the State of South Carolina; to the Committee on Commerce.

AMENDMENTS TO LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATION BILL.

Mr. CHAMBERLAIN submitted an amendment proposing to increase the appropriation for professional and scientific books, law books, and other books of reference relating to the business of the Department of the Interior, from $1,000 to $1,500, intended to be proposed by him to the legislative, executive, and judicial appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

Mr. GALLINGER submitted an amendment proposing that in addition to the increases in salary provided for in section 6 of the legislative appropriation bill a further allowance of $12 per annum shall be granted to every such civilian employee of the Government of the United States and the District of Columbia for each child below the age of 16 years dependent entirely upon him for support, etc., intended to be proposed by him to the legislative, executive, and judicial appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

HOUSE BILL REFERRED.

H. R. 9414. An act granting increased compensation to certain officials, employees, and laborers in the Post Office Department and Postal Service, and for other purposes, was read twice by its title and referred to the Committee on Post Offices and Post Roads.

INDIAN APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919.

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	Norris	Stone
Bankhead	Hitchcock	Nugent	Sutherland
Borah	Johnson, Cal.	Overman	Thomas
Calder	Jones, Wash.	Page	Thompson
Chamberlain	Kendrick	Robinson	Tillman
Colt	Kenyon	Shafroth	Trammell
Culberson	Knox	Sheppard	Underwood
Curtis	Lodge	Smith, Ariz.	Walsh
Fall	McCumber	Smith, Ga.	Warren
Frelinghuysen	McNary	Smith, Md.	Watson
Gallinger	Martin	Smoot	Wolcott
Harding	Myers	Sterling	

The PRESIDING OFFICER (Mr. WOLCOTT). I desire to announce that my colleague, the senior Senator from Delaware [Mr. SAULSBURY] is necessarily absent. He has a general pair with the senior Senator from Rhode Island [Mr. COLT].

Mr. SUTHERLAND. I wish to announce that my colleague, the senior Senator from West Virginia [Mr. GOFF], is absent on account of illness.

The PRESIDING OFFICER. Forty-seven Senators have answered to their names. A quorum is not present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. FRANCE, Mr. JONES of New Mexico, Mr. KING, Mr. MCKELLAR, Mr. MCLEAN, Mr. NEW, Mr. POINDEXTER, Mr. VARDAMAN, and Mr. WADSWORTH answered to their names when called.

Mr. FLETCHER, Mr. BECKHAM, Mr. NELSON, Mr. BAIRD, Mr. SHERMAN, Mr. CUMMINS, Mr. WILLIAMS, Mr. SHIELDS, Mr. SWANSON, and Mr. JAMES entered the Chamber and answered to their names.

The PRESIDING OFFICER. Sixty-six Senators have answered to their names. A quorum is present. The question is on the amendment of the committee at the foot of page 75, to strike out "$500,000" and insert "$250,000."

Mr. JONES of Washington. Mr. President, the amendment is that relating to the Yakima Indian Reservation and the Wapato project. I discussed it at considerable length yesterday afternoon, and I am just going to summarize practically what was said then, because many Senators are now present who were absent at that time. The House committee and the House put in a provision of $500,000 for carrying on this project. The Senate committee proposes to reduce it to $250,000.

I wish to call attention to the fact that the Secretary of the Interior considered this as being so important that last summer at the extra session of Congress he sent down an estimate recommending an emergency appropriation of $750,000 to carry on the project. It could not be taken up at the extra session. The recommendation was renewed this year by the department, and they submitted an estimate of $750,000.

In the debate in the House in connection with this item my recollection is that the chairman of the committee, or at any rate one of the members of the House committee, referred to it as the best irrigation project in the United States, stating that the Government gets more for every dollar expended than upon any other project. I wish to call the attention of Senators to the statement of Senators yesterday on the floor, members of the committee, to the effect that this is one of the best irrigation projects in the United States, and no objection to it upon the merits are offered here.

Under the provision as reported by the Senate committee we can reclaim on this reservation during the next year, according to the estimate of the superintendent in charge, only about 8,000 acres of land. If the provision made by the House is allowed to stand, according to those estimates, as I understand them, we

could reclaim next year at least 20,000 acres of land. It is estimated that with the amount of $750,000 recommended. 30,000 acres could be reclaimed. This land will produce on an average 50 bushels of wheat to the acre. The income per acre from the land this last year was $100; that is, from the land irrigated and under cultivation. I want to call the attention of the Senate to the fact that without irrigation this land is absolutely desert—it will produce nothing.

The fact was brought out in connection with the lands in Montana on yesterday that some of the Indians are opposing the appropriations for the reclamation of lands, because the land would produce good crops without irrigation. That is not the case with reference to these lands. As I said, these lands are absolutely desert, they produce nothing until they are irrigated. So the longer we leave these lands without irrigation they will be uncultivated and unproductive. Every acre that has water now is cultivated, and just as soon as we get additional acreage under water that acreage will be cultivated.

This is the cheapest construction in connection with irrigation anywhere in the country. That has been the case heretofore, and the continuation of it will be the same. What will be done with this money is simply the extension of canals already made. Some of the Senators who have visited this locality, as they did a few years ago as members of a joint commission to look into it, know the character of the country, know the character of the soil; that the excavation is largely by machine work; that we get more for a dollar expended than almost anywhere else; that the lands are comparatively level; that the canals are put in almost on a direct line, and we simply extend the main line, and then all we have to do is to take laterals out to cover the land.

The Government has already expended in satisfying the claims of the Indians $500,000, carrying $100,000 in this bill, and has obligated itself to pay an additional $135,000 to get water for these lands. We have expended also a little over $400,000 in commencing this work. The ultimate cost of it for distribution will be two or three million dollars. The only objection, as I understand it, that is made by the committee is upon the ground of economy, upon the ground of holding the appropriations down. Mr. President, I recognize the view of the committee. I sympathize with the view of the committee for economy, and I am in favor of holding appropriations down where to hold them down does not create waste.

Furthermore, it seems to me the situation here and what can be accomplished by the expenditure of this money justifies this expenditure and justifies its expenditure now. It is urged by the State council of defense. It is deemed so important that the Secretary of the Interior sent it in as a special recommendation last summer at the extra session. It will increase the production of food produced and means much in the prosecution of the war, and also especially to these Indians and in the development of this project in the most economical way it means much, because those who have observed the manner of carrying on Government work have been unanimous in the opinion that when we carry the work on by piecemeal it is the most extravagant way by which it can be carried on, and that the ultimate result is that instead of saving money we waste it. That would be the result in connection with this proposition.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Mexico?

Mr. JONES of Washington. I yield.

Mr. JONES of New Mexico. I should like to inquire of the Senator if he has any estimate of the increase which will be necessary to carry on the work at this time. In other words, how much will the cost of material and labor be increased by carrying on the work now as compared with prewar conditions?

Mr. JONES of Washington. Yesterday I read from the report of the superintendent who has charge of this irrigation matter and of this reservation, Mr. Holt, touching that very point, and I will read it to the Senator.

> The question has arisen as to what effect the high cost of labor and materials will have on the total cost of the project. While this might increase the cost to some extent, the 20 per cent added to all estimates for contingencies is thought to be sufficient to cover any increased cost on account of labor and materials being higher than usual.

It is the custom of the Indian Office in making up their estimate for work of this kind, after they have made detailed estimates to add a percentage of 10 or 20 per cent to cover emergencies and contingencies, and that is what was done in this case. The superintendent states that that will cover the increased cost on account of material, and so forth.

I want to say, as Mr. Holt suggests here, that whatever the cost may be it will all be paid back to the Government in the end, because the actual cost of doing this work and putting in this construction is assessed against the land to be benefited.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Mexico?

Mr. JONES of Washington. I do.

Mr. JONES of New Mexico. I suppose the Senator from Washington understands that the cost of the entire project will be distributed among all of the property owners, those owning land under the project, does he not?

Mr. JONES of Washington. Oh, yes.

Mr. JONES of New Mexico. Well, will that not then have a tendency to increase, and will it not very greatly increase the cost to those people who now have their lands under cultivation, and which lands have been put under irrigation when prices of labor and material were much less than they will be for the additional work?

Mr. JONES of Washington. They may have to pay a little bit more; that is true; but they are willing to do it; and it is but fair that they should do it. They should not hold this work back.

Mr. JONES of New Mexico. I should like to ask the Senator from Washington if he has had any expression in reference to that matter from those who now have land under cultivation?

Mr. JONES of Washington. I certainly have not heard of any opposition from them—not a word. As a matter of fact, all of the people on this reservation are earnestly and heartily in favor of this appropriation at this time; in fact, those who are urging it are largely those who have lands already irrigated. They are simply looking at it not alone from a patriotic standpoint, of course; but, if you can call it so, from a selfish standpoint—from the selfish standpoint of seeing the country developed and seeing these lands reclaimed. They know that it may mean a little bit greater cost to them, which they will have to pay, but they do not oppose that.

Mr. JONES of New Mexico. But does not the Senator think it will cost very much more?

Mr. JONES of Washington. I do not think so; and I will tell the Senator why. I know the locality there. As I said a while ago, this is a very easy construction. It is largely just mere excavation. You can take a shovel and shovel it out. There is not much rock, and as to the greater part of it there is no rock at all. They get the work done largely by people who live there, people upon the farms, and they do not charge the increased price per diem that you have to pay to men in different vocations who come in largely from the outside. Of course there is some increased cost; there is no question about that; labor is scarce in our section; but, as I said on yesterday, there will be no trouble about labor so far as getting a sufficient amount of labor not only to do this work but to cultivate the land that will be brought under cultivation and to harvest the crops. They will do it. Our people are going out in that section in families doing the work of the community that is necessary to be done in order to put in crops and to harvest crops. Many people who heretofore have not been working very much, who have been taking it pretty easy, have gone out to work, and they will do it now. So, as an actual fact, the real increase in cost under the present conditions of this project will not be very great. I am satisfied that the superintendent in the statement that he has made has correctly described the situation.

Mr. President, I feel that I have covered this matter as fully as I can cover it. I am not going to take the time of the Senate further. I believe that the basis upon which the committee acted with reference to this amendment is not really justifiable; that to carry the amount at least that was provided by the House will in the end be a matter of economy. Furthermore, I believe that the benefits that will come to the Government, to the Indians, and to the reservation will far more than justify the inclusion at least of the amount provided by the House, and will justify the rejection of the amendment of the committee.

Mr. POINDEXTER. Mr. President, I feel like repeating in regard to this amendment, which reduces the appropriation carried by the bill for a project in the State of Washington, what I took occasion to say on yesterday in regard to a similar reduction of an appropriation for a project in the State of Montana, with this difference, however, that it is conceded by the committee, conceded by the Reclamation Service, and by everyone who is interested in irrigation and in this bill, that the Yakima Valley irrigation system, of which the Wapato project is a unit, is the most successful and the most fruitful in its results by actual demonstration, in so far as it has already been developed, of any project that has been undertaken by the Government in this great policy of reclaiming the arid lands of the West.

The amount that is carried by the bill as it came to the Senate is considerably less than was the amount carried for the project in Montana—$500,000—and it is urged by those who have to do this work that this amount is essential for the economical progress of the work.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Kansas?

Mr. POINDEXTER. I yield to the Senator from Kansas.

Mr. CURTIS. The Senator from Washington has stated that the amount was less than that carried in the Montana item. I think the Senator is mistaken. The amount was reduced to $250,000 in the Montana item, the same as it is in this.

Mr. POINDEXTER. No; I think the Senator from Kansas misunderstood what I said. The House bill carried $750,000 for the Montana project, but it only carried $500,000 for this project.

Mr. CURTIS. That is true.

Mr. POINDEXTER. So we are only asking for $500,000, the amount that was provided by the other House.

The only ground that I have heard urged for the committee action in substituting $250,000 for $500,000 is economy. There are a good many business men in the Senate, and I submit to any business man, if he has undertaken any business enterprise, has committed himself to it, has put his capital into it, has determined that that enterprise requires a certain amount of money for its completion, whether there is any economy in stinting the supply of funds for carrying on work to a point which cripples the progress of it. On the other hand, any good business man will say that it is more economical to provide sufficient funds to maintain his organization without interruption and to secure the best appliances to complete the work at the earliest possible time. So the dictates of economy, it seems to me, would be in favor of maintaining this appropriation rather than reducing it.

If this were a question of whether or not we were going to commit ourselves to a new project, it would be a very different thing, but we have committed ourselves to this project. It is not a new project; we have already expended a great deal of money on it, and a certain amount more is necessary to complete it. We will not get the returns that were anticipated and which were the justification for undertaking this project until it is completed. I have always thought, about any irrigation enterprise, that sound judgment required the fullest possible development of the enterprise at the earliest possible moment, because in that way only can you begin to get the fullest measure of returns—in this case, the wheat or the other crops which would be grown upon these lands. We need them and we can not get them until the work is finished. By retaining in the bill the amount which was provided by the House the work will be finished sooner and we will get the returns sooner.

From every standpoint it seems to me that such a policy is far preferable to making appropriations in dribbles and allowing the organization which may have been formed to carry on the work to deteriorate and go to pieces, and then have to get it together again. The history of our river and harbor improvements has demonstrated the fallacy of the idea that it is economy to make small annual appropriations for completing a work which the Government has undertaken, to which it is committed, and which it is going to carry on to completion. Time and time again have these works been closed down and the organization of employees has gone to pieces, and then, when another small annual appropriation was made, the Government had to go out and at great expense get new men, educate them in the work, organize them, and start up again. In many instances a very large percentage of the appropriation—as would be the case in this instance if the same principle is adopted and only $250,000 is appropriated—would be expended in getting ready to go on with the work. Now, after we have gotten ready we ought to have enough money to go on with the enterprise rather than to have to stop again and let the organization be dissipated, and then have to gather it together again when another appropriation is made.

For these reasons I think that it is sound economy to reject the committee amendment and to follow the action of the House of Representatives and the recommendations of the executive department.

Mr. JONES of New Mexico. Mr. President, the Committee on Indian Affairs had before it a very difficult problem in considering these irrigation enterprises. There is not a member of the committee, so far as I am aware, who is not thoroughly in favor of the reclamation of arid lands by irrigation. There were a number of projects under consideration by the committee and they were all considered meritorious. The degree of merit was not considered by the committee very carefully, but they were treated as meritorious projects as a whole.

There was not any doubt in the minds of the committee that the project in the State of Washington was meritorious, likewise the one in Montana, and others in Arizona and in Wyoming; and if these had been ordinary times I do not think that there is any question that the committee would have recommended all the appropriations which had been asked for. We felt that the work ought to be done at some time, but we were confronted with this problem: That at this time the Nation is in need of all the money that can be had for immediate purposes in the war. It was recognized not only that the money could be used for other purposes but if money were diverted for the purpose of extending these irrigation enterprises it would have to result in the use of material and labor. I think it is generally understood over the country that labor is short, and that if there is a surplus of labor in any one locality it can find a very strong demand in some other section of the country. The same thing may be said of materials; and the labor which is required to manufacture the machinery to do the work of carrying on or further extending these irrigation projects was felt, by the committee at least, to be needed, and the need was of an intense nature that that labor should be diverted elsewhere.

Not only that, but it was felt that to do the work would incur an expense of from 50 to 100 per cent in excess of what similar work would require in ordinary times. I listened to the senior Senator from Washington [Mr. JONES] when he read the estimate of the additional cost; and I must say that the committee felt that the increased cost would be much greater than that indicated by the estimate. Under all the circumstances, however, we felt that the money should not go into these enterprises further than was necessary to keep them as going concerns.

The junior Senator from Washington [Mr. POINDEXTER], who last spoke, said that this was not like a new enterprise. It is a new enterprise in one sense of the term; it is an extension of an existing system. We might illustrate that by using an instance where a man wanted to build a house with 10 rooms and had already constructed 5 rooms to the house and completed them. So far as the additional five rooms are concerned, it would be a new house. That is our understanding of the situation of this project in the State of Washington, and to that extent it would be a new project.

The amount of money proposed to be appropriated by the committee amendment was deemed by the committee to be adequate to keep up the work, to maintain the organization, and save the whole organization from being disintegrated, as has been suggested.

If Senators will understand the spirit in which the committee has acted, it seems to me that the appropriation of $250,000, which has been suggested by the committee for that project, ought to be enough. If it is not enough for that project, then the committee undoubtedly has done wrong with respect to the other projects, and if the Senate chooses to increase this appropriation, then it seems to me we should reconsider the action which was taken upon yesterday and go back to the Montana, the Wyoming, the Arizona, and other projects in other sections and increase the appropriations made for them.

We cut down these appropriations everywhere, and if you are not going to accept that as the proper action, then I think by all means we should reconsider the action taken by the Senate upon yesterday. I certainly would feel that that should be done, and would be glad personally to move a reconsideration of the action for which we voted on yesterday.

These matters, however, were gone into by the committee in the best of good faith. We realized the importance of these irrigation projects. We felt that at a proper time they ought to be carried out, but we felt further that the absolute necessity for conserving resources at this time, conserving the money, and conserving the materials and the labor which the money will represent was so great that we ought to forego these extensions upon a large scale. This project, as we understand it, will not be seriously injured. Some work will go ahead. The project is a going concern now, and it is simply a curtailment upon the extension. I feel that the committee ought to be sustained in this matter if it is to be sustained in any of these matters.

Mr. JONES of Washington. Mr. President, just one word. There is, I think, one very important feature of this matter to which I have not called attention, but which I did call to the attention of the Indian Affairs Committee in executive session, and that is this:

There is not any article of food that we need more than sugar. Day in and day out there is urged upon us the importance of saving sugar and the very great need of it. The sugar industry

is just developing in this section. Last year for the first time a beet-sugar factory was opened up at Yakima, just a little over a mile from the boundary of this reservation. On this reservation now they are constructing another beet-sugar factory, and about 25 miles away, but off the reservation, they are constructing another one. The development of this project is necessary for the success of the development of that industry in that locality; and while, as I said, there is a necessity for economy, there is also a necessity for food—not only for wheat, that we can produce there at the rate of 50 bushels to the acre, but for the production of sugar, that will be stimulated, encouraged, and developed by the reclamation of these lands.

Mr. CURTIS. Mr. President, I stated upon yesterday that the committee had treated all these irrigation projects alike. The committee were influenced by the fact that they thought it was necessary to reduce the appropriations to the lowest possible point. They were also influenced, as has been well stated by the Senator from New Mexico, by the high cost of material. But it seems to me there is an additional reason why this amendment should be defeated.

In the bill a year ago there was an item of $200,000 for this project. There remained unexpended of that amount at the time the hearings were held by the House committee in December last $188,000, and so, with the $250,000 given in this bill and the $188,000 unexpended balance, it gives to this project $438,000. Now, in view of the fact that the projects in the State represented by the chairman of the committee, the project in the State represented by another member of the committee—Wyoming—and the projects in other States where members of the committee urged them, were reduced, it seems to me only fair that the committee should be sustained.

It is true, as stated by both the Senators from Washington, that perhaps the Yakima project is the best—in fact, it is the best—irrigation project on Indian lands in the United States.

My recollection is, from looking up this question last year, that every acre under the project where water was available was cultivated last year. But with nothing done on this new unit of 120,000 acres, and with $188,000 unexpended balance for last year, surely the Senator from Washington will not contend that enough work could be done to raise any sugar upon this land by sugar-beet farming next year; and I think, in view of the fact that there is $188,000 unexpended balance of the $200,000 appropriated last year, the $250,000 recommended by the committee is sufficient for this year.

Mr. JONES of Washington. Mr. President, I just want to say, in answer to the suggestion of the Senator from Kansas, that this $188,000 will all be gone by the 1st of July, when this $250,000 is available. It has all been contracted, and the work is going on, and it will be expended before the 1st of July.

Mr. MYERS. Mr. President, for year.—in fact, ever since I have been a Member of this body—I have uniformly urged adequate appropriations for the completion of reclamation projects. I have always been a believer in the speedy completion of those projects, and I shall raise my voice and give my vote in behalf of this project and against the pending committee amendment.

I am a believer in adequate appropriations for reclamation projects and the speedy completion of them, no matter where they may be located, whether in my State or in another State; that has been my attitude and my course ever since I have been a Member of this body. I believe that any reclamation project, wherever located, if a meritorious project, ought to be completed as speedily as possible; if it is not meritorious it should not have been authorized by Congress nor embarked upon. The fact that these projects have been started is conclusive evidence that they are meritorious, because they are carefully looked into, the nature of the country ascertained, the character of the soil ascertained, the cost estimated, and the probable results computed, before the projects are authorized. The Reclamation Service looks into those things, and I do not think it can be charged with undertaking unfeasible or unworthy projects; and the fact that projects are authorized and begun shows that there is merit in them. At least, that is the time when the merit of the projects should be determined; and having been determined to be meritorious, I believe they should be treated like any other enterprise under either public or private supervision. They should be rushed to completion as soon as possible. If there is any benefit to be gained by the completion of them, it ought to be attained as soon as possible.

I believe in applying that principle to affairs in private life as well as in public life. If a man is going to open up a farm and bring it to tillable condition, I believe he should clear the land, fence it, improve it, break it, and put it into crops and put it to some useful purpose as soon as possible, and carry on the work as rapidly as possible. Somebody is going to be benefited by it. I believe the benefits ought to be derived as soon as possible, and I believe that to appropriate less than $500,000 per year to a large reclamation project is unwise economy. If you drag the appropriations over a great number of years, the overhead charges are much greater and the cost of construction to the homesteaders is much more per acre than if the work is rushed to speedy completion. I do not believe that in time of war we should abandon all of our domestic improvements, especially those that relate to agriculture, which is the basis of our prosperity and must be the basis of winning the war. I believe it is not only justifiable but advisable to give our reclamation projects liberal appropriations.

Holding these views, I take pleasure in joining the Senator from Washington in opposing the committee amendment. I hope it may be rejected.

Mr. SMITH of Arizona. Mr. President, I do not know that there is anyone in public life who was more intimately connected with the inception of the irrigation system than I was, and I have been a diligent and constant laborer in efforts to advance that great enterprise. Just last night I received a telegram from the board of supervisors in the county in which I live asking for an appropriation of some $50,000 to be placed on the Indian appropriation bill for the purpose of building a road through the Papago Reservation, up to the line of which the State has already built almost a boulevard, a perfect road. From there on for a great distance there is no road at all. It is an Indian reservation, where the State could not intrude itself, and I have been appealed to to see what I could do toward getting this road built.

I have made some inquiry and tested somewhat the feeling of the Committee on Indian Affairs. They have revealed to me such conditions that I do not feel that I could ask at this particular time for the construction of that road, although it is very much needed. I must take occasion here also to testify to my confidence in that committee and to commend the course they have pursued in their efforts to keep alive these projects, giving them all they could. Notwithstanding my own inclination in the matter and the fact that it is a case arising in my own State, I do not feel that I could ask for this appropriation, at least at this time, although I know its necessity. So I am constrained to stand by the committee, however much I should like to aid the great project for which the Senators from Washington are standing now. Having felt obliged to forego my desire for my own State in the matter, I can not help but sustain the committee.

The PRESIDING OFFICER (Mr. McKELLAR in the chair). The question is on agreeing to the amendment offered by the committee. [Putting the question.] By the sound the ayes seem to have it.

Mr. JONES of Washington. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). I have a pair with the junior Senator from Georgia [Mr. HARDWICK], which I transfer to the junior Senator from Maine [Mr. HALE] and vote "yea."

Mr. GALLINGER (when his name was called). I am paired with the senior Senator from Florida [Mr. FLETCHER], who has not voted, and for that reason I withhold my vote. If the Senator from Florida later votes, I will then record my vote.

Mr. JOHNSON of South Dakota (when his name was called). I have a pair with the Senator from Maine [Mr. FERNALD]. I transfer that pair to the Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. GRONNA (when Mr. LA FOLLETTE'S name was called). I desire to announce that the Senator from Wisconsin [Mr. LA FOLLETTE] is necessarily absent, due to illness in his family.

Mr. SMITH of Georgia (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. LODGE]. In his absence I withhold my vote.

Mr. SMITH of Maryland (when his name was called). I have a pair with the Senator from Vermont [Mr. DILLINGHAM]. In his absence I withhold my vote.

Mr. STERLING (when his name was called). I have a pair with the Senator from South Carolina [Mr. SMITH]. In his absence I withhold my vote.

Mr. THOMAS (when his name was called). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. In his absence I withhold my vote. If I were at liberty to vote, I would vote "yea."

Mr. THOMPSON (when his name was called). I have a general pair with the Senator from Illinois [Mr. SHERMAN]. I transfer that pair to the senior Senator from California [Mr. PHELAN] and vote "yea."

Mr. TILLMAN (when his name was called). I transfer my pair with the Senator from West Virginia [Mr. GOFF] to the Senator from Louisiana [Mr. BROUSSARD] and vote "yea."

Mr. MYERS (when Mr. WALSH's name was called). My colleague [Mr. WALSH] is necessarily absent. He is paired with the Senator from New Jersey [Mr. FRELINGHUYSEN]. If my colleague were present, he would vote "nay."

The roll call was concluded.

Mr. GERRY (after having voted in the affirmative). Has the junior Senator from New York [Mr. CALDER] voted?

The PRESIDING OFFICER. The junior Senator from New York has not voted.

Mr. GERRY. I have a general pair with the junior Senator from New York. I transfer that pair to the Senator from Illinois [Mr. LEWIS] and let my vote stand.

Mr. JAMES. I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. I transfer that pair to the Senator from Oklahoma [Mr. OWEN] and vote "yea."

Mr. THOMAS. I transfer my pair with the Senator from North Dakota [Mr. MCCUMBER] to the Senator from Louisiana [Mr. RANSDELL] and vote "yea."

Mr. FRELINGHUYSEN. I transfer my general pair with the junior Senator from Montana [Mr. WALSH] to the senior Senator from Michigan [Mr. SMITH] and vote "nay."

Mr. HARDING. I note the absence of the junior Senator from Alabama [Mr. UNDERWOOD], with whom I have a general pair, and therefore I withhold my vote. If permitted to vote, I would vote "yea."

Mr. REED. I have a pair with the Senator from Michigan [Mr. SMITH]. In his absence I withhold my vote.

Mr. BANKHEAD. I have a pair with the senior Senator from Connecticut [Mr. BRANDEGEE] and therefore withhold my vote.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS]; and

The Senator from Minnesota [Mr. KELLOGG] with the Senator from North Carolina [Mr. SIMMONS].

Mr. SHEPPARD. I desire to announce that the Senator from Arkansas [Mr. ROBINSON] is necessarily detained on official business.

The result was announced—yeas 39, nays 10, as follows:

YEAS—39.

Ashurst	Henderson	McLean	Swanson
Baird	James	Martin	Thomas
Beckham	Johnson, S. Dak.	New	Thompson
Borah	Jones, N. Mex.	Norris	Tillman
Curtis	Kenyon	Nugent	Trammell
Fall	King	Page	Vardaman
France	Kirby	Shafroth	Wadsworth
Gerry	Knox	Shields	Watson
Gore	McCumber	Smith, Ariz.	Wolcott
Gronna	McKellar	Sutherland	

NAYS—10.

Chamberlain	Jones, Wash.	Poindexter	Warren
Cummins	Kendrick	Sheppard	
Frelinghuysen	Myers	Smoot	

NOT VOTING—46.

Bankhead	Harding	Owen	Smith, Md.
Brandegee	Hardwick	Penrose	Smith, Mich.
Broussard	Hitchcock	Phelan	Smith, S. C.
Calder	Hollis	Pittman	Sterling
Colt	Johnson, Cal.	Pomerene	Stone
Culberson	Kellogg	Ransdell	Townsend
Dillingham	La Follette	Reed	Underwood
Fernald	Lewis	Robinson	Walsh
Fletcher	Lodge	Saulsbury	Weeks
Gallinger	McNary	Sherman	Williams
Goff	Nelson	Simmons	
Hale	Overman	Smith, Ga.	

So the amendment of the committee was agreed to.

WAR-RISK INSURANCE.

Mr. SMITH of Georgia. Mr. President, I wish to bring to the attention of the Senate the action of the conferees on the part of the Senate upon Senate joint resolution 133. The joint resolution passed the Senate, and in the House it was amended by certain provisos. The Senate disagreed to the amendments and appointed conferees. The conference committee met and, after going over the matter with the House conferees, the Senate conferees determined that the proper course was for the Senate to recede from its disagreement and agree to the House amendments. Therefore we present this resolution to the Senate:

Resolved, That the Senate recede from its disagreement to the amendments of the House to Senate joint resolution 133.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. GALLINGER. Let the title of the joint resolution be stated.

Mr. SMITH of Georgia. It is the joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured.

Mr. GALLINGER. I will ask the Senator why the conference report does not come in in the usual form.

Mr. SMITH of Georgia. Where the conferees of the Senate agree to the action of the House no conference report is necessary. The House will not be called upon to act upon the subject at all again. We, as conferees, agreed, and the House conferees do not join in the report. We are following the action taken by the Senate in the Sixty-fourth Congress on Senate bill 35 and Senate bill 36. The Senate conferees concluded that they would recommend to the Senate to agree to the House amendments and no conference report is necessary to the House. This action by the Senate will terminate the consideration of the measure and the bill will become a law upon receiving the signature of the President.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Washington?

Mr. GALLINGER. I have been interrogating the Senator from Georgia, and I want to ask him one or two further questions.

Mr. SMITH of Georgia. Certainly.

Mr. GALLINGER. If the resolution which the Senator now offers is agreed to by the Senate, will it be transmitted to the House of Representatives showing our action? In other words——

Mr. SMITH of Georgia. The transmission to the House is notice from the Senate that the Senate has agreed to the House amendments. It takes the place exactly of our having agreed in the first instance to the House amendments.

Mr. GALLINGER. It quite surprises me that we ever have disposed of a conference in that way, but if there is a precedent for it, as the Senator says, I have nothing further to say.

Mr. SMITH of Georgia. My own first suggestion was to submit a conference report, but I was advised that the practice has been to the contrary, and I was given these two citations. I find that in the course I am taking now we are pursuing exactly the same course that was pursued in the last Congress. I think the Senator from Utah [Mr. SMOOT] made at least one of the reports.

Mr. GALLINGER. It simply struck me as being an unusual course of procedure, and for that reason I raised the question. Perhaps it is just as well. I am not going to push the matter any further.

Mr. SMITH of Georgia. It struck me also as unusual at first, but I realized the soundness of the view when I found the precedents had been in that way.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Utah?

Mr. SMITH of Georgia. I do.

Mr. SMOOT. I was a member of the conference, but on account of being compelled to attend a meeting of the subcommittee of the Committee on Appropriations this morning at the same time the conferees on the joint resolution met I was not aware as to the action taken by the conferees until this moment.

I do not remember ever having made any conference report in the way the Senator has just stated, nor do I remember of one ever having been made in that way. I wonder how the House will know the action of the Senate. The Senate disagreed to the amendments of the House and asked for a conference with the House. The House granted the conference, and it seems to me that the only way that the records can be clear is for the conferees appointed by the House to make a report upon the disagreement between the two Houses upon the joint resolution.

Mr. SMITH of Georgia. If the Senate now passes the resolution receding from its disagreement and notifies the House that it has receded from its disagreement, that gives the House a record that the necessity for the conference has ceased, and the House then simply discharges its conferees. So I was advised by one whom I thought knew.

Mr. SMOOT. I would very much prefer to have made a regular conference report; but if the Senate adopts the resolution proposed by the Senator from Georgia and the Senate will notify the House of the action taken by the conferees on the part of the Senate, I shall not further object.

The PRESIDING OFFICER. The Chair will state that on Senate bill 35, July 19, 1916, a similar motion was made by the Senator from Utah [Mr. SMOOT] to agree to the House amendments and that the Secretary was further ordered to notify the House of Representatives. So it appears that such a resolution would be in order.

Mr. GALLINGER. Was not that motion made before the matter went to conference?

The PRESIDING OFFICER. No.

Mr. GALLINGER. It was not?

The PRESIDING OFFICER. No.

Mr. SMOOT. That may be the record and that may have been the course taken, but I will say frankly I do not remember it.

Mr. SMITH of Georgia. That record was the one brought to me as an argument against the course that I had intended to pursue, which was to submit a conference report; and also I had cited the action on Senate bill 36. I was also assured by the Senate employee, who is very efficient as to precedents, that that had been the precedent, and if I pursued the course I had contemplated pursuing I would be pursuing an unnecessary course. I was satisfied this would accomplish the result, and I was not particular about the way.

Mr. SMOOT. I merely want to say that I certainly was mistaken in my opinion when I asked for such an order of the Senate. I believe it would have been better at that time to have made a conference report, just as I believe it would be the proper course to make a conference report now.

Mr. POINDEXTER. I should like to ask the Senator from Georgia what motion he is making at this time?

Mr. SMITH of Georgia. The motion I am making is that the Senate recede from its disagreement to the amendments of the House to Senate joint resolution No. 133.

Mr. POINDEXTER. How can the Senate consider that joint resolution when the joint resolution is not before the Senate? The joint resolution is in the committee of conference.

Mr. SMITH of Georgia. The conferees report to the Senate and ask that this resolution be adopted.

Mr. POINDEXTER. That is quite a different proposition. I asked the Senator what his motion was, and he stated an entirely different kind of a motion.

Mr. SMITH of Georgia. No.

Mr. POINDEXTER. If the conferees make a report to the Senate that removes the entire controversy.

Mr. SMITH of Georgia. I have reported from the Senate conferees that after conferring with the House conferees we believed it was best that the Senate should recede from its disagreement and accept the House amendments, and therefore I offered the resolution by direction of the Senate conferees.

Mr. POINDEXTER. Mr. President, it seems to me that it is a pretty important matter, because it involves the procedure of conference committees. If the Senator from Georgia makes a motion to recede from the disagreement of the Senate to the House amendments to the joint resolution I will make a point of order against the motion, because the joint resolution is not before the Senate, it is in committee of conference, but if the Senator makes a report from the conference committee no point of order would lie in my judgment.

Mr. SMITH of Georgia. I report from the Senate conferees, not from the House conferees. As the Senate conferees accept all the House amendments and are ready for the Senate to recede entirely there is no occasion of agreement required, because we accept all the amendments.

Mr. POINDEXTER. It is somewhat difficult to get this matter in a definite shape and hold it there for any length of time. I think there are three different propositions now that the Senator from Georgia has made.

Mr. SMITH of Georgia. No.

Mr. POINDEXTER. The first was the motion he made as a Senator.

Mr. SMITH of Georgia. No.

Mr. POINDEXTER. The second was the report of the conference committee, and the third that he now makes is a report of the Senate conferees, without ever having held a meeting or conferred with the House conferees. I make a point of order against that, Mr. President, for the reason that the Senate conferees have no jurisdiction to consider the matter or to make a report on it except as members of the conference committee.

Mr. SMITH of Georgia. I have been unfortunate in my statement, in that I have not been able to make the Senator from Washington understand what we have done. I do not think he has heard what I have said.

Mr. POINDEXTER. I only——

Mr. SMITH of Georgia. One moment. At the opening of my statement I advised the Senate that the Senate conferees had met with the conferees of the House, and as a result of their conference they had reached the conclusion that the Senate should accept all the House amendments, and there was no occasion for an agreement between them.

Mr. POINDEXTER rose.

Mr. SMITH of Georgia. One moment. Let me finish and let the Senator understand what I mean.

Mr. POINDEXTER. I am not going to interrupt the Senator before he has finished.

Mr. SMITH of Georgia. Our conclusion was that we should recede entirely and accept all that the House had done. No agreement was required. We yielded entirely. They agreed to nothing; they yielded nothing. That was the peculiarity of the situation. Under those circumstances we come back to the Senate, as the representatives of the Senate, with the joint resolution and say an agreement between the conferees was not necessary, because as a result of the conference we recommend complete yielding by the Senate and that the Senate accept all the amendments referred to the conference adopted in the House, and as a representative of the Senate conferees I moved the adoption of the resolution which I read. Now I yield to the Senator from Washington.

Mr. POINDEXTER. Mr. President, it seems to me that the Senator from Georgia and his associates, if they are agreeing with him on this question, have assumed a function either of the Senate or of the conference committee. What right did the gentlemen whom the Senate appointed as its representatives on a conference committee have to decide this question and report back here that we decide that the House amendments should be agreed to?

Mr. SMITH of Georgia. We do not do that at all. The Senate has to decide it. We come back to the Senate and say, as your conferees, we recommend that the Senate shall accept the entire amendments of the House.

Mr. POINDEXTER. I make a point of order against that, Mr. President, for the reason—and I should like it to be distinct in the RECORD—that the joint resolution is not before the Senate. Now, the Senator from Georgia has reiterated that he is not reporting from the conference committee, but that the representatives of the Senate who were directed to sit on a conference commtitee have arrogated to themselves the authority of saying they will not do that.

Mr. SMITH of Georgia. We did do it. We did sit with them.

Mr. POINDEXTER. Why did you not make a report, then?

Mr. SMITH of Georgia. We did not make a joint report because it was only necessary as the result of our action to report to the Senate. We did not require an agreement, because they yielded nothing; we yielded everything. Therefore we reported to the Senate that our recommendation to the Senate was that we accept all that the House had done.

Mr. GALLINGER. Will the Senator tell us where the joint resolution is at the present time?

Mr. SMITH of Georgia. In the Senate here.

Mr. POINDEXTER. Oh, no.

Mr. SMITH of Georgia. It is lying on my desk. We had the joint resolution and we brought it back.

Mr. POINDEXTER. I make the suggestion that there is only one authority which can bring the joint resolution back to the Senate. The Senate committed this joint resolution to a committee of conference. Now, it is in the same status there that a joint resolution would be if it were committed by the Senate to any other committee, even to a committee of the Senate. It remains in that committee until it is reported back to the Senate by the committee.

The Senator from Georgia [Mr. SMITH] has stated several times that the committee took no action, but that the Senate members of the committee took some action. He now asks that the action taken by the Senate members of the committee be ratified by the Senate, and that the Senate agree to the House amendment to this joint resolution. The joint resolution being in the committee of conference, and the committee of conference having made no report, I submit that the Senate can not act on it.

The PRESIDING OFFICER. The Chair is of the opinion that it is perfectly proper for a conference committee of the Senate to make a report to the Senate whenever it sees fit to do so.

Mr. SMOOT. I should like to ask whether the Senator from Georgia has presented to the Senate the papers from the House of Representatives?

Mr. SMITH of Georgia. I have.

Mr. SMOOT. And they are before the Senate now?

Mr. SMITH of Georgia. They are before the Senate now.

The PRESIDING OFFICER. The Chair thinks it is entirely proper for a committee of conference to make a report; that the committee may make a report to the Senate at any time and offer a resolution upon it. The Chair therefore overrules the point of order.

Mr. CURTIS and Mr. GALLINGER addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas, the Chair believes, arose first and therefore he is recognized.

Mr. CURTIS. I want to call the attention of the Chair to the document entitled "Conferences and conference reports," section 20 of which says:

> While a conference asked by the House was in progress on the House's disagreement to Senate amendments, by a special order the House discharges its conferees, receded from its disagreement, and agreed to the amendment.

So it seems under that rule the proper course to pursue is for the Senator from Georgia to ask that the conferees be discharged and that the Senate recede from its disagreement.

The PRESIDING OFFICER. That is necessarily the effect of the motion of the Senator from Georgia.

Mr. SMITH of Georgia. That is exactly what I am asking.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Hampshire desire to be heard?

Mr. GALLINGER. Yes; I desire to say a word, because I think this is a matter of some consequence. It is certainly going to upset the established usage of this body if we dispose of conference reports in this way. I turn, Mr. President, to the manual of Mr. Cleaves, which was adopted by the Senate, Mr. Cleaves having prepared this manual when he was clerk to the Committee on Appropriations of the Senate. On page 347 it says:

> In drafting a conference report care should be taken in stating the action of the conferees on amendments to observe the parliamentary rule that neither House can recede from or insist on its own amendment with an amendment—

And so forth.

That was the opinion of Mr. Cleaves, who drafted that manual, which the Senate adopted.

It would have been a very easy matter to have made this report in the usual form—that the Senate recede from its amendment and the House agree to that action. It would have come here, been agreed to, and gone to the other House, and the House Members would have been informed of the fact that the Senate had receded from its amendment. That is simply the usual parliamentary way; but if we are going to adopt a new method—possibly it is a short cut to disposing of a conference report—I have an impression that it will not save any time, but will really establish a new way for conferees to act when they have an important duty put upon them by their respective Houses.

That is all I have to say about the matter. I have an impression that the point of order ought to have been sustained, but the Chair has ruled otherwise and I have no disposition to contest the wisdom of the Chair.

Mr. POINDEXTER. Mr. President, will the Chair permit me merely to make a brief observation in order to seek to justify the point of order which I made?

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. OVERMAN. Will the Senator from Washington yield to me to ask the Senator from Georgia a question? I merely want to get at one fact.

Mr. POINDEXTER. In regard to this matter?

Mr. OVERMAN. Yes, sir.

Mr. POINDEXTER. I yield to the Senator.

Mr. OVERMAN. I want to ask the Senator from Georgia whether this joint resolution is in the House of Representatives or in the Senate? Who asked for the conference?

Mr. SMOOT. The Senate asked for the conference.

Mr. SMITH of Georgia. I do not remember which House asked for the conference.

Mr. OVERMAN. If the House agreed to the conference, are not the papers in the House of Representatives by parliamentary law?

Mr. SMITH of Georgia. I do not know.

Mr. OVERMAN. There is no doubt about that.

Mr. SMOOT. That is where they ought to be.

Mr. OVERMAN. I think the papers are in the House of Representatives, and that we can not act upon the matter here until they come over.

Mr. POINDEXTER. I think that is quite an important point, and I apprehend, if I understand it, that this is a Senate joint resolution.

Mr. SMITH of Georgia. It is a Senate joint resolution.

Mr. POINDEXTER. Then it would be in the Senate if it originated in the Senate and went to the House of Representatives, was amended there and sent back to the Senate, and the Senate disagreed to the amendment and appointed conferees. So the joint resolution, when disposed of by the conferees, would be reported back to the Senate.

But I want to suggest, Mr. President, that the House of Representatives, as well as the Senate, has jurisdiction over conference committees, and I submit this for the RECORD in justification of the point which I made, without any desire to be contentious with the Chair about the matter at all, that the Senate of the United States can not recall a measure from a conference committee of the Senate and of the House of Representatives; that the conference committee must take some action and report it back, as representing both the Senate and the House of Representatives. The Senate has not exclusive jurisdiction over a measure after it goes to a conference committee.

The conference committee can ask to be discharged in the manner in which the Chair suggested a moment ago as being in order; but that is not the case here. The conference committee, representing the Senate and the House of Representatives, have not asked to be discharged. Only the individual members of that committee representing the Senate have asked to be discharged, and it puts the Senate in the position, without the consent of the representatives of the House of Representatives, of going into a conference committee which represents both Houses of Congress and taking a bill or joint resolution away from it before the committee has reported. I say it is out of order, and, it seems to me, it is out of the jurisdiction of the Senate.

Mr. GALLINGER. Mr. President, I make the point of order that, upon objection, the report must go over; and I make that objection.

Mr. SMITH of Georgia. Mr. President, before that point is decided I want to say merely one word in reply to the Senator from Washington [Mr. POINDEXTER].

There was nothing left for the other House to insist upon when the Senate conceded everything that the House had demanded. That is what changed this conference in its character from any other conference. There was no necessity on the part of the House of Representatives to insist upon the conference when the House had been conceded by the Senate conferees all that the House had asked and when they were ready to come to the Senate and ask the Senate to approve a concession to the House of all that the House had asked.

Mr. POINDEXTER. Mr. President——

Mr. SMITH of Georgia. One moment. I am now repeating the argument as it was pressed upon me in the conference. I wish to say again that my own preference was to pursue the other course. My own impression was that the desirable course was to submit a conference report, but I yielded to the views of my associates that it was unnecessary, and I still believe it was unnecessary. So far as I am personally concerned, I would just as lief make a formal report, and, if it would save time, I would rather do that. As the Senator from New Hampshire has asked that the matter go over until to-morrow, if the other members of the conference committee are willing to accept the view that I first took upon the subject, I am perfectly willing to proceed in that way, although I am also equally sure that this is a satisfactory mode of handling the subject.

Mr. POINDEXTER. Mr. President, I merely wish to add a few words, in view of the fact that there may be some future action taken on the matter. I do not think that this procedure has even the virtue, as suggested by the Senator from New Hampshire [Mr. GALLINGER], of being more direct. I think it is much more complicated, indirect, and involved than the ordinary parliamentary procedure. If we undertake here to act upon this joint resolution after it has been committed to conference, without consulting the House of Representatives or having the sanction of the Representatives of that House, we leave the measure up in the air, so far as the House of Representatives is concerned. We have got to go through the process of notifying them that we have taken this action, and then, instead of the joint resolution becoming a law, the House of Representatives has got to go through the procedure of having the matter explained to them and discharging their conferees on the committee.

Aside, however, from the question of whether it is a more direct or a simpler method of disposing of the business, there is this fundamental consideration, that a parliamentary body must have jurisdiction of a measure before it can act upon it; and when it has disposed of its jurisdiction by submitting it to a joint tribunal of the two Houses of Congress, it can not act upon it until it gets it back again from that joint tribunal.

Mr. SMOOT. Mr. President, I hope the Senator from Georgia will withdraw the papers and also the resolution submitted by him.

The PRESIDING OFFICER. The joint resolution goes over under the objection of the Senator from New Hampshire [Mr. GALLINGER], in any event.

Mr. SMITH of Georgia. It goes over until to-morrow, Mr. President.

The PRESIDING OFFICER. The Senator from New Hampshire has objected to its consideration to-day, and it goes over, as a matter of course, until to-morrow.

Mr. SMOOT. I am quite sure the Senator from New Hampshire would not object if the Senator from Georgia asked to withdraw the papers.

Mr. SMITH of Georgia. I will not ask to withdraw them until I have another meeting with those with whom I was acting, who desired the matter to be given this direction. If they themselves are satisfied with the changed course, I shall be perfectly willing then to ask to withdraw the papers.

Mr. SMOOT. Then, I shall not ask that they be withdrawn, but I wish to make a brief explanation, after looking at the record of the action taken by the Senate on July 14 in the case of a conference report which I asked to have acted upon. In the case now under consideration the Senate asked for the conference on March 22, and the House granted the conference on March 25. Of course, when the conference report is presented the House should have charge of the papers and first act upon them. In the case of the two bills to which I have referred, namely, Senate bill 35 and Senate bill 36, the Senate asked for the conference. The House, therefore, had the papers in its possession and acted upon the report and the papers had not been delivered to the Senate. Therefore, knowing that the House had acted on the conference report, I moved that the Senate recede from its disagreement to the amendments of the House of Representatives to the bill (S. 36) to authorize the Secretary of the Interior to issue patents, and so forth.

I thought that when the papers came from the House and the Senate had acted the record would be made in the CONGRESSIONAL RECORD of that date; but I am told that the papers did not come from the House on that day. I am quite sure, however, under the rules of the Senate that the Senate, having asked for the conference and the House having granted the conference, the conference report and all papers pertaining to the bill must first go to the House of Representatives for action.

INDIAN APPROPRIATIONS.

Mr. ASHURST. I understand the conference report goes over, and I therefore ask the Senate to resume the consideration of the Indian appropriation bill.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with the various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919.

Mr. ASHURST. I ask the Secretary to read the next amendment proposed by the Committee on Indian Affairs which has been passed over.

The PRESIDING OFFICER (Mr. MCCUMBER in the chair). The Secretary will state the next amendment of the Committee on Indian Affairs which has been passed over.

The SECRETARY. The next amendment passed over is the one passed over at the request of Mr. KENDRICK, to strike out, on page 81, lines 16 to 20, inclusive.

Mr. ASHURST. I should like to have the Secretary read the matter proposed to be stricken out.

The PRESIDING OFFICER. The Secretary will read as requested.

The SECRETARY. On page 81, after line 16, the committee reported an amendment, to strike out:

For continuation of investigations, beginning of construction, and incidental operations on a project for the irrigation of a portion of the conditionally ceded lands of the Wind River Reservation, Wyo., $100,000, reimbursable in accordance with the provisions of the act of March 3, 1905, and to remain available until expended.

Mr. KENDRICK. After the word "expended," in line 22, I wish to offer an amendment to the committee amendment.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 81, line 22, after the word "expended," and before the period, it is proposed to insert the following:

Provided, That the construction charge for the actual cost of said project shall be fixed by the Secretary of the Interior and divided equitably between the Indian land and public and private land irrigated by such project, and that the charge as fixed for said Indian lands shall be reimbursable in accordance with the provisions of the act of March 3, 1905, and that the charges as fixed for private and public land irrigated under such project shall be paid by the owner or entryman in accordance with the terms of payment of construction and maintenance charges as provided by the reclamation law and amendments thereto.

Mr. ASHURST. If the Senator will yield to me for a moment——

Mr. KENDRICK. I yield.

Mr. ASHURST. I do not rise to discuss the amendment, but merely to obtain from the Chair some illumination as to the present parliamentary status of the amendment. If I understand the rules correctly, the Senator has the right to perfect the House text before the vote is taken on the amendment of the committee to strike out. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. ASHURST. Then, the question would be on the adopting the amendment proposed by the Senator from Indiana, would it not, to the text of the House bill? I merely wish to understand the parliamentary status.

The PRESIDING OFFICER. That is correct. The question is on the amendment of the Senator from Wyoming to the portion proposed to be stricken out.

Mr. KENDRICK. Mr. President, this is a tremendously important amendment to the community affected by the irrigation enterprise on the Wind River Reservation in Wyoming. It involves an irrigation scheme of wonderful merit, which has been thoroughly examined by experts and is in every sense worthy of the consideration of this body. It is an appropriation of Indian money for the reclamation of Indian lands, and the expense is justified either in times of peace or in times of war.

Mr. President, these lands are at present practically without value merely because they are not irrigated. Their reclamation as provided in this amendment would bring them into the market and make them immediately salable, and would yield to the Indians many times the amount of money here proposed to be expended. It would also greatly enhance the value of the contiguous lands that are now practically unused and yield but little, if any, revenue to the Indians.

Conditions are such in the vicinity of this reservation that the benefits of the expenditure will be immediately manifest. It is not as though by authorizing this appropriation Congress were merely spending $100,000 on a project that would not be valuable until a million or two were spent. That might be of doubtful value. In this instance, however, the project is of such a character that by the expenditure of a larger or a smaller sum, a larger or a smaller area can be brought under irrigation and made susceptible of cultivation. As a matter of fact, the work which will be done with this money is really the continuation of construction already in progress. An area of approximately 10,000 acres, already irrigated by the settlers in the ceded portion of the reservation, will ultimately become a part of this project, while the Indian Office, cooperating with the settlers, has already spent $40,000 on a joint ditch. Other ditches are being constructed by the Indian Service in this district and will eventually be united into one large project. In other words, the various units of the whole project are not interdependent, but may be economically constructed separately.

It would be very easy to enlarge upon the wonderful possibilities of this project. The soil is ideally adapted to irrigation. Every tract in the vicinity that has been brought under water has been promptly taken up, and the demand is constantly increasing for this kind of land. Added to this there is an abundance of water, additional quantities of which may be obtained at moderate cost; there is a complete absence of engineering difficulties and complications, while the altitude and climate render successful farming a certainty. Forage crops, grain, and sugar beets may be raised here with splendid results. When the land is reclaimed, much will be added to the wealth of the community and particularly to the wealth of the Indian tribes, whose holdings will be greatly enhanced in value by the beginning of the work.

More than this, Mr. President, not one dollar of this fund will be wasted or misappropriated, but every cent of it will be promptly returned to the Treasury. The construction of the head works made possible by this appropriation will mean the occupation of more tracts by new settlers, the construction of comfortable homes, and the general development of the territory involved in a manner that will aid materially in the solution of the problems of readjustment that will come after the war.

I might say for the information of Senators that the Indian Office only last week recommended, and on last Saturday the Interior Department issued, an order authorizing the immediate expenditure of $30,000 on ditch construction in the immediate neighborhood of the land the reclamation of which will be initiated by this appropriation. It has been recognized by the Interior Department that early results may be obtained. The settlers are ready and waiting to take up the land just as soon as they are assured that water will be put upon it. Numerous families, I am informed, were awaiting merely the issuance of this order to migrate from Middle Western States into Wyoming and to begin the cultivation of the land upon this project.

The same arguments which induced the Indian Office to recommend this $30,000 extension apply with equal force to this appropriation. Indeed, the argument in favor of the appropriation is far stronger, for many settlers moved into this section years ago under the impression that this project was

about to be undertaken, and they have been waiting from year to year since for some sign of activity on the part of the Government.

It has been said that the Indian Committee was inclined to eliminate, or at least to reduce, many items in this bill because of the fear that the high cost of material and the difficulty of securing labor would make the expenditures prohibitive. But, Mr. President, if the materials and the labor may be secured at all, almost any appropriation that will contribute toward the increase of food production will be money well spent. We have been told over and over again that food is one of the most essential weapons of the present war. We should therefore hesitate at any form of economy that will tend to prevent the cultivation of wider areas. In the ceded portion of the Wind River Reservation there are thousands of acres which to be made bounteously productive need only irrigation. We have the land, the settlers, and the water. All that is needed is the system to store and distribute the water. With the absence of engineering difficulties, to which I have already alluded, all circumstances point toward economical construction. The project is therefore one in which we may justly look for the largest returns for the smallest outlay.

Whatever motives of economy prompt us in this crisis to reduce to the utmost all expenditures save those designed for war purposes are the very motives which, in my judgment, should prompt us to include this appropriation in the present bill.

Briefly summarized, the appropriation of this sum for the beginning of construction may be asked because of the inherent virtues of the project itself, because it will benefit the Indians whose lands will be improved, because it will be to the advantage of the white settlers who have been expecting action of this kind for the past 10 years, and because it will initiate an irrigation project which at the conclusion of the war will be found an important factor in the readjustments that will have to be made.

I am very much in hope, therefore, that the amendment as offered will prevail.

Mr. SMOOT. Mr. President, may I ask the Senator a question before he takes his seat?

Mr. KENDRICK. I yield to the Senator from Utah.

Mr. SMOOT. I notice that the proviso reads as follows:

That the construction charge for the actual cost of said project shall be fixed by the Secretary of the Interior and divided equitably between the Indian land and public and private land irrigated by such project, and that the charge as fixed for said Indian lands shall be reimbursable in accordance with the provisions of the act of March 3, 1905, and that the charges as fixed for private and public land irrigated under such project shall be paid by the owner or entryman in accordance with the terms of payment of construction and maintenance charges as provided by the reclamation law and amendments thereto.

I want to ask the Senator when the construction charges for the actual cost of the project are to be made? If made before the project is completed the Senator knows, as we who have been interested in projects in the West know, that the estimates of cost put upon the construction of those projects have never been within 50 per cent of what they have actually cost, and in some cases the cost has been three times or four times the amount of the original estimate. From the Senator's amendment I would conclude that the charge for the actual cost is to fixed by the Secretary of the Interior while the investigation of the construction and incidental operation of the project is under way.

Mr. KENDRICK. No, Mr. President. As I understand it, this amendment will not mean the assessment of the charges before the cost has been determined. I assume that they will be levied when they have been determined, just as is done in other irrigation projects and as provided by the reclamation law.

Mr. SMOOT. Mr. President, I notice that the appropriation is—

For continuation of investigations, beginning of construction, and incidental operations on a project for the irrigation of a portion of the conditionally ceded lands of the Wind River Reservation, Wyo., $100,000, to remain available until expended.

That is all that the appropriation is to cover; and then there is added to that a proviso—

That the construction charge for the actual cost of said project shall be fixed by the Secretary of the Interior and divided equitably between the Indian land and public and private land irrigated by such project.

It seems to me that there is no relationship between the two; and I can not tell from this whether the Indians are to pay the actual cost of the project as fixed by the Secretary of the Interior now, or whether they are to pay for it after it is finally determined in the construction of the project.

Mr. WARREN. Mr. President, my understanding of that matter is perfectly clear—that the Secretary simply acts upon the division between the Indians and the settlers, and the cost is to be the actual cost of construction.

Mr. SMOOT. Mr. President, then, of course, the wording is rather unhappily expressed, because it says:

That the construction charge for the actual cost of said project shall be fixed by the Secretary of the Interior.

Mr. WARREN. It is to be fixed on the basis of the actual money cost.

Mr. SMOOT. No; it says here "that the construction charge for the actual cost of said project shall be fixed by the Secretary of the Interior."

Mr. WARREN. Yes.

Mr. SMOOT. He is to fix the actual cost of the construction.

Mr. WARREN. Well, who would fix it, if not the Secretary?

Mr. SMOOT. That would be determined by the amount of money that was appropriated for that purpose.

Mr. WARREN. Exactly; and that is all this means—that the Secretary shall fix the charges on the basis of the money cost of building it; that is all.

Mr. SMOOT. It may mean that, but it certainly does not say that.

Mr. KENDRICK. Mr. President, for the information of the Senator from Utah I will say that the appropriation, as I understand it, is really asked for by the Reclamation Service, the officials of which report that they can construct the dam and begin, as stated in the language of the amendment, the construction. I will say to the Senator also that because of the simplicity of the engineering problem this project in all probability will be constructed more nearly on the basis of the actual estimate than almost any that have been initiated.

Mr. WARREN. Mr. President, will my colleague yield to me for a moment?

Mr. KENDRICK. I yield.

Mr. WARREN. The department asked for an appropriation of $200,000. It was not proposed for other bills because it was an Indian matter, or partially so; hence the Indian appropriation bill is the proper place for it. The House put in only $100,000. The investigations of this proposed project have been carried on and perfected as to a large part of it, but it is one of those projects that by adding storage reservoirs on the way the initial project could be extended into very large proportions, and the department wished not only to construct but to carry the investigations somewhat further. The $200,000 that the department asked for would put in the head gate or diversion matter and bring the water out through the hills to a point where the distribution of water could be commenced. The land is a comparatively level plain from there on, and small ditches could be connected and water utilized, but even this $100,000 will more than take care of the head gate, and $200,000 would carry it through to where water could commence to be delivered.

Mr. CURTIS. Mr. President, does the Senator contend that the department asked for $100,000?

Mr. WARREN. I did not say that. I said they asked for $200,000.

Mr. CURTIS. For this purpose?

Mr. WARREN. It came in the regular way among the estimates for the Reclamation Service. It was not considered by the other committees, because it referred to Indian lands and should go in the Indian bill; and, as I say, the House put in only $100,000 to commence it. I may say in this connection that, as the Senator knows, every other project that the committee cut down has been left at least a portion of its appropriation, while in this case it is cut out entirely. I think the Senator will admit, as he must, and as must everyone else who knows anything of the situation, that in comparison with other projects there would be no reason, on account of the adaptability or the promise of the project, why this one should be cut out entirely, while all others are given enough to carry them along.

Mr. CURTIS. Mr. President, I asked the Senator in reference to the estimate because my recollection is that while the Assistant Commissioner of Indian Affairs was before the committee he did not ask for this appropriation, and the department did not ask that it be put in; and my recollection is that that was one of the reasons why the committee cut out the entire item. If I am wrong, I should like to have the chairman of the committee correct me in that statement. That is only my recollection.

Mr. WARREN. Let me say what my understanding is on that point and not take it from the chairman, of course.

As I said before, an appropriation of $200,000 was asked for. It was not inserted in other bills because it was an Indian matter. Naturally, the assistant commissioner before the committee would say, if asked that question, probably, that he preferred that it should not go in the Indian bill but that it should go in the other.

This project, in the case of which the amendment of my colleague will perfect the language already in the bill, is

shown to be one of those projects that is part Indian and part for citizens—those, by the way, who have already located there and have been waiting for water for the last 8 or 10 years. The line of ditch goes across the line between the ceded lands of the Indians and the public domain.

Mr. CURTIS. Mr. President, may I ask the Senator a question there—not in line with his argument?

Mr. WARREN. I yield.

Mr. CURTIS. I want to know if the Senator is advised under what act these Indians hold their allotments, and whether it was under the act of 1887 or whether it was a special agreement with them?

Mr. WARREN. I could not tell the dates at present without looking it up; but these lands were ceded to the United States with the understanding that they would be disposed of in certain ways, and that the money from the lands should go back to the Indians Now, certain portions have been disposed of, and this particular land, although rich in soil if water is put upon it, is barren without it; and unless it is fructified by water the Indians will get a mere bagatelle out of it, whereas with it the land will sell readily at figures that will give them a good return.

I trust that the amendment offered by my colleague will prevail.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wyoming to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is upon the amendment as amended.

The amendment as amended was rejected.

Mr. ASHURST. Mr. President, I believe that completes the committee amendments, with the exception of one committee amendment on page 5.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 5, line 21, after the numerals "$150,000," the committee proposes to insert the following proviso:

Provided, That the sale of anhalonium or peyote to an Indian, or its introduction into the Indian country, shall be, and is hereby, declared to be a violation of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506), and punishable in accordance with the penalties provided for therein: *Provided further*, That possession by a person of intoxicating liquors in the country where the introduction is prohibited by treaty or Federal statute shall be an offense and punished in accordance with the provisions of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506).

Mr. GRONNA. Mr. President, this is a very important amendment, and as there are only a few Senators present I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gallinger	McNary	Sheppard
Baird	Gore	Myers	Smith, Ariz.
Bankhead	Gronna	Nelson	Smith, Md.
Beckham	Henderson	New	Smoot
Chamberlain	Johnson, Cal.	Norris	Swanson
Colt	Johnson, S. Dak.	Nugent	Thompson
Cummins	Jones, N. Mex.	Overman	Tillman
Curtis	Jones, Wash.	Owen	Trammell
Fall	Kendrick	Page	Vardaman
Fletcher	Kenyon	Poindexter	Warren
France	McCumber	Shafroth	Watson

Mr. MYERS. My colleague [Mr. WALSH] is necessarily absent. He is paired with the Senator from New Jersey [Mr. FRELINGHUYSEN]. This announcement may stand for the day.

The PRESIDING OFFICER. Forty-four Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. MCKELLAR, Mr. MARTIN, and Mr. SUTHERLAND answered to their names when called.

Mr. CALDER, Mr. KING, Mr. STERLING, Mr. HARDING, Mr. FRELINGHUYSEN, Mr. THOMAS, and Mr. UNDERWOOD entered the Chamber and answered to their names

The PRESIDING OFFICER. Fifty-four Senators have answered to the roll call. A quorum of the Senate is present.

Mr. JONES of Washington obtained the floor.

Mr. ASHURST. Will the Senator from Washington yield to me for a moment?

Mr. JONES of Washington. Certainly.

Mr. ASHURST. I wish to make an inquiry. I beg pardon of the Chair, but I did not quite catch what the Chair said on the amendment upon page 81. In other words, if I understood him aright, the question was on agreeing to the amendment of the committee as amended, and I did not quite catch just what the decision of the Chair was on the viva voce vote.

The PRESIDING OFFICER. The text which was proposed to be stricken out by the committee was perfected by an amendment offered by the Senator from Wyoming, and then the amendment proposed by the committee was disagreed to. So it leaves as a part of the bill the text as it came from the House, with the proviso added on the motion of the Senator from Wyoming.

Mr. ASHURST. Then the committee amendment was disagreed to?

The PRESIDING OFFICER. It was.

Mr. ASHURST. I take this opportunity to give notice that I shall ask for a separate vote on the amendment of the committee when the bill gets into the Senate.

The PRESIDING OFFICER. It will be so noted.

Mr. ASHURST. That constitutes all the committee amendments except the one on page 5.

Mr. JONES of Washington. Mr. President, the amendment that has been reached in the pending appropriation bill is a very important one, and I hope that the amendment proposed by the committee will be agreed to. I am not going to discuss that amendment at this time, however; but there are some other matters that I desire to take the time of the Senate upon, and this is as good a time as any to do so.

With reference to the use of foodstuffs in the manufacture of wine and beer, a patriotic mother writes me:

Can we feed our soldiers on this poison liquor? No. Can we raise our children on this poison liquor? No. Then, for the sake and safety of this country, do all you can to stop this wastefulness.

A gentleman writes:

I am glad to eat corn bread these days, but it makes my blood boil to think of the effort of citizens to save while the breweries are permitted to use tremendous quantities of grain and coal and man power in manufacturing stuff that weakens and curses those who use it.

Another loyal citizen says:

Since writing you before, in May of last year, the matter of permitting the brewers to use grain in the manufacture of beer has been placed in the hands of the President, and notwithstanding the fact that the people are placed under all sorts of restrictions, in the use of foodstuffs, he is permitting the brewers to use an amount of grain equal to 70 per cent of the prewar normal. * * * I listened to a man from Puyallup yesterday, talking on the necessity of planting all the available ground, and he said if the war lasted two or three years longer the world would be starving. If there is the remotest possibility of that statement being true, it is time somebody was doing something. * * * From the best information I have been able to obtain there has been used in the last year in the making of booze 7,000,000,000 pounds of foodstuff. Enough to load 87,500 cars of a capacity of 80,000 pounds each, making a string of cars 730 miles long. Just sit down and digest that if you can. What do you think about it? Is it time to call a halt? Surely. * * * The question of food is the most important question before the American people; the President admits that. He is frantically pleading with the people to produce and save food, and says that if we do not we may lose the war, while he, the self-same man, is handing the self-same food out to a bunch of German brewers to be spoiled and rendered unfit for food.

In my mail this morning I received this from a business man in my State:

In my humble judgment, we are still going at this job—

Referring to the war—

in kid gloves instead of with hard, bare fists. This isn't any pink-tea business, and the sooner we begin to get maximum efficiency the sooner will the war be brought to a righteous end.

There is yet a most powerful enemy stalking through the country—not in Washington State, thank God—more powerful than all the traitors we have harbored or are harboring in our midst—the liquor traffic.

Mrs. Margaret B. Platt, former president of the Woman's Christian Temperance Union of our State, expresses her feeling in this way:

CONSERVE! CONSERVE!

(Margaret B. Platt.)

Oh, yes; oh, yes;
Dear Uncle Sam,
We women are willing
To help all we can.
We'll eat less bread
And save the wheat,
Add fish to our diet
To save the meat;
We'll use less sugar
And still keep sweet—
And
We'll save our money and buy a bond
For Liberty's cause the world around;
But, Uncle Sam,
Please, won't you close the breweries?

Oh, yes; oh, yes;
We hear the cry
For conservation
We'll do or die—
We'll talk and try,
We'll skimp and save
And work and slave,
Corn bread for every meal we'll eat,
And give our Allies the best of the wheat.
We'll save our money for stamps of Thrift
To give Liberty's cause a hearty lift—
But, Uncle Sam,
We can't understand
Why you don't close the breweries.

Mr. President, every mail brings similar letters to me, together with resolutions from women's clubs, churches, commercial, and

other organizations, urging, asking, and demanding that the use of foodstuffs for the manufacture of beer and wines be stopped during this war. These communications express the view of millions of our best and most patriotic citizens. These words come from hearts torn and bleeding by sacrifices gladly made for their country. These men and women do not understand why grains are not made into food to sustain strength and life instead of being used by the brewer to make beer to undermine strength, becloud the mind, weaken our arms, and threaten our success in this war. They want to win the war. They are willing to make any sacrifice to do it, but they do not understand why food is wasted when the need is so great and they want Congress to act.

The legislative situation, however, is this: A bill—H. R. 4961—was prepared by the administration to conserve food products and introduced in the House June 11, 1917. It must have expressed the views of the President. That bill gave the President full control over the "limitation, regulation, or prohibition of the use of food, food materials, or feeds in the production of alcoholic or nonalcoholic beverages." He could limit or prohibit their use if he saw fit. The President wanted that authority. He sought that responsibility. The House did not think this burden should be placed on him. It was willing to discharge its duty and declare by positive legislative action what it thought should be done. The bill was amended. The President was relieved of this responsibility. The House declared positively—

That no person shall use any foods, food materials, or feeds in the production of alcohol, except for governmental, industrial, scientific, medicinal, or sacramental purposes, or of alcoholic beverages—

and provided severe penalties for the violation of this section. The bill came to the Senate with this provision in it. The Senate committee agreed to it with slight but immaterial changes. The Senate was prepared to adopt it, when the President asked the friends of the provision not to insist upon it and appealed to their patriotism. This request was acceded to, and the Senate simply prohibited the manufacture of distilled liquors. The bill went to conference. A compromise was agreed to, and the bill as it finally passed and became a law declared—

Whenever the President shall find that limitation, regulation, or prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes or that reduction of the alcoholic content of any such malt or vinous liquor is essential in order to assure an adequate and continuous supply of food or that the national security and defense will be subserved thereby, he is authorized from time to time to prescribe and give popular notice of the extent of the limitation, regulation, prohibition, or reduction so necessitated.

That provision gives to the President unlimited power to do whatever he considers necessary for the national security and defense and is substantially what he asked in the bill as originally introduced. It was a war measure and gives him absolute power over this subject as Commander in Chief of the Army and Navy. If making wine and beer hinders or delays our victory, he ought to know it better than anyone else and ought to stop it. Personally I think it unwise to use our foodstuffs and grains for this purpose. Others think differently. I believe we would add strength to our armies and our industries by stopping the making of wine and beer. Others believe that such action would weaken us more than it would strengthen us. It is asserted that labor will rebel if it can not get its wine and beer. I do not believe it, but I may be mistaken. That it will not do so has been demonstrated in the 27 States that have adopted prohibition. It has not rebelled there, and in those States among the strongest supporters of prohibition are leaders of union labor. If labor did not rebel in peace, surely it would not rebel when its country is at war. No loyal American laborer will relax his efforts for his country because he can not get wine or beer. The sooner the disloyal ones are known, the better, in my judgment. We have been in the war almost a year. The outlook is more terrible and desperate than ever. The President has not yet stopped the making of wine and beer under the power given to him by Congress. He must think it wiser to use our grain and foodstuffs for wine and beer rather than to use them for bread. I do not think so, but I may be wrong. He must believe that the use of grain for beer is better for the national security and defense than to use it for bread. I do not think so, but I may be wrong. He must think that beer and wine do not weaken our industry or endanger the support of our Army. I do, but I may be mistaken. He must deem it better to dishearten and discourage millions of the best and most loyal men and women in the land than to deny wine and beer to some who would put their appetites above their country's weal. I do not think so, but I may be wrong. He may think it wise to accede to the selfish if not unpatriotic ends of the pro-German alliance and brewers' organizations rather than to the unselfish and patriotic wishes of loyal American citizens. I do not think so, but I may be wrong. He may believe it safer to disregard the views of the temperance people of the country and impose upon them burdens and restrictions in the use of food because he knows their loyalty and patriotism can be depended upon to accept without lessened patriotism whatever is deemed necessary rather than to arouse the disloyalty of those who are not willing to give up their wine and beer for the sake of the country. That may be best, but it is not just. He must deem it more for the national security and defense that food products shall actually rot for lack of transportation to markets rather than stop the use of cars for transporting supplies for the brewer and for carrying their products. I do not think so, but I may be wrong. He may think it better that our schools and churches should close for lack of coal than that the fires should grow dim in the breweries of the land. I do not think so, but I may be wrong. The Brewers' Journal of March 1 says that "America is to send them [England and France] 52,000,000 bushels of barley and 13,000,000 bushels of corn, as soon as there are transports available, for that purpose" [the making of beer]; and in the same issue is its London letter, headed "Office of the Brewers' Journal, 46 Cannon Street E. C., February 14, 1918," in which it is said "There is great rejoicing among the trade over the order issued by the authorities in Washington that the shipments of American barley and malt to England be largely increased." The President must deem it wisest to allow our grain and our ships to be used for this purpose at this time. I do not think it is, but I may be wrong.

In passing, I want to call the attention of Senators, and I hope these facts may not be overlooked by the President, Secretary of War Baker, and Secretary of the Treasury McAdoo, to the manner in which the makers and users of intoxicating liquors in a crisis like this are escaping many of the real hardships and sacrifices of war.

The men who drink liquor largely are not doing the fighting for the country. They are not physically fit. They are not wanted either in the Army or the Navy. They would be liabilities instead of assets in either. A soldier whose time is spent in either the guardhouse or the hospital is a positive hindrance intead of a help. We are asking for our cleanest and best and most physically fit young men for the Army, and the men who drink liquor therefore largely escape service in the trenches and elsewhere. Nor are they at their best in our shipyards or munitions factories or mines or other industries essential to our success in the war.

The men who spend largely of their means for liquor are not helping to finance the war. It is the frugal and the saving and the industrious who are at work among the masses of the people who are buying liberty bonds and war-saving stamps to furnish the money to win the war.

For the same reason that the masses of drinking men can not buy liberty bonds and war-saving stamps, they do not contribute largely to the Red Cross or the Y. M. C. A. or other laudable movements to relieve the suffering and provide for the comfort and contentment of the men in the service.

These facts show how the loyal, moral, Christian people in the churches and patriotic organizations of the country are bearing not only their own part in helping to prosecute the war, but the part of the slackers whose habits make it impossible for them to do so. The makers and distributors of beer also are quite content to see valuable foodstuffs destroyed in the manufacture of their products if thereby they can increase their output and augment their profits.

It has been suggested to me that the President recognizes that our food situation and that of the allies does not permit of the wastage of any kind of foodstuffs in the production of intoxicating liquors, but that he has felt unwarranted in decreeing prohibition of the use of foodstuffs in the manufacture of beers, and so forth, because of the large amount of whisky in bond and stock over the country, and the sale not being nationally prohibited, he may feel that the country might be put on a so-called "whisky basis."

If the President reaches the conclusion that it is not wise or just to let any kind of foodstuffs be destroyed by being made into beer and wine, to me his duty under the authority which he undoubtedly possesses by act of Congress is as clear as noonday. If he then feels that the sale of intoxicating liquors during the period of the war should be prohibited, in order to keep the country from going on a whisky basis, I think I know enough of the temper of the people throughout the Nation and of the Congress itself to say that a word from the President to this effect would result in the passage without delay of any needful legislation to stop the sale of all intoxicating liquor during the war.

Mr. President, I read an article in the Washington Times a few days ago that did my heart good. I hope it is true. It is by a correspondent who gives his name. It recalls to my mind the rather slighting references that were made on the floor of the Senate, when the Army reorganization bill was up, upon the attempts of some of us to prohibit the sale of liquor to soldiers in uniform. I remember some Senators declared that that was an unimportant matter; that it was an insignificant matter; that it ought not to be injected into that measure. In view of what I see in this article, I say it does my heart good to read it, and I am going to read it to the Senate. It is an article by Henry G. Wales, International News Service staff correspondent with the American Army in France, March 20, 1918:

Everyone is on the water wagon at the American front.

Assuming that this article is true, it will bring joy and comfort to thousands of American homes in this land of ours. It will bring joy and comfort to thousands of American mothers in this country who are viewing with greater anxiety the effect influences outside the battle line may have upon their boys than the effect of the bullets.

[From the Washington Times, Mar. 20, 1918.]

EVERYONE AT UNITED STATES FRONT IN FRANCE ON WATER WAGON.

(By Henry G. Wales, International News Service Staff Correspondent.)

WITH THE AMERICAN ARMY IN FRANCE, *March 20.*

Every one is on the water wagon at the American front.

During the past month I have been at the front daily, and often twice in a day, seeing thousands of American soldiers. In that time I saw exactly one man drunk and one other who showed the influence of liquor. The American front is dry not only for the officers but the men of the ranks as well. Nobody comments upon the matter. Nobody apologizes to his guests for the lack of liquid entertainment; in fact, nobody notices it.

I have eaten at various officers' messes where the meals were excellent; better, in fact, than one gets ordinarily in London or Paris, and only mineral water is served.

But when one eats in a dugout with the detonations of shells fired from a near-by battery or the concussions of exploding German shells keeping up a continuous rattle of the chinaware and knives and forks, one's mind doesn't get far enough off the war to ask for liquor. So long as it is absent it is forgotten.

I have eaten with enlisted men often also. Never once did I find one with a bottle or a flask "on his hip." On the contrary, all paid particular attention to the coffee and tea served, drinking so much that it was evident they were entirely satisfied with these beverages.

The little French cafés in the villages occupied by Americans are frequented only by Frenchmen, who occasionally get a bottle of beer and play cards while drinking it. The French can not understand why Americans refuse to take a pull at their "pinard," as they call the red Algerian wine issued to the army.

The doughboys stick to tea and coffee, occasionally making chocolate.

The American officers take only light wines when in Paris on leave or official missions. They say that they find it agrees with them better than stronger drinks.

"I'll never buy another bottle of champagne in my life now that I have learned how to order good French wine," said one officer.

Mr. President, we see thousands of American soldiers here in Washington City, probably more here than in any other city in the country. I have observed them carefully. I have watched them closely, and I am proud of them. I am proud of what the American soldier is proving himself to be, and I am glad to send a message to the mothers of this land that the boys they are sending to the front are maintaining the habits here that they did at home. I have not seen yet a single drunken soldier on the streets of Washington. Three or four weeks ago I got on the train at Baltimore, one Sunday evening about 10 o'clock. There were five or six cars practically crowded with American soldiers in their American uniforms. I went through those cars from one end to the other. From the talk I gathered these men had gone on Saturday to New York and Philadelphia and were returning to Camp Meade. There was no loud talk, no swearing, no boisterous conduct, and not a single man who seemed to be under the influence of intoxicating liquor. That, Mr. President, is the record that is being made by the soldiers of the United States as they prepare for this world contest. I am glad that I had some little to do with getting the provision in the Army bill that helps to this, and I am glad to send this message to the mothers of the land.

Mr. President, I would not lessen our power, weaken our Army, or endanger victory in this war to secure prohibition, much as I would like to see prohibition all over this country. We must trust the President to stop the making of beer when he thinks this will do less harm than to make bread. We must rely upon our Commander in Chief to stop the use of grain for beer when it is best for the allies and our armies to use it for bread. He has the power to do so. We have given it to him for the national security and defense. We may doubt his wisdom, but his patriotism is not to be questioned. His devotion to our country and the success of its cause is not to be doubted. He thought he was the best judge as to what was wise in this matter as a war measure. Congress by a majority vote agreed with him. Without at all giving up my personal views I accept the decision thus made. Let us show our patriotism by relying upon our Commander in Chief to exercise the power given him in the wisest and most patriotic way, and trust that he will soon see that the wisest course is that believed in by the great majority of the very best, most enlightened, and most patriotic citizens of our beloved country.

Mr. President, this leads me to state what I have conceived to be my patriotic duty toward legislation in aid of the prosecution of war since war was declared.

There was a time when Americans could honestly and patriotically differ as to what course the United States should follow toward the war in Europe. That time is passed. That war has become an American war. We are in it. It is our war. Every man is for the country or against it. The only way for us to get out of the war is to go through it. We know no end but that of victory, no goal but an honorable and lasting peace. To that end we have dedicated all the wealth, all the resources, and all the manhood of this great Republic. Those whom the people have selected to lead and direct us in this great contest I shall uphold and sustain to the utmost. No partisanship shall control my action nor envenom my words in relation to anything deemed needful for the prosecution of the war, even though I am sure that those in control are playing politics to the limit and the only nonpartisanship they seem to know is Democratic partisanship. If I criticize it shall be to improve and uphold, not to obstruct or tear down. Mistakes will be made, unwise policies pursued, but no word or act of mine shall aid and encourage a foreign foe. Partisan criticism shall be withheld in the face of a foreign enemy and until we can point out mistakes and fix the responsibility for unwise acts and policies in a contest among ourselves to determine what is best for us in both domestic and foreign policies.

In the discharge of my duty as a legislator and representative of the people I shall do my best to perfect legislation and make it subserve the highest interests of our people and make us most efficient in the prosecution of the war. The sole test of proposed legislation for me is and shall be, Will it aid in the successful prosecution of the war? Will it make us stronger and more effective? I have supported and shall continue to support amendments which I deem wise, but when the majority of the Senate has made clear its will as to legislation to aid in carrying on this war it shall have my vote. Its verdict shall be my verdict, and no carping criticism shall fall from my lips. When laws are passed to aid in the prosecution of the war I shall uphold them to the utmost until the need of changes is clearly shown. In taking this position I do not desire by inference or otherwise to be understood as criticizing anyone who may take a different attitude. This is simply my conception of my patriotic duty in this hour of the world's greatest trial and of the supreme test of republican institutions and government, and this shall be my course till this war ends.

We are indeed making an autocrat of the President and an autocracy of the National Government. You can not wage war without it. Autocracy is the essence of militarism; militarism is the essence of war, whether prosecuted by a republic or an empire. We may be carrying it too far, but autocratic direction and control has been Germany's strength and the allies' weakness. I do not fear for our political institutions if we win. I do fear for them if we lose. Liberty and democracy will resume triumphant sway when autocracy has led us to victory against militarism. We make a mistake in assuming that democracy abhors autocracy at all times. On the contrary, it embraces it in war. The fathers of the Republic knew that autocratic power is necessary to a democracy in war. They had just come through a long war. They knew how it must be carried on and they made ample provision for it in the fundamental law of the land, and it became a part of the people's will. Congress can declare war; the President alone can carry it on and end it. When Congress declared war it made this Government a democratic autocracy and the President the greatest and most potential autocrat on earth. He directs our armies and navies at will. Congress has no power to thwart except by negation. It must give support or withhold it. It can not direct or control affirmatively. When war is once declared the President alone can initiate peace. Congress can not do it. The people can not do it, except by revolution. The President alone can give voice to the Nation's will for peace. We must trust him. We must believe in his patriotism. We must confide in his fidelity to the Government and his love for the people. We must uphold his autocratic power in war to preserve our democracy for peace. We must follow him until the people put another in his place, clothed with like power, to lead where his judgment and patriotism may direct until victory rests with our arms and the world is made safe for democracy to live in.

Mr. President, we are engaged in the most terrible and far-reaching war in the world's history. Our part in it will test

our resources and power to the limit. All that we believe to be precious hangs in the balance and depends upon us. Militarism and autocratic government is triumphant in the world unless this offspring of European oppression can save civilization and liberty from its grasp.

In the conduct of this war on our part all great governmental agencies should cooperate fully and whole-heartedly. Congress is ready and anxious to cooperate fully with the Executive. It is composed of men who are as loyal and patriotic as those in executive positions. They will sink individual views, partisan opinions, and personal interests to aid the Executive. Their knowledge, experience, and opinion are at his service. They will gladly give him the legislation needed to do his task. They want to aid him in every way possible. The President should not only welcome but seek their counsel and advice upon the great problems which confront him. He does not do it. I do not say this in any captious spirit. It is the statement of a fact, a most lamentable fact, known to all here and regretted by all. He should realize that in a multitude of counsel there is wisdom, as Congress realizes that in unity there is strength. There are committees in Congress composed of men whose opinions would be of the greatest help to any man, no matter how profound his ability nor how wide his experience. The military committees of the House and Senate could aid by teamwork in smoothing out the difficulties of the Military Establishment and in solving the problems that confront it. The Committees on Foreign Relations could give advice and make suggestions of the greatest value and would be able to save us from many embarrassing situations. Each of these committees is composed of men learned and experienced along their respective lines and actuated by the one desire to aid their country. Such unity of effort would not only aid in a wiser solution of great and important questions but would establish a relationship between the executive and legislative branches of the Government that would be most beneficial. It would be helpful in the country and inspire the people with confidence in their representatives and make them feel that they are acting solely for the national good. It should be done, but it is not done. The President ought to coordinate himself, and the sooner he does it the sooner will governmental agencies be most effective. And, above all, will there be a feeling of patriotic unity throughout the country that I fear is now lacking but which ought to exist. To do this will not lessen the President's power and prestige, but will strengthen and exalt it and add to the Nation's efficiency.

Mr. President, do we know the largeness of the task before us? Do we measure the gravity of defeat? I fear not. The fight for gain is so fierce that it seems universal. Profiteering is everywhere. It is confined to no class or condition. The Nation's needs are the common prey. Why is this? It is not because we are not patriotic. It is not because we are wholly sordid. We have not come to realize what we must do to win this war. The people do not know the real facts. They will not cease their race for gain and profit till they do know the urgent need for sacrifice and self-denial. They have been told from day to day that things are going all right. They are assured that Germany is on the brink of collapse; that Austria will make a separate peace; that revolution is coming; that the German people are held to their Government only by the strong arm of despotism; and that the people of the central powers are on the verge of starvation. We are told that great armies are being formed, armed, equipped, and trained and that a million and a half men will soon be on the battle front; that submarines are being sunk faster than they are being built, and that this menace is being rapidly overcome; that millions of tons of shipping will soon be launched; and the sky will soon be darkened with aeroplanes. I do not minimize what has been done. We have done much, but it is not so much what we have done as what we must do that concerns me. This we have hardly begun, and this is what the people should be told. This they must know before they will forget self and gain and do what they must do to win this war.

I picked up a paper this morning which was published a short time ago, which contains an article I desire to read, because it simply corroborates what I have just said as to the reports which have been given out to the people. This was evidently an inspired article; it evidently came from information given to the correspondent by heads of departments or members of the administration. Listen:

Many encouraging features of the war situation have developed during the last few weeks. Aircraft construction is going forward satisfactorily—

Yet on yesterday, Mr. President, its progress was developed on the floor of the Senate. Is it possible that it is going forward satisfactorily when it is proceeding so that it looks like we shall get but 37 airplanes to France on the 1st of July? Did not the administrative officers of this Government know that situation when they gave out the impression that the airplane program is proceeding satisfactorily? If the progress shown yesterday is satisfactory progress, then God help our people—

machine-gun construction is ahead of schedule.

We have had information on the floor of the Senate how the machine-gun program is proceeding and how we have delayed and delayed month after month trying to devise a new machine gun, when France had furnished to us full plans of her machine guns, that have proved their effectiveness in this great war, and how we have had finally, after months and months of delay and experimenting, to come back to the French guns.

Transportation of troops is going on with little interruption or loss, and a reorganization of the bureaus of the War Department promises increased efficiency.

This correspondent gets the same idea that I have advanced here—and I am going to read what he says—as to the importance of cooperation between Congress and the Executive.

But the most encouraging feature of all is the initiation of a working agreement between the Executive and legislative branches of the Government through the medium of conferences of members of the Military Committees of both Houses of Congress with members of the war council. If this is to be a fixed policy, as intimated, it is certain to result in great benefit to the United States.

I hope that these conferences will not only continue, but I hope that they will be extended until they take place between the Executive of the Government and members of the Military Committees of the two Houses as well as between members of the Military Committees and members of the war council.

"Nothing must be said that will aid and comfort the enemy" has met every suggestion of lack of progress heretofore. The time has come to stop that cry. It is the refuge of the coward and the craven or the shield of the enemy's friend. No greater aid can be given Germany in this dark hour than to lull our people into a false security. We are no craven cowardly people. The bigness of the task does not discourage us. Dangers do not appall nor difficulties dishearten. Let us know what we must do and we will do it bravely, heartily, and well. The way to nerve our people and bring out their greatest effort is to let them know what is needed and what dangers confront them. Christian Science does wonderful things, but it does not make us ready for war. It does not supply the Government needs for a department head to say he is away ahead with his program, when the program is hardly begun. I have sometimes thought that the worse things are the rosier the picture given out. That is not wise. It is time to stop it. Department heads know better, and it is time for them to give the people the truth. If the 22,000 aeroplanes that we were to get to Europe this year will not be more that 300, as has been stated around this Chamber from time to time and if it is not to be more than 37 by the middle of the year, as stated on the floor of this Senate yesterday, tell the people so, and tell them why it is so. If they are to blame for the delay, tell them what to do and they will do it.

If the submarine is sinking the world's shipping faster than ships are being built, let the people know it. If they are to blame for the delay in shipbuilding, tell them how and they will bend every effort to meet this absolute need. If our soldiers and the people of the allied countries are threatened with starvation because we are not saving enough food for them, let the people know it and they will not only hasten and enlarge production but they will deny themselves to the limit. Make them feel that we must win by our own strength rather than through Germany's weakness and the response will be full and prompt. French statesmen do not hesitate to tell the world of their need and their extremity. Every citizen of this country should read the account of the address by the French high commissioner at Baltimore on the evening of March 18. The more we study it the more we feel the heroic suffering of France and begin to know what we must face. The French high commissioner does not hesitate because what he says may reach Germany. He wants to reach us; he must reach us if the French people are to be saved.

FRANCE MUST GET FOOD—TARDIEU PLEADS FOR INCREASED CEREAL SUPPLY FROM UNITED STATES—MANY LONG WITHOUT BREAD—ONLY ONE-THIRD OF INDISPENSABLE SUPPLY SENT OVER IN PAST THREE MONTHS, SAYS COMMISSIONER—HORSES REDUCED 50 PER CENT AND CATTLE SLAUGHTERED.

BALTIMORE, MD., *March 18*.

America must do more toward reducing the domestic consumption of cereals and increasing exports of that food to France, declared Andre Tardieu, French high commissioner to the United States, in an address he delivered here to-night before the Southern Commercial Congress.

"You must do it because it is a case of necessity, because it must be done," asserted M. Tardieu. "For these past three months our shipments of cereals from America to Europe have been short about one-third of the supply recognized as indispensable to strictly compressed needs."

The speaker was given an ovation by the diners, and his remarks concerning the need of food restriction made a profound impression.

BREAD CARD GIVES 10 OUNCES.

Summing up some of the economies of food practice in France, and to emphasize his request for more food from America, M. Tardieu said:

"You are aware that the French nation has always lived mostly on wheat bread. Our prewar consumption was 700,000 tons per month. Our present consumption has been now reduced to 530,000 tons, a reduction of about 25 per cent.

"Of course it was impossible to reduce to any great extent the bread ration of the soldier. That ration, which amounted in the first years of the war to about 25 ounces, has been progressively cut down to a little over 21 ounces.

"But, on the other hand, as regards the civilian population, we had to establish the individual bread card, allowing only about 10 ounces per day, which means barely the third part of the average daily bread consumption of the French peasant or workman before the war.

"Feeding of horses and cattle on cereals which could be used for the making of bread has been prohibited. This resulted in a decrease of 50 per cent in the number of horses in France and in an important reduction of our cattle.

"PROHIBIT ALL PASTRIES.

"We have radically suppressed, on the other hand, all flour-consuming industries. The manufacturing of biscuits and of pastry has been completely prohibited. Strict rules have been imposed on hotels and restaurants, namely, absolute suppression of fancy bread.

"I heard that some Americans, who were in France a few weeks ago, have been wondering why we have not kept the meatless days.

"This suppression of meatless days resulted from the lack of cereals for the cattle feeding, which involved the killing of cattle, and the killing of cattle was meant, on the other hand, to bring about a reduction in the human consumption of these same cereals. I may be allowed to add that of late my good friend, Mr. Hoover, insisted that as far as possible we ought to try to substitute the meat consumption for the consumption of these same cereals.

"We have reduced our sugar consumption by 49 per cent, our rice consumption by 61 per cent, our imports of dried vegetables have been reduced by 52 per cent, of oils and fats by 48 per cent.

"SOME DISTRICTS WITHOUT BREAD.

"The people who have imposed such sacrifices on themselves are a people who have kept fighting for almost four years; a people who have mobilized 7,000,000 men from a population which, excluding the invaded territories, does not exceed 35,000,000 inhabitants; a people whose women and children have taken the burden of industrial and agricultural work left by the men who joined the army; a people whose army lost over a million men in killed, over a million men in maimed; a people whose army, nevertheless, is still holding with an unconquerable steadfastness over two-thirds of the western front.

"Within the last weeks, despite the restrictive measures I have stated, there have been in France agricultural districts which had for days to put up with a complete, absolute deprivation of bread, which could not go on without endangering the physical and moral health of the nation.

"I am aware of what you have done in order to reduce your domestic consumption and to increase your exports; but you must do more. You must do it, for it is a case of necessity. You must do it because it can be done.

"We and our European allies—the British, the Italians—have been taught to suffer. Americans, who are now sharing our burden of blood and of death on the battle line, we are requesting you to share as well in the rear our burden of suffering. In order that you and we win the war, it is necessary that you here in America should all agree to a new effort and to new privations."

The Washington Post, in an editorial on this statement, says:

Whether the enemy is comforted by these facts or not, it is absolutely necessary that the people of the United States should not deceive themselves as to conditions in France. The first step toward giving effective aid is to know that aid is imperatively needed.

That is a truth that should have been uttered long ago and it should be followed by those in authority as to our own conditions.

We must put men on the battle line in western Europe. We must supply them with munitions, food, and clothing, and we must feed the allied nations. We must furnish ships to carry all these things to them and especially to our own armies. No one of these needs can be said to be more important than the other. To fail in one is to fail in all. From the time we entered the war the cry has been "ships, ships, and more ships." The allies have sent that cry across the sea. We have done much to meet it, it is true, but we should have done more and we must do more to win this war. Glowing accounts have been given out of ships built, of contracts let, of armies of workmen enrolled, and of millions of tons to be available, and to make assurance double sure we have been also told that submarine losses are falling off and that this danger is being overcome. What are the facts?

Listen! Oh, that every loyal citizen would listen to these facts and weigh over and over again their significance. In 1915 over 1,800,000 tons of shipping were sunk by the submarine. In 1916 over 3,400,000 tons were destroyed, and in 1917 over 9,100,000 tons fell a prey to this terrible weapon of destruction. In 1915, 685 ships sank beneath the waves, and in 1916, 1,310 disappeared, while in 1917 over 3,000 were the toll of the deadly torpedo. The average for January and February of this year is practically as high as for the preceding January and February.

Mr. President, I have read hastily the address delivered by the chairman of the Shipping Board last night. It is a very interesting address and it gives interesting information; but, Mr. President, I think it falls short of the great duty that rests upon the head of the Shipping Board to tell us not so much how we are progressing but what the enemy is doing to endanger our success in this war. It is all right to point out in glowing terms the difficulties that the Shipping Board has been confronted with, and what it has accomplished toward solving those difficulties, but it is more important to impress upon the people of this country what we must meet and what we must do in order to get our ships across the sea.

If there is any one impression that a citizen of this country would get from reading that address, to my mind, it is that things are in good shape; that we need not worry; that we are meeting the submarine; but, Mr. President, the fact is that if every ton of shipping that Mr. Hurley says is contracted for was built to-morrow, it would not replace the tonnage sunk last year by the submarine. That is what the people of this country must know; that is what Mr. Hurley and those in authority ought to give to them.

Oh, Mr. President, we need not worry about Germany knowing about this; they have come more nearly giving the facts with reference to the sinking of ships to our people than we have done or the allies have done. Oh, Mr. President, must this democracy in the conduct of this war depend upon autocratic Germany, its enemy, to get the facts with reference to what is being done? Mr. President, why is it that we get news from Germany with reference to our boys at the front before our own people give it to us? Why is it that 48 hours before we knew it from our own sources Germany had told us that American engineers had been captured on the battle line in Europe? Why is it that for 48 hours our officials were giving out to our people that these were Canadians? Why is it, Mr. President, that 48 hours ago Germany told the people of this country that American soldiers had been met in this, the greatest of the world's conflicts, and that they had been driven back; and why is it that for 48 hours our representatives have been telling the people of our country that our men were not on the firing line, and this morning comes the dispatch from Gen. Haig that American troops are fighting shoulder to shoulder with the French and English?

Mr. MYERS. Mr. President, I should like to ask the Senator a question. I will ask him if he believes everything he hears reported from German sources?

Mr. JONES of Washington. No, Mr. President; I do not. But when the German reports are verified hours and days afterwards, then it is a strange thing to me that our own people, who control the cable lines and the telegraph lines, do not give us the facts themselves. That is all I am complaining about, that we do not get the facts. I want the people of this country to have the facts. Why? Because I believe it is the best thing; because I believe it will be better for us in carrying on this world contest; I believe it will inspire and nerve the American people to make the sacrifices that are absolutely necessary if we are going to do our part in winning this great struggle. But as to our shipping: With the demands upon it much greater, the world's shipping has diminished since the war began from twelve to fifteen million tons. What are we doing to offset this terrible destruction? Last year, with nearly 10,000,000 tons sunk, the world built only about 4,000,000 tons.

Senators, I want to impress that fact on you, that with all the progress that we can hope to make in building ships, it will be almost the fall of 1919 before we will be building ships as fast as the submarine is sinking them, if it keeps up its deadly work.

This year the world will not build more than 6,000,000 tons, if it does that; and if the submarine keeps on its deadly work through this year as it did last, we will be short a further 3,000,000 or 4,000,000 tons that are so much needed. Building in English and American shipyards is not progressing and has not progressed as it should. Deliveries are behind the contracts, and if the submarine keeps up its work as heretofore, we can not hope to equal its destruction before the fall of 1919, with the greater part of this year's production not coming available until the last of this year.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSON of California in the chair). Does the Senator from Washington yield to the Senator from North Dakota?

Mr. JONES of Washington. I yield.

Mr. McCUMBER. The Senator has stated that we would probably produce—and I presume he means to include the allies—6,000,000 tons in 1918.

Mr. JONES of Washington. Yes; the tonnage produced by the world—not more than that.

Mr. McCUMBER. Well, what tonnage is the Senator giving—gross tons?

Mr. JONES of Washington. No; dead-weight tons.

Mr. McCUMBER. But the Senator has already stated that the world lost in 1917 nearly 10,000,000 tons.

Mr. JONES of Washington. I referred to dead-weight tons. The tons I am giving are dead-weight tons all the way through.

Mr. McCUMBER. Then, I want to call the Senator's attention to the fact that he is in error.

Mr. JONES of Washington. I venture to say my figures are not too low.

Mr. McCUMBER. No, indeed; they are not; but the Senator has misread the tonnage given by the British Admiralty as dead-weight tonnage, when, as a matter of fact, it is gross tonnage. The gross tonnage sunk since the beginning of the war up to the present time is more than 13,000,000, which amounts to about 16,000,000 dead-weight tons; so that the Senator in giving the probable construction of 1918 in dead-weight tons and comparing it with gross tonnage is making a comparison that is not altogether fair. If he would give it in gross tons, he would find that we will not construct—and when I say "we" I mean this country and our allies—more than 4,000,000 gross tons in 1918, even according to the most roseate estimates that have been made, and not 6,000,000 tons.

Mr. JONES of Washington. Mr. President, I am giving my figures in dead-weight tons, and I am taking my figures from statements made by our officials. They may be too low; I am afraid they are; but, as low as they are or as high as they are in some directions, they are bad enough; they make the outlook dark enough and are enough to inspire our people to greater effort. I am inclined to think the figures given by the Senator from North Dakota are nearer the actual facts, nearer the cold truth, but I am trying to be conservative in this matter.

Mr. McCUMBER. If the Senator will allow me, I take these figures from the British Admiralty figures which were published March 21, 1918, and the British reports are always in gross tons, and it is so stated: The gross tonnage lost in 1914 was 681,363; in 1915, 1,724,720; in 1916, 2,797,866; and in 1917, 6,623,623, making a total of 11,827,572 gross tons, nearly 12,000,000 gross tons; and that multiplied by 1.65 would give you your dead-weight tonnage, which would amount to about fifteen and a half million tons.

Mr. JONES of Washington. Yes; more than 18,000,000 tons.

Mr. McCUMBER. And that is the real loss.

Mr. JONES of Washington. Mr. President, I am glad to have those figures given. We will get the truth by-and-by; and the truth, I fear, will be nearer the figures of the Senator from North Dakota than my figures. My figures are, in round numbers, the official figures of the officials of our own Government.

Mr. MYERS. Mr. President, I should like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Montana?

Mr. JONES of Washington. Yes; I yield to the Senator.

Mr. MYERS. If the outlook is as bad and black and ominous as the Senator says——

Mr. JONES of Washington. Well, it is.

Mr. MYERS (continuing). If we are tottering and staggering on the verge of defeat and facing certain defeat, what good is accomplished by proclaiming it and dwelling upon it and spreading such disheartening doctrine to the people of our country?

Mr. JONES of Washington. Oh, Mr. President, this is not disheartening doctrine. This is presenting to the people of this country the facts, and that is what they need. That is what they have not been getting.

Mr. MYERS rose.

Mr. JONES of Washington. I can not yield to the Senator.

Mr. MYERS. I should like to ask one more question: What are we to do about it?

Mr. JONES of Washington. I wish the Senator would ask a question relating to the facts. I am simply giving facts. The Senator can draw his own conclusion from the facts. The Senator may not agree with me that it is wise to give these facts to the people. I believe that it is the highest patriotism to do it.

Mr. SHAFROTH. Mr. President, I should like to ask the Senator what remedy he has to suggest? Criticism accomplishes nothing unless you suggest a remedy.

Mr. JONES of Washington. I am going to come right to that in just a few moments.

Mr. SHAFROTH. Very well.

Mr. JONES of Washington. I will just say right here, that one of the best remedies is for the people in authority to tell the people of the country what the condition is, and what they must do and ought to do in order to remedy it, and then the people will do it.

Mr. MYERS. I should like to ask what the people can do?

Mr. JONES of Washington. If there is anything wrong with labor in our shipyards, let them know what is needed of them, and they will do it. No man can question the patriotism of the labor of this country. When they know what is required of them in order to win this struggle and save the world from autocracy and militarism you can depend upon them to do that, but as long as you tell them that everything is all right, that things are coming along well, that we are building ships faster than the submarine is destroying them, that everything is doing finely, they will take their days off; they will not work any harder than they feel that it is necessary to work.

Mr. MYERS. Mr. President, I should like to ask, What can the people do? What is there that they can do?

Mr. JONES of Washington. Oh, Mr. President, it is not so much what the people can do; it is what administrative officers ought to do to let the people know what must be done. When the people know it, then they will do it.

Mr. SMITH of Arizona. They tell them every day.

Mr. JONES of Washington. The Senator from Arizona says that they tell them every day. I have not been able to find it yet, and I read this speech of Mr. Hurley, for whom I have the highest regard and the highest opinion. I believe he is doing splendid work with the shipbuilding program. I have not any criticism to make with reference to that; but I think that if Mr. Hurley would tell the people just exactly what the situation is and what is needed, he would not have any trouble about getting a response from the people of this country.

Mr. SMITH of Arizona. Did he not do that last night?

Mr. JONES of Washington. No; he did not.

Mr. SHAFROTH. Mr. President, let me read to the Senator just a line or two with respect to what was said.

Mr. JONES of Washington. Oh, I have the speech right here.

Mr. SHAFROTH. I want the Senator to answer the very questions that are propounded here.

Mr. JONES of Washington. All right.

Mr. SHAFROTH. Here is what Mr. Hurley said:

When we took hold we found there was no shipyard in existence with which we could place an order.

Seventy per cent of the space in old yards was taken by the enlarged naval program; the remainder by private concerns.

There were 37 steel shipyards when we began. We have located 81 additional yards, and 18 others are being expanded.

We are building 235 new shipways, or 26 more than exist now in all the shipyards of England.

One concern in Seattle laid the keel of an 8,800-ton vessel, and it was launched in 64 days, and it made a voyage on January 14.

Mr. JONES of Washington. If the Senator is going to read all of the speech, I hope he will not do it in my time.

Mr. SHAFROTH. Here is just a summary of four or five lines more.

Mr. JONES of Washington. All right.

Mr. SHAFROTH (reading)—

It made a voyage on January 14.

The total of our steel construction on March 1 was 8,205,708 dead-weight tons, of which 3,045,408 were requisitioned.

Of this amount of tonnage, 28 per cent has been completed——

Mr. McCUMBER. Mr. President, will the Senator allow me to interrupt him?

Mr. SHAFROTH (continuing)—

This in addition to building our shipyards.

There are 332 wooden shipbuilding ways, which, added to the steel shipways, gives us a total of 739 berths for ships.

Mr. President, when you consider that we had nothing to begin with, that it was difficult to get men, that it was almost impossible to hire men, and is almost impossible yet to hire them, I say the record which has been made by this board is something that it seems to me is unequaled in the shipbuilding history of the entire world.

Mr. JONES of Washington. Why, Mr. President, declamation will not win this war.

Mr. SMITH of Arizona. Well, if it will not, why do we get it from that side of the Chamber?

Mr. JONES of Washington. Declamation will not meet the submarine's ravages. No questions are asked there to answer. That is simply a statement of what has been done. I am not questioning the facts that the Senator has read. I have not impugned them. Confess them all, for the sake of the argument. What impression does that give to the people? The very impression that I think is wrong. It gives to the people the impression that we are getting along all right; that we are able to meet the submarine. You will not find anywhere within the pages of that speech any statement with reference to the losses caused by the submarine; and I said a moment ago that granting the construction of every ton of shipping that Mr. Hurley says we have under contract—over 8,000,000 tons—still the submarines sank last year more than that.

Mr. SMITH of Arizona. How are we going to stop that? The Senator says declamation will not help win the war. If declamation will not help us, why do we have it?

Mr. KENYON. Mr. President——

Mr. JONES of Washington. The Senator from North Dakota rose first. I will yield to him, and then I will yield to the Senator from Iowa.

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Dakota?

Mr. JONES of Washington. I do.

Mr. McCUMBER. I want to ask the Senator from Colorado what construction he places upon the words which he read from the speech of Mr. Hurley, quoting him:

> The total of our steel construction on March 1 was 8,205,708 deadweight tons.

Does the Senator mean to say that Mr. Hurley intended to convey to the American people the impression that we had actually constructed 8,205,708 tons of shipping?

Mr. SHAFROTH. No, Mr. President. It says there exactly what was done.

> The total of our steel construction on March 1 was 8,205,708 deadweight tons, of which 3,045,408 was requisitioned.

That is what it means.

Mr. McCUMBER. Then, that would leave a balance of 5,160,300 deadweight tons. Does the Senator contend that Mr. Hurley intended to convey to the American people the impression that we had actually constructed, outside of the requisitioned vessels, 5,160,300 tons of shipping?

Mr. SHAFROTH. Mr. President, I do not know what Mr. Hurley understood.

Mr. McCUMBER. I am asking the Senator——

Mr. SHAFROTH. The Senator asked me what Mr. Hurley understood. I do not know what he understood.

Mr. McCUMBER. No; I am asking what the Senator understands. What construction does the Senator put upon those words?

Mr. SHAFROTH. I put upon those words the construction that there are now in course of construction, completed in many respects, some of them, and some of them not, 8,205,708 tons of shipping.

Mr. McCUMBER. Then, why did not the Senator say that there are contracts out to construct that many ships? The Senator knows as well as I do——

Mr. SHAFROTH. Mr. President, I did not say anything. I simply read the statement that is made here. That is what I have read.

Mr. McCUMBER. Yes; and gave a wrong impression to the Senate. The Senate would draw from that statement the impression that there had been actually constructed that many million tons, when, as a matter of fact, there have been just two ships of less than 20,000 tons constructed and put afloat and in use.

Mr. SHAFROTH. Mr. President, here is a statement which shows that enormous progress is being made in the line of shipbuilding. I do not care how many ships are being constructed if we are making as much progress as it is possible to make. That is the object and the purpose of this board, and that is what they are endeavoring to do. When a board takes hold of conditions where there are hardly any yards available, where nearly everything is being constructed for private ownership, where everything in the way of construction is occupied and can not be obtained, and yards have to be built, of course, it can not do this in a minute. It is mighty easy for a person by his hindsight to say what should have been done, and if our foresight were as good as our hindsight no doubt some errors would be corrected. But, Mr. President, the test as to whether this Government is doing things well is the test as to how the men are working, and if they are working faithfully and honestly and doing their very best in the matter then they ought to be free from criticism; and the criticism, instead of doing good, will do us harm.

What has England done during this time? What has France done during this time?

Mr. JONES of Washington. Oh, Mr. President, I can not yield for a speech.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. McCUMBER. Mr. President, will the Senator allow me to finish my statement with another quotation from the address that was just quoted by the Senator from Colorado?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from North Dakota?

Mr. JONES of Washington. I will yield to the Senator to do that, because I take it that it is in answer to what the Senator read a moment ago.

Mr. McCUMBER. He also stated:

> Of this total steel construction 2,121,568 deadweight tons, or approximately 28 per cent, has been completed.

What do the American people understand from that? I know that Mr. Hurley did not intend to be understood as saying that 28 per cent of this shipping had been completed. What he really intended to say, and what he did say in his explanation thereafter, was that we had progressed to the extent of 28 per cent of what would be required to complete those contracts; but we have not put out a single ship under them, except two ships that have already been set afloat.

Mr. JONES of Washington. Mr. President, I now yield to the Senator from Iowa [Mr. KENYON]. He wanted to ask the Senator from Colorado a question, and I will yield for that purpose.

Mr. KENYON. No, Mr. President. The Senator from Arizona [Mr. SMITH] asked a question as to what we were doing, or what we could do. I want to bear my testimony to the fact that we are doing tremendous work to end the submarine peril. The American Navy has cooperated with the British Navy, and is sending the submarines to the bottom about as fast as the enemy can make them; and our Navy has done great work.

Mr. SMITH of Arizona. I am agreeably surprised at that contribution to this oratory. It seems to me a little higher and a little more American than this constant criticism.

Mr. JONES of Washington. Mr. President, I do not permit the Senator from Arizona to question my Americanism in connection with this matter.

Mr. SMITH of Arizona. I do not question the Senator's Americanism——

Mr. JONES of Washington. Well, I do not want any suggestions of that kind.

Mr. SMITH of Arizona (continuing). But I question the Americanism of his speech.

Mr. JONES of Washington. Mr. President, there is more Americanism in my speech than there is in the suggestion of the Senator from Arizona that the truth be concealed, in my judgment. I may be wrong, and the Senator from Arizona may be right, but he is not any more patriotic than I am.

Mr. SMITH of Arizona. I am more silent in the way of criticism.

Mr. JONES of Washington. The Senator from Arizona has not any more of a patriotic purpose than I have. The Senator can not find, in the remarks that I have made, any criticism of the Shipping Board, or of the work that it has done. I defy him to find it there.

Mr. SMITH of Arizona. I am not speaking of that, if the Senator pleases.

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. SMITH of Arizona. I know it; and the Senator from Washington has not——

The PRESIDING OFFICER. If the Senator from Arizona desires to interrupt, he will address the Chair Then permission will be accorded by the Senator from Washington for any further remarks.

Mr. SMITH of Arizona. I am acquainted with that rule and have never violated it.

The PRESIDING OFFICER. The present occupant of the chair was laboring under the delusion that it was just violated, but he may have been in error.

Mr. SMITH of Arizona. I have seen the present occupant of the chair do the same thing on the floor.

Mr. JONES of Washington. Mr. President, I have studiously and carefully avoided making a criticism against the Shipping Board and its work, but I have stated the facts which I think they ought to state to the American people. I admit that they have done great things. I was going to say it if the Senators had not interrupted me; but what I am calling attention to is the fact that in my judgment the officials of this Government are not giving the facts to the people that would nerve the people and spur them on to do more. I do not say that it is the fault of the Shipping Board that more ships have not been built. I will have my say with reference to the work of the Shipping Board when the time comes for the committee that is investigating it to make its report. I am not criticizing it now.

Mr. WATSON. Mr. President——

Mr. JONES of Washington. Just a moment. I am not discussing the great patriotic work of the Navy, as suggested by the Senator from Iowa. He can not surpass me in praise and admiration of it. It can whip its equal of anything afloat that it can get at. Nobody questions the effectiveness of the Navy or its hearty, loyal cooperation with the navies of our allies. But, Mr. President, whether they are sinking the submarines faster than they are being built or not, the fact is that the submarine is sinking the world's shipping almost twice as fast as

it is being built, and it is doing it to-day; and that fact ought to spur the American laborer and the American capitalist and the American people to redouble their efforts, under the control and direction of the Shipping Board, to build more ships, so that as the Navy sinks the submarine the world's shipping may grow and increase to carry our troops.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Indiana?

Mr. JONES of Washington. I yield.

Mr. WATSON. The Senator has said that he has not offered, nor has he to offer, any criticism of the Shipping Board. I should like to ask him whether it is not a fact that they quarreled for four months, and something over——

Mr. JONES of Washington. I do not care to go into that at this time.

Mr. WATSON (continuing). Four precious months, as to whether they should build wooden ships or steel ships, and as to whether Gen. Goethals or Mr. Denman should have his way about it, taking almost six months of precious time, with nothing accomplished?

Mr. JONES of Washington. Mr. President, I do not care to go into that. I did not intend to do anything of that kind in my address. It is not my purpose to criticize the Shipping Board. I have carefully prepared my remarks so as not to do that. I will say here that I believe the Shipping Board is doing its utmost to meet the situation; and if I have any fault to find at this time, it is just what I have said—that they are not telling the American people the real facts and the real conditions and problems that they have got to meet in order to win this war. That was the sole purpose of my address, and I am not going off into these other matters. That applies to all the department and bureau heads as much as to them.

Mr. KING. Mr. President, will the Senator yield for just a suggestion?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Utah?

Mr. JONES of Washington. Yes.

Mr. KING. The Senator adverted a moment ago to labor, and stated that——

Mr. JONES of Washington. I am not going into details about that.

Mr. KING. I was just about to make this observation——

Mr. JONES of Washington. Very well.

Mr. KING. The Senator indicated that he hoped that labor and capital would do their duty. I was sincerely desirous that the Senate would conjure labor, in view of the fact that we have had nearly 4,000 strikes during the past year, to address itself earnestly to the pressing necessities of the hour.

Mr. JONES of Washington. Mr. President, I am not going into that phase of the matter at this time. Even if I grant—and I simply do it for the sake of the argument—the suggestion of the Senator from Utah, I am satisfied that it will be remedied if the Shipping Board will come to labor and tell labor of the danger that confronts us and of the need for it to put forth every effort—to work overtime in order to meet this danger. Labor will respond when labor knows what is needed and required of it.

Mr. President, when I was interrupted I was just going to say this: I saw my good friend from Minnesota here a moment ago, but he has gone; but I know his intense patriotism, and I was going to say this: I know my loyal, brave, intensely American friend the Senator from Minnesota will not admit that we are not going to curb the submarine. I hope to God we will, but it is not safe to count on that. Let us take the situation at its worst and redouble our efforts to meet it.

Now, I wish my friends would listen to what I intended to say when they got so anxious.

We are doing better. Things are running more smoothly. The investigation that we have conducted has done a great deal of good. It has spurred them to activity, and I think they feel we are trying to help them and not hinder; that we are not captious, but that we are trying to be helpful, and they are showing a desire for cooperation. And, right in that connection, Mr. President, I am going to refer to one or two matters that have been accomplished by this investigation. I know that some of the people in the country criticized Congress for investigating these different things. They say we ought not to be doing it; that it is hampering the Government. I venture to say that there is not a Senator on any committee that has been conducting any of these investigations that will not admit that every one of them has done great good and has made the Government stronger and more efficient to-day than it was when these investigations began.

Just as an illustration, contracts have been let much more promptly since this investigation began than they were before. There were applications pending from my State for contracts for the building of wooden ships, and this I know about personally. They were not acted upon. They had been before the Shipping Board a long time, with no action taken. I do not blame anybody; I am simply calling attention to the fact.

When this investigation was started and these matters were called to my attention I asked Mr. Hurley about them before the committee, and within two days I had an answer, stating that these contracts would be let. That was well, and other contracts have been acted on in the same way. I do not say that Mr. Hurley was to blame for the delay in connection with those contracts. Mr. Hurley was comparatively new at this work. I do not say that anybody especially was to blame, because these contracts had not been acted upon; the board has had a tremendous job to do. It is a fact, however, that they had not been acted upon, and it is a fact that they were acted upon promptly when the matter was called to their attention before the committee.

Again, Mr. President, what is the situation about contracts for wooden ships? We have been urging their construction. We need every ship that we can build. Mr. Hurley says that in his statement given to the committee. He says they are going to get every ship that can be built—steel and wood. We have the timber and the wood on the Pacific coast, but what is the report now? The report is that no more contracts for wooden ships will be let that involve the construction of new ways. There are shipbuilding companies on Puget Sound that are building ships for the Government that are doing the work satisfactorily. One company says, "If you will let us have the contracts, we will build five additional ways and put in the water 10 more ships this year," but they will not let the contracts. Why? It was stated a few days ago by a high official of the Shipping Board that they would not let these contracts because they did not know whether or not they would have engines to put in the ships when they are built.

My God, Mr. President! Is it possible that the people of this country can not build engines and machinery as fast as they can build ships? If that is the case, then we are in a bad way; but I do not believe that that is correct. I believe that we can marshal the laborers and the mechanics of this country, organize and mobilize our power and our skill and our labor to man every ship that is built and to build many more ships.

What do my people say? They say that if the Shipping Board will determine upon a definite program of building ships Oregon and Washington can furnish the lumber and the labor for 450 wooden ships every year, and they can do it. There is no doubt about it. I hope the board will soon adopt such a program. No one will criticize them for taking any reasonable risk in making contracts for ships in this hour of the Nation's need, but they will be criticized if they don't get the ships they could get.

We have done great things in the shipbuilding development. We have not done the best we could. When I say that I do not say it in criticism of the Shipping Board. It is more in criticism of the people of the country who have not responded to our needs as they should, because they did not know them.

We have not done the best we could, but grant that we have done much the needs are greater now than ever before. Our own needs are greater, the needs of the allies are greater. We need more patriotic and unselfish "know how," we need more energetic, faithful work, more earnest, faithful, patriotic workers, looking only to the performance of their task and a victory for our cause and country. Let those in charge of the work and who know the details and the needs tell the people frankly what is lacking or what is needed in the shipbuilding plants, in the engine-producing plants, and elsewhere and our people will do it. Trust the people. Have confidence in them. They will overlook mistakes honestly made.

I want to say to the Senator from Colorado there are mistakes, mistakes in action, mistakes in policy that I know are honestly and patriotically made, and I will never criticize them except to help correct them. The people will withhold harsh criticism in this hour of stress, but they will not condone hurtful and timorous concealment of real needs. They will not take boasting or self-glorification for genuine performance. Let department heads stop telling of what they think they are doing and do what ought to be done. The people will find out and give due credit for whatever may be accomplished.

Not only are we not building ships fast enough but we are not able to equip them as fast as we could build them. Not only is the present supply of foodstuffs very low but the pros-

pects for the future are dark and full of danger to us and the allies. We are failing in aeroplanes. Steel is slow in delivery. Engines and machinery are lacking. We must follow Germany's course and coordinate our industries to one end and aim—the prosecution of this war. We have the man power, if properly directed and used, to meet all these needs.

Now, let me tell the Senator from Colorado what I would do if we keep falling behind, if we do not come up with ships, machinery, food, fuel, and munitions. If this man power will not apply itself it should be applied by the Government. We have taken the flower of the land to fight and to die. If those at home will not work and sacrifice to support them they will have to be made to do so. It may not be opportune, we may not be ready for it, but I would vote to-morrow to take every man and woman in this country between the ages of 18 and 60 years and assign them to that work where they are most needed, regardless of what they are now doing.

That is no proposal to conscript labor. I would not conscript labor as such. If we are to have conscription outside of the Army it must be the conscription of every man and every woman, no matter what their occupation or work may be, without fear or favor. This ought not to be necessary. It may not be necessary if the people can realize what must be done. Oh, that some tongue of fire could arouse them to the needs of the hour. I wish the President of the United States would come to us not to interpret the thought of the people but to tell them the needs of the hour and point out our duty to the boys at the front and to the Nation. What he would say the papers would print, the people would read, and the response would be prompt and full.

Not only should we know the facts at home but we must not minimize the situation abroad.

Let us not deceive ourselves. Let us weigh these facts carefully to determine what is necessary. Germany is in a better position to-day than ever. She has conquered Russia and Roumania and forced from them a humiliating peace. Her eastern armies are free to act to the south or on the west as they see fit. They can strike when and where they will. Oil and minerals will soon be available to them in abundance. Within six months the menace of starvation will be over. The granaries of eastern Europe will be open to her without fear of interruption. They feel that they are victorious. This is the critical time for us and the allies. If we can win the war this year it will save us years of war, billions of money, and thousands of lives. If this war is won for us, we must win it, and we must do it before the allies are defeated. I am no military genius, but unless we exert our utmost power I see the possibility that the Salonikan army may be destroyed; Italy may be overwhelmed; France, brave and glorious France, may be brought to her knees; England, proud and tenacious, may be compelled to accept peace; and our brave boys may be confronted 3,000 miles from their base of supplies by the conqueror of Europe.

Then we will wake up, but it will be too late. Our Army will be lost. The peace imposed upon us will dim the glories of the past and be a perpetual humiliation for the future, all because we have failed to do our duty. What shame, humiliation, sorrow, and regret will go with us to our dying day if our boys come home defeated and disgraced and point their fingers at us and say: "We did our best but we failed. We were defeated because you failed to keep us supplied with what we needed to bring victory." Then indeed will we call upon the hills and mountains to fall upon us. Then indeed will we wish that we had never been born.

This possibility emphasizes to me what we are fighting for and what the issue is that demands the sacrifice of so much wealth and noble manhood upon a foreign soil. We did not go into this war in the interest of the world. We did not go into it in the interest of Europe. We did not go into it to restore ancient boundaries nor to avenge the wrongs of foreign peoples. We went into this war for America. We went into it for the United States. We went into it for our own people. We went into this war to defend and maintain the rights of American citizens, to uphold the Nation's sovereignty, and to deserve the respect of the peoples of the earth. All these things are at stake now, and more. The very essence of our national life is in danger. The Pilgrim Fathers braved unknown dangers and death for the right to live the life they wanted to live. The priceless right to live and be governed in their own way carried Washington and his devoted band through the sufferings of Valley Forge to the glorious victory at Yorktown, and burst in full fruition at Gettysburg and Appomattox. We are threatened with the loss of that priceless heritage. The right to live our own national life in our own way is the issue at stake on the western battle line in Europe. It is more precious to us now than it was in the past, because it is enriched by the sacrifices, courage, and blood of those whose fame will never die. That right will be preserved. It must be preserved. Our people will preserve it no matter what the cost may be, and in preserving it for ourselves we will preserve it for a liberty-seeking world and the humanity of all time.

Mr. President, this is what our boys are fighting and dying for. May we nerve and cheer them by showing to them that the soul of this people is aroused; that we will make any sacrifice; that we will endure any privation; that we will forget self and forego gain; and that every resource and every ounce of the Nation's power is behind them until victory crowns their efforts, ennobles their sacrifices, and rewards their valor. Let the German people know that we hold them our enemies so long as they sustain and uphold a system that would impose upon us the burdens, the dangers, the brutality, and autocracy of militarism, and that we will wage this war with all our energy, with all our resources, with all our manhood, and with all our power until we are safe and secure from the dangers of that awful curse to freedom, liberty, and individual happiness and national life.

Mr. President, we have put our hand to the plow; we must go to the end of the furrow. If militarism is not destroyed abroad it will be enthroned at home. The issue is worth all the cost. Every resource and activity of our people must be directed to the production of food, fuel, clothing, guns, ammunition, war equipment, aeroplanes, naval vessels, railroad transportation, and ships, manned and equipped. The one supreme thought, purpose, and aim must be to wage this war. Let capital give up its gain and labor forego its reward. Let self be forgotten and personal ends forsaken until we are forever free from the danger and threat from within or without of militarism.

Mr. ASHURST. Mr. President, I should like to have the Secretary report the pending amendment.

The PRESIDING OFFICER (Mr. FRANCE in the chair). It will be stated.

The SECRETARY. On page 5, under the heading "Suppressing liquor traffic," the House text reads:

SUPPRESSING LIQUOR TRAFFIC.

For the suppression of the traffic in intoxicating liquors among Indians, $150,000.

At this point in the bill the committee proposes to insert the following:

Provided, That the sale of anhalonium or peyote to an Indian, or its introduction into the Indian country, shall be, and is hereby, declared to be a violation of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506), and punishable in accordance with the penalties provided for therein.

Mr. OWEN. Mr. President——

Mr. ASHURST. Will the Senator allow me to ask a question for information? I anticipate a point of order against the amendment; in fact, three or four Senators have told me that they are going to make a point of order on this particular provision. I have been looking over the matter during the last hour, and I fear it is subject to a point of order. A point of order is not debatable. I ask permission, therefore, to include in the RECORD certain matter found at the bottom of page 7 and the top of page 8 of the committee's report, and also a letter from Dr. Wiley and some of the testimony from the Smithsonian Institution in reference to the drug called peyote. I ask that permission because I could not ask it after the point of order is made, as it would not be debatable.

Mr. OWEN. I now make my point of order and submit for the RECORD the following letter in justification of it.

Mr. ASHURST. Let me ask the Senator, Is the letter a petition of the Osage Tribe?

Mr. OWEN. No; it is from the Arapahoe, Cheyenne, Kiowa, and Comanche Tribes.

Mr. GALLINGER. The Senator from Arizona submitted a mass of material that I think he ought to have summarized and told those of us who know very little about this matter exactly what the argument on that side has been. The Senator from Oklahoma offers a paper. I ask that that paper be read, whatever it may be.

Mr. OWEN. I shall be pleased to have it read. It is a letter from these Indians asking that this legislation be not passed.

The PRESIDING OFFICER (Mr. KING in the chair). The letter will be read.

The Secretary read as follows:

WASHINGTON, D. C., *March 23, 1918.*

To the Hon. ROBERT L. OWEN,
United States Senate:

The undersigned delegates, representing the Arapahoe, Cheyenne, Kiowa, and Comanche Tribes of Indians in the State of Oklahoma, hereby respectfully present to you, and through you to the Oklahoma delegation in Congress, Senators and Representatives, their petition requesting the Oklahoma delegation to regard the wishes of our tribes in the matter of pending legislation on the use of peyote.

The people of our respective tribes believe that the use of peyote is not only harmless but that it is positively beneficial to us, and that the prohibition of its use by Congress would be a sad misfortune to our people.

Therefore we ask that when the bill relating to this subject is brought up for consideration in the Senate and in the House of Representatives the wishes of our tribes will be given due consideration by you, and that, if consistent with your judgment, the pending bill be opposed.

Very respectfully,

JOCK BULL BEAR,
CLEAVER WARDEN,
PAUL BOYNTON,
Arapahoe Delegates.
REUBEN TAYLOR,
JOE WILLIAMS,
CHIEF LITTLE HAND (his X mark),
JOS. MIGUEL,
Cheyenne Delegates.
J. W. WALDO,
CHARLEY JACKSON (his X mark),
KIOWA CHARLEY (his X mark),
Kiowa Delegates.
WILBUR PEAWO,
Comanche Delegate.

Mr. ASHURST. I will ask the Senator from Oklahoma to withhold the point of order just long enough to have read a letter from Dr. Wiley on this subject. It is a very short letter, and I ask that it be read.

Mr. OWEN. I withhold the point of order, Mr. President.

The PRESIDING OFFICER. The Secretary will read the letter sent to the desk by the Senator from Arizona.

The Secretary read as follows:

FEBRUARY 6, 1918.

DEAR SENATOR ASHURST: I have just been called on the phone and told that a hearing is to be held before your committee this afternoon on the subject of peyote or mescal button.

I made some investigations of this deadly drug a few years ago by administering it to one of my assistants, Mr. E. E. Ewell, who consented to make the trial. Mr. Ewell is now dead, so could not be called as a witness.

I am suffering from a very severe cold and can not appear before your committee in person. I desire, however, to make an earnest plea to your committee to prohibit the use of this insidious drug among the American Indians. It is driving many of them to ruin. Its effects may be compared in some particulars to those of cocaine. It causes the victim, who becomes semiconscious, to have the most wonderful sensations of delight and pleasure, especially through the visions of flowers, sunshine, and verdure, which rise before him. The intoxication lasts from 24 to 48 hours and then gradually passes away. During its continuation the person is totally unfit for any useful purpose. It is a typically habit-forming drug, and to those who indulge in it the desire for its use becomes uncontrollable. The active principle is probably a resin or a glucoside. It probably is of the same nature of the poison in Indian hemp. Its use can no more be regarded in the light of a religious rite than that of alcohol, morphine, or cocaine. Its entire prohibition would conserve the financial, physical, mental, and spiritual welfare of the Indians.

I ask you to read this letter to your committee and to have it appear in its proceedings.

Respectfully, H. W. WILEY.

Hon. HENRY F. ASHURST,
United States Senate, Washington, D. C.

Mr. ASHURST. I send to the desk and ask, without reading, that the report of the committee on this subject, found at the bottom of page 7 and the top of page 8, be included in the RECORD.

The PRESIDING OFFICER. Without objection, the request of the Senator from Arizona is granted.

The matter referred to is as follows:

SUPPRESSION OF LIQUOR TRAFFIC (GRATUITY).

Estimate, $150,000, and allowed by House and the committee.

Two amendments have been added to the House provision, one prohibiting the sale of "peyote" to an Indian, or its introduction into Indian country, and the other making possession by a person of intoxicating liquors in the Indian country, where prohibited by treaty or Federal statute, an offense.

Respecting "peyote" or anhalonium, some of the Indians seem to regard the use of this herb or plant as sedative and not harmful and others object to its prohibition upon the ground that it is used by the Indian as a part of his religious ceremonies. The weight of the testimony heard before your committee seems to justify its exclusion from the Indian reservations, because its effect is harmful. It appears to be a dried bean, round in shape, and is smoked, eaten, or taken as a potation when made into a liquor or tea. Some written objections to this provision prohibiting its use appear in the record of the committee hearings. Several briefs and arguments against the use of the drug and justifying the amendment are incorporated in the committee's hearings.

In the Indian appropriation act approved May 18, 1916, Congress provided that—

"The possession by a person of intoxicating liquors in the country where the introduction is prohibited by treaty or Federal statute shall be prima facie evidence of unlawful introduction."

This legislation has helped very much in this important work, but we are often confronted in the prosecution of these cases with the defense that the liquor was found or purchased from some one within such territory, and therefore no action can be taken because the real offender is not known. This plea is oftentimes without foundation, but it is impossible to rebut same. It therefore becomes necessary to make more stringent the law on this subject.

The Indians in Oklahoma, and especially at Osage, have considerable funds, and because of their wealth and the valuable oil and gas lands it becomes necessary to protect them to the fullest extent against intoxicating liquors. Intoxicants are often used for the purpose of debauching the Indian and to procure his signature to a lease or deed of or to valuable land. With legislation indicated making it an offense to have liquor in possession within the Indian country, this traffic would be reduced to a minimum and it would afford greater protection to the Indians.

The PRESIDING OFFICER. Is the point of order presented for the determination of the Chair?

Mr. SHAFROTH obtained the floor.

Mr. ASHURST. I am willing to leave the point of order to the determination of the Chair. If the Senator from Colorado will pardon me, as he has been recognized, the question whether the sale to Indians or the introduction into Indian country of a certain substance called peyote should be prohibited is one that has been before the Senate Committee on Indian Affairs a number of years. In this bill the Senate committee, after voluminous hearings, included a provision that this drug, sometimes called peyote, or anhalonium, should not be imported into Indian "country."

Mr. GALLINGER. Will the Senator permit me for a moment?

Mr. ASHURST. I have not the floor; I am speaking in the time of the Senator from Colorado. I will yield if I can do so.

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Hampshire?

Mr. SHAFROTH. I yield to the Senator from New Hampshire.

Mr. GALLINGER. The question I wanted to propound is this: We are trying to conserve the health and the lives of the Indians. It is a phrase that is frequently used, that they are the wards of the Nation. Am I correctly informed when I am told that this particular drug is so intoxicating that it inflames the brains of the Indians and is even worse than whisky, for instance?

Mr. ASHURST. The testimony shows that this drug is sometimes eaten like dry tobacco. Peyote grows on a small cactus plant. It is eaten or it may be brewed into a tea and drunk as a potation. The point of difference, or the line of cleavage, as to prohibiting its use arises in this way: Most of the Indians that use it, as far as I am able to learn, use it in the nature of a sacrament at some of their religious ceremonies. It is not used as is tobacco; it is not used as is alcoholic liquor by the American people; but it seems to be used by the Indians as a sort of sacrament in some religious function, some religious rite.

The testimony seems to be conclusive that the drug, when drunk as a potation or when taken in the dry leaf or button, produces a most agreeable and felicitous state of feeling, a rapturous delight on the part of the one who takes it; that is to say, to a person filled with peyote a cloud that in fact was dark would turn into a rosy sunset of pastelle shades, and a mountain of insignificant proportions would become one of gigantic proportions and of symmetrical outline. In other words, peyote produces an exhilaration of imagination, followed by a nervous reaction that sinks the patient into sullen gloom.

Mr. GALLINGER. Does the Senator know whether or not they use it at the snake dances?

Mr. ASHURST. No; I am not aware that it is used at the snake dance, unless it be that it is made into a potation and drunk at or during that ceremony.

Your committee took the view that the use of this drug should not be allowed if possible to prevent it. Your committee took the view that this drug should not be allowed to be imported into the Indian country. Your committee felt that the sale of peyote to Indians should be prohibited. In my judgment, from a practical standpoint, it is almost impossible to prevent the Indians from using it, because it grows on our side of the Rio Grande and we can not prevent the Indian from gathering it. He knows where it grows, and how you can prevent him from secretly gathering, drying, and using it I do not know.

Our amendment does not penalize an Indian for gathering and using it. It simply penalizes the sale of peyote to the Indians or the importation of it into the Indian country.

Mr. OWEN. At the conclusion of the remarks of the Senator from Colorado I shall renew the point of order on parliamentary grounds, not on the grounds of health or other consideration.

Mr. SHAFROTH. Mr. President, I have been astonished at the course of the discussion in this Chamber during the proceedings of yesterday and to-day. I must say that I do not like the criticisms that have been made, because I think they are unfair. I do not think they are made in the spirit which should animate a Senator of the United States in this crisis. It seems to me these attacks are prompted by passion little short of madness.

Mr. President, it must be remembered that the United States was not a warlike Nation at the beginning of this war. We had lived in peace. Our people were opposed to enormous armies. Ever since the Civil War there had been a continued policy to hold the size of our Army down to the minimum and to prevent

every effort to enlarge it. We did not at that time realize that any nation would willfully disregard our rights on the high seas or ever attempt to destroy those rights. We believed nations were honest in their intentions and in their purposes, and, consequently, when this war came upon us we were not prepared. We could not have been prepared except through action of Congress in the various matters of legislation that were necessary to change our settled policy years in advance of the time of present need.

When on the 6th of April, 1917, we declared a state of war existed between the United States and Germany there was begun the most tremendous task of equipping our Army and Navy, and in every way making ready for this great struggle. Contracts of hitherto unimagined dimensions, involving expenditure of most stupendous amounts, were made. Because the terms of some of those contracts have not completely been carried out are our officers to be held up to ridicule and scorn? Is it possible that men will not recognize that it is only elementary justice to accord commendation and encouragement to officers who are giving the very best that is in them, and that to withhold condemnation is a duty?

A great uproar has been voiced over the delay in aeroplane construction. It was repeated yesterday time and again that about 20,000 aeroplanes, or a very large number, were to be finished by the 1st day of July of this year, but that their completion had been delayed 90 days. Senators have had experience with contracts, they have had experience in building, and they know it is most difficult ever to get a contract performed in the time that the agreement prescribes.

Is it to be contended that because a contractor can not comply with his covenant the officer of the Government who is straining every nerve to complete the war equipment must be blamed for it? What is there fair in a contention of that kind, and what result does it bring? What is the remedy proposed? There is no remedy proposed. The officers are doing the very best they can, and when they are doing that we should commend them.

Mr. President, we know that the steel plants at the beginning of the war were crowded with orders. We know that minerals even could not be found that were necessary to go into the construction of the metal parts of aeroplanes. We know that the wood for the frames was still growing in the virgin forests. When contractors undertook to manufacture this large number by the 1st of July the only expectation that could reasonably be entertained was that they would use every effort and every endeavor to accomplish that result. It is said that in order to get the proper timber in sufficient quantity for the aeroplanes and ships it was necessary to build railroads to the forests to cut the timber, after which it had to be seasoned and prepared for use.

Is it to be the rule that where the contractor failed or where delay was encountered in procuring material that officers are to be held up to scorn? What is the object of criticism of that kind? It is that those in authority must be removed. That is the only logical conclusion to be deduced.

Those who know Secretary Baker know that he is an incessant worker; they know that he works day and night upon the problems constantly arising and pressing upon him for solution. Mr. President, we know that at night in the War Department there are hundreds of persons diligently working to hasten these contracts and to carry forward the multifarious undertakings designed to furnish our Nation with a proper military equipment. It is but just and proper that we show consideration for the official who refuses to be swept off his feet and demand time when it is available before rendering a weighty decision.

Suppose it is decided to build wooden ships. Instantly there is criticism. It is declared to be an economic waste to build wooden ships when steel ships are the only ones which should be constructed. When the question arises as to whether a certain type of ship should be built and an interval is taken for consideration, even though the delay is not serious nor the question clear, and the net result means the difference of only 15 or 20 days, it is complained that the decision should be entered in a moment. Are we to condemn an official in such a case as that?

Mr. President, we find that when some contracts were awarded there was a great protest about their being let at too high a price. Yet there would have been greater criticism if the usual time of advertisement for bids had been given than that insufficient time was not given for bids. Any number of such objections may be made. The only thing that we can say with fairness is that the officers have done what seemed to them best. They exercised their best judgment.

Suppose you were to remove Secretary Baker; is it possible that you could put a new man in that position who would be as well qualified as is he? There has been criticism about military men letting contracts of this kind when they have not had proper experience and are not skilled in business affairs.

Mr. President, some people objected very strenuously to military men doing this work, and made a demand for business men of large experience. We created various boards with civilian membership, and they were criticized.

Then there was criticism to the effect that perhaps the best man was not selected as Secretary of War. Mr. President, if you were to select a new Secretary of War to-day, have you any assurance that the man you select would be any better than the present Secretary of War? The testimony before the Senate Committee on Military Affairs shows that a wonderful amount of work has been done by Secretary Baker, and he deserves the highest praise and commendation.

Six or eight months ago there was a campaign of abuse against the Secretary of the Navy, Mr. Daniels. Yes; he was held up to scorn and ridicule; but, Mr. President, no voice of criticism is raised against him now. Everybody concedes that he is making one of the best, if not the very best, Secretaries of the Navy who has ever filled that high and important office.

Suppose you turn out one official and appoint another, are you going to better conditions? Is it not true that in such a case you would be removing a man who has had experience, which is most valuable, and substituting one without such experience? Is not it still true that it is unwise to swap horses in the middle of a stream?

Mr. President, take the question of shipping: I want to repeat and read what I read before; I think it is a marvelous statement, proving the speed and the effectiveness of the Shipping Board in its vital task of ship construction.

The statement is:

> The total amount of our steel construction on March 1 was 8,205,708 dead-weight tons. This is made up of 5,160,300 dead-weight tons under contract with the Emergency Fleet Corporation and 3,045,408 dead-weight tons of requisition vessels.

Of this amount of tonnage 28 per cent has been completed.

Mr. President, what does that mean? It means an enormous amount of tonnage has been completed, according to the statement of the chairman of the Shipping Board. He says here in the text of his speech:

> Of this total steel construction 2,121,568 dead-weight tons, or approximately 28 per cent, have been completed.

That is the amount.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Hampshire?

Mr. SHAFROTH. I yield to the Senator.

Mr. GALLINGER. What does the chairman of the Shipping Board mean by "have been completed"—that the steel has been completed?

Mr. SHAFROTH. I suppose it means what it says—completed.

Mr. GALLINGER. The ships are not completed.

Mr. SHAFROTH. Yes; that is as I understand it; that is what he says.

Mr. GALLINGER. Oh, well.

Mr. SHAFROTH. I do not know. These are the people who, as a matter of fact, know what they are doing when they say that it has been completed. I do not know why——

Mr. GALLINGER. But he was talking about steel.

Mr. SHAFROTH. About what?

Mr. GALLINGER. He was talking about steel, not steel ships.

Mr. SHAFROTH. No. The statement is:

> The total amount of our steel construction on March 1 was 8,205,708 dead-weight tons. This is made up of 5,160,300 dead-weight tons under contract with the Emergency Fleet Corporation and 3,045,408 dead-weight tons of requisition vessels.
>
> Of this total steel construction 2,121,568 dead-weight tons, or approximately 28 per cent, has been completed. That means that in addition to the building of our new yards, we have also been building ships; that is, the program for steel ships has advanced 28 per cent toward completion.

I want the whole truth to be known. I have not read this entire speech as yet, but I have read the synopsis of it. How can you build completed ships inside of six or eight or nine months?

Mr. GALLINGER. Mr. President, if the Senator will permit me—I am not going to get into a controversy over that—the Senator led us to believe, or at least intended to lead us to believe——

Mr. SHAFROTH. No.

Mr. GALLINGER. I think he believed himself that 28 per cent of the ships have been built. If we go up one of the streets of Washington where they are constructing a great office building, we may find the steel construction up, but no-

body would think of occupying that building, although the steel work has been completed.

Mr. SHAFROTH. I have not read this entire statement; it was handed to me while the Senator from Washington [Mr. JONES] was speaking, and I did not have time to read the text of the speech, but there was a synopsis of it here, which would seem to show great activity, and it is not open to the construction which the Senator from New Hampshire places upon it. The statement is that 28 per cent of the steel construction—put it in that way; I care not what it is—has been completed. That shows activity; it shows that there has been as much work done as could possibly be done. For that reason this should not be the subject of criticism.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from North Dakota?

Mr. SHAFROTH. I do.

Mr. McCUMBER. I think the Senator from Colorado has gotten a misunderstanding of that, judging from his discussion with the Senator from New Hampshire [Mr. GALLINGER]. I think Mr. Hurley makes the matter very clear. After making the statement that "2,121,568 dead-weight tons, or approximately 28 per cent, had been completed," he then states:

> That is, the program for steel ships has advanced 28 per cent toward completion.

Mr. SHAFROTH. Yes.

Mr. McCUMBER. That does not mean that he has completed a single ship.

Mr. SHAFROTH. Of course, the ships are in various stages of construction; there is no doubt about that; they are not all in the same stage of construction.

Mr. McCUMBER. It simply means that, taking the entire contract, they have completed about 28 per cent of it in actual work. That does not mean that a single ship is afloat.

Mr. SHAFROTH. That may be; but, Mr. President, there can be no doubt that that exhibits great activity; that it demonstrates the fact that there has been energy and activity displayed which is remarkable, indeed.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Utah?

Mr. SHAFROTH. Yes; I yield.

Mr. SMOOT. Mr. President, I sincerely hope that the future will show greater activity than has been shown in the past, because, if it has taken over a year to arrive at the point where 28 per cent of the program has been completed, then before the program is completed it will take, at the same rate, nearly four years; and I am quite sure, if the Senator from Colorado will think the matter over, he will ask that greater activity be shown in the future than has been shown in the past.

Mr. SHAFROTH. Of course, we want these ships constructed as rapidly as possible, but it requires time to get ready to build them. Mr. President, look at this statement in regard to the condition which confronted the Shipping Board at the start. The statement is:

> Seventy per cent of the space in old yards was taken by the enlarged naval program, the remainder by private concerns.

So when the Shipping Board began its operations there were no slips upon which could be built either wooden ships or steel ships. Is it expected ships will rise as if by the touch of the lamp of Aladdin? You can not build ships in that way. You have got to take time to prepare the ways, and you have to take time to get the steel. The steel plants were busy; they had orders months ahead and could not take these contracts and manufacture and fabricate the materials into the proper shapes in a month's time. Mr. President, this statement says:

> There were 37 steel-ship yards when we began. We have located 81 additional yards, and 18 others are being expanded.

Mr. President, what more can be asked? Congress is ready to appropriate all the money that is necessary to win this war. There is no doubt that these men are anxious and ready to put these ships in commission and to get them over where they can be an effective force.

Mr. President, in the construction of ships great difficulties have been encountered. For a long while sufficient men could not be obtained. Are the members of the Shipping Board to be criticized because men will not work? Again, the employees of the shipyards at times went on strikes. Are the members of the Shipping Board to be criticized because some of the workmen engaged in the construction of ships quit their jobs? Is there any fairness in making a charge of that kind?

Mr. President, it seems to me that when we take into consideration the fact that we were unprepared—the fault of Congress and not the Shipping Board—and that when they took up their task the conditions were deplorable, the Shipping Board should be criticized or commended according to the conditions as they found them and according to how they have improved the opportunities that have been given them.

There has been a demand for a great Army. I have heard criticisms made as to the manner of raising the Army. Some have said that the men were called out too quickly before the ships were ready to transport the troops oversea. Others have complained bitterly that we have not a large force in France. Others have said that they were organized before we had guns ready to place in their hands. Others have uttered criticism because the bore of the Springfield rifle was changed and modified so as to accommodate ammunition made and used in Europe. Others have stated that we ought to have adhered to the old bore of the Springfield rifle and continued to grind out the rifle which we were prepared to manufacture.

Why, Mr. President, no matter which side of any proposition was presented, it has been made the subject of criticism; but it is not fair; it is not right, when men are doing their best, that they should be subjected to criticism because of conditions over which they have no control. If any officer, agent, or employee of the Government has willfully done something wrong, then, of course, there should be criticism, and there should be removal.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. SHAFROTH. I yield to the Senator.

Mr. FALL. I desire to understand, if I can, the Senator's position with reference to this matter. It seems that he is expressing his opinion, and, I judge, that of others. Does the Senator take the position in a republic, a democracy, where the business is purely the people's business, that, right or wrong, there shall be no criticism of the acts of public officers, although they may, in the judgment even of the Senator himself, tend toward public disaster?

Mr. SHAFROTH. Oh, no, Mr. President, I do not take that position. There is such a thing as fair criticism and such a thing as unfair criticism, in my opinion.

Mr. FALL. Undoubtedly; I thoroughly agree with the Senator as to that; but I understood the Senator to say that, unless it was apparent that some public official was willfully pursuing a wrong course, he should not be criticized. Why, Mr. President, in my judgment——

Mr. SHAFROTH. No; I did not go to that extent.

Mr. FALL. I was simply going to say that, in my judgment, in the office of the Secretary of War or in any other great department of the Government from this Chamber to the White House, ignorance is more to be condemned than willful intent.

Mr. SHAFROTH. There is no question that if there is negligence, if officials are loafing upon their jobs, or if there is a clear intention of avoiding work or anything of that kind, of course there ought to be criticism; but what seems to me to be unfair, Mr. President, is that men who are straining every nerve trying to get the Nation in a condition to make an effective fight instead of being encouraged are subjected to severe criticism for things beyond their control. Such critics do not take into account the difficulties we had to encounter at the beginning of this war; they do not take into consideration the fact that those difficulties were almost insurmountable. It seems to me that the weight of that fact ought to be kept in mind in any discussion of these problems.

Mr. President, I did not rise to make a speech. These suggestions have come to me since I have been on the floor, and have come largely from the newspaper containing Mr. Hurley's speech in New York last night that was handed to me while the Senator from Washington was addressing the Senate. It seems to me from the statements that are made concerning the Shipping Board, the Aircraft Board, and other war work of the Government, that the results have been truly wonderful, especially when we consider that it has taken us less time to accomplish the results achieved than it took England, although England was much further advanced toward a war footing than we were. It seems to me that we should be congratulated upon the fact that such good and effective work has been done. Let us stop such unfair criticism and bend every energy toward the winning of the war.

Mr. WILLIAMS and Mr. OWEN addressed the Chair.

The PRESIDING OFFICER. The Chair promised to recognize the Senator from Oklahoma [Mr. OWEN]. Does the Senator from Oklahoma yield to the Senator from Mississippi?

Mr. OWEN. I yield to the Senator from Mississippi.

Mr. WILLIAMS. Mr. President——

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. WILLIAMS. I do not rise to interrupt the Senator. I rise to take the floor.

Mr. OWEN. I have made a point of order against an item on page 5 of the appropriation bill.

Mr. WILLIAMS. That can be withheld for a while, can it not?

Mr. OWEN. How long does the Senator wish to occupy the floor?

Mr. WILLIAMS. I do not know; that depends on how much I am interrupted.

Mr. OWEN. Will not the Senator let me make the point of order? It will only take a moment to dispose of it.

Mr. WILLIAMS. Certainly.

Mr. OWEN. I make the point of order that the amendment to which I have referred, on page 5, is general legislation on an appropriation bill. There is no question about the point of order being well founded.

The PRESIDING OFFICER. The Chair is of the opinion that the point of order is well taken, and sustains the point of order.

Mr. ASHURST. I ask that the next passed-over amendment be read.

Mr. OWEN. I now offer an amendment to come in on page 66, after line 4.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The SECRETARY. On page 66, after line 4, at the end of the item relating to the Five Civilized Tribes of Indians, it is proposed to insert the following:

The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States, from funds on deposit to the credit of the Chickasaw Tribe of Indians in Oklahoma, the sum of $15,000 to be used for construction and equipment of dormitories at the Murray State School of Agriculture at Tishomingo, Okla., and to be immediately available in addition to the sum of $50,000 provided for the same use by section 18 of the Indian appropriation act of March 2, 1917.

Mr. OWEN. Mr. President, I send to the desk a letter from the Assistant Commissioner of Indian Affairs justifying this item. The purpose of the amendment is to use funds of the Chickasaw Nation for the Murray State School of Agriculture at Tishomingo. I ask that the letter from the Assistant Commissioner of Indian Affairs be printed in the RECORD.

The PRESIDING OFFICER. In the absence of objection, the request will be complied with.

The letter referred to is as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, March 25, 1918.

MY DEAR MR. HASTINGS: Referring to your inquiry in regard to the proposed construction of the dormitories for the Murray State School of Agriculture, Tishomingo, Okla., I wish to say that bids have just been received for the construction of the two dormitories in accordance with the plans and specifications which had been presented by the authorities of the school, and the lowest bid so received is in the sum of $54,400. You will recall that the appropriation carried in the Indian appropriation act of March 2, 1917, was for $50,000, for constructing and equipping these buildings, and therefore the bid in question is $4,400 in excess of the amount which is available for construction of the buildings, exclusive of equipment, and approximately $10,000 will be required for this purpose.

Very truly, yours,
E. B. MERITT,
Assistant Commissioner.

Hon. W. W. HASTINGS,
House of Representatives.

Mr. WILLIAMS. Mr. President, I understand from the publication of the CONGRESSIONAL RECORD this morning and from reports in the newspapers of what occurred yesterday that there was a most pathetic appeal from the Senator from California [Mr. JOHNSON] for "pitiless publicity," and that the senior Senator from Massachusetts [Mr. LODGE] exclaimed in terms that thrilled everybody: "Let the truth be known." But for that fact I would not communicate what I am now going to communicate to the Senate, and through the Senate to the country. I have just received a cablegram from the front in France. It is in my own private cipher, unknown to Germany, or the allies, or President Wilson, and I therefore can not send it up to the desk and ask to have it read at the desk because the Secretary can not decipher and read it. I shall, therefore, be forced to read it myself:

MARCH 26, 1918.

Hon. JOHN SHARP WILLIAMS,
Senior Senator from Mississippi:

Most critical day of this long and hard battle. Withstood attacks of the Teutons here with comparative satisfaction. Huns attacked with infantry, cavalry, heavy and light artillery, aeroplanes, and gas. Had to give way a bit, but are not downhearted. Rumor of attack on Washington. How about it?

To which I sent this reply:

Purely a gas attack—poisonous, of course, if it had got us. Enemy was carefully prepared; we were in a measure taken unawares; most of us not present; but, in the providence of God, the wind shifted and the enemy was stifled.

(Signed) JOHN SHARP WILLIAMS.

[Laughter.]

Mr. President, it just so happens that while the Wisconsin election is taking place, between loyalists and disloyalists of the United States, this attack by poison gas in the Senate of the United States was made, and I am sorry to say not only made upon the Republican side, but partially followed up upon the Democratic side—just about the time when we were trying to determine whether in Wisconsin a man in the past lukewarmly attached to America and the allies was to be elected to the Senate or a man who all the time has been outspoken and absolutely patriotic. There was no connection, of course; I do not charge that there was; it was just accidental; it was just incidental; it just happened that way; and it just happened that what aid and assistance was given to it on this side was the aid and assistance of those who also had been in the past somewhat lukewarm in their support of the administration and therefore in their Americanism.

Mr. President, the men at the head of the Shipping Board, the Aircraft Board, and the other boards of the Government preparing for the war are, as a rule, prominent Republicans of the country. They are true, patriotic, and honest in every sense of the word. It is not against them that they are Republicans; it is in their favor under a Democratic administration that they are; but I mention the fact merely to show that these men, who were probably recommended by Republican Senators, are the people at fault, if anybody is. As a matter of fact, I do not believe that anybody is, except that, of course, now and then we find a man put in charge of a job who is not equipped for the job. He may be a Republican; he may be a Democrat; he may be a Populist; he may be a Socialist; he may be anything.

The peculiarity of this entire attack consists in this, that there is no attack on the patriotism or the motives of any man who is trying to do this war work; we are all trying to do it; but upon the very day that is the most critical day in this long and hard fought battle in Flanders and France, which the house of Hohenzollern is carrying on against the forces of civilization, it happens that this gas attack was made in the city of Washington in the Senate against this administration.

Who doubts the honor, who doubts the honesty, who doubts the patrotism, who doubts the earnestness of the head of this administration? Who dare utter publicly such a doubt? I pause for a reply.

If anybody is to blame, Democrats and Republicans both are to blame, but neither of the two parties is to blame as a party at all. If anybody is to be blamed, it is the American people, and the American Congress representing the American people. Whether you blame them or not depends upon your standpoint. I do not blame them, because I think their conduct in the past has been right. It has been the conduct of a people prepared for peace, for progress, for industry, and unprepared for war, believing in their hearts, as I myself believed before this war began, that the time had passed when any autocracy or aristocracy or dynasty could plunge the world into murderous assault. You thought so as well as I; it was the American policy; and the American policy was right. It was to keep unprepared for war in order that we might be prepared for peace, for industry, for progress, for education, for civilization; but here you stand upon the 26th of this month with the Kaiser and the Huns, in more senses than one the descendants of the men who worshipped Woden and Thor and who are worshipping Woden and Thor to-day, rather than the gentle Jesus that walked by the lake of Galilee, with these Huns while they were making a final last effort to prove that might was right; that strength and force and discipline and effectiveness could overcome righteousness and mercy and love and civilization in this world. It just so happened that you selected that day to make an evidently prepared attack upon this American administration.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from North Dakota?

Mr. WILLIAMS. I do.

Mr. McCUMBER. I ask the Senator to yield to me because I know of the patriotism of the Senator from Mississippi, and I am certain that he recognizes that I am as patriotic and as earnest for winning this war as any man in the United States, and that I will not recognize any party during this war in the matter of conducting the war; that we must win, and we must win unitedly; and we must lay aside our party prejudices and our affiliations wherever and whenever they conflict with our duty to support our Government. But I want to ask the Senator if he does not think that possibly he may have been a little unfair in a statement which he has just made concerning the battle in Wisconsin, in which he says, if I understood him correctly, that it is a battle to determine whether one who has

been merely lukewarm shall be made a Senator of the United States, or one who has been for the Government and right and patriotic all the time?

I want to say that I agree with the Senator that if either one of those two men that are pitted against each other has been lukewarm in this great battle, then he ought to be defeated. We do not want anyone in the Senate of the United States today who is lukewarm. But I have understood that both candidates have conducted their campaign on the standard of Americanism and the battle for Americanism; and I have understood, also, that both Mr. LENROOT and Mr. Davies have at all times been earnest, patriotic American citizens, each of them ready to do anything in his power to win this war. If that is true, then any statement that goes out from so patriotic a Senator as the Senator from Mississippi which would challenge the patriotism of one of these candidates, if it is not well founded, is an injustice, and I know that the Senator himself would be the first to correct it if he thought it was.

Mr. WILLIAMS. Mr. President, the Senator from North Dakota and I know one another well enough to know that neither one of us has ever been from the beginning of this controversy, from the sinking of the *Lusitania* down to now, in the slightest degree lukewarm toward the cause of the American Government. He has not been; there is too much Scotch in him. I have not been; there is too much Welsh in me. But, Mr. President, I am not prepared to apologize or explain what I said a moment ago, if I am correctly informed. The gentleman in whose behalf this attack upon the administration has operated—whether it was so intended or not I can not say—was the gentleman who, I understand, voted in favor of an embargo against our sending food or munitions of war to Europe, on the ground that it all had to go to the allies, while Germany could not receive any. The same man, if I understand his record correctly—and if I misunderstand it anywhere I hope to be corrected—is a man who voted against allowing our merchant ships to arm themselves for self-defense while they were subjected to the villainous and assassinative attacks of the German submarines. The same man, if I understand correctly—and about that I may be mistaken—voted against the declaration of war against Germany after we had received the injury of the sinking of the *Lusitania*, and the insult of telling us that we could have a little part of the high seas to sail in and trade in, provided our vessels went painted like a barber's pole! If I find that I am incorrect about any of that, I shall stand corrected; but if I am not incorrect about any of it, then I say he was lukewarm. It is too late when he is seeking a Senatorship to profess ultrapatriotism.

The Senator says that after the campaign started in Wisconsin both candidates placed themselves upon record as being ultrapatriotic. One of them went so far as to say that patriotism alone was his platform.

Mr. SMOOT. Mr. President——

Mr. WILLIAMS. Wait a minute. But "as the twig is bent, so the tree grows"; and as the man before we declared war was prepared to defend the honor of America or otherwise, so he remains biased, pro or con, later, and he can not help it.

Mr. SMOOT. Now, Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. WILLIAMS. Yes.

Mr. SMOOT. The only reason I interrupt the Senator is because he asked to be interrupted.

Mr. WILLIAMS. Yes.

Mr. SMOOT. I want to say to the Senator that Mr. LENROOT did not vote against the declaration of war with the Imperial German Government.

Mr. WILLIAMS. So much of that statement which I have made, then, is a mistake, and is acknowledged as one, because I know that the Senator from Utah would not tell me it was an error unless it was; but the other facts remain. Here we were with out rights upon the high seas, American citizens insisting that a neutral had a right to his life when he sailed upon the high seas; and here were these men, including Mr. LENROOT, asking the Government of the United States to tell an American citizen that he should not sail upon a neutral ship, or upon a belligerent ship owned by a private party. Here were these men insisting upon an embargo to keep us from sending food or fuel or munitions to Europe, our undoubted neutral right. Here were these men voting against arming our merchant ships to defend themselves against deep-sea assassins. Am I mistaken upon either one of those positions? If I am upon either, I will correct it.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. WILLIAMS. I do.

Mr. SMOOT. I have not looked that up; but I did look up the other question when the charge was first made in the public press, and I know that the first charge is not true.

Mr. WILLIAMS. What is the first charge?

Mr. SMOOT. As to the declaration of war.

Mr. WILLIAMS. Well, that is all right; I have corrected that. The Senator's statement is sufficient.

Mr. SMOOT. But the Senator asked me if he was correct in the other two charges.

Mr. WILLIAMS. The other three.

Mr. SMOOT. I say I have not looked up that question; but I want to say that if the charge is correct, there were Senators here who voted for it——

Mr. WILLIAMS. Oh, yes.

Mr. SMOOT. Wait just a moment; and there were Members of the House——

Mr. WILLIAMS. Yes.

Mr. SMOOT. Democratic Members of the House——

Mr. WILLIAMS. Yes.

Mr. SMOOT. Who voted for it; and since then the President has appointed them to responsible positions in the Government.

Mr. WILLIAMS. Yes.

Now, Mr. President, I want to say this: I am no longer a Democrat nor a Republican while this war lasts. I am not a partisan at all. I will vote against any Democrat nominated for office in the State of Mississippi, Bourbon Democratic as I am and as it is, if the Republicans nominate a man more loyal than he is. Now, that is a good deal, coming from a Bourbon Southern Democrat. I will face every situation that can put itself forward in my own State; and I am not condemning any Republican who is lukewarm in this war any more than I am condemning any Democrat who is equally so. I do not care a continental cent about his partisan politics, and I am asking you not to care. I am asking you to take the same position that I take—that if one man has been either unpatriotic, or even lukewarm, and another man of the opposite party to yours or to mine runs against him, support the man in the opposite party; and I am pledging you a word that so far has never been consciously violated that I will follow that course, even in the State of Mississippi, Southern Bourbon Democratic State as it is.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Utah?

Mr. WILLIAMS. I do.

Mr. SMOOT. I want to say to the Senator that there has not been a power asked for, there has not been an appropriation made——

Mr. WILLIAMS. Oh, well, the Senator must pardon me. If the Senator rises to ask a question, I will yield. I did not rise for the purpose of discussing the relationship of the Republican Party toward the appropriation bills and the tax bills and all that. The Republicans as a whole have been patriotic and true to the country. Take that admission. Now, I decline to yield any further.

Mr. SMOOT. I just wanted to make this explanation to the Senator——

Mr. WILLIAMS. No; I decline to yield any further, unless the Senator wants to ask a question. I did not get up here to make a long speech.

Mr. SMOOT. The Senator asked me a question, and I simply rose to answer it.

Mr. WILLIAMS. Well, what is it?

Mr. SMOOT. Now, I do not care about answering it nor do I care whether the Senator asks the question or not.

Mr. WILLIAMS. What was the question? I do not remember asking the Senator any question.

Mr. SMOOT. The Senator refuses to yield.

Mr. WILLIAMS. Mr. President, if I asked the Senator any question which he has not either answered or attempted to answer, I do not remember it.

Mr. GALLINGER. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from New Hampshire?

Mr. WILLIAMS. Certainly.

Mr. GALLINGER. As Mr. Davies has never been a Member of either House of Congress, how does the Senator know what Mr. Davies would have done had he been a Member?

Mr. WILLIAMS. I do not, of course, know what he might or might not have said on the floor of either House.

Mr. GALLINGER. No; exactly.

Mr. WILLIAMS. Nobody except God knows what a man who has never been a pig would have said if he had been a pig.

Mr. GALLINGER. That is all right; but let the Senator answer my question civilly.

Mr. WILLIAMS. I am answering it civilly. No man can answer a question as to what a man would have said if he had been a lawyer, if it be admitted that he was not a lawyer.

Mr. GALLINGER. Very well. If Mr. LENROOT to-day puts himself on the same platform of patriotism that Mr. Davies does——

Mr. WILLIAMS. Of course he does.

Mr. GALLINGER (continuing). What right has the Senator from Mississippi to go back and find out that Mr. LENROOT exercised his judgment precisely as some Democrats exercised theirs?

Mr. WILLIAMS. Oh, yes; and the Democrats who exercised their judgment in the same way that Mr. LENROOT did were lukewarm to America.

Mr. GALLINGER. But one of them, at least, has been appointed by the President to high office since then.

Mr. WILLIAMS. I can not help that.

Mr. GALLINGER. No.

Mr. WILLIAMS. That may be. It may be that it was done with the hope that he would prove less lukewarm in the future. I do not know. I am not criticizing your party. I am not criticizing mine. I am merely trying to show that Republican criticisms of the Democratic administration are unwarranted whenever they are partisan.

Mr. GALLINGER. Mr. President, will the Senator permit me to interrupt him further?

The PRESIDING OFFICER. Does the Senator from Mississippi further yield to the Senator from New Hampshire?

Mr. WILLIAMS. I do.

Mr. GALLINGER. The Senator seems to put himself on a plane of patriotism higher than other men. I do not agree to that at all.

Mr. WILLIAMS. Oh, no; not higher than other men, but upon a plane of patriotism very much higher than men placed themselves who voted against letting American merchant ships arm themselves to prevent assassination, and upon a plane of patriotism very much higher than men placed themselves who wanted to vote for an embargo against America's exercising her neutral rights of sending munitions and arms and fuel to Europe. Now, in that much I place myself upon a superior plane, yes; I do not care whether it affects Democrats or Republicans.

Mr. GALLINGER. With the permission of the Senator from Mississippi, I want to say that it is a trifle late in the day for the Senator to be putting himself on a higher plane of patriotism than some of the rest of us.

Mr. WILLIAMS. I do not put the Senator from New Hampshire on a lesser plane. He voted right all the time, so far as I know.

Mr. GALLINGER. I support Mr. LENROOT. The Senator supports Mr. Davies, as the Vice President does.

Mr. WILLIAMS. Oh, I suppose the Senator is supporting Mr. LENROOT simply because Mr. LENROOT is the Republican candidate; and if Mr. LENROOT had been the Democratic candidate and our man had been the Republican candidate he would have voted to support Davies.

Mr. CALDER. Mr. President, will the Senator yield?

Mr. GALLINGER. Mr. President, I assume, if the Senator will permit me, that the Vice President of the United States, who has left his seat in the Senate and is now on the stump in Wisconsin advocating Mr. Davies's election, is doing it because he is a Democrat.

Mr. SMITH of Arizona. That was the cause of all this.

Mr. GALLINGER. I assume that he is supporting Mr. Davies because he is a Democrat.

Mr. WILLIAMS. That reminds me of something which I had very nearly forgotten. I believe perhaps the occasion, if not the cause, of this outbreak against the administration was that the Vice President of the United States has gone to Wisconsin to make speeches.

Mr. GALLINGER. Oh, no; we do not care anything about that. It is not important.

Mr. CALDER. Mr. President, will the Senator yield?

Mr WILLIAMS. One moment; I will yield in a minute. I am not sure of that; the Senator from New Hampshire denies it, but it is another of those remarkable coincidences where one of two things may be the cause of the other and one the effect of the other, or where it may be a mere accident that they coincide. But, at any rate, the objection of the Senator from New Hampshire, and his mention of the fact that the Vice President had gone to Wisconsin, rather strengthens me in the suspicion that I had to a slight degree formerly entertained, of partisan Republican bias in the attack of March 26 evidently concerted.

Mr. GALLINGER. The Senator is oversuspicious on that point.

Mr. CALDER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from New York?

Mr. WILLIAMS. Yes.

Mr. CALDER. The Senator has intimated, or the Senator has said, that Mr. LENROOT'S vote on the McLemore resolution was unpatriotic. Does the Senator know that his own representative in the House voted the same as Mr. MCLEMORE did?

Mr. WILLIAMS. Who is my own representative? I did not know I had any.

Mr. CALDER. Mr. SISSON.

Mr WILLIAMS. Oh! Oh! [Laughter.] Mr. President, I did not know I had any representative in the House, and I have not learned so yet.

Now, Mr. President, I am making no partisan speech, unless a speech in defense be a partisan speech.

Mr. CALDER. Mr. President, will the Senator yield further?

Mr. WILLIAMS. Yes; although I wanted to conclude.

Mr. CALDER. May I ask, Does the Senator imply that the Representative from the district in which he resides is also disloyal because——

Mr. WILLIAMS. The gentleman whom the Senator mentions is not the Representative from the district in which I reside.

Mr. CALDER. At least, he is from the Senator's State.

Mr. WILLIAMS. Oh, yes; from the same State; but the Senator calls him my representative. I never made him my representative. He is not my representative yet. I do not want to be reduced to the point of talking about men by name. I have not done that thus far.

Mr. CALDER. But the Senator referred——

Mr. WILLIAMS. I have not defended anybody that cast that sort of vote, and I am not going to defend him; I do not care where he came from, nor to what party he belongs; and the Senator can not charge any of it up to me, no matter how anxious he may be to do it.

Mr. President, I do not know that I know the American people any better than anybody else does. I am rather inclined to think that maybe I do not know them as well as a great many other people in the Senate and House know them, because if there is a man living who recognizes the fact that he is to a certain extent a provincialist, I am the man. It may be that I can not size up public opinion in the far North, Northeast, and Northwest as well as some other men from some other sections of the country. I am a southerner, with a southerner's prejudices, and a southerner's traditions, and a southerner's ideals, and a southerner's limitations, which are great. But, Mr. President, if I do know the American people, I know this about them, that they are ready to forgive errors when errors are ascertained by the makers of them and rectified; and that, whether ascertained and rectified or not, if the entire policy comes out successfully, and upon the whole is efficacious and effective, they are ready to give praise to the policy rather than quarrel with it on account of its little defects. That is my opinion of the American people.

There have been those who have said, "Do not judge other people by yourself"; but I have always thought that there was no other way of judging other people except by myself. That would be my way of judging this thing, and I therefore believe it is the way of every fair and honest and patriotic American to judge it.

Now, of course, it is an easy thing, with a million or two million men called from the pursuits of peace to warlike endeavor and high daring; with a Navy to be increased two or three fold; with airplanes to be built, even without factories in which to build them; with guns to be manufactured; with clothing manufactories to be deflected from the ordinary clothing of the ordinary people to uniforms and overcoats of the soldiers; with troops to be sent abroad before the troops had the big guns and the airplanes; with our ally, France, begging us to send them, begging us to send them without guns or appliances, and saying that she could supply them just as well and more cheaply—of course it is easy, under all that state of affairs, to go around and find where John Thompson sometimes suffered from the inefficiency of this entire, great, revolutionized system, and where Jim Smith fell helpless in a hospital because a Government calling millions of men into camp, organizing improvisotorially—if I may manufacture a word—a force of surgeons

found now and then a man who has got a commission as a surgeon who did not know anything about medicine and did not know anything about surgery. Of course, when you come forward with the case of Jim Johnson or Billy Thompson and face me with it, and you are a truthful and an honest man, I take it for granted that you know all about the case of Jim Johnson or Billy Thompson, and I can not meet it. You can go out and get 10 more cases like it, and I can not meet them. I could arraign the Union Government and the Confederate Government during the War between the States, if I did nothing but go out and hunt mistakes and incidental cruelties and sufferings falling to the lot of individuals on one side or the other because of inefficiency and ineffectiveness of men in high station, or in comparatively high station; and I could forever damn the Federal Government and the Confederate Government, both. But history will forever recite the fact that the Nation that "rose and fell without a stain" rose and fell as a very effective fighting force on this earth, and that the Nation which conquered her was still more effective in spite of all the little faults of both. Yet there were men in the Federal Army and in the Confederate Army who mistook measles for scarlet fever, and mistook rash for one or the other, and there were men who went out under Mr. Lincoln's commission as brigadier generals and colonels that were not fit to command a company, as there were men who went out under Jeff Davis's commissions in the same way.

Mr. President, you can take your choice and have it one way or the other, but you can not have it both ways. You can not "keep your cake and eat your cake," both. You can either be a great, civilized Nation, devoted to progress and to the happiness of the human race, consecrated to the cause of liberty, worshiping Jesus of Nazareth, the God of mercy and of love, pursuing the avocations of peace, and preparing in peace for more peace as God shall give it to you, with still greater prosperity—you can be that, or you can be, upon the other hand, a military Nation, prepared off the bat to fight the world if the world dares come, sacrificing education, sacrificing religion, setting aside mercy and righteousness and love in the great business of being ready to whip the other fellow, or to attack and conquer the other fellow. You can be that; and if you are, you would be very much more efficient for war than you would be if you occupied the former standpoint. But, Mr. President, after you get through, and after you have trained a generation or two of men in that sort of so-called efficient way, they are—these men whom you have trained and mistaught—no longer American citizens, dedicated to the cause of liberty and consecrated to the cause of humanity, but they are machines—they are not even machines, they are bolts in machines; and the country which they would constitute would not be worth the trouble of any man's dying for it, much less the trouble of any man's living for it.

Of course, we were a people prepared for peace, and not prepared for war; and I thank God that except when we had to go into war in self-defense in the days gone by, we determined rather to take our chances when war should come, to "muddle through" as best we could two, three, four, maybe seven years—hardly longer—than to keep oppressing the people with the down weight of taxes, of financial and home burdens, taking not only the money of the citizen but the life of the citizen for two or three years to train him to whip somebody when a war came.

Now, we are going through it all right. Upon the 26th, which was yesterday, the Teutons on the other side of the water—these people who worship the god of military efficiency and of might, who are the descendants of the men who worshiped Thor and Woden and who are still to-day substantially worshipping Thor and Woden—made their attack in all their magnificent panoply, superior in coordination, superior in discipline, superior in efficiency, man for man, to the men who stood in front of them, no matter how superior the men who stood in front of them may have been as men and not mere bolts in a military machine.

They made their attack with all that superiority, and up to the last hour we have heard from, thank God, we are still holding them, in spite of guns that shot 66 miles, in spite of a long 40 years' preparation of airplanes and machine guns, and big guns, and infantry, and Uhlans and other cavalry inferior to them, man to man and company to company, in discipline, in military efficiency, although their superiors, as we are, in intellect and in the love of righteousness and mercy and devotion to the cause of love and humanity on this earth.

It is long since we English and Americans and French passed the period when we believed that might was right. It is a long time ago since we passed the period when we believed that if you wanted anything from your neighbor all you had to justify yourself was to have troops enough to go and take it. We stood the battle there in Flanders on the 26th. Suppose it goes against us.

There is too much pessimism in America here lately. I am tired of it. Suppose the worshippers of Woden and Thor break through between the French and the English? Suppose they throw the French back upon Paris and throw the English back upon the coast? Suppose, what I do not believe is possible, that they surround and capture the French Army, with the city of Paris! Suppose that Italy gets discouraged and quits! Suppose the English Army has to make embarkation at Dunkirk and Calais and Bordeaux and get back to the "tight little island" as best it may and leave a whole lot of dead and prisoners behind them! Suppose it all happens, am I downhearted? No. I believe that the two great English-speaking races can withstand the attack of the entire continent of Europe, even if they made Russia and France active allies, and they will have a hard time doing it. They may do it with Russia; they can not do it with France.

Mr. President, for God's sake, why is it that we can not obey the injunction of Charles Kingsley and "hold our hearts up higher for those who are fighting afar," instead of coming into this Senate about once a week in an apparently prepared and preconceived way for the purpose of throwing doubt upon the efficiency and the ability of our governmental machinery?

We of this generation are not responsible for our governmental machinery. The Constitution tells us how we shall elect a President and Senators and Representatives and how all the other officers shall be appointed. We find some of you complaining about machinery who do not want to give the President even the liberty to swap machinery. I find some of you holding the Senate back when the President is asking you when here is a round peg in a square hole or a square peg in a round hole to let him swap them. One of these pegs happens to be in one department and the other happens to be in another. He, the President, says, "I can use them both if you will leave me free and give me some elasticity of authority," and while you enemies of the administration are criticizing out of one corner of your mouth the inefficiency of his executive force you refuse out of the other side of your mouths to give him power to help himself.

Mr. President, it is a sad day for America when upon the 26th of March there ought to have been heard pæans of praise, not for success, for no man can claim or boast of success, but every man can deserve it—not for success, but for the fact that our allies and our own boys, as far as they were in it, had at least deserved success. Instead of this Chamber ringing with pæans of praise upon that day, telling how nobly and steadfastly our allies have stood, how bravely they have died, how the God of their religion, the God of love and mercy and righteousness and civilization might have taken them up under His two hands and lifted them to heaven as they died; instead of all this, so richly deserved, this great Nation, as it is represented in the Senate of the United States, presented the spectacle of a debate as to how many airplanes we had a year or something else—hypercriticism, supercriticism, mere partisan quarrelsomeness.

Now, I can not go into details about airplanes and things, because I do not know anything about it. The Senator from Colorado [Mr. SHAFROTH] has gone into the details to some extent. The Senator from Kentucky [Mr. JAMES] did it the other day, and some of the other Senators did. Mr. Hurley has made a statement to the House committee. I do not know much about it; but I do know this and you know it, too, every one of you, and not one of you dare deny it—I pause for denial—it is that if there has been any falling down, if there has been any failure, and of course there must be both, with all this great revolution of an entire people in the revolution of aspirations, ideals, and purposes, from peace and progress to war and destruction—you know as well as I do, and not one of you dare say to the contrary, that every man charged with the responsibility was doing the best he knew how. If you had been in his place, you could not have done any better than you knew how.

What greater devotion can a man give to his country than to do his best? Who says that any of these men has not done his best? It may be true that some of them are square pegs in round holes and somebody else ought to be put in their places, and that they ought to be kicked out; but it is also true that the administration has been following the weeding out process as well as it could and has weeded out thousands upon thousands; and it is also true that whenever a man was weeded out that, if he got a pull, he came to his Senator or Representative to get weeded back. Is not that true?

Mr. President, I want to repeat one more thing and then I am going to sit down. As far as I am concerned, for the balance of this war I know no Democracy and I know no Republicanism. I am for men who are hot-bloodedly and aggressively and offen-

sively, if necessary. Americans, antihyphenates; and I am against men who are lukewarm, cold-hearted even when they are not unpatriotic, or who, recent converts, have been so in the past. I will vote against any Republican in the class I have described, upon the one side, for any Democrat in the class I have described, upon the other. A Bourbon southern Democrat by tradition and environment and aspirations and love, as I am, if the Republican Party at the next election would nominate a man who had been absolutely patriotic and true from the beginning, not only from the declaration of war but before it took place, aggressively and absolutely in favor of American rights and American honor, and the Democrats were to nominate a man whose record upon that subject I considered doubtful I would vote for the Republican and ask God to forgive me for the first offense of that sort I had ever committed in my life. [Laughter.]

Mr. FALL. I should like to ask the Senator from Mississippi a question.

Mr. WILLIAMS. I have surrendered the floor.

Mr. FALL. The Senator is making a declaration now as to whom he would vote for. I should like to know what the Senator would do if confronted with the record of a Republican who had supported the President in every instance according to the Senator's own ideas, and——

Mr. WILLIAMS. I am not contending that the support of the President——

Mr. FALL. Will the Senator allow me? I speak of one who in every instance had voted with the Senator. Suppose the Senator in a State was confronted with the candidacy of that man upon the Republican ticket and an unknown man with no record whatsoever upon the Democratic ticket, for whom would he vote?

Mr. WILLIAMS. I answer very frankly, I would try to find out the unknown man. [Laughter.] If I found that the unknown man, from my inquiries, even though he had not been hallowed as a Member of the House or the Senate in his entire life course, had shown the utmost patriotism and the utmost aggressive Americanism, I would vote for him against the Republican, because as between the two equally meritorious I would stand by my party, and so would the Senator stand by his party.

Mr. FALL. But suppose the Democrat had no record of any kind or character but was unknown.

Mr. WILLIAMS. The Senator does not hit this case. The Democrat in this particular case has a record.

Mr. FALL. I am not hitting at any case—far from it.

Mr. WILLIAMS. Then I go further. If I found in the case the Senator mentions that that so-called Democrat pretending to the utmost loyalty and patriotism and Americanism had never displayed any until after he was nominated, I would not vote for him.

Mr. FALL. The Senator means that if there had been no opportunity for the Democrat to proclaim his loyalty from the housetops.

Mr. WILLIAMS. No; I do not.

Mr. FALL. The only politics injected here has been injected by the Senator this afternoon, in so far as I have heard, and he has persisted in his entire speech to inject politics.

Mr. WILLIAMS. I will take one minute more to answer that. That statement is absolutely incorrect. There is not a man within the sound of my voice who does not know that in committee service and in service upon this floor I have attempted to the best of my ability to avoid partisan politics since this war began, and that so far as I have entered that field to-day I have entered it only in defense of an attack of an iron hand in velvet gloves, in my opinion largely induced by partisan motives made upon the 26th of March, while the other enemies of this administration were attacking us in Flanders. I may have been mistaken, but that was my motive.

Mr. FALL. No one else referred to the Wisconsin election, and the Senator, giving full play to his imagination——

Mr. WILLIAMS. In other words, Mr. President, if a man attacks me sub rosa and with velvet gloves and does not say the why nor wherefore, and if I undertake to tell that I suspect his why and wherefore, then I am to be put in the attitude of attacking and he is to be put in the attitude of defense?

Mr. FALL. Any possible word that may be uttered here, not in laudation of some candidate upon the Democratic ticket, or in laudation of some act of some Democratic official, but in any way tending to criticize the acts of such official, or tending to call attention to some one, is called disloyalty. If any attention is called to any act of omission that such act may be corrected, if it happens to be a Democratic official who is guilty of the omission or the commission, that is disloyal.

Mr. WILLIAMS. I just want to say this, and then I am going to give up the floor. If the object of the criticism is to correct and rectify, then the criticism should be made first not upon this floor but to the executive department, to the proper official. I have had several cases, in two of which I demanded a court-martial and have gotten it, and in both cases the persons of whom I complained as misusing their authority have been removed, one of them by an agreement to resign and the other otherwise. If the object of the criticism of the Government in time of war is to rectify mistakes, then at least the privilege ought to be given to the head of the department under which the mistake has been made of reporting it to him and trying to get relief there before it is exploited here as a cause of complaint and attack, and aid and comfort to the enemy.

Mr. OWEN. Mr. President, I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. OWEN. Where is my amendment?

The PRESIDING OFFICER. It is before the Senate.

Mr. CURTIS. I should like to occupy two or three minutes.

Mr. OWEN. I was in hopes that we could have a vote on it.

The PRESIDING OFFICER. The Chair recognizes the Senator from Kansas.

Mr. CURTIS. Mr. President, in view of the partisan speech made by the Senator from Mississippi [Mr. WILLIAMS], I desire to occupy only a few moments of the Senate's time.

I hold in my hand the document entitled "First Session of the War Congress," October, 1917, issued by Charles Merz, and printed as a public document. This is a document issued by the Committee on Public Information. I want to call the attention of the Senate and, in view of what has been said by the Senator from Mississippi, the attention of the country to this record on page 10.

The Senator from Mississippi [Mr. WILLIAMS] has gone out of his way to attack a Republican candidate for the Senate in Wisconsin, and yet on page 10 of this document, when that candidate was a Member of the House and was not a candidate for the Senate, this administration quotes from one of his speeches in the House and gives to the country an expression from him showing of its loyalty. I challenge any man upon the other side to point to any document issued by this administration praising the Democratic candidate, Mr. Davies, for any expression of loyalty uttered by him.

Mr. GALLINGER. Is that from the Creel bureau?

Mr. CURTIS. It is from the Creel bureau; and on page 10 they quote the following from Mr. LENROOT. The first is a quotation from Mr. SHERLEY; the second is a quotation from the distinguished Senator from Minnesota [Mr. NELSON]; and the third and only other quotation is the one from Mr. LENROOT, of Wisconsin, and I want to read it.

Mr. KENYON. I should like to ask the Senator if he can name the members of the Publication Bureau?

Mr. CURTIS. They were appointed by the President, and the bureau is composed of the Secretary of State, the Secretary of War, the Secretary of the Navy, and Mr. Creel, as I am informed.

> When a man is selected under the draft there will be no stigma upon him. He will walk out from his community, and his neighbors will point to him and say, "There is a man who has been chosen by our country for distinguished service. He is going to fight for us." That is the selective draft. But upon the failure of the volunteer system when conscription is resorted to what is the situation? The finger of scorn and of shame is pointed at the conscript then, and he has the mark of a coward and a slacker upon him. Which shall we choose?

Those are the words that this Bureau of Information quotes with approval from the distinguished Member of the House, spoken while a Member of the House, and now this administration seeks to discredit him because he is the Republican candidate for the United States Senate.

I hope the Senator from Utah [Mr. SMOOT] will read to the Senate a letter that was written by the President of the United States in behalf of a Democratic candidate for Congress in an Indiana district to fill a vacancy where he vouched for that man's loyalty and asked for his election, and yet that man in the House, as shown by the RECORD, voted the same as did Mr. LENROOT upon the McLemore resolution referred to. I hope that letter may be printed in the RECORD by the Senator from Utah.

In addition to that I want to call the attention of the country to this fact: I have in my hand the record of every vote cast in the Senate during the war Congress, and of the votes cast on the Republican side 76 per cent plus were for the war propositions, while on the Democratic side the votes cast for these same war measures were 75 per cent minus. That is the record upon which we Republicans stand. It is the best evidence of our loyalty, and we challenge the other side to contradict it.

Mr. SMOOT. Mr. President, for the last three years there has never been a Republican Senator speak in opposition to any

administrative program but immediately some Senator upon the other side of the Chamber would arise in his seat and charge the Republican Party with disloyalty and with playing politics, and it has generally fallen to the lot of the Senator from Mississippi when not preempted by the Senator from Missouri [Mr. STONE].

Mr. President, I think more of my country than I do of my party, and if ever the welfare of America conflicts with the principles or policies of my party I will be found defending the former. Practically all the Republicans of the Senate and House have laid aside party lines since the declaration of war and have voted for legislation asked for by the President, though much of it has been revolutionary and socialistic in character and in some cases unjustifiable and unnecessary. No Republican has sought to secure party advantage by calling attention of the country to the admitted blunders of the administration in power. No word of warning of the extravagant and wicked waste of the people's money or weaknesses in the efficiency of the administration have been even intimated in debate, but some Democrat would immediately arise and claim no good could come to the country from such warning and would only bring joy to the Kaiser; also that the present was not the time for partisan action. Every request for power or money must be granted without question.

How different the course of our Democratic brethren when an election of a Democrat is at stake in any part of this country! The very first election after the declaration of war developed that nonpartisanship was to apply to Republicans only and that every Democrat, from the President to the lowest and least officeholder, was to direct his efforts, in Congress and out, to the advancement of the interests of the Democratic Party. I grant that neither by expressed utterances or by implication, neither by precept nor by example has the President advised the American people to diminish their interest in party welfare or their activity in the promotion of party interest.

From the day of his inauguration as President of all the people of the United States down to March 20, when he wrote a letter to the Democratic reorganization meeting in Newark, N. J., President Wilson has regarded himself as the head of that party, and that party as the necessary agency for efficient and loyal administration of the affairs of this Government. No man while occupying the White House has ever uttered strictures against his political opponents as severe as those President Wilson uttered in his Indianapolis speech on January 8, 1915; and nothing that he has since said, either as President or in his private capacity as a citizen, nor anything that he has since done by official or private act, has indicated any change in his distrust of the Republican Party.

This much, therefore, may be said in his praise, that while he is a most intense partisan, and persists in that partisanship in time of war just as he did in time of peace, yet he makes no pretense of being other than a partisan, and in this respect is dealing frankly with the American people. From first to last he has shown his partisanship by his appointments; by his refusal to accept the proffered service of a most capable man affiliated with that party which is the leading rival of his own. By his active support of partisan candidates not only national but local he has demonstrated his belief that not even the exigencies of war require the laying aside of partisan lines, partisan organization, and partisan activity. In fact, his own party, under his direction, was the first to organize extensively for the campaigns of 1918 and 1920, and is to-day far more active than has been any other political committee, either Democratic or Republican, at this distance of time before an election. The only rumored instance that I now call to mind in which there was even a semblance of abandonment of partisanship on the part of President Wilson was in his reported expression of a desire that a strong and popular Republican Senator, whose reelection was unquestionable, should be returned.

From the fact that a great many of President Wilson's admirers and fellow partisans have urged the abandonment of party activity during the continuance of the war, it has been assumed that President Wilson himself entertains such a view as to the policies that would best promote a unification of the American people in the great task of winning the war. But this has been an assumption unjustified by anything that the President has said or done. In every instance in which there is a possibility of Democratic success, and even when that possibility is very remote, the President's attitude has been such as to indicate a desire that his party leaders enter and continue a partisan contest with a determination to ask and give no quarter.

President Wilson deems the economic principles and policies of the Democratic Party superior to those of the Republican Party; he deems its chosen representatives better qualified to enact laws, interpret them, and administer them; and he looks upon both the principles and the personnel of the Republican Party with distrust. Judging by his utterances he believes that loyalty to America begins and ends in the Democratic Party, with exceptions only in cases where members of other parties have been of temporary local service to him. Entertaining those views, it is to be expected that he would consistently advocate the election of Democrats to office. With equal consistency he will expect that all men who believe in the superiority of Republican principles and policies, and in the superiority of the representatives and personnel of the Republican Party to legislate and administer the affairs of Government, will support the candidates of that party as earnestly and as continuously as he supports the candidates of his own.

His most recent utterance in behalf of a Democratic candidate was his letter to Mr. Joseph E. Davies, who was nominated by the Democrats as their candidate for the senatorship in Wisconsin. That letter will serve to disclose the fact that not only was the President willing to use the prestige of his high office for partisan purposes in time of war but he was willing to cast aspersions upon the loyalty of members of his own party, and even to condemn his own actions in order to accomplish the present partisan task of electing a Democrat to the United States Senate.

The President declared in his letter to Mr. Davies that "the McLemore resolution, the embargo issue, and the armed-neutrality issue presented the first opportunities to apply the acid test in our country to disclose true loyalty and genuine Americanism." A resolution to which Mr. Davies sustained no relation, he not having been a Member of either House of Congress, and it was a resolution of Congress and therefore there was no opportunity to apply to Mr. Davies any test whatever. Yet the McLemore resolution received the support of then Representative Kent, of California, whom the President subsequently appointed to a position of trust and responsibility under the Government. Thus the President gave his official approval to a man who, according to his estimate of what constitutes an "acid test," had failed in true loyalty and genuine Americanism. It must not be forgotten that among the principal advocates of the embargo were a number of the Democrats of the Senate, who, if the President's estimate of what constitutes an acid test is correct, are lacking in true loyalty and genuine Americanism.

This present effort on the part of the President to secure the election of a strongly partisan Democrat in a strongly Republican State is entirely consistent with his previous partisan activities. In a congressional contest in New Hampshire over the election of a Representative to fill a vacancy, the senior Senator from Illinois [Mr. LEWIS], who is the Democratic whip in this body and who is recognized as the spokesman of the President, went upon the stump and was so extreme in his appeals for the election of a Democrat that he declared that a vote for the Republican candidate would be a vote "for Prussianism and the Kaiser." I might add that Mr. LEWIS is at the present moment on a similar mission in Wisconsin. In the campaign of 1917 for the election of a governor in the State of Massachusetts, one of the active Democratic speakers was Mr. Carl A. Vrooman, Assistant Secretary of Agriculture, who was proclaimed as the voice of the administration's opinions relating to the issues involved in the campaign. He declared that the Nation would regard it as a demonstration of patriotism if Massachusetts should elect for governor a member of the President's party. I admit that the appeal of the honored gentleman resulted in a Republican governor receiving a plurality of nearly 90,000, and the Massachusetts troops are still at the front.

The fact that in both New Hampshire and Massachusetts the voters disregarded these specious appeals and elected loyal and capable men of the Republican Party demonstrates that the majority of the people do not accept the assumption that patriotism and honesty and efficiency are the peculiar possession of members of the Democratic Party.

We must not forget the case of Hon. Finly H. Gray, of Indiana, whom the President claimed in a letter of indorsement dated June 19, 1917, had given his administration the most generous and cordial support during his two years' service in the House, notwithstanding Mr. Gray was a member of the Naval Affairs Committee of the House and supported a minority report in opposition to the administration's policy of building more battleships, and that he made a speech against the administration's plan for an increase in the Navy, and declared that the building of more battleships was ridiculous, and that the proposition was monstrous and absurd. Mr. Gray's record shows that he opposed all manner of preparedness during his incumbency as a Representative, and yet his reelection would have afforded the President the greatest gratification, as admitted in his letter of June 19, 1917.

In his recent letter to the Democrats of New Jersey President Wilson concedes that his work can be properly done only if he devotes his whole thought and attention to it and thinks of nothing but the immediate task in hand. Nevertheless, he states that he can not overlook his responsibility as the leader of a great party and feels impelled to point out what he believes to be "the duty of the Democrats in New Jersey now and in the months to come, in order that the exigency of a great hour or crisis may properly be met." In his opinion the exigencies of this great hour and this crisis can properly be met only by the election of Democrats to office. He has made the issue; he has thrown down the gauntlet to those Americans who believe in the superiority of Republican principles and policies and in the greater ability of those men who constitute the Republican Party. It is an issue which Republicans have been willing either to ignore or to minimize. It is common knowledge, not only in both Houses of Congress but to the country at large, that in the consideration of measures either directly or indirectly bearing upon our war problems no Republican has permitted his party affiliations to influence in the least the opinions he expressed in debate or the vote he cast upon the passage of a measure. Republicans have been ready to come to the assistance of the President at any time and in any manner.

After Republicans have made such a splendid demonstration of their readiness to subordinate party interests and to join with the members of any and every other party in any and every effort to speed this war to a victorious end, they can now, in the maintenance of their own self-respect, take no course other than that of accepting the gage of battle as the President has drawn the battle lines and urge the election of Republicans as the representatives of the governmental principles and policies which we deem best for the permanent interests of the American Nation and most likely to contribute most effectively to the successful prosecution of the war and the wisest solution of the innumerable economic, financial, and social problems which will confront us.

Mr. President, we can only regret that our Commander in Chief in this stupendous war, around whom we rally to a man in his efforts to achieve victory, has not seen fit to abstain from partisan activities in contests for specific offices, and thereby reciprocate in spirit and deed the real nonpartisanship so essential to ultimate success.

Mr. OWEN. Mr. President, I call for a vote on the pending amendment.

Mr. MYERS. Mr. President——

Mr. OWEN. I think I have the floor. I call attention to the pending amendment, which amendment appropriates $15,000 out of the Chickasaw funds for the Murray Agricultural School, at Tishomingo. The item has been favorably reported by the Commissioner of Indian Affairs; there is no objection to it from any quarter, and I see no reason why it can not be disposed of now.

Mr. MYERS. Mr. President, I had thought during the address this afternoon of the Senator from Washington [Mr. JONES] to give utterance to a few thoughts at the conclusion of his remarks, but other business intervened; and, although it is late, I will now give utterance to a few of the thoughts that then occurred to me. I shall be very brief in doing so, owing to the lateness of the hour, and in what I may say there shall be no politics.

During the last few days there have been repeated accusations made on the floor of the Senate that executive officials of the Government have been deceiving the people. The charge has frequently been made here that officials of the executive branch of the Government were deceiving the people. That is a very serious charge, and I do not believe there is anything to justify or warrant it. The assertion that an official of the Government is attempting to deceive the American people should not be made without some proof. I can not conceive of any reason why any official of an executive department of this Government would undertake to deceive the American people, to tell them falsehoods, and to put them under false impressions; and there has been nothing offered here as proof of those assertions, which are wholly unjustified and unwarranted. Not a scintilla of proof has has been offered.

For weeks past there has been almost daily a perfect tirade of criticism launched upon this floor against nearly every executive branch of the Government. Investigations have been set on foot as to nearly every branch of activity in the executive departments of the Government. A few weeks ago the people of this country were regaled by Members of this body with harrowing accounts of the suffering and neglect of our troops in the training camps and cantonments of the country. The people were told that the soldier boys of the country were not receiving proper medical attention and care, and the appeal has been loudly made to let the people of the country know the facts. Let the people know the truth, is daily vociferously demanded in the Senate. Now, I want to tell a few facts and make known a little truth.

Dr. Charles H. Mayo, of Rochester, Minn., is one of the greatest medical and surgical authorities in this country. A short time ago he testified before the Military Affairs Committee of the Senate that up to the time of our entrance into this war the Japanese Army, at the outbreak of the Russo-Japanese War, received the best medical care and attention and had the best sanitation that had ever been received by any army in the world; and he said that during the period when troops of the Japanese were in training in the training camps and cantonments of that country in preparation for war the deaths in the Japanese Army amounted to twenty to the thousand. That he said was the best record that had ever been made in the world up to the time of our entrance into the present war. He further stated that last winter, when weather and climatic conditions were at their worst in our training camps and cantonments, the deaths among our troops were less than ten to the thousand, and that thus our record in that respect was more than twice as good as the best that the world had ever known before.

I do not believe that anybody will gainsay Dr. Mayo's authority, his knowledge, or honesty in such matters. His great and unsurpassed ability is well known to the people of this country. He has proven his patriotism by giving up his great surgical practice, and he is now serving the people of this country as a surgeon with the rank of major in our Army, at a salary of $3,000 per year, devoting his great talents to the care of our soldiers and the welfare and defense of our country. There is an illustration of how unjust and unfounded are many of the wild charges and bitter criticisms that are launched by Senators against the War Department and its operations. Yet we continue to be treated daily to a perfect tirade of criticism by the Members of this body of the War Department and its officials, who are even accused of deceiving the people. Nearly everything that the War Department does is savagely attacked and criticized. This body seems to devote a large part of its precious time to criticism, denunciation, investigation of nearly everything that the War Department does, and of nearly every other executive branch of the Government, and, in this connection, I here and now call attention to the fact that it has now been more than six months since charges of unfitness to serve in this body were filed in the Senate against a Member of this body, and nothing has been heard in this body about those charges since then. The people of the country are loudly demanding to know what has become of those charges and what will be done about them, but nothing is heard of them or said about them in this body.

I am not now saying anything about the merit or lack of merit of those charges. I want that understood. I have nothing to say as to that. I have no expression of opinion to make about it. I merely refer to the indisputable fact that the charges were filed here more than six months ago, and that this body is so busily engaged in criticizing, denouncing, and investigating other departments of the Government that it either has not the time or has not the disposition to investigate charges against one of its own Members. I believe that it would be far more becoming in this body to investigate charges against its own Members than to indulge in daily tirades of criticism and denunciation and demands for investigation of other branches of the Government.

The United States Senate may be the only perfect branch of this Government. The only perfect body in the world may be the United States Senate. The only perfect body, the only body which never makes any mistakes of judgment, may be the United States Senate. The only body of men which has no shortcomings, no failings, no faults, no derelictions, and has nothing to do but to point out errors, faults, and neglect in other branches of this Government may be the United States Senate; but I do not believe the people of this country believe it. I, for one, do not believe it.

EXECUTIVE SESSION.

Mr. McKELLAR and Mr. OWEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. McKELLAR. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock

and 50 minutes p. m., Wednesday, March 27, 1918) the Senate adjourned until to-morrow, Thursday, March 28, 1918, at 12 o'clock meridian.

During the executive session,

EXTENSION OF ARBITRATION WITH FRANCE.

On motion of Mr. SMITH of Arizona, the injunction of secrecy was removed from the following:

To the Senate:

I transmit herewith, to receive the advice and consent of the Senate to its ratification, an agreement between the United States and France, signed at Washington on February 27, 1918, extending for another period of five years the duration of the arbitration convention concluded between them on February 10, 1908.

WOODROW WILSON.

THE WHITE HOUSE,
March 1, 1918.

The President:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate, if his judgment approve thereof, to receive the advice and consent of that body to its ratification, an agreement between the Government of the United States and the Government of the French Republic, signed at Washington on February 27, 1918, extending for another period of five years the arbitration convention concluded between the two Governments on February 10, 1908.

Respectfully submitted.

ROBERT LANSING.

DEPARTMENT OF STATE,
Washington, February 27, 1918.

AGREEMENT EXTENDING THE DURATION OF THE ARBITRATION CONVENTION OF FEBRUARY 10, 1908, BETWEEN THE UNITED STATES AND THE FRENCH REPUBLIC.

The Government of the United States of America and the Government of the French Republic, desiring to extend for another five years the period during which the arbitration convention concluded between them on February 10, 1908, and extended by the agreement concluded between the two Governments on February 13, 1913, shall remain in force, have authorized the undersigned, to wit: Robert Lansing, Secretary of State of the United States, and J. J. Jusserand, ambassador of the French Republic to the United States, to conclude the following agreement:

ARTICLE I.

The convention of arbitration of February 10, 1908, between the Government of the United States of America and the Government of the French Republic, the duration of which by Article III thereof was fixed at a period of five years from the date of the exchange of ratifications, which period, by the agreement of February 13, 1913, between the two Governments was extended for five years from February 27, 1913, is hereby extended and continued in force for the further period of five years from February 27, 1918.

ARTICLE II.

The present agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by the President of the French Republic, in accordance with the constitutional laws of France, and it shall become effective upon the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

Done in duplicate in the English and French languages at Washington, this 27th day of February, 1918.

ROBERT LANSING. [SEAL.]
JUSSERAND. [SEAL.]

NOMINATIONS.

Executive nominations received by the Senate March 27 (legislative day of March 26), 1918.

POSTMASTERS.

ARIZONA.

Orvil L. Larson to be postmaster at Thatcher in place of Elizabeth W. Layton, resigned. Office became presidential July 1, 1917.

CALIFORNIA.

Frances L. Musgrove to be postmaster at Arbuckle in place of J. C. White, resigned.

Charles J. Hammond, jr., to be postmaster at Hayward in place of George E. Alexander, deceased.

Iona T. MacKenzie to be postmaster at Indio in place of Edward R. Neill, resigned.

Adolph E. Christensen to be postmaster at Selma in place of Walter Staley, removed.

COLORADO.

Agnes S. Jones to be postmaster at Fort Logan, Colo., in place of Elmo D. Matthews, resigned.

Edgar J. Bancroft to be postmaster at Palisades, Colo., in place of William D. Newton, deceased.

CONNECTICUT.

Joseph H. Derenthal to be postmaster at Madison, Conn., in place of Harry E. Slocum, resigned.

FLORIDA.

Fay H. Price to be postmaster at Umatilla, Fla., in place of Frank E. Whitcomb.

Stella Blocker to be postmaster at Cocoanut Grove, Fla., in place of William F. Albury, resigned.

Edward M. Luffman to be postmaster at Lake Helen, Fla., in place of Claude H. Pelton, resigned.

GEORGIA.

Merritt B. Brown to be postmaster at Richland, Ga., in place of James J. Gordy, removed.

Robert C. Ayers to be postmaster at Royston, Ga., in place of Robert L. Stephenson, removed.

Julian E. Hart to be postmaster at Sylvania, Ga., in place of Herschel S. White, resigned.

Walter W. Daves to be postmaster at Cartersville, Ga., in place of H. J. Jolly, resigned.

INDIANA.

Franc Mensel to be postmaster at Bremen, Ind., in place of William C. Foltz, resigned.

KANSAS.

Orla A. Granger to be postmaster at Glen Elder, Kans., in place of Alice W. Lee, removed.

Minnie A. Reed to be postmaster at Soldier, Kans., in place of A. F. Achenbach. Incumbent's commission expired May 6, 1917.

KENTUCKY.

David C. Bradley to be postmaster at Scottsville, Ky., in place of Francis E. Bradley, resigned.

LOUISIANA.

Lucien L. Prothro to be postmaster at Lenzburg, La., in place of Patrick C. McLemore, resigned.

MICHIGAN.

L. Emma Hollister to be postmaster at Auburn, Mich., in place of Mary A. Deplonty, resigned.

Holger F. Peterson to be postmaster at Grayling, Mich., in place of John F. Hum, deceased.

MINNESOTA.

Margaret E. Gillespie to be postmaster at Carlton, Minn., in place of John Flynn, resigned.

Alfred J. Lamberton to be postmaster at Kasota, Minn., in place of S. M. Granger, resigned.

MISSISSIPPI.

John T. Griffin to be postmaster at Rolling Fork, Miss., in place of Argyle L. Brown, resigned.

Robert B. Cox to be postmaster at Batesville, Miss., in place of Nannie S. Smith, resigned.

Preston T. Smith to be postmaster at Ittabena, Miss., in place of Emma Morris Ray, removed.

MISSOURI.

Harvey H. Schooler to be postmaster at Fairfax in place of Arthur L. Carter, deceased.

John J. W. Donnegan to be postmaster at Herculaneum in place of Luther E. Thomas, resigned.

MONTANA.

Leroy W. Obershaw to be postmaster at Cascade in place of F. A. Tintinger, resigned.

Henry F. Fuerstnow to be postmaster at Joplin in place of Hans A. Nelson, resigned.

NEBRASKA.

Harold Hjelmfelt to be postmaster at Holdrege in place of J. R. Cooper, deceased.

NEW YORK.

Frederick Theall to be postmaster at Hartsdale in place of Paul E. McManus, declined.

George H. Barwise to be postmaster at Port Henry in place of John H. Cronan, resigned.

NORTH CAROLINA.

William H. Griffin to be postmaster at Pittsboro, N. C., in place of Lula F. Bland, resigned.

Benjamin J. Skinner to be postmaster at Farmville, N. C., in place of John V. Johnston, deceased.

Harry R. Hastings to be postmaster at Sylva, N. C., in place of J. J. Gray, resigned.

NORTH DAKOTA.

Jacob A. Phillips to be postmaster at Cleveland, N. Dak., in place of Judith M. Ahlen, resigned. Office became presidential April 1, 1917.

OHIO.

Harold A. Carson to be postmaster at Bergholz, Ohio, in place of Harry E. Marshal, resigned.

Sage P. Deming to be postmaster at Rocky River, Ohio, in place of Louis Dean, resigned.

William J. Evans to be postmaster at North Canton (late New Berlin), Ohio, in place of William J. Evans. Incumbent's commission expired January 31, 1918.

John P. Cummings to be postmaster at Waynesville, Ohio, in place of Frank C. Carey, deceased.

OKLAHOMA.

Harvey H. Harp to be postmaster at Gracemont, Okla., in place of Franz S. Lowry, removed.

Myrtle E. Morgan to be postmaster at Minco, Okla., in place of L. K. Bingham, resigned.

William H. Bell to be postmaster at Pryor, Okla., in place of James M. Keys, deceased.

Russell L. Floyd to be postmaster at Waynoka, Okla., in place of John L. Smith, deceased.

PENNSYLVANIA.

John D. Fulton to be postmaster at Langeloth, Pa., in place of Thomas B. McKaig. Office became presidential October 1, 1916.

Joseph A. McGrath to be postmaster at Falls Creek, Pa., in place of Glen S. Hamilton, resigned.

Thomas M. Reed to be postmaster at Frackville, Pa., in place of John Patrick Durkin, resigned.

Flora C. Harwi to be postmaster at Hellertown, Pa., in place of Harry J. Harwi, deceased. Incumbent's commission expired February 7, 1918.

SOUTH CAROLINA.

Eva L. Fagan to be postmaster at Campobello, S. C., in place of Florence K. Metcalf. Office became presidential October 1, 1916.

Frank P. Wilson to be postmaster at Due West, S. C., in place of George M. Collins. Incumbent's commission expired April 23, 1916.

Cuttino M. Mellichamp to be postmaster at Edgefield, S. C., in place of Joseph P. Ouzts, deceased.

Toliver D. Earle to be postmaster at Landrum, S. C., in place of Rufus G. Durham, resigned.

TENNESSEE.

Beatrice J. Myers to be postmaster at Sewanee, Tenn., in place of Elizabeth Kirby-Smith, deceased.

TEXAS.

James A. Aldridge to be postmaster at Devine, Tex., in place of J. A. Kercheville, deceased.

James F. Atkinson to be postmaster at Florence, Tex., in place of Bessie Cannon, resigned.

John S. Munn to be postmaster at Junction, Tex., in place of J. Lester Hodges, resigned.

John Frank Highsmith to be postmaster at Menard, Tex., in place of Hugo E. Schuchard, resigned.

Joseph E. Abrahams to be postmaster at New Braunfels, Tex., in place of Gustave Reininger, removed.

Bratton C. Hardin to be postmaster at Rochester, Tex., in place of Henry G. Harcrow, resigned.

James K. Barry to be postmaster at Smithville, Tex., in place of William E. Jenkins, deceased.

John W. Grigg to be postmaster at Tulia, Tex., in place of W. B. Hutchison, deceased.

WASHINGTON.

Petrus Neilson to be postmaster at Enumclaw, Wash., in place of Anna P. Hanley, resigned.

Grover C. Schoonover to be postmaster at Odessa, Wash., in place of S. A. Stanfield, removed.

WEST VIRGINIA.

James A. Stephens to be postmaster at Follansbee, W. Va., in place of C. M. Brandon, removed.

Daisy D. McNemar to be postmaster at Petersburg, W. Va., in place of W. A. Ervin, deceased.

WISCONSIN.

Mattie M. Wilson to be postmaster at Belleville, Wis., in place of Thomas Wilson, resigned.

Wayne W. Beggs to be postmaster at Cameron, Wis., in place of J. F. Samson, resigned.

George Ward to be postmaster at Darlington, Wis., in place of L. B. Howery, removed.

Theodore Holum to be postmaster at De Forest, Wis., in place of James McEntee, deceased.

Ferdinand A. Nierode to be postmaster at Grafton, Wis., in place of C. B. Carstens, deceased.

Agnes A. Pickett to be postmaster at Spencer, Wis., in place of M. C. Stoltenow, removed.

Thomas M. Casey to be postmaster at Spring Valley, Wis., in place of F. A. Johnson, deceased.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 27, (legislative day of March 26), 1918.

COLLECTOR OF CUSTOMS.

Joseph H. Lyon to be collector of customs for customs collection district No. 19, with headquarters at Mobile, Ala.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

CAVALRY ARM.

To be first lieutenants.

Second Lieut. Charles R. Gross,
Second Lieut. Irvine L. McAlister,
Second Lieut. Robert G. Breene,
Second Lieut. James I. Gibbon,
Second Lieut. Walter C. Butler,
Second Lieut. Don Briley,
Second Lieut. Howard F. Long, and
Second Lieut. Benjamin Lufkin.

COAST ARTILLERY CORPS.

To be captains.

First Lieut. Leslie V. Jefferis,
First Lieut. Stuart A. Hamilton,
First Lieut. Howard F. Gill,
First Lieut. Gerald R. Butz,
First Lieut. Joseph W. Barker,
First Lieut. Shuey E. Wolfe,
First Lieut. Frank J. Atwood, and
First Lieut. Carl C. Terry.

To be first lieutenants.

Second Lieut. Lloyd W. Taylor,
Second Lieut. Guy H. Hearon,
Second Lieut. Francis E. Harrison, jr.,
Second Lieut. James W. Hopkins,
Second Lieut. Ralph E. Billsborrow,
Second Lieut. Alfred W. Chapman,
Second Lieut. William A. Emerson,
Second Lieut. Lawrence J. Meyns,
Second Lieut. James C. Vickery,
Second Lieut. Clarence E. Muehlberg,
Second Lieut. Edwin C. Higbee,
Second Lieut. William T. Andrews,
Second Lieut. Stoddard P. Johnston,
Second Lieut. Lewis A. Hudgins,
Second Lieut. Levi M. Bricker,
Second Lieut. Thomas P. Ahern,
Second Lieut. Lawrence Iverson,
Second Lieut. Herbert Macmillan,
Second Lieut. John P. MacNeill,
Second Lieut. Archibald L. Parmelee,
Second Lieut. Robert E. Ryerson,
Second Lieut. Sam H. Coile,
Second Lieut. Junius B. Peake,
Second Lieut. Sam W. Anderson,
Second Lieut. Richard B. Cross,
Second Lieut. Geoffrey A. Ogilvie, and
Second Lieut. John S. Cansler.

FIELD ARTILLERY ARM.

To be captains.

First Lieut. Armand Durant,
First Lieut. Thomas T. Handy,
First Lieut. Frank B. Tipton, jr.,
First Lieut. Stanley F. Bryan,
First Lieut. Oliver L. Haines,

To be second lieutenants.

Second Lieut. Robert A. B. Goodman,
Second Lieut. Devereux C. Joseph,
Second Lieut. Henry M. Rees,
Second Lieut. John G. Paul,
Second Lieut. James E Brinckerhoff,
Second Lieut. William G. Cummings,
Second Lieut. Harold T. Brotherton,
Second Lieut. Larkin W. Glazebrook,
Second Lieut. Samuel D. Smoley,
Second Lieut. Charles F. Neave,
Second Lieut. Robert W. Wilson,
Second Lieut. Donald H Brown,
Second Lieut. Ralph de P. Terrell,
Second Lieut. Stephen B. Ives,
Second Lieut. Robert F. Webb,
Second Lieut. William G. Lasch,
Second Lieut. Miller H. Pontius,
Second Lieut. Fritz A. Nagel,
Second Lieut. Adrian J. McDonald,
Second Lieut. John E. Hartigan, and
Second Lieut. John L. Handy.

PROMOTIONS IN THE ARMY.

MEDICAL CORPS.

To be majors.

Capt. Charles R. Castlen,
Capt. Harry D. Offutt,
Capt. George D. Chunn,
Capt. Charles M. O'Connor, jr.,
Capt. Augustus B. Jones,
Capt. Raymond E. Scott,
Capt. Rufus H. Hagood, jr.,
Capt. Herman G. Maul,
Capt. Frank H. Dixon,
Capt. Robert Du R. Harden,
Capt. Lloyd E. Tefft,
Capt. David D Hogan,
Capt. William F. Rice,
Capt. Edward A. Noyes,
Capt. Charles W. Riley,
Capt. Charles G. Sinclair,
Capt. Charles G. Hutter,
Capt. Frederick H. Petters,
Capt. Charles S. Ketcham,
Capt. Robert P. Williams,
Capt. Edwin B. Maynard,
Capt. Harvard C. Moore,
Capt. Arden Freer,
Capt. Paul A. Schule,
Capt. John S. Gaul,
Capt. Frank W. Wilson, and
Capt. Bertram F. Duckwall.

To be captains.

First Lieut. Charles R. Castlen,
First Lieut. Harry D. Offutt,
First Lieut. George D. Chunn,
First Lieut. Charles M. O'Connor, jr.,
First Lieut. Augustus B. Jones,
First Lieut. Raymond E. Scott,
First Lieut. Rufus H. Hagood, jr.,
First Lieut. Herman G. Maul,
First Lieut. Frank H. Dixon,
First Lieut. Robert Du R. Harden,
First Lieut. Lloyd E. Tefft,
First Lieut. David D. Hogan,
First Lieut. William F. Rice,
First Lieut. Edward A. Noyes,
First Lieut. Charles W. Riley,
First Lieut. Charles G. Sinclair,
First Lieut. Charles G. Hutter,
First Lieut. Frederick H. Petters,
First Lieut. Clarence S. Ketcham,
First Lieut. Robert P. Williams,
First Lieut. Edwin B. Maynard,
First Lieut. Harvard C. Moore,
First Lieut. Arden Freer,
First Lieut. Paul A. Schule,
First Lieut. John S. Gaul, and
First Lieut. Frank W. Wilson.

INFANTRY.

First Lieut. Elmer F. Wallender to be captain.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

Lieut. (Junior Grade) Lemuel E. Lindsay to be a lieutenant.

The following-named lieutenants (junior grade) to be lieutenants:

Frank H. Luckel and
Ralph F. Wood.

Ensign Robert H. Maury to be a lieutenant (junior grade).

The following-named surgeons to be medical inspectors with the rank of commanders:

Robert E. Hoyt,
John F. Murphy,
Jesse W. Backus,
Clarence F. Ely,
Perceval S. Rossiter,
Harry A. Garrison,
Henry L. Dollard,
Earle P. Huff,
Harry R. Hermesch, and
Harry L. Smith.

Assistant Civil Engineer David G. Copeland to be a civil engineer with the rank of lieutenant.

Carpenter Edgar S. Covey to be a chief carpenter.

Pay Clerk Walter A. Thomas to be a chief pay clerk.

The following-named warrant officers to be ensigns:

Charles C. Roberts,
Charles L. Allen,
Guy A. Walker,
Nicholas Kedinger,
Percy C. Becker,
Stockard R. Hickey,
Alfred E. Stulb,
Walter Hinton,
George B. Kessack,
Oscar Erickson,
John J. Bayer,
Oscar F. Bandura,
Guy McLaughlin,
Russell G. McNaughton,
Eduard G. Jahnke,
Otto Beran,
David J. Spahr,
William E. McClendon,
Fred S. Wade, and
John W. Collier.

The following-named enlisted men to be ensigns:

Enos Dahuff,
Delos A. Humphrey,
William J. Sharkey,
George H. Charter,
Edward Reavely,
Niels Andersen,
Howard C. Heald,
Robert S. Dunn,
Lawrence E. Myers,
Robert S. Smith, jr.,
John E. Hatch,
Frederick Shea,
Clarence J. Gale,
Albert Nashman,
Charles E. Olson,
Robert Martin, and
William S. Quesinberry.

The following-named ensigns of the United States Naval Reserve Force to be ensigns:

James C. White,
Edward Reynolds, jr., and
Henry O. Rea.

The following-named ensigns of the National Naval Volunteers to be ensigns:

Robert W. Rose,
Matthew L. Kelly, and
Freeman J. Condon.

Medical Inspector Frank L. Pleadwell to be a medical director with the rank of captain.

The following-named surgeons to be medical inspectors with the rank of commander:

Charles E. Ryder,
Allen D. McLean, and
Frederick G. Abeken.

Pay Clerk Roy E. Barrett to be an assistant paymaster with the rank of ensign.

Carpenter Edgar S. Covey to be an assistant naval constructor with the rank of lieutenant (junior grade).

POSTMASTERS.

GEORGIA.

Joseph W. Osborn, Porterdale.

OKLAHOMA.

J. T. Holley, Stigler.

PENNSYLVANIA.

John H. Fahl, Auburn.
Watson B. Reisinger, Wrightsville.

WITHDRAWAL.

Executive nomination withdrawn from the Senate March 27 (legislative day of March 26), 1918.

POSTMASTER.

Roy F. Santner to be postmaster at Glen Elder, Kans.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *March 27, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou who hearest and answerest prayer, our God and our Father, hear and answer our prayers, mingled with the prayers of our allies.

Our heroic sacrifices mingled with the heroic sacrifices of our allies, our patriotism mingled with the patriotism of our allies pours itself out in deeds of heroism and valor, in defense of human liberty.

Our tears and sobs mingle with the tears and sobs of our allies for the precious dead and dying, the wounded and mangled on the field of carnage.

These are our prayers which spring spontaneously and fervently from the heart in behalf of human rights.

Thou art the God of justice, mercy, and love; all our faith and confidence are centered in Thee. In this hour of supreme trial, forsake us not, we beseech Thee, in the name of the world's great Redeemer. Amen.

The Journal of the proceedings of yesterday was read and approved.

REPORTING OF ILLNESS OF SOLDIERS AND SAILORS.

Mr. JOHNSON of Washington. Mr. Speaker, I desire to ask unanimous consent for three minutes in which to make a statement.

The SPEAKER. The gentleman from Washington [Mr. JOHNSON] asks unanimous consent for three minutes in which to make a statement. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. I have asked for this time in order to have read at the desk a letter in regard to the illness and death of a sailor, statements having already been made by the gentleman from Nebraska [Mr. REAVIS] in regard to the illness of soldiers and the reporting of such illness.

The SPEAKER. The Clerk will read the letter.

The Clerk read as follows:

TACOMA, WASH., *March 20, 1918.*

HON. ALBERT JOHNSON,
Washington, D. C.

DEAR SIR: A friend of mine named Anderson Knowles enlisted in the Navy at Bremerton about eight months ago. He bought a $50 liberty bond, took out $5,000 worth of insurance, and sent all his spare money to his mother as long as he was stationed at Bremerton.

Quite a while ago he was sent East, and his mother heard nothing from him for many weeks. Finally she received a telegraphic notice of his death somewhere in Massachusetts from pneumonia, and word that his body would be sent to her. She does not know whether he was sick for a long or short time, and is in much distress.

I do not wish to publish any complaint, or, in fact, to make any complaint, but I have a boy at Bremerton likely to be sent away any day, and I should like to feel that should he be taken down by sickness I would be notified of his condition.

Yours, truly, ———.

Mr. JOHNSON of Washington. Mr. Speaker, I desire to say to the Members that I understand that the Army is undertaking to send notice to parents of the serious illness of their sons. This is in line with what the Reavis resolution sought to accomplish. It is right and proper. I sincerely hope that a similar policy may prevail in the Navy.

Mr. BUTLER. Mr. Speaker, I ask for one minute.

The SPEAKER. The gentleman from Pennsylvania asks for one minute. Is there objection?

There was no objection.

Mr. BUTLER. I have made several applications to the Bureau of Navigation in the Navy Department to learn of the condition of sailors in different parts of the world, and at no time have I failed to receive the information promptly, even though it was obtained by cable. I suggest to the gentleman—and I am in entire sympathy with the movement which he generously desires to make—that if he desires the information for any of his constituents he will ask the Bureau of Navigation to furnish the information, when I am sure it will be supplied cheerfully and readily. [Applause.]

Mr. JOHNSON of Washington. Will the gentleman permit? If the parents of a sick sailor boy are not notified, certainly his Member in Congress can not be notified by the parents.

Mr. BUTLER. That may be true, but why does not the parent or some one interested in the parent apply to the Bureau of Navigation?

Mr. JOHNSON of Washington. They have had no notification of his illness, which is the very point.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent for one minute.

The SPEAKER. The gentleman from Michigan asks unanimous consent for one minute. Is there objection?

There was no objection.

Mr. SMITH of Michigan. I wish to state that my experience in getting information in relation to sick and deceased soldiers is the same as that of the gentleman from Pennsylvania [Mr. BUTLER]. A short time ago a young man of my district who had enlisted in the marines lost his life on one of our battleships at sea. I went to headquarters, and they did everything that could be done, not only the chief clerk but the officer in charge. At the Navy Department they took pains to send a wireless message, and furnished me with immediate information. I was not denied information in any way. And not only the officers themselves but also their secretaries took a personal interest in furnishing all possible information.

The SPEAKER. The time of the gentleman has expired.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill:

H. R. 9867. An act making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

CORRECTION IN ENGROSSMENT OF BILL (H. R. 9414).

Mr. MOON. Mr. Speaker, on page 4104, where the section making appropriation for the bill that passed yesterday occurs, the motion was made—

That additional compensation granted by the provisions of this bill shall be paid out of the revenues of the Post Office Department.

I want to ask unanimous consent, before the bill is printed, to strike out the word "bill" and insert the word "act." That is the usual provision.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that in the engrossment of the bill that was passed yesterday that the word "bill" be changed to the word "act" in the connection stated by him. Without objection, the correction will be made, and the enrolling clerk will take notice.

There was no objection.

THE BUDGET SYSTEM (H. DOC. NO. 1006).

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

Mr. BARNHART. Reserving the right to object, will the gentleman from Colorado yield to me in order to place a small privileged resolution before the House?

Mr. KEATING. Certainly.

The SPEAKER. The Chair will recognize the gentleman from Colorado in a minute.

Mr. BARNHART. Mr. Speaker, I submit a privileged resolution and ask for its present consideration.

The Clerk read as follows:

House resolution 289 (H. Rept. No. 416).

Resolved, That there shall be printed 1,000 additional copies of A Brief on the Adoption of a National Budget System for use in the House document room.

The SPEAKER. The question is on agreeing to the resolution.

Mr. WALSH. Mr. Speaker, has consent been procured?

The SPEAKER. It does not take consent.

Mr. WALSH. Will the gentleman yield?

Mr. BARNHART. I do.

Mr. WALSH. I desire to ask the gentleman if this resolution that is being presented is predicated upon any reasonable expectation that some action is to be had during the present session looking to the adoption of a budget system?

Mr. BARNHART. I am not authorized to speak as to that. It is a very feasible proposition. I can say, so far as I am concerned personally, that I would be in favor of taking up such a proposition.

Mr. GARRETT of Tennessee. Mr. Speaker, I do not know that I have any objection to the resolution, but I call attention to the fact that this is Calendar Wednesday, and no business is in order except Calendar Wednesday business, unless that is dispensed with.

The SPEAKER. That is correct.

Mr. GARRETT of Tennessee. I will not insist on it if it takes only a short time, but——

Mr. McCORMICK. I hope the gentleman will not object. This matter interests all the Members of the House.

The SPEAKER. If the gentleman is going to make a speech the Chair will rule this out of order.

Mr. WALSH. If you have got to act upon resolutions without information, I suppose a request for information is out of order.

The SPEAKER. Well, the rule is——

Mr. WALSH. The gentleman was attempting to answer a question that I propounded when this interruption came.

The SPEAKER. The gentleman can answer the question.

Mr. BARNHART. He had answered it before this interruption took place.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

LEAVE OF ABSENCE.

The SPEAKER. The Chair lays before the House the following personal request, which the Clerk will read.

The Clerk read as follows:

MARCH 25, 1918.

Hon. CHAMP CLARK,
Speaker House of Representatives, Washington, D. C.

DEAR SIR: I ask a couple of weeks' leave of absence from the House, on account of the illness of myself.

I am, respectfully, CALEB POWERS.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

AMENDMENT OF THE WAR-RISK INSURANCE BILL.

Mr. RAYBURN rose.

The SPEAKER. For what purpose does the gentleman from Texas rise?

Mr. RAYBURN. I want to make an inquiry of the Speaker. The Senate, on Senate joint resolution 133, refused to concur in the House amendments and asked for a conference. That is the resolution authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured. The House agreed to the conference. This morning we met, and when the House amendments were explained to the Senate committee they asked the privilege of going back to the Senate and moving that they rescind their action in asking for a conference, stating that they were going to move that the Senate concur in the House amendments. I do not know in what shape that leaves it.

The SPEAKER. That automatically kills the conference.

Mr. SHERLEY. Mr. Speaker, I do not think that ought to be laid down as a rule.

The SPEAKER. Did not the Senate agree to the House bill?

Mr. SHERLEY. No. What the gentleman from Texas reports is that they met in conference, and, without having made any report at all, the Senate conferees proposed to go back and recede from their position.

The SPEAKER. The Chair thought they had gone back and receded.

Mr. SHERLEY. No. The papers are in the hands of the conferees, and not in the hands of either House, and there ought to be a report made by the conferees to the respective Houses.

Mr. RAYBURN. That was what I was going to ask. I do not know what the practice is in the premises.

Mr. STAFFORD. Mr. Speaker, if the gentleman will permit, the House agreed to the conference report, and therefore the papers are in the possession of the House conferees.

The SPEAKER. Yes.

Mr. STAFFORD. Therefore it is necessary, as I see it, for the conferees on the part of the House to make a formal report.

The SPEAKER. But the House conferees can not make a report until they know what the Senate does.

Mr. SHERLEY. They can report a disagreement and have the conference ended in that way. But the Senate can not act, not having the papers. It can not dispose of a conference simply on its own accord.

Mr. FOSTER. I think the Senate has such rules that they can move to reconsider the matter.

The SPEAKER. The Chair suggests that the matter be allowed to go over until to-morrow.

FUEL ADMINISTRATION.

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for seven minutes.

The SPEAKER. The gentleman from Colorado asks unanimous consent to address the House for seven minutes. Is there objection?

Mr. LEVER. Reserving the right to object, Mr. Speaker, I wish to say that I shall object to further speeches this morning.

Mr. WALSH. Reserving the right to object, Mr. Speaker, may we know on what topic?

Mr. KEATING. It is on the order of the Fuel Administration.

Mr. McCORMICK. As it affects Colorado?

Mr. KEATING. Yes.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEATING. Mr. Speaker, on March 11 the National Fuel Administration reduced the price of bituminous lump coal at the mine in Colorado 50 cents a ton, and announced that on April 1 there would be a further reduction of 70 cents a ton. Other varieties of coal were r 'uced in proportion. I was notified of the action of the Fuel Administration through the following letter from Mr. Harry D. Nims, assistant to Dr. Garfield:

UNITED STATES FUEL ADMINISTRATION,
March 8, 1918.

Hon. EDWARD KEATING,
House of Representatives,
Washington, D. C.

MY DEAR MR. KEATING: We have telegraphed to Colorado a new schedule of prices effective 7 a. m., March 11, 1918, as follows:

Bituminous domestic coal:	
Run of mine	$2.25
Prepared sizes	3.50
Slack of screenings	1.25
Bituminous steam coal, Trinidad district:	
Run of mine	2.35
Prepared sizes	3.25
Slack of screenings	1.65
Lignite coal:	
Run of mine	2.25
Prepared sizes	3.25
Slack of screenings	1.00

The above prices are subject to the following summer reductions:

Bituminous domestic coal:	
Apr. 1	$0.70
May 1	.50
June 1	.35
Aug. 1	.15
Bituminous steam coal, Trinidad district:	
Apr. 1	.40
May 1	.30
June 1	.20
July 1	.10

I hope this will meet your approval and that you will agree with us that it should iron out most of the difficulties which have been involved in the situation

Very truly, yours,

UNITED STATES FUEL ADMINISTRATION,
By HARRY D. NIMS.

The moment it became known that the Fuel Administration had ordered a reduction in the price of coal in Colorado the coal mine operators of that State began bombarding Congress and the Fuel Administration with telegrams of protest. They asserted that the reduction would close scores of mines and seriously curtail the output of the State. In fact, one earnest protestant went so far as to say that thousands of miners had already been dismissed and that the State's coal production had been cut in two.

These statements found their way into the CONGRESSIONAL RECORD, and, as I had urged the National Fuel Administration to cut the price of coal, I was naturally curious to ascertain just how much truth there was in these alarming stories. I wired to friends in Colorado asking for the facts, and received many replies. Among those I addressed was John A. Rush, a prominent attorney of Denver and the president of the Consumers' League of that city. This league was formed for the purpose of protecting the people against the exactions of the coal interests, and it has done much excellent work. As Mr. Rush was out of the city when my telegram reached Denver his law partner, Mr. Foster Cline, replied as follows:

John Lawson, John McLennon, the State mine inspector, and others say there are more coal miners now at work than ever before for the month of March. Some few mines are closed as usual for this time of the year because their coal can not be stored. Some smaller mines are short of orders because the consumers are waiting for lower prices on April 1.

John Lawson and John McLennon, referred to in the telegram, are leading officials of the miners' organization, and therefore in a position to know conditions at the various mines.

One of the leading newspaper men of Colorado wired me, denying the alarming reports circulated by the coal operators and concluding with the expressive, if not elegant, expression, "It is all bunk."

Mr. Speaker, no one wants to injure the coal-mining industry in Colorado or elsewhere, but it is just as well that gentlemen should understand that the coal consumers of this country have some rights which the Fuel Administration and the coal-mine owners are bound to respect. When Congress enacted the law which gave the President control over the coal mines of this country I am sure it was not our purpose to have that law administered exclusively in the interests of the men who own coal mines. If I understood the purpose of Congress, it was that the Fuel Administration should fix the price of coal at a figure which would insure every one engaged in the business a generous profit, but which at the same time would safeguard the public against extortion.

I think that was the thought that Dr. Garfield had in mind when he accepted the position of Fuel Administrator; but I am also convinced that at times he has been sadly imposed upon by representatives of the mine owners and that he has been led to issue orders which were not in the public interest.

In that connection Colorado's experience may prove illuminating. Some time in August last the President of the United States fixed the price of bituminous lump coal at the mine in Colorado at $2.70 a ton. At that time the people of Colorado were complaining that the price of coal was unreasonably high. This complaint, by the way, was not confined to Colorado but was quite general throughout the Nation, and the justice of it was largely responsible for the passage of the bill placing coal mines under governmental control. The people of Colorado, in common with the people of the rest of the country, looked for relief through governmental regulation. You can therefore imagine their surprise when on the 1st of October, instead of reducing the price of coal, the National Fuel Administration issued an order advancing the price of bituminous lump coal from $2.70, the figure fixed by the President, to $4 a ton. This was done at the urgent solicitation of a committee of coal-mine owners which had been sent to Washington from Colorado. The coal consumers were given no chance to present their side of the case, and the first they knew of the decision was when it was announced in my home town—Pueblo, Colo.—that the retail price of lump coal, instead of being reduced, would be advanced 50 cents a ton.

I immediately began to receive protests by letter and telegram, and I suggested to the Fuel Administration that the order advancing the price of coal be suspended until such time as all the parties in interest could be heard. This was not done, but Mr. H. D. Nims, representing Dr. Garfield, assured me he would be glad to make an investigation. When he learned that I was about to leave for Colorado he suggested that I examine into the situation "from the consumer's point of view" and let him know the result.

I agreed to do this, and on my arrival in Colorado went to some trouble to get at the facts. I found that the city of Denver was operating a municipal coal yard, having been compelled to enter into the coal business because of the unreasonable prices charged by the coal dealers. The city purchased its coal from two independent coal operators and paid $2.20 a ton for lump coal at the mine. The leading paper of Denver, the Post, was also in the coal business, and I found it was purchasing its coal from three different companies on the basis of $2.10 a ton for lump coal at the mouth of the mine. Here were five companies selling lump coal at the mouth of the mine for $2.10 and $2.20 a ton and making money, while the National Fuel Administration was insisting that $4 a ton was a reasonable price.

Mr. SLAYDEN. At the mine?

Mr. KEATING. At the mine.

Mr. SHERWOOD. For the same class of coal?

Mr. KEATING. In some cases.

Mr. FARR. Does the gentleman say it was the same class of coal?

Mr. KEATING. Yes. In some cases it was the same kind and in some cases not.

Mr. WHEELER. As I understand, the Fuel Administrator fixed $4 a ton, and the dealers raised the price to the consumer 50 cents?

Mr. KEATING. Yes; the price——

The SPEAKER. The gentleman's time has expired.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the gentleman be given such time as he requires.

Mr. KEATING. It will require only a few minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. KEATING. I transmitted these and other facts to the Washington office of the Fuel Administrator, and urged that an investigation be made and that the price of coal be reduced.

The exactions of the coal interests aroused deep resentment among the people, and organizations were formed all over the State to assist in the fight for fair coal rates, but nothing definite was accomplished. Instead the President ordered an additional advance of 45 cents a ton to cover the cost of an increase of wages which he had authorized. There was little opposition to this, because the people felt the money was going to those who actually dug the coal, but they continued to insist that the original increase authorized by the Fuel Administration of $1.30 a ton was without justification.

Mr. WALSH. Mr. Speaker, will the gentleman yield for a question?

Mr. KEATING. Yes.

Mr. WALSH. During the confusion I did not hear the early part of the gentleman's remarks. Did I understand him aright that he contends that the people have some rights that the Fuel Administrator is bound to respect?

Mr. KEATING. Yes. Not only that, but I am trying to demonstrate that the Fuel Administration is recognizing the rights of the people.

When I returned to Washington in December I again presented the facts to the Fuel Administration, and after many conferences was told that the entire subject would be referred to a board made up of experienced coal men, who would go over the cost sheets of the coal companies and all other data which might be available. This board devoted much time to the work, and I am sure was in no sense unfriendly to the coal-mine owners. It was on the recommendation of this board that Dr. Garfield finally ordered the reduction in the price of coal in Colorado to which I have referred.

Therefore the reduction was not made hastily. It was not suggested by inexperienced men who had only an "academic" knowledge of the coal business. It was made after the people of Colorado had been compelled to pay exorbitant prices for a period of five months, and after the facts had been so clearly proven that they could no longer be controverted.

In support of this latter statement permit me to quote from a letter written to Senator CHARLES S. THOMAS, of Colorado, by Dr. Garfield on March 20, 1918. After stating that he had based his action in the Colorado case on a report submitted to him by a committee of engineers, consisting of Mr. Cyrus Garnsey, jr., Mr. R. V. Norris, and Mr. James H. Allport, all experienced coal men, Dr. Garfield writes:

> I have examined the costs reported by 13 of the mines reported by Mr. Nash to have shut down; the sheets of the others, apparently, have not been turned in to the Federal Trade Commission. The costs reported reveal the fact that not in a single instance did the August costs reported by the mine exceed the price fixed. Indeed, the highest cost for August showed a profit of 2 cents per ton and the lowest 89 cents per ton. In September two of these mines reported costs slightly in excess of the price fixed. In one case only was the cost excessively high, and that was of a mine which produced only 298 tons. This mine reported $1.69 less cost per ton on a still smaller tonnage for August.
>
> An examination of the costs available of these mines does not warrant the assumption that they have closed down because of inability to produce at a profit.
>
> Sincerely, yours, (Signed) H. A. GARFIELD,
> *United States Fuel Administrator.*

Mr. SNYDER. Will the gentleman yield?

Mr. KEATING. Yes.

Mr. SNYDER. Will the gentleman tell me the highest price he knows of that any consumer paid for soft coal in Colorado?

Mr. KEATING. That would depend on the location. In the mountain districts it went very high.

Mr. SNYDER. About how high?

Mr. KEATING. In my own town, which is in the valley, it was $7.25.

Mr. SNYDER. I just want to say that there are some consumers in the East who are now paying as high as $4.50 at the mine.

Mr. KEATING. The situation in the East and the situation in the West are not at all alike. In the West we had no coal shortage worth mentioning. There it was entirely a question of price; and our contention was that the price charged by the coal-mine owners was unreasonable and extortionate.

Mr. SNYDER. I think the gentleman is quite right. I just asked for information, that is all.

Mr. KEATING. My only criticism of the Fuel Administration is that it was unreasonably slow in responding to the complaints of the coal consumers of Colorado; but, in explanation of the administration's conduct, it is only fair to state that Dr. Garfield and his lieutenants were so busy endeavoring to straighten out the coal situation in the Northern and Eastern States that they had little time to devote to Colorado's problems.

My object in making this statement to-day and in taking up the time of the House in this fashion is to indorse the order of the Fuel Administration and to express the hope that Dr. Garfield will not be influenced by the clamor of the profiteers. [Applause.]

When I returned from Colorado last December I submitted the following statement to the Fuel Administration at the request of Mr. Nims, Dr. Garfield's assistant:

DECEMBER 6, 1917.

Mr. H. D. NIMS,
United States Fuel Administration,
Washington, D. C.

MY DEAR MR. NIMS: When I was leaving for Colorado early in October you asked me to report to you on the coal situation in that State "from the consumer's point of view." I endeavored to comply, and from the 14th to the 20th of October submitted to you by wire the results of investigations which I conducted in Denver, Pueblo, and other Colorado cities and towns.

Permit me to again summarize my findings, which I assure you can be supported by ample evidence:

COST OF COAL AT THE MINES.

President Wilson fixed the price of bituminous lump coal at the mines in Colorado at $2.70 per ton. At the solicitation of the coal-mine owners, your office on October 4 advanced this price to $4 per ton and, later on, the President added another 45 cents to cover a general advance in wages which he authorized. Corresponding advances were made in the Colorado lignite fields. I will not burden you with all the figures, as I know you have them in your office. For the purposes of this letter, I will deal with the price of bituminous lump, which is the coal used by the people of my home city—Pueblo, Colo.—but the argument which I will make for the reduction of the price of bituminous will apply with equal force to lignite, the coal largely used by the people of Denver and other northern Colorado towns.

In my judgment the Fuel Administration's action in advancing the price of bituminous lump from $2.70 to $4 was without justification and should be rescinded.

When this advance was ordered, and for weeks thereafter—or until the President directed the last advance of 45 cents per ton—the Denver Post was purchasing both lignite and bituminous lump at the mine for $2.10 per ton and carrying on an extensive retail trade in the same in the city of Denver.

Mayor Robert W. Speer, of Denver, on behalf of the municipal coal yard, was purchasing lignite lump from three different companies for $2.20 per ton and selling the same to the people.

Mayor Speer and the Post took practically the entire output of five coal mines at the prices indicated, and my information leads me to believe that the coal operators made a reasonable profit.

If five companies—operating under union conditions and without any material natural advantage—could afford to sell lump coal at the mine for $2.10 and $2.20, why was it necessary for the Fuel Administration to authorize an advance to $4 a ton?

On April 1, 1917, all the retail coal dealers of Pueblo were purchasing bituminous lump at the mines for $2.75 a ton, and the coal companies were prospering.

What occurred between April 1, 1917, and October 1, 1917, to justify an advance of $1.25 a ton? I have endeavored to ascertain the facts and am convinced that 25 cents a ton would more than cover any increase in cost of production.

Bituminous lump should be reduced $1 a ton at the mines and a similar cut should be made in lignite.

I have received a number of complaints from granges and other organizations which have been accustomed to buying coal in carload lots and distributing it among their members. They allege that since you issued your regulations, the dealers' combines have induced many of the coal companies to refuse to sell to them. Other citizens have had similar experiences.

I hope it will be possible for you to break up these combines and to restore free competition. There should be no question about the citizen's right to purchase at the mine in carload lots.

As I stated to you in my telegram of October 18, I am sure that an investigation will show that the consumers of Colorado are paying not less than $1.50 a ton too much for their coal.

They have submitted to this extortion with marvelous patience, hoping that the National Fuel Administrator, exercising the ample powers vested in him by Congress, would eventually afford relief. That relief, if it is to be of value, must be granted at once. Already many of our citizens have purchased their winter's supply of coal. You can not return the money which has been unjustly taken from them, but you can protect the pocketbooks of the others.

Sincerely, EDWARD KEATING.

CALENDAR WEDNESDAY.

Mr. LEVER. Mr. Speaker, I ask unanimous consent to dispense with the business in order to-day under the rule.

Mr. GARRETT of Tennessee. Mr. Speaker, I am not sure what the attitude of the majority leader [Mr. KITCHIN] is on that question. I have not talked with him personally, but representing him here in his absence I think, from what understanding I have of the matter, I shall have to object to unanimous consent.

Mr. LEVER. Then, Mr. Speaker, I move to dispense with the proceedings in order to-day.

The SPEAKER. The gentleman from South Carolina moves to dispense with the business in order on Calendar Wednesday.

Mr. STAFFORD. Mr. Speaker, I rise in opposition to the motion.

The SPEAKER. The gentleman is entitled to five minutes.

Mr. LEVER. Mr. Speaker, I have five minutes.

Mr. STAFFORD. If the gentleman does not care to debate it, I do not care to do so.

The SPEAKER. The question is on the motion of the gentleman from South Carolina to dispense with Calendar Wednesday business.

The question being taken, on a division, demanded by Mr. STAFFORD, there were—ayes 104, noes 24.

Mr. LANGLEY. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will lock the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 299, nays 47, not voting 85, as follows:

YEAS—299.

Alexander	Esch	Kreider	Rucker
Almon	Evans	La Follette	Russell
Ashbrook	Fairchild, G. W.	Larsen	Sanders, Ind.
Aswell	Fairfield	Lazaro	Sanders, La.
Austin	Farr	Lea, Cal.	Sanford
Ayres	Ferris	Lee, Ga.	Saunders, Va.
Baer	Fields	Lehlbach	Scott, Iowa
Bankhead	Fisher	Lesher	Scott, Mich.
Barkley	Focht	Lever	Sears
Barnhart	Fordney	Little	Sells
Beakes	Foss	Lobeck	Shackleford
Bell	Foster	London	Shallenberger
Beshlin	Francis	Longworth	Sherwood
Black	Frear	Lundeen	Shouse
Bland	Freeman	Lunn	Sims
Booher	French	McAndrews	Sinnott
Bowers	Fuller, Ill.	McClintic	Sisson
Brand	Gallagher	McCormick	Slayden
Britten	Garland	McFadden	Slemp
Brodbeck	Garrett, Tex.	McKenzie	Sloan
Browne	Glynn	McKeown	Smith, Idaho
Browning	Goodwin, Ark.	McLaughlin, Mich.	Smith, Mich.
Brumbaugh	Gordon	McLaughlin, Pa.	Snell
Buchanan	Graham, Ill.	McLemore	Snook
Burroughs	Gray, Ala.	Madden	Steagall
Butler	Gray, N. J.	Magee	Stedman
Byrnes, S. C.	Green, Iowa	Mansfield	Steele
Byrns, Tenn.	Hadley	Mapes	Steenerson
Campbell, Kans.	Hamilton, Mich.	Martin	Stephens, Miss.
Campbell, Pa.	Hamilton, N. Y.	Mason	Stephens, Nebr.
Candler, Miss.	Hamlin	Mays	Sterling, Ill.
Cantrill	Hardy	Meeker	Stevenson
Caraway	Harrison, Va.	Montague	Stiness
Carlin	Haskell	Moon	Strong
Carter, Okla.	Hastings	Moores, Ind.	Sumners
Cary	Haugen	Morgan	Sweet
Chandler, Okla.	Hawley	Morin	Swift
Clark, Fla.	Hayden	Mudd	Switzer
Clark, Pa.	Heaton	Neely	Tague
Claypool	Heflin	Nelson	Talbott
Cleary	Helm	Nicholls, S. C.	Taylor, Ark.
Coady	Helvering	Nichols, Mich.	Taylor, Colo.
Collier	Hensley	Nolan	Temple
Connelly, Kans.	Hicks	Norton	Thompson
Cooper, Wis.	Hilliard	Oldfield	Tillman
Cox	Holland	Oliver, Ala.	Timberlake
Crago	Hood	Oliver, N. Y.	Towner
Cramton	Houston	Olney	Vare
Crisp	Howard	Osborne	Venable
Crosser	Huddleston	O'Shaunessy	Vestal
Currie, Mich.	Hull, Iowa	Overstreet	Vinson
Dallinger	Hull, Tenn.	Padgett	Voigt
Darrow	Hutchinson	Park	Volstead
Davis	Igoe	Parker, N. Y.	Waldow
Decker	Ireland	Phelan	Walker
Dempsey	Jacoway	Polk	Walton
Dent	James	Porter	Wason
Dewalt	Johnson, Ky.	Pou	Watkins
Dickinson	Johnson, Wash.	Pratt	Watson, Pa.
Dill	Jones, Tex.	Purnell	Watson, Va.
Dillon	Jones, Va.	Quin	Weaver
Dixon	Juul	Ragsdale	Webb
Dominick	Kearns	Raker	Welling
Donovan	Keating	Ramsey	Welty
Doolittle	Kelley, Mich.	Ramseyer	Whaley
Doughton	Kelly, Pa.	Randall	Wheeler
Dowell	Kennedy, Iowa	Rankin	White, Ohio
Drane	Kettner	Reavis	Wilson, La.
Dunn	Key, Ohio	Reed	Wingo
Dupré	Kiess, Pa.	Robinson	Wise
Dyer	Kincheloe	Rodenberg	Woods, Iowa
Eagan	King	Romjue	Woodyard
Eagle	Kinkaid	Rose	Young, N. Dak.
Elliott	Knutson	Rowe	Zihlman
Emerson	Kraus	Rubey	

NAYS—47.

Anthony	Elston	Langley	Sabath
Bacharach	Fuller, Mass.	Lonergan	Sherley
Burnett	Gallivan	Lufkin	Smith, C. B.
Cannon	Garner	Maher	Snyder
Connally, Tex.	Garrett, Tenn.	Merritt	Stafford
Dale, N. Y.	Gillett	Paige	Tilson
Dale, Vt.	Greene, Mass.	Parker, N. J.	Treadway
Delaney	Greene, Vt.	Rainey	Walsh
Denison	Gregg	Rayburn	Wilson, Ill.
Dooling	Griffin	Riordan	Winslow
Doremus	Humphreys	Robbins	Young, Tex.
Edmonds	Husted	Rogers	

NOT VOTING—85.

Anderson	Church	Denton	Flynn
Blackmon	Classon	Dies	Gandy
Blanton	Cooper, Ohio	Drukker	Gard
Borland	Cooper, W. Va.	Ellsworth	Glass
Caldwell	Copley	Estopinal	Godwin, N. C.
Carew	Costello	Fairchild, B. L.	Good
Carter, Mass.	Curry, Cal.	Fess	Goodall
Chandler, N. Y.	Davidson	Flood	Gould

Graham, Pa.	Lenroot	Platt	Sullivan
Griest	Linthicum	Powers	Templeton
Hamill	Littlepage	Price	Thomas
Harrison, Miss.	McArthur	Roberts	Tinkham
Hayes	McCulloch	Rouse	Van Dyke
Heintz	McKinley	Rowland	Ward
Hersey	Mann	Sanders, N. Y.	White, Me.
Hollingsworth	Miller, Minn.	Schall	Williams
Johnson, S Dak.	Miller, Wash.	Scott, Pa.	Wilson, Tex
Kahn	Mondell	Scully	Wood, Ind.
Kehoe	Moore, Pa.	Siegel	Wright
Kennedy, R. I.	Mott	Small	
Kitchin	Overmyer	Smith, T. F.	
LaGuardia	Peters	Sterling, Pa.	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. BLANTON with Mr. MCKINLEY.

Mr. STERLING of Pennsylvania with Mr. SCOTT of Pennsylvania.

Mr. THOMAS F. SMITH with Mr. COOPER of West Virginia.

Mr. BLACKMON with Mr. HOLLINGSWORTH.

Mr. VAN DYKE with Mr. WARD.

Mr. BORLAND with Mr. GOOD.

Mr. THOMAS with Mr. DAVIDSON.

Mr. HARRISON of Mississippi with Mr. CHANDLER of New York.

Mr. DIES with Mr. KAHN.

Mr. KEHOE with Mr. MILLER of Minnesota.

Mr. ESTOPINAL with Mr. GOULD.

Mr. LITTLEPAGE with Mr. FESS.

Mr. SCULLY with Mr. ROWLAND.

Mr. LINTHICUM with Mr. ROBERTS.

Mr. OVERMYER with Mr. BENJAMIN L. FAIRCHILD.

Mr. CALDWELL with Mr. GOODALL.

Mr. DENTON with Mr. COOPER of Ohio.

Mr. CAREW with Mr. CURRY of California.

Mr. FLOOD with Mr. GRAHAM.

Mr. CHURCH with Mr. GRIEST.

Mr. FLYNN with Mr. HAYES.

Mr. GARD with Mr. HERSEY.

Mr. GANDY with Mr. KENNEDY of Rhode Island.

Mr. KITCHIN with Mr. MANN.

Mr. PRICE with Mr. MCCULLOCH.

Mr. ROUSE with Mr. MCARTHUR.

Mr. SCHALL with Mr. MOORE of Pennsylvania.

Mr. SMALL with Mr. PETERS.

Mr. SULLIVAN with Mr. SANDERS of New York.

Mr. WRIGHT with Mr. SIEGEL.

Mr. STERLING of Pennsylvania with Mr. TINKHAM.

Mr. SCULLY with Mr. WILLIAMS.

Mr. GLASS with Mr. MOTT.

Mr. HAMILL with Mr. ANDERSON.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

SALE OF SEED GRAIN TO FARMERS.

Mr. FOSTER. Mr. Speaker, I present a privileged report (H. Rept. No. 417) from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 281.

Resolved, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the following bill reported from the Committee on Agriculture as a committee substitute for H. R. 7795:

"A bill to provide for the national security and defense and further to assure an adequate supply of food, by authorizing the Secretary of Agriculture to contract with farmers in certain areas for the production of grain through advances, loans, and otherwise, and by providing for the voluntary mobilization of farm labor, and for other purposes.

"*Be it enacted, etc.*, That the Secretary of Agriculture is hereby authorized, for the crop of 1918, to make advances or loans to farmers in spring-wheat areas of the United States where he shall find special need for such assistance for the purchase of wheat, oats, and barley for seed purposes, or, when necessary, to procure such seed and sell the same to such farmers. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each such farmer to use the seed thus to be obtained by him for the production of grain during the crop season of 1918. A first lien on the crop to be produced from seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. The total amount of such advances, loans, or sales to any one farmer shall not exceed $450. All such advances or loans shall, as far as practicable, be made through the agency of State and National banks. For carrying out the purposes of this section there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $7,500,000, available immediately.

"SEC. 2. That the Secretary of Agriculture is hereby authorized to provide for and secure the voluntary mobilization and distribution of farm labor for the production and harvesting of agricultural crops for the year 1918, and to advance railroad fares and other actual traveling expenses for the transportation of such labor, upon such terms and conditions and subject to such regulations as he shall prescribe. For carrying out the purposes of this section there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $2,500,000, available immediately.

"SEC. 3. That, in carrying out the purposes of this act, the Secretary of Agriculture is authorized to cooperate with the Secretary of Labor or any other Federal, State, county, or municipal department, agency, or officer, or with any person or with any association of farmers, board of trade, chamber of commerce, or similar organization.

"SEC. 4. That until the purposes of this act have been accomplished the Secretary of Agriculture shall, as soon as possible after the close of each calendar year, cause to be made to the Congress a detailed report showing all proceedings and transactions under this act during such calendar year. Such report shall, in addition to other matters, contain a statement of all persons employed, the salary or compensation of each, the aggregate amount of loans, advances, or sales, and the total amount thereof unpaid, and all receipts and disbursements under this act. All moneys collected by the United States under this act shall be covered into the Treasury as miscellaneous receipts.

"SEC. 5. That any person who shall knowingly make any false representation for the purpose of obtaining an advance, loan, or sale under this act shall, upon conviction thereof, be punished by a fine not exceeding $1,000, or by imprisonment not exceeding six months, or both.

"SEC. 6. That not exceeding $100,000 of the moneys appropriated by this act may be expended for the payment of such administrative expenses, including such rent, the expense of such printing and publications, the purchase of such supplies and equipment, and the employment of such persons and means, in the District of Columbia and elsewhere as the Secretary of Agriculture may deem necessary for the purposes of this act."

Resolved further, That there shall be not exceeding two hours of general debate, the time to be controlled, one hour by Mr. LEVER and one hour by Mr. HAUGEN; that all debate shall be confined to the subject matter of the bill; that at the expiration of the general debate the committee substitute shall be read section by section for amendment under the five-minute rule; that at the conclusion of such reading the committee shall rise and report the bill to the House, whereupon the previous question shall be considered as ordered upon the bill and amendments to final passage without intervening motion except one motion to recommit.

Mr. WALSH. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. WALSH. Mr. Speaker, I move to amend the rule by striking out "two hours" and inserting "four hours."

Mr. FOSTER. Mr. Speaker, the gentleman can not get the floor to make that motion.

Mr. WALSH. I have been recognized, I submit. I was asked why I rose.

Mr. FOSTER. Under all parliamentary rules the gentleman has no such right. I was on my feet just as the Clerk completed the reading of the rule.

Mr. WALSH. The gentleman was on his feet, but not seeking recognition.

Mr. FOSTER. The gentleman was seeking it at the proper time.

The SPEAKER. The gentleman from Illinois had had recognition.

Mr. POU. The motion is not in order.

Mr. FOSTER. The gentleman can not supersede me by getting up and "hollering" out in that way.

Mr. WALSH. It is necessary to "holler" out to obtain recognition from the Chair, and I received recognition.

The SPEAKER. The gentleman from Illinois already had recognition. The gentleman from Illinois had the floor.

Mr. FOSTER. Mr. Speaker, I move the previous question on the resolution.

Mr. WALSH. Mr. Speaker, does the Chair rule that my motion is out of order?

The SPEAKER. Yes. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The gentleman from Illinois is entitled to 20 minutes and the gentleman from Kansas [Mr. CAMPBELL] is entitled to 20 minutes.

Mr. FOSTER. Mr. Speaker, this rule provides for the consideration of the committee substitute for H. R. 7795, which is for furnishing of seed to farmers by the Government to increase the supply of food for the coming year. I reserve the remainder of my time.

Mr. SNELL. Mr. Speaker, the gentleman from Kansas [Mr. CAMPBELL], the ranking Republican member of the Committee on Rules, has just been called to the War Department, and he requests me to state for him that he is in favor of the rule and also for the bill.

Personally, I think this rule simply makes it in order for this House to consider another one of those radical measures that we have been accustomed to consider during the present session of Congress under the caption of war-emergency legislation. Last week when we were discussing the war finance corporation bill that measure was characterized, as I remember it, by both the leader of the minority and the majority as one of the most radical measures that had ever come before the House, and as a measure that would not receive a moment's consideration in time of peace. I believe this measure is even more radical than the war finance corporation bill, and goes further toward

committing the Federal Government to the policy of paternalism than any measure yet considered, and when we have once committed this Government to the principle of paternalism it is going to be mighty difficult to get away from it. Personally I am against this Government adopting that principle, but as long as we have adopted it, as far as big business is concerned, shipbuilding, public utilities, and the railroads, I do not believe we can consistently refuse to comply with the request from the farmers when their request is a moderate one, when we consider that they are conducting the most important business in this country at the present time, not only from our own standpoint, but from the standpoint of our allies. [Applause.] And if loaning them a small amount of money will in any way increase the food production during the present season, I think we are under obligations to do it, no matter how radical the measure may seem to be at the present time.

Mr. LANGLEY. Mr. Speaker, will the gentleman yield?

Mr. SNELL. Certainly.

Mr. LANGLEY. Does not the gentleman think that this bill would accomplish the end more effectively if it were broadened so as to include other farm products?

Mr. SNELL. If the gentleman will wait a moment, I shall come to that.

Mr. SNYDER rose.

Mr. LANGLEY. I wish the gentleman would discuss the corn-seed problem.

The SPEAKER. To whom does the gentleman yield?

Mr. SNELL. To the gentleman from New York [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker, I would like to ask the gentleman if he has had any particular deluge of requests from farmers in his district for this measure?

Mr. SNELL. Not a one, as far as seed is concerned, but many on subject of labor shortage.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I want first to finish my statement, and then I will yield. I consider that when we adopt the provisions carried in this bill we are committing this Government to the wildest kind of wildcat banking, and I doubt if much of this money will ever be returned to the United States Treasury. But, on the other hand, if we are going to consider this legislation at all, it should be considered at this time, because if we wait a little longer it will not do any good to the farmer and not in any way help to increase the crop for 1918.

Now, just a moment on the provisions of the bill itself. Section 1 appropriates $7,500,000 for relief of farmers in the spring-wheat areas of the United States. This, of course, to a large degree confines the relief to the Northwest. As I look at the whole bill, if it is good for the Northwest, it ought to be good for the Northeast; if it is a good thing for the State of Montana, it ought to be a good thing for the State of Maine; and, whether the people of my district have requested it or not, if it is the proper thing that this Government should loan $450 to any individual farmer to buy seed in the spring, it is certainly a good thing to loan it to any farmer in any part of the country. [Applause.]

Mr. WHEELER. Will the gentleman yield?

Mr. SNELL. In just a minute. When the time comes I propose to offer an amendment to the bill making it applicable to any and every farmer in any and every part of the whole country. [Applause.] The second provision of this bill, in my judgment, is by far the better part of the bill and a step in the right direction. It appropriates $2,500,000 for the mobilizing and distribution of farm labor, the only help the farmers, as a whole, need and the only part of the bill I am deeply interested in. As far as I have learned the needs of the farmers of the whole country, they are more in need of labor to help them put in a crop, cultivate and harvest it than they are in need of seed. [Applause.]

Mr. WHEELER. Will the gentleman yield now?

Mr. SNELL. I will.

Mr. WHEELER. In view of the gentleman's statement about not confining it to any particular area, why not include corn, timothy, and clover seed?

Mr. SNELL. It is perfectly agreeable to me, as far as I am concerned.

Mr. STAFFORD. Why not include clothes to the farmer?

Mr. SNELL. I represent an agricultural district. The people in my district are so busy they do not bother their Representative about matters unless they are important. I have received more letters from the farmers in my district in the last 60 days than in the previous 3 years of my service here, and every letter I have received has been along the lines of the shortage of farm labor, and, as far as I am able to learn, there is almost an entire disappearance of farm labor in all rural parts of this country. You must remember the farmer can not compete in question of wages with the munition manufacturer, shipbuilder, and contractor who is working for the Government on a cost-plus basis. In addition to this, you have taken during the last year over 200,000 of the best young men from the farms and put them in the Army; so it is up to us, if we want them to continue to furnish food supply for the world, to do something definite in the way of relief for the present labor shortage in rural communities. I am assured by the Labor Department here in Washington that there is plenty of labor in this country, but that it is simply a matter of distribution. Now, this bill provides $2,500,000 for this distribution of farm labor, and I trust that the Agricultural Department will get to work at once and, if this labor is available, see that it is distributed where it is most needed. Thus they will be rendering a real aid to every farmer in every part of the country.

The President and Mr. Hoover are all the time appealing to the patriotism of the farmers to raise more food products. Their advertisements are in every newspaper and magazine in the country. The farmers do not need to be appealed to on the ground of patriotism. What they need is more actual man power to help put in the crop, cultivate, and harvest it. [Applause.] You must understand that it takes more than patriotism to hold a plow and follow a drag on the farm. They have got the patriotism, but they lack the man power. The second part of this bill to a certain extent provides for that man power, and for that reason I am in favor of the bill and I hope that the rule and bill will be approved by the Members of this House. [Applause.]

I reserve the balance of my time. How much time have I left?

The SPEAKER. The gentleman used eight minutes.

Mr. FOSTER. Mr. Speaker, I yield two minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Speaker, with that portion of the bill which provides for the making of advances or loans for the purpose of purchasing of seeds I am not in sympathy. I have not been convinced from such study as I have had the opportunity to give the question that the exigency is such as to require this extremely radical legislation, but I may be mistaken about it; I know that a great number of my colleagues who have given much thought and attention to it feel that it is a necessary measure and for that reason I have not felt disposed to undertake to wage any very bitter fight upon the rule or upon the bill itself, but I did not wish it to go by without at least stating my attitude toward the matter, because I may want to refer to it in the future when other legislative matters shall arise here upon the floor of the House. I yield back whatever time I may have left.

Mr. FOSTER. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. YOUNG].

Mr. YOUNG of Texas. Mr. Speaker and members of the House, having the honor to be a member of the Committee on Agriculture that presents this bill I feel it my duty, having the opposition point of view, to present that point of view. I am opposed to this bill as being one of the most dangerous precedents that could ever be established by any legislative body on earth. I do not believe in the principle involved in the bill. I did not support it in the committee, and I shall not support it here. We need not try to deceive the country. We are now pretending to pass a bill appropriating $7,500,000 to be given to the spring-wheat section of the country—three or four States. We are engaged in that important work in this House the last of March. April is the planting season, and you are holding out here, this great body of legislators, that we are going to get $7,500,000 loaned to the individual farmers during the month of April when another legislative body must deal with this proposition and April will be passed before it can be reached, and you know it. You will never get any legislation in the first place——

Mr. EVANS. Will the gentleman yield?

Mr. YOUNG of Texas. No; I have but five minutes. In the next place, if you get the legislation, then this money is to be loaned by the Secretary of Agriculture, loan $450 to an individual allotment, through the $7,500,000 that you are giving. Where is your machinery that you are going to be able in a few days' time to make these loans to the individual farmer? You need not try to fool the country. You can not get the machinery together to do it, and every Member of this House knows it. Now, what is the proposition? One hundred and sixty-six thousand six hundred and sixty-six families will be entitled to the loan. Who is going to find those people and who is going to draw the contracts? You know it can not be done; it is a perfect impossibility. The Secretary of Agricul-

ture knew it. He is opposed to the legislation and so stated in the committee, and yet we engage in this foolish piece of conduct.

Now, another thing: Some four or five States up there are involved. I sympathize with those people who have had droughts. My State has had the most severe drought in its history, and yet they have not asked anything on this floor. Let Texas take care of Texas is my slogan. Let these States that have suffered these droughts exercise their ability to take care of the situation, if it is possible to do it, but not go on the principle of coming to the Federal Government and ask that the Secretary of Agriculture go out to Tom, Dick, and Harry and make these loans. And what is the security? That, in his judgment, he need not take any further security than a loan on the crop. And there, gentlemen of the House, you run into the proposition of separate and distinct laws in the several States involved. I presume that every State involved in this matter has its landlord-and-tenant statute. My State has. The landlord has preferential liens on all the crops grown, and nobody can get in under that lien. It is statutory. I understand that a great deal of this land is owned by absent landlords, and they have not sufficient confidence in their own land and in their own tenants to advance this seed with which to seed the land. Are you going to be engaged in the foolish proposition of advancing to various people when the landlords will not advance to them, and let him step in with the statutory lien that is prior to the lien of the Government, collect his debt, and let the Government stand the loss? That is what this bill does. It lets the absent landlord reap the reward upon the taxes of the American people, who must be called upon to contribute this $7,500,000. And with these principles involved in the bill I can not give it my support.

The SPEAKER. The time of the gentleman has expired.

Mr. SNELL. Mr. Speaker, I yield two minutes to the gentleman from Indiana [Mr. BLAND].

Mr. BLAND. Mr. Speaker, I am not so much interested in the feature of the bill that provides for the loan of money to farmers as I am for the part of the bill that provides for the purchase and reselling of the seed. I am not sure that I can support this bill in its present form, because I do not think we ought to take care of the spring-wheat area alone. In my State last year practically 75 per cent of the corn was frostbitten, and the question of seed corn in Indiana is a serious one to our people. They can not get it. I do not care so much about the loaning of the money with which to buy it as that the Government get it and sell it to the farmer.

Mr. FOSTER. Does the gentleman know that $6,000,000 was appropriated to sell seed for cash to farmers in that country?

Mr. BLAND. Then why is there necessity for this bill at all?

Mr. STAFFORD. There is no necessity for it at all, then.

Mr. BLAND. This bill——

Mr. HAUGEN. And I might add that a bill is to come in in the near future that will take care of the proposition the gentleman refers to.

Mr. BLAND. I am confining my remarks to this bill. Unless it was amended to include corn for the Middle West, I think it would fail in its purpose very largely. If there is necessity for seed anywhere in the world, it is in the corn districts that were frostbitten last year. I do not see why the committee should overlook such an important proposition as this. If I have an opportunity I am going to offer an amendment to strike out the words "spring-wheat area," so that the bill will apply to all of the United States, and then insert the word "corn," because I think if there is any necessity for anything to be furnished it is for seed corn. Recently we had the food department of the State over here investigating this question, and the secretary told me they were having an awful time trying to locate seed corn. They tried to prevent the farmer from selling their good corn on the market, and were trying to get what they could saved for seed purposes. The price was so attractive that most of the good corn for seed was sold and no doubt consumed.

The SPEAKER. The time of the gentleman has expired.

Mr. SNELL. Mr. Speaker, I yield four minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Speaker, I am quite sure that the membership of the House voted erroneously a few minutes ago, under the impression that the Congress had not provided ample funds to purchase seed and resell it to the farmers in those districts of the country where there was a drought or where there were poor crops. In the bill that was signed by the Speaker this morning, the urgent deficiency appropriation bill, $4,000,000 was provided as a revolving fund to the Secretary of Agriculture to carry out, in addition to the $2,500,000 that was provided last year, the very purposes which the gentleman from Indiana and others have in mind to accommodate the farmers. But this bill goes further. This bill is a reflex——

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. STAFFORD. This bill is a reflex of the opinions of the Nonpartisan League in securing radical and socialistic legislation in North Dakota. The legislature of that State in special session this spring authorized all the counties to advance money by loans to the respective farmers for the very purpose which is embodied in this bill. And this Congress now is emulating the socialistic principles of this Nonpartisan League for the first time, by establishing a policy of loaning money to farmers. Where will we stop?

The gentleman from New York [Mr. SNELL] says we have a precedent in the action taken the other day in authorizing the Secretary of the Treasury to loan money to various commercial and industrial activities. Why, the very warrant for that legislation was that the Federal reserve banks did not have authority, and that the Federal Reserve System would break down in making long-time loans.

If I had not had some experience with North Dakota in years back, during periods of excessive droughts, I would not to-day be so strongly in opposition to this measure; but I am somewhat acquainted with the conditions out there, and know the conditions when they have suffered successive droughts by reason of the Chinook winds coming from the south and blighting their crops. And yet in those days, when wheat was less than $1, less than 75 cents, less than 50 cents, they were able to meet the conditions. And since then we have passed the Federal reserve act that brings relief to the farmers from the local banks for short-time loans, and we have passed the Federal farm-loan act that brings relief for long-time loans, and notwithstanding these, as a sop to this Nonpartisan League, at the instance of the gentleman from North Dakota [Mr. BAER], a bill is introduced in here, and Congress is asked to ratify the fundamental principles of this new socialistic party, which is running wild in the western prairie States and which has not the courage of its principles to announce that they are socialistic fundamentally.

Mr. BLAND. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Wisconsin yield to the gentleman from Indiana?

Mr. STAFFORD. I yield.

Mr. BLAND. In the legislation that has already been passed on this question does the gentleman take the position that the spring-wheat field area has been taken care of as well as the corn question?

Mr. STAFFORD. I wish to say that the hearings before the Committee on Appropriations show that the Agricultural Department has been doing everything in its power to meet the drought conditions in the various parts of the country by furnishing at cost not only seed wheat but seed corn. The department has been doing everything, and the committee has just voted $4,000,000 additional to the $2,500,000, which it makes a revolving fund, whereby adequate means are furnished for that very purpose.

Mr. BLAND. For what purpose?

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. SNELL. Mr. Speaker, I yield the balance of my time to the gentleman from North Dakota [Mr. NORTON].

The SPEAKER. The gentleman from North Dakota is recognized for four minutes.

Mr. NORTON. Mr. Speaker, the resolution making in order this proposed legislation is a very simple one. It is not the character of rule that I objected to a few days ago, under which the Post Office salary-increase bill was taken up. There are no riders or jokers introduced under this rule. It provides simply for the consideration of the bill reported from the Committee on Agriculture as a committee substitute for the bill H. R. 7795, and the committee substitute, including the title and enacting clause to be considered, is set out fully in the rule. The rule does not provide for the consideration of the bill H. R. 7795.

The committee substitute that is to be before the House for consideration if this rule is adopted may be divided into two parts. The first part provides for an appropriation of $7,500,000, to be used by the Secretary of Agriculture to encourage the production of wheat, oats, and barley in the spring-wheat growing areas of the United States. It is provided that the Secretary of Agriculture may make contracts with farmers to increase the production of wheat, oats, and barley and to advance them money for seed in connection with these contracts, or the Secretary may loan to farmers outright an amount not exceeding $450 to each farmer, to enable him to secure seed to put in a crop and increase the production of wheat, oats, or barley.

Mr. BUTLER. Mr. Speaker, will the gentleman yield, or would he rather not yield?

Mr. NORTON. Not just now. If this war has made clear anything, it has made clear the fact that agriculture and the production of foodstuffs is one of the things most essential to the success of our Nation and our allies in this war. If any of the industries are to be helped and encouraged by the Government during this war, agriculture is deserving of the first and highest consideration.

One of the questions which has arisen in the discussion of this bill is as to whether there is any necessity for this legislation, or whether it does not come too late. If there is necessity for it, I dare say there is not a single man in this House who will object to this legislation or who will oppose it.

Mr. RAGSDALE. A married man may do it? [Laughter.]

Mr. NORTON. Well, I think, on the merits of the proposition, both the married men and the single men of the House will support it.

If there is a real necessity for this legislation—and I believe there is—if under the authority proposed to be granted by this bill to the Secretary of Agriculture it will enable him to give aid and encouragement to farmers in the spring-wheat growing areas of the United States to such an extent that a material increase will be made there this year in the production of wheat, oats, and barley; if, as it clearly appears, the enactment of this bill as drafted in the Committee on Agriculture is likely to result in an increased production this year of more than 20,000,000 bushels of wheat, the bill merits the support of every Member of the House interested in a sufficient supply next year of wheat for the people of our own Nation and for those of our allies in this great war. If, on the other hand, the Secretary of Agriculture finds that the aid to be extended by this proposed legislation comes too late or is not needed, then the appropriation of $7,500,000 provided in the bill for seed will simply not be used and the money will remain in the Federal Treasury to be used for other purposes of the Government. By the terms of the bill it is left wholly within the discretion of the Secretary of Agriculture to make contracts with farmers for increased production of wheat, oats, and barley or to advance or loan them money to secure seed, so that they may sow and produce this year a greater amount of these grains than, without such aid, they otherwise would be able to do.

The second and most important part of the bill provides for the mobilization of farm labor and the distribution of it to different sections of the country where it may be most needed. An appropriation of $2,500,000 is proposed for this purpose. Surely everyone who knows anything about how the attraction of new war industries and high wages in the cities has depleted farm labor in many sections of the country will give his support to this feature of the bill.

Mr. WHEELER. Mr. Speaker, will the gentleman yield?

Mr. NORTON. I should like very much to yield to my friend, but I have but a few minutes of time—not enough even to permit me to conclude my own reasons why this rule should be adopted.

The SPEAKER. The time of the gentleman from North Dakota has expired.

Mr. FOSTER. Mr. Speaker, I yield four minutes to the gentleman from Montana [Mr. EVANS].

The SPEAKER. The gentleman from Montana is recognized for four minutes.

Mr. EVANS. Mr. Speaker, I am heartily in favor of the principle of this bill. It may be that this bill will need amending. It may be that it is not broad enough to cover all sections of the country. But the amount of money appropriated will not go very far It will not wreck this Government. We are daily appropriating money here to carry on the war of the ages. We are here to-day asked to appropriate some money to produce foodstuffs to feed the men, and we are told, "This is revolutionary; this is unprecedented."

My friends, within a year we appropriated $800,000,000 for aeroplanes. I wonder if anybody thinks we are going to get any of it back? Of course it is unprecedented. Of course nothing was ever done before of the kind, nor did you ever see upon the floor of this House a bill to furnish money to munition factories, to shipbuilders, to railroads, until now.

Mr. Speaker, there is a class of people that need financial help just now. Let me speak to you about my own State, because I know more about my own State than I do of other sections of the country. Our people are a wheat-growing people, largely in all eastern Montana. They have settled that country within the last few years. Last year there were 20,000 homestead entries made in the State of Montana and the year before probably as many. There are 60,000 land entries in Montana to which people have no title yet. There is nothing that they can give as security to any bank or financial institution, because they have no title to the land. Six years ago we raised about 5,000,000 bushels of wheat in Montana. Five years ago we raised about 12,000,000 bushels. Three years ago we raised about 18,000,000 bushels. Two years ago we raised about 25,000,000 bushels. Last year we had a failure of crops for the first time. If we had raised what we planted we would have raised 50,000,000 bushels of wheat. Our people lost their crops last year. They borrowed from every bank and financial institution all that they would lend them for the purpose of putting in seed, but they now have no finances; they have no title to the lands. The entryman who has not yet secured title can not go to his merchant or banker and obtain a loan, because he has no security to offer.

He can not go to his banker or to his merchant and borrow anything, because he has no title to his land. There are at least 60,000 of these men in the State of Montana, and every other Western State is to a greater or less degree in the same situation.

Mr. BUTLER. Will we be in time to help these people make a wheat crop if we pass this bill promptly?

Mr. EVANS. I think we will, but not if the bill suffers from the usual inertia of Congress. This bill has been before the Agricultural Committee for two months. It should have been acted on long ago. I introduced a similar bill last fall in the hope that it might be passed before this, but the inertia of Congress is almost beyond belief.

Mr. SWITZER. How late do they plant spring wheat in Montana?

Mr. EVANS. Probably until the 1st of May.

Mr. SEARS. Does the gentleman remember that it took the Federal farm-loan banks more than a year to get started before they could pass on titles and make loans?

Mr. EVANS. I suppose it did, but in this case there is no title to pass upon, except the mortgage on the man's crop.

Mr. YOUNG of North Dakota. How late can they seed barley in Montana?

Mr. EVANS. I do not know. I should say all through the month of April and part of the month of May.

Mr. FOSTER. Gentlemen say that this action is unprecedented. Yes; but we have done things during this war and during this Congress that were unheard of before, and that no one of us would do in time of peace; but when it comes to doing something to help the farmer increase the food supply of the country the farmer is entitled to consideration. This action is unprecedented, of course, but we ought to give it fair consideration.

I yield the remainder of my time to the gentleman from South Carolina [Mr. LEVER].

Mr. LEVER. Mr. Speaker, I think it unnecessary for me to say that under ordinary circumstances I would be the last man in this body to support a proposition of this kind. I recognize that it is carrying paternalism almost to the breaking point, and I am not a paternalist in my political or economic views. But our country is at war, and in the successful prosecution of this war bread is proving itself to be as important as cannon, munitions, bullets, and the like. [Applause.] We can not afford, because of any squeamishness, to take the risk of reducing the bread supply of this Nation. When I say the bread supply I have in mind especially the wheat-bread supply.

Mr. LANGLEY. Does the gentleman believe——

Mr. LEVER. I can not yield. It came to the attention of the Committee on Agriculture that in certain sections of the United States, notably in North Dakota, South Dakota, portions of Montana and Minnesota, the so-called spring-wheat area of the United States, they had suffered during the last year from a rather severe drought. It was argued to the committee with great force that in certain sections of that country many homesteaders were without means to buy wheat seed. It was argued that with proper encouragement from the Government, with a sufficient amount of seed for the purpose, the spring-wheat acreage of the United States could be increased three or three and one-half million acres during the 1918 crop year. If the yield from that acreage should be normal, it would add anywhere from 30,000,000 to 40,000,000 bushels of wheat to the wheat supply of this country. That amount may be critical. I have been very much encouraged at the sowing of winter wheat. The figures show that we have in already one of the largest crops of winter wheat that has ever been sown in this country. For quite a little while the reports as to the condition of the winter wheat were anything but encouraging. I am very happy to tell the House that reports received within the past few days from reliable sources convince me that there is nothing in the situation at this time, so far as the winter wheat is concerned, to give us any alarm. On the contrary, the situation is quite encouraging. If we should

have a normal production of wheat from the winter-wheat area, we should increase the amount of wheat in this country during this crop year. But we can not afford to take any chances. We ought, if possible, to sow this year in spring wheat not less than 23,000,000 acres. If we can do that and no unfortunate accidents happen because of unfavorable weather, or something of that kind, we should be able to harvest in the neighborhood of a billion bushels of wheat this year. We shall need between 850,000,000 and 900,000,000 bushels of wheat if we are to supply our own civilian population, our armies, and the armies and navies of our allies, and the civilian population of our allies. If there is any one thing that this country can not afford to neglect, if there is any one thing that this Congress can not afford to neglect, if there is any one thing the overlooking of which would be fatal to the successful prosecution of this war, it is the proposition of wheat bread.

You say, "Why wheat bread?" For the reason that wheat flour is practically the only material out of which you can make Army bread. You say, "Why not feed our allies with corn bread?" The answer is that probably 99 per cent of the bread consumed by our allies is baked in bakeries. More than that, the populations of our allies know nothing of corn bread. They have never been taught to use it. They are a wheat-bread-eating people, and we have got to recognize that if we want to deal with the situation intelligently.

There is another proposition in this bill which I think ought to challenge the attention of this Congress. As chairman of the Committee on Agriculture I have received complaint after complaint about the farm-labor situation throughout the country, regardless of section or location. I presume every Member of Congress has received these complaints. I confess that I have no patent upon the solution of that problem. I think the Government is doing something that is going to help the situation somewhat. We are providing in this bill a fund of $2,500,000 in the hope that the Department of Agriculture may find some way out of this difficult labor situation. [Applause.]

The SPEAKER. The gentleman's time has expired. All time has expired. The question is on the resolution.

The question being taken, on a division (demanded by Mr. WALSH), there were—ayes 97, noes 15.

Mr. WALSH. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will lock the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas, 279, nays 40, not voting 112, as follows:

YEAS—279.

Alexander	Crago	Fuller, Ill.	King
Ashbrook	Cramton	Garland	Kinkaid
Aswell	Crisp	Glynn	Knutson
Austin	Crosser	Godwin, N. C.	Kraus
Ayres	Currie, Mich.	Graham, Ill.	Kreider
Bacharach	Dale, N. Y.	Gray, Ala.	La Follette
Baer	Dallinger	Gray, N. J.	Langley
Bankhead	Darrow	Gregg	Larsen
Barkley	Davis	Hadley	Lea, Cal.
Barnhart	Decker	Hamilton, Mich.	Lehlbach
Beakes	Delaney	Hamlin	Lever
Bell	Dempsey	Hardy	Little
Beshlin	Denison	Harrison, Va.	London
Bland	Dent	Haskell	Longworth
Blanton	Dewalt	Hastings	Lufkin
Booher	Dickinson	Haugen	Lundeen
Bowers	Dill	Hawley	Lunn
Brand	Dillon	Hayden	McAndrews
Britten	Dominick	Heaton	McArthur
Brodbeck	Donovan	Heflin	McCormick
Browne	Dooling	Helm	McFadden
Browning	Doolittle	Helvering	McKenzie
Burnett	Doughton	Hensley	McKeown
Burroughs	Dowell	Hicks	McLaughlin, Mich.
Butler	Drane	Hilliard	McLaughlin, Pa.
Byrnes, S. C.	Dupré	Holland	McLemore
Byrns, Tenn.	Dyer	Hood	Madden
Campbell, Pa.	Eagan	Houston	Magee
Candler, Miss.	Eagle	Howard	Maher
Cantrill	Edmonds	Huddleston	Mansfield
Caraway	Elliott	Hull, Tenn.	Mapes
Carlin	Emerson	Hutchinson	Martin
Carter, Mass.	Esch	Igoe	Mason
Carter, Okla.	Evans	Ireland	Mays
Cary	Fairchild, G. W.	Jacoway	Mondell
Chandler, Okla.	Fairfield	James	Montague
Church	Farr	Johnson, Ky.	Moon
Clark, Fla.	Fields	Johnson, Wash.	Morgan
Clark, Pa.	Fisher	Jones, Tex.	Morin
Claypool	Focht	Juul	Neely
Cleary	Fordney	Kearns	Nelson
Coady	Foster	Keating	Nicholls, S. C.
Collier	Francis	Kelly, Pa.	Nichols, Mich.
Connelly, Kans.	Frear	Kennedy, Iowa	Nolan
Cooper, Wis.	Freeman	Kettner	Norton
Cox	French	Kiess, Pa.	Oldfield
Oliver, Ala.	Rose	Snook	Volstead
Oliver, N. Y.	Rowe	Steagall	Waldow
Olney	Rubey	Stedman	Walker
Osborne	Rucker	Steenerson	Walton
O'Shaunessy	Russell	Stephens, Nebr.	Wason
Overstreet	Sanders, Ind.	Sterling, Ill.	Watkins
Padgett	Sanders, La.	Stiness	Watson, Pa.
Park	Sanford	Sumners	Watson, Va.
Polk	Scott, Iowa	Sweet	Weaver
Pou	Scott, Mich.	Swift	Welling
Pratt	Sears	Switzer	Whaley
Purnell	Sells	Tague	Wheeler
Quin	Shackleford	Talbott	White, Ohio
Raker	Shallenberger	Taylor, Ark.	Wilson, Ill.
Ramsey	Shouse	Taylor, Colo.	Wilson, La.
Ramseyer	Sims	Temple	Wilson, Tex.
Randall	Sinnott	Thompson	Wingo
Rankin	Slayden	Tillman	Winslow
Reavis	Slemp	Timberlake	Wise
Reed	Sloan	Towner	Woods, Iowa
Robbins	Small	Vare	Woodyard
Robinson	Smith, Idaho	Venable	Young, N. Dak.
Rodenberg	Smith, Mich.	Vestal	Zihlman
Romjue	Snell	Vinson	

NAYS—40.

Almon	Gallivan	Merritt	Sabath
Anthony	Garner	Moores, Ind.	Sherley
Black	Garrett, Tenn.	Paige	Sisson
Buchanan	Gillett	Parker, N. J.	Stafford
Cannon	Gordon	Phelan	Stephens, Miss.
Connally, Tex.	Greene, Mass.	Platt	Tilson
Dale, Vt.	Greene, Vt.	Ragsdale	Treadway
Elston	Husted	Rayburn	Walsh
Fuller, Mass.	Kincheloe	Riordan	Wright
Gallagher	Lesher	Rogers	Young, Tex.

NOT VOTING—112.

Anderson	Foss	Key, Ohio	Rouse
Blackmon	Gandy	Kitchin	Rowland
Borland	Gard	LaGuardia	Sanders, N. Y.
Brumbaugh	Garrett, Tex.	Lazaro	Saunders, Va.
Caldwell	Glass	Lee, Ga.	Schall
Campbell, Kans.	Good	Lenroot	Scott, Pa.
Carew	Goodall	Linthicum	Scully
Chandler, N. Y.	Goodwin, Ark.	Littlepage	Sherwood
Classon	Gould	Lobeck	Siegel
Cooper, Ohio	Graham, Pa.	Lonergan	Smith, C. B.
Cooper, W. Va.	Green, Iowa	McClintic	Smith, T. F.
Copley	Griest	McCulloch	Snyder
Costello	Griffin	McKinley	Steele
Curry, Cal.	Hamill	Mann	Sterling, Pa.
Davidson	Hamilton, N. Y.	Meeker	Stevenson
Denton	Harrison, Miss.	Miller, Minn.	Strong
Dies	Hayes	Miller, Wash.	Sullivan
Dixon	Heintz	Moore, Pa.	Templeton
Doremus	Hersey	Mott	Thomas
Drukker	Hollingsworth	Mudd	Tinkham
Dunn	Hull, Iowa	Overmyer	Van Dyke
Ellsworth	Humphreys	Parker, N. Y.	Voigt
Estopinal	Johnson, S. Dak.	Peters	Ward
Fairchild, B. L.	Jones, Va.	Porter	Webb
Ferris	Kahn	Powers	Welty
Fess	Kehoe	Price	White, Me.
Flood	Kelley, Mich.	Rainey	Williams
Flynn	Kennedy, R. I.	Roberts	Wood, Ind.

So the resolution was agreed to.

The Clerk announced the following additional pairs:

Mr. ROUSE with Mr. MCKINLEY.

Mr. BRUMBAUGH with Mr. GRIEST.

Mr. CAREW with Mr. PETERS.

Mr. GRIFFIN with Mr. SIEGEL.

Mr. HAMILL with Mr. COPLEY.

Mr. LAZARO with Mr. COSTELLO.

Mr. DIXON with Mr. DUNN.

Mr. DOREMUS with Mr. FOSS.

Mr. FERRIS with Mr. GREEN of Iowa.

Mr. GARRETT of Texas with Mr. HAMILTON of New York.

Mr. GOODWIN of Arkansas with Mr. KELLEY of Michigan.

Mr. HUMPHREYS with Mr. MEEKER.

Mr. JONES of Virginia with Mr. MUDD.

Mr. LOBECK with Mr. PARKER of New York.

Mr. MCCLINTIC with Mr. PORTER.

Mr. RAINEY with Mr. SNYDER.

Mr. SAUNDERS of Virginia with Mr. STRONG.

Mr. SHERWOOD with Mr. VOIGT.

Mr. WEBB with Mr. WHITE of Maine.

Mr. WELTY with Mr. WOOD of Indiana.

Mr. STEELE with Mr. STEVENSON.

Mr. LANGLEY. Mr. Speaker, I voted "nay" on the first call of the roll, but I understand the bill is to be broadened so as to make it more equitable, and I want to change my vote from "nay" to "yea."

The result of the vote was announced, as above recorded.

A quorum being present, the doors were opened.

The SPEAKER. The House will automatically resolve itself into Committee of the Whole House on the state of the Union, and the gentleman from North Carolina [Mr. POU] will take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7795, with Mr. POU in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the substitute for House bill 7795, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7795) to provide for the national security and defense and further to assure an adequate supply of food, by authorizing the Secretary of Agriculture to contract with farmers in certain areas for the production of grain through advances, loans, and otherwise, and by providing for the voluntary mobilization of farm labor, and for other purposes.

Mr. LEVER. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to dispense with the first reading of the bill. Is there objection? [After a pause.] The Chair hears none.

Mr. LEVER. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. RUBEY].

Mr. HAMLIN. Mr. Chairman, the gentleman from Missouri reported the bill and is in a position to advise the House what it contains, and I ask for order.

The CHAIRMAN. The committee will be in order.

Mr. RUBEY. Mr. Chairman and gentlemen of the committee, this bill which is reported to you to-day from the Committee on Agriculture has had very earnest and serious consideration by that committee. It might not be out of place for just a moment if I were to give you some of its history. It was first referred to a subcommittee. That subcommittee went over it very carefully, revised it, rewrote it, and reported it back to the full committee. Even then the full committee was not satisfied. The bill went to another subcommittee, was again rewritten and redrafted from the beginning to end, considered from every viewpoint, and that subcommittee reported the bill to the Committee on Agriculture, and the Committee on Agriculture presents this bill which is before you to-day. In that connection permit me to say that we had extensive hearings in regard to the subject matter contained in the bill. There came before our committee a number of gentlemen from the Northwest and from other sections of the country who presented to us the facts and needs of the communities to which this bill applies. Now, I want to call your attention to the further fact that this bill presented here to-day is a workable measure. I want to call your attention to the fact that this bill has the approval of the Secretary of Agriculture, notwithstanding the statement as made upon the floor of the House to-day that the Secretary of Agriculture is opposed to this measure. He is not opposed to it; he is in favor of the proposition. I hold in my hand a letter from the Assistant Secretary to the Secretary of Agriculture. The Secretary of Agriculture was called away about the time this bill was reported. He was attending a series of war conferences which were being held in the South under the auspices of the Committee on Public Information. I have here a letter from the Assistant Secretary to Mr. Houston from which I want to quote just a few words. I will not take up the time of the committee to quote it all. The Assistant Secretary, Mr. Harrison, says:

I have called his attention to the bill (H. R. 7795) which was reported favorably by the Committee on Agriculture on March 8. I have received word from him that he believes the plan proposed would be workable, and that he favors the new measure and urges its immediate passage.

Now, I am quoting from the Secretary of Agriculture, and that is where he stands upon this proposition. I will here insert the correspondence for the information of the House:

THE SECRETARY OF AGRICULTURE,
Washington, March 20, 1918.

DEAR GOV. RUBEY: I take pleasure in sending you herewith a copy of a letter which I have just written to Mr. LEVER regarding H. R. 7795.

Very truly, yours,

F. R. HARRISON,
Assistant to the Secretary.

Hon. THOMAS L. RUBEY,
House of Representatives.

MARCH 20, 1918.

DEAR MR. LEVER: As you know, when the Secretary recently appeared before the Committee on Agriculture he stated that he would be sympathetic with any plan that could be devised and operated on a business basis for assisting farmers in the spring-wheat areas who are unable to secure credit for the purchase of seed. The Secretary, as you know, is attending a series of war conferences which are being held in the South under the auspices of the Committee on Public Information. I have called his attention to the bill (H. R. 7795) which was reported favorably by the Committee on Agriculture on March 8, and I have received word from him that he believes the plan proposed would be workable, and also that he favors the new measure and urges its immediate passage. Of course, if the bill is to be passed, it should be passed immediately. On account of the lateness of the season it is impossible to say just how much money can be advantageously utilized in carrying out the provisions of the bill or to what extent relief can be furnished. It seems desirable, however, to provide the full amount, especially in view of the fact that whatever is not required will remain in the Treasury.

Very truly, yours, (Signed) F. R. HARRISON,
Assistant to the Secretary.

Hon. A. F. LEVER,
House of Representatives.

Here is another thing: It has been stated upon the floor of this House that this bill is not workable; that if we pass it, it can not be put into effect. Let me say to you that the Department of Agriculture is getting ready to put this bill into operation. It has made an investigation of the State laws between tenants and landowners in every State to which this bill is applicable. All the blanks—the blank forms and agreements and everything of that sort which will be used when this bill goes into operation—are being formulated, and the Department of Agriculture will be ready to put this measure into operation immediately, just as soon as it passes this House and the Senate and becomes a law. I make that statement now to show you that the Department of Agriculture wants this measure and is getting ready to put it into operation. If you pass it and give the opportunity it will be put into operation at once. In every State in the northwest country we have the agents of the Department of Agricu'ture and we have the boards of national defense; we have the banks; and this bill provides that they may utilize both the State and the National banks to get the information in order to put this measure into operation.

Mr. HAMLIN. Will the gentleman yield right there?

Mr. RUBEY. I will.

Mr. HAMLIN. Will the gentleman explain to the committee this: This morning some gentleman raised the question that this bill applied only to the spring-wheat area of the country. Will the gentleman tell the committee why his committee limited it to that area?

Mr. RUBEY. As every Member of this House must know, we can not always grant what each individual Member wants. There were some members of that committee—I was one of them—who wanted it extended to the entire country, but a majority of the committee in its wisdom confined it to the spring-wheat area for the reason that that was the only part of the country that we could reach at this late day.

Mr. McKENZIE. Will the gentleman yield for a question?

Mr. RUBEY. I will.

Mr. McKENZIE. The gentleman stated the purpose of this bill was to grow wheat so we could feed our allies with wheat bread. Now, if that is true, why are oats and barley included in this bill?

Mr. RUBEY. For this reason, we want to raise all the foodstuff we can. We want to raise everything that will help in raising foodstuff that is possible, and we are told that there is some land in that section of the country where they can raise barley, some land where they can raise oats, new ground where they can raise oats the first year and where you can not raise wheat the first year. That is the reason we were willing to extend the provision so that we could raise all the foodstuff and feed possible.

Mr. LANGLEY. Will the gentleman yield for a question? The gentleman regards corn bread as good food, and there is plenty of time yet to plant corn?

Mr. McKENZIE. I do not like to take the gentleman's time——

Mr. RUBEY. I will have to answer one at a time; I can not answer both at once.

Mr. LANGLEY. I beg the gentleman's pardon; I thought he had finished.

Mr. McKENZIE. I do not want to take the gentleman's time, but it strikes me, knowing something about farming, that if the Government is to furnish seed for wheat alone that the farmer will be induced, perhaps, to sow wheat instead of oats or barley.

Mr. RUBEY. That question can be discussed, I will say to the gentleman, better by those who come from that section of the country and who will speak for it and possibly answer that question better than I can.

Mr. KINCHELOE. Will the gentleman yield right there?

Mr. RUBEY. For a question.

Mr. KINCHELOE. Of course, the gentleman knows that corn is as much a substitute for wheat as barley. Now, in the great corn belts of the country, by reason of the premature frosts of last year, seed corn that is good is selling at $20 a bushel. Why did not the committee include corn as well as barley?

Mr. RUBEY. I answered the question when I stated a moment ago that the committee decided after mature deliberation that the best thing to do in order to get the bill through this House and get it through quickly was to bring in a bill that would apply to the spring-wheat area, and for the further reason that we want the wheat to feed the soldiers.

It has been stated here to-day that this bill is unprecedented, that this matter of furnishing seed to the farmers on credit, and so forth, is something that we have never done before. I want to say to the gentlemen of this House, and if you will think for

a moment you will remember it, that we passed through this House last May the bill H. R. 4188—I think it was the latter part of May—known as the food-survey bill to assist and stimulate production. That bill had in it a provision appropriating several million dollars and authorizing the Secretary of Agriculture to furnish seed corn, seed wheat, and every kind of seed for the farmer, and as that bill passed this House it contained a provision in it that this seed should be furnished to the farmers on credit. That bill was voted upon by you gentlemen here on the floor of this House. I do not know how many voted for it or how many voted against it, but it passed this House about the 25th of May last year.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. RUBEY. I will take five minutes more. I have control of the time in the absence of the gentleman from South Carolina [Mr. LEVER].

Mr. MORGAN. Mr. Chairman——

Mr. RUBEY. I can not yield. I have only five minutes, and I want to call your attention to the provisions of that bill. The bill to which I have referred and which was passed last May appropriated several million dollars, and the Secretary of Agriculture was authorized to purchase, grow, or to otherwise secure such seed, and store them and furnish them by sale to farmers on credit or on other terms at cost, including the expense of packing and transportation. Now, this House voted for that proposition. This House said to the people of this country that we were going to furnish the farmers of the country seed, and were going to furnish them seed on credit, and that is what we are asking you to do to-day. In this hour, when we need to produce wheat and other crops, we come here and ask that the Congress of the United States do everything in its power to see that every acre of land is put into cultivation, to see to it that the farmers produce just as much as possible, to the end that we may have the foodstuff necessary for our armies and to carry on this war.

I must not take further time, Mr. Chairman; there are other Members of the House who desire to speak, but I want to urge upon the membership of this House that they vote for this bill for another reason. The second section of this bill appropriates $2,500,000 to help out the farm-labor situation, and we all know that the question of farm labor is the most serious one confronting our farmers to-day. Let us pass this bill to-day, and enable the Secretary of Agriculture, in cooperation with the Secretary of Labor, to mobilize the farm labor of this country, transport it to the places where it is needed, and give the farmers relief along that line. I am sure this is something in which we all are very deeply interested. [Applause.]

Mr. HAUGEN. Mr. Chairman, as has been stated, the bill carries $7,500,000 for the purchase and distribution of seed, $2,500,000 for voluntary mobilization of farm labor. I believe we all agree that there is need for foodstuffs, especially wheat. We had a short crop of wheat last year, probably less than 600,000,000 bushels, and when we consider the world's limited shipping facilities and loss and danger from the black rust and drought, it is up to us to encourage this production. We are expected to supply a large portion of the world with foodstuffs, and there is urgent need of increasing production. I trust that this bill will pass and that we may get through with it this afternoon.

Mr. HAMLIN. Will the gentleman yield right there?

Mr. HAUGEN. Yes.

Mr. HAMLIN. Does not the gentleman think that the committee has been very generous in providing for the expense of the mobilization of farm labor $2,500,000?

Mr. HAUGEN. I think we all appreciate that if we are going to increase the production it is necessary to provide the farmers with farm labor.

Mr. HAMLIN. You are not going to pay these laborers for their work?

Mr. HAUGEN. We are going to pay the transportation and whatever expenses the Secretary may determine.

Mr. HAMLIN. The gentleman does not think it will take $2,000,000, or even one-tenth part of it, to pay the transportation, does he?

Mr. HAUGEN. That depends on how extensively the Secretary goes into the scheme.

Mr. HAMLIN. I think $2,500,000 would pay about all the farm laborers in the wheat-growing sections of the country.

Mr. HAUGEN. If $2,500,000 is not needed, it will not be expended.

Mr. ALEXANDER. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. ALEXANDER. Is not there enough wheat in the spring-wheat States for seed purposes that may be purchased?

Mr. HAUGEN. There is possibly plenty of wheat. There is no question about that; that is, for seed, but there is a question whether we will have enough wheat for seed and food, too. We may have to substitute other cereals for the wheat.

Now, as to the wheat situation, it is this: Our yield for 1917 was probably less than 600,000,000 bushels, though the department estimated 668,000,000 bushels. Compare that with the yield for 1915—1,025,801,000 bushels—and you will see the shortage.

Mr. ALEXANDER. I thought the committee had investigated and found that the farmers could get seed wheat, but they could not get credit through the banks to purchase the wheat.

Mr. HAUGEN. The purpose of this bill is to supply the homesteaders and other people in the spring-wheat area, who have not money to purchase their wheat. There are other sections in this country where there is as much need of seed as in that section of the country, but they have money and credit, and do not need this legislation. What we are now trying to do is to supply the people without seed and without credit. We propose to take chances in loaning this small amount to the farmer in that section of the country where crops are uncertain. In other words, if he will take the chances on planting and harvesting, we propose to take a chance on loaning him the money to buy seed with up to the amount of $450.

Mr. ALEXANDER. I think where those conditions exist we can well afford to do so. The other day we appropriated $50,000,000 to house the workmen in our shipbuilding plants. The laboring men of this country must be fed, and their Representatives on this floor can well afford to appropriate this money to provide the food with which to feed them.

Mr. HAUGEN. It is but a drop in the bucket compared with the total annual appropriation.

I yield five minutes to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG of North Dakota. Mr. Chairman, while the roll calls indicate that there is some opposition to this bill, up to this time only two gentlemen have spoken against it. The gentleman from Texas [Mr. YOUNG] opposes it on principle, because it is proposed to sell seed on time; but if I am not mistaken, he voted last year for the bill H. R. 4188, which passed this House, authorizing the Secretary of Agriculture to sell millions of dollars' worth of seed on time. And on this side I am glad to see that there is only one gentleman who has talked against it, the gentleman from Wisconsin [Mr. STAFFORD], and he happens to be a gentleman who does not know from what direction the Chinook winds come. He seems to be obsessed with the idea that the Chinook winds come from the south, while everybody knows, at least those in the West know, that they come from the west. They get the name because there is a tribe of Chinook Indians near the mouth of the Columbia River, and the warm winds come east along the river. Again, these winds come in the winter, and not in the summer, as the gentleman seems to think.

The gentleman from Wisconsin [Mr. STAFFORD] also claims that this bill is without precedent. It is the first time, so he says, that the Government has ever undertaken to loan money to farmers for seed or otherwise. The State of South Dakota, or at least the Territory before it became a State, passed such a law something like 35 years ago, and did business under it. The State of North Dakota has a law that is over a quarter of a century old under which seed has at different times been sold to the farmers under terms similar to those proposed in this bill. The State Safety Commission in Michigan has purchased, as I understand it, a couple of million dollars' worth of farm machinery to sell to the farmers on time this very year, and the corresponding commission in the State of Wisconsin is spending a large sum of money to sell various kinds of farm machinery to the farmers on time.

A year ago we passed in this House what is known as the bill H. R. 4188, which authorized the Secretary of Agriculture to purchase, grow, or otherwise procure seed grain, to store same, and to furnish same by sale to farmers on credit.

Now, we passed that bill in this House last year. It was changed in the Senate to read "for cash"; but, so far as this House is concerned——

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of North Dakota. No; I regret to say I can not yield, because my time is so limited.

The CHAIRMAN. The gentleman declines to yield.

Mr. YOUNG of North Dakota. But, so far as this House is concerned, we went on record for the bill authorizing the Secretary to sell seed on time.

Another objection raised is to the inclusion in this bill of oats. In the State of Montana it is known that many of the farmers will want to raise a crop on new breaking. Wheat will not grow on new breaking, but oats will, and it is better to have oats grow on the land than no crop at all. Besides, it will get

the virgin sod ready for a wheat crop in 1919; and it is not inconceivable that this war will continue throughout next year. Prairie land seeded in oats this year will be ready next year for seeding to wheat.

I was glad to hear the statement of the gentleman from Missouri [Mr. RUBEY] to the effect that the Secretary of Agriculture, who has heretofore withheld his approval, has decided to indorse this bill. The Food Administrator, Mr. Hoover, is strongly in favor of it. He indorsed it before the committee and he has indorsed it since, and he has called attention to the very great need for its passage in order to increase food production.

The food-conservation campaign of Mr. Hoover has been a great success, but that does not remove the necessity for increased food production. Mr. Hoover was himself one of the first to point out that fact. When Roumania fell into the hands of the central powers they captured 1,400,000 tons of cereal grains, and it is believed that very large quantities of foodstuffs have come into the possession and control of the central powers from Russia. That is an added reason why it is necessary for us to increase the food production in the United States.

It is not proposed, as some think, to make a gift of the seed to farmers. The bill proposes to authorize the Secretary of Agriculture to contract with farmers to grow wheat, barley, or oats and advance a part of the cost in the shape of seed grain at a reasonable price. If the bill is passed it will bring about a substantial increase in grain production—perhaps 40,000,000 bushels—and will tend to reduce the cost of living. The labor feature of the bill will also greatly increase agricultural production. Some seem to think that we may have too great a production—too much wheat, too much barley, too much oats, and so forth. Yes; and we may get too many bullets, too many guns, and too much ammunition if the war ends suddenly, which will, much of it, be little better than junk after the war is over. Gentlemen, it is high time to get down to business. Let us quit using smooth phrases such as "food will win the war." Instead, let us say in tones loud enough to be heard all over the United States, that bread, barley, beefsteak, bacon, and beans will win the war, and then boost it along by passing this bill quickly and by putting it into operation without delay.

If the wheat acreage is decreased this year no one should jump at the conclusion that it is by reason of a lack of patriotism upon the part of grain growers. There may be causes beyond their control. Some of these reasons will be:

First. If this bill is not passed quickly many of them will be without seed.

Second. Many of the farmers are short of feed because of the high price and other reasons. This will mean that they can not get the usual amount of work out of their horses, their work will be delayed, and it will be necessary for them to seed coarse grains or none at all.

Third. The shortage of labor will have the same effect. It will retard the seeding.

With an almost certain decrease in the wheat acreage in sight, is it not the part of statesmanship to authorize the Secretary of Agriculture to contract for the growing of 3,000,000 acres of wheat which would otherwise grow to weeds?

The problem of securing farm labor is causing our farmers much concern. They are wondering if they put in the seed whether they can secure help to harvest the crop. Five hundred thousand men have gone from the farms to the Army and Navy. More than that many have gone from the farms into the war industries. While other much more ambitious schemes were being talked of to obtain labor for the farms we concluded to report an item in this bill of $2,500,000 to be used by the Secretary of Agriculture in mobilizing farm labor upon the voluntary basis. All the big employers of labor in the United States find it necessary to furnish railway transportation to obtain and keep up their working forces. How can the Secretary of Agriculture hope to compete for men against such corporations if we do not arm him in the same way?

Mr. Chairman, with the great cause of humanity hanging in the balance, with the health and even the life of our American public involved, we should speed the passage of this meritorious bill.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. YOUNG of North Dakota. I would like to have permission to extend my remarks.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the lady from Montana.

The CHAIRMAN. The lady from Montana is recognized for five minutes.

Miss RANKIN. Mr. Chairman, I wish to talk to you a few minutes about the conditions in Montana; not that I wish to interest you in the farmers in one part of the country more than in another, but so that you may know the details of the wheat situation.

Within the last 10 years Montana has changed from a grazing State to an agricultural State. But the farmers are new. They have taken up homesteads. There are still about 60,000 farmers who are in the homestead stage. Others have just "proved up." The business men—the merchants and the bankers—are new. They are not guided by an approved knowledge of the business integrity of their patrons, as in most other parts of the country; they are giving their credit on faith—faith in the country, and faith in the men with whom they deal, and faith in the possibilities of a good crop.

Our farming is different from that of other sections of the country, in that we have not diversified farming. Wheat, alternating with other grains, is the specialized crop. We have all the difficulties of a new country; great distances of the farms—50 or 75 or 100 miles—from the railroads.

But in spite of these difficulties our production of wheat has been remarkable. In 1910 Montana produced 7,000,000 bushels of wheat; in 1911, 10,000,000 bushels; in 1912, 12,000,000 bushels; in 1913, 20,000,000 bushels; in 1914, 18,000,000 bushels; in 1915, 42,000,000 bushels. That was the banner year all over the country. In 1916 we produced 30,000,000 bushels. Last year, in the drought year, we produced 18,000,000 bushels.

These figures mean more, when they are compared with other States, when you realize that in 1916 Montana produced almost a third as much wheat as the State of Kansas, which is the largest wheat-growing State in the Union, Montana producing 30,000,000 bushels and Kansas 98,000,000 bushels. We produced more wheat than the State of Minnesota and more than the State of Pennsylvania, and almost as much as the State of Oklahoma. Last year, in a drought year—and you can see from the figures given that last year was the only year we had a drought—we produced 18,000,000, while North Dakota produced only 39,000,000 bushels. Nobody doubts that North Dakota is a wheat State, a State that grows wheat successfully. Yet even in our drought last year we produced almost half as much wheat as North Dakota, and more than the State of Michigan, and more than the State of Virginia, and more than the State of Texas.

Last year the farmers all over the State wanted to put in war crops. They borrowed money far beyond what their judgment dictated. The bankers and the stores gave credit, more credit than they ever gave before, and then there was no crop. Now the bankers and the merchants can not give credit because they have not the credit themselves. The farmers have not even a title to the land. The title still belongs to the Government.

The State has recognized the seriousness of the situation. An extraordinary session of the legislature was called and bills were passed making it possible for the counties to use $10,000 in the purchase of seed wheat. In counties where $10,000 would not be enough they made it possible for the counties to bond themselves for the proper amount. In some of the counties they have already held elections. One county telegraphed me that their returns were 934 to 30 votes in favor of bonding the county.

But this bonding is only possible so long as they stay within the constitutional limit of the authorized total indebtedness. The wheat counties are new counties and are already bonded almost to their constitutional limit of indebtedness. These counties can not meet the situation. They can not furnish the necessary amount of seed wheat even by bonding to the total indebtedness provided by the Constitution, and they must have Federal aid.

These counties have their land in perfect condition to plant the wheat, because last year they had no crop and there was no harvesting, and no hauling of the crop to the market. So they devoted their energies to putting the ground in condition for the spring planting. But they have no credit. There is no way in which they can get the credit, not even with all that the State can do. There are about 15 of these new counties that need aid from the Federal Government, and they must have it if we are to have wheat from those counties next fall. I urge the passage of this bill that we may have wheat to win this war. [Applause.]

The CHAIRMAN. The time of the lady from Montana has expired.

Mr. RUBEY. Mr. Chairman, I yield 20 minutes to the gentleman from Oklahoma [Mr. THOMPSON].

Mr. THOMPSON. Mr. Chairman, we are involved in war. Without regard to the views we may have entertained as to the propriety of entering the conflict, it is now too late to debate the question. As patriotic Americans, we must stand as one in front of the advancing foe. While all, I am sure, are hoping and praying for the dawn of the day that will bring an end to the ugly struggle, I am wondering if the people realize the seriousness of the situation. We are engaged in a mighty conflict; on its result depends the happiness of mankind. If the forces of democracy win, this world will move forward with the same rapid stride that has witnessed its progress during the past century. The peoples of the world will be free to determine their own destiny. If we lose, the clock of time will be set back and the iron heel of military despotism will dominate for many troubled centuries. Our brave boys—your sons and mine, and the sons of our friends—are going forth to sacrifice their lives in the holy cause, the cause of liberty. They are willing to die that liberty may live. I would to God that some one might rise, who could speak in a voice that would awaken the Nation and arouse it to a sense of its imperious duty. A great world tragedy is in progress beyond the sea. Congress has done its duty. With practical unanimity and without political division it has responded instantly to every request from the President, and placed without restraint under his control the wealth of the Nation. Into his hands it has given more power than that hitherto possessed by any man. If the sentinel on the watch tower is unable to report "All is well," the blame can not be laid at the door of Congress. In the future there will be no hesitancy in granting whatever authority is needed to successfully and vigorously prosecute the war.

We are engaged in an undertaking that will tax all our resources and demand undreamed sacrifices on the part of all. The quicker the Nation awakens to a realization of this dreadful truth the sooner we will be able to put the whole unhappy affair behind us. There must be no division in our ranks now. The time for united and energetic action is here. This can only be accomplished if all classes of our citizenship are convinced that there has been no discrimination in the distribution of burdens. Every person, every item of property, every dollar of wealth must be made to bear its just portion of the sacrifice. In no other manner can the voices of discord be hushed. Perfection can not be attained, but we should spare no effort to approximate it. The contribution by a citizen, safe in his home, of all his property is not comparable to the sacrifices of the brave lads who will surrender their lives in the struggle. In the presence of such sacrifice it is regrettable that any of us are capable of thinking in terms of profit and loss. As no one is being asked to give all his wealth, it behooves us to see that everyone contributes in the ratio of his ability. When another revenue act is prepared, profiteers must come through. Industries accumulating vast riches from war contracts must be made to pay. Eighty-five cents of every dollar of war profits is collected by Britain to pay the expenses of her war. There is no reason why profiteers here should not receive the same treatment. The war should not be a period of profiteering. Capital should be given a fair return sufficient to stimulate production and maintain itself. The same fair profit should go to the working man and the farmer; all should fare alike. If this is done, all will be well; if not, the inequality will sooner or later plague us.

In normal times this bill would not be proposed. It is brought before the House with the favorable recommendation of the Committee on Agriculture because we are living in unusual times and laboring under extraordinary and unprecedented conditions. All admit that it is of supreme importance that sufficient food for the armies and peoples of our own and allied countries be produced. In this connection I invite attention to the conflicting views expressed by the Department of Agriculture and the Food Administration on the food situation.

The Secretary of Agriculture says we have an abundance of food to satisfy present and future needs. The Food Administration proclaims "meatless and wheatless days," requires the use of flour substitutes, commands us to keep the hens, to increase pork production, to increase wheat production, warns us there is a great shortage and we and our allies are facing starvation. I agree and disagree with both. There is no danger of immediate starvation. I am not, however, so optimistic about production. It is idle to boast at this time of an abundant future supply. It is not the part of wisdom to dodge unwelcome facts. We are engaged in a monstrous undertaking and should prepare for it. Food is as indispensable for our success as bullets and men. It is folly to arm, equip, and send our boys across the sea without food. It is foolish to spend billions on transports if there is no food to carry. It is idle to hunt down submarines if there is no food to destroy. Food is vital. With an abundance the war will be won; without, the fight is lost. Wheatless and meatless days and the elimination of waste will help, but will not prove a substitute for decreased production. An abnormal demand can not be supplied by a normal yield. It can be satisfied only by supernormal production. The problem is to increase production. The people are told food will win the war. It is therefore pertinent to inquire, What has been done to insure such supply?

The American farmer is a man of ordinary intelligence. He realizes during these years of war every business engaged in manufacturing war materials has grown enormously wealthy by reason of the war. He knows that no restrictions have been placed upon them. He knows what we all know, that there is a shortage in the food supply of the world. He knows that several causes have contributed to this shortage; that it has come about in part by scant production in the warring countries, but more largely because of lack of transportation to make available the yield in Australia, India, and Siberia. He knows that the world's need presents an opportunity to reap a rich reward of good prices for his products. The prospect for that reward was sufficient incentive to stir the farmers of the Nation to unparalleled activity, and it had that effect. They were willing to risk the prices they would receive for what they grew.

Mr. AYRES. Will the gentleman yield?

Mr. THOMPSON. I yield to the gentleman from Kansas.

Mr. AYRES. Is it not a fact that the wheat producer is not complaining so much of the fixing of the price of wheat as he is of the fact that the prices of other articles that enter into the cost of wheat producing are not fixed?

Mr. THOMPSON. I think the gentleman from Kansas is absolutely correct about that.

Mr. AYRES. It is a fact that the wheat producer would be perfectly willing to have the price of wheat fixed if the prices of other articles that enter into the cost of the production of wheat were also fixed.

Mr. THOMPSON. I think that is correct. So far as I know, the farmer is not complaining of the prices fixed on his products, but he is complaining because the prices of other commodities have not been fixed in comparison with his prices.

Without suggestion from him, prices have been fixed on a part of what the farmer grows, but he is left to the tender mercy of the profiteer when he comes to purchase. Naturally this has produced much complaint, and the farmer has gradually become convinced that he is being treated unjustly. I am surprised that the Secretary of Agriculture and the Food Administration do not realize such feelings prevail. Whether there is reason for it is beside the question. We are concerned about the fact. If such a feeling exists, it means less effort on the farmer's part and a correspondingly decreased yield. This should not be permitted, if avoidable, in these perilous times. The farmer had many lean years before the war and feels that he is entitled to sufficient profit now to care for those losses. He knows that when this war ends, guaranteed prices end also, and henceforth his product will go on the market in competition, not only with the product of the world but also with the unlocked supply now accumulating in Australia, India, and Siberia. He feels that when he is producing at a profit during these war times, it is not fair to select his product alone and fix a price on it without considering his prewar losses, and the situation he will face after the war, when forced to compete with the hoarded surplus of the world.

Mr. MORGAN. Will the gentleman yield?

Mr. THOMPSON. I yield to my colleague.

Mr. MORGAN. My colleague is one of the members of the Committee on Agriculture, perhaps the most important committee in Congress in the interest of the farmer I know that he has been of great service to the farmers not only of his own State but of the Nation in that capacity. Inasmuch as it does not seem fashionable for some reason to equalize the prices of the things which the farmer has to buy, does not the gentleman in his position as a member of this committee think it would be proper, if we can not equalize these other prices, to raise the price of wheat a little?

Mr. THOMPSON. As far as I am concerned, I am in favor of raising the price of wheat to $2.50 a bushel.

Mr. AYRES. Will the gentleman yield for another question?

Mr. THOMPSON. Yes.

Mr. AYRES. I will ask the gentleman if he does not think the price of other products ought to be fixed the same as that of wheat, and if the price of other products is not fixed, should the price of wheat be fixed?

Mr. THOMPSON. Mr. Chairman, in response to the gentleman from Kansas I will say that the farmers are not complaining about $2 wheat. The complaint that they make is that the price of their product is fixed, while the prices of the articles

which they are compelled to purchase are not fixed. They are perfectly willing to accept any price that is fixed on their products, if the prices of all other articles are fixed at the same time, but they do not think it is right to fix the price of their product and let the profiteer get whatever he can, according to the law of supply and demand on every other product. I want to say, Mr. Chairman, that it is not a matter of selfishness with the farmer, or with me, or with my colleague from Oklahoma [Mr. MORGAN], or the gentleman from Kansas [Mr. AYRES], or with the gentleman from Kentucky [Mr. BARKLEY], who injected a question into this debate, or with anybody else in this House. I am sure we all want to win this war. That is what we are interested in. If we win this war we must have a sufficient amount of food to supply our forces in Europe. Unless you take care of the farmer you will not get a sufficient amount of food to supply the boys who are fighting our battles on the front.

Mr. AYRES. Another question, if the gentleman will yield. Is it not true that consumers have been advised to use substitutes for flour, such as corn meal and other things that have advanced anywhere from a cent to a cent and a half a pound above flour?

Mr. THOMPSON. A little later on in my speech, if I have the time, I will be glad to touch upon that, because they advise us to use corn meal, oatmeal, rye, and other substitutes. Now, the only man who gets any advantage in this price-fixing matter is the man over in Europe to whom we loan money to buy our food supply. He takes our money and comes back over here and buys our wheat. The price of wheat is fixed, but the prices of rye, oats, barley, and other wheat substitutes are not fixed. Therefore the man who produces wheat in this country has got to go to the store and purchase these substitutes at greatly increased prices. He does not get the benefit of this decreased price of wheat.

Mr. WELLING. Will the gentleman yield for a moment right there?

Mr. THOMPSON. Yes.

Mr. WELLING. Among the things which enter into the cost of wheat production are the sacks in which the wheat crop is carried to market. Those sacks are brought from Calcutta, and the price of Calcutta sacks for this year's wheat crop will be about 32 cents apiece.

Mr. THOMPSON. The gentleman is absolutely right in his statement. The farmer in this country gets no benefit from the fixing of the price of wheat. That is what I am trying to impress in these few remarks I am making here. Now, I have got to hurry along.

Mr. WELLING. Mr. Chairman, I just want to say that the usual price of sacks is about 8 or 10 cents to the farmers of America.

Mr. THOMPSON. I thank the gentleman for the information. Our soil is rich, our farmers are patriotic, but the soil will not yield unless seeded and cultivated. Farmers are ordinary men, and will seed and harvest those crops that yield the most profitable returns. They tell us it is wheat and pork that are most needed to win the war. The question then is, How can their production be stimulated? The answer is easy—make their production profitable. Their production must not only be profitable, but it must be more profitable than the production of substitutes. One dollar and ninety cents for wheat and 15½ cents for pork under normal conditions would enrich the farmers and result in increased production; not so now. According to the Department of Agriculture it requires 13½ bushels of corn to produce 100 pounds of pork. Corn costs in my district from $1.75 to $2 per bushel. The farmers can not produce pork from this high-priced corn except at the cost of bankruptcy. If he purchases the feed, he is loser from $8 to $12 on every hundred pounds; if he produces the corn, there is more profit in selling it. This condition has resulted in the wholesale shipment and slaughter of immature hogs, and a totally paralyzed industry in my State. The Oklahoma Council of National Defense has just completed a live-stock census and found seven sows to every nine farms in the State. It found the same alarming condition was true of other meat-producing animals. The farmers write me the cost of feed is so high that they have been compelled to dispose of their herds. This may account for an abundance of pork now, but it does not indicate a future supply. The farmer can not produce meat at the price fixed without loss. If he is blessed with a bank account, he may engage in the pleasant pastime, but it is certain he can not operate on borrowed capital, because banks do not make advances to finance losing enterprises. The farmers say the price on articles they purchase—farm machinery, farm wages, and supplies have advanced to such a point that prices fixed on wheat and pork are not profitable. They write me that disk harrows that sold for $21 when wheat brought 97 cents now sell for $75; a three-and-a-quarter wagon that sold in 1916 for $80 now costs $175; harness that cost $35 then, now sell for $80 and $90; a 7-foot binder with fixtures cost wholesale f. o. b. Chicago in 1915, $120.50, now $203; a 12-foot harvester with attachments cost f. o. b. Chicago in 1915, $210, now costs $395. In 1915 a three-bottom tractor-engine plow cost, wholesale, $80; the manufacturer now demands $186. The farmers advise me they sell their wheat at a fixed price, but there is no limit when they purchase the same wheat in manufactured form. I have investigated the matter. On January 28 I addressed a letter to Hon. J. M. Aydelotte, chairman Oklahoma State Council of Defense and chairman of the board of public affairs of my State, which does all the purchasing for the State's activities, and who, prior to accepting this position, was for 25 years one of the State's most prominent and active dealers in grain and grain products, a man of high character and recognized ability. Here is what he said:

> Answering your favor of January 28, in reference to the food situation and the recent food law enacted fixing the price on raw products, wheat mainly. Now, they can not regulate conditions when the raw-product price is fixed only. If the department will authorize the fixing of the price of the finished product, then something can be done. Consequently the farmers are suffering, also the consumer of food, as well as the consumer of concentrated feeds for stock.
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> Dr. Brooks, the food administrator for the State of Oklahoma, has no jurisdiction over the milling interests. They are selling through jobbers and brokers and not complying with the law; that is, a great many of them. The price of bran, shorts, and by-products of wheat are being sold at enormously high prices compared to the price paid for wheat. The corn prices have not yet been fixed. The grain men and millers have filled up their storage capacity and now are raising the price.
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> I have been manufacturing various kinds of feeds for 20 years before I accepted this position with the State, and I well know that no one can control food conditions as long as they only fix the price of the raw material.

I have a letter from a farmer, who tells me that he has been compelled to pay $52.40 per ton for bran; that he had his hogs on feed, and this was the only way that he could market them; that the price he paid not only wiped out all his profits, destroyed his work, but that he lost about 50 per cent of the money invested. There is no excuse for such a price for bran while the farmer receives only $1.90 for his wheat. Fifty-two dollars and forty cents a ton for bran is 100 per cent in excess of the price he ought to pay if the price for his wheat were carried through the transaction. Farm labor, I am informed, can hardly be obtained at any price. Day laborers are charging from $3.50 to $5; farm hands paid by the month are charging from $60 to $100, and this includes their board. Two years ago they could be obtained from $25 to $40 per month. The farmers do not object to price fixing if it is applied to all articles, those they purchase as well as those they sell. What they object to is being singled out and saddled with the whole burden of the war. They are willing to bear their part, but they do not want to pull the whole load. The food bill passed a year ago was not a price-fixing bill; Congress was not asked to enact such a law. When that bill passed it was intended to destroy speculation and profiteering, and in that way increase the price to the farmer and reduce the cost to the consumer.

Here is what Mr. Hoover said in his testimony before the Senate Committee on Agriculture on June 19 last with reference to the bill:

> From a number of current illusions about the legislation proposed, the first is the illusion in some quarters that the bill is directed against the producer. It would not be necessary to traverse this statement to anyone that had read the bill. It especially excepts the producer from every one of its provisions, with the exception of one section, and that is the provision for a guaranty, and this section is designed to entirely benefit and secure the producer. The savings of the American consumer ought not and should not be made by a sacrifice on the part of the producer. They should be made by the exclusion of speculative profits from the handling of our foodstuffs.

In the same hearing, and to show the effect of excluding speculative profits between the producer and the consumer Mr. Hoover gave as illustration the price for bread to the consumers in Belgium, France, and England. He said:

> Practically the entire wheat supply to Belgium is to-day imported from the United States, and despite the extraordinary costs of transportation the price of bread is 60 per cent of the price in New York City. A large portion of the wheat of France comes from this country, and yet the price of bread is, again, 40 per cent below our own. In England, where food control was started too late, the price is 30 per cent below our price, and in Canada, again, we see a lower range of prices to the consumer than in our own country, although the producer realizes the same price.

Mr. Chairman, I will ask the gentleman from Iowa [Mr. HAUGEN] if he will grant me a little more time.

Mr. HAUGEN. How much time does the gentleman want?

Mr. THOMPSON. About 10 minutes.

Mr. HAUGEN. I regret exceedingly that every minute is taken of my time.

Mr. RUBEY. All of my time and more, too, is spoken for.

Mr. THOMPSON. Mr. Chairman, I regret exceedingly that I can not get an extension of time, because I think this is the most important bill that we are considering during this entire Congress. Here we are talking about billions and spending hundreds of billions——

Mr. DOOLITTLE. Millions.

Mr. THOMPSON. No, hundreds of billions; and when it comes to taking care of the farmer we can not spend 10 or 15 minutes.

Mr. JOHNSON of Washington. Does not the gentleman realize the rule provides for only two hours of general debate, and that the effort of the gentleman from Massachusetts [Mr. WALSH] to extend the time to four hours is ruled out of order?

Mr. THOMPSON. I voted to extend the time, and I would be glad to have the time.

The farmers must be relied upon to increase production. They are dissatisfied. They do not feel they have received fair treatment. Under these circumstances increased production can hardly be expected. There should have been universal price fixing or no price fixing. The Food Administrator has the same authority to fix prices on corn and farm implements as on wheat and pork. Why has he not done so? I tried to find out. For that purpose I addressed a letter to both the Secretary of Agriculture and the Food Administrator. The one addressed to the Secretary of Agriculture reads:

Section 1 of the act of August 10, 1917, commonly called the "food bill," defines the word "necessaries" as embracing foods, feeds, fuel, including fuel oil and natural gas, fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, etc."

Section 5 of the same act authorized the President, from time to time, whenever he found it essential, to license "the importation, manufacture, storage, mining, or distribution of any necessaries."

Under these provisions of the food bill the price of the 1917 wheat crop and the price of meat was fixed. The bill did not confer specific authority to fix the price of any article.

The Food Administrator licensed the elevators. One of the provisions of the license was that no more than a specified price should be paid for wheat. If the elevator violated that regulation, its license was revoked and it went out of business.

The Food Administrator also licensed the packing houses, and one of the regulations of the license was that a price not exceeding 15½ cents per pound should be paid for hogs. If the packer paid more, his packing house was closed.

The farmers of the country have not complained at this exercise of authority in fixing the price of their products—wheat and meat.

They have wondered, however, why the authority to fix the price on "tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, and fuel" has not been exercised and the price of these articles fixed so that they can continue to produce wheat and raise hogs without becoming bankrupt.

Harness, plows, mowers, wagons, farm labor—practically everything required for the production of wheat and hogs—has increased in price from 200 to 300 and in some cases 400 per cent. The farmer has had the price of his products fixed, but he has been compelled to pay two, three, and four times the normal price of everything he used in making possible that production.

The President pointed out this injustice to the farmer in his address to the Congress delivered December 4 last. He said:

"The farmers, for example, complain with a great deal of justice that while the regulations of food prices restrict their incomes no restraints are placed on the prices of most of the things they must themselves purchase."

At this time when an increased production is so necessary and when your department is appealing to the farmer to increase the production do you not think it would be wise to remove this just complaint by fixing a fair price on those articles required for the actual production of foods and feeds and which the farmers are compelled to purchase?

I am convinced that no other action you could take would quite so hearten the farmers and stimulate them to increased effort.

If price fixing on farm products is continued and the farmer is left to the tender mercies of the profiteer in his purchases, I greatly fear it will result in discouragement and the consequent reduction of production of farm products.

I take it for granted that the authority conferred in the food bill is ample, if exercised, to take care of the situation I have described. Otherwise, I feel sure you would have already suggested to Congress the necessity of conferring additional authority. Congress has always stood ready to give you all the authority necessary, and had additional power been requested it would have been granted for the asking.

In conclusion, may I ask if the farmers can hope for any relief from the extortionate prices they have been and are being compelled to pay for "tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, etc."

I will thank you for the courtesy of an early reply.

Though the letter was written on the 23d day of February, the Secretary has not yet replied. For that reason I am unable to state the Secretary's position on the matter of price fixing.

A letter dated January 31 of this year, addressed to Mr. Ed Hockaday, Kingfisher, Okla., and signed by Arnold P. Yerkes, assistant agriculturist, I presume represents the views of the department. It reads:

Your letter of January 1, addressed to Mr. Victor Murdock, care Federal Trade Commission, has been referred to this office for reply. However, the question of prices for farm machinery is one over which this department has no jurisdiction whatever.

You, of course, realize that the price of raw material is only one item which is involved in figuring the cost of producing any machine. The cost of labor is also a large item, and this has increased tremendously. The price for fuel and other supplies necessary have also increased greatly. It is not meant by this to defend the prices which you mention, but merely to call your attention to the fact that it is not fair to judge the cost of production by the cost of raw materials.

On the whole, while farm machinery has advanced tremendously during the past few years, it has not increased proportionately with the price which the farmer is receiving for his products. This you can easily prove to your own satisfaction by taking the price of any of the staple farm products for the past three or four years and figuring the number of bushels of corn or other crops it required to purchase any machine. To-day it actually takes fewer bushels of corn or wheat to purchase a plow, corn planter, or any other machine than it did three years ago, or, in fact, for several years past. Looking at the matter from this standpoint, the prices do not seem out of proportion. However, if you still feel that some other action is necessary in the matter, it is the writer's opinion that you should take it up with the legislators, for, as above stated, this department has no authority in the matter.

I judge from this letter that the Department of Agriculture believes that the prices which the farmer is compelled to pay is not out of proportion to the prices he receives.

On the same day I addressed a letter to Mr. Hoover. I said:

Section 1 of the act of August 10, 1917, commonly called the "food bill," defines the word "necessaries" as embracing "foods, feeds, fuel, including fuel oil and natural gas, fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, etc."

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Under these provisions of the food bill the price of the 1917 wheat crop and the price of meat was fixed. The bill did not specifically authorize the fixing of the price of any article.

The Food Administrator licensed the elevators, and one of the provisions of the license was that the elevator should not pay more than a fixed price for wheat. If the elevator violated that regulation its license was revoked and it was no longer in business.

The Food Administrator licensed the packing houses, and one of the regulations was that not exceeding 15½ cents per pound should be paid for swine. If the packer paid more than 15½ cents for hogs his packing establishment was closed.

The farmers of the country have not complained at this exercise of authority in fixing the price on two of their products—wheat and pork. They have wondered, however, why a price has not been fixed on the manufactured products of their wheat—shorts and bran—and why a price has not been fixed on corn and its products—meal, etc.—and why a price has not been fixed on oats and rye and barley.

The Food Administrator has the same authority to fix a price on these products as he had to fix a price on wheat and pork. Prices on these articles could have been fixed in the same way. The failure to fix prices on these products has resulted in my State in practically the complete destruction of the live-stock industry. Bran is selling to the farmer at $52.40 per ton. The farmer is paying from $1.75 to $2 per bushel for corn. Feeding 13 bushels of $2 corn to produce 100 pounds of pork and selling that pork at 15½ cents per pound is not a very profitable business, and the same is true of feeding $52.40 per ton bran.

The food bill confers ample authority to protect the farmer from the conscienceless greed of a lot of profiteers. I am convinced that one of two courses must be pursued. The law of supply and demand must be permitted to control and govern when applied to what the farmer sells if it is to be applied to what the farmer is required to purchase.

May I ask, in conclusion, if any action is contemplated looking to the fixing of prices on what the farmer is compelled to purchase?

Will you be kind enough to reply at your earliest convenience?

To this letter Mr. Hoover replied under date of February 26:

I have your letter of February 23, 1918. I believe that you have somewhat misunderstood the power conferred by the food-control act in regard to the fixing of prices and the method by which the price of wheat has been stabilized.

The food-control act does not authorize the fixing of a price even by regulations issued under the license system. No regulation has ever been issued prescribing the price which elevators must pay for wheat, nor has any license ever been revoked because of the price paid for wheat. The result accomplished was made possible only because of the power to purchase wheat and to enter into voluntary agreements conferred by the food-control act.

In regard to hogs, no regulations have been issued forbidding the packers to pay more than 15½ cents per pound, nor has any packing establishment ever been closed because of the payment of a higher price. The price of hogs has, in fact, averaged more than 16¼ cents per pound during the past three months.

I inclose herewith a pamphlet showing what has been done in the matter of hogs in order to assist the producer.

You will see from this explanation that the Food Administrator has no authority to stabilize the price of corn and other grains. I can scarcely believe that the price of corn is as high as $2, for the average price paid at country stations in Nebraska, for instance, during the last week has been $1.10 to $1.30 per bushel.

In regard to the price of bran, our chief difficulty has been to prevent the jobbers and retailers from running up the price to meet the very high prices of other feeds. As you know, we have required all mills to sell bran at not more than 38 per cent of the price paid by them for wheat, and I inclose a copy of the regulations governing feed dealers which have been recently issued. I have sent a special agent to Oklahoma and the Southwest to investigate the numerous complaints regarding the price of bran, and I am very hopeful that we will be able to enforce strictly the regulations as drawn. We are somewhat handicapped in this matter by the absence of control over retailers, who are specifically excepted by section 5 of the food-control act from the license provisions.

If the licensing section does not give him that power, what does the last paragraph of his letter mean? He says:

We are somewhat handicapped in this matter by the absence of control over retailers, who are specifically excepted by section 5 of the food-control act from the license provisions.

The food bill conferred no authority on Mr. Hoover to fix prices. However, he has exercised the authority with reference to certain products desired for over-sea shipment—wheat, sugar, and pork—and it was done not only by virtue of authority conferred by the licensing section but by reason of the fact that he became the purchasing agent for our over-sea allies. It does not make any difference to the farmer whether the price was

fixed by virtue of authority conferred in the bill or by manipulation outside of the bill's provisions. The fact is he has been compelled to accept prices for his product that makes it unprofitable to continue its production. Mr. Hoover does not desire to fix the price of other articles than those I have mentioned. Here is an interview he gave out on the 25th of February to counteract the effect of a published statement that the Government might set maximum prices on all the farmer's products. He said:

There appears to be a good deal of misinformation circulated among the agricultural communities as to the policy and scope of the Food Administrator with relation to price fixing.

I wish to say at once, and emphatically, that the Food Administration is not a price-fixing body, except with regard to certain commodities which are to-day dominated by wholly abnormal over-seas commercial relations and the surrounding factors with regard to which are such as to project great dangers both against the farming community and at the same time the consuming community.

The two commodities under regulations are sugar and wheat. With the further exception of cases in which it has intervened purely as a friendly intermediary between organized producers and consumers, the Food Administration has no authority and no desire to fix prices on the products of agriculture.

This interview discloses Mr. Hoover is aware the farmers are not satisfied with price fixing. It was intended to reassure them, so there would be no decrease in their activities. It will perhaps have that effect as applied to every farm product except wheat and pork. It is likely to have the opposite effect on these two articles—the most necessary of all. When the farmer comes to plant he will take into consideration two things: First, that wheat substitutes—corn, oats, rye, and barley—are not controlled by fixed prices; and, second, that they command a price which will make their production more profitable than the production of wheat.

The farmer is as patriotic as any of us; he is ready to do his part. A few weeks ago the national Red Cross officers sent down word that Oklahoma would be expected to furnish 190,000 Red Cross members in the great drive in the week before Christmas. When the smoke had cleared away, it was found that more than 750,000 had been enrolled. This is not only four times the number expected, but it is the largest number in proportion to the population that was returned by any State. The farmers of Oklahoma did it. There was a great and almost unfailing response in the towns and cities, too, but listen to this from one of the head officials in charge of the membership campaign:

The farmers of Oklahoma responded even more nobly than the city people. There was a greater membership rolled up in the country than in the cities in proportion to their relative population. Many whole country townships furnished as many members as there were people in the township, and everywhere in the country there was general enthusiasm and interest in the great campaign, which means so much for the relief of the war sufferers.

I congratulate the farmers of Oklahoma. The fact is, the farm folks did just what they always do when there is a worthy cause that is properly put before them.

Farm, Stock, and Home, an agricultural paper published at Minneapolis, Minn., having a circulation of 140,000, principally in spring wheat growing States—Minnesota, the Dakotas, and Montana—has compared the value per acre at prices prevailing February 16, 1918, at Minneapolis, taking the average pre-10-year period yield. The average yield with present value per acre is:

Wheat, 11.9 bushels	$23.80
Oats, 28 bushels	24.77
Flax, 8.7 bushels	32.80
Barley, 21.7 bushels	36.32
Rye, 16.9 bushels	37.18
Corn, 28.4 bushels	49.70

The farmers will be guided when they come to sow by the profits promised by different wheat substitutes. The result will be a decreased wheat acreage. We are spending billions for ships, for ammunition, for transports, for equipment, and for training our men; we are opening wide the doors of the Treasury to every war industry except agriculture. Would it not be well in the midst of these lavish expenditures to make sure of our food supply? Here is the way one of the great papers of Great Britain views the peril. The Daily Telegram in its issue Friday, March 15, 1918, among other things said:

We are approaching the supreme test of the issue which depends on the merchantmen. It may be a matter for serious consideration by the United States Government, whether it may not give more essential aid at this moment by holding back temporarily further reinforcement for their Army, with a consequent increase in the quantity of ocean-borne supplies.

The paper asserts that if American soldiers continue to come over at the present rate, tonnage which might be devoted to food will be utilized for military instead of economic purposes, and while both soldiers and food are required, food is the more urgent matter.

Another important item to be considered is the labor situation. Wheat is a crop that must be harvested immediately when ripe. It will not stand in the field for a long period, like corn and cotton. Farmers consider this when they sow. The scarcity of farm labor and high prices for that available will make the farmer timid about planting wheat he is not sure he can harvest. High wages paid in war industrial activities, manufacturing, munition making, lumbering, carpentry, shipbuilding, railroading, and many others, with immunity from military service, has stripped the farm of workers. Farm laborers receive less pay and no deferred classification. Agricultural experts tell us 2,000,000 workers have been taken from farms in the past year for the Army and war works. It seems to me this is a colossal blunder. It is impossible to increase production with decreased man power. The administration of the selective service act has not been satisfactory to the people. Honorable men with dependents, men engaged in producing food on farms that now lie fallow, have been taken while men without encumbrance have been left at home. Personally I know of many such cases, and have repeatedly called them to the attention of the authorities. These authorities have uniformly shifted the blame to the local and district exemption boards.

After nearly running my legs off in an effort to get some relief, I finally placed the matter before the Provost Marshal's Office in record form so that the people might know where the blame belongs. On February 23, 1918, I addressed a letter to Gen. Crowder, as follows:

I desire to emphasize what I said to you yesterday regarding the labor situation as it affects the farmer and farming industry. I regard the classification given farm laborers as unfair, and believe if it is permitted to stand will shortly result in a paralysis of the farming industry. Farm laborers without dependents, unless graduates of an agricultural college, are classed as nonexpert laborers.

It may be said "anyone can break a furrow," but running a furrow is not all there is to farming. Every farmer must also be a business man and a small stock raiser. He must possess, if successful, unusual intelligence along many lines. He must know live stock, their habits, their dispositions, the diseases that commonly affect them. He must know how to care for them; how to feed them with the least possible loss and the greatest economy. They must be kept and raised on the farm at the same time the crops are planted, grown, and harvested. The crops must be so diversified as to produce a yield, and at the same time they must mature at different periods so that the live stock—the hogs, cattle, horses, and sheep—can be cared for. A successful farmer must not only possess great industry and high intelligence, but he must also be a good business man if he avoids bankruptcy. He must know how and when to plant; how to cultivate; and the proper time and method of harvesting. He must also know what to do with his yield; whether to sell, to hold for future market, or to feed and dispose of the same in live stock.

This knowledge can not be acquired overnight. It accumulates slowly and as the result of long years of training. You can not make a farmer out of a doctor, lawyer, baker, merchant, bank clerk, store clerk, a railroader, a carpenter, a painter, a factory worker, or a day laborer by waiving a wand and repeating the words "Presto change."

A large per cent of the persons following these different occupations could not stand the physical strain; the hours of labor and the exposure required of the farmer, and practically all of them would be compelled to learn the manifold and changing labors of the farm.

So, when a farm laborer is classified as "nonexpert" and sent to the trenches, he leaves a vacant place on the farm that is impossible to be filled. When the laborer on the railroad, in the factory, where guns and ammunition are made; in the factory, where clothes are cut and shaped; in the forest, where the timber for ships and aeroplanes is cut; in the yards, where the rivets are driven in the ships, aeroplanes, motors, freight, and passenger cars, is classified as "expert" and exempted from military service, a situation is produced which necessarily draws the farm laborer away from the farm.

The farm laborer can, by changing his occupation, change also his classification from that of a nonexpert laborer subject to military duty to that of an expert laborer exempted from military duty. The preferred classification, together with higher wages paid in the factory and shop, over that received on the farm, has already depleted the farms of their laborers and brought about a situation which presents a serious national menace.

The farmers are not asking to be exempted from military service. They are quite willing to bear their full share of the burdens of this war. It is the duty, however, of those in command to look ahead and see that the farms are not stripped of their laborers. Bullets without bread will not win this war. I do not think the laborer on the farm should be preferred over any other class of labor. At the same time I do not think it fair nor in the interest of the public that he be discriminated against. I think the class of work he is performing is quite as important to the success of our arms as the labor performed by those engaged in any other industry.

If available, I would be glad to have a statistical report showing from what occupations the soldiers already called have come; the per cent from each, and particularly would I like to have this information as it affects my home State, Oklahoma.

On March 7 he replied:

In response to your letter of February 23, permit me to say that your analysis of the agricultural situation as affected by the selective-service law has had careful consideration.

With reference to the work of the district boards of your State in classifying farm laborers, the attention of the district boards has been invited through the adjutant general of the State to the fact that the definition of skilled labor is not to be restricted to graduates of agricultural schools or to those who have scientific or highly technical knowledge.

The adjustment of the labor supply on our farms as related to the necessities attendant upon the enrollment of our Army is the more difficult, because of the fact that before the enactment of the selective-service law the trend of labor was away from the farms.

The selective-service act and the presidential regulations issued pursuant thereto have placed the problem of relief from military service in respect of industrial and agricultural workers primarily in the hands of the district boards. The rules for deferred classification have been carefully worked out, with a view to providing a degree of protection

for agricultural interests coextensive with that provided other industries, and it is believed that the district boards in general, especially in agricultural regions, have keen interest in the maintenance of the farm-labor supply.

However, in farming communities it can not be expected that quotas can be raised without interference with farm labor, which in individual instances may seem severe.

As you are doubtless aware, a bill is pending before Congress which will authorize the granting of furloughs for agricultural workers already in the service for their temporary return to the farms. If this legislation is enacted, it may afford a considerable degree of relief to many farmers.

In your letter you requested statistics showing the occupations from which drafted men have been taken. Permit me to invite your attention to the report of the Provost Marshal General to the Secretary of War on the first draft, which gives many statistics. On page No. 62 of this report you will find a chapter headed "Industrial necessity as a ground for discharge." The tables there given will throw much light on the operation of the first draft in respect of agriculture. It is interesting to note the relatively small inroad made on agriculture as shown by these figures.

It is hoped that this will give you the information desired.

He continues to place the responsibility for errors on the local and district boards. The tragic part is they continue taking the farmers. Last week in one county in my district 16 out of 19 called were farmer boys. If this is continued, it does not promise increased food production.

The Committee on Agriculture has also reported a bill authorizing the Food Administrator to restrict the consumption of food in hotels and public eating houses and to prohibit the use of foods in the manufacture of nonessentials, and so forth.

I doubt if it will assist to any appreciable extent in solving food difficulties. I shall, however, gladly support those provisions desired by the administration. There is one provision, however, to which I wish to direct your attention. It is the clause giving the Food Administrator power to ration. It reads:

(e) Prescribing the more equable and economic distribution of foodstuffs and feeds by limiting and regulating the sale, purchase, and distribution by any manufacturer or person engaged in the business of distributing foodstuffs, feeds, or materials or equipment necessary for the production, manufacture, or preservation of foodstuffs or feed: *Provided*, That this paragraph shall not apply to any farmer or gardener, including live-stock farmers, with respect to the products of any farm, garden, or other land owned, leased, or cultivated by him.

The proviso excepting "any farmer or gardener, including live-stock farmers, with respect to the products of any farm, garden, or other land owned, leased, or cultivated by him" makes it possible for one who can deal direct with the farmer, gardener, and live-stock raiser to evade the law. The bill will not affect the rich who can purchase direct from the producer. The authority conferred is unlimited. He may "regulate the sale, purchase, and distribution by any manufacturer or person engaged in the business of distributing foodstuffs, feeds, or materials or equipment necessary for the production, manufacture, or preservation of foodstuffs or feeds." If the Food Administrator can limit the amount of sugar, salt, or any other food the retailer can sell and the amount a person can purchase, he can ration every man, woman, and child in the country. I do not believe it necessary or wise to enact a rationing statute at this time. The effect will not be wholesome. If, in the future, it should become necessary, Congress will be in session and can act. The President has not asked it. Mr. Hoover, before the committee, said he did not desire such authority. Rationing has proven a failure wherever tried. England, France, Italy, and Germany so report. Its enforcement is expensive and irritating; it requires an army of petty officers nosing and prying into the kitchen affairs of every household. It consumes a large part of the people's time forcing them in line with bread cards.

There are two classes of folks who can not be reached by rationing legislation; it does not reach them in Germany—the producer and the wealthy. The producer manages in some way to hold out sufficient for himself and family and the wealthy are able to deal with the producer direct, and thus avoid the law. The Government can not keep a policeman in every farmer's door. The only classes reached by this legislation are the poor, the workers, and those unable to sport the luxury of automobiles. There is no necessity for such legislation. The farmers will produce and produce abundantly if properly encouraged. Prices that yield a profitable return will stimulate and increase production. In this connection it might be well to recall that prices are always high in war times; everything is abnormal and prices therefore are out of the ordinary. We think prices are high to-day when we are fighting the war for democracy, but they are not so high as in the days when our forefathers were winning our independence. Here are a few prices in 1776:

Meat	per pound	$1 to $2
Rye	per bushel	30
Molasses	per gallon	12
Butterine	per pound	3
Corn	per bushel	25
Potatoes	do	10
Flour	per pound	5
Cheese	do	2
Sugar	do	3

In 1779 sugar sold for $4 per pound; in 1780 butter sold for $12 per pound and tea $40 per pound. I do not give these figures to justify such prices now and I hope prices will not mount higher as the war proceeds. War, however, is but a manifestation of an unusual upheaval and high prices always follow in its wake. If it continues for any considerable time, prices will soar far higher than any heretofore known. If production is not increased, I greatly fear the question will not be so much the price of a loaf, but can a loaf be obtained at any price?

Those who would visit all the burden of this war on the producer may say if the farmer's price is raised the cost to the consumer will be increased. The answer is, "The burden of this war should not be borne by any part of the people but by the whole people equitably distributed. In England, France, and Italy the people are paying less for flour than the people of the United States, where it is produced. On the 23d of February, 1918, I addressed a letter to Mr. Hoover, which in part reads:

If available, I would be glad to be furnished with the following information:

1. The price the consumer is required to pay for flour in Great Britain, France, and Italy.

On March 1 Mr. Hoover sent me an inter-office memorandum, which reads in part as follows:

In compliance with the request of Hon. JOE B. THOMPSON in his letter of February 23, I may say that the retail prices of flour in the countries named is as follows, according to the latest reports:

GREAT BRITAIN.

(1) Flour: On a sack of 280 pounds of flour the maximum retail price is $11.91, equivalent to $8.33 per barrel of 196 pounds, the American unit.

ITALY.

(1) Flour: The market price on November 1, 1917, was 54 lire per quintal, equivalent to $6 per barrel at the rate of exchange prevailing on that date.

FRANCE.

(1) Flour: No retail prices are available. The wholesale price of flour, 61.3 francs per quintal is equivalent to $9.53 per barrel.

Why is this possible? It is because they are doing across the sea what we have not done. They fix the price paid the producer and the cost to the consumer; they squeezed out the profiteer and took care of the differential between producer and consumer from the national treasury. They refused to visit upon any part of the people the burdens of the war; they make all the people bear these burdens equitably. In this way they have been able to pay better prices to the producer than our producers receive and to sell to the consumer for less than our consumers pay.

The Commerce Reports, issued by the Bureau of Foreign and Domestic Commerce, Department of Commerce, on February 2, 1918, contained this information:

Food controller fixes prices for grain harvested in United Kingdom in 1918. Wheat and rye will be based on average price of 75s. per quarter of 504 pounds; barley, 65s. per quarter of 448 pounds; oats, 46s. 3d. per quarter of 336 pounds. Higher prices will be allowed for better classes of oats for milling purposes.

Translated this means 2.17\frac{3}{4}$ for wheat, 2.02\frac{7}{10}$ for rye, 1.69\frac{1}{2}$ for barley, and $1.27 for oats. These prices are better than the American farmer receives. This is done by reducing the profit of middle men and making the differential a charge against the national treasury. Since 1914 Great Britain has paid out of its treasury more than half a billion dollars to care for this differential. That Government has also stimulated production by paying a bonus on every acre of wheat planted regardless of the amount produced.

This has been done across the sea to stimulate production, and if the war continues, as in my judgment it will, Congress will soon be forced to some such measure here.

We should not forget in considering this question it is necessary for us to think in relative terms. Gold has increased many fold. The Federal Reserve System authorized a 60 per cent asset currency; billions of bonds have been issued. The modern method of doing business has created what for lack of a better term might be called "check currency." All these concurring have produced an enormous expansion in our currency. Dollars have multiplied, but their purchasing power has decreased in the same ratio.

Nor should we lose sight of the fact our consumers are not profiting by the fixed price of wheat. Every time they buy a pound of flour they are required to purchase a pound of flour substitute—meal, oatmeal, rice, and so forth. While it is true the price of flour was slightly reduced when the wheat price was fixed, the price of meal, oatmeal, rice, and other wheat substitutes has increased, and the consumer finds the cost of living on the whole as high now as before. Those who have benefited by the operation are the consumers living oversea. We loan them money, and with it they purchase our bread at a price less than it costs our own people.

Mr. Chairman, two distinct and antagonistic forms of government are facing each other in a life and death struggle. Somewhere on the battle fields of Europe will be determined whether justice and liberty or brute force shall rule the world. We can not lose. It would be contrary to the laws of God. Let us so coordinate our every activity that there will be unity in spirit and purpose among all classes of our people. In this faith and under the guidance of our matchless leader we will go forward to certain victory. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield one minute to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, when the urgent deficiency appropriation bill was being considered in the House on the 18th of last month I offered an amendment to an item in that bill for the purchase and sale of seeds for cash, providing that those seeds might be sold on credit. That bill will become a law within a day or two, and had my amendment been adopted the farmers would soon be receiving seed. It was not adopted, however, and I hope that this bill will pass. When the proper time comes I desire to offer an amendment adding to the cereals enumerated in the bill, the purchase of which is proposed, rye, which is the surest cereal crop grown in the semiarid sections of the Northwest. It should be added to those mentioned in the bill. I hope this bill will become a law, but I regret that it has been so long delayed. I fear if there is any delay in the Senate the season will be so far advanced before the bill becomes a law that it will be of very little benefit to the farmers this season.

I discussed at length on the 15th of last month, during the general debate, and later, on the 18th, when I offered the amendment to the deficiency bill, the need of seeds on credit by the farmers of certain portions of the West. Drought has been severe in certain sections and seed is scarce and high. I hope this bill will help, and regret the plan I proposed more than a month ago was not adopted.

Mr. RUBEY. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Chairman, I desire to address my remarks particularly to section 2 of the bill under consideration, authorizing the Secretary of Agriculture to provide for and secure mobilization and distribution of farm labor. To my mind a prime requisite, so far as the production of food and feed in the country at this time is concerned, is that of farm labor. In my native State there is no such thing any more as sufficient farm labor. It is extinct. The farmers have to compete in bidding for hands with manufacturing concerns, munition plants, and others engaged in the making of war materials and other merchandise. The result has been that the farms have been drained of the labor they once had by the young men and the older ones going to the cities where the hours of labor have been more inviting and where eight hours are considered a full day's labor; whereas, on the farm, as we all know, it is a question of work from sunup until dark. Volunteer enlistments and the draft have also cut deeply into the labor supply.

Mr. Chairman, a survey has been made in a general sort of way of the farm-labor situation in some of the States, and report has been made thereon in some of the leading farm journals. Those reports show the widespread shortage and requirement of farm labor. This bill will help out, we think, to some extent. It is not expected by the proponents of the measure that it is a cure-all, but it will help some. To show how Nation wide is the demand for farm labor I desire to read the following summary of reports that have been turned in from the various States:

"Maine: Great shortage of farm labor; acreage probably will be reduced by one-fourth or one-third. Texas: More labor needed than ever before, but supply is much below normal. North Dakota: Alarming shortage; farmers discouraged and can not plant for normal crop. Vermont: Shortage means a cut in production. Massachusetts: Serious situation; farmers can not go ahead with only the help of boys and untrained workmen. Connecticut: Depressing conditions; farmers may try to raise only enough for their families. Rhode Island: Many will not plant as much as last year. New Jersey: Farmers think that planting of even the usual acreage will be very hazardous. Pennsylvania: Very great shortage of skilled farm labor; the exodus from farms has been continuous. Delaware: Unless relief comes, the usual acreage can not be prepared. Maryland: Labor situation is acute. Virginia: Lack of labor, and acreage reduced accordingly. Georgia: Impossible to cultivate as much land as last year's area. Florida: Affected by loss of negro workmen drawn to the North; hope the Government will bring Porto Ricans. Ohio: Farmers discouraged and at their wits' ends. Indiana: Probably a reduction of acreage. Illinois: The number of idle acres will be increased."

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. Yes.

Mr. JOHNSON of Washington. If all of these localities are so short of labor, how is the money, two and a half million dollars, to be expended in finding labor to be sent to other localities that are also short?

Mr. DOOLITTLE. I will say to my friend that there are many people in the country who may make good farm labor, who could be collected under the provisions of this bill and sent to places where they could do the most good. They may be taken from unnecessary occupations.

Mr. JOHNSON of Washington. I am quite serious about this. In western Washington the lumber labor shortage was so serious that soldier labor had to be sent in there to make up the deficiency.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Chairman, I hope what I say will not be misunderstood, for it is not my intention to criticize the administration or in any way to oppose legislation that will help in winning the war.

This is a time when everybody is required to do their utmost in their particular line of duty whether it be on the battle field, in the factory, or on the farm.

The legislation under consideration has to do with the farmer or producer of food for all mankind, and there is not a man in this Congress who will do more to help that class of citizen than myself.

We all know when bountiful crops are produced the farmer not only helps himself, but it is the consumer as well that receives the direct benefit of his efforts, and I feel that an injustice has been done to the man who toils for the production of crops when we singled out the result of that toil and by price-fixing legislation placed a limit on what he shall receive for his product and permit the charging of unlimited prices for what he must buy and what is essential to make his crops possible.

The price-fixing arrangement is confused by rules and regulations adopted for a good purpose, no doubt, but so far from being practical that the manufacturer of food products does not know where he stands, and the farmer also has become discouraged and has lost sight of the importance of his mission simply because he has been chosen as the one expected to do the most for the least return, when, in fact, the law under which the price of his product has been limited is supposed not to regulate or control his effort.

I recall the speech I made in this House on June 20 of last year, in which I predicted just what the result would be, and at that time I was strongly opposed to price fixing unless it was made to apply to both producer and consumer.

Under the license feature of the food-control law the President fixed the price of wheat, and if he can say what is to be paid for wheat and what the products of wheat shall be sold for certainly he can do the same with other grains and foods.

Our farmers are to-day asked to plant a larger acreage of wheat, and to show the unfairness of such a request I quote the prevailing prices of relative grains:

No. 1 spring wheat, $2.20, Chicago, for 60 pounds.

No. 1 winter wheat, $2.17, Chicago, for 60 pounds.

No. 2 rye, $2.91, Chicago, for 56 pounds.

No. 2 white corn, $2.25, Philadelphia and New York, for 56 pounds.

No. 2 yellow corn, $2.25, Philadelphia and New York, for 56 pounds.

No. 3 yellow corn, $1.90, Philadelphia and New York, for 56 pounds.

No. 2 white oats, $1.08, Philadelphia and New York, for 32 pounds.

From these prices you will see that with the exception of oats wheat is the lowest of all grain, and the farmer knows that with the same effort he can produce from two to three times as much corn, oats, rye, or barley per acre, and he will be a hard man to convince that this sacrifice is necessary when the coarser grains are being used instead of wheat and will yield such greater return.

The consumers have been appealed to to cooperate in the saving of wheat, and have willingly accepted the ruling of the Food Administration to buy a pound of substitute with each pound of wheat flour, but they, too, are becoming discouraged when

compelled to pay a premium for the substitute or inferior article, much of which is wasted for want of knowledge as to its best use. Let me quote what the consumer must pay for grain products:

	Per barrel.
Wheat flour	$11.00 to $12.00
Rye flour	14.50 to 15.50
Corn meal	11.00 to 14 00
Oat meal	13.00 to 15.00

From the above I am convinced that the Food Administration, by lack of complete regulation, has placed a penalty rather than a reward on the consumer for the sacrifice he is making.

Mr. SNYDER. Will the gentleman yield?

Mr. HUTCHINSON. I would like to do so, but I have not the time.

Mr. SNYDER. I would like just to get a comparison of those prices.

Mr. HUTCHINSON. I have not the time; I will later if I have the time.

We have a new proposition before us, one that unless handled properly will stand out in future years as a rebuke to our judgment, and rather than spend money for seed wheat, to be sold to the farmers on credit, I would be willing to advocate the appropriation of $10,000,000 for the purchase and free distribution of seed wheat under the authority of the Secretary of Agriculture, such seed to be available to those who are unable to purchase seed or any farmer who would be willing to cultivate such a crop under rules and regulations prescribed by the Department of Agriculture.

By an arrangement of this kind our Western States could be made to increase their yield of spring wheat at least 50 per cent, which would remove all question of a wheat shortage.

I have before me a publication called the Seed Reporter, issued by authority of the Secretary of Agriculture, which shows how the Grain Corporation proposes to take care of the seed-wheat business on a small profit for the purpose of increasing production. We are told by the Grain Corporation, which, by the way, is a child of the Food Administration, that they have 500,000 bushels of Marquis spring wheat to supply Indiana, Ohio, Michigan, Pennsylvania, West Virginia, New York, Vermont, New Hampshire, and Maine, all winter wheat States, and in which the planting of spring wheat would be an experiment.

Mr. JOHNSON of Washington. Will the gentleman yield? I want to ask the name of the publication.

Mr. HUTCHINSON. The Seed Reporter, March 20, 1918.

Mr. JOHNSON of Washington. That is a Government publication?

Mr. HUTCHINSON. Yes, sir. Bureau of Markets, Department of Agriculture.

This wheat is in Buffalo, and has cost the Grain Corporation about $2.25 per bushel, and they propose to sell it by the car to any dealer or elevator man at $2.35 per bushel f. o. b. Buffalo, and the dealer or elevator man has the privilege to resell the grain to the farmer for 15 per cent increase over that price, or a profit of 35 cents per bushel. If a man is unable to purchase a full carload he may buy a less quantity, but the price will be $2.65 per bushel, and by the time this reaches the farmer, with the 15 per cent added, it will cost him $3.05 per bushel sacked.

When you consider these profits, compared with those allowed by the rules of the different exchanges dealing in wholesale grain, you can get an idea that the Grain Corporation has gone far from the policy of doing business at cost, especially when the Government furnishes the capital without interest, which amounted to $150,000,000, in the food-control bill for a revolving fund, and also $2,500,000 for administration expenses, and a further appropriation of $1,750,000 in the recent urgent deficiency bill, making a total of $4,250,000 for expenses from August 10 to June 30 of the present year.

In normal business the brokerage on grain permitted by the different exchanges usually run from ¼ to 1 cent per bushel, which, together with interest, insurance, and storage, seldom makes more than 3 cents per bushel.

Mr. Chairman, I contend that the Grain Corporation has no right to conduct business for a greater profit than will pay their expenses, especially when its chief function is to encourage the production and regulate the distribution of grain, and if the situation is so serious as to require the furnishing of seed wheat the Department of Agriculture should be authorized to make free distribution, and with their efficient organization keep strict supervision over the planting and growing and use every possible means to see that the results desired are accomplished. [Applause.]

I now yield to the gentleman from New York.

Mr. SNYDER. I was going to ask the gentleman if the gentleman could give the relative difference in price between wheat and corn, wheat and oats, wheat and rye, say, three years ago?

Mr. HUTCHINSON. I can not recall just what it was.

Mr. SNYDER. Will the gentleman insert it in his extension?

Mr. HUTCHINSON. I will.

On page 30 of the Monthly Crop Report, published by authority of the Secretary of Agriculture, issue of March, 1918, the following figures are given as the average prices paid to producers, based on reports from 7,000 country buyers. This table does not include commissions, insurance, elevator charges, or freight to destination.

	Wheat.	Corn.	Rye.	Oats.	Barley.
Mar. 1, 1915	$1.336	$0.751	$1.051	$0.521	$0.677
Mar. 1, 1916	1.029	.682	.856	.427	.595
Mar. 1, 1917	1.644	1.009	1.26	.569	.969
Mar. 1, 1918	2.027	1.543	2.01	.862	1.161

Mr. WALDOW. Will the gentleman yield?

Mr. HUTCHINSON. I will.

Mr. WALDOW. This grain corporation of which the gentleman speaks is a corporation authorized by Mr. Hoover, is it not?

Mr. HUTCHINSON. Yes, sir. Mr. Chairman, I yield back the balance of my time, and ask the privilege of extending and revising my remarks.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? (After a pause.) The Chair hears none.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. McLAUGHLIN].

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I think that some of the gentlemen present do not understand just what this bill is and the principle on which it is framed. Appropriating a comparatively small sum, $7,500,000, it is solely for the purpose of supplying seed grain to the farmers of the spring-wheat area where they are not able to buy it. It has been urged that it ought to be extended and that seed grain ought to be made available all over the country. I think gentlemen who are urging that really do not mean what they say. This amount of money will not cover the entire country. This is for a part of the country in which, on account of failure of crops, the people are not able at this time to buy the wheat or other grain, nor have they credit with which to buy it. When a gentleman from one of the other States asks that his State be put in with the spring-wheat States he does not mean what he says, and he loses sight of what has been done and is being prepared for other sections. Other bills that have been passed and have become laws, other bills that are pending, that will be passed provide for more money and authorize the Secretary of Agriculture to dispose of seed grains at cost. The other States in which it is difficult to get seed grain will be accommodated by those laws. I am sure that the great State of New York, from which we hear opposition to this bill; the great State of Massachusetts, and some others, do not wish to come to Congress and ask for Federal aid.

In the first place, I think the farmers of those States are abundantly able to buy seed if they have an opportunity to do so, and that business and financial interests of those States are abundantly able and ought to be willing to help their farmers who are not able to buy and have no credit. They are not in the unfortunate condition in which the people whom this bill will help are now placed. Now, the Committee on Agriculture refused to approve this bill when it first came before the committee because it did not approve the principle of indiscriminate loaning of money by the Government to the farmers or supplying seed on credit, whether they need it or not; but, after extended hearings and testimony brought before the committee to the effect that the spring-wheat section of the country is in great need and must have this help, a majority of the committee yielded and prepared and reported this bill. I early urged financial assistance to farmers to enable them to procure seed, but the majority of the committee were tardy in taking that position. That is the situation in which the bill in its present limited scope comes before the House, and that is the reason the committee has reported it.

Mr. CANNON. Will the gentleman yield for a question?

Mr. McLAUGHLIN of Michigan. I do.

Mr. CANNON. This provides for spring wheat?

Mr. McLAUGHLIN of Michigan. For the spring-wheat area.

Mr. CANNON. I am informed by the Representative from South Dakota that his State has fully provided——

Mr. YOUNG of North Dakota. North Dakota.

Mr. CANNON. And also North Dakota.

Mr. McLAUGHLIN of Michigan. North Dakota, as I understand it, Mr. Chairman, has at a session of its legislature authorized the counties to bond for that purpose, and they have pretty well taken care of the needs of their people. There has been some action by the people of South Dakota, and they have given as far as they are able——

Mr. CANNON. The gentleman from South Dakota informed me that they had fully cared for it.

Mr. McLAUGHLIN of Michigan. I do not understand the situation has been fully taken care of in the State of South Dakota, but shall be pleased to be corrected if I am wrong.

Mr. DILLON. If the gentleman will yield, I might say that South Dakota has had no failure of crops and that our legislature convened last week and provided by resolution that we did not need this aid. They are only taking care of their own people.

Mr. McLAUGHLIN of Michigan. Well, this "last week" was since this bill was reported. This bill was reported to the House by the Committee on Agriculture nearly three weeks ago.

Mr. Chairman, I am altogether unable to account for the attitude of gentlemen of this Congress who oppose almost every measure calculated to assist the farmers of the country. They realize, as every sane man does, that there must be increased production of farm crops, particularly wheat. They join in the demand for larger crops, and swell the popular cry that "food will win the war." They are sensible enough to place food on a level with munitions and men for the Army and Navy; they vote for appropriations carrying billions of money, and authorize the departments to enter into contracts with private corporations for munitions, ships, aircraft, and material and supplies of all kinds; to make contracts by which money and material are advanced and supplied by the Government, and in addition, in many cases, the corporations are guaranteed a profit on all their operations. But as to the farmers, the Congress and the administration appeal to their patriotism and let it go at that; the suggestion of contracting for production of wheat or other farm products or of financial assistance in procuring seed is scoffed at; or if help is given it is given grudgingly and not in sufficient measure. I do not forget that the food-control act of August last guarantees a minimum price of $2 a bushel for wheat of the 1918 harvest, but the failure in any manner to regulate the prices farmers pay for machinery and equipment, or prices of other things farmers must buy, has so increased the cost of farm operations that $2 wheat is not very profitable. A minimum price of $2.20 was fixed for wheat, the crop of 1917, but the manner in which that price was fixed or the manner of control of the wheat market by the Food Administration has resulted in making that price the maximum as well as the minimum price. The result has been, further, that prices of all other grains, in no way regulated or interfered with by the Food Administrator, have risen very high, out of all proportion to the price of wheat, and during 1918, at least, the farmers will find larger profit in growing the other grains than in growing wheat. In the face of this novel and unfortunate situation the farmers are urged to continue to sow wheat; their patriotism is appealed to, but substantial assistance is refused—assistance, if promptly given, that would encourage them and enable them to overcome some of the serious difficulties confronting them.

This bill was prepared and reported in the hope that this substantial assistance might be given.

The bill provides that the Secretary of Agriculture is authorized—

> * * * to make advances or loans to farmers in the spring-wheat areas of the United States where he shall find special need for assistance for the purchase of wheat, oats, and barley for seed purposes or, when necessary, to procure such seed and sell the same to such farmers * * * upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe.

And provides further—

> That a first lien on the crop to be produced from such seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed security therefor, and that the total amount of such advances, loans, or sales to any one farmer shall not exceed $450.

It seems to me the amount of money to be here appropriated for this purpose, $7,500,000, is small, when we consider the urgent and immediate need of assistance to farmers of the spring-wheat section of the country, the only section in which an increased production of wheat can be had this year; and as we take into consideration the immense sums of money expended or provided for other war operations, some of them of no greater importance than is the growing of grain for food.

It has been said here that as the Secretary of Agriculture would be authorized by this measure, if it shall become law, to loan money or supply seed grain to farmers "upon such terms and conditions and subject to such regulations" as he may prescribe, he would virtually be authorized to enter into contracts with farmers for the production of grain. And why should not contracts for foodstuffs be made? Money so used will produce larger and better results than will expenditures in many of the other of the activities in which we are engaged during this war emergency. There will certainly be abundant return to justify the expenditure of this money—or for its investment, as it surely is—and in my humble judgment the bill, more restricted in its terms than it ought to be, ought to be passed, and it must be passed and become law without further delay if it is to be of use this year.

Mr. CANNON. I ask that his time be extended.

The CHAIRMAN. The time is under the control of the gentleman from Iowa.

Mr. HAUGEN. I yield five minutes to the gentleman from North Dakota [Mr. BAER].

Mr. BAER. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. BAER. Mr. Chairman, I want to take this opportunity to thank the Committee on Agriculture for its patience, its hearty cooperation and support of this measure.

Its indorsement of this bill is sufficient argument for its passage. This bill was considered from every angle and entirely upon its merits. It is not a partisan measure. It is a war measure, and there is no partisanship in patriotism. I believe that Congress will act with the same high spirit of patriotism and nonpartisanship with which it has met all the war emergencies.

Critical conditions without parallel have compelled me to urge the passage of this resolution. I believe that you realize the gravity of the situation and the imperative necessity of food at this time. This war will be won by the gradual process of attrition; that is the gradual exhausting of the enemy's resources. Victory rests with the side that has the last bushel of grain in its bin; and I want to see that Uncle Sam is on that side. [Applause.]

Mr. WINGO. Will the gentleman yield? I am not antagonistic to the bill. I shall vote for it. You provide by this bill that this money shall be loaned through State and national banks. Are the banks of your State refusing now to make these loans, as they are authorized to do under the Federal reserve act?

Mr. BAER. There is no authorization for loaning money for seed under the Federal reserve act unless the bank guarantees it.

Mr. WINGO. You have got to make a showing that it is for agricultural purposes, and, of course, properly indorsed. Under the Federal reserve act when any farmer gives his note for getting seed or implements or fertilizer for the purpose of the production of food, such a note is eligible for rediscount at the Federal reserve bank, and against it Federal reserve notes may be issued.

Mr. BAER. I want to say to the gentleman that in North Dakota——

Mr. WINGO. Are your banks refusing to grant that relief?

Mr. BAER. No. They can not give the relief, however, because they have not sufficient money. The liberty loans and other conditions have taken the money out of the State. They will loan on land and chattels.

Mr. WINGO. I am not talking about loans on the land. That is under the farm-loan act. But I am talking about the agricultural paper provision of the Federal reserve act. Unless I am misinformed, your Federal reserve bank is in Minneapolis?

Mr. BAER. Yes.

Mr. WINGO. Unless I am misinformed, that bank has already loaned $1,700,000 on this character of paper. If your banks are not granting the relief they should if able, and as they seem unable, I can see the necessity for this relief, and for that reason shall vote for it.

Mr. BAER. I have the reports, in which they say they can not get the relief.

Mr. WINGO. If the banks will not grant the relief——

Mr. BAER. The banks have got to guarantee it. That is another reason, in addition to lack of funds. I can not yield further.

There is plenty of authority in support of this measure. Mr. Hoover says that Congress should make considerable appropriations to farmers who need advances against animals and crops. Mr. Lubin, of the Agricultural Institute of Rome, says that the allies are depending upon the United States for food.

Mr. MOORE of Pennsylvania. Mr. Chairman——

Mr. BAER. I can not yield further.

Mr. MOORE of Pennsylvania. One question.

Mr. BAER. I can not yield.

Lord Rhondda, the food controller of England, says if we do not ship England more wheat he can not take the responsibility of assuring his people that they can win this war.

I have received 14,000 answers to questionnaires showing the need. In fact there are 40,000 homesteaders and twice as many needy farmers in the Northwest who require credit. They have the land and the man power, but need seed on time.

Our farmers have striven and will strive to support our Nation, and those who have seed and are guaranteed labor will raise every possible bushel of wheat they can.

True, the Agricultural Department has made arrangements to have seed on the ground to be sold for cash, but this seed will be of no value to the farmer who has not sufficient funds to buy it. The farmer who has sufficient funds usually carries over enough seed grain for the spring seeding. It is the farmer who has not the seed and has not the credit of whom I am speaking.

There can be no question as to the imperative necessity of increased production. The winter wheat has been planted. The poorest average condition of winter wheat on December 1, 1917, ever reported in the history of the country. On December 1, 1917, the average winter wheat was 79.2 per cent as against 81.4 per cent in December, 1895, the lowest condition ever hitherto reported, and as against 85.7 per cent in December, 1916, when the crop of winter wheat at the following harvest was wholly inadequate to meet our needs. It does not show a yield of over half a billion bushels. The Department of Agriculture has stated that they need a billion bushels. This is impossible. The highest yield of spring wheat in history was 340,000,000 bushels; the average is about 240,000,000 bushels. With the decrease in farm labor and other discouragements it is impossible to raise 250,000,000 bushels of spring wheat, but we must come as close to this as possible. The only way we can approach this need is by passing this bill, which will insure the planting of 3,000,000 acres of wheat with a possible production of 50,000,000 bushels of grain.

If we neglect to pass this measure thousands of acres will remain untilled. Thousands of plowshares will rust and will stand as a reproach of our negligence. To you men who represent city populations I want to say that if you are anxious to decrease the cost of living, vote for this bill. Increased production means the lower cost of living, and food shortage in this country or among our allies would be a very serious problem at this time. Dissatisfaction and social unrest the world over is caused by the lack of bread.

True, we are conserving and we will conserve, but conservation alone will not solve the problem, even if we conserve to a point that endangers the virility of the Nation. Our workers in factories and war industries have been asked to work longer hours to increase production. This raises the question of stamina. If we expect these men to work harder, they naturally will eat more. I believe the conservation problem is a splendid one, but I also want to urge the greatest production. This is the hour of decision. If we do not act, I believe a famine faces the world.

We have basked in the fancied security of our statistics long enough. Let us face the fact and wake up. Let us plant every idle acre. Let us mobilize labor to get the crops out in due season. Agriculture is the chief basis of national prosperity and credit. Let us support this measure; first, to produce more food for our allies and ourselves; secondly, as a vote of confidence in the American farmer.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I am sorry that I can not yield to the gentleman more time. I have about 30 on the list here.

By unanimous consent, Mr. MCLAUGHLIN of Michigan, Mr. MCFADDEN, Mr. FARR, and Mr. FOCHT were granted leave to extend their remarks in the RECORD.

Mr. MOORE of Pennsylvania. Mr. Chairman, I make the point that there is no quorum present.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] makes the point that there is no quorum present. The Chair will count.

Mr. LEVER. Mr. Chairman, I move that the committee do now rise, and upon that I ask for tellers.

Mr. MOORE of Pennsylvania. Mr. Chairman, I insist on the point of order.

Mr. LEVER. Mr. Chairman, I move that the committee do now rise, and on that I demand tellers.

Mr. CANNON. Does that motion take precedence of the gentleman's point of order that there is no quorum present?

The CHAIRMAN. The motion for the committee to rise, the Chair thinks, would take precedence.

Mr. LEVER. I insist on my motion, Mr. Chairman, that the committee do now rise, and on that I ask for tellers.

Tellers were ordered.

Mr. LEVER and Mr. MOORE of Pennsylvania took their places as tellers.

Mr. MOORE of Pennsylvania. Mr. Chairman, did the Chair state the question?

The CHAIRMAN. The Chair will state the question. Those who favor the motion of the gentleman from South Carolina [Mr. LEVER] will pass between the tellers and be counted.

The committee divided; and the tellers reported—ayes 2, noes 81.

The CHAIRMAN. The committee refuses to rise.

Mr. HOWARD. Mr. Chairman, not a quorum is present.

Mr. WALSH. Mr. Chairman, a point of order.

Mr. MOORE of Pennsylvania. Mr. Chairman, there is not a quorum present. I make the point of order.

The CHAIRMAN. It is evident from the vote that there is not a quorum present, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Flood	Kelley, Mich.	Rodenberg
Barkley	Flynn	Kennedy, R. I.	Rose
Blackmon	Gandy	Kettner	Rouse
Borland	Gard	Key, Ohio	Rowland
Brodbeck	Glass	Kitchin	Sanders, La.
Burnett	Good	LaGuardia	Sanders, N. Y.
Caldwell	Goodall	Lazaro	Sanford
Campbell, Kans.	Goodwin, Ark.	Lenroot	Schall
Carew	Gould	Littlepage	Scott, Pa.
Chandler, N. Y.	Graham, Pa.	McCulloch	Scully
Classon	Gray, Ala.	McKinley	Sherley
Cooper, Ohio	Green, Iowa	McLaughlin, Pa.	Siegel
Cooper, W. Va.	Greene, Vt.	Mann	Sims
Copley	Griest	Meeker	Slemp
Costello	Griffin	Miller, Minn.	Small
Crago	Hamill	Miller, Wash.	Smith, T. F.
Curry, Cal.	Hamilton, N. Y.	Mondell	Steele
Davidson	Harrison, Miss.	Mott	Sterling, Pa.
Denison	Harrison, Va.	Nicholls, S. C.	Stiness
Dent	Hayden	Nichols, Mich.	Strong
Denton	Hayes	O'Shaunessy	Sullivan
Dies	Heintz	Overmyer	Templeton
Dooling	Helvering	Parker, N. J.	Thomas
Doremus	Hersey	Parker, N. Y.	Tinkham
Drukker	Hollingsworth	Peters	Van Dyke
Dunn	Houston	Porter	Vinson
Edmonds	Hull, Iowa	Powers	Ward
Ellsworth	Humphreys	Price	Watkins
Estopinal	Igoe	Ragsdale	White, Me.
Fairchild, B. L.	Johnson, S. Dak.	Rainey	Williams
Fairchild, G. W.	Jones, Va.	Reed	Wood, Ind.
Fairfield	Kahn	Riordan	Woodyard
Fess	Kehoe	Roberts	

The committee rose; and the Speaker having resumed the chair, Mr. POU, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the committee substitute for the bill H. R. 7795, had found itself without a quorum, and he had caused the roll to be called, whereupon 300 gentlemen had answered "present"; and he submitted a list of absentees to be recorded in the Journal.

The SPEAKER. The committee will resume its sitting.

The committee resumed its sitting.

Mr. LEVER. Mr. Chairman, I yield myself three minutes.

Mr. Chairman, for four solid days this House spent its time in the very important matter of fixing the salaries of postal clerks, post-office officials, and the like. A quorum was always present when that bill was being considered. That was a bill taking something out of the Federal Treasury in the way of salaries for somebody else, mostly somebody else who are organized and have votes. [Laughter.] Here is a proposition which a great committee of this House believes is important in the winning of this war, and yet gentlemen come in here and make a point of no quorum, and, after the Chairman of the committee exhausts every parliamentary expedient to get a quorum here, we are not able to find it. We have killed 25 minutes in calling the roll because there was no quorum present.

I am not scolding the House at all, and I rise only for the purpose of saying that if the friends of this measure are sufficiently in earnest and are in the majority in this House to put this bill through, and will stay with me, we will keep this committee running until the break of day and put it through. Now, will you stay? [Applause.]

I yield five minutes to the gentleman from Montana [Mr. EVANS].

The CHAIRMAN. The gentleman from Montana is recognized for five minutes.

Mr. EVANS. Mr. Chairman, this bill appears to me to be very important to the country. In the hour or more of discussion of it several objections have been made to it. One of them was that it applied to only a limited section of the country.

Another was that the bill was fathered by the Nonpartisan League. Another was something else.

Now, I beg to suggest to this House—and I may repeat some things that I said this morning in discussing the rule—the question of authorship of this bill should not enter into it at all. This is not the bill of the Nonpartisan League, I may say. Last August I introduced a bill practically like this. I foresaw that the drought in that western country would cause a shortage of crops, and I introduced a bill and hoped to get it through in time for last fall's planting.

Mr. GORDON. What would you do in case you had another drought? What would you do for these men to whom you have loaned the money?

Mr. EVANS. There would be a greater shortage of wheat than there is now.

Mr. GORDON. And there would be a shortage of the money. [Laughter.]

Mr. EVANS. But what will you say if you lose your aeroplanes? Will you get them back? What will you say if you lose your ships? Will you get them back? What will you say if the soldiers are killed? Will you get them back? We are trying to save them, not trying to get something back.

In all that western country, as I said to you this morning, there are thousands of people—and they are not beggars—who can not give any security except the crop. They do not ask the Government to give them anything, but the Government asks them to raise the wheat, and they say, "We will go you fifty-fifty. If we get a crop, we will pay you back." If they do not get a crop this year, they may not pay it back this year, but——

Mr. MORGAN. Because they do not pay it back this year, that is no sign that they will not ever pay it back. I object to your saying they will not pay it back.

Mr. EVANS. I say if they get a crop they will pay it back on this year's crop.

Mr. GORDON. It is not proposed to take security, but take a chance on this year's crop?

Mr. EVANS. Great God! If they had security they could go to the bank or to the financial institution and borrow the money. That is the kind of men we are trying to help—those who have not the security to give.

Gentlemen, in that section of the country thousands of homestead entries are being made. I am sure 80,000 a year are being made in the public-land States. Those men can not get title in one, two, or three years.

If there are 60,000 a year, there are at least 180,000 of these homestead entrymen of the last three years that have not got title to their lands. They are new people. They have just recently come into that country. They have nothing but their courage and the muscle of their arms to start with.

Mr. CRAMTON. While the Government takes a chance on a few dollars to furnish the seed, the farmer takes the chance of his farm and all his time?

Mr. EVANS. Yes; and the Government does not take a chance longer than six months.

Mr. CRAMTON. If the Government preferred to treat the farmer as he treats the manufacturers of munitions—furnishing material and paying a per cent of profit on the cost of production—if it would make the same arrangement with the farmer, furnishing material and paying him a per cent or measure of profit on the production, the farmer then taking no chances, I suppose your farmers would not object to that arrangement.

Mr. EVANS. They are not even asking that.

Mr. CRAMTON. But then they would be on an equality basis with the munitions manufacturers?

Mr. EVANS. Yes.

Mr. GORDON. The only difference is that the munition manufacturer in every instance has got property to secure the loan the Government makes to him.

Mr. MORGAN. How much?

Mr. GORDON. The Government does not advance any money unless it is secured.

Mr. CRAMTON. But they are dead sure of a profit.

Mr. GORDON. The Government is dead sure of getting its money back, too.

Mr. EVANS. Let me suggest that in the section from which I come we do not gauge citizenship by the amount of money a man has in his pocket or the credit he has at a bank. [Applause.] We have thousands of these men, who are without title to their property.

They are a courageous, patriotic, self-reliant people. They have just settled in that broad expanse of territory. They are building homes and schoolhouses and roads and bridges. There are no cities of importance. There are no financial centers there, no financial institutions able to extend credit to these people. Anyone conversant with the settlement of a new country knows that if in the period of two or three years, three or four hundred thousand people migrate into a new farming country, that their greatest drawback is money with which to do business. Ten years from now these people will all be well to do. They have lands—productive lands—but they have not title to these lands and they therefore have nothing to give as security to the man who has money to loan. And, as suggested, there are exceedingly few men in that section who have money to loan because they, too, are new in the country. I hope no one will gain the impression that the people of Montana are mendicants or beggars. There are no more courageous, self-reliant, or patriotic people in the world than these people, half of whom have come into the State within the last two or three years; and everyone knows that as a rule the man who leaves his home and comes to take up land in a new country is a man without money. If he had already gotten a start in life, if he was in good circumstances, he would probably have remained at his original home and not gone into a new country to endure the hardships that are always entailed with such a settlement. Western Montana, the older settled part of the State, is amply capable and willing to take care of any demands made upon its people. The territory to which I here refer is that great expanse of eastern Montana, a territory 400 miles long and 200 miles wide. The men of this House do not seem to grasp the situation. Again I say the people of Montana are not lacking in patriotism, nor are they beggars. When the call to arms was sounded in this country, Montana furnished more men in proportion to her population than any State in the Union. When both liberty loans were placed before our people, we oversubscribed the same to a greater extent than the people of any other State in the Union in proportion to our assessed valuation. When the Red Cross call was made, we oversubscribed our allotment 250 per cent. To show you how that State has grown I beg to say that in two years the voting population increased 143 per cent. That State has two Representatives on the floor of this House based upon the census of 1900, and yet we registered more men under the selective draft than did either of the Dakotas with three Representatives, more than the State of Colorado with four Representatives, more than the State of Washington with five Representatives, almost as many as the State of Kansas with six Representatives. We were able to do this because a large percentage of the newer population are young, sturdy, single men who have come into that State to build homes out of a wilderness. This is the class of people that proponents of this bill ask that seed may be furnished this year that they may double the production of wheat in that section. These people are pioneers—real pioneers—and they are not asking any charity at the hands of the Government.

They want to do their bit. They want to pay for everything they get. When a crop is made they will pay for all seed furnished them, and above all they are patriotic and want to win the war. They want to raise wheat because they are on wheat land and because the American people need the wheat. It is just as important to the American people that we have wheat as it is that we have guns and ships and munitions. Last year we spent nearly twenty billions of dollars in an effort to terminate the war. The President, the Food Administrator, and all other farseeing men are begging and urging the people to conserve the bread supply and to produce more foodstuffs, and we here in Congress haggle over the proposition of appropriating seven and a half million dollars to furnish our armies with bread. We have appropriated money to furnish the capital for the conduct of the railroads, for shipbuilding, for munitions of war, for fertilizer, but we balk when it comes to furnishing money for seed to produce foodstuffs. This is not a "pork-barrel" measure; it is a war measure; and I confidently believe that in proportion to the money carried in this bill it will bring as much or better results than any similar amount of money expended elsewhere in the twenty billions of dollars already appropriated.

Mr. GORDON. I ask unanimous consent that the time of the gentleman from Montana be extended five minutes. He was interrupted by Members, including myself.

Mr. WALDOW. Regular order, Mr. Chairman.

Mr. RUBEY. I yield to the gentleman from Washington [Mr. DILL] two minutes.

Mr. DILL. Mr. Chairman, I come from that part of the wheat country which lies between the Rocky Mountains and the Cascades, known as the dry-wheat section, and I can say that there are literally thousands of farmers in that country who will be able to raise greater acreages of wheat if seed wheat can be furnished them on short credit. The conditions that have been

described as existing in the State of Montana because of the drought exist to a large extent throughout eastern Washington and the adjoining regions. That country has been producing about 20,000,000 bushels of wheat each year. Unless there is some help given to these farmers much of the land that was broken last summer for wheat this spring will not be planted. Because of the drought last year the wheat crop was a failure in many sections. There was a small acreage of wheat planted last fall, and I have received large numbers of letters from farmers asking for this legislation.

Mr. KEARNS. Why can they not go to their local banks and borrow this money?

Mr. DILL. For the simple reason that many of them are tenant farmers who have no security on which to borrow money from the banks. A large number of others are homesteaders or are too poor to give the necessary security.

Mr. KEARNS. What security are they going to give the Government?

Mr. DILL. They will give simply the security of the crop that they will raise.

Mr. KEARNS. Why can they not go to the banks and get the banks to loan them money on that same security?

Mr. DILL. Because the banks will not accept it.

Mr. KEARNS. Why should the Government do something that the banks will not do?

Mr. DILL. Because the Government is in a world war, and it is the business of this country to raise all the food possible. [Applause.]

Mr. KEARNS. The banks are interested in the winning of the war, are they not?

Mr. DILL. Yes; but they can not loan out the money under the State laws controlling banking, nor with safety to their stockholders. As the gentleman from Indiana [Mr. Cox] suggests, they are in the business of banking for the purpose of making money. The Government is going into this business for the purpose of producing food to win the war.

Mr. KEARNS. The banks of that section of the country are a part of the Government, are they not?

Mr. DILL. Oh, no.

Mr. KEARNS. They are interested in it.

Mr. DILL. Yes; they are interested in it. I have no complaints to make against the banks in this regard, because I doubt whether it would be advisable, from a business standpoint, for the banks to loan money on such security. I do not support this bill from a business standpoint, but I do support it from a patriotic standpoint. [Applause.] We can not afford to haggle and delay at a time like this. We must act, and act in the manner that will result in the production of as much wheat as possible.

Mr. RUBEY. I yield to the gentleman from Texas [Mr. YOUNG] five minutes.

Mr. YOUNG of Texas. Mr. Chairman and gentlemen, I do not know that I can add very much to what I said in the discussion of this question while the rule was being considered, but I have such a deep conviction as to the wrong that is about to be done and as to the farce that is about to be perpetrated that I rise for the second time to enter my protest against this kind of legislation. [Applause.] I stated in my speech before that the Secretary of Agriculture opposed the original Baer bill when it was before the Committee on Agriculture. I stand here to reaffirm that he opposed that bill and said it was not a good proposition and not good business, and advocated that it be not reported out of that committee, and no member of that committee will dispute my statement. This is a revamp of the original Baer bill, cutting down the amount from $50,000,000 to $10,000,000, because they think they can get $10,000,000 through. That is all there is to it. But it is the same principle, and the committee killed that Baer bill when it was considered before. Now, how did they camouflage and get it back into the committee and on the floor of this House? They did it by inserting one new proposition. That proposition is a mobilization of labor. God knows we have got a Labor Department down here. We have given them millions of dollars to do the very work that this $2,500,000 is supposed to do. Here you come and offer to duplicate that expenditure and have another force of employees camouflaging in this bill by bringing a new item into it in order to offer a $7,500,000 proposition to loan money to 166,666 people to make a crop this year. There are just 30 more days in which to plant spring wheat, and another body has got to pass on this bill. Are you fooling yourselves? Are you not intelligent men? Do you not know that this bill can not pass the other body, if they were favorably disposed to it, and then this machinery be set in motion to loan to 166,666 people $450 apiece to buy wheat to sow on their land? I will tell you what is the truth. Why do you not go and do like Texas did? Our legislature appropriated millions in order to relieve the drought-stricken section of that State, where 144 counties were stricken barren. That is the course that ought to be pursued. Oh, I have a feeling for the people in the drought-stricken section, but that feeling can not run away with me and make me violate a governmental principle and perform a farce in this House in saying that we are going to give you $7,500,000.

I believe in raising this wheat, and here is a sensible proposition. The Secretary of the Treasury will back every one of these banks down there with public funds, as he has done in the industrial centers, and as he has done in my State to relieve the cattlemen who have lost their all, but he made the banks get behind these loans, and he makes it a banking proposition, so that the Government will not lose one dollar of the money, and it will be paid back because these banks back up that credit; and let me tell you a man who is worthy of credit in the country where I come from, and I believe it is true of every other section of the United States, is able now, if he is honest and industrious, to go to his local banks and borrow money with which to buy seed in order to raise a crop. You talk about the bankers not being patriotic. They are patriotic.

Miss RANKIN. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Texas. They are patriotic and they will advance this money if the man on the farm is worthy of the credit, because in order that the bank may succeed, the country in which they are located must succeed. I yield.

Miss RANKIN. Has the gentleman any bank in a homestead district in his State that can loan $1,000,000 to the farmers?

Mr. YOUNG of Texas. We have no homestead districts in my State, but it does not change the principle of the thing. I take it that in the homestead districts the banks are anxious that the homesteaders shall succeed, because, unless they do succeed, the banks ultimately will have to go out of business.

Mr. BOOHER. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Texas. Yes.

Mr. BOOHER. Will the gentleman please explain the difference between the principle involved in this bill and the principle involved in appropriating every year $500,000 for the eradication of the Texas cattle tick? [Applause]

Mr. YOUNG of Texas. If the gentleman can see any comparison between the two items, he sees more than any other person in this House can see.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HAUGEN. Mr. Chairman, I yield three minutes to the gentleman from Kentucky [Mr. LANGLEY].

Mr. LANGLEY. Mr. Chairman, I am heartily in favor, and especially when we are at war, as we are now, and when food is so important to the winning of that war, of the Government aiding the farmers as liberally as possible in producing the maximum of foodstuffs of which the soil is capable. Indeed, at the risk of being called a paternalist, I will say that I think the subject of agriculture is so important to the country, not alone in war times but in peace times as well, that I am in favor of still larger appropriations for the distribution of seeds and the dissemination of literature to aid in their proper planting and cultivation. But, Mr. Chairman, returning to this bill and having in mind the discrimination and sectionalism which it embodies, I wish to say that I believe in equal rights to all and exclusive privileges to none. I am that much of a Jeffersonian Democrat. [Laughter and applause.]

Mr. NEELY. Mr. Chairman, will the gentleman yield?

Mr. LANGLEY. I will not. The gentleman ought to know that he should not seek to interrupt me when I have such a brief time allotted me.

This bill in its present shape reminds me of what a fellow said to his partner who had charge of the cash register and who was using too much of the net profits of the concern When the other partner complained about that, he said, "Oh, that will be all right in the end. We are in cahoots, you know"; to which the complaining partner replied: "Yes; I know we are in cahoots, but the hell of it is that you are getting the money and I am getting the cahoots." [Laughter.]

This bill as it now stands gives all of the benefit to you fellows who are in the spring-wheat areas, while we of the corn belt are getting the cahoots. [Renewed laughter.]

Mr. Chairman, I am in favor of amending this bill so as to include Kentucky, which I beg to remind you is still one of the States of the Union. [Applause and laughter.] We raise comparatively little wheat in Kentucky, and what we do raise we sow in the fall of the year. We raise some buckwheat, and if I have a chance I believe I will offer an amendment to strike out the word "spring" and insert the word "buck."

[Laughter.] That would come nearer to helping us in Kentucky if the bill is to be confined to the current year. We raise a good deal of tobacco in Kentucky, too, and we also raise some cane in spots. [Laughter.]

A MEMBER. And some rye?

Mr. LANGLEY. Yes; and some rye, too. [Laughter.] But our great staple is corn, and I shall not vote for this bill unless it is amended so as to include corn, because we are short of seed corn there, especially in the mountain section, and my information is that the price of good seed corn is practically prohibitive. There is another reason why I think this bill should include the loaning of money to farmers for the purchase of seed corn, and that is that I think our soldier boys who are over there fighting for us are entitled to the very best of everything. [Applause.] I am in favor of them having biscuit and all of the wheat bread they can eat. Corn bread is good enough for us back here, and I am in favor of us eating corn bread exclusively here at home in order that we may be able to send more wheat "over there." The best way to accomplish that is to amend this bill so that our farmers may be able to purchase more seed corn, which is so scarce in Kentucky and other sections of the country, and thereby enable our farmers to raise more corn, not to be used in producing what Kentucky formerly utilized a great deal of corn for, because the old Commonwealth is going dry pretty soon, but to raise it in order that we may be able to send all of our wheat across the sea to our allies and our soldiers. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield three minutes to the gentleman from Indiana [Mr. BLAND].

Mr. BLAND. Mr. Chairman and gentlemen of the committee, there is only one excuse for this kind of legislation, and that is the Nation's extreme necessity for more bread material. We are the food providers of the civilized world to-day. A few millions of bushels of wheat or corn may mean the winning or losing of this war. The President, the Secretary of Agriculture, Mr. Hoover, the Food Director, and the members of the great Agricultural Committee say that this is a war measure of great and imperative importance, and I shall support it on the theory that it is a war measure.

Complaint has been made here by certain Members that this bill means that the Government will take a large part of the $7,500,000 appropriated and lend it to grain growers without the usual kind of a security which good business men would require. I do not attempt to justify the passage of this bill to enable the Government to go into the business of buying and selling seed or lending money to grain growers and taking a lien upon their crop as security as a banking or money loaning proposition, but as a means of increasing the bread supply of the world, which in my judgment is the most important factor in winning the war if it lasts any considerable length of time.

But, gentlemen, I personally think you could justify the passage of this act better if you did not make it so sectional in its provisions. It is true you have cut out the words "in the spring-wheat areas" and made its provisions apply to the whole Nation; but since it only applies to the crop of the year 1918 and only provides for wheat, barley, and oats, it will have little other application than to the districts where spring wheat is planted.

I have proposed an amendment to the first section of the bill, which would authorize the Secretary of Agriculture to purchase and sell either on time or credit, as he deems best, seed corn in the corn belt of the United States. If any of you gentlemen know any good reason why you should not include seed corn in the districts of the United States where last year's corn crop was frost bitten to the extent of 75 per cent I would like to hear it.

Some one has said that there is already an appropriation to take care of the seed question. If this is true, and if that appropriation is adequate, then why the necessity of this bill for the spring-wheat area? That argument affects this whole bill and should not be used alone against one section of the country any more than another.

And while we are on the subject I want to say to you that you have not treated the farmer of the great Middle West fairly in this and the last session of Congress. The farmers of my district and State are patriotic and are not opposed to their sons going to the battle front to fight in this death struggle for the life of this Republic. They would resent congressional action that would deny to them the privilege of sharing in the glory of this great cause. I think, and many of them think, that there are instances where boys have been taken from farms who could have served their country best following the plow. Congress authorized the President to exempt farmer boys from the draft where they were essential to the conduct of the operation of the farm. In some communities little, if any, regard was given by exemption boards to this important question. Thousands of young men sorely needed to produce bread are now in the training camps. The cry for farm help is heard on every hand; and I am told that back in my district in Indiana, in every county, auctioneers are busy selling farm implements and farm stock, and that there is great fear that the farmers will not be enabled to produce as much grain as they have been accustomed to producing. Since the world is looking to us for food it is unfortunate if this condition actually exists.

Practically everyone agrees that in instances where boys are essential to the planting, cultivating, and harvesting of this year's crop they should be furloughed and permitted to go home and do this important work before taking up further military duties. By a unanimous vote, as I remember it, two weeks ago we passed a bill authorizing the Secretary of War, under rules and regulations to be made by him, to furlough this class of boys. I have worn the soles off of my shoes and worn out a couple of telephones, figuratively speaking, in the different war departments, trying to find out if there is going to be any rules and regulations made for furloughing these boys, and, gentlemen, I finally gave up in despair. No one in any of the war departments knew anything about whether such provisions and arrangements were being made, and I venture the assertion that no such arrangement will be made. The President signed the bill, although I am informed that The Adjutant General prepared and submitted a brief in an attempt to prevent him from doing so. The General Staff is against it. This is not a political matter; the General Staff are only looking to the question of getting an army together. We are trying to look not only to the question of getting an army together, but to raise food to feed them and all of our people and our allies. If they delay much longer, it will be too late to do the farmer any good. He ought to know what to depend upon now.

A large part of Indiana's last year's corn crop, which was frostbitten, was in the field in December and January. The Indiana Federal food director came over here, and the Hon. LINCOLN DIXON, my colleague, introduced a bill authorizing the distillation of this corn into alcohol to make war munitions out of. For some reason the bill never got out of committee, but after the corn had rotted in the field the President made an Executive order permitting it to be distilled.

The Federal food director in Indiana tells me that the seed-corn question in my State is acute. I fear that worthless seed will be planted, and if seed corn is selling for the fabulous prices reported I fear, in many instances, some good corn land will lie idle. If seed corn is imported into our State from territories north or south of us it may mature too early or too late. If my amendment is adopted, it will leave it up to the Secretary of Agriculture, probably through Mr. Christie or Dr. Barnard, of the Federal food commission of Indiana, to buy the right kind of seed corn, and then through the county councils or county agents get it to the right place at the right time. When I was on the farm I think we planted from 6 to 8 acres with 1 bushel of seed corn. It does not mean a great outlay of money, but it is important that the right kind of seed corn is thoroughly scattered among the corn growers of the Middle West. They ought to be distributing this seed corn now, and if this amendment passes I hope the Senate will quickly act upon this bill, and that it will be put into operation at once.

I am willing to help the great Northwest produce more wheat. I do not begrudge them the money the Government will lend them. If the wheat is planted and we never get the money back, it is, in my judgment, a good investment. About every appropriation made so far has missed the Middle West. I think it is time that you were giving a little consideration to the Mississippi Valley, and unless you adopt my amendment and give us an opportunity at once to get properly tested seed corn for our corn growers at actual cost to the Government, you are doing my people a grave injustice.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield three minutes to the gentleman from South Dakota [Mr. DILLON].

Mr. DILLON. Mr. Chairman, according to the hearings before the Committee on Agriculture in area production Kansas is 25 per cent short, Oklahoma is 20 per cent short, and Nebraska is 20 per cent short. I come from a congressional district that raises every year 42,000,000 bushels of corn, 11,000,000 bushels of wheat, and 22,000,000 bushels of oats, and yet I have seen the time in my life in which these same farmers that are producing these immense crops were mortgaging their crops to buy seeds. This is a question of shortage and of drought; it is not a question of sectionalism. In 1911 there were some five or six counties in the northwest part of my State that by reason of drought had a shortage of crops. We had a law

upon our statute books by which the county commissioners could loan to the farmers and take back a crop mortgage. I want to give you the experience of four counties in 1912. In Perkins County the commissioners loaned $67,000 to 1,292 farmers, and there remains uncollected only $5,700. Meade County loaned $9.000 to 125 farmers, and only $680 remain uncollected. In Pennington County they furnished 8,190 bushels to 117 farmers, and there has not been a dollar lost of the loans in that county. In Butte County $10,000 was loaned to 200 farmers, and there remains only $1,500 uncollected. It is a question of drought in certain sections of the country. You can not produce more winter wheat because the day has passed, but you can produce more spring wheat to feed our armies abroad. Now is the time to do it, and you can do it by granting the provisions of this bill. Out in some of these sections of the Northwest we have had droughts and they are unable to buy seed for cropping purposes. It was stated here by the gentleman from Montana [Mr. EVANS] that there were 20,000 entrymen on homesteads under the homestead laws last year. Many of those people who have taken homesteads went out there without machinery, without teams, without credit, and without money. You can not raise anything the first year; it takes time to open up a farm.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CANNON. I ask that the gentleman be given a half a minute in order to ask a question. Sixty thousand homesteaders in Montana?

Mr. DILLON. I mean 20,000.

Mr. CANNON. But 60,000 throughout the United States; is that it?

Mr. DILLON. I do not know the number. The gentleman from Montana [Mr. EVANS] made the statement there were 20,000 homesteaders last year in the State of Montana.

Mr. HAUGEN. Mr. Chairman, I yield three minutes to the gentleman from Michigan [Mr. CRAMTON].

Mr. CRAMTON. Mr. Chairman, my support of this measure will not be given it on the ground that I anticipate that this measure alone will win the war, but because I believe it is one that will help to win the war, and because it tends to recognize certain conditions that exist which this country must come to realize more clearly before we do win the war. In that winning we must have men, munitions, food, and ships. If we have not come to realize it yet, we will come to realize before this Nation is a year older that the question of a proper supply of food is not a question in which the farmer alone is interested. [Applause.] It is a question in which the whole Nation is interested; it is a question in which our allies are interested. This bill recognizes the idea that it is not improper, but is highly desirable for the Government to cooperate with the producer of foods to increase the food production the same as the Government coperates with the producer of munitions or the producer of ships in order to increase the production thereof. In the production of munitions the Government will furnish a contract by which it agrees to furnish the materials and take the product. Under the finance bill recently passed by the House money will be advanced to such manufacturers. Such contracts give the manufacturer a sure thing that he will get a profit of 10 per cent upon the cost of those munitions. They say, of course the Government is sure of the munitions, and therefore can not lose. Even so. But the Government must stand all the wastage of time and material, and is not sure that after the munitions are produced it will want them. If there is a change of conditions it may not want those particular shells, but it will have them on its hands. Will anybody say that the possibility of such loss must prevent the Government from contracting for the munitions it must have and taking such course as will secure the greatest production? But food is just as great a necessity as ordnance or shells, and the prospect for a serious shortage for us and our allies is now dire and threatening.

These are not days for the slavish following of precedents. We must do the things necessary for the winning of the war. The fact that such things have not been done before, or that in peace times hereafter should not be repeated, should not deter such action by us if the thing proposed strengthens our resources or cements our forces for winning the war. Our present critical necessities must guide us.

The Government must encourage the farmer by needed cooperation in any feasible way to increase the production of food. If through this measure the Government happens to lose the cost of the seed, the farmer has lost his labor, the interest on his investment, and his year's efforts. The serious loss to the Government will be not the seed advance but the crop failure. It is to prevent such crop failure that the Government must take the chance. And if, on the other hand, the Government through that small chance does increase the production of wheat by 100,000 acres or more, the Nation gets its return in that increase for the chance that it has taken. Personally I believe the time is close upon us when a greater share of the chances in food production must be taken by the Government in order to insure sufficient for our absolute necessities. Contracts out and out for production of food are as logical as contracts for production of clothing or ordnance, and are at this moment as necessary to the winning of the war. As yet the country has not realized it. Within a year stern necessity will teach us.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield two minutes to the gentleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman, I do not think this is a question of favoring the citizens of Montana or North Dakota. The sole question is whether or not we shall set at work a potentially capable set of people who can not without this assistance render the best that is in them. The winter-wheat crop is not what the Government expected, either in acreage or quality. The one opportunity to increase for America and her allies wheat bread, which has been the war bread for thousands of years, is to increase the spring-wheat acreage. It will not affect my district. It will not affect my State, but it will affect several States where there are tens of thousands of homesteaders. And as the Government desires to make most efficient its soldiers in the field it ought to render efficient the farmers wherever they lack the tools or the means.

I am somewhat familiar with the banking situation in the new parts of Montana, and I know the banks have loaned to their utmost capacity. And this is simply a loan you are making in your own interests to increase this wheat product. I have no doubt that if the Government will make these loans its losses will be very slight. I am confident that if we loan these few millions to the farmers of these Northwestern States we are just about as liable to have it paid as the loans we are making, not by millions, but by billions, to our allied friends in other countries. And while I trust the allies, their Governments, and their people, I would rather trust our friends in our neighboring States and expect to get full return from them than from people of whom we know but little. [Applause.]

I desire simply to say this, and ask leave to extend my remarks in the RECORD, that I believe by helping those people to-day we are helping the Government in obtaining that which during the coming year will be more efficacious than powder or shell. [Applause.] There has been some question about where this measure came from, or who are its sponsors. These questions do not strongly appeal to me. It is written in the English language. Its terms are understandable. Its purposes and objects are patriotic. It is recommended by the Agriculture Committee. I have in my service here voted for measures on a basis of their merits rather than their origin. I have heard no valid reason for opposing this bill. I expect to vote for it, because it is not a case of aiding Montana citizens. If that were the case, I should say, "Montana, do your duty." But Montana as a State is not at war. The United States is at war and needs the wheat. We should do our share in producing it.

Mr. HAUGEN. Mr. Chairman, I yield one minute to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman, I am for this bill, first, because one of the great committees of this House, after careful consideration, have reported in favor of it; second, I am in favor of it because it is for the purpose of aiding in the successful carrying on of this war; and I believe, Mr. Chairman, that when we have those facts before us we ought to brush aside every other consideration, whether it affects our own locality or not, and look only to the welfare of the Nation at this hour, when our soldiers upon the battle fields of France to-day are fighting and giving up their lives to save the very Republic that we are here to serve. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield two minutes to the gentleman from Idaho [Mr. FRENCH].

Mr. FRENCH. Mr. Chairman, I am in favor of this bill, and a letter I have just sent to the Clerk's desk, which I will ask to have read in my time, indicates very clearly the situation that obtains in regions where there has been drought.

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

AMERICAN FALLS, IDAHO, *March 8, 1918.*

HON. BURTON L. FRENCH,
Washington, D. C.

DEAR SIR: The Power County Farm Bureau, with the University of Idaho and the United States Department of Agriculture cooperating, has completed a survey for spring seeding. Over 700 farmers were ques-

tioned and individual reports secured covering over 200,000 acres of farm land in Power County. I beg to hand you herewith a partial summary of this survey:

Number of acres now seeded to fall wheat	95,411
Number of acres intended for spring seeding	59,910
Number of farmers who have no seed	269
Number of farmers who have some seed but not enough for requirements	179
Number of acres ready for seeding for which there is no seed in the farmers' hands	26,045
Number of farmers having no feed for work stock	179
Number of acres to be summer fallowed and seeded to wheat in fall of 1918	58,616

From a careful scrutiny of the above you will readily see that a serious condition exists in Power County. This condition is the result of three years of short crops due to drought. Many of the farmers are without funds to even buy the necessities of life, and, while a patriotic sentiment is evident and the people want to do all they can in the way of raising more wheat, the failures of the past three years in certain sections of Power County and the cash system that now prevails in purchase of supplies have put many of them in a position where they must have financial assistance to carry them through another crop period. The banks here are anxious to help but the situation is a little beyond them, and we must have outside help, either from the State or Federal Government. The time is short. The facts are known. The seed wheat is available if funds can be secured to move it. Many of the farmers will be compelled to desert their farms and go to work in the shops or elsewhere unless immediate action is taken to prevent it.

There should be at least $250,000 deposited in the banks of Power County to be loaned to the farmers needing help upon the recommendation of the farm bureau and county council of defense after thorough investigation and inquiry into each individual case.

What do you think can be done?

Very truly, yours,

POWER COUNTY FARM BUREAU,
By JOHN R. WRIGHT, *Secretary*.

Mr. FRENCH. Mr. Chairman, this letter is from Power County, one of the counties in Idaho that is farmed for the most part by dry-farm methods. The same condition exists in some other belts where dry farming prevails. The letter is clear-cut and tells in striking manner of a situation that this bill will relieve.

Several objections have been made to the bill. It is objected that it is too late to do good. Gentlemen, it is not too late if we act now and if the Senate will immediately ratify the bill.

It is objected that the machinery can not be put into motion that will meet the situation with promptness. The letter that I have had read indicates the careful survey of one county. I have no doubt that somewhat similar surveys have been made in almost every region that is in need of help. Through those surveys and with the aid of the agents of the Agricultural Department and the members of the county councils of national defense we shall have the machinery at hand with which to proceed with the work under the bill.

Again, it is objected that the idea is novel and would be a bad precedent. Do we forget that even in days of peace we have spent millions to fight the boll weevil of Texas? That we have spent millions to aid the sufferers through floods in the Ohio and the Mississippi Valleys? That time and again when disaster has visited one section of our country or another our Nation has helped as a Nation to bear the burden? Well, that is in part what is proposed here. The regions to be benefited are regions that have suffered and where drought has greatly reduced or wiped out the normal yield of grain. In normal times this loss could be borne locally. To-day the price of seed is high, the cost of farm machinery has been tremendously advanced, labor can be had at only a high wage. The farmer who has suffered through drought can not bear the burden alone.

But if this legislation would be justified in days of peace, how much more imperative is it now? The farmer is not the only one interested. The country is interested, the world depends upon food, and as a war emergency this bill should pass.

To provide advances of money for the purchase of grain is only one feature of the bill.

There is another feature. The bill provides that $2,500,000 shall be made available for mobilization and distribution of farm labor; and, as important as is the first feature of the bill, I am inclined to think that this feature is more important.

From all over my district I am receiving letters calling attention to the labor problem. Farmers are working hard to meet the situation, but they are discouraged. Here is a letter from Mr. G. H. Brayton, of Jerome, Idaho, the chairman of the Lincoln County Farm Bureau, from which I quote:

There are many thousands of acres in this county that within the last 10 years have been reclaimed from the desert and put under cultivation, at the cost of from $25 to $50 per acre, that are going to be abandoned during 1918 for the want of labor or on account of the increased cost of the same.

This letter is one of many, and our Government must bend every energy to locate available labor and then to place it. An officer of the Department of Labor told me this morning of 3,000 men in one small city who have been thrown out of employment, but whom the department will place where they will be needed with little delay. He told me of another 200 men whose work terminated on Saturday night and who through the aid of the department went to work the next Monday morning in another city.

I mention these two cases to show that already the Government is a clearing house for labor. It will become more important as such. In one region is a dearth of labor, in another are idle men. Let us provide an agency that will bring the two together, and that, in fact, is what is contemplated in the bill for the farmers of the country.

Mr. HAUGEN. Mr. Chairman, I yield two minutes to the gentleman from Oklahoma [Mr. MORGAN].

Mr. MORGAN. Mr. Chairman, I am in favor of this bill. There is one point which I do not believe has been brought out. Now, this is largely for the aid of wheat farmers. It does not cost but a trifle, so to speak, to furnish seed for a field of corn. But an ordinary wheat farmer in the western country may plant from 200 to 300 acres of wheat. It will cost from $300 to $500 to furnish seed for that crop, and when you are in a section where wheat is the chief crop and there has been a failure of wheat the local banks do not have the money to furnish the credit to buy the necessary seed wheat, because in a year when there has been a wheat failure that affects the credit of the local banks. A year ago we passed the food-survey bill. In the form in which that bill passed the House there was a provision which provided that the Secretary of Agriculture might furnish seed to farmers on credit and to any section of the Union when conditions made it necessary.

Mr. GORDON. For cash.

Mr. MORGAN. No, sir; not for cash, but on credit. And when that bill went to the Senate for some reason unknown to me that provision was struck out of the bill. This House never had a right to vote on that proposition. I do not know who is responsible for taking that out. If that provision had been left in the bill whereby the Secretary of Agriculture could have helped the farmers of western Oklahoma and western Kansas and western Nebraska in purchasing seed wheat, we would have had several million additional acres of wheat growing to-day. I am surprised that some gentlemen in this House look upon this bill as merely a special favor to wheat farmers. It would aid some poor farmers, but the chief thing is it would aid the Nation; it would mean more wheat and more bread, and would strengthen us and our allies and aid us to win the war.

Mr. HAUGEN. Mr. Chairman, I yield two minutes to the gentleman from Idaho [Mr. SMITH].

Mr. SMITH of Idaho. Mr. Chairman, supplementing what my colleague has said with reference to the needs of the farmers of Idaho in the dry-farm sections, I wish to read two telegrams, the first from R. J. Leth, the State seed commissioner, as follows:

BOISE, IDAHO, *March 22, 1918*.

Hon. ADDISON T. SMITH, M. C.,
Washington, D. C.:

How soon can relief for farmers unable to purchase seed wheat in northeast Idaho be expected? Wheat in given section too foul to pass State law.

That is, the seed which they have raised in the eastern part of the State can not be used because it is unfit for seed and it is necessary to purchase seed from outside. He says further:

Must buy elsewhere to insure passable seed. Farmers unable to pay cash. Immediate action imperative. Please wire reply.

R. J. LETH,
State Seed Commissioner.

I have also the following telegram from the chairman of the farm market bureau:

BOISE, IDAHO, *March 1[illegible], 1918*.

Hon. ADDISON T. SMITH, M. C.,
Washington, D. C.:

Two hundred thousand dollars now set aside by Idaho Bankers' Association to loan farmers for buying seed. Two counties alone have already called for $250,000. Five hundred farmers or more would be benefited in wheat alone.

HARVEY ALLRED,
Chairman Farm Market Bureau.

I yield back the balance of my time. I ask unanimous consent, Mr. Chairman, that I may extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Idaho asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MORGAN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BLAND. Mr. Chairman, I would like to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HAUGEN. Mr. Chairman, I yield two minutes to the gentleman from North Dakota [Mr. NORTON].

The CHAIRMAN. The gentleman from North Dakota is recognized for two minutes.

Mr. NORTON. Mr. Chairman, some gentlemen who have spoken in opposition to this bill seemingly do not understand its purpose or the conditions which demand it. The purpose of the legislation proposed is to help the farmers throughout the country, to enable them to produce for the Nation more foodstuffs, to do the very thing that the Nation needs and wants done.

There is no man who has made any study of this question during the past few months but knows that in the Nation to-day and in the world there is a great shortage of wheat. We are not, in passing this legislation, doing more for the farmer than we are doing to-day for other industries. While we are supplying in the lumber regions money to lumbermen and contractors to build railroads and wagon roads, while we are advancing to them money sufficient to meet every expense connected with cutting down and getting out timber for aeroplane construction and shipbuilding, and while in addition we are furnishing enlisted men to do much of this work is it unreasonable to ask the Government to supply credit to needy farmers in the spring wheat growing section of the country to assist them to procure seed wheat so they may put in a maximum crop acreage of spring wheat during the next six or eight weeks? If we are to give credence to the official reports which reach us from our Food Administration and from the food administrators of France and England, an increased production of wheat during the coming season is not much less important than an increased production of aeroplanes and of ships. If the Secretary of Agriculture finds that there is no need to advance this money and no necessity to make these contracts with farmers for increased wheat production, then the money appropriated in the bill will not be used.

I want to say to the gentleman from Texas [Mr. YOUNG] that I quite agree with him in his suggestion that the appropriation here is not large enough. I believe the Secretary of Agriculture should have come into this House with a broad, comprehensive plan for increased food production throughout the Nation. I believe he should have come to Congress and asked for $100,000,000 to be available to the Department of Agriculture to help every agricultural section of the country, and to encourage to the largest possible extent increased food production in every section of the country where the aid of the Agricultural Department would accomplish this. The Secretary of Agriculture has not yet awakened to the real needs of the Nation and of our allies in the war for greater food production this year. Let me say to the gentleman from Ohio [Mr. GORDON] that if this bill is soon enacted into law and it results in increasing the production of wheat even a few millions of bushels his constituents in Cleveland may not be so hungry next winter as they are likely to be if there is a shortage of food products in this country this year.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. GORDON. Would you lend this money without any security at all?

Mr. NORTON. I would lend it on the best security that can be given, and that is the security and the certain assurance that the farmers to whom it is advanced or loaned will cheerfully and patriotically invest their time, their labor, their skill, their experience, and the use of their lands and all their expensive farm machinery and equipment in an earnest endeavor, combined with nature, to produce for you and other citizens of the Nation more wheat, which is so greatly needed to be ground into flour, which experience has shown is the very staff of the Nation's life.

Mr. GORDON. But you would have to buy them in order to get them to do this. [Laughter.]

Mr. NORTON. That statement is gratuitous. It is unjust and unworthy of the gentleman. The farmers in the spring-wheat growing sections of the country do not have to be bought or subsidized by anyone to cooperate to the very maximum of their power, ability, and resources with the Government in this crucial time of our Nation's life. Without this aid that is being asked for they will do all that lies within their power and resources in the production of food products; with this aid given them they can and will be able to do more for the Nation. They want to do more. The President, the Food Administrator, and the Secretary of Agriculture tell them that more wheat is needed to be produced this year in this country than it appears now will be produced. The food administrators of Belgium, of France, of England, and of Italy are calling upon them to produce this year every possible bushel of wheat that can be produced. In the face of this will anyone in this House vote to deny them this pittance of assistance and encouragement which will enable them to respond more fully to the demands for greater wheat production which is being made upon them by this Nation and by all the nations with which we are allied in this war? In view of the facts presented by the very able chairman of the Committee on Agriculture in support of this measure it seems to me that the measure should have the immediate and unanimous support of this committee and of the House.

The CHAIRMAN. The time of the gentleman from North Dakota has expired. The gentleman from Missouri [Mr. RUBEY] has five minutes remaining.

Mr. RUBEY. Mr. Chairman, I yield three minutes to the gentleman from South Carolina [Mr. RAGSDALE].

Mr. RAGSDALE. I ask permission to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RUBEY. Mr. Chairman, I yield one minute to the gentleman from Nebraska [Mr. SHALLENBERGER].

The CHAIRMAN. The gentleman from Nebraska is recognized for one minute.

Mr. SHALLENBERGER. Mr. Chairman, I expect to support this measure because it is reported from the great Committee on Agriculture as a military measure, and I believe it to be such. The men at the front can not fight unless they are fed. I do not expect that we shall win this war with "dough," either wheat or financial, but I recognize that both are munitions of war, and because I believe the increased production of wheat is essential in the prosecution of the war and the chairman believes this bill will help in that direction I am for it. Because I believe that the labor engaged in agriculture and every other form of essential war industry is a vital factor in the situation that confronts the country and for the further reason that it is a bill that will affect all labor in the country in the gravest degree I am for it.

I ask unanimous consent to insert certain matter in the RECORD for the information of the House. As most of the Members know, a bill has been reported from the Military Committee which proposes to change fundamentally present law for determining the basis of obtaining the quotas called from draft districts under the draft law. The minority of the committee have directed me to prepare an amendment, which I will offer to that bill. When it is up for consideration before the House I ask unanimous consent to insert in the RECORD the change in present law proposed in the new legislation, and the amendment which I expect to offer.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to insert in the RECORD the subject matter indicated in his statement. Is there objection?

There was no objection.

The matter referred to is as follows:

STATEMENT AS TO PROPOSED CHANGES IN THE DRAFT LAW.

S. J. Res. 123, which has passed the Senate and has been reported by the Military Affairs Committee of the House and referred to the House Calendar, providing for certain changes in the present draft law for calling men into the military service under the terms of the act of Congress of May 18, 1917, after defining the act to be amended upon the first page, provides, on page 2 of the resolution as printed, as follows:

"No provision of said act shall prevent the President from calling for immediate military service under regulations heretofore or hereafter prescribed by the President all or part of the persons in any class or classes except those exempt from draft under the provisions of said act, in proportion to the total number of persons placed in such class or classes in the various subdivisions of the States, Territories, and the District of Columbia designated by the President under the terms of said act; or from calling into immediate military service persons classed as skilled experts in industry or agriculture, however classified or wherever residing."

It will be noted that the resolution as reported changes the basis of the quotas from population as it is in existing law and bases it upon the number of persons placed in any class or classes. The amendment proposed by Mr. SHALLENBERGER and which is printed below for the information of Members of the House proposes to base the quotas upon the number of persons liable for military service in the draft districts as determined by the registration of persons so liable when the same has been completed by the War Department.

Amendment as proposed by Mr. SHALLENBERGER: On page 2, line 5, strike out all after the word "act," down to and including the word "act," at the end of line 8, and in line 11, after the period, at the end of the bill, add the following:

"Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, called under the provisions of the act of Congress approved May 18, 1917, shall hereafter be determined in proportion to the total number of persons registered and liable for military service therein, including resident aliens who have waived all claims for exemption, and credit shall be given on its quotas to any State Territory, District, or subdivision thereof for the number of men who have entered the military service of the United States from any such State, Territory, District, or subdivision thereof since April 1, 1917, including members of the National Guard who were in Federal service on that date."

The amendment proposed above continues the provisions of existing law, which allows credit for volunteers, which the Senate resolution, if enacted without amendment, will no longer permit.

Mr. RUBEY. Mr. Chairman, I understand that there is just one more minute left of this general debate. I yield that minute to the chairman of the committee, the little giant from South Carolina [Mr. LEVER]. [Applause.]

Mr. LEVER. Mr. Chairman, in the minute remaining I desire to say that many Members, talking to me personally, have made objection to section 2 of this bill, which authorizes the Secretary of Agriculture to secure the voluntary mobilization and distribution of farm labor. No one seems to object to the idea of mobilizing farm labor and utilizing it to the best advantage in this country, but there seems to be some fear that the Secretary of Agriculture might be given the power to go into a State and very largely take from that State labor that should be used in the State. My colleague [Mr. STEVENSON] has prepared an amendment which he has submitted to me, which I think makes it absolutely certain that that kind of thing can not happen. When the bill is read under the five-minute rule for amendment, if my colleague [Mr. STEVENSON] will offer that amendment, as I am sure he will, I shall have no objection to it, and I think that will relieve all objection to this section of the bill.

The CHAIRMAN. The time of the gentleman from South Carolina has expired. All time has expired.

By unanimous consent Mr. LANGLEY, Mr. NORTON, Mr. MCFADDEN, Mr. YOUNG of Texas, and Mr. RUBEY were given leave to extend their remarks in the RECORD.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized, for the crop of 1918, to make advances or loans to farmers in spring-wheat areas of the United States where he shall find special need for such assistance for the purchase of wheat, oats, and barley for seed purposes, or, when necessary, to procure such seed and sell the same to such farmers. Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each such farmer to use the seed thus to be obtained by him for the production of grain during the crop season of 1918. A first lien on the crop to be produced from seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. The total amount of such advances, loans, or sales to any one farmer shall not exceed $450. All such advances or loans shall, as far as practicable, be made through the agency of State and National banks. For carrying out the purposes of this section there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $7,500,000, available immediately.

Mr. HELVERING. Mr. Chairman, I move to strike out, in line 1, page 2, the words "spring wheat."

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. HELVERING offers an amendment, on page 2, line 1, to strike out the words "spring wheat."

Mr. MORGAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MORGAN. Are we considering the resolution or the bill introduced by the gentleman from North Dakota [Mr. BAER]?

The CHAIRMAN. The committee is considering the substitute bill, contained in House resolution 281.

Mr. NORTON. A parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. NORTON. Under the rule the bill H. R. 7795 is not being considered. The only bill being considered is the bill that is written in the rule.

The CHAIRMAN. The text of the bill is contained in the rule.

Mr. LEVER. Mr. Chairman, this is an important amendment. I do not know how much time gentlemen may want on it, but I should like to sound out the committee to ascertain how much time is desired on this one amendment to strike out the words "spring wheat."

I ask unanimous consent that the debate on this pending amendment may be closed in 15 minutes.

Mr. MORGAN. This is a matter about which there is a great deal of controversy.

Mr. LEVER. At the request of gentlemen around me, I will modify my request and ask unanimous consent that debate on this section and all amendments thereto close in 30 minutes.

Mr. MORGAN. I hope the gentleman will not press that.

Mr. LEVER. Make it 45 minutes, then.

Mr. CANNON. There has been no discussion on this. It is too early to fix a limit.

Mr. ROBBINS. Some members of the committee have talked two or three times. I want five minutes.

Mr. DEMPSEY. I would like five minutes.

Mr. LEVER. I will modify my request by asking that the debate on this pending amendment shall close in 30 minutes.

Mr. CANNON. There has been no consideration of the pending amendment. Let it run a while and see.

Mr. LEVER. I will modify my request further by asking unanimous consent that debate on this pending amendment, the importance of which I recognize, shall close in 30 minutes.

Mr. CANNON. Does that cover other amendments?

Mr. LEVER. No; just this amendment.

Mr. NORTON. There has been no debate on this amendment.

The CHAIRMAN. The request of the gentleman from South Carolina is made pending the amendment offered by the gentleman from Kansas [Mr. HELVERING], who is entitled to the floor for five minutes. Will the gentleman from South Carolina please state his request?

Mr. LEVER. I ask unanimous consent that debate on the pending amendment of the gentleman from Kansas [Mr. HELVERING] may close in 30 minutes.

Mr. MAPES. Who is to control the time?

Mr. BAER. How is the time to be controlled?

Mr. LEVER. The Chair to control the time.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on the pending amendment close in 30 minutes. Is there objection?

Mr. MORGAN. I object.

Mr. HELVERING. Mr. Chairman, do I understand that we are considering the bill as printed or the resolution?

The CHAIRMAN. House resolution 281, reported by the Committee on Rules, contains the bill that is under consideration.

Mr. HELVERING. Therefore my statement of the page and line where my amendment occurs is correct?

The CHAIRMAN. Yes.

Mr. HELVERING. Mr. Chairman, my object in offering this amendment is to make available this fund for the purpose of securing greater production of cereals necessary for the feeding of the people of this country. I realize that the greater part of this money undoubtedly will be used in the spring-wheat area, yet oats and barley as well as wheat are very necessary to be produced. It is very necessary that they be produced at this time.

There are large areas where spring wheat is not raised where this money might be used to advantage. I do not expect that any appreciable amount of money expended under the first provision of this bill will be expended in my State, yet I believe that if it becomes important that the people of that State may be furnished seed to produce oats, barley, or wheat, not being in the spring-wheat area, they should be given the same privilege as people who live in the spring-wheat area. Therefore I make the motion to strike out the words "spring wheat," so that this bill will provide that the loans may be made to the farmers in any area of the United States when the Secretary of Agriculture shall find special need for furnishing seed for agricultural purposes. I realize that it is necessary to stimulate production. I believe that without the necessary increase in production in this country one of the most important factors in winning the war will be eliminated; that is, the proper furnishing of foods for our people. I would like to see this bill with this amendment, and such other amendments as may be offered that the House decides will improve the bill, adopted at an early time.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. HELVERING. Yes.

Mr. RAKER. Would the gentleman object to modifying his amendment so as to strike out the word "areas"? That would provide wherever you can find a farmer that can make good or who ought to be given a chance, irrespective of an investigation, whether there is an area or not.

Mr. HELVERING. I would have no objection to that, except that I understand the department in administering this act wants it to be in areas sufficient to justify the Secretary of Agriculture in considering it. I do not think the Secretary would be justified in considering an isolated case of one farmer.

Mr. RAKER. Suppose a man furnishes the security, ought he not to have the right to have oats and barley for seed the same as those where there is a large area that is easily accessible?

Mr. HELVERING. I think the gentleman is correct, but whether it would be logical or practical I do not know.

Mr. RAKER. The Secretary is not going to send an expert to determine in advance whether he is going to make the loan, is he?

Mr. HELVERING. I do not know.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. HELVERING. Yes.

Mr. SNELL. In the confusion I could not understand the gentleman's amendment. Does his amendment mean that this relief is applicable to any farmer in any part of the State that needs the relief?

Mr. HELVERING. Yes; in any part of the United States. Everyone concedes the necessity for increased production. There is no question about that. I do not think there is a man in the House who questions the advisability of facilitating production if we can possibly do it, but I believe this should be universal. Therefore I submit to your fair consideration that the Secretary of Agriculture should be allowed to furnish this help at any place in the United States where he thinks it is necessary.

From all sides we hear the cry that there is an urgent need for an increase in our wheat production, and wheat is needed not alone by our men in the Army and by the civilian population at home, but it is of vital necessity to the soldiers and to the civilians who are united with us in a gigantic struggle against a common enemy.

The resolution now before us seeks to increase production. It seeks to enable us to grow needed crops where the chances are that no crops will be grown unless this Congress takes action. The individual farmer may have all of the patriotism in the world, and he may be as anxious as you and I are to do his full share in behalf of the country, but the individual farmer is powerless if he has only the land and lacks the means to secure the seed and the labor to attend to the planting, to the care, and to the harvesting of a crop.

The need of seed on the part of those who are unable to buy it, either because of lack of finance or lack of supply, is a need which we should take care of now. Every agency of this Government should be utilized in seeing to it that the supply shall meet every demand, and if we can be so considerate of "big business" that we can afford to make financial advances on contracts for war material, surely we can show equal consideration for the little fellow by making a limited advance to enable him to utilize available land in the production of crops which are absolutely necessary in the successful conduct of the war.

But it will be a waste of money and a waste of our resources if we merely provide seed and make it impossible for the farmers to take care of the crop. I have been and am a firm believer in the selective draft as the fairest and the best method of raising an army; but in the operation of that law it is certain that essential farm labor will be taken. We know that this has been done, and no matter how careful we may be in administering the law hereafter along the lines now laid down, and I want to stop long enough to say that the method now adopted should have been put in force at the start, nevertheless what has already been done is certain to curtail production unless we extend needed aid in legislation here.

And what is it that we are asked to do? Merely to give authorization for the voluntary mobilization of farm labor and its distribution, to the end that essential farming activities may be aided. In order to do this we will have to advance railroad fares and other traveling expenses, but rules and regulations can be made so that this expense will be a loan and not a gift, and in the end it will not be a direct charge upon the Treasury.

Gentlemen, this is cheap insurance which we are called upon to buy. It is the insuring of our future agricultural production, and without that production we will paralyze all of our war work. The farmers of the country are not asking this Congress for charity. They have listened to our plea that an increase of production is necessary in order to win this war. They have given heed to that plea, and they are behind our Army and our Navy prepared to do everything that Americans can do to hold up the hands of the fighting forces and to supply the things which are so urgently called for. But they call attention to their limitations, physical limitations, for there can be no limitation of their spirit of patriotism or desire to help, and they ask us to aid them in securing the seed and the labor, without which they can do nothing. It is for us to answer them by our votes here and show to them that we will do all that human effort can do to aid them in this work, and thus with our cooperation they will be able to do their full part in the work of winning this war and in preserving all which America holds dear.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection; and the Clerk again reported the Helvering amendment.

Mr. WINGO. Mr. Chairman, I have an amendment which I desire to offer to that amendment in the way of a substitute.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Page 2, line 1, strike out the words "in spring-wheat areas."

The CHAIRMAN. The Chair will suggest to the members of the committee that if they will send to the Clerk's desk and obtain a copy of House resolution 281, reported by the Committee on Rules, they will find therein the bill now being considered by the committee.

Mr. FERRIS. The clerks are distributing H. R. 7795, and the amendments do not fit.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. When this bill is passed and has been sent over to the Senate, will it be in the form of House resolution 281 or as H. R. 7795?

The CHAIRMAN. The Chair thinks it will be sent as H. R. 7795.

Mr. BARKLEY. Then ought we not to consider H. R. 7795, as amended by the Committee on Agriculture? In offering amendments it strikes me they ought to be offered to the text of the bill as reported by the committee. The rule merely provided for considering the substitute, and the fact that it is set out fully in the rule does not change the rule that amendments ought to be offered to the bill as reported by the committee.

The CHAIRMAN. The Chair thinks that amendments should be offered to H. R. 7795.

Mr. HELVERING. In that case I would have to modify my amendment and make it apply to line 15, page 3, of H. R. 7795.

The CHAIRMAN. Without objection, the modification will be so made.

Mr. WINGO. Mr. Chairman, the only difference between my amendment and the amendment offered by the gentleman from Kansas [Mr. HELVERING] is that he wants to limit this by areas. My amendment, if adopted, would make the text read "to farmers of the United States." Then it would be available to any farmer anywhere in the United States, ragardless of whether he was in a drought area or otherwise.

Mr. CANNON. Has the gentleman's amendment been reported?

Mr. WINGO. Yes. It is to line 16, on page 3, of the bill we are now considering. I will say that I am going to vote for this bill, although I do not think it is absolutely necessary, and I shall only vote for it because it is contended by some gentlemen that in their districts there are isolated cases where some farmers, by reason of some extraordinary distress or by reason of lack of ordinary credit facilities, as in homestead areas, for illustration, who can not get the ordinary accommodations now available to farmers in other parts of the country.

That they can not get the benefit of the provisions of the Federal reserve act, that they can not get the benefit of the provision which has been included in one of the appropriation bills by which the Secretary of Agriculture is authorized to spend millions for seed and sell them to farmers at cost. I am going to vote for it, because I can recognize there are some instances here and there of a peculiar character which the Secretary, through proper agencies, could give relief under this bill where he finds it. But, most of all, I am in favor of my amendment because the legislation is general and not sectional. Now, I am not going to vote for the bill for the same reason that 90 per cent of the gentlemen are going to vote for it. I regret argument made upon this floor by which continually the farmer is made, or tried to be made, to believe that we are taking care of everybody else under the sun except the farmer. There is a propaganda going over this country, as I stated the other day, to mislead the farmer into the belief that we are granting relief to everybody and we are not doing anything for him. I repeat what I said then. When we passed the Federal reserve act he was given better provision for his paper upon longer terms than the manufacturer or the merchant. In addition to that, we passed the farm-loan act to take care of his long-time capital needs. In one of the appropriation bills we gave to the Secretary of Agriculture millions of dollars to spend on seeds that may be needed to supply the farmers. In the great Agricultural appropriation bill, which the able gentleman from South Carolina brings into the House every session, we make extraordinary provisions, and there is not a desire by any man in this House, whether coming from a city district or a farming district, to neglect the farmer of the United States or not to do anything that is necessary, proper, practicable, and feasible to try to build up the farming industry of this country, and I, for one, decry the propaganda that is going around trying to make the farmer believe that we are not making earnest efforts to meet his needs.

Mr. MORGAN. Mr. Chairman, I offer the following substitute for the amendment.

Mr. CANNON. Mr. Chairman, has debate been exhausted on this amendment? The substitute is not in order until the end of the 20 minutes' debate.

Mr. MORGAN. There is no time limit fixed.

The CHAIRMAN. If the gentleman from Oklahoma will withhold until the pending amendment is disposed of——

Mr. MORGAN. But this is a substitute for the pending amendment.

Mr. WINGO. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WINGO. My amendment is an amendment in the nature of a substitute and the gentleman can not offer a substitute for a substitute.

Mr. MORGAN. I offered it as a substitute for the amendment, and I understood the gentleman to offer his amendment as an amendment to the amendment.

Mr. WINGO. I beg pardon; I offered it as an amendment in the nature of a substitute.

Mr. STAFFORD. May we have the amendment reported to see whether it is in order or not?

The CHAIRMAN. The gentleman from Oklahoma offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MORGAN: Page 3, line 15, after the word "eighteen," insert the following words: "and nineteen and nineteen"; and in line 15 strike out the word "spring"; and in line 25 insert, after the word "eighteen," the following words: "and nineteen and nineteen."

Mr. STAFFORD. I make the point of order that the amendment is not a substitute nor an amendment to a substitute.

The CHAIRMAN. The point or order is sustained.

Mr. MORGAN. Mr. Chairman, what is the point of order?

The CHAIRMAN. The Chair will say, as far as the Chair is concerned, every effort will be exerted to see that every proposition that is in order is fairly considered, and the fact that the Chair ruled on the amendment offered by the gentleman from Oklahoma simply means that it is not in order at this time.

Mr. MORGAN. I ask for information. I have a right to know what the point of order against my substitute is. I wanted to know upon what grounds the gentleman raised the point or order, and I did not get the information.

Mr. STAFFORD. Mr. Chairman, I have already stated, I regret the gentleman did not hear me, that the gentleman's amendment was not an amendment to a substitute. If the gentleman from Arkansas offers his amendment as a substitute, it is in order to offer an amendment to the substitute. There are four processes in different parliamentary stages that are all well known. An amendment may be offered as an amendment to that amendment; a substitute to the principal amendment, and an amendment to the substitute. Now, the gentleman from Kansas offers an amendment——

Mr. MORGAN. Will the gentleman yield?

Mr. STAFFORD. I can not; I am addressing the Chair by the privilege of the Chair. The gentleman from Kansas offers an amendment. The gentleman from Arkansas offers, as he states, a substitute to the amendment. Now, it is in order to offer either an amendment to the original amendment of the gentleman from Kansas or an amendment to the substitute, but the amendment that is offered by the gentleman from Oklahoma is not either.

Mr. MORGAN. Will the gentleman yield? Mr. Chairman, I offer the amendment as a substitute for both the amendments. Now, I should think that would be in order. That is the way I offered it.

The CHAIRMAN. For the reasons stated by the gentleman from Wisconsin, the Chair was compelled to hold that the amendment offered by the gentleman from Oklahoma was not in order at this stage of the proceedings. The Chair will endeavor to deal with every proposition as presented to the committee and see that it is acted upon at some stage of the proceedings.

Mr. LEVER. Mr. Chairman——

Mr. MORGAN. Mr. Chairman, I offer my amendment, then, to the amendment offered by the gentleman from Kansas [Mr. HELVERING]—an amendment to his amendment.

Mr. CANNON. That is not in order. I make the point of order.

Mr. LEVER. I make the point of order against that.

The CHAIRMAN The Chair is compelled to sustain the point of order.

Mr. MORGAN. I offer it as an amendment to the amendment of the gentleman from Arkansas [Mr. WINGO].

Mr. LEVER. Mr. Chairman, I make the point of order it is not germane to that amendment at all. The gentleman will get his time later on on this proposition.

Mr. MORGAN. I will, if I insist on it, I suppose.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that the debate on the pending amendments be closed in five minutes.

Mr. MORGAN. Mr. Chairman, I object.

Mr. LEVER. I move that the debate on the pending amendments be closed in five minutes.

The CHAIRMAN. The gentleman from South Carolina moves that debate on the pending amendments close in five minutes.

The motion was agreed to.

Mr. LEVER. Mr. Chairman, the purport of the amendments of the gentleman from Kansas and the gentleman from Arkansas is, in effect, to spread the area over which these purchases and advances may be made. Now, I want to say very frankly to the committee that if either of these amendments prevail I shall vote against this bill. The Committee on Agriculture did not bring this bill in here as a "pork-barrel" proposition. We brought it upon the theory that there was a section of the country, limited in area, where by doing certain things we might increase the acreage in wheat by 3,000,000 acres.

Mr. WILSON of Texas. Will the gentleman yield to a question?

Mr. LEVER. I can not yield.

Now, these gentlemen intend to take the bridle off. And while we in South Carolina raise a very limited amount of wheat, my South Carolina farmer will be coming here, probably, to ask for his share of the "swill." The Committee on Agriculture does not regard this appropriation as "swill" at all. We look upon it as something vital in the winning of this war, and if I thought that this House, thinking only of local conditions, was going to run away with this bill to the extent of taking the bridle off, increasing these appropriations regardlessly and only upon the theory that "my State wants its share," I would not be a party to that kind of legislation.

I want to beg the members of this committee as earnestly as I can to vote down these amendments, because it puts the Congress of the United States in an attitude which it can not afford to assume in the eyes of patriotic people in this country. I had hoped that these amendments would not be offered. I had hoped it for the reason that I know how strongly men feel when they have got to defend themselves in their district against the fact that they did not get "their share of it." Gentlemen, there is not any "share-of-it" proposition in this bill. [Applause.] If I thought there was, I would vote against it if I never got another vote in my district for Congress or any other position. I want to beg the men here to stand with the committee and limit this so that they can go to their constituents feeling that this is not a grab-bag proposition, but that it was regarded by the Congress of the United States as a vital proposition in the winning of this war. Will you do it? I hope you will. [Applause.]

Mr. BARKLEY. If this bill was limited to furnishing seed alone I might agree with the gentleman, but what reason is there for furnishing oats and barley seed to this area of spring wheat?

Mr. LEVER. For the reason that this area was struck by a drought and for the further reason that there is no more speculative section for farm purposes in the world than this country, and for the further reason that we can now at this moment sow oats and barley in this area. You can not do it practically anywhere else and get the best yield.

Mr. BLAND. The administration of this law, after all, is left to the Secretary of Agriculture, is it not?

Mr. LEVER. That is very true. But let me say this: I think this House has gone exceedingly far in trusting administrative officers. Are we not in a position to say how far we ought to go and how far we do not want to go in this matter?

The CHAIRMAN. The time of the gentleman has expired.

Mr. VENABLE. Mr. Chairman, I ask unanimous consent for two minutes?

Mr. CANNON. There is another amendment in the way of a substitute. Debate is not closed on the substitute to the amendment.

Mr. LEVER. There is no substitute pending.

Mr. CANNON. I beg the gentleman's pardon.

Mr. LEVER. If the Chair will permit, I think I can straighten the situation out. My motion was to close debate on the amendment of the gentleman from Kansas and the gentleman from Arkansas, and that was carried.

Mr. MORGAN. Will the gentleman yield for a question?

Mr. LEVER. Yes; although I have not the floor.

Mr. MORGAN. Do I understand that to those gentlemen in favor of the amendment of the gentleman from Arkansas all debate is cut off and that we have no time on that proposition?

Mr. LEVER. The committee did that. I was not responsible.

Mr. MORGAN. The gentleman made the motion.

Mr VENABLE. Mr. Chairman, I ask unanimous consent to proceed for one minute in order to ask a question.

Mr. LEVER. I am satisfied that the gentleman will get opportunity to interrogate me a little later on this proposition.

The CHAIRMAN. The committee voted to close debate on the amendment of the gentleman from Arkansas and the amendment of the gentleman from Kansas.

The question is on the amendment in the nature of a substitute offered by the gentleman from Arkansas [Mr. WINGO].

Mr. CANNON. I move to strike out the last word of the substitute for the second amendment.

Mr. VENABLE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VENABLE. Does the fact that the House has voted to close debate in five minutes preclude me from asking for time by unanimous consent of the House?

The CHAIRMAN. The Chair thinks not.

Mr. JOHNSON of Washington. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The Chair will recognize the gentleman from Illinois [Mr. CANNON].

Mr. LEVER. I submit, Mr. Chairman, that the debate on these two amendments is closed.

Mr. CANNON. But there is a substitute pending for the second amendment.

Mr. LEVER. A point of order was sustained on that. Later I made a point of order and it was sustained.

Mr. CANNON. Let us appeal to the Clerk and see what is pending.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois may proceed for five minutes and the gentleman from Mississippi [Mr. VENABLE] for one minute.

Mr. MORGAN. Mr. Chairman, I couple with that a request to speak for five minutes.

Mr. CANNON. Let us find out the status at the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Kansas [Mr. HELVERING], and also the amendment in the way of a substitute offered by the gentleman from Arkansas [Mr. WINGO].

The Clerk read as follows:

Amendment offered by Mr. HELVERING: Page 3, line 16, strike out the words "spring wheat."

Substitute offered by Mr. WINGO: Page 3, line 16, strike out the words "in spring-wheat areas."

Mr. HELVERING. Upon those two amendments the debate was closed, as I understand, Mr. Chairman.

The CHAIRMAN. That was the action of the House.

Mr. CANNON. Was it offered by way of a substitute?

The CHAIRMAN. It was.

Mr. BARKLEY. The gentleman from Illinois can amend the substitute by striking out the last word.

Mr. CANNON. That is what I propose to do. Does all debate close upon the substitute?

The CHAIRMAN. The Chair has no desire to cut off anyone, but the Chair has no control over the action of the House.

Mr. LEVER. Mr. Chairman, if the gentleman from Illinois will indulge me for a moment, I think the gentleman from Illinois realizes that I am endeavoring and trying to close the debate on these amendments which affect this particular proposition, not on the section.

Mr. CANNON. Yes.

Mr. LEVER. And the debate has been closed on the amendments and the substitute for the amendment. All debate has been closed on those. If the gentleman has an amendment which goes to one of these, I do not see how it could be in order because it would be a substitute, because there is a substitute pending, unless it might be an amendment to the substitute.

Mr. CANNON. I offer a pro forma amendment. The debate was not shut off by unanimous consent, as I understand it, to the substitute?

Mr. LEVER. The Chair differs, and I differ with the gentleman myself. The debate was closed on the amendment and the substitute, as I understand it.

Mr. SNELL. Regular order!

Mr. CANNON. This is a vital amendment, and I do not think the committee understands it.

Mr. SAUNDERS of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SAUNDERS of Virginia. Is there any amendment pending to the substitute?

The CHAIRMAN. Not that the Chair knows of.

Mr. SAUNDERS of Virginia. Then an amendment to the substitute is in order. I ask unanimous consent that the gentleman from Illinois [Mr. CANNON] shall have five minutes, within which to offer an amendment to the substitute and proceed in that time to discuss the same. That is in order. I ask unanimous consent that he shall have five minutes within which to offer an amendment to the substitute and discuss the same.

Mr. CANNON. I take it for five minutes; but I think your first proposition is correct, that an amendment to the substitute is in order.

Mr. LEVER. But the point is that the debate has been closed.

Mr. SAUNDERS of Virginia. Even if the matter in debate has been closed, it is perfectly competent for this body, by unanimous consent, to give the gentleman from Illinois five minutes or any other time it chooses. The fact that the debate has been closed does not cut off the right from this body by unanimous consent to extend time. Of course, it is competent to anybody to object.

Mr. VENABLE. Does that apply to the gentleman from Mississippi as well as to the gentleman from Illinois?

Mr. SAUNDERS of Virginia. It applies to everybody.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. CANNON] may have five minutes and the gentleman from Mississippi [Mr. VENABLE] five minutes and the gentleman from New York [Mr. DEMPSEY] five minutes.

Mr. SNELL. I demand the regular order.

The CHAIRMAN. The regular order is demanded.

Mr. SAUNDERS of Virginia. The regular order is to put my request that the gentleman from Illinois [Mr. CANNON] may have five minutes in which to offer an amendment to the substitute and discuss the same. That is the regular order.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the gentleman from Illinois [Mr. CANNON] may have five minutes in which to offer a substitute and discuss it. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois for five minutes.

Mr. CANNON. Mr. Chairman, I have sought recognition, but did not receive it, for which I have no complaint, because the members of a committee are always entitled to preference in the consideration of a bill, and, for that matter, preference in opportunity to offer amendments, and so forth. But I do want to talk a little about this bill. I do not know that I can say in five minutes what I want to say. But what is this proposition? This bill proposes at the expense of the United States Treasury to furnish wheat, oats, and barley for seed in spring-wheat territory for the crop of 1918.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield.

Mr. CANNON. I will have to ask for a further extension of time. I want to be courteous, and I will be. I think the House will give me five minutes more.

Mr. GRAHAM of Illinois. What is "the spring-wheat district"? That is what I want to know. What is "a spring-wheat district," "a spring-wheat area"?

Mr. CANNON. I suppose that is a matter of fact to be ascertained. I have an idea what it is, and the gentleman has an idea.

Now, the amendment to this bill is to make this appropriation available everywhere in the United States for these three favored articles—wheat, barley, and oats—for seed. I think I have it right, have I not?

Mr. EVANS. Yes.

Mr. CANNON. Now, then, I want to call the attention of the committee to what has been done and what is the necessity for this appropriation. Nearly a year ago, under the leadership of the gentleman from South Carolina [Mr. LEVER], $2,500,000 was appropriated for use anywhere in the country for seed. I think I am correct in that. Now, that is a revolving fund. It has not been expended, except in part. Now, $4,000,000 is appropriated in the urgent deficiency bill for the same purpose, a revolving fund, to be expended by the Secretary of Agriculture. He goes to work, no doubt, and has organized and ascertained about the wants of the different parts of the country. Now, what is the use of appropriating this $10,000,000?

Mr. LEVER. Mr. Chairman, will the gentleman yield?

Mr. CANNON. If I can get a little more time, I have no objection to yielding.

Mr. LEVER. I just want to ask a question.

Mr. CANNON. All right.

Mr. HELVERING. The gentleman says these appropriations were made under the direction of the chairman of the Committee on Agriculture.

Mr. CANNON. The first one was. The chairman of the Committee on Agriculture advocated both of them.

Mr. HELVERING. And they were general in their nature—all over the country.

Mr. CANNON. Yes.

Mr. HELVERING. And they were not pork barrel then, were they?

Mr. CANNON. Oh, no. They covered the whole country.

Mr. Chairman, I was a pioneer boy. I know something about the hardships of pioneering. I know the want of markets. I know it was worth a man's life to clear 80 acres of land of that heavy timber in the Wabash country. There never was better manhood in the same number of people on this earth than among the pioneers in the settlement of the West. They had good manhood. They never were debauched by getting something for nothing. They drank sassafras tea and spicewood tea, and ate corn bread, and lived in lean-tos, and they raised strong, healthy children, and they cut down the forest and founded a civilization. You may say, "Oh, they have had such droughts out in this western country!" Why, good God, they had too much rain in the early spring all over the northern section of the corn belt. But they planted the corn. There was not one-quarter of a crop raised in Michigan. There was not much of a crop raised in Minnesota or in northern Illinois. The corn was of poor quality and much of it of little value, and down in central Illinois, the best corn country on earth, 25 per cent of the corn was soft, and they could not make alcohol or whisky or beer out of it. The bad season came, and we could not get transportation, and the corn spoiled. Now let us be honest with each other. Is it necessary to relieve Montana? Then let us relieve her. There is plenty of money to relieve Montana, to furnish seed wheat, barley, and oats.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. NORTON. I ask unanimous consent that the gentleman may have five minutes more.

Mr. CANNON. I do not think I shall talk again about this bill. I should like really to have 10 minutes.

Mr. NORTON. I make the request for 10 minutes.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent that the gentleman from Illinois may proceed for 10 minutes. Is there objection?

There was no objection.

Mr. CANNON. Now, what is the fact? Does Minnesota want anything from this proposed legislation? No. I speak with assured certainty. Does Michigan want anything? No. Does Wisconsin want anything? No. Does North Dakota want anything? No. Does South Dakota? No. Now, that is as far as I can go, but I have good authority so far as I have gone. Then there is by this bill an additional $10,000,000 to be spent for seed wheat, oats, and barley for Montana and Idaho—anything else?

Mr. JOHNSON of Washington. North Dakota.

Mr. CANNON. Oh, North Dakota is cared for.

Mr. FERRIS. How?

Mr. CANNON. By an act of the legislature, and the money is substantially expended. I asked a North Dakotan about it, and he said North Dakota was cared for by action of their legislature. The same is true of South Dakota. I will tell you about this if you want to know. This is a competition among some of our people in two or three States, who are scared to death about this new organization that believes the farmers never get anything. It is farming the farmers for the benefit of self-constituted champions of the farmer for the political benefit of the champions. That is the truth about it. [Applause and laughter.] There is a revolving fund for the Secretary of Agriculture, with his force all organized, $2,500,000 for a year. The money is not all spent. It is a revolving fund. It is back there still—$2,500,000, and $4,000,000 added by the vote of this House for the same purpose, a revolving fund. Yet we say, "The poor farmer!" My God, do you know that one-third of the farmers in this country own more than one-third of the wealth of the country? I am speaking by the book, of things whereof I know, if there is any truth in figures and statistics.

Mr. NORTON. Will the gentleman yield?

Mr. CANNON. Yes; I will; but make it short.

Mr. NORTON. Does the gentleman distinguish any difference between the appropriation of the $2,500,000 that he speaks of and the $4,000,000 which provides for the Secretary of Agriculture to purchase seed and sell for cash, and this bill which authorizes him to make advances on time? Does the gentleman see any difference between those two propositions?

Mr. CANNON. That is a foolish question. If you want to give it to these people, most of those who want these advances can get them now. Nine-tenths of them can get them now.

Mr. NORTON. What are you going to do with the other tenth?

Mr. CANNON. If you want to pauperize nine-tenths of the people, or nineteen-twentieths of the people, give them something for nothing. [Applause.] You can increase the paupers. Oh, I defend the pioneer. I was one of the pioneers, from the time I was 4 years old until I grew up to manhood. They have got good stuff out West. I defend them against political demagoguery. [Applause.] Who introduced the bill? Why, our friend, wonderfully bright, wonderfully handsome. Why, good God, he does not belong to the Democratic Party. He does not belong to the Republican Party, although he sits on our side of the House. He introduced a $50,000,000 bill. And so we go, competing with him and others like him. He is an estimable gentleman. Do not take it that I am speaking disrespectfully of him. I am calling by their right names political policies that I think are vicious. That is what I am doing. You appropriated $20,000,000,000 in the last session of Congress—appropriations and authorizations. Now you are running at railroad speed, appropriating, appropriating, with $4,000,000,000 to be collected by taxation by the 1st of July next, and the taxation comes from all sections of the country. Another liberty loan is just being started. Our boys are in the trenches. Eight hundred and forty million dollars for aeroplanes. It is claimed—God knows whether it is true or not; I do not know—that it has not resulted in aeroplanes. I am not saying that it has not so resulted. But here you come, with all these things coming upon us, with insurance of $10,000 for every soldier at a nominal rate. That is all right. I voted for it. I believe in it. We doubled their pay. I voted for it. I believed in that.

Good God! Let us be practical, and let us stop playing these little peanut politics—everybody getting up and crying, "I am going to stand by the farmer; oh, yes!" Mr. Chairman, I have an agricultural district. Two-thirds of my district are farmers. I was a farmer when I was a boy myself.

Mr. SMITH of Idaho. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes.

Mr. SMITH of Idaho. Does the gentleman distinguish between the farmers living in Illinois, all of whom are probably wealthy, and homesteaders on the public domain?

Mr. CANNON. Mr. Chairman, the homesteader, in my judgment, is not asking for this, if it is a gift. I do not believe there is a homesteader in Montana, if he were to raise wheat and had to borrow the seed, who could not get that seed from the citizens of Montana or the Department of Agriculture if he possessed good manhood. You do not want to go through the form of giving something to somebody who will not utilize it. I am not speaking harshly of the people of Montana. I have every sympathy with them and with everyone else. A homesteader! Do you think he would want $450 for seed wheat? A man settles on a homestead of 160 acres, and does he want $450 for seed wheat?

I want to say something further about this.

Mr. JOHNSON of Washington. I wish the gentleman would say something about these spring-wheat areas, including wheat and oats and barley.

Mr. CANNON. Oh, wheat and oats and barley are very important; cotton is very important; everything is very important that is raised on the farm. What I want to speak about is the provision in this bill that not to exceed $100,000 shall be expended for the payment of administrative expenses. Mr. Chairman, the man in the trench, the man in the Army, the man on the railway, the man in the mine, the farmer on the farm, and the pioneer doing his part are all doing well; but, good heavens, think of the men whom you see in Washington, think of the men whom you see in New York, whom you see in Illinois, whom you see all over the country who are rushing here wanting to be employed to do something for the Government other than to go to war. If you keep on you will have so many people here and elsewhere employed by the Government that you will not have anybody to draft or to enlist. You will have less people to farm, you will have less people to build ships. The greatest industry that I know of is the industry that brings them here. The greatest industry that I know of is this, and it brings the least profit to the Government. Let us keep our heads, gentlemen. If the $4,000,000 plus the two and a half million dollars' revolving fund are not enough now, when the spring planting commences in March in the spring-wheat belt, and March is almost over and April upon us, and the spring wheat is probably in large part in the ground, then what is to become of us or the farmers?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. VENABLE. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to proceed for five minutes. Is there objection?

Mr. MORGAN. Mr. Chairman, I ask unanimous consent to proceed for five minutes in connection with that.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate upon these two amendments and the substitute close at the end of 15 minutes, 5 minutes to be occupied by the gentleman from Mississippi [Mr. VENABLE], 5 minutes by the gentleman from Oklahoma [Mr. MORGAN], and, if I deem it necessary, 5 minutes by myself.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. VENABLE. Mr. Chairman, when the chairman of the committee was addressing the committee a few moments ago he made an appeal to the House to vote down the amendment proposed by the gentleman from Kansas [Mr. HELVERING] upon the ground that this was not a "pork-barrel" bill, and in his remarks he stated that he thought we had gone far enough in conferring general powers on the Secretary of Agriculture in the disbursement of these funds. Yet in this bill, whose benefits are confined to a small area of the country, the gentleman himself and his committee, presumptively with his approval, has brought out a bill that provides for the laying out of $7,500,000 under such rules and regulations as the Secretary of Agriculture shall promulgate, himself giving the very widest and amplest powers conceivable.

In addition to this it is provided that a lien upon the crop shall be considered sufficient security, in the discretion of the Secretary of Agriculture. What is your lien? Under that language it is nothing. As far as the legal effect of it is concerned, your advances to these farmers are gifts unless the farmer wishes to pay them back or has property out of which a judgment can be satisfied. Why? Because your act does not provide for a positive lien. This crop will pass into the hands of purchasers free from the incumbrance of such a lien unless you specifically provide that the lien shall follow the crop into the hands of purchasers, which would defeat the very purpose of the bill. So there is only one way to enforce your security, and that is for the Government to demand payment before the sale of the crop, and if not paid, to enforce the lien; and there is no man here who believes that the Government will do any such thing. As a legal proposition, your provision for a so-called lien is without any effect, and as a practical proposition, in my opinion your bill provides, in substance, that the Secretary of Agriculture, if he will—and it is all left to him, though the committee is not in favor of conferring broad powers—may advance this money to the tune of $7,500,000 without a bit of security on earth.

Is that all? No. This bill proposes furthermore to constitute your Secretary of Agriculture a labor agent to go out in all the sections of the country and drum up labor to go to work in the planting and harvesting of this wheat crop. They will come to the South, they will come to the East, to the North, and West with the boys gone from the farms into the Army, with your farm labor—I know it is true of the South, and I judge it is true in other parts of the country—gone to the great manufacturing centers to take advantage of the high wages. There is not a farming section of the United States that has enough labor now, and yet you are going practically to direct your Secretary of Agriculture to constitute himself a labor agent to go into sections of the country already depleted of labor and offer the inducement of railroad fare to take away their labor to this favored section of the country. And I prophesy what will be the result. You will have the greatest wave of discontent, the greatest wave of revolt against this thing all over the country that you ever saw. Every day I get letters from the South stating that the conditions are such that while the Government is calling upon the farmer to increase production that he can not do it because the boys are gone and the negroes that constitute the great body of labor in the South have gone to the industrial centers in the East.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VENABLE. I would ask for one minute more in order to finish the sentence.

The CHAIRMAN. Is there objection?

Mr. JOHNSON of Washington. Will the gentleman yield for a question? Would the Secretary of Agriculture in drumming up labor run into competition with the Secretary of Labor, also drumming up labor for the same purpose?

The CHAIRMAN. Is there objection to the request for one minute? [After a pause.] The Chair hears none.

Mr. VENABLE. The answer to that is that when you provide $7,500,000 to plant and harvest a particular crop in a particular section of the country and couple with that an appropriation to get labor, it is tantamount to a direction that the Secretary of Agriculture must go out and get this labor and plant and reap that particular crop.

Mr. JOHNSON of Washington. While the Secretary of Labor is also drumming up labor.

Mr. VENABLE. Not farm labor. They have not done it, and I hope will not do it. But you are directing—you are taking all discretion from the Secretary of Agriculture——

Mr. RUBEY. Will the gentleman from Mississippi yield?

Mr. VENABLE. Yes, sir.

Mr. RUBEY. Does not the gentleman know that the Secretary of Labor and the Secretary of Agriculture together for the last eight months have been doing this very thing, and that the President of the United States gave to them $800,000 from the sum which was given to him for the purpose of mobilizing labor, and they have been doing that all last summer?

Mr. VENABLE. Going into rural sections to get farm labor?

Mr. RUBEY. Doing the same thing we are authorizing to be done here.

Mr. VENABLE. Does the gentleman mean to say they are going to the rural sections of this country to get farm labor?

Mr. RUBEY. No; and I do not mean to say they will do it under this bill.

Mr. VENABLE. I do.

Mr. RUBEY. They will not.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. VENABLE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. VENABLE. Mr. Chairman, I say that the Secretary of Agriculture must necessarily go to the farming sections to get farm labor for the planting and reaping of this proposed crop in the favored section of the West for the reason that he must go either to the country or to the cities. Those in the cities who are familiar with or who will engage in farm labor are those who have left the country or rural communities because they have been attracted by the high wages paid in industrial trades and manufacturing plants. They have good places paying high wages. No one is idle who wishes to work. Do the gentlemen of this committee think that the wages offered by these wheat farmers in the spring-wheat area will be so attractive as to induce men who have already rejected similar wages to take more attractive places in the cities to again go to the country? Certainly not. Perforce, then, the Secretary of Agriculture must get his labor supply from those already in the country engaged in farm labor, and this is sought to be done by offering free transportation. If this reasoning be true, it comes to this: That the Secretary of Agriculture is practically directed to go into the farming communities of the country, already depleted of necessary labor, and induce this labor by the attraction of free transportation and the allurements of a promised land where homestead is possible, to leave other sections of the country to work for farmers of the so-called spring-wheat area who are, according to the confession of this bill, unable to obtain credit from local business men or financial institutions to the extent of the price of their seed wheat.

In every agricultural section of the country there is a scarcity of labor. The farmer boys have been taken into the Army. Thousands have gone to the cities to work in industrial plants, attracted there by the high wages offered.

Now, it is suggested to have the Government engage in the business of taking away the labor that remains in order to provide for one particular section of the country.

The growing of wheat is necessary. So is the growing of corn. We must eat either wheat or corn or some other substitute. It is necessary that corn be grown in order that we may substitute it for wheat so that the wheat may be sent abroad. What profits it if to grow wheat we destroy corn so that we are forced to eat the wheat and so will have none to sent abroad? Are we any better off than if we had not grown the wheat?

But the crass injustice of the thing! Here it is proposed to send the Government out on a mission of taking away the little labor that is left to the farmers of other sections of the country, producing products just as essential as wheat. Corn is as essential as wheat because it substitutes for wheat that we send abroad. Cotton is essential because it is necessary if we fight

this war at all. But more than this. Contrary to all theories heretofore held, it is proposed and the Secretary of Agriculture is practically instructed to advance $450 to every man who says that he intends to plant wheat and whose standing in the community is such that his neighbors will not trust him for this amount. In short, lack of financial credit is made a sine qua non of governmental relief and the bill is careful to provide that no security may be taken if the Secretary of Agriculture so desires. What security is there that the man who gets the money will plant wheat? What security is there that he will not invest in oil of joy which maketh temporarily glad the heart of man and converteth him temporarily into an ass?

These proposed borrowers admittedly can not get credit in their local communities, else why the necessity of Government aid? If without credit, it must be because they either lack character or assets out of which a judgment can be enforced. If such is their condition, what security can the Government take which will insure either the planting of the crop, the repayment of the loan, or the payment of simply interest on the debt, which, by the way, a generous committee does not provide for in the bill?

It has been asked, What difference, if any, exists between this proposed gift and the appropriation for the purchase of seed carried in a former bill? I will answer, The greatest difference in the world.

The former bill provided for the purchase of seed by the Government which was to be sold to the farmer. This provides for the gift of seed, not for the purpose of introducing improved varieties in which the whole country will benefit, but any old seed for the purpose of getting a crop. In the first bill the Government furnishes a facility for getting a thing—a perfectly legitimate function. In the second the Government practically makes a gift. As I see it it is proper for the Government to make available a source of supply without loss to the Government and without taxing the citizens for the benefit of a particular class, furnishing facilities, in other words, for the doing of a thing. As I see it it is not proper to make a gift such as is proposed in this bill, as I construe it.

My colleague, Mr. JOHNSON, interpolated a remark the significance of which was that this bill proposed to have the Secretary of Agriculture go out in the country and solicit farm labor, while the Secretary of Labor was soliciting labor for other purposes, thus presenting the admirable spectacle of departments of Government competing with one another, with the Secretary of Agriculture having the advantage of a fund for holding forth the inducement of free transportation to the laborer that he may go out West and work for a farmer who can not get credit for enough money to buy his seed. I trust that this suggestion by my colleague of the effect of this bill will receive consideration at the hands of this committee.

I am neither a prophet nor the son of a prophet, but permit me to say to gentlemen of the committee who live in sections of the country other than the so-called spring-wheat belt, that when the Government in the guise of a labor agent comes into your communities where labor on the farms is already much too scarce, offering inducements of free transportation, appealing to the wanderlust in men, urging them to go to unseen countries, even though it be to work for men who admittedly can not raise $450 or less, this measure is destined to be about as popular as a polecat at a nigger camp meeting, and its supporters will not be altogether in the odor of sancity.

Mr. MORGAN. Mr. Chairman, I appreciate very much the courtesy extended to me by the chairman of the Committee on Agriculture in having this five minutes, although taking the opposite view from that which he takes. We all love the distinguished chairman of the Committee on Agriculture, the gentleman from South Carolina [Mr. LEVER], and we have confidence in him and in his leadership. I regret that I can not follow him now and approve the position he takes on this bill. I am in favor of striking out this word "spring," so that the bill will not be confined to the spring-wheat area. I am in favor of making this a general proposition that will apply to Maine, Texas, California, or to Virginia, or every other State, and leave it to the Secretary of Agriculture to determine where it is necessary to use these funds or where these funds can be used to best advantage. That would make it a national proposition. In this form, in my judgment, it would be more acceptable to the people of the United States. In its present form it is sectional. Now, then, the distinguished chairman of the Committee on Agriculture said, as I understood him, that he would vote against this bill if the word "spring" were stricken out and this bill was made to apply to every State. I wish to remind the gentleman that only last year, in April or May, he introduced what is known as the food-survey bill. As chairman of the Committee on Agriculture, he reported the bill favorably. He conducted the measure through the House. And that bill as he introduced it and as it passed the House contained a provision appropriating about $6,000,000 to be used by the Secretary of Agriculture in aiding farmers to purchase seeds. It authorized the sale of seeds to farmers on credit, and to farmers in any section of the United States. Now he says he can not support this bill if it is made to apply anywhere except in the spring-wheat area. It strikes me that the position the gentleman takes now is inconsistent with the position he held on the food-survey bill. In view of this fact, the argument the gentleman makes should not carry the weight which ordinarily goes with views which he always presents to the House with such clearness, candor, and force.

There are some distinguished gentlemen on both sides of the House opposing this measure, whether it applies to the spring-wheat area only or to the United States generally. I have great respect for their views, but they are clearly wrong. The trouble is they have no true conception of the wheat country of the West. Now, the fact is this: In the western half of Oklahoma, Kansas, Nebraska, and North and South Dakota approximately one-third of the wheat of the United States is produced. This is in what is known as the semiarid regions. Crop failures there are possibly more frequent than in some other sections. Nevertheless, one year after another these sections produce a large percentage of all our wheat. We can not supply ourselves and our allies with wheat without a liberal production from these sections. To aid the farmers out there to produce the largest amount of wheat is both wise and patriotic, for without the wheat produced by these farmers we would not have a bushel of wheat to export unless we took it from what our own people needed.

But the provisions of this bill as reported would confine the use of the money appropriated to the spring-wheat area. Suppose this bill passes as reported—we aid the spring-wheat States. Suppose that in certain sections of Nebraska, Kansas, Oklahoma, and other States there should be a failure this year in the wheat crop. The wheat farmers in these winter-wheat sections would be in exactly the same condition that the spring-wheat farmers are now. They would not be able to purchase seed wheat. The local banks could not furnish the necessary credit; but Congress might be adjourned. The Secretary of Agriculture could extend no assistance. The Government would be in the position of discriminating against one section of the country. This would be bad enough, but the worst of it would be the wheat acreage would be reduced millions of acres.

Now, this bill should be made general in its application to the country, and it should be made so as to apply to crops sown this season. Why legislate for a day? Why not look ahead? Why not plan for the future? Why not take a comprehensive view? Why not broaden our vision so as to include at least the war period? Why not pass an act that will enable the farmers to secure the necessary credit to purchase seed at any time during the war?

Mr. HOWARD. Will the gentleman yield?

Mr. MORGAN. Yes.

Mr. HOWARD. I want to ask the gentleman if he does not think it unwise to have this lien in this bill to make the farmer give the first lien on his growing crop?

Mr. MORGAN. I do not.

Mr. HOWARD. Which will destroy his credit. Do you not think we ought to do away with that?

Mr. MORGAN. Many, many times in the West, in the homestead districts, the railroads have furnished wheat by millions of bushels to the farmers. Can not the United States do what a railroad corporation can do?

Gentlemen, strike out "spring" and make this a national measure, and the people of the United States will approve it. [Applause.]

Mr. LEVER. Mr. Chairman, I shall take only a few minutes of the time of the committee, and then I intend to ask for a vote on these two amendments and the substitute therefor, and then, if the committee is willing, we shall rise and go home.

The gentleman from Oklahoma [Mr. MORGAN] seems to think that the Committee on Agriculture, at least its chairman, is inconsistent because of the fact that last year in the food-production bill we brought in a proposition appropriating $6,000,000 for seed to be furnished farmers for cash or on credit. I have not made any complaint about this bill, because it is a credit proposition, although as a peace proposition I would not vote for it for half a second. The complaint I am making now is against these two amendments which are endeavoring to take from this bill its real character and, to my mind, make it of a character smacking of "pork-barrel" legislation.

Mr. MORGAN. Will the gentleman yield?

Mr. LEVER. No; I can not yield. As I said a moment ago, there is but one purpose in the mind of the committee, and that is to furnish this seed on credit to certain sections of the country where the evidence before the committee shows that the situation is critical and that by furnishing of these seeds we might possibly, and very probably, increase the production of wheat in this country in the spring-wheat area as much as from 30,000,000 to 40,000,000 bushels. The committee recognizes, of course, that the bread line of this country across to its own soldiers and the soldiers of its allies is as absolutely as important to be held intact as it is important for Haig and Pershing to hold their line intact in this great struggle which is going on.

Now, that is all the committee had in mind. And I want to repeat, that if I thought this committee was going to be unwise enough to throw this proposition wide open, and say to wheat growers here and there, in Virginia, in South Carolina, and in Oklahoma, and in other places, whence there is coming absolutely no demand for this legislation, and giving them the opportunity to run to the Treasury and buy a few bushels of wheat on credit, hamper the administration of this law, and make it almost impossible to administer it with anything like effectiveness, I would vote against this bill.

Mr. RAKER. Will the gentleman yield?

Mr. LEVER. I will.

Mr. RAKER. What particular territory now is involved and that would be included in this bill?

Mr. LEVER. The spring-wheat area of the United States; that would include North Dakota, South Dakota, Minnesota, Montana, probably a portion of Washington, and Idaho.

Mr. RAKER. And with the language of the bill as it now stands, if it went through, the rest of the country would not be able to get any wheat?

Mr. LEVER. No; I would not say that. I will say that the rest of the country would not get the benefit of this bill. The rest of the country has all the wheat it wants and can have all it wants.

Mr. RAKER. I mean, to get the benefit of this bill.

Mr. STEAGALL. Do I understand the gentleman to say that he is in favor of limiting the operation of this bill to the particular section of the country where there is special need of this favor?

Mr. LEVER. Absolutely.

Mr. STEAGALL. Then let me ask the gentleman another question. The amendment now pending is to strike out the words "spring wheat areas," is it not?

Mr. LEVER. Yes.

Mr. STEAGALL. With those words out, would not the bill read:

That the Secretary of Agriculture is hereby authorized, for the crop of 1918, to make advances or loans to farmers of the United States where he shall find special need for such assistance?

Mr. LEVER. Exactly. And that is just the point.

Mr. STEAGALL. May I ask one other question? Then, if there is special need for this legislation in any part of the United States, ought not the Secretary of Agriculture to be permitted to grant the favors there as well as to a particularly limited section of the country where there is special need? [Applause.]

Mr. LEVER. The gentleman, of course, realizes that the time for the planting of fall wheat has gone by. The only area which can be sown to wheat now is the spring-wheat area in this section that I described. Now, if you throw this open and cut the bridle reins and turn the horse loose, every farmer in South Carolina that thinks he ought to buy wheat on credit, whether he ought to do it or not, every farmer in Pennsylvania who thinks that it is up to him to get wheat on credit from the Government next fall, will be coming in here, flooding the Department of Agriculture and hampering the administration of this law and defeating its purpose. I therefore hope the committee will vote it down.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. LEVER. I yield to the gentleman.

Mr. BARKLEY. A few moments ago, in response to a question by myself, the gentleman stated that there had been a drought in this section which had cut down the crop of oats and barley, which are included in this bill.

Mr. LEVER. I think I said "wheat."

Mr. BARKLEY. No; the gentleman said "oats and barley." Now, referring to the record, Wisconsin last year produced 92,000,000 bushels, Minnesota 120,000,000 bushels, and North Dakota 61,000,000 bushels of oats. What became of those oats if they have no seed out there?

Mr. LEVER. The testimony before the committee was to the effect that the average yield of wheat in these States—and if I am wrong in these figures I hope the gentleman from North Dakota [Mr. YOUNG] will correct me—this year was about 4½ bushels per acre. Is that right?

Mr. YOUNG of North Dakota. Five and a half bushels.

Mr. LEVER. As against 10 or 11 bushels to the acre heretofore.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. LEVER. Yes.

Mr. WALSH. If they do what the gentleman seeks to prevent and you allow these other sections to get the benefit of this act, will it not result in increasing production?

Mr. LEVER. The gentleman does not understand, because he is from Boston and does not know anything about farming [laughter], that the fall sowing of wheat has passed long ago, and we have 42,000,000 acres now in wheat. This is to take care of next year.

Mr. WALSH. Could they not do that in barley and oats?

Mr. LEVER. Yes.

Mr. WALSH. And would there not be production of those products?

Mr. LEVER. Not so much as wheat.

Mr. SHERLEY. The gentleman admits that the Pennsylvania farmer who does not need seed wheat might come to the Department of Agriculture and get it on credit. Is not that the vice of the bill?

Mr. LEVER. I admitted that in my opening statement—that this is not a bill that anybody would support in peace times. But I have tried to show that there is a situation existing that ought to attract the attention of this House.

Mr. WINGO. Mr. Chairman, I ask unanimous consent that the substitute be reported, as there seems to be some confusion in regard to it.

Mr. SAUNDERS of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SAUNDERS of Virginia. Is there not an amendment pending to the amendment?

The CHAIRMAN. The Chair thinks not.

Mr. SAUNDERS of Virginia. Just one amendment and a substitute pending? I understood that there was an amendment to the original amendment.

The CHAIRMAN. The substitute is spoken of as an amendment.

Mr. QUIN. Mr. Chairman, may we have that reported again?

The CHAIRMAN. Without objection, the Clerk will again report it.

The Clerk read as follows:

Amendment offered by Mr. HELVERING: On page 3, line 16, strike out the words "spring wheat."

Substitute offered by Mr. WINGO: Page 3, line 16, strike out the words "in spring-wheat areas."

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Arkansas.

The question was taken, and the Chairman announced that the "ayes" seemed to have it.

Mr. LEVER. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 75, noes 43.

Mr. STAFFORD. Mr. Chairman, I move to strike out the enacting clause.

Mr. LEVER. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Tellers are demanded.

Tellers were ordered, and the Chairman appointed Mr. LEVER and Mr. WINGO to act as tellers.

The committee again divided; and the tellers reported—ayes 81, noes 45.

So the amendment was agreed to.

Mr. LEVER. Mr. Chairman, I move that the committee rise. [Cries of "No!"]

The CHAIRMAN. The gentleman from South Carolina moves that the committee do now rise. The question is on agreeing to that motion.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. LEVER. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

Mr. BARKLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BARKLEY. Is it not proper to vote upon the amendment as offered by the gentleman from Kansas [Mr. HELVERING]? We only voted on the substitute.

The CHAIRMAN. The gentleman from South Carolina [Mr. LEVER] moves that the committee do now rise.

Mr. MOORE of Pennsylvania. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Pennsylvania. Was the vote by tellers announced?

The CHAIRMAN. It was. The gentleman from South Carolina moves that the committee do now rise. A division is demanded.

The committee divided; and there were—ayes 69, noes 60.

Mr. WINGO. Mr. Chairman, I demand tellers.

Mr. GARNER. I demand tellers, Mr. Chairman.

Tellers were ordered; and the Chairman appointed Mr. LEVER and Mr. WINGO to act as tellers.

The committee again divided; and the tellers reported—ayes 53, noes 78.

So the committee refused to rise.

Mr. YOUNG of Texas. I move to strike out the enacting clause of this bill.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. YOUNG of Texas moves to strike out the enacting clause.

Mr. LONDON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONDON. Is a motion in order to lay this motion on the table?

The CHAIRMAN. That motion would not be in order.

Mr. LUNN. Mr. Chairman, is this motion debatable?

The CHAIRMAN. It is.

Mr. LUNN. Then I want to debate it.

Mr. CANNON. Mr. Chairman, my recollection is that the motion to strike out the enacting clause is not debatable.

The CHAIRMAN. The Chair is in error. As the Chair is advised, the motion is not debatable. The question is on the motion of the gentleman from Texas to strike out the enacting clause.

The question being taken, the Chairman announced that the noes appeared to have it.

Mr. YOUNG of Texas, Mr. HOWARD, and others demanded a division.

The committee divided; and there were—ayes 65, noes 67.

Mr. YOUNG of Texas and Mr. SHERLEY demanded tellers.

Tellers were ordered; and the Chairman appointed Mr. RUBEY and Mr. YOUNG of Texas.

The committee again divided; and the tellers reported—ayes 74, noes 65.

A MEMBER. One more in the affirmative, Mr. Chairman.

ANOTHER MEMBER. One more in the negative, Mr. Chairman.

Mr. WALSH. Mr. Chairman, I rise to a point of order——

The CHAIRMAN. The Chair is bound by the report of the tellers. On this vote the ayes are 74, the noes are 65. The motion of the gentleman from Texas to strike out the enacting clause is agreed to.

Mr. YOUNG of Texas. I move that the committee do now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. POU, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill reported from the Committee on Agriculture as a committee substitute for H. R. 7795 to provide for the national security and defense and further to assure an adequate supply of food, by authorizing the Secretary of Agriculture to contract with farmers in certain areas for the production of grain through advances, loans, and otherwise, and by providing for the voluntary mobilization of farm labor, and for other purposes, and had directed him to report the same back to the House with the recommendation that the enacting clause be stricken out.

Mr. LEVER. Mr. Speaker, I move that the House do now adjourn.

Mr. RAYBURN. Will the gentleman withhold that for a moment in order to enable me to present a conference report?

Mr. LEVER. I will withhold the motion for a moment.

SOLDIERS' INSURANCE.

Mr. SIMS presented the following conference report, which was ordered to be printed under the rule:

CONFERENCE REPORT (NO. 419).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

T. W. SIMS,
SAM RAYBURN,
S. E. WINSLOW,
Managers on the part of the House.
JOHN SHARP WILLIAMS,
HOKE SMITH,
REED SMOOT,
Managers on the part of the Senate.

SEED GRAIN FOR FARMERS.

The SPEAKER. The gentleman from South Carolina moves that the House do now adjourn.

Mr. LONDON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONDON. What would be the effect of the adjournment upon the bill reported from the Committee of the Whole?

The SPEAKER. None whatever. The first thing in the morning would be the vote on the report of the committee.

Mr. DILLON. Mr. Speaker, I ask unanimous consent to extend in the RECORD my speech on the pending bill.

The SPEAKER. The gentleman from South Dakota asks unanimous consent to extend his remarks on this bill. Is there objection?

Mr. SHOUSE. I object.

The SPEAKER. The gentleman from Kansas objects. The question is on the motion to adjourn.

The question being taken, on a division (demanded by Mr. RUBEY) there were—ayes 69, noes 78.

Accordingly the motion to adjourn was rejected.

Mr. YOUNG of Texas. I move the previous question.

The SPEAKER. The gentleman from Texas moves the previous question. The question is on ordering the previous question.

The question was taken.

Mr. LEVER. I demand the yeas and nays.

Mr. RUBEY. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Missouri makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and forty-one Members present, not a quorum.

Mr. LEVER. Mr. Speaker, I move that the House do now adjourn.

Mr. SHERLEY. I make the point that that motion is not in order. The House has not transacted any business since that motion was voted down.

The SPEAKER. The point of order is sustained. The Doorkeeper will lock the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on ordering the previous question.

The question was taken; and there were—yeas 120, nays 123, not voting 188, as follows:

YEAS—120.

Alexander	Dooling	Jones, Va.	Riordan
Almon	Doughton	Kincheloe	Robinson
Ashbrook	Dupré	Larsen	Rogers
Bacharach	Eagan	Lazaro	Rubey
Bankhead	Eagle	Lee, Ga.	Sanford
Barkley	Elliott	Lehlbach	Saunders, Va.
Bell	Fisher	Lesher	Sears
Black	Gallagher	Lonergan	Sherley
Blanton	Gallivan	Lufkin	Sherwood
Brand	Garner	McAndrews	Shouse
Brodbeck	Garrett, Tenn.	McKeown	Sisson
Browning	Glass	Maher	Stafford
Brumbaugh	Glynn	Mansfield	Stephens, Miss.
Buchanan	Godwin, N. C.	Martin	Tague
Byrnes, S. C.	Goodwin, Ark.	Merritt	Taylor, Ark.
Byrns, Tenn.	Gordon	Montague	Tillman
Campbell, Pa.	Gray, Ala.	Moore, Pa.	Tilson
Candler, Miss.	Greene, Mass.	Oldfield	Venable
Cannon	Harrison, Va.	Oliver, Ala.	Vinson
Cantrill	Hastings	Overstreet	Walker
Carter, Okla.	Heflin	Park	Walsh
Chandler, Okla.	Helm	Parker, N. J.	Watkins
Church	Holland	Phelan	Watson, Pa.
Connally, Tex.	Howard	Porter	Welty
Connelly, Kans.	Huddleston	Quin	Wilson, Tex.
Crisp	Hull, Tenn.	Ragsdale	Wingo
Dale, N. Y.	Husted	Rainey	Winslow
Delaney	Hutchinson	Raker	Woodyard
Dewalt	Johnson, Ky.	Ramsey	Wright
Dominick	Jones, Tex.	Rayburn	Young, Tex.

NAYS—123.

Ayres	Dyer	Kiess, Pa.	Robbins
Baer	Edmonds	King	Romjue
Barnhart	Emerson	Kinkaid	Rowe
Beakes	Esch	Knutson	Rucker
Beshlin	Evans	Kraus	Russell
Bland	Fairfield	Kreider	Scott, Iowa
Bowers	Farr	Langley	Scott, Mich.
Carlin	Ferris	Lea, Cal.	Shackleford
Cary	Fields	Lever	Shallenberger
Clark, Pa.	Focht	Little	Sinnott
Claypool	Fordney	Lobeck	Sloan
Cleary	Foster	London	Smith, Idaho
Cooper, Wis.	French	Lundeen	Smith, Mich.
Cox	Graham, Ill.	Lunn	Snook
Cramton	Hadley	McArthur	Sterling, Ill.
Crosser	Hamilton, N. Y.	McFadden	Sumners
Currie, Mich.	Haskell	McLaughlin, Mich.	Sweet
Dale, Vt.	Haugen	Mapes	Swift
Dallinger	Hawley	Mason	Switzer
Davis	Hayden	Mays	Temple
Dempsey	Helvering	Morgan	Timberlake
Denison	Hicks	Neely	Vestal
Dickinson	Hilliard	Nichols, Mich.	Waldow
Dill	Ireland	Norton	Walton
Dillon	Jacoway	Oliver, N. Y.	Wason
Dixon	James	Osborne	Welling
Donovan	Johnson, Wash.	Pou	Wheeler
Doolittle	Keating	Pratt	Woods, Iowa
Dowell	Kelley, Mich.	Ramseyer	Young, N. Dak.
Drane	Kelly, Pa.	Randall	Zihlman
Dunn	Kennedy, Iowa	Rankin	

NOT VOTING—188.

Anderson	Freeman	Littlepage	Scott, Pa.
Anthony	Fuller, Ill.	Longworth	Schall
Aswell	Fuller, Mass.	McClintic	Scully
Austin	Gandy	McCormick	Sells
Blackmon	Gard	McCulloch	Siegel
Booher	Garland	McKenzie	Sims
Borland	Garrett, Tex.	McKinley	Slayden
Britten	Gillett	McLaughlin, Pa.	Slemp
Browne	Good	McLemore	Small
Burnett	Goodall	Madden	Smith, C. B.
Burroughs	Gould	Magee	Smith, T. F.
Butler	Graham, Pa.	Mann	Snell
Caldwell	Gray, N. J.	Meeker	Snyder
Campbell, Kans.	Green, Iowa	Miller, Minn.	Steagall
Caraway	Greene, Vt.	Miller, Wash.	Stedman
Carew	Gregg	Mondell	Steele
Carter, Mass.	Griest	Moon	Steenerson
Chandler, N. Y.	Griffin	Moores, Ind.	Stephens, Nebr.
Clark, Fla.	Hamill	Morin	Sterling, Pa.
Classon	Hamilton, Mich.	Mott	Stevenson
Coady	Hamlin	Mudd	Stiness
Collier	Hardy	Nelson	Strong
Cooper, Ohio	Harrison, Miss.	Nicholls, S. C.	Sullivan
Cooper, W. Va.	Hayes	Nolan	Talbott
Copley	Heaton	Olney	Taylor, Colo.
Costello	Heintz	O'Shaunessy	Templeton
Crago	Hensley	Overmyer	Thomas
Curry, Cal.	Hersey	Padgett	Thompson
Darrow	Hollingsworth	Paige	Tinkham
Davidson	Hood	Parker, N. Y.	Towner
Decker	Houston	Peters	Treadway
Dent	Hull, Iowa	Platt	Van Dyke
Denton	Humphreys	Polk	Vare
Dies	Igoe	Powers	Voigt
Doremus	Johnson, S. Dak.	Price	Volstead
Drukker	Juul	Purnell	Ward
Ellsworth	Kahn	Reavis	Watson, Va.
Elston	Kearns	Reed	Weaver
Estopinal	Kehoe	Roberts	Webb
Fairchild, B. L.	Kennedy, R. I.	Rodenberg	Whaley
Fairchild, G. W.	Kettner	Rose	White, Me.
Fess	Key, Ohio	Rouse	White, Ohio
Flood	Kitchin	Rowland	Williams
Flynn	La Follette	Sabath	Wilson, Ill.
Foss	LaGuardia	Sanders, Ind.	Wilson, La.
Francis	Lenroot	Sanders, La.	Wise
Frear	Linthicum	Sanders, N. Y.	Wood, Ind.

So the motion to order the previous question was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. STEELE (for) with Mr. LA FOLLETTE (against).

Mr. STEVENSON (for) with Mr. STEENERSON (against).

Until further notice:

Mr. SCHALL with Mr. GRIEST.

Mr. SMALL with Mr. GREENE of Vermont.

Mr. STERLING of Pennsylvania with Mr. GREEN of Iowa.

Mr. GARRETT of Texas with Mr. KEARNS.

Mr. MCCLINTIC with Mr. MUDD.

Mr. ASWELL with Mr. PARKER of New York.

Mr. BOOHER with Mr. GRAY of New Jersey.

Mr. BURNETT with Mr. HULL of Iowa.

Mr. CARAWAY with Mr. VOIGT.

Mr. CLARK of Florida with Mr. MCKENZIE.

Mr. COADY with Mr. AUSTIN.

Mr. COLLIER with Mr. BRITTEN.

Mr. DECKER with Mr. BROWNE.

Mr. DENT with Mr. MCCORMICK.

Mr. GREGG with Mr. BUTLER.

Mr. HARDY with Mr. DARROW.

Mr. HENSLEY with Mr. NELSON.

Mr. HOOD with Mr. ELSTON.

Mr. KETTNER with Mr. GEORGE W. FAIRCHILD.

Mr. HOUSTON with Mr. FULLER of Illinois.

Mr. KEY of Ohio with Mr. BENJAMIN L. FAIRCHILD.

Mr. IGOE with Mr. FRANCIS.

Mr. MCLEMORE with Mr. FREAR.

Mr. NICHOLLS of South Carolina with Mr. FREEMAN.

Mr. NICHOLLS of South Carolina with Mr. MADDEN.

Mr. OLNEY with Mr. PAIGE.

Mr. O'SHAUNESSY with Mr. PARKER of New York.

Mr. PADGETT with Mr. PURNELL.

Mr. POLK with Mr. REAVIS.

Mr. SABATH with Mr. MAGEE.

Mr. SANDERS of Louisiana with Mr. REED.

Mr. SIMS with Mr. RODENBERG.

Mr. SLAYDEN with Mr. ROSE.

Mr. CHARLES B. SMITH with Mr. SANDERS of Indiana.

Mr. STEAGALL with Mr. GILLETT.

Mr. STEDMAN with Mr. SELLS.

Mr. STEPHENS of Nebraska with Mr. SLEMP.

Mr. TALBOTT with Mr. STINESS.

Mr. TAYLOR of Colorado with Mr. LONGWORTH.

Mr. THOMPSON with Mr. TOWNER.

Mr. WATSON of Virginia with Mr. TREADWAY.

Mr. WEAVER with Mr. VOLSTEAD.

Mr. WHALEY with Mr. WILSON of Illinois.

Mr. WILSON of Louisiana with Mr. GARLAND.

Mr. WISE with Mr. HEATON.

Mr. WHITE of Ohio with Mr. MCLAUGHLIN of Pennsylvania.

Mr. HAMLIN with Mr. MOORES of Indiana.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the report of the Committee of the Whole House on the state of the Union striking out the enacting clause.

The question was taken.

The SPEAKER. The noes made the most noise. [Laughter.] The noes seem to have it.

Mr. YOUNG of Texas. Division, Mr. Speaker.

The House again divided; and there were—ayes 100, noes 97.

Mr. SHERLEY. Mr. Speaker, I demand the yeas and nays.

The SPEAKER. The gentleman from Kentucky demands the yeas and nays; evidently a sufficient number, and the Clerk will call the roll.

The question was taken; and there were—yeas 106, nays 144, answered "present" 1, not voting 180, as follows:

YEAS—106.

Almon	Dupré	Larsen	Rogers
Ashbrook	Eagan	Lazaro	Sanford
Bacharach	Eagle	Lehlbach	Saunders, Va.
Bankhead	Elliott	Lesher	Sears
Bell	Fisher	Lonergan	Sherley
Black	Gallagher	Lufkin	Sherwood
Brand	Gallivan	McAndrews	Shouse
Brodbeck	Garner	Maher	Sisson
Browning	Garrett, Tenn.	Mansfield	Stafford
Brumbaugh	Glass	Martin	Stephens, Miss.
Buchanan	Glynn	Merritt	Tague
Byrnes, S. C.	Godwin, N. C.	Montague	Taylor, Ark.
Byrns, Tenn.	Gordon	Moon	Tilson
Candler, Miss.	Gray, Ala.	Oldfield	Treadway
Cannon	Greene, Mass.	Oliver, Ala.	Venable
Carlin	Harrison, Va.	Overstreet	Vinson
Chandler, Okla.	Heflin	Park	Walker
Church	Helm	Parker, N. J.	Walsh
Collier	Holland	Phelan	Watson, Pa.
Connally, Tex.	Howard	Quin	Welty
Crisp	Huddleston	Ragsdale	Wilson, Tex.
Dale, N. Y.	Hull, Tenn.	Rainey	Winslow
Delaney	Humphreys	Raker	Woodyard
Dewalt	Husted	Ramsey	Wright
Dominick	Hutchinson	Rayburn	Young, Tex.
Dooling	Jones, Va.	Riordan	
Doughton	Kincheloe	Robinson	

NAYS—144.

Alexander	Dallinger	Graham, Ill.	Knutson
Ayres	Davis	Green, Iowa	Kraus
Baer	Dempsey	Hadley	Kreider
Barkley	Denison	Hamilton, N. Y.	Langley
Barnhart	Dickinson	Haskell	Lea, Cal.
Beakes	Dill	Hastings	Lee, Ga.
Beshlin	Dillon	Haugen	Lever
Bland	Dixon	Hawley	Little
Blanton	Donovan	Hayden	Lobeck
Bowers	Doolittle	Helvering	Lowrance
Campbell, Pa.	Dowell	Hicks	Lundeen
Cantrill	Dunn	Hilliard	Lunn
Carter, Mass.	Dyer	Ireland	McArthur
Carter, Okla.	Edmonds	Jacoway	McClintic
Cary	Emerson	James	McFadden
Clark, Pa.	Esch	Johnson, Ky.	McKeown
Claypool	Evans	Johnson, Wash.	McLaughlin, Mich.
Cleary	Fairfield	Jones, Tex.	Mapes
Connelly, Kans.	Farr	Keating	Mason
Cooper, Wis.	Ferris	Kelley, Mich.	Mays
Cox	Fields	Kelly, Pa.	Morgan
Cramton	Focht	Kennedy, Iowa	Nichols, Mich.
Crosser	Foster	Kiess, Pa.	Nolan
Currie, Mich.	French	King	Norton
Dale, Vt.	Goodwin, Ark.	Kinkaid	Oliver, N. Y.

Osborne	Rucker	Snell	Vestal
Parker, N. Y.	Russell	Snook	Voigt
Pratt	Scott, Iowa	Sterling, Ill.	Waldow
Purnell	Scott, Mich.	Sumners	Walton
Ramseyer	Shackleford	Sweet	Welling
Randall	Shallenberger	Swift	Wheeler
Rankin	Sinnott	Switzer	White, Ohio
Robbins	Slemp	Taylor, Colo.	Wingo
Romjue	Sloan	Temple	Woods, Iowa
Rowe	Smith, Idaho	Tillman	Young, N. Dak.
Rubey	Smith, Mich.	Timberlake	Zihlman

ANSWERED "PRESENT"—1

Wason

NOT VOTING—180.

Anderson	Francis	Lenroot	Sanders, Ind.
Anthony	Frear	Linthicum	Sanders, La.
Aswell	Freeman	Littlepage	Sanders, N. Y.
Austin	Fuller, Ill.	Longworth	Schall
Blackmon	Fuller, Mass.	McCormick	Scott, Pa.
Booher	Gandy	McCulloch	Scully
Borland	Gard	McKenzie	Sells
Britten	Garland	McKinley	Siegel
Browne	Garrett, Tex.	McLaughlin, Pa.	Sims
Burnett	Gillett	McLemore	Slayden
Burroughs	Good	Madden	Small
Butler	Goodall	Magee	Smith, C. B.
Caldwell	Gould	Mann	Smith, T. F.
Campbell, Kans.	Graham, Pa.	Meeker	Snyder
Caraway	Gray, N. J.	Miller, Minn.	Steagall
Carew	Greene, Vt.	Miller, Wash.	Stedman
Chandler, N. Y.	Gregg	Mondell	Steele
Clark, Fla.	Griest	Moore, Pa.	Steenerson
Classon	Griffin	Moores, Ind.	Stephens, Nebr.
Coady	Hamill	Morin	Sterling, Pa.
Cooper, Ohio	Hamilton, Mich.	Mott	Stevenson
Cooper, W. Va.	Hamlin	Mudd	Stiness
Copley	Hardy	Neely	Strong
Costello	Harrison, Miss.	Nelson	Sullivan
Crago	Hayes	Nicholls, S. C.	Talbott
Curry, Cal.	Heaton	Olney	Templeton
Darrow	Heintz	O'Shaunessy	Thomas
Davidson	Hensley	Overmyer	Thompson
Decker	Hersey	Padgett	Tinkham
Dent	Hollingsworth	Paige	Towner
Denton	Hood	Peters	Van Dyke
Dies	Houston	Platt	Vare
Doremus	Hull, Iowa	Polk	Volstead
Drane	Igoe	Porter	Ward
Drukker	Johnson, S. Dak.	Pou	Watkins
Ellsworth	Juul	Powers	Watson, Va.
Elston	Kahn	Price	Weaver
Estopinal	Kearns	Reavis	Webb
Fairchild, B. L.	Kehoe	Reed	Whaley
Fairchild, G. W.	Kennedy, R. I.	Roberts	White, Me.
Fess	Kettner	Rodenberg	Williams
Flood	Key, Ohio	Rose	Wilson, Ill.
Flynn	Kitchin	Rouse	Wilson, La.
Fordney	La Follette	Rowland	Wise
Foss	LaGuardia	Sabath	Wood, Ind.

So the motion to strike out the enacting clause was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. TINKHAM (for) with Mr. WASON (against).

Until further notice:

Mr. DRANE with Mr. CLASSON.

Mr. MOON with Mr. FREEMAN.

Mr. NEELY with Mr. HAMILTON of Michigan.

Mr. POU with Mr. HICKS.

Mr. STEVENSON with Mr. PORTER.

Mr. WATKINS with Mr. SANDERS of New York.

Mr. BOOHER with Mr. JUUL.

Mr. ASWELL with Mr. MUDD.

Mr. CARAWAY with Mr. BRITTEN.

Mr. PADGETT with Mr. LONGWORTH.

Mr. WATSON of Virginia with Mr. MCLAUGHLIN of Pennsylvania.

Mr. CARTER of Oklahoma. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present in the Hall listening?

Mr. CARTER of Oklahoma. I was present, but I guess I was not listening very well or I would have heard my name called.

The SPEAKER. The gentleman has already voted, and voted in the affirmative. [Laughter.]

Mr. CARTER of Oklahoma. I did not vote, Mr. Speaker.

The SPEAKER. The Clerk will scratch his name off if he did not vote. Does the gentleman want to vote?

Mr. CARTER of Oklahoma. Yes; I did not vote and I want to vote.

The SPEAKER. Was the gentleman in the Hall listening when his name was called.

Mr. CARTER of Oklahoma. No; I was not; if I was listening, I did not hear my name called, and I do not know whether I was listening or not.

The SPEAKER. The gentleman does not bring himself within the rule.

Mr. BURNETT. Mr. Speaker, I desire to vote "aye."

The SPEAKER. Was the gentleman in the Hall listening?

Mr. BURNETT. No; I do not think I got here in time.

The result of the vote was announced as above recorded.

The SPEAKER. The report of the committee is not agreed to, and the bill is automatically referred back to the Committee of the Whole House on the state of the Union [applause], and the gentleman from North Carolina [Mr. POU] will take the chair.

Mr. CRAMTON. Mr. Speaker, pending that may I make a request for unanimous consent to extend my remarks on the pending bill?

The SPEAKER. Do it after we get through with this. The gentleman from Tennessee [Mr. GARRETT] will take the chair until Mr. POU can return.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7795 with Mr. GARRETT of Tennessee in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7795) to appropriate $50,000,000 for the purchase of seed grain and feed for live stock, to be supplied to farmers and stockmen, and to create boards in the respective States to assist in carrying out the provisions of this act, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 7795) to appropriate $50,000,000 for the purchase of seed grain and feed for live stock, to be supplied to farmers and stockmen, and to create boards in the respective States to assist in carrying out the provisions of this act.

Mr. LEVER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 7795) to appropriate $50,000,000 for the purchase of seed grain and feed for live stock, to be supplied to farmers and stockmen, and to create boards in the respective States to assist in carrying out the provisions of this act, and had come to no resolution thereon.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks on the pending bill.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks on this bill. Is there objection?

Mr. WALSH. I object.

The SPEAKER. The gentleman from Massachusetts objects.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title:

H. R. 9867. An act making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes.

ADJOURNMENT.

Mr. LEVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Thursday, March 28, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BANKHEAD, from the Committee on Education, to which was referred the bill (H. R. 11047) to require the Commissioner of Education to devise methods and promote plans for the elimination of adult illiteracy in the United States, reported the same without amendment, accompanied by a report (No. 418), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SCHALL: A bill (H. R. 11085) to amend section 3 of an act approved June 25, 1910, amending paragraph 2 of section 4 of an act entitled "An act to establish a bureau of immigration and naturalization of the aliens throughout the United States," approved June 29, 1906; to the Committee on Immigration and Naturalization.

By Mr. SLOAN: A bill (H. R. 11086) to amend section 13 of the Federal reserve act so that maturity of paper drawn for

agricultural purposes or based on live stock may extend to one year; to the Committee on Banking and Currency.

By Mr. LUFKIN: A bill (H. R. 11087) to prescribe the personnel of the Army Nurse Corps, the qualifications for appointment and the method of appointment therein, the pay, allowances, and leave of absence of members of said corps and the conditions under which they may be retired; to the Committee on Military Affairs.

By Mr. FIELDS: A bill (H. R. 11088) providing for the construction of ice piers in the harbor of Louisa, Ky., on the Big Sandy River; to the Committee on Rivers and Harbors.

By Mr. BROWNING: Resolution (H. Res. 292) to pay to John E. Nicol, clerk to the late John H. Capstick, a Representative in Congress, $166.66; to the Committee on Accounts.

By Mr. RIORDAN: Resolution (H. Res. 293) providing for the immediate consideration of bills on the calendar from the Committee on Labor; to the Committee on Rules.

By Mr. CLARK of Florida: Resolution (H. Res. 294) to pay Gardner Anthony, son of W. H. Anthony, late an employee of the House, a sum equal to six months' compensation; to the Committee on Accounts.

By Mr. MONDELL: Joint resolution (H. J. Res. 269) to suspend the requirements of annual assessment work on mining claims during the years 1918 and 1919; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARY: A bill (H. R. 11089) granting an increase of pension to George C. Miller; to the Committee on Invalid Pensions.

By Mr. FERRIS: A bill (H. R. 11090) granting an increase of pension to James A Bateman; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 11091) granting an increase of pension to Stewart N. McGuire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11092) granting an increase of pension to Isaac N. Dysard; to the Committee on Invalid Pensions.

By Mr. HILLIARD: A bill (H. R. 11093) granting a pension to Edward B. Bangs; to the Committee on Pensions.

By Mr. JACOWAY: A bill (H. R. 11094) granting an increase of Pension to William Douglas; to the Committee on Invalid Pensions.

By Mr. KENNEDY of Iowa: A bill (H. R. 11095) graning an increase of pension to William Mitchell, alias William Terow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11096) granting an increase of pension to John T. Axline; to the Committee on Invalid Pensions.

By Mr. POLK: A bill (H. R. 11097) granting an increase of pension to Edward Bradley; to the Committee on Invalid Pensions.

By Mr. SLOAN: A bill (H. R. 11098) granting an increase of pension to William A. Bevins; to the Committee on Invalid Pensions.

By Mr. WHITE of Ohio: A bill (H. R. 11099) granting a pension to Isabel B. Williamson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CARY: Petition of the Milwaukee Association of Life Underwriters against tax in war revenue bill on certain life insurance premiums; to the Committee on Ways and Means.

By Mr. DALE of New York: Petition of the faculty of Wesleyan College, Mount Pleasant, Iowa, protesting against the second-class postage amendment to the war revenue act; to the Committee on Ways and Means.

Also, petition of F. A. Roziene, president of the National Association of Vicksburg Veterans, relative to unexpended balance of money granted the organization by the Sixty-fourth Congress; to the Committee on Appropriations.

By Mr. DARROW: Resolution of the Philadelphia Annual Conference pledging unswerving loyalty to the President and our country in the successful prosecution of the war; urging immediate war prohibition, the establishment of a dry zone in Philadephia, and the enactment of laws meting out to German propagandists and traitorous Americans the full penalty of spies; to the Committee on the Judiciary.

By Mr. DOOLING: Petition of the Shut-in Society of New York City, asking for the repeal of the periodical postage increase law; to the Committee on Ways and Means.

By Mr. FRENCH: Petition of Joel McCallister and C. A. Shank, of Clarkston, Wash., on maintaining chaplains in the Army and Navy; to the Committee on Military Affairs.

By Mr. FULLER of Illinois: Petition of the Devils Lake Journal of Devils Lake, N. Dak., favoring the zone system for second-class postage; to the Committee on Ways and Means.

Also, petition of the Illinois Women's Clubs, favoring a kindergarten division in the Bureau of Education; to the Committee on Education.

By Mr. HILLIARD: Petition of T. W. Fisher, of Colorado Springs, Colo., praying for the repeal of that section of the war-revenue act providing for increased postage rates on periodicals; to the Committee on Ways and Means.

Also, resolutions adopted by the Lowell Club, of Boone, Iowa, protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of D. Warnock & Sons, of Loveland, Colo., praying for the repeal of that section of the war-revenue act providing for increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of Mrs. L. Dawn, Ida B. Thompson, Mrs. W. E. Mason, Joy L. Reichelt, Mrs. W. B. Floyd, Mrs. Etta K. Siple, and 11 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

By Mr. HOLLINGSWORTH: Memorial of W. W. Scott and 50 men of the Kirkwood Presbyterian Church, of Bridgeport, Ohio, favoring closing American saloons during the present war, and to prevent export of grains to foreign countries to be used in manufacture of distilled or malt liquors; to the Committee on the Judiciary.

By Mr. LUNDEEN: Petition of certain farmers of the Northwest through the Farm, Stock, and Home, of Minneapolis, asking that the price of 1918 wheat be raised to $2.75 per bushel; also asking that the draft be revised to the end that farm labor be largely exempted; to the Committee on Agriculture.

SENATE.

THURSDAY, *March 28, 1918.*

Rev. J. L. Kibler, of the city of Washington, offered the following prayer:

O Lord, we lift up our souls unto Thee. In the midst of the world war we put our trust in Thee. At this critical hour in the awful conflict we look more steadfastly to Thee. O Thou God of battles, Thou God of Moses, and of Gideon, and of David in the battles of long ago, direct our cause, and let not our enemies triumph over us. O God, in Thy name we stand for the great principles which Thou hast projected in the world. We stand for justice and righteousness for all men and for all nations; and we look to Thee as the great Captain of our salvation to direct us aright.

O Thou, who art mighty in battle, save our cause. Give grace and wisdom and courage to all our leaders and lead on our armies to honor and to victory and to a lasting peace. Speed on the triumph of the day when wars shall cease to the ends of the earth and there shall be the resurrection of a new day, with peace on earth and good will to men. We ask it in the name of Christ, the Lord. Amen.

The Vice President being absent, the President pro tempore took the chair.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Tuesday, March 26, 1918, when, on request of Mr. VARDAMAN and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PETITIONS AND MEMORIALS.

Mr. JOHNSON of South Dakota. I present a concurrent resolution adopted by the Legislature of the State of South Dakota in extra session, 1918, relative to the inclusion of the State of South Dakota in a list of certain States affected by legislation appropriating money for the relief of farmers in procuring seed, grain, and feed for stock. I ask that the resolution be printed in the RECORD and appropriately referred.

There being no objection, the concurrent resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

The following concurrent resolution has been adopted by the Legislature of the State of South Dakota:

"Be it resolved by the Senate of the Legislature of the State of South Dakota assembled in extraordinary session at the State capital, the House of Representatives concurring:

"That whereas there has been a bill introduced in the Congress of the United States (H. R. 7795) to appropriate money for the relief of farmers in procuring seed grain and feed for stock in certain enumerated Northwestern States, of which South Dakota is specifically named, as one needing such Government aid;

"And whereas South Dakota is now honestly advertising the prosperity of the State: Now, therefore, be it

"*Resolved*, That the legislature now in extraordinary session, with representatives present from all sections of the State, singly and collectively declare that, to the best of their knowledge and belief, the farmers of South Dakota are not asking for Federal aid to procure seed and feed; and that the State is amply able and willing to aid, if necessary, any farmer who needs aid, and that the few individual or isolated cases that may exist, if any, can and will be taken care of either by township or county aid. And further that the advertising South Dakota has received through 'H. R. 7795' has done her a great injustice, as South Dakota has never been more prosperous than now, as proved by competent authority; be it further

"*Resolved*, That engrossed copies of this resolution be prepared by the secretary of the senate and delivered by United States mail to the Secretary of the Senate of the United States, to the Chief Clerk of the House of Representatives of the United States, to the Secretary of Agriculture of the United States, and to the Senators and Representatives of South Dakota now serving in the United States Senate and House of Representatives."

W. H. MCMASTER,
President of the Senate.
W. N. VAN CAMP,
Secretary of the Senate.
A. C. ROBERTS,
Speaker of the House.
C. W. GARDNER,
Chief Clerk of the House.

Mr. McKELLAR. I present a letter relative to the vote taken in the Senate last week on fixing the minimum price of wheat, which I ask may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GOLDEN, MISS., *March 22, 1918.*

Hon. KENNETH D. MCKELLAR,
Washington, D. C.

DEAR SENATOR MCKELLAR: I read to-day with interest the vote in the Senate yesterday on fixing the minimum price of $2.50 on wheat. I heartily congratulate you upon being amongst those 18 that voted against it, though I have the largest acreage in wheat in this section of the country (so a Government demonstration agent advised me) I can not see the justice in fixing such an exorbitant and extortionate price on this commodity. It strikes me as being willing to pay a premium on disloyalty In fact, I believe the law of legitimate supply and demand should govern the prices of all farm products, especially staples. Wheat above everything else, is one of the cheapest crops grown, and good money is to be made out of wheat by the farmer at $1.25 a bushel, with a normal yield, even taking into consideration the present high cost of living.

Again congratulating you on your vote,
Sincerely, yours,
CHAS. P. WOFFORD.

Mr. McNARY. I have a petition signed by several thousand citizens of Oregon asking that Congress forthwith take action to pass a law imposing punishment upon all persons or organizations responsible for pro-German activities. I ask that it be read omitting the names, and that it be referred to the Committee on the Judiciary.

The PRESIDENT pro tempore. The Chair is informed that a similar petition has just been read.

Mr. McNARY. Very well. I ask that the petition be printed in the RECORD and referred to the Committee on the Judiciary without reading.

There being no objection, the petition was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Petition of the people of the United States of America to the Congress at Washington.

Whereas the security of the United States and the success of our arms are endangered by the activities of disloyal persons and organizations within the border of our country.

We, the citizens of the United States whose names are hereto subscribed, do hereby petition the Congress of the United States to enact forthwith a law imposing punishment upon all persons or organizations responsible for pro-German activities, or for the publication of public utterances, tending to impede or to interfere with the operations or success of the United States in war, or recruiting or enlistments tending to hold the United States or any of our allies up to ridicule or obloquy, or to cause disloyalty or refusal of duty on the part of any person in connection with the war.

Mr. McNARY. I have another petition from members of the Southern Oregon Medical Association asking for the support of Senate bill 3748, giving advanced rank to officers in the Medical Reserve Corps of the Army, which I move be referred to the Committee on Military Affairs.

The motion was agreed to.

Mr. HARDING. I present resolutions passed by the mayor's advisory war committee, of Cleveland, Ohio, asking for the enactment of the bill to rescind the charter of the German-American Alliance, and also a resolution from the Business Men's Club, of Cincinnati, Ohio, calling for more drastic treatment of enemy aliens and those in our country who violate American hospitality. I ask that they may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

CITY OF CLEVELAND,
MAYOR'S ADVISORY WAR COMMITTEE,
Cleveland, March 22, 1918.

Upon motion of W. A. Greenlund, seconded by Charles A. Otis, the following resolution was presented to the executive committee of the mayor's advisory war committee and unanimously adopted:

Whereas there is a bill now pending in Congress to rescind the charter of the German-American Alliance:

Resolved, That the mayor's advisory war committee recommend the passage of this bill and ask the Members of Congress and Senators from Ohio to use every effort to accomplish this result.

Resolved, That a copy of this resolution be sent to the Senators and Members of Congress from Ohio.

HARRY L. VAIL,
Executive Secretary.

Resolution of the Business Men's Club, of Cincinnati, Ohio.

Whereas we believe that there is in operation in this country to-day an extensive German spy system, consisting of not only military and political spies but also of that more detestable and dangerous type of spy, viz, destructionists, disease spreaders, industrial disorganizers, and pro-German propagandists—all posing as patriotic American citizens, and operating in the same manner and under the same direction as in Russia and other allied countries; and

Whereas this spy system is becoming more efficient and more active from day to day, and the "Hun within" constitutes a more dangerous and detestable enemy than the "Hun without"; and

Whereas it is our opinion that this vast and thoroughly organized menace can not be suppressed merely by internment, and the fresh air, three square meals, and entertainment features which accompany the same, or by mere arrest and subsequent parole on good behavior; and

Whereas it is our opinion that the time has come for a decisive and firm handling of this Hun menace, and a meting out to any and all offenders of the same measure of justice as is administered in Germany or Austria: Therefore be it

Resolved, That we hereby protest against the parole of any and all alien enemies violating our neutrality laws or regulations; that we respectfully recommend that all interned aliens be immediately put to work at some useful and productive occupation, and that treasonable violations of our neutrality laws or regulations be punished by ordering the violators before a firing squad; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, Secretary of War and Secretary of the Navy, and our Representatives in Congress.

Mr. LODGE. I present a telegram in the nature of a petition, which I ask to have printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

BOSTON, MASS., *March 24, 1918.*

Senator WEEKS,
Hotel Touraine, Boston, Mass.:

Resolved, That this mass meeting held in the Park Square Theater, Boston, on March 24, call upon President Wilson and the Democratic administration to move effective support to the national suffrage amendment, thereby securing its immediate passage in the United States Senate; be it also

Resolved, That this resolution be sent to the President, the Vice President, Senator THOMAS MARTIN, majority leader of the Senate, and Senator JACOB GALLINGER, minority leader of the Senate, and to Senator JOHN W. WEEKS, with the request that he read it into the CONGRESSIONAL RECORD.

Adopted unanimously.

OLIVE MILLS BELCHES,
State Chairman Massachusetts Branch
National Woman's Party.

Mr. STERLING. Mr. President, on behalf of the American Defense Society of South Dakota I present the following numerously signed petition by citizens of the State of South Dakota. I ask that the petition itself without the signatures may be read. It is short.

The PRESIDENT pro tempore. Without objection, the Secretary will read.

The Secretary read as follows:

[American Defense Society, State of South Dakota.]

Petition of the people of the United States of America to the Congress at Washington.

Whereas the security of the United States and the success of our arms are endangered by the activities of disloyal persons and organizations within the borders of our country, we, the citizens of the United States, whose names are hereto subscribed, do hereby petition the Congress of the United States to enact forthwith a law imposing punishment upon all persons or organizations responsible for pro-German activities or for the publication or public utterance of statements tending—

To impede or interfere with the operations or success of the United States in war or in recruiting or enlistment; or

To hold the Government of the United States or any of our allies up to ridicule or obloquy; or

To cause disloyalty or refusal of duty on the part of any person in connection with the war.

Mr. STERLING. I move that the petition be referred to the Committee on the Judiciary.

The motion was agreed to.

Mr. STERLING. I send to the desk a concurrent resolution just passed by the Legislature of the State of South Dakota. It relates to an important piece of legislation now pending in the House of Representatives, and I ask unanimous consent that it be read.

There being no objection, the concurrent resolution was read, as follows:

The following concurrent resolution has been adopted by the Legislature of the State of South Dakota:

"*Be it resolved by the Senate of the Legislature of the State of South Dakota assembled in extraordinary session at the State capital, the House of Representatives concurring:*

"That whereas there has been a bill introduced in the Congress of the United States (H. R. 7795) to appropriate money for the relief of farmers in procuring seed grain and feed for stock in certain enumerated Northwestern States, of which South Dakota is specifically named, as one needing such Government aid;

"And whereas South Dakota is now honestly advertising the prosperity of the State: Now, therefore, be it

"*Resolved*, That the legislature now in extraordinary session, with representatives present from all sections of the State, singly and collectively declare that, to the best of their knowledge and belief, the farmers of South Dakota are not asking for Federal aid to procure seed and feed; and that the State is amply able and willing to aid, if necessary, any farmer who needs aid, and that the few individual or isolated cases that may exist, if any, can and will be taken care of either by township or county aid. And further that the advertising South Dakota has received through 'H. R. 7795' has done her a great injustice, as South Dakota has never been more prosperous than now, as proved by competent authority; be it further

"*Resolved*, That engrossed copies of this resolution be prepared by the secretary of the senate and delivered by United States mail to the Secretary of the Senate of the United States, to the Chief Clerk of the House of Representatives of the United States, to the Secretary of Agriculture of the United States, and to the Senators and Representatives of South Dakota now serving in the United States Senate and House of Representatives."

W. H. MCMASTER,
President of the Senate.
W. N. VAN CAMP,
Secretary of the Senate.
A. C. ROBERTS,
Speaker of the House.
C. W. GARDNER,
Chief Clerk of the House.

Mr. GRONNA presented a petition of the congregation of the Methodist Episcopal Church of Rockford, N. Dak., and a petition of the congregation of the Methodist Episcopal Church of Tolley, N. Dak., praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. SHEPPARD presented petitions of sundry citizens of Houston and Galveston, in the State of Texas, praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

Mr. KENYON presented a petition of the Methodist Brotherhood of Britt, Iowa, praying for the repeal of the charter granted to the National German-American Alliance, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry citizens of Newton, Iowa, praying for the adoption of an amendment to the Constitution to prohibit polygamy, which was referred to the Committee on the Judiciary.

Mr. CHAMBERLAIN presented a petition of sundry citizens of Albany, Oreg., praying for the repeal of the present zone system of postage rates on second-class mail matter, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by sundry citizens of Burns, Oreg., favoring universal military training, which was referred to the Committee on Military Affairs.

He also presented a petition of sundry citizens of Portland, Oreg., praying for national prohibition as a war measure, which was ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. KENDRICK, from the Committee on Public Lands, to which was referred the bill (S. 1847) to authorize the addition of certain lands to the Wyoming National Forest, reported it without amendment and submitted a report (No. 335) thereon.

Mr. MCNARY, from the Committee on Public Lands, to which was referred the bill (S. 2714) authorizing the removal of stumps from cut-over Oregon and California lands, reported it without amendment and submitted a report (No. 334) thereon.

Mr. SMITH of Arizona. From the Committee on Printing I report back favorably without amendment House concurrent resolution 39, to authorize the printing of 250,000 copies of the soldiers' and sailors' civil relief act, approved March 8, 1918, and so forth. I do not ask for the present consideration of the concurrent resolution.

The PRESIDENT pro tempore. The concurrent resolution will be placed on the calendar.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. STERLING:

A bill (S. 4202) authorizing the sale of lands situated within the Pierre Land District, State of South Dakota; to the Committee on Public Lands.

By Mr. PAGE:

A bill (S. 4203) granting an increase of pension to William K. Annis, jr. (with accompanying papers); to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 4204) granting an increase of pension to Charles H. Flournoy (with accompanying papers);

A bill (S. 4205) granting a pension to Thomas Smith; and

A bill (S. 4206) granting an increase of pension to Joseph Owen Dennison; to the Committee on Pensions.

By Mr. KENYON:

A bill (S. 4207) granting a pension to Sabara J. Swisher (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 4208) authorizing postage rates on aeroplane mail; to the Committee on Post Offices and Post Roads.

By Mr. NORRIS:

A bill (S. 4212) granting an increase of pension to Alfred L. Cain; to the Committee on Pensions.

Mr. JONES of Washington. Mr. President, I have here three bills that I have been asked to introduce. They relate to matters of interest to the District of Columbia and to a very important subject. I have not had time to investigate fully the matters proposed in them; but I introduce the bills by request, so that I shall feel perfectly free to take whatever attitude I feel justified in taking hereafter with reference to them. I thought, however, that their introduction would give an opportunity to those who were interested in them to appear before the District of Columbia Committee to present their views with reference to them.

By Mr. JONES of Washington (by request):

A bill (S. 4209) to provide for the construction of safe and sanitary dwellings, to be leased at a moderate rental to persons residing in buildings erected in alleys in the District of Columbia, and to aid in carrying out the provisions of an act of Congress, approved September 25, 1914, entitled "An act to provide, in the interest of public health, morals, and safety, for the discontinuance of the use as dwellings of buildings situated in the alleys in the District of Columbia," and for other purposes;

A bill (S. 4210) to provide for the construction of safe and sanitary dwellings to be occupied by persons residing in buildings erected in alleys in the District of Columbia, and to aid in carrying out the provisions of an act of Congress, approved September 25, 1914, entitled "An act to provide, in the interest of public health, morals, and safety, for the discontinuance of the use as dwellings of buildings situated in the alleys in the District of Columbia," and for other purposes; and

A bill (S. 4211) to amend an act entitled "An act to authorize the extension eastwardly of the Columbia Railway," approved June 13, 1898, and for other purposes; to the Committee on the District of Columbia.

AMENDMENT OF NATURALIZATION LAWS.

Mr. CALDER submitted an amendment intended to be proposed by him to the bill (H. R. 3132) to amend section 2171 of the Revised Statutes of the United States relating to naturalization, which was referred to the Committee on Immigration and ordered to be printed.

THE SHIPPING SITUATION (S. DOC. NO. 210).

Mr. FLETCHER. Mr. President, I have here a copy of an address by Edward N. Hurley, chairman of the United States Shipping Board, delivered before the National Marine League of the United States of America, at Delmonico's, in New York, on the evening of March 26, giving a comprehensive analysis of the entire situation and hitherto unpublished data regarding the number of new shipyards and launching ways built and building, and the tonnage and types of vessels under construction and planned. There is attached to it an estimate of the cost of publication in accordance with the rule, and I ask unanimous consent to have it printed as a public document.

The PRESIDENT pro tempore. Is there objection?

Mr. MCCUMBER. I first want to know definitely what it is. Is it the speech made by Mr. Hurley?

Mr. FLETCHER. Yes.

Mr. MCCUMBER. Mr. President, I shall not object to its being printed as a public document, but I want to say right now that there are statements in that speech which need explanation.

Mr. FLETCHER. I have no doubt that an explanation can be given.

Mr. MCCUMBER. There are many things in it that are expressed in broad language that indicate a state of affairs in our shipbuilding that is not realized in the actualities of the case.

Mr. FLETCHER. It is a very important document and gives the latest information on this important subject.

Mr. MCCUMBER. The Senator will remember that yesterday the Senator from Colorado [Mr. SHAFROTH], in reading one paragraph of it evidently misunderstood or did not comprehend the full meaning of the sentences that were used in it, and a number of other Senators and Members are likewise mystified as to its meaning, and the press reports of it are so confusing that I think it rather conveys misinformation in some respects, although if it is carefully read and analyzed undoubtedly everything that is stated in it is correct.

Mr. FLETCHER. I was not present when the Senator from Colorado quoted from it yesterday, but I think that, like almost any address, portions of it might be picked out and given a wrong impression, whereas the whole document itself would set forth clearly the accurate information. Therefore I think it ought to be printed as a whole.

The PRESIDENT pro tempore. Is there objection to printing the address as a public document? The Chair hears none, and it is so ordered.

THE ELECTORAL COLLEGE AND PRESIDENTIAL SUFFRAGE.

Mr. OVERMAN. Mr. President, I present a document which I ask be referred to the Committee on Printing for publication as a public document entitled "The Electoral College and Presidential Suffrage," by Chief Justice Walter Clark, of North Carolina.

The PRESIDENT pro tempore. The matter will be referred to the Committee on Printing.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed the following joint resolutions:

On March 27, 1918:

S. J. Res. 117. Joint resolution amending the act of July 2, 1909, governing the holding of civil-service examinations.

On March 28, 1918:

S. J. Res. 104. Joint resolution authorizing the assistant to the Secretary of the Interior to sign official papers and documents.

UNITED STATES NAVAL ACADEMY.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3401) to authorize the President to reduce temporarily the course of instruction at the United States Naval Academy, which were, in lines 3 and 4, to strike out "during the continuance of the present war" and insert "until August 1, 1921," and in line 4, to strike out "temporarily."

Mr. SWANSON. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

NAVAL OFFICERS ABSENT WITHOUT LEAVE.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3404) to authorize the President to drop from the rolls any naval or Marine Corps officer absent without leave for three months, or who has been convicted of any offense by the civil authorities, and prohibiting such officers' reappointment, which was to amend the title so as to read: "An act to authorize the President to drop from the rolls any naval or Marine Corps officer absent without leave for three months, or who has been convicted of any offense punishable by confinement in the penitentiary by the civil authorities, and prohibiting such officer's reappointment."

Mr. SWANSON. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

PAY OF RETIRED OFFICERS.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 3400) to regulate the pay of retired chief warrant officers and warrant officers on active duty.

Mr. SWANSON. I move that the Senate disagree to the amendments of the House and request a conference with the House on the bill and amendments, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the President pro tempore appointed Mr. TILLMAN, Mr. SWANSON, and Mr. LODGE conferees on the part of the Senate.

THE SHIPPING SITUATION.

Mr. McCUMBER. Mr. President, the Senator from Florida [Mr. FLETCHER] has just procured an order to have the speech of Mr. Hurley on the shipping situation published as a public document. At the time he made that request I suggested to him that there ought to be some explanation in connection with it.

I do not want to criticize the speech in the slightest degree. I will simply say that the speech does not show clearly just what we have accomplished in the matter of putting ships afloat. It does show that we have made contracts for over 8,000,000 deadweight tons of shipping, including the requisitioned vessels, and that we have proceeded 28 per cent toward their completion. Now, that does not convey very much real information to the average American citizen. I asked a member of the Committee on Commerce yesterday how many ships we had actually put into servicee, and that member informed me that we had actually put afloat two.

I notice in the headlines of the morning paper this statement, and I think we ought to have the explanation of it if we can get it. This headline reads:

One hundred and three new vessels now in service.
One hundred and eighty-eight launched, declares Shipping Board to Senate critics.

And this is the way the context under that heading reads:

Since the Shipping Board began its work 188 vessels have been launched, of which 103 have been completed and put into service.

I want to know whether those 103 represent the efforts of the Shipping Board in new construction or whether those 103 are really the commandeered or requisitioned vessels, the German vessels, which were already built. There is nothing in the article to show what it is.

Mr. NELSON. Mr. President——

Mr. McCUMBER. I yield to the Senator from Minnesota.

Mr. NELSON. I think nearly all the ships, with possibly two—it may be four by this time—exceptions, are ships that were commandeered or impressed into the service, and I do not think it includes the German ships. The Shipping Board did take over all ships that were under construction in our shipyards by foreign companies. They were mainly English and Norwegian ships. All those ships have been taken over and the increase in ships afloat comes from that source.

Two weeks ago it was admitted by a member of the Shipping Board that there were not over two that were completed of those that had been set out to be built by the Shipping Board. Since then probably there are two or three added. The bulk of those ships are commandeered ships or requisitioned ships started by the English and Norwegians.

Mr. McCUMBER. I thank the Senator.

Mr. STONE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from Missouri?

Mr. McCUMBER. Just let me finish my question, please.

Mr. STONE. Certainly.

Mr. McCUMBER. I understood, of course, that when we entered into this conflict there were a great many vessels being constructed in the United States for Great Britain and Norway, and possibly France and Italy, and that they were in different stages of completion. I understand, also, that we requisitioned all those vessels, and, of course, we appropriated for them and paid for them and they were completed. But what we are most interested in knowing is just what has been completed by the Shipping Board in addition to what was constructed or completed beforehand for private concerns. How many ships have the Shipping Board actually built and put afloat that are in use to-day? I now yield to the Senator from Missouri.

Mr. STONE. The Senator says he would like to know just what has been accomplished by the Shipping Board. On the day before yesterday I received through the mail, and I suppose all Senators have received it, a copy of a statement made by Mr. Hurley——

Mr. McCUMBER. That has just been ordered to be printed as a public document, and the Senator from Florida [Mr. FLETCHER] and myself discussed that a short time ago.

Mr. STONE. That was before I came in.

Mr. McCUMBER. Yes; that was before the Senator came in.

Mr. STONE. I thought, possibly, that if the Senator from North Dakota would examine this statement of the chairman of the Shipping Board organization he would get the information. I have gone over it somewhat hurriedly, because of other engagements as a member of the conference committee on the War Finance Corporation bill. I have read it so far as I could, but I suppose the information as to the achievements of the Shipping Board is fully set out in that document.

Mr. McCUMBER. As the Senator from Missouri has read the statement, will he tell me how many ships have actually been completed by the Shipping Board, according to the statement which has been made by Mr. Hurley?

Mr. STONE. I stated to the Senator that I had read it somewhat casually; but, so far as construction goes, seeing it as I did, Mr. Hurley gives a total tonnage of construction, separating that into two parts—that which had been completed under contract, which I take to be new construction, and that which had been in the way of perfecting, repairing, or preparing commandeered ships for service. He gives the tonnage of all of them, but I have not the statement before me.

Mr. McCUMBER. I think the Senator from Missouri has the same trouble that the Senator from Colorado [Mr. SHAFROTH] had yesterday, and which the public naturally will have from the use of the term "completed." I do not, from a closer analysis of the language used by Mr. Hurley, draw the conclusion

that anything has been completed. When you read the whole statement you find that he simply indicated that we had progressed 28 per cent toward the completion of the contracts entered into, including the requisitioned vessels.

Mr. STONE. Mr. President, my present purpose was merely to ask the Senator from North Dakota if he had examined this statement?

Mr. McCUMBER. I have examined it very carefully.

Mr. STONE. Then my inquiry was superfluous.

Mr. McCUMBER. I thank the Senator, however, for the suggestion.

Mr. FLETCHER. Mr. President——

Mr. McCUMBER. I yield to the Senator from Florida.

Mr. FLETCHER. Mr. President, the situation is this: A number of ships were on the stocks under construction when the Emergency Fleet Corporation was organized and began its work. Last August they proceeded to requisition those vessels which were on the stocks—vessels of neutral countries and of the allies that were contracted for—and the Emergency Fleet Corporation took them over. The Emergency Fleet Corporation, as soon as possible, as soon as it could get up designs and plans, proceeded to make contracts for the construction of vessels, really beginning with the construction of the yards in many instances, so that the number of shipyards in this country has increased, I believe, to 118, though there were but 37 existing at the time when the Emergency Fleet Corporation began its program. Now, we are building ships in 118 yards, and some of the old yards have been expanded, and those old yards are all being utilized, of course.

Out of the requisitioned vessels at that time which were taken over by the Emergency Fleet Corporation 188 have been launched. Of those, 103 are not yet completed; that is, the machinery is not in them; but it is being put in right along; but all of the machinery, the motive power, has not been supplied.

Mr. McCUMBER. Those were all ships that were requisitioned, as I understand?

Mr. FLETCHER. Those were requisitioned ships. Eighty-five of them have been completed. When they use the term "completed," it means they are not only launched, but they have been outfitted and equipped with machinery and are in the service.

Mr. McCUMBER. Certainly.

Mr. FLETCHER. So that there are 85 of those requisitioned ships in the service, and they have been completed, the Senator will understand, by the Emergency Fleet Corporation, because they took them over while they were under construction on the stocks in the yards.

Mr. McCUMBER. That is, they were completed by the companies which had the contracts to construct those ships?

Mr. FLETCHER. Precisely; but after the Emergency Fleet Corporation had taken them over.

Mr. McCUMBER. Well, the Shipping Board had nothing to do with that, except to say to the contractors, "Go ahead and finish these ships, and when they are completed we, instead of the original owners, will take them."

Mr. FLETCHER. That the Emergency Fleet Corporation instead of the original owners, would take the ships and would adjust the matter with the original owners.

Mr. OVERMAN. Mr. President——

Mr. FLETCHER. In addition to that, three of the ships which the Emergency Fleet Corporation designed, planned, and commenced from the very beginning, laid the keels and built the yards for them where necessary, are in the service; and I think only three up to this time that the Emergency Fleet Corporation undertook to build and made contracts for in the first instance and laid the keels for are now finished and in the service.

Mr. McCUMBER. Then the result of the efforts of the Shipping Board in ships actually completed and in the service, after nearly a year, has been three ships?

Mr. FLETCHER. Not only that——

Mr. McCUMBER. Of course, that is outside of those that they have requisitioned and is in addition to the preparatory work for manufacturing or building ships on a very large scale?

Mr. FLETCHER. Well, not only the preparatory work, but there are vessels being constructed in all these yards; 28 per cent of completion has been reached up to this time in the other vessels. We could not say that the completion of three ships comprises the sole work of the Emergency Fleet Corporation. That merely indicates how far they have progressed; but in every yard in the country there are ships under way and being built.

Mr. McCUMBER. In order that we may understand each other, let me say to the Senator from Florida that if we have progressed in one year 28 per cent toward completion, there is 72 per cent of work yet to be completed before the ships will be turned out. At that rate it might take two or three years longer before the actual ships are completed and put in the water.

Mr. OVERMAN. Mr. President, will the Senator from North Dakota let me ask the Senator from Florida a question?

Mr. FLETCHER. Let me answer the question of the Senator from North Dakota. I do not think what the Senator from North Dakota says follows at all, because in many instances they had to begin with the building of the yard itself. Now, that work is finished, the ways are in shape, and they can turn out the product much quicker. The contract, for instance, at Hog Island is to complete 120 ships within 22 months; and six months of that time has passed.

Mr. McCUMBER. Well, is not the work of building yards included in the 28 per cent of that completion?

Mr. FLETCHER. No; I think not; that is 28 per cent of the completion of the ships.

Mr. McCUMBER. The speech of Mr. Hurley does not make that clear.

Mr. OVERMAN. I want to ask the Senator from Florida a question, with the permission of the Senator from North Dakota.

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from North Carolina?

Mr. McCUMBER. I yield.

Mr. OVERMAN. I understand that a great many of these ships were requisitioned. Were all of the ships that were requisitioned completed, or were not many of them completed after being requisitioned? Were they not requisitioned during the process of construction?

Mr. FLETCHER. Oh, yes; out of these 288 most of them were requisitioned ships, but only 85 of them have been completed to date. That statement is quite true. There were altogether 393 vessels dead-weight tons requisitioned, which are not yet completed. The tonnage amounted to 2,771,933; those have not all yet been completed, but they are in the process of completion. There were altogether 393 vessels requisitioned.

Mr. McCUMBER. Now, Mr. President, that practically clears up some of the features of this situation. It appears now that we have completed of the requisitioned vessels, some of which were nearly completed at the time we entered into the war, about 85, and that, independent of this, the result of the Shipping Board's efforts has been, in addition to the construction of yards for the very much more rapid building of ships, to turn out three new ships, outside of the ships that have been requisitioned.

Mr. President, I think it ought to be stated right here and now that Mr. Hurley is doing everything possible to speed up ship construction. I think we have a man at the head of the Shipping Board now who has the energy and determination to put things through and to take some chances. I was gratified to read his speech, which, though it was not perfectly clear, at least showed that efforts are being put forth on a very large scale; but, Mr. President, the great trouble lies in the fact that we have not started on a large enough scale. We have a program which calls for the production of over 8,000,000 dead-weight tonnage, including requisitioned ships. I do not know when, under the contracts, this program is to be constructed, whether in 1918 or 1919. That means only a little over 4,500,000 tons gross, while the actual sinkings are about 500,000 tons a month. I wish that Senators and the American people would get that fact firmly established in their minds, but, while we propose to produce about 4,000,000 gross tons in the year, the present rate of sinkings is 500,000 tons in a month, or 6,000,000 tons in a year, at the least.

Now, as a matter of fact, the closer estimates will show that in all probability there will be lost by submarines, mines, and marine casualties in 1918 not less than 8,000,000 gross tons of shipping, and that Great Britain can not produce more than 2,000,000 gross tons. So if we produce 4,000,000 tons, making 6,000,000 in all, we would still be short two or three million tons at the end of the year—that much worse off than we are to-day.

The Senator from Iowa [Mr. KENYON], optimistic in his earnest patriotism, made this statement yesterday:

> I want to bear my testimony to the fact that we are doing tremendous work to end the submarine peril. The American Navy has cooperated with the British Navy, and is sending the submarines to the bottom about as fast as the enemy can make them, and our Navy has done great work.

That may be all true; I do not know whether it is or not. I read headlines in the papers each day showing that one or two or three submarines have been sunk, but when I read the context it merely indicates a suspicion that possibly they might have been sunk. Here, however, is the answer to the view of the Senator from Iowa. The answer was given the same day that he made the utterance; and it comes from the British report of losses for the preceding week. The British report of

U-boat sinkings for the previous week shows that the number of merchantmen sunk was 28. Prior to that time the average was about 18; last week it was 28. Of those 28 vessels 16 were above 1,600 tons; 12 were below that tonnage; and they did not take into account a fishing vessel, which would make 29. During the same week—I think it was the same week, it comes within a week's report of U-boat losses—the Italian losses were: Steamers more than 1,500 tons, 3; sailing vessels over 100 tons, 2; sailing vessels under 100 tons, 3. That makes a loss of 8 for the Italians. The French shipping losses for the same week were 6, making altogether a total loss of 43 vessels. That is what the U-boats are doing, notwithstanding the fact that we have said we are destroying them as rapidly as they are being built. If they can continue at that rate—and we certainly must look at it from the most disastrous side—if they can continue at that rate, or anything like that rate, we are going to be three or four million tons worse off on January 1, 1919, than we were on January 1, 1918.

This is why I appeal to the Shipping Board not merely to be satisfied to produce 4,000,000 tons within the next year, but to extend, if possible, their efforts with the concrete ship, which I now believe has been established to be practically safe, and increase the tonnage by another four or five million tons in 1918. I believe that it can be done. We ought to approach this shipping situation with a determination to produce at least twice as much shipping in 1918 and 1919 as is now the program of the Shipping Board.

Mr. MARTIN and Mr. NELSON addressed the Chair.

The PRESIDENT pro tempore. The Senator from Virginia.

Mr. MARTIN. I ask for the regular order.

The PRESIDENT pro tempore. The regular order is called for.

Mr. NELSON. Mr. President, I ask the indulgence of the Senate for a moment to reply to the statements made by the Senator from North Dakota [Mr. MCCUMBER]. He takes a one-sided and partial view that makes the situation unnecessarily gloomy. The mere building of new ships or replacing lost ships does not reach the evil. Every time there is a ship sunk there goes down with it a cargo of supplies, food, and munitions that we send across the water. So the mere building of new ships and putting them afloat does not cure the evil.

I want to say to the Senator from North Dakota that the energy of the Government, through the Navy Department, is devoted to the purpose of building as many torpedo-boat destroyers as possible, and, to my mind, our chief remedy must come from that source. We want to stop these sinkings in order that our supplies may not find a place on the bottom of the sea, and our Navy Department is engaged now in building as rapidly as possible all kinds of torpedo-boat destroyers. We have an American admiral over there in command of the territory in the Irish Sea, where submarines seem to be very numerous, who has charge of that work. He has done good work, and many submarines have been sunk, and the peril is diminishing day by day. Instead of running into fads and urging us to build cement boats, which are simply in an experimental state, I think it is better to devote our energy to building torpedo-boat destroyers and stop the sinking of the vessels.

Merely replacing a vessel sunk with a new vessel does not cure the evil, because every time a ship is sunk the freight of that ship—the food, the munitions, the men in it—all go down to the bottom of the sea, and we lose not only the ships but all its valuable cargo. So I say that with us the greatest energy should be devoted to extinguishing the submarines and preventing their carrying on their campaign with the success with which it is now attended.

I can not see anything in going into this fad of cement ships. They are, as I have said, in an experimental state. A few small ships, two or three, have been built in Norway and two or three in Denmark—very small ships of two, three, or four hundred tons. They have not been tried at sea. We know in this emergency that ships built of iron and steel in the United States, if they are properly built, will be a success and seaworthy. We know that, and for the time being we ought to devote our energy to building ships of that kind instead of chasing false ideals and going into the realm of cement ships.

Ever since that matter came up—and I have ventured to oppose it—I have been getting letters from the cement manufacturers of the country calling my attention to the wicked stand I am taking in opposing the construction of cement ships. Why, the manufacturers of cement ships and the men who have been in the cement industry and engaged in erecting cement works are on the rampage. They want the Government to go into the building of cement ships because they want to keep their industry alive during the war. It is another way of reaching for Uncle Sam's pocket.

I do not find fault with the Senator from North Dakota for his stand in the matter. We are all liable to be hypnotized by some of these fads. I have been subject to them, and I can readily see how my good friend from North Dakota can be caught in the mesh. But let us in this emergency, for God's sake, Mr. President, exhibit American or English or Anglo-Saxon sanity, and let us put our great effort into building ships and inventing appliances that will extinguish the submarines. That is more important than merely building new ships.

Mr. MCCUMBER. Mr. President——

Mr. CHAMBERLAIN. Mr. President, I am going to ask for the regular order. As much as I dislike to interrupt the discussion that is going on, there are one or two war measures that ought to be disposed of, and from present indications it is going to take a good while to do it.

I therefore ask for the regular order.

Mr. MCCUMBER. Mr. President, it is probably true that the Senator can do this, but he will not gain anything by taking up any order, because I intend to answer the Senator from Minnesota, and I intend to answer him whether another matter is brought up or not. The Senator can do just as he likes with reference to raising a point of order and bringing up any matter before the Senate.

Mr. CHAMBERLAIN. Mr. President, if the Senator will permit me to interrupt him, I have no desire at all to stop this discussion; but I have been trying for two days in the morning hour to bring up this joint resolution for drafting young men who attain the age of 21 years, and it is very essential that that be done at some time. I do hope the Senator will feel that I am not undertaking to shut off any discussion.

Mr. MCCUMBER. Mr. President, it is very essential; I agree with the Senator; but I want to tell the Senator that it is far more essential that we have ships to take those boys over there after we have included them in the draft, that we have ships to take over ammunition and food for them, and that we supply them with guns and ammunition. The greatest mistake that we made in this war was that we ignored the shipping situation at the beginning of the war, and gave our energies toward the building up of a mighty Army; and at the end of one year the Secretary of War informs us that he has 1,500,000 men that he can put into the field, but he has not any ships, and he does not know where he is going to get them. That situation ought not to continue any longer if it is possible to prevent it; and that ought to lead us to the conclusion that we ought to take up the shipping situation, that we ought to press that beyond and before anything else that is under consideration by the Senate.

Mr. President, I agree with the Senator from Minnesota that we should build torpedo-boat destroyers; but Heaven knows that we should not cease building other ships to supply the ravages caused by the submarine. We are building torpedo-boat destroyers just as rapidly as we can, but they are not accomplishing the result; and we ought to build them upon a greater scale, if they can do anything, and at the same time we ought to increase the number of ships that will supply the ravages of the submarine. Both should be working together, and not one laid aside while the other is put in operation.

It is undoubtedly true that those who produce cement would be pleased to have a greater market for their product, but how does that detract from the merits of concrete ships? Do not the producers of steel and of lumber also want to sell their products? The only question is, Does the reinforced-concrete ship offer the opportunity to immensely increase our tonnage output in the immediate future—in 1918? If it offers that opportunity, we should grasp it with alacrity and enthusiasm; and the fact that it opens up a greater market for concrete ought not to influence the Senator or anyone else.

Mr. President, it was not my intention to speak of concrete ships only as a field wherein we could reach to supply the deficiency between the present construction of steel and wooden ships as compared with the present destruction of wooden and steel ships. That offers us a field of supply. When the Senator says that it has not been tried, that those who advocate it are hypnotized, let me say to the Senator that private enterprise has just floated in San Francisco a new concrete ship. Private individuals have put their money into it. Engineers testify that they know of no reason on earth why concrete ships should not be a success. The Lloyds have passed judgment upon them, as I understand, and made them insurable. Now, I do not need very much further testimony than that of the Lloyds, than that of shipbuilders, than that of engineers, all agreeing; and, Mr. President, even though it is possible that there may possibly be some unknown, undiscovered defect in concrete ships, we have reached a situation to-day in which we have got to take chances, and we can afford to take long chances. If we build the yards, the ways, for the construction of cement ships, we have not lost them. They are ready there to be used for the construction

of steel ships. We have lost nothing. It is worth twenty-five or forty or fifty million dollars to the United States to make the test, and make it right away. The chances are 9 out of 10 that it will be a complete success. The situation is so grave, the demand for ships is so great, that the Government should not fail to take the chance and to proceed with this construction, which promises to solve the question, promises to fill the gap caused by the submarine ravages, promises us the ships to transport our soldiers and our munitions.

Mr. CHAMBERLAIN. Mr. President——

Mr. FLETCHER. Mr. President, if the Senator will pardon me, let me say just a word in this connection. I will take only a minute.

Of course, the Senator will understand that the Shipping Board is fully investigating the possibilities of concrete ships. That matter has been explained over and over again. It may be possible that that means or method or plan will be developed so that we can have ships quicker, faster, more adequately than we would otherwise get them. At any rate, there are three ships being built now by the Emergency Fleet Corporation of the concrete type by way of determining whether or not it is feasible and practicable to pursue the development in that direction. I do not believe there is any field of operation that is not being thoroughly considered and worked out by the Emergency Fleet Corporation, with a view of supplying ships in sufficient quantity to meet the emergency.

Mr. President, I will say to the Senator that his estimate is rather below that of those who are thoroughly posted as to what is going on in this country and in other countries regarding construction keeping up with destruction. Assuming that the destruction will continue about as it has been in the past year, we ought to have reached by August of this year the point when construction will equal destruction, and then after that we ought to pass rapidly beyond it. That is the estimate at this time—that by the coming August we will be building ships as fast as they are being sunk.

Mr. JONES of Washington. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Washington?

Mr. FLETCHER. Yes.

Mr. JONES of Washington. I call the Senator's attention to the fact that he is mistaken about the year. It is August, 1919.

Mr. FLETCHER. I wish the Senator would see the letter which I have, in which Mr. Piez corrects that statement. I have it on the desk now.

Mr. JONES of Washington. Of course, I have not seen that. I am just taking the statement made by Mr. Piez to the committee and the chart that he submitted.

Mr. FLETCHER. The Senator is right; that was the statement; but I have a letter now—and I will show it to the Senator—a letter just recently received, in which he corrects that statement and places it in this year—August, 1918.

Mr. JONES of Washington. Does he give the basis for the correction?

Mr. FLETCHER. I am not sure that he gives details, but he desires to correct the former statement.

Mr. JONES of Washington. He ought to give the details, because his chart seemed to be carefully prepared.

Mr. McCUMBER. Let me see if I understand the Senator. It is not always clear to state that one will equal another at a certain time. Does the Senator mean that in the month of August, 1918, there will be as many ships put afloat, ready to go on their journeys across the ocean, as will in all probability be sunk in the month of August, 1918?

Mr. FLETCHER. Yes; precisely.

Mr. McCUMBER. The Senator has a big disappointment coming to him, then; and when August comes I want the Senator to remember what I say now.

Mr. FLETCHER. Very well. I do not know that I quite understood the Senator's question. My statement is that by August of this year construction will equal destruction, not exclusively in our yards, but in all the yards that are building ships that can be used and that will be used for our benefit.

Mr. McCUMBER. Of course, if that means anything, it means that during the month of August, 1918, we will put into commission as many tons of shipping as will go down to the bottom of the ocean in August, 1918.

Mr. FLETCHER. Yes; I think that is true. I think that point will be reached. But, Mr. President, I want to say this, as long as this question has been raised, and I think it fair to say it just now:

The criticism regarding the lack of ships and the endeavor to fix upon the Shipping Board or the administration or those people who have that enterprise in hand the responsibility for neglecting or failing to do that which was of vital importance to this country and to the world in this crisis, it seems to me, comes rather in poor grace from gentlemen who three and a half years ago on this floor engaged in the most stupendous filibuster in the whole history of the Senate against a bill to establish a Shipping Board and to begin the building of an American merchant marine.

In December, 1914, I had the honor to report a bill providing for the foundation, at least, upon which we could construct an American mercantile marine. That bill was debated here almost continuously until the latter part of February, right up to the time when, by operation of law, that session of Congress had to come to an end. One session of the Senate during that debate lasted continuously, without recess, without adjournment, without interruption, for 65 hours. The most laborious effort that men ever exerted in this body was put forth in order that we might have ships to-day; and yet it was determinedly fought, day in and day out and night in and night out, by Senators on the other side, who now criticize these conditions and seek to fasten blame upon people for not having ships with which to carry on this war.

The senior Senator from Massachusetts [Mr. LODGE], who labored so earnestly to blame, in a way, people who are now engaged in this work for not having ships, was one of the leaders in that opposition, and other Senators I might mention, without reference to the Senator from North Dakota, who voted against the motion to table the motion that was made to recommit that bill. The Senator from Nebraska [Mr. HITCHCOCK] also voted against it. Other Senators on that side—the Senator from Washington among them—also voted against it.

The yeas and nays had been ordered on the bill. I had the bill in charge, because the chairman of the committee was opposed to the legislation. The chairman of the committee arose here and made a motion to recommit that bill. A motion was made by the Senator from Missouri [Mr. STONE] to lay that motion on the table. The yeas and nays were ordered on that motion. If the motion to recommit was carried, it meant the death of the measure. If the motion to recommit was defeated, it meant that we would have had a vote upon the bill and the bill would have passed, probably by 1 vote. The motion to lay on the table the motion to recommit the bill was lost on a vote of 42 to 44—42 for the motion and 44 against it.

Mr. WARREN. Mr. President, will the Senator yield for a question?

Mr. FLETCHER. I will.

Mr. WARREN. The Senator should be generous enough to say that that was hardly a partisan outcome, as Senators on both sides of the Chamber voted together.

Mr. FLETCHER. I realize that. The RECORD of February 1, 1915, is here before me, and I know precisely what the vote was. The motion was lost by a vote of 42 to 44. Of course, some Democrats joined the Senators on the other side, otherwise it would not have been lost.

Mr. McCUMBER. Mr. President——

Mr. FLETCHER. But I am saying now that a great deal would have been accomplished in the way of furnishing ships if we had passed that legislation—if we had done at that time what was urged then. I am mentioning it largely because I want to assure the Senator from North Dakota, who is pleading for ships now, that I can refer him to the RECORD to show that he can have no more earnest and sincere advocate of ships than the chairman of the Commerce Committee to-day. We could have had by this time 10,000,000 tons of shipping. I took that position three and a half years ago and have held it ever since.

It has been my one plea in this body to let us get busy and lay the foundation for building an American merchant marine. At that time—in 1914—I did not see, of course, and I do not claim to have foreseen, this world disaster, but the commercial conditions were perfectly plain. We needed the ships to carry on our foreign trade, to do our export and import business. The rates of freight were going up from 10 per cent to 1,000 per cent. Our commerce was being burdened by reason of the high rates that were being charged. It was perfectly plain that if we were to maintain ourselves upon any plane of prosperity as a manufacturing, producing, and commercial country we must have our own ships. We were precisely in the position of a merchant on one corner doing business, who was dependent upon his competitor in business across the street to deliver his goods. From that standpoint it was perfectly plain that the Government must undertake to build ships, because private enterprise for 50 years, encouraged, nursed, and helped as it had been, had failed us utterly in that extremity, and we must go into that business.

But later on, when the war burst forth, when the thunderbolts were let loose in a deadly assault upon the democracy of the world, it became plain that in that situation we had to have ships, because the foreign shipowners upon whom we had been depending were not in a position to serve us. Between 1914 and 1916—in August, we will say, of those years—Great Britain had taken out of commission as merchant ships 12,000,000 tons. The world's tonnage in 1914 was about 45,000,000 tons. Of that, Great Britain had about 21,000,000. Between August, 1914, and August, 1916, Great Britain's mercantile tonnage had shrunk to 12,000,000 tons. Her tonnage had decreased 9,000,000 tons up to that time—not all lost, because a good many of her ships had been requisitioned for war purposes, for hospitals, for transports, and for other things. At any rate they were taken off the ocean, so far as commerce was concerned. So in September, 1916, Congress began to see that situation and finally passed the present law; but a great many of those who opposed the bill in 1914 still continued their opposition in 1916, and it was after a severe struggle that we were able to get the legislation under which we are working to-day and which constitutes the sheet anchor of our hopes in this great struggle.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Florida yield to the Senator from North Dakota?

Mr. FLETCHER. I yield.

Mr. McCUMBER. The Senator has truly stated what the record shows, but the Senator has failed to state what the record did not fully disclose and that which governed the vote upon that proposition at that time. It was well understood, well believed, at least, by a great many Senators that a propaganda at that time was attempting to foist upon this Government the German ships that had been interned in our ports. We did not intend to let any propaganda get an option on them and sell them to the Government; and while that matter was under discussion, as I remember, two attempts were made to so amend the bill that it would prevent our purchase of those German ships. We did not need to purchase them. We have gotten them to-day without purchase, and the vote that really decided the question was that vote, which was influenced entirely by the question whether or not we should authorize the Government to buy those interned German vessels. The majority of the Senate refused to do that. If that had been cut out, if we had a bill even at that time saying that you shall proceed to construct new vessels and not buy vessels that we already owned, I think there would have been little difficulty.

Mr. REED. May I ask the Senator——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Missouri?

Mr. FLETCHER. I do.

Mr. REED. I desire the privilege of asking the Senator from North Dakota whether, if we had bought those German ships and had paid for those German ships at that time, and obtained a delivery of them with a free, clear title, without any complications with England—and, of course, it goes without saying they would not have been purchased if there had been complications—if the ships would not have paid for themselves four or five times over before the time arrived when we actually did seize them?

Mr. McCUMBER. Mr. President, I can not tell how many times the ships would have paid for themselves, because I do not know what the exorbitant price would be which would be charged to the Government for them. We had the ships. It was not necessary for us to purchase them.

Mr. REED. If the Senator from Florida will pardon me, we did not have the ships. We did not have any legal right to seize them. If we had seized them at that time it would have been an act of war. It would have been an act almost equivalent to piracy to have taken those ships. We had no right on earth to them. The right we finally got to those ships was the right we acquired as a belligerent after the war had arisen between us and Germany.

Mr. SMOOT. Will the Senator yield?

Mr. FLETCHER. Yes.

Mr. SMOOT. There is not a Senator who took any part in the debate who does not know that England protested against the Government of the United States buying those German ships, and that France protested against the purchase of them by the United States Government. It will be found in the RECORD, and everybody understood it at the time.

Mr. REED. That is a different question from the one I am discussing.

Mr. FLETCHER. Mr. President, in reference to the mere question as to what it would have been worth to us if we had purchased the ships, upon the basis of freight to-day those ships would have earned $5,000,000 every month. Five million dollars a month is what they would have earned in freight alone. But, Mr. President, outside of that I will state to the Senator from Utah, his statement with regard to the protest of France and Great Britain is altogether new to me. I never heard of it. I am quite clear that both England and France would have been perfectly willing for us to acquire German or any other ships. It was wholly unnecessary to obtain any expression from them, because we could not have bought the German ships if we had wanted to buy them. That testimony is before a committee of the Senate. If the Senator from Montana [Mr. WALSH] were on the floor, he was chairman of the special committee, and he could state that the agent in New York of the Hamburg-American Line came here to Washington and testified before that committee that his Government had forbidden the sale of those ships to any power or any country or any person, and that they could not be bought under any circumstances. That evidence was before the Senate.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from New Hampshire?

Mr. FLETCHER. Yes.

Mr. GALLINGER. If that is so then it is idle to talk about it and to talk about the great advantage it would have been to this Government.

Mr. FLETCHER. Certainly it is, and I am merely reinforcing what the Senator from Missouri suggested in answer to the objection of the Senator from North Dakota to the purchase of them. As a business proposition it would have paid us to do it if we could have done it, but I said in the outset it is idle to talk about it, because we could not have purchased or chartered the German ships, and that was known and opposing the bill because of such a fear was a mere pretense and an excuse, permit me to say to the gentlemen on the other side, urged at that time against that bill, because they had not any sort of evidence that it was possible for the Government to buy those ships.

Mr. GALLINGER. If it was a pretense and excuse on this side, it must have been a pretense and excuse on the part of some Senators on the other side also. But the Senator from Missouri predicated his argument upon the ground that we ought to have taken the ships and they would have paid for themselves over and over again. The Senator from Florida says we could not have gotten them, because Germany would not have sold them.

Mr. FLETCHER. We certainly could not have gotten them. That is absolutely true, and they swore before a committee of this body that they would not sell them; that their Government had forbidden the transfer of the ships.

Mr. GALLINGER. That disposes, then, of that question absolutely.

Mr. FLETCHER. Certainly; that is what I have always said, that there was nothing in that claim whatever, because it was out of our power to get them even if we wanted to get them. But nobody expected to buy them, so far as I know. I was unwilling, as far as I was concerned, having charge of the bill at that time, to strike out of the bill all authority to purchase ships, because I did not know where we might have the opportunity to get ships, without any regard to the German ships.

Mr. GALLINGER. If I remember the history of that contest, an amendment was offered on this side to exclude the purchase of those ships, and it was voted down by Democratic Senators.

SENATOR GALLINGER'S EIGHTY-FIRST BIRTHDAY.

Mr. THOMAS. Mr. President, the presence of the Senator from New Hampshire at this time reminds me that this is his eighty-first birthday. He is the oldest Member of this body not only in point of years, which he bears so well and so gracefully, but the oldest in point of service, and he is also the most lovable of all the Members of the Senate. I wish to break in upon this storm of discussion for a brief moment to speak in the name of my brethren on this side of the Chamber and say that we all congratulate the Senator that he has arrived at that stage of life's journey when—

> Age o'er his brow has wrinkles flung,
> But his heart, his heart is ever young.

We, his colleagues, extend to him our congratulations, coupled with the earnest hope that he may be for many years spared to his family, his friends, the Senate of the United States, and to his country.

Mr. GALLINGER. Mr. President, will the Senator from Florida yield?

Mr. FLETCHER. Certainly.

Mr. GALLINGER. Mr. President, had I known that my good friend, the Senator from Colorado [Mr. THOMAS], had in mind to say a word that touches my heart very deeply I certainly

would not have engaged in the debate that was taking place when I entered the Chamber. It has been said that there are times when the tongue of man can not speak what the heart feels, and certainly this is to me an occasion of that kind.

If I can make myself believe, Mr. President, that I have the undivided respect and affection of the membership of this great body, and particularly the Members of the Democratic side of this Chamber, with whom I so often differ in debate, it is the highest possible reward that I could ask for a long service and for what I have endeavored to make a useful service.

I have had no controversy during the 27 years of my membership in the Senate with any Senator that lasted overnight. I have an affection for every Member of this body, and whether I shall be here a long or a short period in the future I trust that when the time comes for me to leave this body I shall leave it with the regard that the Senator from Colorado assures me I have to-day.

I thank the Senator from Colorado for his exceedingly kind and generous words. I thank the membership of the Senate for the many assurances that I have had from time to time of their good will. I certainly shall endeavor in the future, as I have in the past, to treat every Member of this great legislative body as I should wish to be treated myself, with a view of having their respect and affection, and with the hope that it may be merited on my part.

Mr. KNOX. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Pennsylvania?

Mr. FLETCHER. Certainly.

Mr. KNOX. Mr. President, I hope it will not be considered presumptuous upon my part to assume to speak for this side of the Chamber under these circumstances.

The Senator from New Hampshire has most gracefully and feelingly expressed his high appreciation of the courtesy of the other side of the Chamber. I hope it is not amiss, Mr. President, for me, speaking for my fellow Republican Members of this Chamber, to say that we also deeply appreciate the courtesy, the breadth, and the kindness that inspired the sentiments expressed by the Senator from Colorado [Mr. THOMAS], and that we wish to add an humble word to the expression of sympathy and the expression of appreciation which the beneficiary of your kindly act has just uttered.

Mr. FLETCHER. Mr. President, I did not, of course, anticipate the interruption of the discussion. It has taken such a turn that I shall not longer continue it. I think perhaps the main object of my rising at the time has been accomplished anyhow. I simply want to conclude by joining the Senator from Colorado in his remarks and in expressing with him the sentiments which he has better uttered than I could with reference to the senior Senator from New Hampshire, our friend upon the other side.

I have no animosities in this Chamber that I know of. On this side and the other my friendship extends individually and collectively to every Member. When I first came to the Senate it was my privilege to become closely acquainted with the senior Senator from New Hampshire. I served with him on various committees, and he does me the honor to pair with me in a general way, and it has been a source of very great delight and very great pleasure always to be engaged with him in the work which devolves upon us here.

Speaking with reference to all on the other side, I appreciate all their manifestations of courtesy and their cooperation, but I am sure my friends will excuse me when I say, with the best wishes for long life and continued health, our felicitations are extended now to "the noblest Roman of them all."

Mr. REED. Mr. President, I join in the congratulations and expressions of good will so fittingly presented by the Senator from Colorado [Mr. THOMAS] and by the other Senators who have just spoken. In the excitement of debate and in the stress of political battle we say many things which afterwards are the occasion of regret. We gain prejudices of which we afterwards are sometimes ashamed. No man who amounts to anything in this world fails to arouse antagonisms. The man who counts must give and take blows. The Senator from New Hampshire is possessed of that high spirit which compels him to contend for the cause in which he is enlisted regardless of his personal fortunes. Always he has fought with a high degree of chivalry; nevertheless he has not escaped unjust and sometimes bitter criticism. Such is the fate of all who in the public forum play the part of men. On the occasion of this his eighty-first birthday I desire to say that while I seldom agree upon matters of policy with the Senator from New Hampshire, I nevertheless always have believed he has been inspired by a high order of patriotism and guided by unsullied honesty.

The reason we differ is simply because we are of different schools of thought. That, indeed, is, after all, the sole reason for the differences between the two sides of this Chamber.

There ought therefore to be no rancor or personal feeling in this body. I hope it will not often appear to disturb our counsels. In concluding what I have to say let me join in the hope that many more years of useful service to his country lie ahead of the distinguished Senator from New Hampshire, and that when his services end, as all men's service must end some day, I am sure no honest man will ever say a word in any manner reflecting upon the honor, sincerity, or patriotism of JACOB H. GALLINGER, of New Hampshire.

Passing from that, I desire to say a word with reference to the controversy of yesterday, and I think it is a very appropriate time to say that word. I shall say it very briefly.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Massachusetts?

Mr. LODGE. Will the Senator yield to me for just a moment in connection with what he has just said?

Mr. REED. What I have to say will be said in two or three or a half dozen sentences, and then I will yield the floor to the Senator from Massachusetts.

Mr. LODGE. I only want to say a word in connection with what the Senator from Missouri has so appropriately and well said in regard to our colleague from New Hampshire. I did not want to allow the occasion to pass without a word from me, because I have served with him longer than has anyone else in the Senate.

Mr. REED. I gladly yield to the Senator from Massachusetts.

Mr. LODGE. Mr. President, Senator GALLINGER is the only Senator now in the Senate who was here when I entered it. We had previously been in the House of Representatives together. Our friendship is one that covers many years. It has been an unbroken friendship, and has grown stronger with every year that has passed.

We have here our differences of party principles, but this day, as we congratulate him on his reaching the age of 81 in such splendid condition, both mentally and physically, we think of him as a man and a friend, and there is nothing to exceed his devotion to the public through all these years. Whether the service was conspicuous or inconspicuous, it was for the public good. He has never spared himself. His honesty, his strength of conviction, his high character are known to all men.

I am not going to enter into a protracted eulogy of him. I only want to tell him what he knows without my saying it in public, that the affection I feel for him would not be satisfied if I did not express here, in the presence of all, my sense of his great public service and the value that his loyal friendship through all these years has been to me.

Mr. MYERS. Mr. President, very merited tributes have been justly paid to the ability and patriotism of the distinguished Senator from New Hampshire [Mr. GALLINGER]. I merely wish to express in a word my appreciation of the uniform courtesy which has always governed his every action and association in this body, and to say that it has been highly appreciated by me and shall ever be most kindly remembered.

Mr. SMITH of Arizona. Mr. President, the people of the western part of our country and I, in common with them, have peculiar reasons to feel a great tenderness toward the Senator from New Hampshire [Mr. GALLINGER] and to congratulate ourselves on his presence in the Senate of the United States.

The breadth of statesmanship displayed by him has been peculiar to himself, when his surroundings are considered. In all the fights for statehood which have been waged by the Western Territories, Senator GALLINGER, of New Hampshire, has always stood the champion of the Western people; and for the State of Arizona I desire to express here publicly its thanks to him for the warm, broad-minded, considerate manner in which he has constantly treated the ambitions of that struggling people.

Personally I know of no man in the Senate who is more deservedly popular than is the Senator from New Hampshire; and when that end shall come to us, which must come to all, I pray God for each and every one of us that we may lay down our burdens as unsullied, as unstained, and with hands as clean, as will the Senator from New Hampshire when he shall have appeared for the last time among us.

Mr. WILLIAMS. Mr. President, I have served now for nearly a quarter of a century as a national Federal legislator in one body or the other. The service of the Senator from New Hampshire [Mr. GALLINGER] has been synchronous with mine and preceding it. I never knew him to be even accidentally right upon any question of purely partisan politics. Somehow or other, even if an accident could intervene to persuade him

from a provincial or sectional standpoint to vote right incidentally, while he was wrong from my standpoint generally, he never availed himself of it.

I have never known a sweeter person, a man who was more of a real man, honest, true, faithful, and brave in the entertainment and expression of opinion than the Senator from New Hampshire. When a partially reconstructed rebel can say that about a down-east Yankee, that ought to go pretty far.

I have served with him on committees, I have served with him in this body, and I have never yet seen the day, as far apart as he and I were and are politically, when a statement of his about a matter of fact did not carry with me absolute verity, not verisimilitude, as statements of that sort coming from Representatives and Senators generally do, but absolute verity. I would no more doubt his word, I would no more doubt his integrity, intellectual or moral, than I would doubt my own.

It is a matter of great consequence to be able to say upon the eighty-first birthday of a "standpat," partisan Republican, notwithstanding all the outside uplifting and progressiveness of the universe, that nobody representing any faction of any party can bring forward a man who has been braver and truer and more honest from his standpoint—I started to say than Senator GALLINGER, but I will say than Dr. GALLINGER, because I believe he prefers to be called "doctor."

When I look back over all the long legislation for the improvement of the sanitary conditions of the District of Columbia and the efforts of the Senator from New Hampshire as a member of the District Committee and other committees dealing with those matters, when I see how great an improvement there has been since a quarter of a century ago, when I first came here, and when I remember that most of it has come about by his initiative, I think that the whole people of the United States owe it to themselves to render God thanks—not him—that he has reached his eighty-first birthday.

Of course I know the Senator from New Hampshire well enough to know that if he could have escaped this occasion, he would have done so; but, under the providence of God, he can not escape it; he just had to live this long; God decreed it years ago.

Mr. President, my temperament is such that I either love men or hate them; nobody is indifferent to me. I hate men when I hate them because I think they are untrue, I think they are insincere, I think that they camouflage; and I love men when I love them because I think they are true and do not camouflage and are not insincere. I love an open enemy who fights me to the hilt of the dagger very much more than I love a fellow with velvet gloves who seeks an aperture under my fifth rib without advising me beforehand that he is going to seek it. I think that Senator GALLINGER falls within the lines of the people whom I love, and whom I have a right to love and do love, because they are honest and because I try to be honest.

WAR-RISK INSURANCE—CONFERENCE REPORT.

Mr. SMITH of Georgia. On behalf of the committee of conference I submit to the Senate a report of the conferees on the disagreeing votes of the two Houses on the amendments of the House to Senate joint resolution 133.

The PRESIDENT pro tempore. The Senator from Georgia submits a conference report, which will be read.

The Secretary read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department" approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

JOHN SHARP WILLIAMS,
HOKE SMITH,
REED SMOOT,
Managers on the part of the Senate.

T. W. SIMS,
SAM RAYBURN,
A. E. WINSLOW,
Managers on the part of the House.

Mr. SMITH of Georgia. I will inquire if the Senate has been informed as to whether the House has taken action on the report?

The PRESIDENT pro tempore. The Chair is informed that there has been no message as yet from the House of Representatives regarding the conference report.

Mr. SMITH of Georgia. In connection with presenting this report I desire to withdraw the separate report made on yesterday by the Senate conferees. On yesterday, for the Senate conferees alone, I presented a statement that we had conceded all the House amendments in conference, and that therefore no conference report was necessary, we having yielded entirely to the House. We came in the Senate and asked that the Senate recede from its disagreement and concur in the House amendments. There was some discussion upon the subject; and while I still entertain the view that either plan is entirely satisfactory, I myself from the first preferred the plan of a formal report from the conferees. Since I presented the action of the Senate conferees the conferees have met and have agreed upon a joint report that has gone to the House, and I present it now to the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the conference report submitted by the Senator from Georgia.

Mr. SMITH of Georgia. No; the conference report must be acted upon by the other House first.

The PRESIDENT pro tempore. That was the Chair's first understanding, but the Secretary informed the Chair that the Senator from Georgia had presented a conference report.

Mr. SMITH of Georgia. I merely send it to the desk and ask to withdraw the formal resolution which I offered yesterday, as the conferees have agreed in giving this direction to the matter and submit a formal conference report.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Georgia is granted. The Chair hears no objection, and the conference report will lie on the table for the present.

SENATORIAL ELECTION IN WISCONSIN.

Mr. WILLIAMS. Mr. President, I wish, without taking up the time of the Senate by requesting that the Secretary read it at the desk, to request, in lieu of that, that there be printed in the RECORD as a part of my remarks an editorial appearing in the Milwaukee Journal entitled "Ask LENROOT to withdraw. Republican organs in State ask union on Davies. Leading German-language organ of Milwaukee among G. O. P. papers"—"G. O. P." means the good old party—"now supporting President's choice."

I also ask to have inserted in the RECORD an article appearing in the same paper on March 25 entitled "Duty of LENROOT. Indiana Republican organ says it is to withdraw."

The PRESIDENT pro tempore. Is there objection?

Mr. SMOOT. Mr. President, I think this is absolutely unnecessary, and I object.

The PRESIDENT pro tempore. The Senator from Mississippi has not concluded.

Mr. WILLIAMS. I also ask that there be inserted in the RECORD, appearing upon page 3 of the same paper, an article entitled "Why LENROOT is unavailable. Chicago Republican paper calls Chairman West's bluff. Chance Wisconsin would take with LENROOT as Senator. Chairman West passes the lie, and now it is up to him to show who is telling a lie."

I ask that, upon the second column of that same paper, there be printed a communication of Chairman West denying certain charges against Mr. LENROOT, so that both sides of the controversy may appear in parallel columns in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi?

Mr. SMOOT. Mr. President, I object, and I ask for the regular order.

The PRESIDENT pro tempore. Objection is made by the Senator from Utah to the request of the Senator from Mississippi.

Mr. WILLIAMS. Very well. Hand it to me, then, and I will stand here in my place and read it all. It will take about three hours.

Mr. SMOOT. Mr. President, I demand the regular order.

The PRESIDENT pro tempore. The Senator from Utah demands the regular order. We are still in the morning business, and reports of committees only are in order at the present time.

Mr. WILLIAMS. Mr. President, I do not know any rule of this body that forbids a Senator who has acquired the recognition of the Chair from talking as long as he pleases upon any subject.

Mr. SMOOT. I call for the regular order.

Mr. WILLIAMS. I shall therefore proceed to talk, and talk upon this particular subject, by reading these articles.

Mr. KENYON. Regular order!

Mr. SMOOT. Regular order, Mr. President!

The PRESIDENT pro tempore. The regular order is called for, and in the morning hour the Chair thinks that the regular order, being demanded, must be followed.

Mr. WILLIAMS. I understand that, but I am within the regular order. I am now talking about the regular order, and I am going to continue to talk about the regular order. I do not know of any rule of this body—I have tried to find a rule very many times—that could shut a Senator off from talking when he wanted to talk. I think it would be very valuable if the Chair could find a rule of that sort, but I have never discovered it, and I do not think there is any rule of that sort; and if I am to be made a martyr in order that a rule of that sort may be established I shall be very glad of it.

Mr. SMOOT. Regular order!

Mr. KENYON. Regular order!

Mr. WILLIAMS. Now, Mr. President, having addressed myself to the Chair and having been recognized, I shall proceed.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. The Chair is compelled to rule that the Senator from Mississippi is not in order. There is nothing before the Senate at the present time. There is no report of a committee before the Senate, which is the regular order; and the regular order is that prescribed in the procedure for the morning hour.

Mr. WILLIAMS. Do I understand that the Chair has finally ruled that there is some limitation to a Senator's right to talk; because, if that is true, I shall be very glad of it.

The PRESIDENT pro tempore. The present occupant of the chair will make that ruling during the morning hour.

Mr. WILLIAMS. Very well. I am doubly glad that the Senator from Delaware happens to be the presiding officer of this august body. I have been waiting for years for some assertion that at some time, somewhere, somehow, a Senator might be cut short from talking indefinitely; and I am glad to welcome the fact that I am the Senator who has been cut short.

The PRESIDENT pro tempore. Reports of committees are in order.

Mr. WILLIAMS. Later on, when we get out of the morning hour, I shall assume the floor once more, and then I do not believe that even the Senator from Utah can cut me off from talking indefinitely, indescribably, foolishly, or otherwise, just as I please, as other Senators have done from time immemorial.

Mr. CHAMBERLAIN. Mr. President, a parliamentary inquiry. Has the morning business been concluded?

The PRESIDENT pro tempore. We are still in the morning business. The introduction of bills and joint resolutions is in order.

After the presentation of certain bills and joint resolutions, which appear under the appropriate heading,

The PRESIDENT pro tempore. If there be no further morning business, the morning business is closed.

REGISTRATION FOR MILITARY SERVICE.

Mr. CHAMBERLAIN. I ask unanimous consent that the Senate proceed to the consideration of Senate joint resolution 124.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 124) providing for the registration for military service of all male persons citizens of the United States or residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

The PRESIDENT pro tempore. The pending amendment is that of the Senator from Indiana [Mr. NEW].

PUNISHMENT OF ESPIONAGE.

Mr. OVERMAN. Mr. President, I do not wish to open a political debate. What I have to say I hope will not arouse any antagonism or partisanship.

Mr. President, I am in favor of pitiless publicity when it is the truth. I favor criticism when it is just. I deplore criticism when it is unjust. I am going to unfold, I think, a tale which is true, which I believe some of the Senators who arose on this floor and criticized the Aircraft Board and the administration will regret, and I desire that it be given pitiless publicity.

I am not here to defend the Aircraft Board. I know very little about their work. But on yesterday afternoon, after the Congress had adjourned, I had a meeting of the subcommittee, in which certain amendments adopted by the House were requested by the Attorney General not to be agreed to—amendments to a bill that has passed the Senate making it a crime to injure property of the United States in the interest of the enemy. It went to the House of Representatives, and they amended it by making it read "injuring by violence," when, Mr. President, a great deal of injurious work has been done through spies that was not done by violence. They also provided that it must be done with intent, when we had one case where a mechanic in one of the great Government arsenals, in using a piece of pasteboard to separate the component parts that go into the shells, instead of using the pasteboard threw it aside, not, as he says, for the purpose or with the intent of injuring the United States for the benefit of the enemy, but in order that he might make more money from a commercial standpoint. He was making them by the piece, and he could make 10 without the pasteboard to 1 with the pasteboard; and therefore, in order to make money, he left it out and thousands and thousands of shells had to be thrown away.

Then, Mr. President, in order to give a hearing on this matter, there came into my office a very prominent man in the United States, who is on the detective force. He brought with him this bracket which I hold in my hand. It is a bracket which goes on each side of the Bristow fighting machine. It holds the radiator rod that goes through here upon the machine. He brought me that to show what German spies had done. I stated upon this floor when the espionage bill was up—and I was criticized for making extravagant statements—that there are 100,000 spies in this country, and I am here to say now that I believe, instead of 100,000, there are 400,000.

What has been done? Why have we no fighting machines in France? Why have we not carried out our schedule in furnishing on the 1st day of April two or three hundred Bristow fighting machines? That was the contract. They were to be furnished. Why was it not done? Because a German spy, as any Senator can see, had cut the steel in two and filled it with lead and then painted it over, and when the first machine was tried out it fell to the ground. A British officer, an inspector of that great plant, in order to see what was the matter, found that this piece of steel had been tampered with. That delayed the building of the Bristow machines for more than two months. Why? Because every machine had to be examined, and these pieces had to be made over again. An investigation had to be made, because the men making the machines did not know how these machines had been interfered with and what other devilish work had been done.

Mr. President, if I were Secretary of War or the President of the United States, I would commandeer the Curtiss plant and turn out every man in that plant and hire only loyal Americans and dispense with those under suspicion. I want to say, in passing, that some of the leading men in that plant have German names. I make no charge upon those men; they may be innocent men, but they have strange names to me. But we do know that spies are in that plant, and they have delayed the furnishing of the Bristow machines or fighting planes on time to Pershing, and that is the cause of it. Any man can examine that.

I desire to give the name of this detective to the chairman of the Military Affairs Committee and let him look at the maps showing where this probably was done, in the paint shop—they have not discovered the man yet—and let him have these men here and examine them, and then they will find out why fighting machines have not been sent to Gen. Pershing. I accidentally caught on to it by an examination of this witness before a subcommittee of the Judiciary Committee. To have sent these machines to France probably would have meant the death of every young man who has gone or will go to France to fly and fight for his country.

This is an answer to some of the criticisms made on this floor on Tuesday. Let us stop fighting among ourselves and fight the war.

REGISTRATION FOR MILITARY SERVICE.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 124) providing for the registration for military service of all male persons citizens of the United States or residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States."

Mr. REED. Mr. President, when the Senator from Massachusetts [Mr. LODGE] a few moments ago asked me to yield to him I was about to say that it is with very great regret I learn of the bitter political debate which occurred in the Senate on yesterday. Since the war began we have heard very little of politics upon this floor. The one or two outbursts that have come have

been occasioned by matters arising outside of the Chamber. The debate of yesterday appears to be an unfortunate exception.

A battle is raging in Europe that may involve the fate of civilization for a thousand years. English and French and American soldiers are dying side by side. They are falling by the hundreds, by the thousands, by the tens of thousands, their blood uniting in one common stream and mingling with the trampled dust of the battlefield is forming a crimson cement that should forever unite the lovers of liberty, the defenders of democracy. In contrast with that battle which covers a field that stretches for hundreds of miles, every foot of which is lurid with flames belched from the mouths of innumerable cannon and wrapped in a smoke shroud that rolls from the millions of rifles; a battle that is being carried on by men who burrow deep beneath the earth and by men who fly 25,000 feet above its surface; a battle where deeds of heroism are being hourly done that outrival the glory of Marathon and the deathless valor of Thermopylae; while our own sons and brothers, at death grips with the legions of autocracy, are being forced back step by step, stubbornly fighting, gallantly dying, how small, how contemptible appears the performance in this Chamber on yesterday when the Senate, turning aside from the world tragedy, spent the day in political bickerings over a bye election about to be held in the State of Wisconsin.

Most pitiable of all was the spirit of recrimination manifested. The world is given to understand that the aisle between the Republican side and the Democratic side marks a separation between American citizens; that the election of a Democrat in the State of Wisconsin or the election of a Republican in Wisconsin will have a tremendous effect upon this war, because, forsooth, there is a difference in the character of the loyalty of Republicans and Democrats. I utterly repudiate that doctrine.

It will be conceded without argument that I have been, perhaps, as bitter a partisan Democrat as has sat in this Chamber for many years. I have found but little I could agree with in the matter of mere domestic policies that were advanced by my Republican brethren. I said this morning, and I repeat, we are of different schools of political thought. I abominate the ideas and theories you may have advanced with reference to your protective tariff. I have not agreed with your financial policies; I can not accept your theories of banking and currency; upon all questions of that kind I am in disagreement with you. I can unhesitatingly stand here and contend with you over them. But, when it comes to a question of loyalty to this Government, I deny that there can be drawn a line between a loyal Democrat and a loyal Republican.

I have watched the course of affairs in the Senate and I know as I look across this aisle that I am looking into the faces of men whose sons are, some of them, upon the battle line, some of them in training camps, some of them upon the blue waves of the ocean, either upon battleships or upon those wasps of the sea that are seeking to destroy the submarines that menace our communication with our allies. As I look upon this side I see men whose sons are engaged in the same loyal service. As I look into the hearts of all here I know that each man would give his last drop of blood that surges through his veins if he could bring victory to our arms and a glorious fruition to our hopes.

So I appeal to the Senate that we shall have done with these miserable little political bickerings. Let the election go on in Wisconsin. Let us go on with our business here. I say as a Democrat if I were a voter in Wisconsin I would vote for the Democratic candidate, but I also say as a Democrat that if either one of the leading candidates is returned a loyal man will be sworn in at yonder desk.

Now, I appeal for another thing. I appeal that Senators shall keep their heads in all matters. The sentiment was expressed this morning by my distinguished friend the Senator from Minnesota [Mr. NELSON] in words better than I have employed. There have been mistakes made, disappointments have come to us and will come, and wherever a mistake is made it is the duty of loyal men to point out that mistake. If a man is doing something which a Senator believes will injure the country, he ought instantly to call attention to it. Any other policy is a policy of suicide. It is also a policy of imbecility. But when we find a mistake has been made it ought not to be overstated. The fact ought to be given and not something that is a gross exaggeration of the fact.

The matter that led me to take the floor this morning was the remark just made by the Senator from North Carolina [Mr. OVERMAN]. He called attention to some trouble with aeroplanes. I think I ought to say to the Senate that I have taken occasion to look somewhat into the situation with reference to our aeroplane program. We are not up to that program, it is true, but statements have been made upon the floor of the Senate to the effect that the Liberty motor is a failure; that our whole aeroplane effort is broken down. The impression is given to many Senators and to the country that all we have done in the way of an air program has ignominiously failed.

Mr. President, the Liberty motor is not a failure. I talked on yesterday with the expert the British Government has sent here, the man whose business it has been for nearly three years to create the motors for the air service of England. I saw the cable in which English governmental officers were insisting upon the speediest delivery to them of 3,000 of these motors.

Now, will any man claim that the British Government, with its expert upon the ground, and perhaps the greatest expert in the world, is insistent upon having 3,000 worthless motors?

The French Government, according to the best information I have, has ordered a large number of these motors. The Italian, I am informed, has ordered a large number, I was told 3,000 or more. Those Governments are not ordering a worthless machine. They know a good machine. They have tried this question out upon the battle field in actual contest. The answer I make to all these criticisms is this: Although we may have met with some disappointments it is not fair, it is not right, to say that the Liberty motor is a failure.

Senators are sometimes misled, as are other people. The question is raised whether we have a motor which is employed in the type of machine that is to be used only by a few great expert fliers and fighters. It is probably true that the British have one type of machine, which is made almost entirely by hand and which can only be made slowly, that is superior to the Liberty motor, and will therefore be employed in the very highest class of fighting machines as a preferential engine.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. REED. I yield.

Mr. KNOX. I share with the view expressed by the Senator from Missouri in regard to the construction of motors and unifying construction, but I am sure the Senator does not wish to be misunderstood in his statement in respect to the Liberty motor. I have listened with great interest to what has been said on the floor of the Senate upon that subject, because I was somewhat startled by rumors I had heard in regard to it. As I gathered the statement, it amounted to this, that the lighter machines which were designed for the battle planes had turned out to be practically a failure and have been discarded, but the larger machines were found to be entirely effective and efficient for driving what they call bombing planes. Now, if that is correct, I think the statements made by the Senator from Missouri are somewhat misleading, because I do not understand that the charge was generally against the Liberty motor, but specifically as to the lighter motor for battle planes.

Mr. REED. I was not referring to a statement that might have been made by any particular individual on any particular day. I am referring to general statements that have been floating around. Some expressions I have heard made upon the floor at different times have been quite as broad as I have put the case. I want the Senator from Pennsylvania to understand I was not referring to something somebody might have said on yesterday.

Mr. President, I do not think the statement, as finally made by the Senator from Pennsylvania, will be found to be quite in accordance with all that has been accomplished. My understanding is that we started in to make a light plane, and that in the rapid development of the airplane business it was found we had passed rather beyond that. The same motor is now used but with more cylinders.

The original plan of this motor was to build it so that units could be added. The first machine I saw contemplated a 12-cylinder motor. My understanding is that this motor will drive a machine that can be used not only for bombing purposes, but it will drive a really fine fighting machine, and it will answer every purpose, except, it may be said, that the English have a motor enough superior so that it will be employed upon the very highest class of fighting machine where there are only one or two men who ride the machine. In other words, I think the situation is much more hopeful than it has been presented.

Now, a word more about the motor and I am through with this statement.

Mr. McCUMBER. Mr. President, will the Senator answer just one question there, and I am asking it for information?

Mr. REED. Yes.

Mr. McCUMBER. Is there any reason in the world why we can not produce a motor equal in efficiency to that used in France or in Great Britain?

Mr. REED. Let me answer that in this way. We are engaged in a quantitative production, a production that when it is under way will mean that vast quantities of these motors will

be turned out by machinery. The tooling, the finishing, practically everything, is done by machinery. The English make a motor for the very highest class of fighting machine that is made almost entirely by hand. It requires infinite labor and fitting and time, and there are only a limited number of men capable of that particular class of work. Of course, in time we will perhaps reach a point even better than the motors that are now being made by any country. But understand, this motor had to be designed, it had to be built, it had to be worked out in the factories, and we started in on the plan of quantity production.

I think I can say that, while we have been delayed and have not made as much headway as we hoped, many of the delays which have come were unavoidable. There were nearly a thousand changes, first and last, made in this motor, most of them small, most of them trifling. There have been some delays, and I say to you frankly I believe that one great trouble has been in the War and Navy Departments, for it has not been the Aircraft Board that has had the construction of these machines. It has been done through the War and Navy Departments, and I think there are delays there. I think there can be reforms there that will be of great benefit.

Whatever those objections are, they ought to be met, but I am trying to give the impression which I think is the truthful one, that in a very short time we will be turning out vast quantities of these motors and that they will be a most useful part of the war machinery.

Mr. McCUMBER. May I just ask the Senator a question, because I think he will agree with me. We ought not to send to Europe for our boys' use a machine that will be inferior to the machine of the enemy. We ought to secure a better one if possible. I do not think the Senator would suggest that we should even start in with a machine, whether it is machine made or hand made, that is not equivalent at least to the best machine used by the enemy against us.

Mr. REED. Of course, from one viewpoint what the Senator said is correct, but let me present it to him in this way. Let us assume that there are about four different types of machine that must constantly be in use. There is a training machine. It can be made in quantities. There is a scouting machine. Our motor does the work for that in fine shape. There is a bombing machine. Our motor does the work for that in splendid shape. Then, we have a fighting machine that is not as good as the very best, but still is a machine that is of very great practical power. Suppose we can make vast quantities of these machines for the first three types I have named and leave some British and French machine shops to make the highest class of fighting machines; is it not wise to go on and produce a quantity and to do that as rapidly as possible? I am not saying they are perfection. I am simply saying I think we ought to get the right viewpoint.

There has been great complaint made about delay in producing the finished machines. There are some facts with reference to that the Senate ought to know which I learned by conversation with these gentlemen. I am not sure that it is new to anybody; it was new to me.

When we started to build aeroplanes we were talking, to a large extent, about the ordinary aeroplanes. It is, outside the motor, a simple device. A modern plane is a very complicated machine that is changing every day, almost every moment. I am told a modern fighting aeroplane, aside from the motor, carries an aerial telephone, an aerial telegraph outfit, a great number of the most delicate instruments, a photographic appliance of the most perfect character, so that pictures can be taken from 20,000 feet in the air; it carries oxygen gas, so that the aviator can breathe at great altitudes; also an appliance by which he can warm his body by turning in an electric current and warm his hands and his feet. It is, in short, a most complicated, intricate, and delicate machine. In fact, it is several complicated and intricate machines, all made of the lightest possible material, all so arranged that it will not interfere with the almost lightninglike evolution that the aviator must perform in battle. In addition to what I have said, it carries from one to three guns, and these rapid-fire guns have to be so artfully timed they will fire between the propeller blades when revolving with the rapidity of lightning without striking the propeller.

Now, to make a thing like that takes time. It means the greatest conceivable difficulties. So if we find there are some delays in the machine we ought not to lose heart; we ought not to be hypercritical; we should always require that the best foot be put forward and the best and highest talent of the country be employed. I do not claim there have been no mistakes, but I hope the facts I have stated may in some respect tend to clear up certain misunderstandings.

INDIAN APPROPRIATIONS.

During the speech of Mr. REED,

The PRESIDENT pro tempore. The Senator from Missouri will suspend. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 8696) making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1919.

After the conclusion of Mr. REED's speech,

The Senate, as in Committee of the Whole, resumed the consideration of House bill 8696.

Mr. ASHURST. Yesterday when the bill was under consideration a point of order was made and was sustained as to the amendment proposed by the committee on pages 5 and 6.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). Does the Senator from Arizona yield to the Senator from North Dakota?

Mr. ASHURST. Certainly.

Mr. GRONNA. I wish to call the attention of the chairman of the committee to the fact that the Senator from Oklahoma [Mr. OWEN], I think, has corrected that matter.

Mr. ASHURST. Very well, then.

Mr. GRONNA. It was corrected when the Senator from Arizona was not in his seat.

Mr. ASHURST. In order that I may understand the situation on the point of order that was made against the amendment on page 5, I ask if the point of order that was made against the amendment on page 5 simply struck from the bill that part of the amendment commencing after the word "*Provided*," on line 21, page 5, and extending down to and including the word "*further*," on page 6, line 4?

Mr. GRONNA. I will state to the Senator it is my understanding that the point of order was made against peyote, but not against the provision for the prosecution of people who might bring liquor into an Indian reservation.

Mr. ASHURST. That is what I wished to be correctly informed upon.

Mr. GRONNA. There are two provisos in the amendment, or rather there are two amendments, and it was against the first amendment the Senator from Oklahoma made a point of order. That has been corrected, I understand. If I am mistaken, I wish the Chair would inform me.

Mr. ASHURST. Let the Secretary read, beginning on page 5, the item for suppressing the liquor traffic so that we will be able to understand what action was taken.

The PRESIDING OFFICER. It will be read.

The SECRETARY. The part stricken out on a point of order commenced on page 5, line 21, after the numerals "$150,000," and is in the following words:

Provided, That the sale of anhalonium or peyote to an Indian, or its introduction into the Indian country, shall be, and is hereby, declared to be a violation of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506), and punishable in accordance with the penalties provided for therein.

Mr. ASHURST. Very well. Then I simply move to strike out the word "*further*," in line 4, page 6, after the word "*Provided*," so as to read:

Provided, That possession by a person of intoxicating liquors in the country where the introduction is prohibited by treaty or Federal statute shall be an offense and punished in accordance with the provisions of the acts of July 23, 1892 (27 Stat. L., p. 260), and January 30, 1897 (29 Stat. L., p. 506).

I ask that amendment to the amendment be made.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. ASHURST. Now, according to the record I have kept, that concludes the committee amendments. I ask the Chair if that is true.

The PRESIDING OFFICER. It is. The matter now pending is the amendment of the Senator from Oklahoma [Mr. OWEN] which has been read, and it is before the Senate.

Mr. SMOOT. I should like to have it read again.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 66, after line 4, at the end of the item relating to the Five Civilized Tribes of Indians, it is proposed to insert the following:

The Secretary of the Interior is hereby authorized to withdraw from the Treasury of the United States, from funds on deposit to the credit of the Chickasaw Tribe of Indians in Oklahoma, the sum of $15,000 to be used for construction and equipment of dormitories at the Murray

State School of Agriculture at Tishomingo, Okla., and to be immediately available in addition to the sum of $50,000 provided for the same use by section 18 of the Indian appropriation act of March 2, 1917.

Mr. SMOOT. Mr. President, as I understand, that is the same amendment that was offered by the Senator from Oklahoma [Mr. OWEN], as to which he said that the Indians themselves requested this appropriation.

Mr. ASHURST. That is true. It is not an appropriation out of the Treasury, but out of Indian funds.

Mr. SMOOT. I understood that it was out of the Indian funds.

Mr. ASHURST. And they wish it to be made.

Mr. SMITH of Arizona rose.

Mr. ASHURST. If my colleague will yield to me for a moment before we leave the question of peyote, I wish to ask unanimous consent to include in the RECORD, without reading them, a telegram from the governor of the State of Utah and one also from the governor of the State of Nevada on the subject of peyote. These telegrams are in the nature of petitions, and that is the reason I ask that they be included in the RECORD.

The PRESIDING OFFICER. Without objection, permission to do so will be granted.

The telegrams referred to are as follows:

SALT LAKE, UTAH, *February 27, 1918.*

CHAIRMAN COMMITTEE ON INDIAN AFFAIRS,
House of Representatives, Washington, D. C.:

I wish to urge the passage by Congress of a measure prohibiting the use of peyote, a drug used extensively by Indians with particularly vicious results. Utah now has a law prohibiting use of the drug.

SIMON BAMBERGER, *Governor.*

CARSON CITY, NEV., *February 20, 1918.*

SENATE COMMITTEE ON INDIAN AFFAIRS,
Washington, D. C.:

Understanding that bill prohibiting interstate shipments of the drug peyote has been introduced and is to come before your committee, I take the liberty of most respectfully urging you to report this bill favorably. Nevada has passed a law prohibiting the sale of this drug, and we need the interstate prohibition act to protect our Indians. We consider this a matter of very great importance.

EMMET D. BOYLE,
Governor of Nevada.

Mr. GORE rose.

Mr. SMITH of Arizona. Mr. President, I understand the committee amendments have been disposed of, and I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Chair will state that the amendment proposed by the Senator from Oklahoma [Mr. OWEN] has not yet been disposed of and is now before the Senate for action. The question is on that amendment.

The amendment was agreed to.

Mr. GORE. I wish to say I had risen to make an inquiry as to whether or not the amendment had been disposed of. My understanding was that it had not been.

The PRESIDING OFFICER. The amendment has now been agreed to.

Mr. SMITH of Arizona. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Arizona will be stated.

The SECRETARY. On page 25, line 13, it is proposed to add the following:

That hereafter no Indian reservation shall be created nor shall any additions be made to one heretofore created within the limits of the States of New Mexico and Arizona, except by act of Congress.

Mr. SMITH of Arizona. Mr. President, I wish to detain the Senate but one minute about this amendment. States other than the States of New Mexico and Arizona have been protected as proposed by the amendment. Only last year there was created an enormous Indian reservation, for which there was no earthly need, in the county in which I live. It is now threatened by Executive order to enlarge other reserves affecting both New Mexico and Arizona. Notwithstanding, as I am informed, the Indians now have something like 10,000 acres of land apiece for every member of the tribe, this policy has been pursued to a point which makes us feel that when we make an appropriation from the Treasury we must have the guarantee of an act of Congress to make it good. There is no limitation on the power of the Commissioner of Indian Affairs to recommend the extension to any distance or for any length of these Indian reservations in our State for the enlargement of which there is no earthly necessity.

Any one who will look at conditions in that State and at the map will know, I think, before any more public land is taken away from the people who have got to meet conditions subsequent to this war, when the Indians are so amply provided for, that it would be an outrage on the people not only of that State, but upon all who are interested in the public lands of the United States.

In connection with this matter I have prepared an exhibit, and I have had my secretary make it a little bigger, showing the areas which are devoted to Indian and forest reservations. There [indicating] are the Indian reserves which have already been made in my State, which are shown in red; the green indicates the forest reserves, and the white indicates the desert and mountain lands; all that is left. There has been taken from that State nearly half of the best land in the State. It has been dedicated to the balance of the United States in the shape of forest reserves. The department has given the land which is indicated on this map by red to the Indians, when there are 20 white men to one Indian in the State. That land [indicating] is all that is left to the State of Arizona with which to pay taxes to support its government. Then it is sought on behalf of the Commissioner of Indian Affairs to run across the line into New Mexico. Senators will observe from the map that in connection with the Navajo Reservation the yellow area goes clear into the adjoining State of New Mexico. To make these enlargements either in Arizona or New Mexico is contrary to all common sense and reason.

I sincerely hope that the Senate will maintain its dignity by saying that no more public lands of the United States, which will be badly needed bye and bye, shall be carried out of the possession of the people of the United States by mere Executive order.

Mr. GRONNA. Mr. President, may I ask the Senator from Arizona a question?

Mr. SMITH of Arizona. Yes.

Mr. GRONNA. I heard the Senator's amendment read only hurriedly, but, as I understand, it only applies to the States of Arizona and New Mexico.

Mr. SMITH of Arizona. It applies to Arizona and to New Mexico only because the other States are protected. Arizona and New Mexico have the right to that protection, and they have got to come to Congress for it. Those two States have been left out. It is only proposed to give those States the right which other States already have.

Mr. GRONNA. If the Senator will permit me further, the Senator also discussed the question of the public lands. The Senator's amendment does not have reference to public lands, but simply has reference to the Indians; it has reference to the enlargement of Indian reservations.

Mr. SMITH of Arizona. The amendment provides that no other Indian reservation shall be created or that no Indian reservation now in existence shall be enlarged without being authorized by an act of Congress. That is all. It proposes to retain what Congress ought always to have kept—the right of disposition of the public lands.

Mr. ASHURST. Mr. President, I hope the amendment which has been proposed by my colleague will be adopted. I speak with familiarity as to the Indian reservations in Arizona and New Mexico. The reservations in those two States are large enough now, and even as I speak I have before me a letter from the Bureau of Indian Affairs, in which I am advised that the Interior Department has under consideration the question of making a large addition to a certain reservation in New Mexico and Arizona.

There was a tribe of Indians in Arizona, to wit, the Papagoes, which the Arizona delegation in Congress felt ought to have some small additions made to their reservation to take care of the watering places used by those Indians; indeed, we went so far in 1916 as to ask the department to set aside a proper area as an addition to their reservation, but when the Executive order came down we found to our amazement that instead of a few thousand acres being set aside, over 2,000,000 acres were set aside, and it required months for us to correct the error.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Washington?

Mr. ASHURST. I do.

Mr. JONES of Washington. Does not the Senator from Arizona think that under the circumstances it would be wise to insert a provision in this amendment to the effect that any reserve created by Executive order shall be considered unlawfully created after this date, or something like that, to prevent the establishment of a reserve by Executive order before this bill goes into effect?

Mr. ASHURST. I think that is a very wise plan, and I hope my colleague will give his attention to it.

Mr. JONES of Washington. It will be done, if they contemplate doing it, before this bill goes into effect. I suggest whether it would not be possible to insert a provision in this

bill to make unlawful the creation of such reservations after this date? I merely make the suggestion for consideration.

Mr. SMITH of Arizona. I think I shall take the opportunity of adopting that suggestion, though I do not think the department will do anything contrary to the spirit of the amendment proposed. As will be remembered, however, as the Senator suggests, when some years ago a bill was passed here declaring that no further reservations should be made in certain States, the President, before the bill became a law, made reservations as big as he pleased, and then signed the bill.

Mr. JONES of Washington. That is why I suggested that there should be some such provision in the amendment.

Mr. SMITH of Arizona. I desire, if I possibly can, to stop that policy, because it is so manifestly unjust, but I think the department, or at least the President of the United States, on the proper showing by this map of these conditions, will consent that no more public lands shall be disposed of without the sanction of Congress being obtained before the disposition.

Mr. SHAFROTH. Mr. President, I should like to say a few words with relation to the amendment which has been offered by the Senator from Arizona [Mr. SMITH].

We in the West have had a large and unfortunate experience relative to the withdrawal of public lands from entry. The manner in which these reserves have been made by the Government has become almost unendurable. There is hardly a Western State in which millions and millions of acres of land have not been set aside as forest reserves. The policy became of such a serious nature that Congress passed an act that no longer should there be withdrawals of public lands for forest purposes without the consent of Congress.

Mr. President, reference has been made here to the passage of that bill 10 or 12 years ago. It passed the House and then passed the Senate, and before the conference committee could report upon it there were forest reserves equal to about 40,000,000 acres created by the proclamation of the then President of the United States. He knew, or should have known, that there was about to be passed in Congress a bill which would prevent the creation of forest reserves, and thus his action was an evasion not appreciated by the West.

Mr. President, in my opinion, Arizona has too many Indian reservations. The creation of a reserve deprives a State of the right to tax the land within its borders and is an interference with the rights of the State. It is an outrage that millions of acres of land in a sovereign State of this Union should be set aside and forever held without the right of taxation by the State. That never was in contemplation by the framers of the Constitution, because the National Government, if it should carry that principle to the extreme, would have the power to almost annihilate a State by withdrawing great portions of the land of the State from taxation.

Mr. President, it seems to me if there is no provision of law prohibiting the setting aside of Indian reservations that we ought to adopt such a provision now and have it in force as quickly as possible, so that the rights of the States may be protected against the encroachments of the Federal Government in that respect.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. SMITH].

The amendment was agreed to.

Mr. OWEN. I send to the desk an amendment proposing to quiet titles in eastern Oklahoma. I will say to the Senate that it comes with a unanimous report from the committee; that it was drawn by the Interior Department in conjunction with the Oklahoma delegation, and is asked for at the request of the attorney representing the farm-loan bank of Wichita, who has found some difficulty with the titles in eastern Oklahoma.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 63, after line 10, it is proposed to insert the following:

That a determination of the question of fact as to who are the heirs of any deceased citizen allottee of the Five Civilized Tribes of Indians who may die or may have heretofore died, leaving restricted heirs, by the probate court of the State of Oklahoma having jurisdiction to settle the estate of said deceased, conducted in the manner provided by the laws of said State for the determination of heirship in closing up the estates of deceased persons, shall be conclusive of said question, and when such proceedings have heretofore been conducted in compliance with the laws of said State then in force, the judgment and final order therein entered shall have like effect as of the date of its entry: *Provided*, That an appeal may be taken in the manner and to the court provided by law in cases of appeal in probate matters generally: *Provided further*, That where the time limited by the laws of said State for the institution of administration proceedings has elapsed without their institution, as well as in cases where there exists no lawful ground for the institution of administration proceedings in said courts, a petition may be filed therein having for its object a determination of such heirship and the case shall proceed in all respects as if administration proceedings upon other proper grounds had been regularly begun: *Provided further*, That said petition shall be verified, and in all cases arising hereunder service by publication may be had on all unknown heirs, the service to be in accordance with the method of serving nonresident defendants in civil suits in the district courts of said State; and if any person so served by publication does not appear and move to be heard within six months from the date of the final order, he shall be concluded equally with parties personally served or voluntarily appearing.

That the lands of full-blood members of any of the Five Civilized Tribes are hereby made subject to the laws of the State of Oklahoma, providing for the partition of real estate. Any land allotted in such proceedings to a full-blood Indian or conveyed to him upon his election to take the same at the appraisement, shall remain subject to all restrictions upon alienation and taxation obtaining prior to such partition. In case of a sale under any decree, or partition, the conveyance thereunder shall operate to relieve the land described of all restrictions of every character.

Mr. WILLIAMS. Mr. President, I move to strike out the last word.

Now, Mr. President, I ask, in support of the motion I have just made, not wishing to take up the time of the Senate unnecessarily, to have inserted in the RECORD, without reading, an editorial appearing upon page 3 of the Milwaukee Journal of March 25 entitled "Why LENROOT is unavailable," followed by the subline "Chicago Republican paper calls Chairman West's bluff. Chance Wisconsin would take with LENROOT as Senator"——

Mr. McCUMBER. Mr. President, we can not hear the Senator.

The PRESIDING OFFICER. Will the Senator from Mississippi speak a little louder?

Mr. WILLIAMS. Mr. President, I thought it rather immaterial that I should be heard. How far does the Senator from North Dakota want me to go back in my remarks?

Mr. McCUMBER. The Senator does not need to go back, if he will let us hear the remainder.

Mr. ASHURST. Mr. President——

Mr. WILLIAMS. The editorial is headed "Why LENROOT is unavailable. Chicago Republican paper calls Chairman West's bluff. Chance Wisconsin would take with LENROOT as Senator, Chairman West passes the lie, and now it is up to him to show who is telling it."

Then I ask that there be inserted in the RECORD following that, Chairman West's statement headed "Who is telling a lie?" so that the two statements may appear, one correcting the other as far as possible.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

Mr. SMOOT. Mr. President——

Mr. ASHURST. Mr. President, I wish to speak a moment with respect to this matter.

Mr. WILLIAMS. Mr. President——

Mr. SMITH of Arizona. Let us have a vote on the pending bill.

Mr. ASHURST. There is no request the Senator from Mississippi could make of me that I would object to; but, Mr. President, let me say now that we could have passed the Indian appropriation bill in 30 minutes yesterday had it not been for the miserable twaddle that Senators indulged in respecting politics. Let us in this great crisis show that we are men, and act as becomes men. Let us do the business of the country, instead of talking about something that has no relation to the subject. Now, I give warning that if any more of this political twaddle is brought into this Chamber while the bill which I have in charge is under consideration, I will move to adjourn in order that the country may know that the Senate of the United States has degraded to such a low estate that it can not do its own routine business.

Mr. WILLIAMS. Mr. President, in reply to the Senator from Arizona, I have only to state that the Senate's "routine business" is a very contemptible thing in comparison with the war situation and the world situation as we are faced with it to-day, and what I am proposing to put in the RECORD has something to do with the war situation and the world situation. I am, of course, sorry to receive a lecture from the Senator from Arizona, and I feel absolutely reduced to insignificance by the power and force of it; but, at the same time, I believe I know something about my duties as an American citizen and something about my duties as a Member of the Senate, and I am pursuing those duties to the best of my ability.

I have not brought any politics upon this floor; I have not been guilty of any "political twaddle," as the Senator from Arizona has appeared to say. I am merely answering certain things that came out in the debate on March 26, when the troops of the allies were fighting like heroes in Europe and when we were being criticized here.

Mr. ASHURST. Mr. President, if the Senator will yield for just a moment, when I characterized the performance of yesterday as "miserable twaddle" I did not have in mind the Senator. The Senator knows I would not characterize any-

thing he could say in that way. There was no reference to him. I was humiliated, as were all true Americans, by the spectacle of yesterday; and, so far as in me lies, it is not going to be repeated again to-day.

Mr. WILLIAMS. If the Senator has stated that he was humiliated by what occurred day before yesterday, he would have been about right.

Mr. ASHURST. I was, Mr. President.

Mr. WILLIAMS. But he was confining his observations to what occurred yesterday, and I am replying to what occurred day before yesterday.

Now, Mr. President, I ask consent that there also be published in the RECORD an article appearing in the first column of the Milwaukee Journal dated Monday, March 25, entitled "Ask LENROOT to withdraw. Republican organs in State ask union on Davies. Leading German-language organ of Milwaukee among G. O. P. papers now supporting the President's choice."

The PRESIDING OFFICER. Is there objection?

Mr. SMOOT. Mr. President, I ask the Senator from Mississippi to make all of his requests at once.

Mr. WILLIAMS. I do not understand the Senator.

Mr. SMOOT. I ask the Senator from Mississippi to make all of the requests for the insertion of matter in the RECORD at one time, so that the whole matter may be before the Senate at once. I understand that he has a number of articles for insertion.

Mr. WILLIAMS. I choose to select my own course of procedure without very much suggestion from the Senator from Utah. Ordinarily, of course, I would be very glad to receive suggestions from him, but I have proffered that request and I should like to know what has become of it, because, if not granted, of course I will have to read the articles.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi to insert in the RECORD certain articles which he has named?

Mr. SMOOT. Mr. President, I do not believe that there is a Senator who approves of the course of the Senator from Mississippi, but I recognize that he can take the time of the Senate to read the articles into the RECORD; and for that reason I am not going to object.

Mr. McCUMBER. Mr. President——

Mr. WILLIAMS. I am very thankful to the Senator from Utah. Do I understand, Mr. President, that the request has been granted?

The PRESIDING OFFICER. The Senator from North Dakota has addressed the Chair.

Mr. McCUMBER. Mr. President, I do not believe that in the United States Senate we should thrash out the political question which is now being fought out in Wisconsin. This is not the proper forum to try that question; and to attempt to do so is to take advantage of the candidates, because neither of them is on the floor to answer for himself. For these reasons I feel that I ought to do what I can to prevent such a proceeding. All I can do is to object to this discussion in the shape of editorials and writings being placed in the RECORD. I do not think they ought to be in the RECORD, and, therefore, I object. I appreciate the fact that the Senator from Mississippi can himself read the articles.

The PRESIDING OFFICER. Objection is made.

Mr. WILLIAMS. The Senator having objected, in my own time I will read what follows the headings I have already indicated. [Laughter in the galleries.]

Mr. McCUMBER. I wish that the reading could be a little louder. Evidently from their response, the galleries can hear, but Senators can not hear.

Mr. WILLIAMS. I do not understand the Senator.

Mr. McCUMBER. I have stated that, of course, the Senator can read the articles; no one can prevent that; but I hope they will be read loud enough so that we can hear them.

Mr. WILLIAMS. Mr. President, I will attempt, in accordance with the demand of my friend from North Dakota, to raise my voice so loud that even the angels in heaven can hear if they want to listen. [Laughter in the galleries.]

Mr. McCUMBER. The angels in heaven evidently have heard. [Laughter.]

The PRESIDING OFFICER. Let there be order in the galleries.

Mr. WILLIAMS. There is at least one angel in heaven very much indisposed to hear, and that is the Senator from North Dakota. [Laughter.]

Mr. McCUMBER. No; the Senator from North Dakota hopes to hear the reading.

Mr. WILLIAMS. I do not intend to take up the time of the Senate unnecessarily, therefore I will read very rapidly.

Mr. McCUMBER. Mr. President, I insist upon order.

The PRESIDING OFFICER. Let there be order.

Mr. WILLIAMS. The first article which I desire to read is as follows:

ASK LENROOT TO WITHDRAW—REPUBLICAN ORGANS IN STATE ASK UNION ON DAVIES—LEADING GERMAN-LANGUAGE ORGAN OF MILWAUKEE AMONG G. O. P. PAPERS NOW SUPPORTING PRESIDENT'S CHOICE.

Public opinion continues to assert itself against Congressman LENROOT as senatorial candidate—

That is from a Republican paper—

The report from Eau Claire, published in the Journal Sunday, is finding an echo everywhere. The fact that President Wilson has said almost in so many words that Mr. LENROOT is not satisfactory to the Government in this crisis is having wide influence, for men know that the President is the leader and that upon him depends whether this country loses or wins the war. Republicans without number, no matter what their criticisms of the Government may be, recognize this fact and are opposing Mr. LENROOT. C. J. Wells, editor of the conservative Republican Tomah Monitor-Herald, expresses what is in many minds when he says in his paper: "I do not want a Congress that throws crowbars into the Government's machinery."

To-day the Germania-Herold, Milwaukee, the chief German-American Republican organ in the Northwest, comes out strongly for Davies, declaring that it is the duty of all citizens to support the Government in these trying times. It says:

"We can not deny the right of the free ballot even in war time, but we can and we do most earnestly urge upon every voter of this State the beneficent effect that the hearty support of the indicated wish of the President will have in strengthening the position of this country before the outside world. War time establishes unusual conditions, and to meet the wish of the head of the Government at this time constitutes an expression of confidence. Furthermore, whatever strengthens the hand of our leader will result in the earliest possible decision and a successful outcome of our present contest with our powerful opponent.

"We urge upon the voters such an expression of confidence and such a strengthening of the hand of our President by the support of one whose close personal contact with the President places him in a natural position to be of great assistance to the head of the Nation.

"In our editorials of the last few days we have made clear to the readers the supreme necessity of the internal unity of a nation at war. Now we urge upon our readers the hearty support of Joseph E. Davies for United States Senator."

So much of that comes from this German-American Republican newspaper. Now, to go ahead with the language of the Milwaukee Journal:

Other Republican newspapers in the State have espoused the cause of Mr. Davies for reasons similar to those given by the Germania-Herold. The Eau Claire Telegram, one of the leading Republican organs of the State, referring to the Republican effort to have Mr. Davies withdraw from the race, says:

"Republican leaders might with better countenance ask Davies to withdraw if Republican leadership in the State were not chargeable with giving Wisconsin the Republican Senator who has made most of the trouble—

Of course, that refers to the present Senator from Wisconsin [Mr. LA FOLLETTE], who ought to be expelled from this body—

with giving Wisconsin Representatives in Congress who at the most critical time were blind and deaf to the war; with giving Wisconsin a governor whose passiveness toward or concessions to antiwar elements at certain times, no matter how good his intentions, produced only bad results; whose aid to LA FOLLETTE in the latter's fight against enactment of the conscription law was only one among several errors. Chickens have come home to roost, and leaders of a party which has had such a narrow escape from being plastered on its own primary ticket with the lemon-colored tag of unbelief in the Nation's cause are in no position to demand that Davies haul down his colors and march off the ground in favor of their candidate, estimable as he is conceded to be—

And I want to add that he is estimable personally. I served with him in the House for years. I have no sort of personal feeling against him. He is a very clean, upstanding, square, straight fellow personally—

Expert politicians say that LENROOT is going to be elected; that the Republican is the "dominant party" in the State—

Listen to the partisan note in all that, will you?—

that Republicans will not vote for a Democrat, and so on. But if any of them can tell why, in view of the record, the people ought to rush to save the Republican Party machine in this loyalty campaign, let it be told, and that quickly. It has not yet been divulged. We make no prediction. But we believe that this is a time to give the national administration the utmost possible encouragement and support, and that the way to do it, in view of the developments of the primary and since is to vote for Davies.

That is from the Eau Claire Telegram, one of the leading Republican organs of the State of Wisconsin, and therefore it can not be accused of partisanship:

The editor of the Tomah Monitor-Herald (conservative Republican) expresses his conviction that Mr. Davies is the best candidate in the following terms:

"I have a son in the Army, and there are thousands of others who have sons in the Army, and those sons in the Army need and must have food, munitions, clothing, supplies, and the fathers and mothers of those sons in the Army want a Congress—a Senate—that will give them quick action. If a soldier doesn't get his food, supplies, and ammunition, he can't fight and will soon be under the slab, 'Died for his country'—

This is a Republican paper—

"I do not want a Congress that throws crowbars into the Government's machinery; that fights for delays on appropriations; that continually opposes the President; that takes up the time of the war boards in petty investigations; that is continually finding fault and

hindering the men who are striving to push and thus delaying the game; that is 50-50 on the German proposition because there are German votes.

"I and thousands of other fathers of soldiers do want a 100 per cent American in the Senate and Joe Davies is the 100 per cent American on the ticket in this election. Joe Davies will not delay action; Joe Davies will not hamper the President—he is with him all the way through. Joe Davies has been tried and not found wanting. Joe Davies gave up a $10,000-a-year job to campaign for the office of United States Senator in Wisconsin because Wisconsin had a black eye in the eyes of the whole United States and because his friends in both political parties thought he was the man to lead Wisconsin back into the fold of loyal States.

"Joseph E. Davies is a close personal friend of President Wilson, the greatest man of the world to-day—

And that is what he is. Say whatever you please; criticize his administration as you will; with the possible exception of David Lloyd-George, he is the greatest man in the world to-day—

"It would be an honor the State of Wisconsin could do the President in no other way, to send Joe Davies to the Senate, and the President would profusely thank the people of Wisconsin for their loyalty in doing it.

"Joe Davies would be a greater help to the President now in his hour of need than any other man in Wisconsin, and there are thousands of fathers of soldiers that know it and will vote for him for the United States Senate on April 2."

Now, Mr. President, I ask unanimous consent to insert in the RECORD, without reading it, an article in the fourth column of the Milwaukee Journal, entitled "Duty of LENROOT—Indiana Republican organ says it is to withdraw—McLemore resolution vote fair cause of criticism why he should get out of the field."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

Mr. FALL. I object.

The PRESIDING OFFICER. Objection is made. The senior Senator from New Mexico objects.

Mr. WILLIAMS. He does? Then, Mr. President, I will continue to read, because my reading is of the very finest quality, you know, and what I read will sink into the apparent deafness of the Republican Members of the Senate, even more than if I had inserted it in the RECORD—not that they really are deaf, of course.

Mr. President, the Indianapolis Star, the organ of the Republican State organization in Indianapolis, says editorially, under the heading "LENROOT's Unenviable Position," what I am about to read.

Now, what I want to enforce upon the Senate and upon the Republican minority here is this: This country is no longer composed of Democrats and Republicans. It is composed of patriots and loyalists on one side and pro-Germans and lukewarm men upon the other side. Party politics have fallen into innocuous desuetude. I am not talking from the standpoint of any Democratic or Republican partisan bias, although I am talking with partisan bias. I am talking with the partisan bias of a pro-American and an anti-German, a lover of America and a hater of the Kaiser; and I will recognize no man as fit to keep step with me in the politics of the United States who does not frankly tell me that he hates the Kaiser, and hates the junkerdom, and hates the whole business, and would murder it if he knew how.

This comes from the Republican organ of the State of Indiana:

Few things are more to be desired from every point of view, patriotic, political, and military, than the most decisive defeat possible for Berger.

Berger is this pro-German pacifist-socialist candidate out there—

The defeat of Thompson renders it highly probable that a heavy proportion of his vote will go to Berger in the election.

Now, think of that! Here are men so false to America, so false to civilization, so false to the cause of democracy throughout the world, that they will indicate their partisan bias by voting for Berger, of Milwaukee, under indictment now for pro-German and anti-American utterances, a man who ought to be interned to-day! I started to say something stronger than that, but I will not; but he ought at least to be interned—

and the counterplay of combining the opposing vote to achieve this result naturally suggest itself.

In the State of Wisconsin there were over 100,000 men, daring to call themselves Americans, who voted against America in the primaries, either for Thompson or for Berger; and they dare yet to permit themselves to live upon American soil. They have not the manhood to go out and commit suicide. They have not the manhood to ask to be deported from American shores, subject only to the possibility of being sunk by a German submarine. Who are these people? And yet that situation presented itself in Wisconsin, and we are dividing the loyal American vote by two while we let these people concentrate upon one.

Mr. President, no State ought ever to permit a man to be nominated for office or elected to office by a plurality. Mississippi does not do it. A man must have a majority to be elected, not a plurality. If this were a case of a majority, we would have easy sailing in Wisconsin, because a majority of the population of Wisconsin is patriotic and American and anti-German; but we have split up the vote, and Davies has been called upon to withdraw, and this is the utterance of a Republican State organ in Indiana:

Unfortunately for LENROOT, he appears in a disadvantageous situation as the rallying point for the union of patriotic Democrats and Republicans upon himself, for before our entrance upon the war he was found in bad company in the support of measures that had the enthusiastic support of every pro-German in the land. Any man who voted for the McLemore resolution is the object of suspicion. Justly or unjustly, he is under a cloud.

It might truthfully be said that the test of for or against Great Britain before we entered the war was not conclusive as to loyalty and has no binding force to-day. We expect, and for the most part we receive, both theoretical and practical win-the-war service from those who sympathized with Germany and with those who championed England. We had no right to demand loyalty to England in the early stages of the war, but we have that right now that Great Britain is our ally. The administration at Washington puts out a letter which descends to politics in the shrewd reference to LENROOT's vulnerable record; but, aside from any question of good taste in such an outgiving, it must be said that this form of attack from the supporters of Davies is natural, unavoidable, and probably within his fair rights and privilege.

The demand will grow for LENROOT to step aside in the interest of a united front against Berger, and LENROOT's defense is likely to grow less cogent and convincing as time wears on. The ammunition that McGovern patriotically laid aside is not beyond reach of the Democrats, and they will not scruple to make the most of it. It need not occasion surprise if LENROOT has to withdraw; and if it is going to come to that, the sooner he does so the better.

That is from a Republican paper, and I hope you will mark the fact that I have read nothing from a Democrat newspaper.

Mr. President, I ask unanimous consent to insert in the RECORD, without reading it, an article appearing on page 14 of the Milwaukee Journal of March 25 entitled "Party rule is breaking down. G. O. P. leaders think that LENROOT should withdraw. Leaders in Chippewa Valley come out strongly in support of the Democratic candidate. Fear Berger's strength."

I submit that request.

The PRESIDING OFFICER. Is there objection?

Mr. FALL. I object.

The PRESIDING OFFICER. Objection is made.

Mr. WILLIAMS. All right, Mr. President. My voice is still tolerably good.

EAU CLAIRE, WIS.

There is a political situation at Eau Claire—in fact, in the whole Chippewa Valley—that defies all precedents in Wisconsin politics. Party labels are no longer an index to political strength or weakness. Americanism is the criterion on which candidates for the senatorship will rise or fall in this section. There are some who hold steadfastly to political faiths under whose flags they fought before this war began, and who are still thinking in terms of party success, but leaders here agree that the size of this element is waning, and the bonds that have held men together in strict party allegiance are breaking.

HAVE THREE REASONS.

There is apparently a landslide of loyal Republicans here to Joseph E. Davies, Democratic nominee. A large number of Republicans, who told the Journal that they supported Mr. LENROOT in the primary, have announced that they are back of Mr. Davies now. Those who have come over from other parties give three reasons for their change: First, that they believe there is no question of Mr. Davies's loyalty; second, that Mr. LENROOT is already a Member of Congress and has just as big an opportunity to render patriotic service in his present position as he would have in the Senate; third, that they believe Mr. Davies has a better chance to defeat Victor Berger than Mr. LENROOT, and they do not want to run any risk of throwing their vote away when the welfare of the Nation and the reputation of Wisconsin hangs in the balance.

A number of prominent Republicans of Eau Claire told the Journal they thought Mr. LENROOT ought to withdraw.

LENROOT SHOULD WITHDRAW.

Earle S. Welch, former Republican postmaster, said: "If it appears that either Mr. LENROOT or Mr. Davies must withdraw to win the fight, then, in my opinion, Mr. LENROOT is the man to withdraw. Mr. LENROOT is intrenched firmly in the House, and he can do as much good there as he could do in the Senate. I am very friendly to the candidacy of Mr. Davies and would not be sorry to see him elected."

Glen O. Linderman, Republican, lawyer, and manufacturer, said: "The one thing that I want to do in this campaign is to vote for and support a loyal man. I do not care whether he is a Democrat or Republican. I hope to see one of the candidates withdraw. I sincerely hope that Mr. LENROOT will withdraw because he could go back to Congress and do just as good work in the House as he could do in the Senate. If Mr. LENROOT does not withdraw it is a question in my mind as to which will be the stronger to defeat Victor Berger. I do not approve of Mr. LENROOT's stand on the McLemore resolution. I did not approve of it at that time, and I feel very much stronger against it now."

TIME FOR ACTION.

Some of the Republicans felt chagrined over the vote received by James Thompson and Victor Berger in the German sections of the Chippewa Valley. C. H. Henry said: "Considering the vote cast for LA FOLLETTE's candidate, James Thompson, and for Mr. Berger, it is about time for the people to do something—

An appeal to the people of Wisconsin to do something, with over 100,000 of them pronounced anti-Americans, antiloyalists, and antipatriots—

I was in hopes of a union on one candidate. I did not approve of Mr. LENROOT's vote on the McLemore resolution. I was with the President and there was nobody from Wisconsin right on that proposition but Senator HUSTING.

One remarkable feature of the primary in Eau Claire County was the vote cast for Mr. Thompson by old-time German Democrats.

The Germans are not paying any attention to partisan politics. The old-time German Democrats are voting for Republican candidates, provided only that they be untrue to America and faithful to the Kaiser. You and I stand here like whipped dogs, like sheared sheep, while they are going on with all that, and you and I are accused of partisanship if we say one word about it—

This was evidenced by the vote in the town of Lincoln, the village of Fall Creek, and the village of Augusta. The town of Lincoln was for many years the rockbound Democratic stronghold of Eau Claire County. It never wavered in its democracy, no matter how dark the outlook, until Republican leaders carried it for Mr. Hughes. Last Tuesday this town of Lincoln gave 101 votes to Mr. Thompson, 1 to Mr. LENROOT, and 8 to Mr. Davies. Its population is almost exclusively German. A prominent Democrat of Augusta, who was present at the Davies's meeting at Eau Claire Friday night, said: "The Republican leaders in the last presidential campaign set influences to work to turn this German vote over to the Republican Party. Fall Creek, another German stronghold, which was formerly Democratic, gave 83 votes to Thompson, 5 to LENROOT, and 18 to Davies.

SIXTY PER CENT FOR VICTOR BERGER.

The question of where the Thompson vote will go on election day is one of the burning problems here. Those who claim to know say that the bulk of it will go to Victor Berger. A local newspaper man who has been watching the trend of political movements in this country divided the Thompson vote into two classes. About 60 per cent of the people who voted for Thompson, he said, were Germans who were dissatisfied with the war. These, he thought, would vote solidly for Victor Berger. He estimated that about 40 per cent of the Thompson vote came from Norwegians, who did not look upon the war as the predominant issue. "These," he said, "thought only in terms of economic issues. They thought that LA FOLLETTE had served their economic interests in the past, and they did not want to desert him now. I do not think that many of the Norwegians will vote for Victor Berger."

Others in Eau Claire estimate that a much larger percentage of the Thompson vote will go to Mr. Berger. Some think that the pacifist editor of the Milwaukee Leader will get over 90 per cent of the votes cast for the La Follette candidate. Mr. Thompson received 1,056 in Eau Claire County. It is even surmised that a very small part of the Thompson vote will be cast for Mr. Davies on election day by La Follette supporters, who feel bitter toward Mr. LENROOT because "he threw Mr. LA FOLLETTE after Mr. LA FOLLETTE had given him a place in the sun."

DAVIES PROPER MAN.

Other opinions from leaders in Eau Claire and the Chippewa Valley follow:

James Joyce, Eau Claire, banker: "I think Davies is the proper man for the position. There is no question about Mr. Davies's loyalty."

A. J. Brandstad, Eau Claire, Republican: I am going to vote for Mr. Davies, because I think it is the right and proper thing to do to back up the President.

Guy Spiers, Eau Claire, Republican, who signed the Lenroot call and vigorously supported LENROOT in the primary: I consider Joseph E. Davies the administration man closest to the President and I am going to support him.

A. J. Sutherland, attorney, Eau Claire: A great many Republicans have told me that they will vote for Mr. Davies. Some of these even voted for Mr. LENROOT in the primary. They tell me that they believe that there is no question of Mr. Davies's loyalty; that even if Mr. LENROOT does not get this position, he is still in Congress, and that they consider it time for all loyal men to get together and support Joe Davies. The Republicans think he has a better chance of being elected than Mr. LENROOT.

J. A. Stilp, paper manufacturer, Eau Claire: All that I can say is that I am strong for Joe Davies. I know of many Republicans who voted for Mr. LENROOT in the primary who will vote for Mr. Davies in the election.

W. H. Frawley, attorney, Eau Claire: At least 50 per cent of the Republicans who voted for Mr. LENROOT in the primary will vote for Mr. Davies on election day.

J. E. Davey, Eau Claire: I think that over 50 per cent of the total Republican vote here will be for Mr. Davies. There is no doubt that he will carry this county. The Germans who voted for James Thompson will probably vote for Victor Berger. The others will split.

J. J. Ott, vice president and general manager of the John H. Kaiser Lumber Co., Eau Claire: I supported Mr. LENROOT in the primary, but I am supporting Mr. Davies now, because I think he harmonizes closer with the family of the administration.

Mayor John R. Barron, Eau Claire: I am for Mr. Davies. I think he will get a considerable vote from Republicans in this city.

F. C. Waltersdorf, Democratic State central committeeman, Eau Claire: Many Republicans are going to vote for Mr. Davies, even some who voted for Mr. LENROOT in the primary in order to defeat James Thompson. Mr. Thompson's vote came largely from the Germans and about 95 per cent of it will go to Mr. Berger.

D. E. Kiser, Eau Claire: A considerable number who voted for Mr. LENROOT in the primary have openly come out for Joe Davies. They realize that Mr. Davies is the President's choice and feel that Mr. LENROOT should withdraw.

LIKE ELECTION OF '64.

A. W. Goff, Eau Claire, whose name was printed as a member of the local Lenroot committee, wrote a letter stating that his name was used without his authority, and that although he was a Republican he would support Mr. Davies because he believed Mr. Davies had proved his capability and his Americanism.

L. A. Brace likened the present political situation in Wisconsin to that existing in the country during the Civil War. Mr. Brace said: "I was a Democrat during the Civil War. I loved Gen. McClellan, and I served under him for four years, but I voted for Mr. Lincoln in 1864, because I thought it the only right thing to do, and because I did not want to change horses in the middle of the stream. I think that the Republicans in Wisconsin should feel the same way about the Davies candidacy as I felt about President Lincoln in 1864."

Mr. President, upon yesterday I was arraigned on the other side of the Chamber for saying that Mr. LENROOT's loyalty was lukewarm. I am tired of the camouflage; I am tired of the Republican velvet glove, of the way in which they say, "We do not mean anything," but meanwhile, every now and then, with preconceived harmony of action and unity of purpose, they bounce all over the Democratic administration on one day.

I have here 10 questions which Mr. LENROOT has been asked to answer. Can I get unanimous consent to insert them in the RECORD, or must I read them? I ask unanimous consent.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

Mr. FALL. I object.

The PRESIDING OFFICER. Objection is made.

Mr. WILLIAMS. Mr. President, nobody is so persistent in his objections as my friend from New Mexico; and I think it is not because he really objects to this but because he likes to hear my voice. In fact, I happen to know very well that he is dead in love with my voice, and he wants to hear it. Then I will read a part of these questions.

Mr. FALL. Mr. President, will the Senator yield for a moment?

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from New Mexico?

Mr. WILLIAMS. I do.

Mr. FALL. The Senator has indicated his opinion of my purpose in making the objection, that it was from love for his dulcet tones.

Mr. WILLIAMS. The dulcet tones of my voice; yes.

Mr. FALL. That is not the only reason. If I were as partisan as he has charged the Republicans with being, I should desire the continuance of the present exhibition.

Mr. WILLIAMS. What was that? I did not quite hear it.

Mr. FALL. I said that not only did I love the dulcet tones of the Senator but if I were as partisan as he accuses this side of being, I should desire a continuance of the present performance or exhibition.

Mr. WILLIAMS. Very well. Now, Mr. President, I knew that that sort of sweet recognition would come, sooner or later, from the Senator from New Mexico. I love him, and he loves me, and I knew that sooner or later he would pay me some compliment like that. Of course the condition which he makes is negligible, because he knows as well as I do that what I am now inflicting is well deserved; so I will read so much of this as I think worth while, and I will omit so much as I think is not worth while.

Omitting question No. 1, which I think has nothing in it, I read:

2. Why did you not firmly and whole-heartedly support President Wilson when he called on you and all other Members of Congress to maintain American rights?

Those were the rights of American citizens to sail upon the high seas, even in ships owned by the citizens or subjects of belligerent nations.

3. Why did you vote to ask Americans to surrender their rights to sail upon any merchant ship of whatever nationality?

4. Why did you join with the pro-German propagandists and disloyal organizations in advocating an embargo on shipments of arms and ammunition?

Ah, Mr. President, that question might have gone further, because that petition for an embargo was not only a protest against the shipment of arms and munitions, but was a protest against the shipment of food and fuel, American wheat and American corn and American rice and American sugar; so that question remains to be answered.

5. Why did you, in the summer of 1916, less than a year before America was forced into the war, vote against the plan to enlarge the Navy upon the basis of a three-year continuous building program?—

Which was a substitute for the five-year building program.

Again:

6. Why, although you voted for the war resolution against Germany, did you say that America should not send troops to Europe, but should make war upon Germany only upon the sea?

The Senator from Utah [Mr. SMOOT] corrected me yesterday and said that Mr. LENROOT had not voted against the declaration of war against Germany. I, thinking that he knew what he was talking about, surrendered at once to the assertion which he made. I now find that he is partially right and partially wrong, and that Mr. LENROOT did vote for the declaration of war, but that he voted for it with an explanation that we were by all means not to send any troops to France nor to put any of our boys in the trenches; that it must be purely a naval

warfare and purely a defensive warfare upon American shores. In other words, when I had a deadly fight to defend my family against attack, I could defend them within the inclosure of my own front yard but I must not go outside; I must not anticipate the act of the enemy. I must not go to France and go into the trenches and fight where the enemy was, but I could remain in America all I pleased, the enemy not being here, and there being no war here and no danger here; and then we might take our chances upon the high seas as best we could. So I withdraw so much of my apology to the Senator from Utah yesterday as included a misapprehension on that point.

9. Why did you fail to vote at all on the espionage bill, a measure which provided means for unearthing and punishing German propagandists and others who plotted against America or destroyed its industries?—

"Or destroyed its industries," Mr. President—remember that! These infernal scoundrels were putting bombs with time fuses upon our merchant ships. They have blown up our manufactories. One of them tried to blow up this Capitol. Not one word of denunciation of those men appears in this man's record.

9. Why did you fail to vote at all on the espionage bill, a measure which provided means for unearthing and punishing German propagandists and others who plotted against America or destroyed its industries? Where were you when the vote upon this all-important measure was taken?

10. Why did you fail to vote at all upon the war-risk insurance bill, the beneficent law proposed by the President to provide insurance at low cost to soldiers and sailors'; to compensate them for injuries and to provide maintenance for their dependents?

Mr. President, we have come to this point in America, and as far as I am concerned I want it distinctly understood. There is no Democratic Party and there is no Republican Party here any more. There is a loyalist, pro-American, aggressively and if necessary offensively pro-American party, and a party which is pro-German or lukewarm in its Americanism. Those who are not with us are against us, and let them take their medicine; and if the law does not give them their medicine the people will, and the people are beginning to wake up.

Let not any man over there dare accuse me of Democratic partisanship. That I had it, yes; that I have it now, no. I am nothing to-day except one with my boys in the field. I have no object under the sun except to win this war. I will vote to expel from this body any man who has not been true and who has been lukewarm. I will vote to elect to this body any man of whatsoever party who has been aggressively pro-American and anti-German, and a hater of the Kaiser and all that, and he must show that to satisfy me. Then I am for him, but I am against anybody who falls short of that full measure of American requirement in behalf of civilization and the cause of freedom and the cause of democracy throughout the world. I can not be with those boys in body, because I would be a liability rather than an asset of the United States Government. If I undertook to serve in the trenches I would have to be carried away, I reckon, but I am with them in spirit and soul and heart, and every criticism directed against the American governmental machinery unless it is absolutely necessary and fully justified meets with my contempt.

Mr. KELLOGG. Mr. President, I am not going to prolong this discussion or engage in any controversy with the Senator from Mississippi over Wisconsin politics. I am going, however, to state a fact that quite likely the Senate might like to know, and which I presume the Senator from Mississippi does not know. The Milwaukee Journal has been paraded as a great Republican newspaper——

Mr. WILLIAMS. I beg the Senator's pardon; I never said so. The Milwaukee Journal quoted from a lot of Republican newspapers, and I quoted what they said.

Mr. KELLOGG. The Milwaukee Journal is a bitter, partisan Democratic organ.

Mr. WILLIAMS. I never said the Milwaukee Journal was a Republican paper. I knew better, and have known it for years.

Mr. KELLOGG. It has been the mouthpiece of the administration. I am making no complaint, but editorials from that bitter, hostile journal ought not to be quoted as editorials from Republican newspapers.

Mr. WILLIAMS. Does the Senator mean to say that I quoted any editorial from the Milwaukee Journal as an editorial from a Republican newspaper?

Mr. KELLOGG. I so understood the Senator.

Mr. WILLIAMS. Then the Senator totally misunderstood me. The Milwaukee Journal quoted these editorials from Republican papers and I quoted the publication of them in the Milwaukee Journal.

Mr. KELLOGG. I can give the Senator a great many——

Mr. WILLIAMS. The Senator does not mean to say that the Milwaukee Journal mispublished those editorials?

Mr. KELLOGG. I do not know anything about that. The Senator from Mississippi heard what I said.

Mr. WILLIAMS. Of course, any statement to the effect that I said the Milwaukee Journal was a Republican paper was purely erroneous, not to go further.

Mr. SMOOT. Mr. President, I understood the Senator from Mississippi to say that he quoted from Republican papers through the Milwaukee Journal, as he now claims, but I think the Senator has forgotten——

Mr. ASHURST. Will the Senator yield to me for just a moment?

Mr. SMOOT. In just a moment I will be through.

Mr. ASHURST. I am afraid one sentence will start the Senator from Mississippi again.

Mr. SMOOT. I will say it will not start the Senator from Mississippi again, as far as I am concerned, because I am not going to answer his tirade. No one will approve the course that has been taken by the Senator from Mississippi. I expect to make a short statement not to exceed seven lines.

I wish to say that some of the papers the Senator quoted from are German papers rather than Republican papers. I now quote from a letter received from Wisconsin, as follows:

Last Monday, the 2oth, a conference was called by committee of Loyalty Legion, between chairmen of State central committees, Davies, and Mr. LENROOT, to consider the subject of the withdrawal of either Davies or Mr. LENROOT, but Davies skipped to Chicago about an hour before the conference, so he did not show up. Mr. LENROOT issued a stinging statement of his action and stated he would fight to a finish.

Mr. CURTIS. Mr. President, I should like to make a point of order against the pending amendment. I am confident the Senator from Oklahoma did not realize when he introduced it just how far the amendment goes. It is general legislation, and therefore I make the point of order.

Mr. OWEN. I have heretofore said that this amendment was the result of a conference between the Oklahoma delegation and the Secretary of the Interior, and was in effect drawn by the office of the Secretary of the Interior, using as a basis a proposal sent to me as a Senator from Oklahoma by the attorney representing the Farm Loan Board in Wichita, who had had difficulty in determining the personnel of heirships. I understand the measure to relate only to determining who the heirs are and that it does not affect the title, as the Senator from Kansas thinks it might.

I think it is obviously open to a point of order, because it does seem to be general legislation on the appropriation bill, and I shall not make any parliamentary objection when it is made.

Mr. CURTIS. Before the Chair passes on it I wish to say that I will gladly join the Senator from Oklahoma in preparing a measure that will cover the point as a separate bill later, so that some relief may be given.

Mr. OWEN. I think we might perhaps let the amendment have a provision attached to it that it shall not affect any title by any court proceeding of a previous date.

Mr. CURTIS. I would rather not at this time. I think it is general legislation, and we had better take care of it in a separate measure. I therefore insist on my point of order.

Mr. OWEN. It is certainly open to the point of order.

The PRESIDING OFFICER. The point of order is sustained.

Mr. MYERS. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. It will be read:

The SECRETARY. After line 10, on page 37, insert:

That the Secretary of the Interior be, and he is hereby, authorized to withdraw from the Treasury of the United States the sum of $200,000 of any tribal funds on deposit to the credit of the Crow Indians in the State of Montana, and to expend the same for making necessary improvements to the irrigation systems in the Big Horn Valley on the Crow Indian Reservation, in Montana, said sum, or such part thereof as may be used for the purpose indicated, to be reimbursed to the tribe under such rules and regulations as may be prescribed by the Secretary of the Interior.

Mr. MYERS. Mr. President, in support of the amendment I will read a letter, addressed to the chairman of the committee, by the Secretary of the Interior:

MARCH 25, 1918.

Hon. HENRY F. ASHURST,
United States Senate.

MY DEAR SENATOR: I attach hereto copy of a proposed amendment to the Indian appropriation bill (H. R. 9696), authorizing the withdrawal of the sum of $200,000 of tribal funds on deposit to the credit of the Crow Indians and the expenditure thereof for making necessary improvements to the irrigation systems in the Big Horn Valley, on the Crow Reservation, in Montana.

Negotiations have been completed for the leasing of all unused Indian lands in the Big Horn Valley, on the Crow Reservation, Mont. This land is under irrigation projects, and in order that water may be conveyed thereto efficiently there must be some improvement of the laterals and main canals and extension of laterals. In addition to the construction of ncessary new laterals many of the old wooden structures must be replaced with concrete. The acreage involved is approximately

20,000 acres, and it is estimated that the proposed improvements will cost in the neighborhood of $10 per acre, or a total of $200,000. Owing to the fact that after July 1, 1918, no tribal funds can be withdrawn from the Treasury without the specific authority of Congress, and as no other money will be available for this purpose, it is recommended that the proposed amendment be included in the bill upon final passage.

The chief benefits to be derived from this proposition will be to aid in meeting the war need for increased wheat production to the extent of approximately 600,000 bushels per annum; an increased annual acreage income to the allottees from about 20 cents per acre as grazing land to from $6 to $12 per acre as agricultural; safeguarding the water rights; the increased value of the land; and the strong possibility that the intensive cultivation of this large new area will mean the building of a steam or electric railroad from Hardin up the Big Horn Valley.

In view of the circumstances set forth above, I recommend that the item receive favorable consideration.

Cordially, yours, FRANKLIN K. LANE, *Secretary.*

Mr. CURTIS. May I ask the Senator a question?

Mr. MYERS. With pleasure.

Mr. CURTIS. As I understand the reading of the letter, a lease has already been made for this uncultivated land. Is that true?

Mr. MYERS. I so understand.

Negotiations have been completed for the leasing of all unused Indian lands in the Big Horn Valley, on the Crow Reservation, Mont.

Mr. CURTIS. Can the Senator advise the Senate for what purpose the lease has been made; whether it is for beet sugar, or wheat growing, or general farming, or for what purpose?

Mr. MYERS. It is my understanding that there have been leases for general farming, principally grain growing. It may be that the leases are dependent upon the contingency of this appropriation being made putting water on the land. The Secretary appears to consider it very essential, in view of these leases, that water shall be put on the land. I have answered the Senator to the best of my ability.

Mr. President, in support of this amendment I will say that it does not seek to appropriate any money of the United States Government. It is not an appropriation out of the Treasury of the United States of any money belonging to the Federal Government.

The Crow Indians, I am informed, have about $1,000,000 to their credit in cash on deposit in the Federal Treasury, and this proposed legislation is intended to withdraw $200,000 of the Indian money and devote it to the extension of the project for the benefit of the Indians. It is not to take a dollar belonging to the Federal Government. It is Indian money that is intended to be expended for their benefit.

I will say further that there are no white people who own any of this land it is intended to put water on or who are in anywise interested in it. There can be no question raised that it is for the benefit of white people. This land is owned entirely by the Indians. It is Indian land, and it is Indian money, and the intention is to expend Indian money on Indian land for the benefit of the Indian. Of course if the land is leased out to white farmers there will be white people cultivating the land, paying adequate rental for it to the Indians, and that will be the extent to which any white man will be interested.

The Secretary of the Interior tells us that it will be the means of increasing the rental of these lands from about 20 cents per acre as dry lands for grazing purposes to from $6 to $12 per acre per annum as farming lands, and the Indians will get the benefit of the increased rental.

This amendment did not originate with me. It is one in which I have no particular or individual interest. It originated wth the Department of the Interior, and I am offering it as a departmental amendment at the request of the Department of the Interior.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Dakota?

Mr. MYERS. I yield with pleasure.

Mr. GRONNA. Of course this is in the Senator's own State, and I know he has as much, if not more, interest in the growth of his State and in the progress of the Indians than any other Senator, but it does seem to me it is somewhat unfair to bring such an amendment as the Senator has proposed here without giving the committee an opportunity to discuss it and to make an investigation. I think I might say it is also unfair to the Crow Indians.

The Senator knows better than I do the serious opposition the Crow Indians have made to the taking of any of their tribal funds for irrigation purposes. I believe it would have been only fair to have given the Crow Indian Tribe an opportunity to appear before our committee and to be heard before we take $200,000 out of their funds.

I wish to ask the Senator another question, if he will permit me. Is it contemplated to lease this land for, I understood the Senator to say, a million dollars, and was it taken into consideration that it was necessary to appropriate $200,000 in order to bring water on the land? Does that enter into the contract, I ask the Senator?

Mr. MYERS. That is my understanding.

Mr. GRONNA. But that matter has never been brought to the attention of the committee, as far as I know, either by the Senator or by the department.

Mr. MYERS. I have not the honor of being a member of that committee. I formerly was upon it, but my State is represented now on the committee by my colleague [Mr. WALSH]. He is the member of the committee from my State.

I have something here on the attitude of the Indians, if the Senator wants information on that point, and I would be glad to give it.

Mr. GRONNA. It seems to me it is rather unfair to propose to take $200,000 out of the Indian fund, something that has never been proposed in the committee, and now to be compelled to vote upon this proposition without making the slightest investigation and without having had an opportunity to give the Indians a chance to be heard.

Mr. MYERS. I have given them an opportunity to be heard, and I will submit some information I have on the subject.

Mr. GRONNA. Can the Senator inform the Senate as to whether the Crow Indians are in favor of this amendment or whether they are opposed to it?

Mr. MYERS. Yes; I intend to submit information on that subject.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Kansas?

Mr. MYERS. With pleasure.

Mr. CURTIS. I do not care to ask the Senator a question. I want to make a point of order against the amendment.

Mr. MYERS. I do not yield the floor for that purpose. I want to complete my statement first and lay it before the Senate.

Mr. President, I do not want to be unfair in the matter. I have no disposition to do anything that is unfair, and if I thought the offering of this amendment was unfair to anybody I would not offer it, but I think it is fair or else I would not have offered it.

As I said, this is a departmental amendment which originated with the department. Why the department did not originate it sooner I do not know. It did not originate with me. I have no particular or personal interest in the amendment.

I am offering it at the request of the Department of the Interior. Their request came to me only within the last few days that the bill has been before the Senate, and I investigated the matter before I would consent to offer it. When presented to me I said I would not offer it until I would make some investigation of it. I did investigate it; and I concluded it was fair and right and proper, and I will give my reasons for my conclusion. Thereupon I offered it.

As I said, this land belongs to the Indians. The money belongs to the Indians. The Government is the guardian of the Indians, and it is for Congress to say what is the wise manner in which to handle these trust funds. Shall it let them lie idle in the Treasury of the United States, bearing no interest, or shall it allot them so much per capita to the Indians and pay it out to them, which, I believe, can not be done until they are declared competent, or will it be best to take a part of it and put it into improvements of the Indian lands so that they will get a benefit out of it? It is for Congress to say. If Congress thinks wise to so appropriate this money, it should do so. If Congress thinks it is not wise to do it, it need not do so.

The matter having been submitted to my colleague and myself, we consulted together and we took some steps to ascertain whether it would be justifiable to offer the amendment on the floor of the Senate. We wanted to be enlightened. We did not want to do it, not knowing what we were doing. So my colleague sent a telegram to Mr. Robert Yellowtail, a representative Crow Indian on the reservation. I understand there is on the reservation a committee of Indians intended to represent the Indians in matters of their own interest, in legislation and departmental matters, matters before Congress and before the committees. They, I believe, constitute a committee for that purpose with authority to speak. The committee, I understand, is composed of Robert Yellowtail, Frank Yarlott, and Richard Cummins. My colleague telegraphed to Robert Yellowtail to know what the Indians thought about this matter. He

acquainted him with the nature of the proposed amendment and asked his advice about it, and here is the reply:

WYOLA, MONT., *March 26, 1918.*

Hon. THOMAS J. WALSH,
Senate Office Building, Washington, D. C.:

Two hundred and fifty thousand dollars' appropriation—

He got it—$250,000—but it is only $200,000—

Two hundred and fifty thousand dollars' appropriation asked for by department desirable if same be expended in actual construction for completion of Little Horn ditch No. 2, Lodge Grass No. 2, Reno ditch, and extension of agency ditch; also maintenance of Big Horn ditch. Guard against use of this in way of salaries.

ROBERT YELLOWTAIL,
FRANK YARLOTT,
RICHARD CUMMINS.

As I said, I understand those gentlemen to be a sort of a business committee to represent the Crow Indians. I know Mr. Yellowtail well. He often comes down here and appears before the Committee on Indian Affairs and the department and is one of the leading and most intelligent and most reliable of all the Crow Indians, and I place considerable confidence in his judgment. I will say that my colleague [Mr. WALSH] is in favor of this amendment, as I am. We are as one in support of it. He is a member of the committee and would probably have offered the amendment if he had been here to-day. It was agreed between us that one of us should offer it. He is not here and therefore I offered it.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Dakota?

Mr. MYERS. I yield with pleasure.

Mr. GRONNA. Of course I do not mean to intimate that the Senator would attempt anything that was unfair.

Mr. MYERS. I understand the Senator. He was just expressing his judgment about the advisability of the appropriation.

Mr. GRONNA. I simply wanted to inform the Senate that the matter had not been considered by the Senate committee.

Mr. MYERS. That is true. I would much rather it had been considered by the committee.

Mr. GRONNA. So far as I am personally concerned I will say to the Senator if the chairman of the committee will assure me that he will make an investigation of it I am perfectly willing to let it go to conference.

Mr. MYERS. I have no personal interest in it, and I say I would much rather it had been submitted to the committee. When it was first presented to me I was in doubt whether I would offer it, because it had not been submitted to the committee, but when I investigated the source which I have read here and other sources I concluded that it was justified and all right.

Mr. CURTIS. Mr. President——

Mr. MYERS. I yield to the Senator.

Mr. CURTIS. I agree with the statement made by the Senator from North Dakota, that if the chairman of the committee will promise to look into this matter, as far as I am concerned I have personally no objecion to its going in, and I make that statement for this reason: I hold in my hand the statement issued by the irrigation division of the Interior Department, and it shows there are now upon that reservation 26,154 acres of land under the ditch not cultivated. If the lease is to cover only 20,000 acres, they could still make a lease for 20,000 acres and have 6,000 acres left. I think if that fact is demonstrated before the conferees on the part of the Senate they should not insist upon the amendment. Here is the latest report, and it does show that there are 26,154 acres of land under the ditch not cultivated.

Mr. MYERS. I will say that I am not prepared to account for that, and if it goes in the bill I think the chairman of the committee should investigate it before it is finally passed. I have been advised not only by these three Indians but by other sources which I consider reliable that this is a just and legitimate appropriation and that it would result in benefit to the Indians.

Mr. ASHURST. Mr. President, I think I can very briefly state to the Senate the information and all the information that I possess in respect to this item.

On the 25th of this month, about three days ago, I received a communication from the Secretary of the Interior, which communication has been read by the senior Senator from Montana. Therefore I will not again read that letter. In substance, however, it was a letter urging an appropriation of $200,000, not out of the Treasury of the United States but out of the tribal funds on deposit to the credit of the Crow Indians, and the letter went on to state that the chief benefit to be derived from this proposition would be to aid to meet the war needs for increased wheat production and that approximately 600,000 bushels per annum would be raised on this land.

Mr. President, as chairman of the committee and as an individual Senator, I have the highest regard and respect for the Secretary of the Interior, and I am sure I speak the unanimous judgment of every Senator here; but I do not like the idea of sending to the chairman of the committee a proposition for a large appropriation after the bill has been reported to the Senate. I expressed my disapprobation of that procedure in rather strong terms to the Indian Office, and the reply they gave me was that the failure to send in this item so that the same could be considered by your committee was because at the time the committee was in session negotiations had not been completed looking toward the leasing of the lands that they wished to lease. In other words, the bill was reported on February 16 of this year; and up to and including that date negotiations which they hoped to make had not been made.

Now, Mr. President, I wish to propose a line of action with respect to this amendment which I think will be conservative, and which I think can be adopted. Let the point of order be made and let the Senator from Montana introduce this as a separate bill. We can convene the committee to-morrow; we can hear the representatives of the department on Saturday; and I am sure the Senate will give us an opportunity to pass it as a substantive bill on next Monday. I have that much faith in the Senate to believe that it will allow us to pass this as a substantive bill on next Monday. All I know about it is comprehended within the two pages of the letter which I hold in my hand.

Mr. OWEN. Mr. President, I should like to ask for what this money is to be used?

Mr. ASHURST. Let me read the letter from the Secretary of the Interior, which is dated March 25 of this year. It states:

Negotiations have been completed for the leasing of all unused Indian lands in the Big Horn Valley, on the Crow Reservation, Mont. This land is under irrigation projects, and in order that water may be conveyed thereto efficiently, there must be some improvement of the laterals and main canals and extension of laterals. In addition to the construction of necessary new laterals, many of the old wooden structures must be replaced with concrete. The acreage involved is approximately 20,000 acres, and it is estimated that the proposed improvements will cost in the neighborhood of $10 per acre, or a total of $200,000. Owing to the fact that after July 1, 1918, no tribal funds can be withdrawn from the Treasury without the specific authority of Congress, and as no other money will be available for this purpose, it is recommended that the proposed amendment be included in the bill upon final passage.

Now, answering the Senator from Oklahoma:

The chief benefits to be derived from this proposition will be to aid in meeting the war need for increased wheat production to the extent of approximately 600,000 bushels per annum; an increased annual acreage income to the allottees from about 20 cents per acre as grazing land to from $6 to $12 per acre as agricultural——

Mr. OWEN. Mr. President, I do not think that the argument is very convincing with 26,000 acres unemployed during the last year, with 60,000 acres unemployed on another one of these projects, and with large areas on another of these projects unemployed, the committee, finding itself compelled to cut down this appropriation because of that, does not seem very convincing to me.

Mr. MYERS. Will the Senator from Arizona yield to me a minute? I should like to explain this to the Senator from Oklahoma.

Mr. ASHURST. I yield.

Mr. MYERS. This is not money which is to come out of the Federal Treasury.

Mr. OWEN. It does not make any difference whether it comes from the United States Treasury or from the funds of this Indian tribe. I think that, if it is not justified as an appropriation from the Federal Treasury it is less justified from Indian money.

Mr. MYERS. Certainly. I thought the Senator was referring to getting Government appropriations.

Mr. OWEN. Not at all. If the argument does not justify the larger appropriation out of Government funds for this great enterprise in which I take a deep interest, and which I should like to see expended——

Mr. MYERS. I know that.

Mr. OWEN. I do not think that the Indian funds ought to be used unless there is some different argument made.

Mr. MYERS. I should like to be heard a minute further when the Senator from Arizona [Mr. ASHURST] concludes.

Mr. ASHURST. Then, let me conclude at once, by stating that the impression that I have formed concerning this matter is distinctly favorable, Mr. President, from two viewpoints. Where the Indian allottees are now receiving only 20 cents per acre each year, it may be—and I am inclined to think it is true—that they will receive from six to twelve dollars per acre. I am

rather favorably impressed with the proposition; but I do think that a matter involving $200,000, sent to our committee after it had adjourned, ought to be considered in all its details, and that the representatives of the department should come before the committee. We can pass this as a substantive bill in two hours.

Mr. OWEN. As I understand the letter of the Secretary of the Interior, it is to the effect that they hope to lease this land, not that they have leased it, for agricultural purposes.

Mr. ASHURST. The statement is that negotiations have been completed.

Mr. OWEN. For the leasing?

Mr. ASHURST. Yes; so says the letter.

Mr. OWEN. I think it is high time that the Interior Department were exercising its energies to make productive these lands which the United States has spent millions of dollars in developing; and I think the department is not justified in coming to Congress and asking for further appropriations when people are living within these large areas of land which is unproductive. Now, with this statement, that they have actually gotten to the point that they can use these lands, can get somebody to cultivate them, I should not insist upon the point of order. I am willing to leave it to the chairman of the committee; but I think there ought to be a good reason when we have laid down a principle and fail to follow it.

Mr. ASHURST. Mr. President, again stating that the impression I have gleaned from my very cursory and necessarily very incomplete investigation of this matter, is one distinctly favorable I desire to say that I can see that much good may come to the Indians; but I am able to perceive that it is possible that there may be grown, probably not this year, but surely next year, the amount of wheat stated by the Secretary of the Interior, but I wish to deprecate the idea of sending in a request for large appropriations after the committee has had extended hearings and has adjourned.

Mr. GRONNA. Mr. President, I have purposely avoided taking up any time whatever in the discussion during the consideration of this bill. I have done so because I am very much interested in having the bill passed and become a law as speedily as possible. The members of the committee know that there are many items in this bill involving appropriations which must be used by the Indian Bureau in the purchase of seed grain, and I believe that it ought to be passed at the earliest practicable moment.

I am also interested in increasing food production; and the amendment which is now proposed by the Senator from Montana [Mr. MYERS] appeals to me. I want to ask the indulgence of the Senate for only a few minutes in discussing this question, and I want to read from the Weekly News Letter of the United States Department of Agriculture a sentence or two under the heading "The farmers may be depended upon by the Secretary of Agriculture," which reads as follows:

> The war has served to exhibit to the country at large, as the country never quite realized before, its dependence upon agriculture and the manifold problems which beset our primary industry. There is reason to believe therefore that during the coming year agriculture will have the active sympathy and cooperation of all citizens and classes who are in position to render aid. The farmers of the United States will not fail to do all they can in this emergency and, with favorable seasons, they will produce enough to sustain the civil population, to keep our Army and Navy in full fighting vigor, and to supplement the depleted resources of the allies. Every facility that the Department of Agriculture can command to assist them will be freely placed at their disposal.

Mr. President, I believe that the Department of Agriculture is doing everything in its power to stimulate the production of food, but there is, of course, a limit to what it may be able to do. I can remember about a year ago when this body passed a measure known as the food bill—I think it was passed in this Chamber on the 31st day of May last—and it was held up somewhere between this body and the other body for more than two months; it was never acted upon. I see before me now the chairman of the Committee on Agriculture [Mr. GORE], and I want to ask him what is being done with the Agricultural appropriation bill, which passed this body on March 21? In that bill there was included a provision for a price of $2.50 per bushel on wheat? I should like to know from the chairman of the committee what has been done; if the conference committee has been appointed on the bill, or where the bill now is?

Mr. GORE. Mr. President, I will say, in response to the Senator's question, that I have made inquiry nearly every day since the Agricultural appropriation bill passed the Senate, and I was to-day advised that the measure is still on the Clerk's desk in the other House. It has not been called up, as I am informed; it has neither been sent to conference nor sent to the Committee on Agriculture. So far as I know, nothing has been done, and my advices are only two or three hours old.

Mr. GRONNA. Mr. President, I regret exceedingly that the same course is being pursued upon that particular bill which was taken a year ago upon the food bill, when the welfare of the people of the entire country was at stake. There were many who thought that that bill was passed only for the benefit of the farmer. That was not true then and it is not true now as to the amendment which was offered by the Senator from Oklahoma and which was voted into that bill by an overwhelming vote of 48 to 22 to suspend the rules and by a vote of 49 to 18 or 19 on the final passage. I want to say, Mr. President, that so far as the Senate is concerned, it has done its duty.

While I am on that subject, I ask to have read by the Secretary a letter calling attention to the importance of this question.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

BROCKETT, N. DAK., *March 23, 1918.*

Hon. A. J. GRONNA,
United States Senator, Washington, D. C.

DEAR MR. GRONNA: I have for a long time intended to write you to tell you the sentiment of our neighborhood as the time for crop seeding is approaching. The sentiment here seems to be that not much wheat will be seeded unless Congress raises the price of wheat without delay. The cost of production may exceed the market price of the wheat, depending largely upon the season and the labor conditions. We will seed more barley and oats, and we already have a fair quantity of winter rye seeded. Farming machinery is much higher now than a year ago, and all of these things should be taken into consideration.

Another matter to which I wish to call your attention, of which you may be already well aware, and that is that most of our young men are being drafted into the Army. They are all loyal, as we all are, and willing to go when called, but they will be missed on the farm very much. They have a special skill in operating farm machinery and they naturally take greater interest in the success of the farming than would the foreign labor. We can not replace them by unskilled and unwilling, disloyal labor. We anticipate a great handicap with such labor by our next thrashing season. We do not like to assume the risk of seeding a large crop and to be dependent upon unskilled and disloyal I. W. W. labor to harvest our crop. We have experience of their threats to strike and destroy our crop when we want our crops harvested and taken care of. We will be helpless if we are left to depend upon that class of labor entirely.

We feel that you already know these things, but I write you, as you expect all of your constituents to write you, to keep you in touch with the going sentiment of your State. We wish that Congress will take immediate action to raise the price of wheat, so that we may know where we are at, and also that the War Department will modify the rules of the selective-service law so that our young men, whom we necessarily need to take charge of the farm machinery and the farming in general, would be exempted from service so as to protect us from this disloyal element.

Yours, very truly, ERIK KYLLONEN.

Mr. GRONNA. Mr. President, the writer of that letter is one of my neighbors; I know him personally. He is both a scientific and a practical farmer. Some 30 years ago he came to this country from the Province of Finland, in the Empire of Russia. He came here practically without means; in fact, I might say practically without a dollar; but by genius and physical strength he has forged ahead until to-day he owns one of the model farms of the West. He owns and operates some 5,000 acres. His farming is done under the most modern and improved methods, and the main work on the farm is being done under the direction of himself and his four sons. I might say, also, that this letter is typical of thousands of letters I have received.

Mr. President, the farmers in my section of the country have already begun their seeding operations, and it is very important that they shall know as speedily as possible what the Congress of the United States will do with reference to the price of wheat. It is true, as the writer of the letter states, that they are all loyal; they are willing to do all that is in their power; but I believe, sir, that more food will be produced if the bill which was passed by this body the other day is enacted into law. I believe, sir, that a larger percentage of wheat will be sown in all the spring wheat States if that bill becomes a law, because it will be an encouragement to the farmers; and it will make it possible for them to pay for labor the high prices which they are now compelled to pay.

The great increase in the price of labor may not be apparent to all Senators. Not only has there been an increase of from 100 to 150 per cent in the wage scale, but the hours of labor have been reduced so that, instead of working 12 hours per day, the laborer now refuses to work more than 8, which increases the price of wages the farmer has to pay 50 per cent more.

There have been presented to the Senate and to the Congress heretofore the facts as they actually exist in relation to the high prices which our farmers have to pay for everything they use in producing their crops.

Mr. President, organization and coordination in every branch of business, in every department of our Government, are absolutely essential to our success. We must go forward as a united people, with a full realization of the responsibilities con-

fronting us. Our energies must be harmoniously organized and coordinated into a single unit of strength. That was the method which brought success to the fathers. By that method we can succeed and win now.

I repeat what I said a few days ago, that the testimony of representatives from various farm organizations who have appeared before the Committee on Agriculture and Forestry is in accordance with the testimony of this man, the writer of the letter read at the desk, that in order to enable the farmers to produce wheat the price must be advanced.

Congress and the Food Administration have interfered with the farmers' market. The wrong course has been pursued, and the only thing we can do now is to do what we can to help the farmer out of the deplorable condition in which we have placed him.

To my mind it is more important to produce the food, let the cost be what it may, than to keep down the prices, thereby discouraging the production of food.

I have often said, and I repeat, that I consider food one of the important factors in the winning of this war, and when we analyze the situation, taking into consideration the large amount of labor necessary to produce grain, it must be apparent to all of us that we must allow the farmer an increased price.

Mr. President, I do not believe that we can win this war by mere lip service. I have never believed, nor do I believe now, sir, that we can win it by eloquence, by epithets or words of hatred. The Senators who have recently spoken so eloquently and so loudly with respect to their patriotism forget that many other Senators who have said but little upon these questions have sons in the Army and at the front as well as those who have spoken so eloquently upon this and other occasions. Thank God, you who make the most noise, you who seek to wrap yourselves in Old Glory, are not the only ones who are going to participate in this great struggle and in the effort to win the victory.

Mr. President, I agree with every word that the junior Senator from Missouri [Mr. REED] said this morning. Let us eliminate from the discussions in the Senate political campaigns in the State of Wisconsin and elsewhere. Your own action condemns you; the words you have spoken condemn you; you have shown to the Senate and to the world that you are more interested in the campaign for a United States Senator than you are in the thousands and millions of brave boys who are willing to sacrifice their lives upon the altar of freedom for their country.

I admit when the declaration of war was pending in this body that there were those who were not ready to vote for it, but I stated then, if a majority of this and the other body said that it should be passed, I would do my full duty. So far as I am concerned, I have done so, and I will challenge any man anywhere to show to the contrary.

Mr. President, if I have read history right, I do not know of a single campaign, I do not know of any war, that was ever won simply by lip service and by heated discussion. Three-fourths of the time of the Senate recently has been taken up by certain Senators who have declared that other citizens are not as loyal as they are. So far as I am personally concerned, I am willing to vote for any measure, I am willing to vote for any appropriation, I am willing to follow the President as far as you will follow him in the performance of his duties in order to win this war.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. GRONNA. I gladly yield.

Mr. KING. I hope the Senator does not mean to leave the impression that any Senator upon this side of the Chamber has accused any Senator upon the other side of the Chamber of any act of disloyalty or any failure to give due and loyal service to the President, to the administration, and to our country in the prosecution of the war.

Mr. GRONNA. I thank the Senator for that statement. I appreciate it, perhaps more than he has any idea.

Mr. KING. Speaking for myself, I should feel ashamed if any Senator on this side of the Chamber should attempt to detract in the slightest degree from the loyalty and the patriotism of the distinguished Senator from North Dakota, or of any man who occupies a seat upon the other side of the Chamber.

Mr. GRONNA. I again thank the Senator. Mr. President, if I have made mistakes they are my own mistakes. I never have since I was thrown upon my own resources followed any man unless in my own mind and heart I knew that my action was right.

I would not allude to the matter to which I am about to allude except for the fact that certain Senators have spoken so eloquently about their patriotism. I do not challenge their patriotism; I believe they are patriotic; I have no right to refuse to believe they are, but I want to say to the Senate and to the country that so far as I am personally concerned my son went to the war when he was but 18 years old. He never had to ask my consent a second time, and he enlisted in the Regular Army as a private, he went to the bottom of the ladder. I have never written a letter nor asked for any favors for him, because I wanted him to take his chances with the rest of the boys who are going to the front. Mr. President, all that boy could do was to offer his services and his life.

It is a deplorable thing that a Senator's motives should be questioned; and when I hear statements made challenging the patriotism and the loyalty of certain candidates for office in Wisconsin, who made their fight upon a loyalty platform, let me say right now that so far as Mr. Thompson is concerned I know him personally, and I want to say for the benefit of the Senator from Mississippi, and other Senators, that he is just as loyal as is the Senator from Mississippi or any Member of this body. Neither by word of mouth nor by anything that he has written has he intimated anything but that he was in favor of the most vigorous prosecution of this war. What his attitude was before the war was declared, I do not know; but I want to say here and now that I know that Mr. Thompson is a loyal American citizen.

Mr. ASHURST. Mr. President, will the Senator yield to me at that point for a moment?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Arizona?

Mr. GRONNA. I will yield for a question.

Mr. ASHURST. Well, I hardly want to ask a question. The Senator will bear witness that I have tried to keep out of this discussion. I do not blame the Senator. I deprecate these things that come from our side as much as I do those that come from the other side.

Mr. GRONNA. I appreciate the Senator's courtesy and friendship.

Mr. ASHURST. But I just want to say that the Senator is a valued member of the committee. He probably will be one of the conferees on this bill. I am not trying to lecture anybody. The Senator knows that I could not do that, and I would not do it; but I am extremely anxious to get this bill through this evening. It may be an unimportant bill; but being charged with the conduct of the bill, I do want to conclude its consideration. I have told a number of Senators around the Chamber that we would finish it this evening; and while I do not want to shorten the speech of the Senator—I could not if I tried to——

Mr. GRONNA. Mr. President, I am through. I know that the Senator is anxious to get through with the bill, and I am anxious to get through with it, too.

Mr. ASHURST. The Senator is very kind.

Mr. GRONNA. I was simply carried away, perhaps, with my own enthusiasm, because I have been sitting here in silence for many days listening to these eloquent speeches, beautiful as they are, couched in language which it would be impossible for me to use; but they can not always be substantiated by facts.

Mr. President, I am through.

Mr. OWEN. Mr. President, before this war began many United States citizens of German blood and of Austrian blood, having in mind those of their kin and former companions, that they loved abroad, naturally felt a sympathy for Germany and Austria, never dreaming of the devilish ambitions of the Kaiser to conquer and rob the world by brutal military force; but after the die was cast and the United States entered into this war, I think the overwhelming preponderance of those men and women, finding it necessary to make their choice, did make it with a sincere and patriotic heart, and with all their soul are favoring and supporting the Government of the United States.

I do not think it strengthens the United States to wound the feelings of those who, before the war developed the terrible issues we now clearly understand, felt sympathy for the German cause. They merely loved their old German friends and kindred, as was very natural, and did not know then the evil intent of the military autocracy. The majority of Americans did not at first comprehend the Kaiser's fiendish designs on the liberties of mankind. I deprecate any speech that would cause our patriotic citizens of German and Austrian blood to feel that they are the object of suspicion or the object of aversion or the object of positive hostility. On the contrary, their patriotism, in spite of their affection for the people of the old Fatherland, having been triumphant, they deserve all the more honor and respect because of their fidelity to the United States. Our German-Americans are in a position of great trial. Ninety-five out of a hundred are utterly faithful to America. A few are lukewarm. Probably not one in a hundred is so ignorant as to be hostile at

heart to America. Let us not insult or wound the 99 by intemperate talk.

This is a great struggle, in which all of our people ought to cooperate. I deprecate exceedingly that there should be any appearance of political debate on the floor.

Let us welcome to the ranks of patriotic Americans all who are with us in heart now.

Let us not drive away by unjust and ungenerous suspicions those who tried to keep us out of war, but who are now willing to give every evidence of devotion to our common cause.

In 1916 our noble President was praised to the skies because "he kept us out of war," and those who by unsound argument then tried to keep us out of war ought not to be treated as common enemies because their arguments were unsound. If they are right now, let us receive them, and let them march in honor with us against the common enemy of mankind.

I send to the desk an amendment which I ask to have read by the Secretary.

Mr. CURTIS. Mr. President, a question of order. Is there not an amendment pending?

Mr. OWEN. Oh, I beg pardon. I thought that had been disposed of. I withdraw my amendment.

The PRESIDING OFFICER. The matter now pending is the point of order raised by the Senator from Kansas [Mr. CURTIS].

Mr. CURTIS. I did not make the point of order, Mr. President. I was not recognized for that purpose. The Senator declined to yield.

The PRESIDING OFFICER. Has the point of order made to the amendment of the Senator from Montana been withdrawn?

Mr. MYERS. There was none made.

Mr. CURTIS. The Senator declined to yield for me to make the point of order, so it was not made.

Mr. MYERS. There is no point of order.

The PRESIDING OFFICER. Then the question is upon the amendment of the Senator from Montana.

Mr. KENDRICK. Mr. President, this amendment refers to the improvement of Indian lands in one of my neighboring States, and I would not at this time delay the Senate to discuss the amendment but for the fact that I have the impression that I have perhaps a more intimate personal knowledge of the facts in this case than other Senators present.

This project, Mr. President, was initiated and completed a number of years ago, and it is one of the most satisfactory that has ever been constructed. The work is well done and the supply of water is abundant. The lands that have been reclaimed and those still to be reclaimed are of the finest possible quality. Yet the lands have not all been brought under cultivation.

The question has been asked here why this development has been delayed, in view of the fact that the project has been completed for so many years. The truth of the matter is, Mr. President, that a good many causes have contributed to this delay. First, I should say that it has been a tedious process here, as elsewhere in the country, to wean the Indians away from the habits not only of their lifetime but the habits of many generations which have preceded them; and yet I have occasion to know that they have been gradually led away from the old order and are each year taking more and more kindly to the cultivation of their lands, and particularly to the production of different kinds of live stock, with which these irrigated lands have an intimate relationship.

In this particular territory the Crow Tribe, the members of which are the owners of these lands, have made material progress during the past few years in the cultivation and development of their country, and undoubtedly more would have been done in improving these lands except for the fact that their extent is far in excess of that which the tribe actually requires, and this is one of the conditions that have combined to cause delay. Another is that the lands are a long way from market, and there has therefore been no opportunity of leasing them to white settlers, for the reason that the population of the surrounding country until recently has been very scant.

These conditions, Mr. President, have materially changed within the past year or two. A great deal of this land has recently been leased to white people for the cultivation and production of sugar beets to be used near my home town in Wyoming, and if this appropriation be granted, many thousands of acres of this land will be made productive during the present year.

I will say incidentally that this is the least refractory kind of land. It is as level as a floor, and in other ways is ready for the hand of the farmer, and will be easily reduced to a state of cultivation. In my judgment it would be a pity for this appropriation to fail, because of its immediate effectiveness in the increase of agricultural crops. Most of this fund, as I understand, is to be employed in the building and construction of lateral ditches. I have occasion to know that the main canal—not only the diversion dam, but the main canal covering this body of land—is in a perfect state of repair and ready to use, with enormous quantities of water available which would without a doubt be used to good advantage from the very first day that these laterals and other incidental improvements are provided.

In addition to this, Mr. President, there is almost an assurance at this time that an electric railway will be constructed from the nearest railway town straight through this project, which would make it possible to transport such heavy crops as sugar beets. Again, there is a plan for building an immense power plant in the Big Horn River, from which this water is taken. All of this movement in the way of improvement perhaps hinges on this appropriation; and, though it may be late in appearing here, it is unquestionably one of great importance. As has been pointed out, as I understand, by the Senator from Montana, this appropriation is to be taken from the Indian tribal funds, is it not?

Mr. MYERS. It is.

Mr. KENDRICK. It is to be taken from that source and employed in the development of lands owned by the Indians. The title to very little of this land has ever passed from the Indian to the white man; and the benefits would not only be immediate but they would go directly to the Crow Indian Tribe.

Of all the appropriations contained in this bill, Mr. President, I dare say that not one is more worthy of favorable action than this that has been offered by the Senator from Montana.

Mr. GORE. Mr. President, I wish to say that I do not know anything about the proposed project or its possibilities. I have had no opportunity to investigate it; and I know nothing of the department's estimate that this project would result in the production of 600,000 bushels of wheat. I assume, however, that this statement is based upon more or less investigation.

While the promise may be more or less golden, perhaps too generous, yet I think we ought to resolve the doubt in favor of production. If $200,000 will bring into existence 600,000 bushels of wheat, it is, indeed, a splendid investment. The wheat itself will be worth $1,200,000. The outlay will be only 33⅓ cents a bushel. Not only that, but the improvement will be permanent and will be valuable for the future.

While it might chance that our expectations will not be entirely justified, while it might happen that the estimate of the department would not be equaled by the actual production, yet it is certain that if we do not make the attempt there will be no production whatever; and it seems to me that in this crisis, with the overpowering necessity for foodstuffs, we ought to resolve the doubt in favor of this appropriation.

I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana.

The amendment was agreed to.

Mr. TRAMMELL. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 27, line 17, after the amendment already agreed to at that point, it is proposed to insert the following:

For assisting in the continuation, the enlarging, and extending of the drainage project now in progress on the Indian reservation set aside by the State of Florida for the Seminole Indians under the provisions of chapter 7310, Laws of Florida, acts of 1917, and the maintenance thereof, the sum of $100,000.

Mr. TRAMMELL. Mr. President, in dealing with the Indians, and in the matter of meting out the beneficent aid of the Federal Government, I was impressed, as I read over this bill and considered the various and sundry appropriations to assist in reclamation projects in the West, with the fact that certainly within my own State we had a project that was as worthy of assistance as any of those that are being aided through this measure in the West.

We have within the Everglades of Florida an Indian reservation of approximately 100,000 acres which was not contributed or donated by the Federal Government, but which was given to the Indians by the State government from the State's domain. This territory, comprising as it does approximately 100,000 acres, is located within what is commonly known in our State, and so designated by statute, as the Everglades drainage district of Florida. Here we have a vast empire, composed of some 4,000,000 acres of land that is as fertile and productive as any within the borders of the United States; and it has often been said of it that it is as fertile as the valley of the Nile. It is

within this territory that the State of Florida, through its beneficence, has seen fit to set aside an Indian reservation of approximately 100,000 acres.

The drainage project there has been in progress for some years. When we think of its magnitude, its expansiveness; when we consider that it is by far the largest drainage enterprise within the United States, it may be well realized that, necessarily, it is of such extensive proportions that it can not be completed within a brief period of some two or three years. Active operations have been going on in this territory for the last 10 years. The work is carried on under the supervision of a board composed of five members of the State cabinet. The State and the owners of lands located within that territory have, up to the present time, expended some four or five million dollars upon reclamation by drainage. I am glad to say that splendid progress has been made. At the present time there has been reclaimed partially or almost completely at least five or six hundred thousand acres of land. Upon this reclaimed land there are many settlers at the present time, prosperous villages and towns have sprung up here and there, farming of various kinds is being carried on successfully and very profitably. It has been established beyond question by actual experience and actual demonstration that there are no better or more productive farming lands within America than are to be found within the Everglades drainage district of the State of Florida.

Mr. President, I speak more generally of that district, because it is within that district that, through the generosity of the State of Florida, the Indians are so fortunate as to have the large reservation to which I make reference. In order to develop this reservation to its greatest degree of efficiency and value, in order to make it most beneficial to the Indians who are living upon it, who are now the beneficiaries under the appropriation made by the State, it is necessary that the land be reclaimed by drainage. Partial drainage is in progress at the present time upon this territory, but it will be necessary for considerable further amounts to be expended to perfect and complete the reclamation in this particular territory, as well as within the entire drainage district of Florida, composed of about 4,000,000 acres of land.

Mr. President, I believe that when we bring before Congress a proposition involving assistance in reclaiming a territory that has not been granted to the Indians by the Federal Government, but has been donated to them by the State government, there certainly is some merit in the request that the Federal Government assist in reclaiming that land and making it more habitable, making it so that it can be cultivated, and cultivated profitably. One hundred thousand dollars is a small sum, considering the cost that will be required to reclaim this territory; although I may say, Mr. President——

Mr. ASHURST. Mr. President, will the Senator yield to me at that point?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Arizona?

Mr. TRAMMELL. I do.

Mr. ASHURST. I should simply like to ask, for information, as to how much money—if the Senator is prepared to give the information—will be required to reclaim this land?

Mr. TRAMMELL. Mr. President, it will take, possibly, a half million dollars, in addition to the expenditures heretofore made.

Mr. ASHURST. Mr. President, while I do not want to interrupt the Senator's excellent speech—and there is merit in his statements—can not the Senator see at this time that we have applied the rule to Montana and Arizona, and expect to apply it to Wyoming, with regard to new projects? That is to say, we have set our faces for the present against the creation of new projects or the entering into or the opening up of new lands at this particular time. Is there any special reason why we should at this time make an expenditure of $100,000 for the purpose of entering upon a project that ultimately will cost us, say, a million dollars?

Mr. TRAMMELL. Mr. President, I had not stated that it would cost the Federal Government a half million dollars. I was just about to state that this assistance that may be contributed by the Federal Government would be only a very small proportion of the expenditures, and that the expenditures were now in progress under the direction of a board composed of State officials, and that this would be merely a matter of cooperation on the part of the Federal Government in assisting in the reclamation of the State Indian reservation in Florida. Now, I do not know that there is any particular reason why we should engage in new projects at this time, unless it would be a matter of advancing this meritorious project to the position it deserves, as well as trying to correct some dereliction heretofore.

I state, Mr. President, that there has been great dereliction on the part of the Congress of the United States in making appropriations or else in providing assistance for the reclamation of the swamp and overflowed lands of this country. We have sat supinely by for a number of years now and have seen the bounty of this great country of ours bestowed upon the great West and their arid-land projects. We have seen millions and millions of dollars of the Federal money appropriated for the purpose of carrying on arid-land reclamation projects, upon the ground that it was reclaiming a vast territory of valuable land, taking it for granted that it was done from the standpoint of developing that territory and bringing into use valuable land. But at the same time, when the Government was expending from $30 to $60, and in some instances $100, an acre for the purpose of reclaiming those arid lands, this Government, through its beneficence, might have been assisting other sections of the country in the reclamation of lands which would have been reclaimed by drainage at a cost not exceeding from six to ten dollars per acre; and every time that you were reclaiming one acre of that land, costing you from $60 to $100 per acre, in other sections of this country, you could have reclaimed land elsewhere in quadruple its amount, and could have brought to use a greater amount of fertile, productive lands of the country. The lands of the Florida Everglades can be reclaimed even so low as $4 to $10 per acre; and as this vast territory is an open, untimbered country, the cost for preparing the drained land for cultivation is not exceeding $2 or $3 an acre.

Mr. President, far be it from me to complain because the Congress has assisted in developing the western country. I have rejoiced in seeing their prosperity. I have been gratified to witness the wonderful development, the expansion and enlargement of their resources throughout that section of our country. But, Mr. President, I say that there is equal justice and merit in asking some assistance from the Federal Government in carrying on reclamation projects in other sections of our country.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from New Mexico?

Mr. TRAMMELL. Yes, sir; I yield.

Mr. FALL. I am, I think, in accord with the general ideas that the Senator from Florida is now advocating; but the Senator must realize that there is a very great distinction between the reclamation of the arid lands and the proposition that he is now advocating. The arid lands in the West are being reclaimed at the cost of the settlers under those projects. The Government has assisted, from the funds set aside out of the sale of public lands, by advancing a certain amount of money; but the lands that are reclaimed in that way are sold, and the individuals purchasing those lands from the Government are paying the cost of the reclamation. The people of the United States are not giving to the West a dollar for use in the reclamation of arid lands.

I ask the Senator's attention to this point. I think he is right about the drainage of swamp lands. I think there should be some comprehensive system of legislation adopted, and it would be a magnificent investment, but there are two things involved in this proposition. A new system for an outright appropriation as a gift and the general system under which irrigated lands are being reclaimed in the West are entirely distinct and different. I will vote for any comprehensive system and an advance of any reasonable amount of money by the Government to carry out the system in the drainage of Florida lands or lands elsewhere.

Mr. TRAMMELL. Mr. President, I realize, of course, that there are some differences in regard to the amendment which I offer and the system which has been provided for the reclamation of the West, but I claim that this amendment has a great deal of merit in it when you consider that interwoven all through this bill are provisions assisting projects, assisting schools, and in various other ways where the Federal Government is making an appropriation, and the Federal Government will never have that money covered back into the Federal Treasury.

You should take in connection with this proposition the fact that a few years ago in dealing with the reclamation projects of the West Congress in its beneficence deemed it proper to remit the interest. You provided that system here and provided interest, and Congress remitted the interest or provided that there should be no interest account.

Coming back to the issue more directly, when you are dealing with the Indians of this country it is the policy of Congress that the Indians shall be treated as wards of the Federal Government. You can take this bill, and on its every page you find the lavish hand of the Federal Government extended to the Indian. We are dealing with him most generously. He is truly

receiving the bounty of our Treasury; and I say when the State of Florida has been generous enough, when the State of Florida is willing to cooperate with the Federal Government in treating the Indians as its wards and has set aside a reservation of 100,000 acres, certainly the Federal Government ought to be willing to assist in reclaiming it and making it habitable, making it suitable and cultivable for their occupancy, and I contend that from that standpoint this amendment possesses unquestionable merit.

Mr. JONES of Washington. I wish to ask the Senator, as I did not clearly hear the amendment read, if it proposes the reclamation of Indian lands?

Mr. TRAMMELL. It proposes the reclamation of lands in the Indian reservations set aside by the Legislature of the State of Florida to be known as the Seminole Indian Reservation.

Mr. JONES of Washington. It is not a Federal Indian reservation then?

Mr. TRAMMELL. No; it is not a Federal Indian reservation, but it was set aside by the State, and I contend, Mr. President, if the State is willing from its bounty to furnish the land and appropriate it for an Indian reservation, and thereby relieve the Federal Government from granting the land for a reservation, certainly the Federal Government is doing better than it would if it had to furnish land for the reservation and then also contribute to the support and aid of the Indians in reclaiming that land. We are only asking in this instance for some assistance in the reclamation of the territory. The State, from its domain, has given the land.

Mr. JONES of Washington. I merely wish to add one word to what the Senator from New Mexico [Mr. FALL] said with reference to a suggestion made by the Senator from Florida that Congress had remitted the interest on the money appropriated for irrigation in the West. The Senator is a little mistaken in that statement. In the first instance no interest was charged on the money that was loaned for the reclamation project, but afterwards Congress did extend the time in which the money was to be paid back by the settlers, and in that extension interest charges were imposed upon the deferred payments. Every dollar of that money that goes to the reclamation of western lands for irrigation purposes outside of Indian reservations will be repaid to the Government of the United States, and on many of the Indian reservations repayment was provided for.

Mr. TRAMMELL. I should like to ask the Senator from Washington if the bill does not contain items for bridges alone that would far exceed the appropriation asked in this case for assistance in the reclamation of the lands on this reservation?

Mr. JONES of Washington. I am not disputing that; it may be true. The chairman of the committee can answer as to it better than I can.

Mr. TRAMMELL. Roads and bridges and other public improvements have to be made on this reservation in our State. You have a little trifling sum of $10,000 provided in this bill for assistance to the Seminole Indians in Florida, and you will find other items in the bill where the contributions are more than that for providing automobiles and other vehicles for Government agents who are looking after a few Indians on some reservation in the West.

I am contending, Mr. President, for justice on the part of the Indians in our State, and also for the same consideration for the people of Florida as Congress has extended to other sections of our country. In all fairness we are entitled to this treatment.

Mr. ASHURST. Mr. President, until about three years ago no appropriation whatever was made or none had been made for a number of years for the relief of distress among the Seminole Indians. Commencing with the bill passed three years ago, or two years ago, an appropriation of $8,000 was made, and this year the item carries $10,000. The State of Florida has done admirably well in setting aside this reservation; and I have no doubt if the Senator will, as I hope he will, argue as well as he has done to-day to the Secretary of the Interior the Secretary will direct the Commissioner of Indian Affairs to make a special investigation of this matter and include in his estimate of next year a certain amount that the experts of the department might deem necessary and proper.

But at this particular time it becomes my duty to make a point of order against the amendment proposed by my esteemed friend, because it has not been estimated for by the department. We have tried to keep the bill within the estimates and the amendment falls clearly under Rule XVI, which provides that "no amendment shall be received to any general appropriation bill the effect of which is to increase an appropriation or to add a new item." I do not make the point of order out of hostility to this project, but I make the point of order.

The PRESIDING OFFICER (Mr. WOLCOTT in the chair). The point of order is sustained.

Mr. McNARY. I propose the following amendment.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. It is proposed to insert in the Oregon item the following:

That the Secretary of the Treasury is hereby authorized to withdraw from any of the tribal funds of the Klamath Tribe of Indians in Oregon now to the credit of said tribe in the Treasury of the United States the sum of $3,500, or so much thereof as may be necessary, and to use the same in payment to Levi Walker, Fred Hendricks, Harrison Brown, Joseph S. Ball, and Clayton Kirk for compensation at the rate of $3 per day each for their services rendered to said tribe in presenting the affairs of said Klamath Tribe of Indians to the officials of the United States, and in addition to such per diem allowance a sum sufficient to pay the actual expenses of said Levi Walker, Fred Hendricks, Harrison Brown, Joseph S. Ball, and Clayton Kirk for travel and maintenance at the city of Washington, D. C., said per diem compensation to begin from the day of their leaving the Klamath Indian Reservation, Oreg., and to continue until the day of their return thereto: *Provided*, That such payments to said delegates shall be approved by the Secretary of the Interior.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the junior Senator from Oregon.

Mr. McNARY. I understand this amendment embodies a principle that is recognized in the bill. I call the attention of the chairman of the committee to the amendment. I believe he is willing to accept it.

Mr. ASHURST. I am familiar with the amendment. There were five Indians who came here from the Klamath Agency and appeared before the Senate committee and I am not certain but that they appeared before the House committee. The amendment simply proposes to take the sum of $3,500 out of their own funds, as they wish done, to pay the expenses of and give a per diem to the five delegates. I am sure there is no objection to it as far as I know.

The amendment was agreed to.

Mr. MYERS. I offer the following amendment.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. Insert in the Montana items the following:

That Indians of the Fort Peck Reservation in Montana entitled to allotments under existing laws may select lands classified as coal and receive patents therefor in accordance with the act of May 30, 1908 (35 Stat. L., 558), with a reservation, however, to the United States of the coal deposits therein and of the right to prospect for, mine, and remove the same.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. MYERS. Mr. President, I have no personal interest whatever in this amendment. I offer it at the request of both the Indian Bureau and the Fort Peck Indians. It is easy to see what it proposes to do. The law is such at present that the homesteaders have a right on the Fort Peck Indian Reservation to make a homestead entry of the surface over coal lands, reserving the coal to the United States. That right is extended to the homesteader. It simply gives the Indian the same right, the right to take his allotment on the surface of coal lands if he sees fit, reserving the coal to the United States. There is nothing making it compulsory on the part of the Indian. He need not do it unless he wants to do it.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Kansas?

Mr. MYERS. In a second. There was a delegation of Fort Peck Indians down here a short time ago. They met with me in the office of the Commissioner of Indian Affairs and presented some of their desires. They desired to have this amendment offered, and at their request and at the request of the Commissioner of Indian Affairs I offer the amendment. I promised to do so at their request. I have no personal interest in it. I think it is in the interest of the Indians.

Mr. CURTIS. I wish to ask the Senator a question, as I could not fully understand the amendment as it was read. Does it apply to lands on the Indian reservation or on the public domain?

Mr. MYERS. It applies to lands on the Fort Peck Indian Reservation.

Mr. CURTIS. They belong to the Indians already. The amendment proposes to give the coal to the United States, I understand.

Mr. MYERS. I understand it would allow the Indians to take an allotment anywhere on land that is not already homesteaded by entrymen. They can go anywhere on the Fort Peck Reservation, I understand, and take their allotments. If they take the allotment on coal land which is open to homestead entry, they can get the surface for an allotment and reserve the coal to the United States. That is my understanding of it.

Mr. CURTIS. The coal on that reservation belongs to those Indians. It is their coal. I make a point of order against the

amendment that it is general legislation upon an appropriation bill.

The PRESIDING OFFICER. The point of order will be sustained.

Mr. OWEN. I call up now the amendment which I offered. I will say in explanation of it that it passed the Senate on March 23 upon the unanimous report of the Committee on Indian Affairs.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. On page 63, after line 10, insert:

To pay additional interest upon items 1 and 4 of the judgment of the Court of Claims, of May 18, 1905, in favor of the Cherokee Nation (40 Ct. Cls. Rept., p. 252), and upon the funds arising from said items 1 and 4, respectively, the same being 5 per cent interest-bearing Cherokee trust funds in the Treasury of the United States, as follows, to wit: On the amount of the fund which arose from item 1 of said judgment as such amount was determined and paid to the Secretary of the Interior on July 2, 1906, to be by him credited to the principal of the Cherokee school fund, interest at 5 per cent per annum from July 2, 1906, to and including May 26, 1910; on the amount of the fund which arose from item 4 of said judgment, as such amount was determined and paid to the Secretary of the Interior on July 2, 1906, to be by him credited to the principal of the Cherokee national fund, interest at 5 per cent per annum from July 2, 1906, to and including May 26, 1910; on the original principal sum of item 4 of said judgment, interest at 5 per cent per annum from July 1, 1893, to July 1, 1903, and on the amount of the interest thus accruing interest at 4 per cent per annum from December 29, 1905, to May 14, 1906; and on the aggregate of the sums of the interest for the last two periods herein above mentioned, interest at 5 per cent per annum from July 2, 1906, to the date of the passage of this act; and the sum of $27,500, or so much thereof as may be necessary to pay the interest above allowed, is hereby appropriated and authorized to be paid to the Cherokee Nation: *Provided*, That the Secretary of the Treasury is hereby authorized and directed to pay the amount arising from item 4 of said judgment, with interest thereon as herein above provided for, to the agent appointed by the Cherokee Nation acting through its principal chief to receive the same, said payment to be made immediately upon the approval of this act.

Mr. ASHURST. Mr. President, I do not know much about navigation, but I do know if you load a boat too heavily it can not be propelled. This undoubtedly is a worthy piece of legislation; but we have tried to keep the bill free from legislation of this kind. The bill has passed the Senate, and I ask the Senator to withdraw the amendment.

Mr. OWEN. The Senate has already passed the bill.

Mr. ASHURST. I say the bill has already passed the Senate.

Mr. OWEN. It is very difficult to get a small bill at this time up in the House with the crush of business there.

Mr. ASHURST. Mr. President, my mail is loaded down with letters appealing to me to put bills and claims on this appropriation bill. I have four bills that have passed the Senate relating to affairs in my State that I should like to reach into the calendar and stick on this bill, but I can not do it, or should not do it, and I hope the Senator will withdraw the amendment. I appeal to the Senator to withdraw it.

I make a point of order not because I think it is bad legislation—I think it is good—but I do not want to load the bill down too heavily.

Mr. OWEN. I am not entirely sure that a point of order will justly lie, because the bill has already passed the Senate.

Mr. ASHURST. I am not going to try to deceive anybody. I do not believe the point of order will lie, because the bill was reported from a standing committee and therefore is not obnoxious to the rule, but I appeal to the Senate to withdraw it.

Mr. OWEN. The bill has passed the Senate, and it is to carry out an Indian treaty. I really think the amendment is not subject to a point of order.

The PRESIDING OFFICER. Will the Senator from Arizona state his point of order?

Mr. ASHURST. I can not. In my judgment the amendment is not subject to a point of order, because it has been reported favorably from a standing committee of the Senate, and that removes it from the position of being obnoxious to the rule.

Mr. GRONNA and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arizona yield; and if so, to whom?

Mr. ASHURST. I do not want to have a long discussion about a point of order. It is nearly 5.30, and I wish to have the bill passed to-night.

Mr. GRONNA. I make the point of order that it is a claim on an appropriation bill.

The PRESIDING OFFICER. The point of order is sustained.

Mr. GORE. Mr. President, I wish to say to the chairman of the committee that I have here an amendment which I had intended to press, giving the Osage Indian Tribe a right to have a hearing in the Court of Claims with respect to what is known as the civilization fund, the Osage Tribe asserting the right to the fund which has been appropriated and applied by the General Government to other purposes than Osage Indian affairs. I should like to know if the Senator will agree to let the amendment go into the bill?

Mr. ASHURST. It is a worthy piece of legislation; that right should be granted; but it is only by insisting on points of order that we can force Congress to take up individual cases and pass separate bills. I shall certainly make a point of order against the amendment if it is offered.

Mr. GORE. I will not afford the Senator that opportunity, having secured his commitment to the justice of the claim.

Mr. SHEPPARD. I offer the following amendment, to which I believe there will be no objection.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. Add a new paragraph after line 21, page 42, as follows:

For the completion of the construction of a bridge across the San Juan River at Shiprock, N. Mex., on the Navajo Indian Reservation, $4,226.14, in addition to the $16,500 appropriated for this purpose by the act approved June 30, 1913 (38 Stats. L., p. 91), to be immediately available for payment to the El Paso Bridge & Iron Co., of El Paso, Tex., for extra work and material, the same being made necessary by acts of the Government: *Provided*, That said sum shall be reimbursed to the United States by the Navajo Indians and shall remain a charge and lien upon the lands, property, and funds belonging to said Navajo Indians until paid in full.

Mr. GRONNA. Mr. President, I ask the Senator from Texas if this amendment has been estimated for?

Mr. SHEPPARD. I have here a letter from the Secretary of the Interior recommending the appropriation, which is, as I understand, equivalent to an estimate. The letter is as follows:

DEPARTMENT OF THE INTERIOR,
Washington, D. C., December 27, 1917.

MY DEAR SENATOR: Under date of January 14, 1914, the department approved a contract with the El Paso Bridge & Iron Co. for the sum of $14,725 for the construction of the bridge herein referred to, payable from a special reimbursable appropriation of $16,500 made by the act of June 30, 1913 (38 Stat. L., 77).

The contract, plans, and specifications, prepared in the Indian Office, were based upon data furnished by a local engineer employed especially for the purpose, and this data proved incorrect as to the location of certain shale foundation for the north abutment, which was found after the contractor started work to be at an elevation of 80 feet instead of at 85 feet, as fixed by the engineer's data. The error necessitated the construction of a new cofferdam and the placing of the abutment on a foundation 5 feet deeper than the contractor estimated on. While the extra work was in progress a high flood occurred and washed away a considerable amount of the contractor's material and also the north approach to the bridge, thus permitting part of the river current to run between the abutment and the north bank of the river, which change in its course compelled a suspension of work in the bridge, pending the preparation of drawings for an abutment required to meet the new conditions. During this suspension further damages were done by additional floods, which caused further suspension of the work and delayed its progress into the winter season, with increased cost to the contractor, who, on July 7, 1916, presented a claim for extra work and materials, loss of superintendent's time, damage for loss of material and time, and deferred use of equipment, etc., in the sum of $6,274.04.

After a careful consideration of the claim the Indian Office was convinced that the contractor was legally, justly, and properly entitled to a greater part of it and compromised with him for the sum of $5,106.04 in settlement, authority for the payment of which, from any funds found applicable and available, was approved by this department on June 19, 1917.

The matter was then submitted to the auditor, who certified to the payment to the contractor the sum of $880, the same being the unexpended balance of the appropriation and the only funds applicable and available, thus leaving a balance of $4,226.14 due the contractor on the approved claim of $5,106.04.

It is, therefore, believed that the action of this department in approving the claim should be sustained and the amendment intended to be proposed by Senator CULBERSON should be incorporated in the urgent deficiency bill.

Cordially, yours, FRANKLIN K. LANE,
Secretary.

Hon. THOMAS S. MARTIN,
Chairman Committee on Appropriations,
United States Senate.

Mr. GRONNA. I make the point of order that this is not found in the Book of Estimates; that it has not been estimated for, and has not been reported by any standing committee of the Senate.

Mr. SHEPPARD. I will state to the Senator that this amendment was introduced by my colleague [Mr. CULBERSON], and referred by him to the Committee on Appropriations. For that reason it did not come before the Committee on Indian Affairs in sufficient time to be reported. I have presented it for my colleague now. It is merely to extend the limit of appropriation made for a bridge. It is reimbursable out of an Indian fund. It was for the reason I have stated that it was not laid before the Committee on Indian Affairs. I trust the Senator from North Dakota will withdraw the point of order. The proposed appropriation amounts to about $4,000.

Mr. GRONNA. I insist upon the point of order, Mr. President.

The PRESIDING OFFICER. The point of order is sustained.

Mr. OWEN. Mr. President, I send to the desk an amendment providing that a hearing shall be given to the heirs and representatives of R. V. Belt in connection with the distribution of the funds of the Pottawatomie Indians, which is provided for on page 78 of the bill. This fund will pretty nearly exhaust

the amount which has been set apart for the Pottawatomies, and unless this relief is granted it will be a permanent denial of justice.

The PRESIDING OFFICER. The amendment proposed by the Senator from Oklahoma will be stated.

The SECRETARY. On page 78, after line 11, it is proposed to insert:

Provided, That from the sum herein appropriated for said Pottawatomie Indians the Secretary of the Interior is hereby directed to pay to the legal representatives of R. V. Belt (Mrs. Joana Belt and William O. Belt) such sum as he, after a proper hearing, may fix as compensation justly and equitably due the said Belt and associates on a quantum meruit for their services in recovering for the said Pottawatomie Indians the annuities withheld from them, under a contract with representatives of said Indians approved by the Commissioner of Indian Affairs November 1, 1902.

Mr. ASHURST. Mr. President, there is quite a controversy as to what amount of attorney fees should be paid. I take the view that some money should probably be paid to these attorneys for their services, but there is a wide and irreconcilable difference as to the amount that should be paid. I am, therefore, obliged to make the point of order on the amendment.

Mr. OWEN. I call the attention of the Senator to the fact that this does not allow any particular sum, but only allows the Secretary of the Interior to determine what these attorneys were entitled to under the contract approved by the Commissioner of Indian Affairs years ago, before the attorneys rendered the service.

Mr. ASHURST. I have a great deal of confidence in the Senator from Oklahoma, and what he says has much weight with me; but I feel that I must lay down a rigid rule in matters of that kind which come before the committee.

Mr. OWEN. I will ask to have printed in the RECORD a letter as the justification upon which this request is based.

The PRESIDING OFFICER. In the absence of objection, the letter will be printed in the RECORD.

The letter referred to is as follows:

MARCH 10, 1918.

MY DEAR SENATOR: Mr. R. V. Belt, Mr. C. H. Merillat, and I, after 11 years' work, succeeded in establishing the claim of the Pottawatomie Indians of Michigan and Wisconsin to certain annuities, amounting to $447,339, and Congress has already appropriated $350,000 of this sum, which the Indians have received.

By reference of Senator NELSON this case was undertaken by Mr. Belt in 1902 under a contract approved by Commissioner of Indian Affairs Jones for 15 per cent, wholly contingent, but through an error of law on the part of Secretary Hitchcock in holding that these Indians were citizens and therefore the contract did not require his approval, it did not receive his signature and thus become a binding contract under section 2103 of the Revised Statutes. The attorneys prosecuted the claim at the request of the Indians and won, but their compensation can not be paid until Congress acts. Mr. Belt associated Mr. Merillat and me in the case in 1905.

When this case was undertaken it was considered a most desperate one, the Interior Department having taken the position that the Indians had forfeited their annuities. Two attorneys who had been employed by the Indians had abandoned it. Commissioner Jones, in approving the contract reducing the contingent fee from 20 per cent to 15 per cent, stated:

"This office has denied such claim on the ground that by refusing to move west under the treaty of 1833 they forfeited all rights under that and subsequent treaties with the Pottawatomie Nation. The contract is approved at the reduced rate with the express understanding and upon the condition that such action in nowise be regarded as a recognition of the claimant Indians as a tribe or the alleged claims in the premises."

Under these circumstances the claim was undertaken, and after 11 years' work on the part of three attorneys in filing briefs, preparing memorials, making arguments, and procuring necessary legislation, the claim was established and Congress recognized it in the act approved June 30, 1913 (38 Stat., 102), by appropriating $150,000 on account, and thereafter by the act of May 18, 1916, $100,000; act of March 2, 1917, $100,000, and in the pending Indian appropriation bill, $75,000, leaving a comparatively small amount yet to be paid. Thus the Indians through the services of the attorneys will have received $425,000, while the attorneys through the failure of Secretary Hitchcock to act on the contract, have so far received nothing.

The House Indian Committee in the last Congress and the Senate Indian Committee at this session have made favorable reports on bills providing for the payment of the balance due these Indians and referring the matter of compensation to the attorneys to the Court of Claims for settlement. These bills have received the favorable recommendation of the Interior Department.

This claim had been persistently denied by the Indian Office for over 30 years before we were employed, as will be seen by the above-quoted statement of Commissioner Jones; and if it had not been for the services rendered by Mr. Belt, Mr. Merillat, and myself the Pottawatomies would never have received a cent. It is conceded both by the department and the Indians that it was through our work that the $447,339 was recovered for the Indians.

On pages 171–172 of the committee hearings on the Indian appropriation bill, the Assistant Commissioner states: "By means of these appropriations the Indians have made substantial progress along industrial lines."

Thus it will be observed that these Indians, formerly poor and homeless, made so through the denial of their rights by the Indian Office, by the establishment of their just claim by us, have now come into their patrimony to the amount of $425,000, and therewith are making "substantial progress along industrial lines," as stated by the Assistant Commissioner.

If the appropriation of $75,000 in the pending Indian appropriation bill is passed without at the same time providing for the settlement of our compensation, then the anomalous situation will arise of Congress having appropriated nearly all of the $447,339 for the Indians, but nothing having been paid us. We feel confident that Congress will not knowingly do such an injustice. The Indians are willing and anxious that the matter of our compensation shall be speedily settled, as will be seen by the inclosed letters from John Shawano, chief, and from Rev. Dr. Morstad, the missionary who has lived and worked among these Indians for many years and who knows what services we have rendered the Pottawatomies. Both the Senate and House Indian Committees, after hearings, and the Secretary of the Interior have made favorable reports and recommendations on the bills referring the matter to the Court of Claims for determination. We are willing to render an account of our services to any tribunal Congress may see fit to name to hear and decide the question, even to the extent of going before the Department of the Interior, which had denied for 30 years the rights of these Indians to their annuities, and which, after 11 years of laborious and efficient services on the part of Mr. Belt, Mr. Merillat, and myself, finally conceded its error in not following the law of June 24, 1864 (13 Stat., 172), providing that the annuities shall be held in the Treasury for these Pottawatomies.

Mr. Belt died in 1910, and his widow will receive two-thirds and Mr. Merillat and I one-third of whatever amount the court may fix as proper compensation.

For a confirmation of what is herein stated, I would refer you to Senator NELSON.

I earnestly request on behalf of Mrs. Belt, my associate, and myself that the Senate adopt the accompanying amendment to the Indian appropriation bill, which has been approved by the department and the House and Senate Committees on Indian Affairs in their reports on Senate bill 2120, introduced by Senator NELSON, and which would give us our day in court before all the money due the Pottawatomies is appropriated.

Respectfully,

(Signed) CHARLES J. KAPPLER.

Mr. OWEN. This matter was really set before the Committee on Indian Affairs, and I myself am to blame for not having it called up before the committee. I happen to know something about it, because R. V. Belt was Assistant Commissioner of Indian Affairs many years ago. He was a man of great uprightness and great probity, and he brought this action for the Pottawattomies, and recovered some $447,000 for them. He never was compensated for that service. He is now dead; he died in poverty; and his widow is in the city here living on very narrow means.

This amendment only provides that before the final distribution of the funds which Mr. Belt recovered the Secretary of the Interior may ascertain whether anything was due to him, and, if so, what under the contract which had been approved by the Commissioner of Indian Affairs. I think it is an extraordinary case of merit, and I hope the Senator will not insist on his point of order in this particular instance.

Mr. ASHURST. Mr. President, I trust I am not doing an injustice to any man, but I must insist on the point of order.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from North Dakota?

Mr. ASHURST. I yield the floor.

Mr. McCUMBER. Before the Senator from Arizona makes his point of order—although I really can not understand what that point of order would be, as I think it has been ruled over and over again that when a fund is paid not from the Treasury of the United States, but out of funds belonging to an Indian tribe, the same requirements for an estimate that would be necessary when the fund is paid out of the Treasury of the United States are not applicable—I want to say this on the merits of the case: I know something about this case, because it came up years ago when I was a member of the Committee on Indian Affairs.

Mr. ASHURST. Will the Senator from North Dakota yield to me?

Mr. McCUMBER. I yield.

Mr. ASHURST. Mr. President, I withdraw the point of order.

The PRESIDING OFFICER. The point of order is withdrawn.

Mr. McCUMBER. Then, will the Senator from Arizona allow the amendment to be voted on now?

Mr. ASHURST. Certainly; and I will say that I hope the Senator from North Dakota will appear—he has stated that he was a member of the Committee on Indian Affairs at that particular time—and I hope also that the Senator from Oklahoma will appear before the conferees in respect to the item, in order that we may have further light.

Mr. McCUMBER. I shall be glad to do so and shall not now say another word.

Mr. ASHURST. I withdraw the point of order.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma [Mr. OWEN].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is still before the Senate, as in Committee of the Whole, and open to amendment. If there be no further amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The PRESIDING OFFICER. The question is on concurring in the amendments made as in Committee of the Whole.

Mr. GORE. Mr. President, I desire to offer an amendment, at the end of line 4, on page 66. I did not have the amendment prepared when the committee amendment was adopted by the Senate, as in Committee of the Whole, and therefore ask for its adoption now.

The PRESIDING OFFICER. The Chair will state to the Senator from Oklahoma that perhaps it would be best for the Senate first to agree to concur in the amendments made as in Committee of the Whole.

Mr. GORE. But this is an amendment to an amendment which was made as in Committee of the Whole.

The PRESIDING OFFICER. The question is on concurring in the amendments made as in Committee of the Whole.

Mr. GORE. Mr. President——

Mr. ASHURST. Mr. President, it will be remembered that there was one amendment reserved by me; that is to say, on page 81 the Senator from Wyoming [Mr. KENDRICK] proposed an amendment to the committee amendment, which was adopted, proposing to insert certain language after the word "expended," on line 22, page 81. The Senate, as in Committee of the Whole, disagreed to the committee amendment, and I reserved a separate vote, which I now desire, on that amendment.

Mr. GORE. Mr. President, I should like to explain to the Chair that the amendment which I offer is an amendment to an amendment which was adopted as in Committee of the Whole. I desire to offer this amendment to the committee amendment before the amendment is concurred in in the Senate.

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Oklahoma to the fact that the amendment he offers comes at the end of an amendment, and the Chair thinks he may offer it as an amendment in the Senate.

Mr. GORE. Very well, though I should prefer to pursue a different course, because if my amendment to the amendment is not adopted I might then want to make a point of order against the committee amendment.

The PRESIDING OFFICER. Did the Senator from Oklahoma reserve the committee amendment as in Committee of the Whole?

Mr. GORE. I do not think that is necessary. I do not think there will be any objection to my amendment; I feel certain that there will not be, but I do not want to waive my right to submit a point of order; and I would suggest that all the other amendments except this and the one suggested by the chairman of the committee be concurred in by the Senate, these two being left open for further amendment. I think the Chair undoubtedly will perceive the point I am making.

The PRESIDING OFFICER. The Chair is quite of the opinion that the Senator from Oklahoma is entitled to a vote on his amendment in the Senate, even though the Senate might proceed to concur in the amendments made as in Committee of the Whole.

Mr. GORE. But the point is this, Mr. President: If the committee amendment is concurred in as reported from the Committee of the Whole before I offer my amendment, then I want the opportunity to make a point of order against the amendment which has heretofore been agreed to, in case my amendment is not agreed to. I think, however, my amendment will be accepted without objection, and, of course, if it should not be, I should not wish to waive my right to make the point of order.

The PRESIDING OFFICER. The Senator can not offer his amendment as in Committee of the Whole, for the bill is now out of the Committee of the Whole and in the Senate.

Mr. GORE. I understand that.

The PRESIDING OFFICER. And no vote has been reserved in connection with the amendment.

Mr. GORE. But, Mr. President, it is not necessary to make such a reservation. I can offer any amendment in the Senate that I could offer as in Committee of the Whole. There is absolutely no limitation, no requirement that the right should have been reserved to offer an amendment in the Senate.

Mr. ASHURST. Will the Senator from Oklahoma yield to me?

Mr. GORE. I will.

Mr. ASHURST. If I caught the amendment aright, it simply provides that a certain Mr. McMurray shall be authorized to sue in the Court of Claims, and shall be required to give bond for the costs in the case. Is that it?

Mr. GORE. Yes; to abide the judgment of the court, or the award of the Secretary, as the case may be.

Mr. ASHURST. Unless some other Senator has objection to the amendment, I shall not object to it.

Mr. GORE. There could not be any objection to it, but I can not be required to waive my right to make a point of order to an amendment agreed to as in Committee of the Whole by allowing the amendment to be agreed to in the Senate.

Mr. FALL. Mr. President, I ask unanimous consent that the amendment may be reported and considered now. I do not think there will be any objection to it.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The SECRETARY. On page 66, after line 4, at the end of the committee amendment which has been agreed to, it is proposed to insert:

Provided further, That the Court of Claims shall require the said J. F. McMurray, upon filing suit in pursuance hereof, to give a sufficient bond, with two or more good and sufficient sureties, to abide the judgment of such court in said suit, and in case the Secretary of the Interior should arbitrate such claims and counterclaims, he shall require the said McMurray to give sufficient security to abide the award of such arbitration.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

Mr. MYERS. Mr. President——

Mr. FALL. Do I understand that the amendment as amended has been agreed to?

The PRESIDING OFFICER. The situation is this: There was an amendment agreed to, the Chair understands, as in Committee of the Whole.

Mr. FALL. Then the amendment as amended is now agreed to as in Committee of the Whole?

The PRESIDING OFFICER. No; it has been treated as a new amendment in the Senate.

Mr. FALL. Then it is agreed to in the Senate?

The PRESIDING OFFICER. The amendment of the Senator from Oklahoma is agreed to in the Senate, but the original committee amendment has not yet been concurred in; that is the status.

Mr. MYERS. Mr. President, is the bill being considered as in Committee of the Whole or in the Senate?

The PRESIDING OFFICER. It is in the Senate.

Mr. MYERS. Have the amendments adopted as in Committee of the Whole been concurred in in the Senate?

The PRESIDING OFFICER. Not yet; we are trying to get to that.

Mr. MYERS. Then I ask to reserve the right to have a separate vote on the committee amendment in relation to the Flathead reclamation project in Montana.

The PRESIDING OFFICER. Did the Senator reserve that right when the bill was under consideration as in Committee of the Whole?

Mr. MYERS. No; I had not heard any announcement until I asked if the bill had gone out of the Committee of the Whole and into the Senate.

The PRESIDING OFFICER. The bill has passed from consideration as in Committee of the Whole and is in the Senate. Now, the question is on concurring in the amendments made as Committee of the Whole.

Mr. MYERS. Is there no way of getting a separate vote on the Montana item in case I choose to bring it up?

Mr. SMITH of Georgia. Mr. President, there is no doubt about the fact that we have the right in the Senate to vote separately on each amendment. The only reason for reserving an amendment is that the Presiding Officer usually states the question on concurring in the amendments en bloc; and, unless an amendment is reserved, he puts the question on concurring in the amendment in that way. Where an amendment has been reserved he saves it from that action; but the right exists under the rule, whether an amendment is reserved or not, to consider it in the Senate at any time. The object of the reservation is merely to guard against quick confirmation of all amendments before separate action can be had. If action has not been taken upon concurring in all the amendments made as in Committee of the Whole in the Senate, it is the absolute right of every Senator to have a vote on each one separately, because the rule provides that matter shall be considered in the Senate de novo, which means just as independently as to each amendment as was the case when the bill was under consideration as in Committee of the Whole.

Mr. SMOOT. Mr. President, I do not understand the rule as the Senator has just stated it. Whenever an amendment has been voted on when the bill was under consideration as in Committee of the Whole, then it can only be offered again and voted upon in the Senate when it has been reserved.

Mr. SMITH of Georgia. That is not the rule.

Mr. SMOOT. The Senator from Georgia says that is not the rule. That certainly has been the practice of this body for 16 years.

Mr. SMITH of Georgia. That is the practice; but I have explained, Mr. President, the reason of the practice. The rule

expressly declares that the entire matter is before the Senate de novo, just as it was when the bill was being considered as in Committee of the Whole.

Mr. OVERMAN. What is the purpose, then, of the Committee of the Whole?

Mr. SMITH of Georgia. To give the double opportunity for investigation and care.

Mr. SMOOT. In this particular case there is no amendment to concur in in the Senate because of the fact that the amendment is not in the bill; it was defeated when the bill was under consideration as in Committee of the Whole.

Mr. MYERS. It is a committee amendment which was adopted.

Mr. SMOOT. Then, when the bill is in the Senate an amendment can only be brought up when it has been reserved?

Mr. MYERS. It is a committee amendment; it was adopted; and I want the right to reserve it for a separate vote. I do not know that I will exercise that right; probably I will not——

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Kansas?

Mr. MYERS. I do.

Mr. CURTIS. To end the matter, I ask unanimous consent that there may be a separate vote on the amendment of the Senator.

Mr. MYERS. I thank the Senator. I may choose to exercise that right or I may not.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. JONES of Washington. Mr. President, in view of that, I will ask for a separate vote on the Yakima item.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent made by the Senator from Kansas?

Mr. SMOOT. I object, Mr. President.

The PRESIDING OFFICER. Objection is made.

Mr. MYERS. Mr. President, I announce, then, that in the Senate I may conclude to offer an amendment which will reach the committee amendment in regard to the Flathead reclamation project, which was adopted as in Committee of the Whole. I may not want to do it, but I may conclude to do so.

Mr. SMITH of Georgia. Mr. President, I will be glad to read the rule to the Presiding Officer. It is as follows:

> All bills and joint resolutions which shall have received two readings shall first be considered by the Senate as in Committee of the Whole, after which they shall be reported to the Senate; and any amendments made in Committee of the Whole shall again be considered by the Senate, after which further amendments may be proposed.

So each amendment made as in Committee of the Whole may be considered anew as a separate amendment in the Senate, after which any amendments which any Senator may wish to offer may, under this rule, be offered.

Mr. SMOOT. Mr. President, there was no amendment made as in Committee of the Whole; the amendment was offered, but it was not agreed to.

Mr. MYERS. The Senator is wrong about that. I refer to the committee amendment which was adopted as in Committee of the Whole. I may want to object to it in the Senate; I have not decided yet whether I will or not. I will in a certain contingency, but not otherwise.

Mr. FALL. Mr. President, if unanimous consent is granted it is not required then to decide the question of the rules, which usually causes so much agitation and discussion.

The PRESIDING OFFICER. Does the Senator from New Mexico renew the request for unanimous consent?

Mr. FALL. I renew the request for unanimous consent—that the amendment referred to by the Senator from Montana [Mr. MYERS] may be voted upon separately, and also the amendment referred to by the Senator from Washington [Mr. JONES], provided that the yeas and nays are not to be called for.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The question is on concurring in the amendments made as in Committee of the Whole with the exception of the amendment reserved by the Senator from Arizona, which the Secretary will state.

The SECRETARY. On page 81——

Mr. MYERS. And the other amendments which yere reserved by unanimous consent.

The PRESIDING OFFICER. Yes; that is correct.

Mr. ASHURST. Mr. President, on page 81, commencing with line 16, and extending down to line 22, it will be observed that there appears the following provision, which the committee recommended be stricken out:

> For continuation of investigations, beginning of construction and incidental operations on a project for the irrigation of a portion of the conditionally ceded lands of the Wind River Reservation, Wyo., $100,000, reimbursable in accordance with the provisions of the act of March 3, 1905, and to remain available until expended.

The PRESIDING OFFICER. Will the Senator from Arizona suspend for a moment?

Mr. ASHURST. Certainly.

The PRESIDING OFFICER. Is there objection to concurring in the amendments made as in Committee of the Whole, with the exception of those which have been reserved? The Chair hears none, and all amendments are concurred in with the exception of the three reserved.

Mr. ASHURST. Mr. President, nothing would give me greater gratification right now than to vote for this appropriation, because here on my left is my esteemed friend the junior Senator from Wyoming [Mr. KENDRICK] who has pressed this matter with great ability and force, and on his feet stands the senior Senator from Wyoming [Mr. WARREN], for whom I have an affection. If personal consideration could influence me at all, it would be a delight right now for me to vote against the amendment reported by the committee, and for the appropriation. But, Mr. President, the Committee on Indian Affairs laid down a course of action which we considered would save the Treasury. It was deemed that it would be well to save a million dollars at this particular time. So, with a pruning knife that was impartial, we laid out this bill, and carved it to the bone. We took the appropriations for irrigation in Arizona and cut them in two. Then we went to the State of Montana, where there was an appropriation provided for of $750,000, and we reduced that to $250,000. Then we went to that splendid project in Washington, the Wapato, on the Yakima, where the Secretary of the Interior asked for $750,000, and we carved that down to the tune of $250,000.

Much as I should like to gratify the two esteemed Senators from Wyoming, how can I vote against this amendment, and vote for the appropriation, when I know that it authorizes the expenditure of $5,000,000? Senators, in my judgment, if you vote for this appropriation of $100,000 you are voting to authorize the construction of a $5,000,000 project.

Mr. WARREN. Mr. President——

Mr. ASHURST. I yield to the Senator from Wyoming.

Mr. WARREN. I do not want to interrupt the Senator, save to say that that is not a fair or correct statement.

Mr. ASHURST. I hope the Senator will correct me, then.

Mr. WARREN. It can reach that amount, but it is only intended to reach about half that amount.

Mr. ASHURST. I am glad the Senator has corrected me. I misspoke the figures; and that is all I have to say, except this: Now, this is not a threat. I ought to be driven out if I made a threat; but I do say that if we are going to authorize a new project in Wyoming, a project that will cost $2,500,000, we ought to turn right around and reverse the action of the Senate with respect to Washington, with respect to Montana, and with respect to Arizona, if we wish to be impartial, because we can not say that one project is better than another, or that one is entitled to more consideration than another.

That is all I have to say.

Mr. WARREN. Mr. President, I realize full well that the able chairman of the Indian Affairs Committee, in the performance of his duty in charge of a great appropriation bill, must be alert at all times to keep out all matter that calls for appropriations that have not been considered fully in this committee, whatever his feelings may be.

The Senator has stated that the appropriations for projects in Montana and Washington and other States have been cut down. Now, the facts are these:

There came over from the House various sums providing for these various Indian irrigation projects. As I am informed, the Senate Committee on Indian Affairs, in their first consideration, decided that on account of the war and on account of the necessity for economy they would strike out the whole of all those appropriations. It seems that the committee later on—and I think they are to be commended for it—believed that we needed food, that we needed certain industries to go on to support not only the Union generally but this war in particular; went back, reconsidered, and allowed a part of every one of these appropriations in every one of the other States, and only cut out in whole the Wyoming project.

Mr. President, I have taken some pride in standing upon this floor and providing for the various States, old and new, as far as my voice would command, and in the committees as well as here; but I have never thought that we ought to make an orphan of any one State. To leave out Wyoming in this case will be simply to say that she shall be discriminated against as compared with all the other States that are yielding up to Indian reservations and other reservations large areas of their territory. The Senator from New Mexico has shown in his map the quantity of land taken from his State by these reservations. Wyoming is a sufferer to the same extent, and even to a greater extent in many ways, as added to Indian and forest reservations

are immense oil, coal, phosphate, and other reservations and withdrawals while the little that is left pay the taxes. That we should in Wyoming alone have cut out this its one proposition of only $100,000, which has already been cut in half by the House as to the estimate from the department is certainly most unjust. It is true that it was not estimated for the Indian bill especially. It was estimated, though, among these irrigation projects, and, by the way, these are not projects wherein we ask anything except the credit of the Government. There is no expenditure of money but what comes back; but this one is put in the Indian bill at half the amount estimated. Half of the expenditure to be reimbursed from the Indians and the other half from citizen settlers, as both Indian and settlers land are to be watered.

I could stand here and talk for hours about the excellence of this particular project, but I desire, in the first place, to call the attention of the chairman of the Committee on Indian Affairs to the fact that he is mistaken about this being a new project. It is a project that has had money appropriated to start it.

One section of it has had some $40,000 expended upon it, and there are other private canals and properties of which this will form a part. This is a project that will cost probably $2,000,000 or $2,100,000 to bring it down to the irrigation of 70,000 acres of as beautiful land as ever water was poured upon. By their putting in reservoirs and going on down the plain, taking in more land, it will reach nearly twice as much, and then the Senator might be right in saying that it would cost $5,000,000; but that is not the intention now; and this appropriation does not contemplate the second section.

I have seen nearly every one of the irrigation projects in the United States. I have visited them personally; and I say with all the sincerity that I can say anything in this body that I do not know of a single one that is superior, and very few that are equal, to this proposition that we are now talking about.

Now, here we have a railroad very near to it. We have the Indians there that are seeking this work. They have been employed upon other projects. It is at once an avoidance of the scarcity of labor and high prices, because it will employ the Indians. One of the greatest things we are doing for the Indians is to educate them in labor. Nothing in the world helps so much as to give them work and teach them how to work. Now, we come down to the fact that this project conduces to the benefit of a State that is furnishing to-day for the Army more than almost any other State, certainly more than any other State of its population. It is furnishing more men for the Army according to its inhabitants than any other State in this Union. There are two or three others very near to it.

The State is furnishing horses for the armies of the United States and our allies as well as wool, mutton, beef, sugar beets, and so forth, to support not only those in the war but this Government and others generally; and while we should be careful in what we spend, we should give this project a million dollars. We ask $100,000 to further it and get the head gates in, because industries must go along with this war.

Here is the proposition: The House passed it, and it came over here; and the Senate, as in Committee of the Whole, has adopted the House view. I ask the Senate now to take the view of the Committee of the Whole rather than the view of the Committee on Indian Affairs. I ask if they want to make an orphan of the State of Wyoming and turn their backs on that State and on that class of people which I have described and say that Wyoming is the only one in this bill that shall receive the knife clear to the hilt, and have nothing left, where every other State has received at least part of what it has asked for?

I am glad the others have gotten what they have. I would be glad if they had gotten more. I believe in it all; but, at the same time, this is a cut that is a peculiar hardship, and I may say that I believe the Senator himself must realize that we ought not to be cut out at this time in this way.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Kansas?

Mr. WARREN. I do.

Mr. CURTIS. I should like to ask a question that may solve this problem. I really think that in the action of the Senate committee we did go further in this case than in others. I think that if this amendment had been reduced to $50,000 it would have been just and fair in view of the action taken in the other cases. I will ask the chairman if he will not agree to make the item $50,000, if that will satisfy the Senator from Wyoming?

Mr. WARREN. Mr. President, so far as I am concerned, if the matter goes over to conference, they can handle that in conference.

Mr. CURTIS. I will ask the chairman if he will not, so far as he can, consent to that?

Mr. WARREN. I prefer to submit the question of my distinguished friend from Kansas to my colleague [Mr. KENDRICK], who sits near the chairman, that he in turn may take it up with the chairman I do not want Wyoming to be blackballed at this time, almost at the end of my service here, as if it were guilty of some misdemeanor.

Mr. KENDRICK. Mr. President, I fully concur in all that my colleague [Mr. WARREN] has said about this appropriation; and I shall delay the Senate but a moment further in saying that this is the only item of development on our Indian lands that has been asked for on behalf of my State. There is not a Western Senator on the floor who does not understand that it is a detriment to a State to be burdened with Indian reservations; and it is a question as to how much the Government, when it sets aside these reservations, should permit itself to delay the development of the territory involved.

My colleague has pointed out that Wyoming is the only State that has not received at least some encouragement in this appropriation bill. I submit that it is not fair that we should not be allowed to have our territory improved while other States are given the privilege of continuing development.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Kansas?

Mr. KENDRICK. I do.

Mr. CURTIS. I should like to know if the Senator will not accept the proposition submitted a minute ago, to let this item be put in at $50,000, and virtually make it the same as the others. There was no estimate before us at the time we considered the bill, and the item was cut out entirely. I think that, had the estimate been there, the committee would have given the project $50,000.

Mr. OWEN and Mr. JOHNSON of South Dakota addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Oklahoma?

Mr. KENDRICK. Mr. President, I have just a word further to say about this matter. If that would prove agreeable to the Senator who has the bill in charge, I would be willing to accept a compromise of $50,000, with the statement that, with all of his good qualities, the Senator from Arizona lacks the quality of understanding when he is beaten. This amendment was adopted by the Committee of the Whol , and, in my judgment, he should be generous and allow it to stay there.

Mr. ASHURST. Mr. President, I see that the clock has reached the hour of 6. As I said before, if I were voting on personal grounds, I would cast my vote for $100,000 gladly. I want the senior Senator from Wyoming to understand distinctly that, so far as my attitude is concerned, it has not been one of any hostility to the sturdy State of Wyoming.

Mr. WARREN. Oh, Mr. President, I can not allow the Senator to go further, because there has not been the slightest suspicion on my part that this was the action of the chairman himself. It was the result of a misunderstanding.

Mr. ASHURST. Mr. President, the Senate properly referred this morning to the long service of the senior Senator from New Hampshire [Mr. GALLINGER]. Why, the distinguished Senator from Wyoming [Mr. WARREN] came to this body in the latter part of the year 1890. That is a long time ago. We are living almost in a new world since the distinguished Senator from Wyoming first came here. He said something about his term of service in the Senate. The last years, I know personally, are glorious. He has been a stalwart supporter of this Nation and a stalwart supporter of its war policies. No Senator could have a greater affection for him than I have, or could wish to do him an honor quicker than I would wish to do so.

Therefore, Mr. President, to bring the matter to a conclusion so far as I am concerned, other members of the committee having expressed their approbation, I am willing, and I move, that the item be agreed to at $50,000 instead of $100,000.

Mr. JOHNSON of South Dakota. Mr. President——

The PRESIDING OFFICER. There is a motion made, as the Chair understands, by the Senator from Arizona to amend——

Mr. ASHURST. To restore the item, but in the amount of $50,000 instead of $100,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment to reduce the sum from $100,000 to $50,000.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on concurring in the amendment, on page 81, as amended.

The amendment was nonconcurred in.

Mr. JOHNSON of South Dakota. Mr. President, I asked to be recognized before that vote was taken. I stood on my feet for about five minutes.

The PRESIDING OFFICER. The Chair hopes the Senator from South Dakota will not tax the Chair with deliberately declining to recognize him.

Mr. JOHNSON of South Dakota. I simply wanted to ask a question. Perhaps I can ask it now. I want to know about what per cent of the benefits of this appropriation which has now been agreed to will be for the real benefit of the Indians. That is all I desire to ask the Senator.

Mr. KENDRICK. Mr. President, the amendment as now drawn provides for the reclamation of Indian lands primarily and for reimbursing the Indian fund for any lands that may be incidentally reclaimed that are now owned by white settlers. This would make of it primarily an Indian appropriation.

Mr. JOHNSON of South Dakota. Mr. President, that does not exactly answer the question that I wanted answered, but I am satisfied with it. I had no objection to the appropriation if it was a meritorious one.

While I am on my feet I want to go on record as being opposed to this bill. I have never voted for an Indian appropriation bill since I have been here. I live in a State that has five or six Indian reservations, and my reason for not doing so has been that I believe the system that the Government has carried out toward the Indians has had the effect of destroying the usefulness of those people by taking from them the law of necessity for their own maintenance and substituting a law that compels them to be a nation of beggars.

I want to congratulate the chairman of the Indian Affairs Committee for his earnest effort to bring from the committee, of which I am a member, this bill in its most economical and best form; and I can say that this is a better bill than I have seen since I have been here, but I shall not vote for it because the Indians will not get 10 per cent of its appropriation.

Just a word with regard to the amendment just agreed to. It has been acted upon now, and anything that may be said will not help it or hurt it. A gentleman came to my office two or three days ago and said that I should support this bill by all means; that it was 90 per cent for the benefit of the white people. I do not care to divulge the name of the party. I do not know whether he told the truth or not; but if he did tell the truth, he only told what everyone who is intelligent and who knows anything about Indian appropriation bills must know.

If Congress really wanted to help the Indians, if they wanted to benefit them, they would go down to the Indian Office and they would procure the records of the lands that the Indians own and preserve them. Then they would tear up all the old, musty records of that office that have accumulated in the last 50 years and make a bonfire of them. Then they would either lock up that office or they would open it up, after a thorough fumigation, as a sort of a relic of modern methods of handling ancient things. That is exactly the best thing that could happen for the Indians.

I do not intend to take any of the time of the Senate, and I apologize for what little time I have taken, because the hour is late and I know the chairman of the committee desires to crowd the bill through to-day; but I wish to go on record as voting against the bill if there is a roll call and I am not able to be present.

The PRESIDING OFFICER. Does the Senator from Montana [Mr. MYERS] desire a separate vote upon the amendment he reserved?

Mr. MYERS. It appears to me it has to be voted on separately now, because it was not adopted with the others, and I ask for a separate vote on it.

The PRESIDING OFFICER. The question, then, is on concurring in the amendment of the committee on page 35, which will be stated.

The SECRETARY. The Senate as in Committee of the Whole agreed to the amendment of the committee to strike out lines 11, 12, 13, and 14, appropriating $750,000 for the Flathead Indian Reservation, in Montana, and to insert in lieu the words:

For continuing construction, maintenance, and operation of the irrigation systems on the Flathead Indian Reservation, in Montana, $250,000 (reimbursable), which shall be immediately available and remain available until expended.

The PRESIDING OFFICER. The question is on concurring in the amendment made as in Committee of the Whole.

The amendment was concurred in.

The PRESIDING OFFICER. The amendment reserved by the Senator from Washington [Mr. JONES] will be stated.

The SECRETARY. On page 75, line 22, the Senate, as in Committee of the Whole, agreed to the amendment of the committee striking out "$500,000" and inserting "$250,000," so as to read:

For continuing construction and enlargement of the Wapato irrigation and drainage system, to make possible the utilization of the water supply provided by the act of August 1, 1914 (38 Stat. L., p. 604), for 40 acres of each Indian allotment under the Wapato irrigation project on the Yakima Indian Reservation, Wash., and such other water supply as may be available or obtainable for the irrigation of a total of 120,000 acres of allotted Indian lands on said reservation, $250,000 to be immediately available, and to remain available until expended, etc.

The PRESIDING OFFICER. The question is on concurring in the amendment.

The amendment was concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

REORGANIZATION OF EXECUTIVE DEPARTMENTS.

Mr. OVERMAN. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 3771) authorizing the President to coordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government. I submit this motion with a view of making the bill the unfinished business, and I give notice to the Senate that if it is made the unfinished business I will agree to lay it aside for the consideration of the military bill that comes up to-morrow, and probably this bill will not be taken up before Monday. I simply want to make it the unfinished business, and then I will agree to lay it aside for the other bill.

Mr. FLETCHER. I should like to suggest that it may be the Senator will find it agreeable to allow the bill on the calendar for commandeering ships to be taken up.

Mr. OVERMAN. Yes; the Senator and I are on the same committee and we will agree about that bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina.

Mr. WADSWORTH. What is the motion?

The PRESIDING OFFICER. To proceed to the consideration of Senate bill 3771, the so-called Overman bill, so as to make it the unfinished business.

Mr. OVERMAN. I will then agree to lay it aside for the consideration of other bills that are pressing.

The PRESIDING OFFICER. The question is on the motion to proceed to the consideration of the bill.

Mr. WADSWORTH. With the intention of making it the unfinished business?

Mr. OVERMAN. That is all.

Mr. WADSWORTH. May I ask the Senator from North Carolina if he has consulted with the Senator from Oregon [Mr. CHAMBERLAIN]?

Mr. OVERMAN. I have, and I will agree to lay this bill aside for the consideration of the other bill.

Mr. WADSWORTH. My only interest in this matter is that the bill providing for the registration of men for the draft upon reaching 21 shall be disposed of as soon as possible.

Mr. OVERMAN. I will lay this bill aside for that purpose. I do not expect to get the bill up before Monday.

Mr. WARREN. And it would not come up as the unfinished business before 2 o'clock.

Mr. OVERMAN. Not until 2 o'clock, and then if the Senator wants to press his bill I will agree to lay it aside.

The PRESIDING OFFICER. The question is on the motion of the Senator from North Carolina.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill.

TAPPING OF TELEGRAPH AND TELEPHONE WIRES.

Mr. OWEN. Mr. President, I offer the following resolution, and ask for its present consideration:

Resolved, That the Secretary of War is hereby requested to furnish the Senate with a full report on the method and efficiency of the Telautograph and Delaney systems of preventing tapping of telegraph and telephone wires.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

Mr. THOMAS. I should like to hear the resolution read again.

The PRESIDING OFFICER. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 218), and the Senate, by unanimous consent, proceeded to its consideration.

Mr. WADSWORTH. May I ask the Senator from Oklahoma if these methods are already in operation?

Mr. OWEN. I do not know whether they are or not. I have a letter from the manager of the Telautograph Co. stating that his method will prevent the tapping of wires. I have seen it in operation in some of the hotels. I do not know very much about it, but the War Department made an answer a few days ago, which is now Senate Document 207, stating that it did not know anything about any systems. It seems that these might be available, and I think the Senate ought to have the information with regard to them.

Mr. CURTIS. I ask the Senator if it would not be wise to put in the words "if not incompatible with the public interest."

Mr. OWEN. Yes; I have no objection to inserting the words "if not incompatible with the public interest."

The PRESIDING OFFICER. The resolution will be so modified. The question is on agreeing to the resolution as modified.

The resolution as modified was agreed to.

Mr. MARTIN. I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 7 minutes p. m.) the Senate adjourned until to-morrow, Friday, March 29, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *March 28, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou Infinite and Eternal Spirit, humbly we bow before Thee and acknowledge our utter dependence upon Thee.

"We are weak but Thou art mighty,
Hold us with Thy powerful hand";

and guide us through the duties and responsibilities of this day, that its issues may be in accordance with Thy will and good pleasure; through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the bill pending before the House yesterday.

The SPEAKER. The gentleman from Michigan asks leave to extend his remarks on the bill pending yesterday, and which will be pending again in a few minutes. Is there objection?

There was no objection.

COMMITTEE ELECTION.

Mr. KITCHIN. Mr. Speaker, I move the election of the following Members to the committees named.

The SPEAKER. The Clerk will report the nominations.

The Clerk read the following committee nominations:

Mr. WILLIAM E. CLEARY of New York to be a member of the Committee on Rivers and Harbors.

Mr. ANTHONY J. GRIFFIN of New York to be a member of the Committee on Industrial Arts and Expositions, the Committee on Public Buildings and Grounds, and the Committee on Revision of the Laws.

Mr. JOHN J. DELANEY of New York to be a member of the Committee on Accounts, the Committee on Claims, and the Committee on Pensions.

Mr. JEROME F. DONOVAN of New York to be a member of the Committee on Education, Committee on Expenditures in the War Department, and the Committee on Indian Affairs.

The SPEAKER. Are there any other nominations? If not, the question is on the election of these gentlemen to the committees named.

The question being taken, the motion was agreed to.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. POLK, for to-day and to-morrow, on account of important business.

PAYMENT OF EXCESS-PROFITS TAX.

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Speaker, I want to use these few minutes to call the attention of the House to a bill which I introduced on March 6—House bill 10526—the purpose of which is to amend sections 200 to 214 of the revenue law to provide for a splitting up of the payment of the excess war-profit tax, which matures on June 15, into four installments, payable June, August, October, and December 15.

Since the introduction of this bill I have been besieged with letters from all parts of the country in favor of the passage of this bill, and with many requests from Members of the House who are being similarly treated, and there is a tremendous demand from the taxpayers for some action in regard to the dividing of these excess war-profit tax payments, which come due on next June 15. I understand that the bill is resting quietly in the Ways and Means Committee, and from a letter which was issued on March 12 by the chairman of that committee [Mr. KITCHIN] I understand that he is opposed to any dividing or postponement of these payments. I also understand that the Secretary of the Treasury is similarly disposed. The purpose that I have in speaking of this matter at this time is to get some official statement or good reason from these gentlemen as to why they are not responsive to the general demand of the people who are to pay these taxes, and I am making this demand in their behalf, that some consideration of this worthy and just measure of relief must be given these patriotic taxpayers who are willing to give up almost everything they possess to help the Government in this crucial hour. It is rare indeed that you find or hear any complaint from these people who are paying these taxes.

The Government is paying out about $40,000,000 daily or about $1,000,000,000 monthly, and that is about the limit of our capacity to pay. I am hoping that if this statement is correct, that provision will only be made to collect the money in from taxes and sale of bonds as the demand for payment exists, and thus keep our equal balance, and disturb as little as possible our financial system.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. McFADDEN. I will.

Mr. MADDEN. I understood from a communication printed in the RECORD the other day, written by the Internal Revenue Commissioner, that he was in favor of the division of the payments, provided the payments were made in advance. Would that be of any advantage to the business public, to have the payments made in advance?

Mr. McFADDEN. It would not give them entire relief. On the contrary, the division and extension of these payments is right in keeping with the plan adopted by the Secretary of the Treasury in calling for the money from the sale of liberty bonds. These payments are always made in installments for the purpose of relieving the strain on our financial system. I am simply demanding the same relief in the payment of these $3,400,000,000 estimate of taxes due June 15 in one payment.

Mr. WINGO. Mr. Speaker, will the gentleman yield for a question?

Mr. McFADDEN. I will.

Mr. WINGO. I understand the gentleman to say that dividing it up into installments to be paid in advance will not be a relief. Is not the argument in favor of installment payments that by making the payments in installments there will not be a large disturbance by reason of the transfers of bank balances?

Mr. McFADDEN. That is the idea, exactly. Of course, the purchase of these Treasury certificates in anticipation of these tax payments help some, but the real help is my bill.

Mr. WINGO. Why would it not grant relief if they took advantage of the provision which the Secretary has already made—to make these partial payments in advance and distribute them over four or five or six months, as they have had an opportunity to do?

Mr. McFADDEN. They have had that opportunity; but the people who pay these taxes find themselves still further embarrassed, because the law now provides for the payment before the taxes are due. My bill provides for dividing these payments up into four equal installments, payable in June, August, October, and December.

Mr. WINGO. Does not the gentleman's argument, then, resolve itself into this, that they want a longer time and not installment payments?

Mr. McFADDEN. Yes.

Mr. ASHBROOK. A longer time and installments, too.

Mr. McFADDEN. Yes. I want these taxpayers to know why no action is being taken on this bill, and to place the responsibility where it belongs. I believe that a majority of this Congress are in favor of this relief, but no action can be had so long as the bill is not favorably reported from the committee.

Mr. BLAND. Is it not the position of the Secretary of the Treasury that if these payments are not forthcoming in June he will not know how to finance the war, because there are such heavy drains on the Treasury?

Mr. McFADDEN. I have not the figures in detail, but I understand the Secretary of the Treasury has sold $1,250,000,000 of Treasury certificates for the purpose of aiding in the payment of this tax due June 15. I understand the total amount of these taxes is about $3,400,000,000. I also understand that the Secretary of the Treasury, in addition to the $1,250,000,000 of Treasury certificates, has sold $2,400,000,000 additional certificates of the Treasury and has just offered for sale another $500,000,000. The business interests of the country have their money invested in raw materials and accounts, and so forth, and they are not in a liquid condition, and it will require that

these people must go into the open market and borrow money to the amount of probably $1,500,000,000 or $2,000,000,000, the rediscounting of this amount of which will have to be done with the Federal reserve banks.

Mr. TOWNER. Mr. Speaker, will the gentleman yield?

Mr. McFADDEN. I will.

Mr. TOWNER. Is it not true that the amount paid into the Treasury and the amount received from certificates are both greatly in excess of the estimates that were made for the receipts from both these sources of revenue up to the present time?

Mr. McFADDEN. Yes.

Mr. TOWNER. And is there not now a larger unexpended balance in the Treasury than there has ever been before?

Mr. McFADDEN. I understand that is the case. I want to quote from a couple of letters I have received, one from the National Retail Dry Goods Association, as follows:

The bankers in one Middle West city estimate that the total payments from that district will aggregate at least one-half of the total deposits of the banks of their city. As you are undoubtedly aware, a growing business requires that a considerable part of the earnings be retained to meet increased capital requirements. Delay in freight shipments and the tremendous advance in the price of commodities has also greatly increased the requirements upon capital investment.

And Chattanooga Manufacturers' Association, of Chattanooga, Tenn., as follows:

The present law calling for payments of this great sum of money on June 15 will seriously embarrass the resources of the banks, will cripple the efforts of the Liberty loan campaigners, and will seriously handicap the manufacturer of war material in obtaining sufficient financial assistance to enlarge and develop his business to the extent necessary to manufacture goods for war purposes. Moreover, the Government can not possibly redistribute this money promptly. In short, $5,000,000,000 can not be withdrawn from the ordinary channels of trade without seriously affecting the very important interests necessary to the successful prosecution of the war.

Also T. S. Southgate & Co., of Norfolk, Va.:

NORFOLK, VA., *March 25, 1918.*

Representative McFADDEN, M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: We feel that you are doing the commercialism of the country a great service in advocating the innovation of payment of these tremendous war taxes in installments. We cite it as an actual fact that not less than two-thirds of the mediocre small concerns, especially in the South and West, were able to make more profit than usual during the last year, be called upon to give up 50 to 60 per cent of what they made, amounting to from twenty to forty thousand dollars per firm, it will be little short of crippling the entire small business of the country.

It is an exhilarating fact to note the splendid feeling among men everywhere that they are willing to give up almost everything they possess to help the Government in this crucial hour. Indeed, it is rare that you find an honest merchant who complains even at the call that is thus made upon him.

That is not the point at all; the point is one of physical ability to comply, and our own judgment is that the shock is too great; it would take two or three years for men to fit themselves to bear such a burden as this all at one time in cash.

The time is growing short, and we sincerely hope that you will succeed in your efforts; and if you will tell us what we can do to aid to that end, we will certainly try to get busy and accomplish it if possible.

Very truly, yours,

T. S. SOUTHGATE & Co.

Mr. GORDON. Mr. Speaker, will the gentleman yield?

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. McARTHUR. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended for five minutes.

The SPEAKER. The gentleman from Oregon asks unanimous consent that the time of the gentleman from Pennsylvania be extended for five minutes. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, I shall have to object.

The SPEAKER. The gentleman from Tennessee objects.

CHANGE OF REFERENCE.

Mr. DYER. Mr. Speaker, I ask unanimous consent to have the reference of the bill H. R. 10956, to make "The Star-Spangled Banner" the national anthem of the United States, changed from the Committee on the Library to the Committee on the Judiciary.

The SPEAKER. The gentleman from Missouri asks unanimous consent to have reference of the bill H. R. 10956 changed from the Committee on the Library to the Committee on the Judiciary. Is there objection?

Mr. FOSTER. Mr. Speaker, reserving the right to object, has the gentleman given notice of this?

Mr. DYER. Mr. Speaker, I will state to the gentleman that I called the attention of the Speaker to it. The bill has been so referred before.

Mr. FOSTER. Is the gentleman authorized to do this by the committee?

The SPEAKER. The gentleman does not have to be authorized to do that in order to make the request.

Mr. FOSTER. I shall object for the present, until I can see what it is.

Mr WALSH. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. Evidently there is not.

Mr. GARRETT of Tennessee. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Flood	Kitchin	Rowland
Anthony	Flynn	LaGuardia	Sanders, N. Y.
Blackmon	Fuller, Ill.	Lenroot	Schall
Borland	Gandy	Lunn	Scott, Pa.
Britten	Gard	McCulloch	Scully
Caldwell	Glass	McKeown	Sherley
Carew	Godwin, N. C.	McKinley	Sherwood
Carter, Mass.	Good	Mann	Siegel
Chandler, N. Y.	Goodall	Martin	Slemp
Classon	Graham, Pa.	Mason	Smith, Mich.
Coady	Griest	Miller, Minn.	Smith, C. B.
Connelly, Kans.	Griffin	Miller, Wash.	Smith, T. F.
Cooper, Ohio	Hamill	Morin	Snyder
Cooper, W. Va.	Hamilton, N. Y.	Mott	Steele
Copley	Harrison, Miss.	Mudd	Sterling, Pa.
Costello	Hayes	Neely	Sullivan
Crago	Heintz	Oliver, Ala.	Swift
Curry, Cal.	Hensley	O'Shaunessy	Talbott
Darrow	Hersey	Overmyer	Templeton
Davidson	Hicks	Parker, N. Y.	Thomas
Denton	Hollingsworth	Peters	Tinkham
Dies	Hood	Polk	Van Dyke
Donovan	Huddleston	Porter	Venable
Dooling	Ireland	Powers	Ward
Drukker	Johnson, S. Dak.	Pratt	White, Me.
Eagan	Jones, Va.	Robbins	Wilson, Ill.
Ellsworth	Kahn	Roberts	Wilson, Tex.
Estopinal	Kehoe	Robinson	Winslow
Fairchild, B. L.	Kennedy, R. I.	Rodenberg	Wood, Ind.
Fess	Kettner	Rouse	Woods, Iowa

The SPEAKER. On this call 308 Members have answered to their names, a quorum.

Mr. GARRETT of Tennessee. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

SALE OF SEED GRAIN TO FARMERS.

Mr. LEVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7795) to appropriate $50,000,000 for the purchase of seed grain and feed for live stock, to be supplied to farmers and stockmen, and to create boards in the respective States to assist in carrying out the provisions of this act.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7795, with Mr. POU in the chair.

The Clerk reported the title of the bill.

Mr. LEVER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LEVER. As I understand it, the substitute offered for the amendment of the gentleman from Kansas [Mr. HELVERING] by the gentleman from Arkansas [Mr. WINGO] has been passed upon—it has been agreed to.

The CHAIRMAN. That is correct.

Mr. LEVER. The next vote, then, is upon the amendment of the gentleman from Kansas as amended by the substitute.

The CHAIRMAN. The Chair is of opinion that the substitute offered by the gentleman from Arkansas includes the amendment offered by the gentleman from Kansas, and in those circumstances the Chair supposed that the gentleman from Kansas was not going to insist upon further action on his amendment.

Mr. WINGO. Mr. Chairman, a parliamentary inquiry. The fact that the substitute may include all of the original amendment would not remove the necessity for the adoption of the amendment as amended, even if the substitute were adopted, would it? In other words, are we not compelled to vote on the amendment of the gentleman from Kansas?

The CHAIRMAN. The Chair thinks not.

Mr. BLAND. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLAND. I would like to offer an additional amendment to this section. Would it be in order at this time?

The CHAIRMAN. The Chair sees no reason why it is not in order.

Mr. WINGO. Mr. Chairman, if the Chair rules that my substitute has already been adopted as an amendment to the section, of course I shall not insist upon further action.

The CHAIRMAN. The Chair has already stated that he has so ruled.

Mr. LEVER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Committee amendment: On page 3, line 18, after the word "wheat," strike out the comma and the following words: "oats and barley."

Mr. BLAND. Mr. Chairman, I would like to offer my amendment, which I send to the desk, as a substitute for the amendment of the gentleman from South Carolina.

The CHAIRMAN. The gentleman from Indiana offers a substitute for the amendment of the gentleman from South Carolina, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLAND: Page 3, line 18, after the word "of" before the word "wheat," insert the word "corn."

Mr. LEVER. To that I reserve a point of order.

Mr. BLAND. Mr. Chairman, I want to be heard on the point of order.

Mr. WINGO. I understand this is offered as a substitute for the amendment of the gentleman from South Carolina.

Mr. BLAND. Yes. Gentlemen of the committee, I expressed my views on this question briefly yesterday. It is very important that we in Indiana have seed corn. I said yesterday that I did not care anything especially about the loan feature in this law, although it might be important in isolated instances, but we want seed corn so that we can get it and have it under the direction of the Government. If seed corn is imported into Indiana from the South it matures too late; if it is imported from the North it matures too early. The Government will know what kind of seed corn we need.

I said yesterday, and I repeat, that 75 per cent of the great corn crop in the corn belt of the Middle West was frost bitten. I went through the fields last October and saw the best corn of that State frost bitten in the roasting ear, which absolutely destroys its seed value. The people ought not to be permitted to plant that character of corn, because they will not get the proper crop. We ought to be interested in seeing that they do not plant inferior seed corn. I know they are offering from $8 to $12 a bushel for seed corn. Some Member suggests that it is $15. They do not know where to get it. I am informed that there is corn in other States that can be furnished by the Government, and if the Government will buy it and test it and bring it to us, we will plant it and raise a bumper crop. Without this amendment I do not think we can. If you are going to furnish seed wheat and sell it to the people of the country, I want you to include corn, because it is one of the vital necessities.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. BLAND. Yes.

Mr. YOUNG of North Dakota. Has the gentleman's constituents money to buy the seed with?

Mr. BLAND. I think the most of them have; we are not poverty stricken in Indiana.

Mr. YOUNG of North Dakota. The gentleman has no interest in this bill?

Mr. BLAND. I have an interest in this bill. The proposition is that the Government shall buy and sell seed, and I want it to apply to the Middle West. It is rarely we get anything from this Congress to apply to the Middle West.

Mr. YOUNG of North Dakota. You have already got it.

Mr. WHEELER. Will the gentleman yield?

Mr. BLAND. Yes.

Mr. WHEELER. The gentleman is aware of the fact that in Illinois and parts of Indiana for the past five years they have only had one good crop. Many a farmer has not the money to pay the high price that they are asking for seed corn now.

Mr. BLAND. I have no doubt that is true. There is another thing to take into consideration, and that is it does not take much corn to plant 20 acres; it is not a big financial proposition. One bushel of seed corn will plant from 6 to 8 acres, but with wheat it is different. We want it under the direction of the Government.

Mr. LANGLEY. Will the gentleman yield?

Mr. BLAND. Yes.

Mr. LANGLEY. I have received scores of letters from western Kentucky to the effect that it is almost impossible there to get seed corn.

Mr. BLAND. I know that is true, and it is true in my State, and it is a very important matter. I do not think the financial question ought to be any objection, because it does not amount to a great deal for seed corn as compared to seed wheat.

Mr. SLAYDEN. Will the gentleman yield?

Mr. BLAND. I will.

Mr. SLAYDEN. I will say that there is a tremendous scarcity of cotton seed in my section, of good cotton seed.

Mr. BLAND. The Secretary of Agriculture is from the gentleman's State, is he not?

Mr. SLAYDEN. No; from Missouri.

Mr. BLAND. He is looking after you pretty carefully, is he not?

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. LEVER. Mr. Chairman, I make the point of order. Mr. Chairman, the amendment which I offered to line 18 proposes to strike out certain language in the bill beginning at the comma after "wheat" and including the words "oats and barley." The gentleman from Indiana offers as a substitute an amendment to insert after the word "wheat" the word "corn." I make no pretense to anything like a very great knowledge of parliamentary law, but it does seem to me that the proposition to insert can hardly be held to be germane to a proposition to strike out. It strikes me that the two propositions are absolutely inconsistent with each other and so thoroughly unrelated to each other that they can not be brought together under the guise of germaneness.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. GARRETT of Tennessee. The gentleman is quite correct, but if the gentleman from Indiana would offer his amendment as an amendment to perfect the text it would take precedence over the motion of the gentleman from South Carolina, which is merely a motion to strike out.

Mr. LEVER. In response to what the gentleman from Tennessee has said I am arguing the status to the Chair as it exists, namely, that I have offered an amendment to strike out, and the gentleman from Indiana offers an amendment by way of substitute, and I am pressing that point.

The CHAIRMAN. The Chair sustains the point of order.

Mr. BLAND. Mr. Chairman, I offer the amendment to perfect the text.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

Mr. BLAND. I move to amend by adding corn to wheat, barley, and oats.

Mr. LEVER. I make a point of order against that. I make it on the theory that while the gentleman is offering this in the guise of an amendment to perfect the text, he is undertaking to do by indirection that which he can not do by way of substitution. The amendment that I propose looks to the striking out of language. Now, the gentleman's amendment must be in the nature of agreeing to the striking out of the language and adding something by way of substitution, and I do not believe that that kind of a situation can be held to be in order.

Mr. CAMPBELL of Kansas. Mr. Chairman, the contentions of the gentleman from South Carolina are not tenable so far as they go to the amendment offered by the gentleman from Indiana, which tends to perfect the text.

Mr. BUTLER. Is it not in the third degree?

Mr. CAMPBELL of Kansas. It is not in the third degree. It adds one more grain to those already contained in the text. After the text has been amended as proposed by the gentleman from Indiana, the House can vote out the entre paragraph as amended by the gentleman from Indiana, if it desires to do so, but there is no question that it is in order as an amendment to the text as it now stands. It is not offered as a substitute but as an amendment to the text and is preferential to the amendment offered by the gentleman from South Carolina to strike out the text.

Mr. LEVER. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. LEVER. Does not the gentleman come back to the situation he started with on the proposition ruled upon by the Chairman a moment ago that it is really, while offered as a proposition to perfect the text, in its very nature a substitution for the amendment I offered?

Mr. CAMPBELL of Kansas. Not at all. It is preferential in its nature and must be acted upon by the House before the amendment of the gentleman from South Carolina is acted upon. It perfects the text of the bill.

Mr. BARKLEY. May I discuss the point of order briefly?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. BARKLEY. If the amendment of the gentleman from Indiana had been offered as an original amendment to the text of the bill it would be undoubtedly in order, because the bill

itself mentions three different kinds of grain, and therefore it is in order to add a fourth. But if the text of the bill had only mentioned one grain it perhaps would not have been in order to have added the second; but in view of the fact that the bill specifically mentions three grains, it is in order to add the fourth. Now, if the gentleman from South Carolina had not offered his amendment, the amendment of the gentleman from Indiana would have been in order, undoubtedly. My contention is the mere fact the gentleman from Indiana has offered just a motion to strike out does not make the gentleman from Indiana's motion out of order, because the words are still in the bill—"wheat, barley, and oats." They have not been stricken out, and the motion of the gentleman from Indiana must be voted on first, which is a motion to add a fourth grain. The mere fact that the gentleman from South Carolina made his motion first does not make the motion of the gentleman from Indiana out of order.

The CHAIRMAN. The point of order is not sustained.

Mr. WINGO. Mr. Chairman, I desire to offer an amendment in the nature of a substitute to the amendment of the gentleman from Indiana.

Mr. SAUNDERS of Virginia. Mr. Chairman, I make a point of order to the amendment of the gentleman from Indiana on the ground that it adds a new subject matter to the pending section, and is therefore out of order. In that connection I wish to cite some precedents.

The CHAIRMAN. The Chair will be very glad to hear the gentleman from Virginia. The gentleman from Virginia reserves the point of order against the amendment offered by the gentleman from Indiana [Mr. BLAND].

Mr. SAUNDERS of Virginia. Mr. Chairman, the section of the bill to which this amendment relates proposes to furnish the farmers with certain indicated seeds. The bill names three varieties of seed that will be furnished. The amendment adds corn, another and different food seed, from those mentioned in the bill. This same question of the right to add new matter, that it is additional subjects, was raised last year in connection with the food-control bill, and the amendments proposed were held out of order, from that ruling. The Chair will find the ruling in the RECORD of June, 1917, page 4497. A point of order was raised to the proposed amendment, and in ruling on same the Chairman of the Committee of the Whole House on the state of the Union referred to the fact there were only three specific subject matters in that bill, food, fuel and feed, and the additional subject matter contained in the amendment was not germane, and therefore was out of order. The same arguments that have been advanced to-day in support of the amendment of the gentleman from Indiana were presented in support of the proposition to add another subject matter to the food-control bill. In this connection I will call attention to the ruling of the Chair on the occasion referred to.

Mr. BARKLEY. Will the gentleman yield for a question?

Mr. SAUNDERS of Virginia. Yes, certainly.

Mr. BARKLEY. At that time was not the amendment to add clothing and things of that sort which were not food?

Mr. SAUNDERS of Virginia. I will read a citation from the ruling of the Chairman, citing Speaker Carlisle:

> The rule does not prohibit a committee reporting a bill, from embracing in it as many different subjects as it may choose; but after the bill has been reported to the House no different subject can be introduced into it by amendment, whether as a substitute or otherwise.

The manual says: (Rule XVI, sec. 7.)

> No motion, or proposition on a subject different from that under consideration shall be admitted under color of amendment.

It is contended that if the pending bill proposed to furnish wheat only, the amendment to add corn would be out of order, but that when the bill proposes to furnish wheat, and two other specified grains, then the amendment adding corn is in order. Upon what pretended principle is this distinction based? If the bill referred to furnishing wheat only, then wheat would be the subject under consideration. If it is considered that the addition of corn, would be out of order, then it must be on the ground that the addition of corn, would be the addition of another subject. But if two other grains are mentioned, in addition to wheat, it is insisted that corn may be added by way of amendment. Is the addition of corn to three specifically denominated grains, any the less a new subject matter, than when corn is proposed to be added to a section referring to wheat only? The rule says that after a bill is reported, a different subject can not be introduced by amendment. If corn is a different subject when it is proposed to be added to wheat only, and is therefore out of order, how is that objection removed when three grains are mentioned? If corn is not germane as a subject matter, to wheat standing alone, how does it become germane to wheat when two other grains are mentioned? Corn is no more germane to the other grains than it is to wheat.

The ruling of Speaker Carlisle says that after a bill has been reported no different subject can be introduced by amendment. It does not say that when a bill contains one subject an amendment will be out of order, but that if a bill contains that same subject, and two other named subjects, the same amendment will be in order. Upon what principle will it be in order? Upon the ground of germaneness? Is corn as an amendment, any more germane to wheat, when wheat is mentioned as a seed, with two other seeds, than when it stands alone? And if it is germane in the one case, and in order, why not in the other case?

Mr. BLAND. Will the gentleman yield?

Mr. SAUNDERS of Virginia. I will.

Mr. BLAND. If it had named the character of food it is plain that you could not add another kind. Where it says food in general, the ruling is settled. Where it says seed and mentions the several kinds, that is a different proposition.

Mr. SAUNDERS of Virginia. The principle, it seems to me, would be precisely contrarywise. The more general the terms you use, the greater the number of particular amendments that would be in order. But when you denominate the particular seed to be furnished, and then undertake to offer an amendment affording another variety, you are introducing a new subject matter. I am familiar with the precedent generally cited in this connection, namely, that to a bill admitting several Territories, another Territory may be added by way of amendment. But that is not the addition of a new subject matter. The subject matter there is Territories, the matter proposed to be added is a Territory. The fact that it is a Territory with another name is immaterial. Hence there is no change of subject matter. It is true that another precedent holds that a bill providing for the admission of one Territory, an amendment to add another Territory is not in order.

The fact is that the precedents are not in harmony. If the subject under consideration is the proposition to furnish the three denominated seeds, then that is a single subject, and under the precedent last cited, namely the bill to admit a territory, the amendment to add corn, would not be in order. If the proposition to furnish three seeds is really threefold, then the committee has exercised the right referred to in Speaker Carlisle's ruling, namely to report a bill with several different subjects, and each one of them is under consideration, and should be considered precisely as if the committee had reported their bill with three independent sections relating to seed, each section providing for a single variety. In that event certainly corn could not be added by way of amendment to any one of the three sections. But it is insisted that if these different seeds are referred to in a single section, the amendment adding corn will be in order. When they are grouped in this fashion, they are still three subject matters, and when corn is proposed to be added to them, it is just as much a different subject matter, as it would be if offered as an amendment to these items reported in separate sections. If out of order in the one case, on principle it ought to be out of order in the other. If held to be germane, if offered to a section containing wheat, and two other food grains, it ought to be germane if offered to wheat standing alone. The mere fact that three articles are mentioned can not be presented as the ground on which the amendment adding corn, is considered to be in order. If the ruling is put that it is in order because it is germane to some one of the items, wheat for instance, what is the answer to the suggestion that if the section provided for wheat only, corn as a food grain offered by way of amendment, would be as germane to wheat, as it would be when offered to a section containing wheat and two other grains? It is submitted that if the amendment for corn, if offered to a section containing wheat only, would be out of order under the rule on the ground that a new subject matter was sought to be introduced by the amendment, it is equally out of order, on this ground when it is offered to a section containing three specified grains, including wheat.

Mr. SNELL. Mr. Chairman, I desire to be heard on the point of order.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. SNELL. The question before the House is whether the amendment adding the word "corn" is germane to the provision of the bill providing for the purchase of wheat, barley, and oats. The title of this bill is "for the purchase of seed grain." The bill itself enumerates wheat, barley, and oats, as seed grains. There is also no doubt but that corn comes under the heading of "seed grain." So the question is, simply, Is it in order to add one more seed grain to the seed grains already mentioned? As I understand the rules of the House, when we are considering a measure, if we have one substantive proposition you can not add additional ones, but if you are considering two or three,

or more, substantive propositions it is perfectly in order to add another proposition of the same kind or character.

In the Digest, on page 481, in regard to this rule, it says, on the subject of admitting Territories into the Union as States—

If you were trying to admit Idaho, for instance, alone, you could not add Montana and Washington—

And so forth—

But if you turn it around the other way and make the bill general in its character, to admit Montana and Idaho and Washington, then you might add to it, as an amendment, Wyoming, for instance, and it would be a perfectly germane amendment.

Therefore I claim that, according to the rules and according to these precedents, as laid down by Speaker CLARK in his ruling of December 5, 1912, Sixty-second Congress, it is entirely in order to add "corn" as another seed grain in this instance, that the Chair is entirely right in not sustaining the point of order raised by the gentleman from South Carolina [Mr. LEVER].

Mr. LANGLEY. If the gentleman will permit me, I wish to call his attention to the fact that in the amended title, as proposed on page 6, there is even stronger support of his contention, because there the language "for the production of grain" is used. That language clearly is sufficiently comprehensive to include all of these specific seed propositions.

Mr. CRISP. Mr. Chairman, I do not care to take up the time of the committee if the Chair has his mind made up. I am strongly of the opinion that the amendment is in order, and if the Chair's mind is not made up I would like to argue it. If the Chair's mind is made up, however, I do not like to trespass on the time of the committee.

The CHAIRMAN. The Chair will say frankly to the gentleman from Georgia that the Chair considers that the amendment is in order.

Mr. CRISP. Then the gentleman has no desire whatever to speak.

The CHAIRMAN. The purpose of the bill is to provide seed, to make loans to farmers in the spring-wheat area for the purchase of seed—wheat, oats, and barley. Now, the Chair believes we would be going to a very great extreme to hold that one additional food product of similar character—to wit, corn—could not be added to those already enumerated.

Mr. WINGO. Mr. Chairman, I ask that the amendment that I sent up be reported.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Page 3, line 18, strike out the words "wheat, oats, and barley" and insert in lieu thereof the words "agricultural seed."

Mr. LEVER. Mr. Chairman, I make a point of order against that.

Mr. WINGO. I would like to know on what grounds?

Mr. LEVER. I will reserve it, if the gentleman wishes.

Mr. WINGO. I have no desire to be heard on it.

Mr. LEVER. I ask that the amendment be again read.

The CHAIRMAN. Without objection, the amendment will again be read.

The amendment was again read.

Mr. LEVER. Now, Mr. Chairman, I make the point of order against that amendment on the ground that you can not amend germanely a specific proposition with a general proposition.

The CHAIRMAN. The point of order is sustained.

Mr. STAFFORD. Before the Chair rules——

Mr. WINGO. Mr. Chairman, I should not raise my voice, but I am the proponent of the amendment offered in good faith and under the rules plainly entitled to less summary action. The Chair says that the purpose of this bill is to provide for seed for a certain purpose. My amendment is to strike out the specific enumeration of wheat, oats, and barley and substitute "agricultural grain seeds," because the main purpose is not to furnish wheat, oats, and barley, but the main purpose is to relieve the grain and food shortage in the United States by furnishing agricultural seed for that purpose to farmers growing such food.

Why should it not be in order as much as the amendment of the gentleman from Indiana [Mr. BLAND]? If you can add one grain, can you not strike out all those specific grains and include all grains? The greater includes the less, the whole includes the part, is the rule. If the amendment of the gentleman from Indiana is in order, which is the lesser, then the greater, which I offer in my amendment, should certainly be in order, because it includes the lesser.

Mr. STAFFORD. Mr. Chairman, will the Chair indulge me?

Mr. LAZARO. Is it not a fact that the greater production of corn and rice in this country will really mean the furnishing of more wheat bread for the people across?

Mr. WINGO. That is true. That is all I care to submit to the Chair on the point of order.

The CHAIRMAN. The Chair finds it difficult to follow the lines of argument that are proceeding in different parts of the Hall.

Mr. STAFFORD. Mr. Chairman, the Chair has just ruled that it is in order to add to the character of seed enumerated in the text of this bill. If the Chair follows that logically, he must necessarily hold that it will be in order, instead of designating the character of seed specifically, to designate them as an entirety, and that it is in order to obtain by direction that which you can obtain by indirection by specific designation.

Gentlemen on the floor of this House have stated that this bill is for the purpose of authorizing the Secretary of Agriculture to procure certain characters of seed. There is one certain provision as to that, but there is another provision, and I direct the attention of the chairman of the committee to this phase, that this bill authorizes a direct loan not of seeds but a direct loan of not more than $450 in any one case to farmers. I wish to call the attention of the Chair to the language that authorizes that appropriation:

That the Secretary of Agriculture is hereby authorized, for the crop of 1918, to make advances or loans to farmers—

Not of wheat, not of barley, not of oats, but—

to make advances or loans to farmers * * * where he shall find special need for such assistance for the purchase of wheat, oats, and barley.

Mr. Chairman, under that provision the Secretary of Agriculture is authorized to make, not advances of wheat, not advances of oats or barley, but to make loans and advances directly to the farmers in all cases where he shall find—I am reading now from line 17 on page 3—

where he shall find special need for such assistance for the purchase of wheat, oats, and barley for seed purposes.

I wish to direct the attention of the Chair to the fact that that idea is carried out in lines 4 to 8, on page 4, where it says—

The total amount of such advances, loans, or sales to any one farmer shall not exceed $450. All such advances or loans—

Not of wheat, not of seed—

All such advances or loans shall, as far as practicable, be made through the agency of State and National banks.

Now, what does this bill provide on its face? It has two major premises, one authorizing the Secretary of Agriculture to make loans or advances of money in those districts where the Secretary of Agriculture finds there is need. I now read from lines 17 and 18, page 3—

where he shall find special need for such assistance for the purchase of wheat, oats, and barley for seed purposes.

The next authority which is granted under this provision of the bill—

or, when necessary—

The Secretary of Agriculture is authorized—

to procure such seed and sell the same to such farmers.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. In just a minute. Now, this bill involves two purposes, one the advancement or loan of money to farmers where the Secretary of Agriculture ascertains that there is special need among farmers in districts where it is necessary to procure seed, and next to procure such seed and sell the same to such farmers. Therefore we come back to the original proposition whether under the first authorization, where the Secretary of Agriculture has authority to advance or loan money where he ascertains that there is need for such assistance for the purchase of wheat, oats, and barley for seed purposes, it is in order to make a generic, germane amendment instead of taking up the time of the House by offering specific amendments piecemeal.

The Chairman, in order to be logical in his decision in holding that the addition of corn is in order, would have to hold necessarily that a generic amendment, such as is offered by the gentleman from Arkansas [Mr. WINGO], namely, "agricultural seed," is in order. If the gentleman from Arkansas should offer single amendments embodying every character of agricultural seed, the Chair would have to hold that those amendments were in order under his ruling just made that the addition of "corn" is in order. If you can offer single amendments piecemeal, certainly you can offer a general amendment covering all, and there is no rule or precedent of the House that will controvert or deny that position. Now I yield to the gentleman from Nebraska.

Mr. REAVIS. The title of the bill calls for an appropriation for the purchase of seed grain. When the language is used in the body of the bill it says "such grains." The general term

"agricultural seed" might mean clover, or alfalfa, or lettuce, or carrots. They are not seed grain, but they come under the term "agricultural seed." Would an amendment to this bill providing for the purchase of carrot seed or clover or alfalfa seed come within the term "seed grain" when the product itself is not a grain?

Mr. STAFFORD. Mr. Chairman, the gentleman is basing his argument on the title of the bill, when everyone knows that we never determine the germaneness of amendments by the title of the bill, but that the text of the bill is what governs, and that the title of the bill is amended to conform to the text when the bill has been completed; and in this very case there is an amendment proposed to the title of the bill.

Mr. REAVIS. The gentleman is entirely mistaken. The language is used in the body of the bill. It says "such grain."

Mr. STAFFORD. I will answer the gentleman specifically, that any kindred grains, as mentioned by the gentleman, would, in my opinion, be in order.

Mr. REAVIS. But carrots and lettuce and alfalfa are not grain.

Mr. WALSH. Will the gentleman from Wisconsin yield?

Mr. STAFFORD. I yield to the gentleman from Massachusetts.

Mr. McKENZIE. Mr. Chairman, I should like to know under what rule these gentlemen are continuing this discussion after the Chair has ruled?

Mr. WALSH. I should like to inquire of the gentleman whether or not he is familiar with the provision of Rule XVI, which reads as follows:

A specific subject may not be amended by a provision general in nature, even when of the class of the specific subject.

Mr. STAFFORD. Mr. Chairman, the gentleman is referring to a situation where there was but one subject named—that is, for the construction of one building or the admission of one State—but this is different. This case is entirely outside of that ruling, because this is general in its character, by including more than one, and therefore any general amendment of a generic character may be offered.

Mr. WALSH. If it named half a dozen seeds, it would still be specific, and you could not amend by an amendment general in its character.

Mr. STAFFORD. If the general amendment is of the same character as that designated specifically, it would be in order, for the same end would be accomplished by offering specific amendments as by offering at one time a general amendment covering the same class.

Mr. SAUNDERS of Virginia. Mr. Chairman, this section provides, as has been stated, that the Secretary of Agriculture may make advances for the purchase of wheat, oats, and barley. A few moments ago I presented to the Chair the proposition that these articles, were the three subject matters of the bill, and that in my judgment, in conformity with the precedents which were cited, it would not be in order to add another subject matter. In the discussion of the point of order one of the gentlemen participating in the debate called attention to the title of the bill, in which he said this was a proposition for the purchase of seed grain, and argued therefrom that that being so, the addition of another seed grain would be in order. The Chair acceded to that view. I have no complaint to make of the ruling of the Chair, but I wish to call attention to the fact that as a matter of logical sequence from that ruling of the Chair, it would be perfectly competent for a succession of gentlemen on this floor, or for any one gentleman if he obtained recognition for that purpose, to move by successive amendments to add to the specifically mentioned seed, every other seed grain in the calendar of seeds. All of these successive amendments would be in order.

This being so, an amendment providing in one general phrase, for furnishing all of these foods, without mentioning them seriatim, would be in order. One great principle of parliamentary law is to do business, and it is certainly in the interest of business, to save a multiplicity of amendments, by one direct motion, achieving at one blow the end that would otherwise be reached by a multiplicity of strokes.

Mr. LAZARO. Will the gentleman yield?

Mr. SAUNDERS of Virginia. Yes.

Mr. LAZARO. I am not an expert in parliamentary law, but I take it that the purpose of the bill is to furnish bread to the allies and the civilian population. Now, is it not a fact that we ought to leave it to the Secretary of Agriculture to increase the production of all kinds of bread, because there are certain kinds of bread that we like in this country which the allies do not like over there, and if you can increase the production of bread that we like and they do not, does it not tend to increase the amount of wheat bread that we can send to the allies across the water?

Mr. SAUNDERS of Virginia. Yes. I think so.

Mr. LAZARO. Then, why not take in all kinds of bread?

Mr. SAUNDERS of Virginia. That relates to the merits of the amendment. My argument is with reference to the parliamentary situation. I am interested in this ruling for the reason that it will create a precedent for future rulings by other presiding officers.

Mr. BARKLEY. Will the gentleman yield?

Mr. SAUNDERS of Virginia. Yes.

Mr. BARKLEY. I think the gentleman is correct as far as it applies to corn in the form of seed corn. The amendment of the gentleman from Arkansas is broad enough to include all agricultural seed.

Mr. SAUNDERS of Virginia. I have already called the attention of the gentleman from Arkansas to this feature of his amendment and he will ask leave to modify it in this respect.

Mr. WINGO. Mr. Chairman, if it does not say "agricultural grain," that was my intention.

The CHAIRMAN. The amendment says "agricultural seed."

Mr. WINGO. I will put it "agricultural seed grain."

The CHAIRMAN. Without objection, the amendment is modified in that way.

There was no objection.

Mr. LEVER. To that I make a point of order.

Mr. SAUNDERS of Virginia. As a result of the modification of the amendment in the new form it is a proposition to provide in a general inclusive phrase for every form of agricultural food grain. If it is admitted that by successive amendments at great length it is in order to put into the bill all of the food grains and this appears to be conceded, then I submit that it is not contrary to any parliamentary precedent whatever to include all of these items in one inclusive phrase. With respect to what may be done when some specific subject matter is up I wish to call attention to one precedent—I do not know that it has any particular relevancy in this connection but it will show how far the House has gone—namely the case where there was a proposition to amend a section of an act, and it was held that an amendment was in order to repeal the act itself. This goes much further than anything proposed to be done to-day. V Hinds, section 5824. It would certainly therefore seem to be germane and in order to provide by one amendment to furnish all possible food grains.

Mr. RANDALL. Will the gentleman yield?

Mr. SAUNDERS of Virginia. I will.

Mr. RANDALL. I understand from the gentleman's theory and argument that a bill that provides for building public buildings in three different cities might be amended so that the Secretary of the Treasury could build anywhere.

Mr. SAUNDERS of Virginia. If a bill is under consideration for admitting Territories into the Union, an amendment adding other Territories is in order. To a bill providing for public buildings in two or more different cities, an amendment providing for buildings in other cities, will be in order. I am aware that there are rulings that a specific subject may not be amended by a general provision, but the statement of that ruling is misleading, and the principle controlling these rulings do not apply to this situation. Looking to those precedents it will be noted that they are of this general character, namely, a proposition to give particular relief to some individual, and which is sought to be expanded into legislation of a general character to give the same relief to all persons similarly situated. The rulings forbidding this are plainly right. Really, they fall within the principle that when a bill carrying one subject is before the House, it is not in order to admit, by way of amendment, a subject different from the one under consideration. A proposition to give an individual relief upon a predicated state of facts is one subject. An amendment to provide by general law for the relief of all persons similarly situated is another and different subject.

But this principle does not apply to the case in hand. I maintain that if it is in order to proceed by successive amendment to insert all of the agricultural food grains, it is competent under the rules, with a view to reducing discussion and expediting business, to provide by one specific amendment that the Secretary of Agriculture shall have the authority to purchase and supply every variety of agricultural food grains to farmers needing them for seed, in consequence of the conditions affecting those farmers.

Mr. MADDEN. Mr. Chairman, has the Chair ruled on this point of order?

The CHAIRMAN. The Chair has not, but the Chair is ready to rule. The Chair may have been in error in holding that the

addition of the word "corn" was in order, but the Chair thinks not. In any event, the Chair is not willing to go to the extent of holding that an amendment using the words "agricultural food grain" is in order, and the Chair sustains the point of order.

Mr. WINGO. With all due respect to the Chair, I appeal from the decision of the Chair.

The CHAIRMAN. The Chair is more than willing for the gentleman to appeal. The question is, Shall the decision of the Chair stand as the judgment of the committee?

Mr. FOSTER. Mr. Chairman, volume 5 of Hinds' Precedents contains all of the decisions on this question.

Mr. BLAND. Mr. Chairman, I call for the regular order.

Mr. BARKLEY. A parliamentary inquiry.

Mr. FOSTER. I have the floor; this is not the time for a parliamentary inquiry.

Mr. BARKLEY. Mr. Chairman, a point of order.

Mr. FOSTER. Volume 5 of Hinds' Precedents, section 5843, the Chair will find where it has been ruled time and again that you can not convert a specific law for one or more articles into a general law. That has been held from time immemorial, and there is no question in the world about it. All the precedents have been that way, and no one can cite a different precedent. It justifies the ruling of the Chair. [Cries of "The regular order"!] If the gentleman will permit, I am pursuing the regular order. I have a right to debate this appeal from the decision of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee?

The question was taken, and the Chair announced that the ayes had it.

So the decision of the Chair was held to be the judgment of the committee.

Mr. BLAND. Mr. Chairman, I ask for a vote on my amendment.

Mr. WINGO. Mr. Chairman, in order to get at the object I have in my amendment will it be necessary for me to offer a specific amendment for each agricultural grain? That is the logical conclusion of the Chair's ruling.

The CHAIRMAN. The gentleman can offer such amendments as he sees fit, and the Chair will pass upon them as they are offered.

Mr. WINGO. Mr. Chairman, I did not make the parliamentary inquiry in an argumentative spirit. I am anxious to save time and that is the reason I offered my amendment. The conclusion of the Chair is that I shall have to do that under the rule?

The CHAIRMAN. The Chair will say very frankly what the opinion of the present occupant of the chair is. The Chair takes judicial notice of the fact that wheat, oats, and barley are food products——

Mr. WINGO. I am trying to get at the idea of the Chair. Would it be in order for me to offer this amendment by substituting the words "agricultural food grain seed"?

The CHAIRMAN. The Chair will say very frankly to the gentleman that that so completely changes the scope of the bill, so enlarges it, that the Chair thinks it would not be in order.

Mr. WINGO. Is not that an argument that goes to the merits of the amendment, and not to its germaneness?

Mr. BLAND. Mr. Chairman, I demand the regular order.

Mr. SAUNDERS of Virginia. Mr. Chairman, I submit the regular order is the parliamentary inquiry of the gentleman from Arkansas.

Mr. WINGO. Mr. Chairman, I have no desire to take up unnecessary time and seldom take the floor. I stated that I am going to vote for the bill. Some of the gentlemen who are calling for the regular order are seldom seen on the floor. I want to get at the matter in the most direct and expeditious manner. If the Chair believes it can be done only by separate amendment for each particular seed, then we reach the same end as my amendment only in a long and tedious way.

The CHAIRMAN. The Chair tried to answer the gentleman in the spirit of frankness.

Mr. WINGO. The Chair believes that an amendment including agricultural food grains would not be in order?

The CHAIRMAN. The Chair would state to the gentleman that while the Chair does not wish to anticipate that, yet, at this time the Chair would not feel disposed to hold such an amendment in order.

Mr. WINGO. I shall offer it so that the Chair can rule upon it.

The CHAIRMAN. There are two amendments pending.

Mr. WINGO. I offer it as a substitute in lieu of the one that was just now ruled out.

Mr. LEVER. Mr. Chairman, I make a point of order that the Chair has just ruled on the proposition that the gentleman is now submitting.

The CHAIRMAN. The gentleman propounded a parliamentary inquiry.

Mr. LEVER. I understand that the gentleman from Arkansas withdrew his original amendment.

Mr. WINGO. Oh, no; I never did. That was ruled out.

Mr. SAUNDERS of Virginia. That was ruled out on a point of order.

The CHAIRMAN. The gentleman from Arkansas offers a substitute, which the Clerk will report.

The Clerk read as follows:

Amendment by M.. WINGO: Page 3, line 18, strike out the words "wheat, oats, and barley" and insert in lieu thereof the words "agricultural food-grain seed."

Mr. LEVER. Mr. Chairman, I make the point of order against that.

Mr. HASTINGS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HASTINGS. The gentleman from Indiana has offered an amendment to include corn, which is in the nature of an amendment to perfect the text. Is it not in order to first vote upon that amendment before we vote upon the substitute of the gentleman from Arkansas? The amendment of the gentleman from Indiana is to add corn, and this is a substitute for wheat, barley, oats, and corn, if corn be added.

Mr. SAUNDERS of Virginia. Mr. Chairman, I submit that the point of order of the gentleman from Oklahoma is well taken.

The CHAIRMAN. The point of order is sustained.

Mr. BLANTON. Mr. Chairman, I have an amendment which I desire to offer to further perfect the bill.

Mr. BLAND. Mr. Chairman, I demand the regular order.

Mr. BLANTON. Mr. Chairman, I will send it to the Clerk's desk.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McLAUGHLIN of Michigan. The amendment offered by the gentleman from Indiana [Mr. BLAND] is pending. He spoke five minutes in favor of it. I would like to be recognized in opposition to it; or will the Chair put the motion without opportunity for debate.

The CHAIRMAN. The Chair will not. The Chair recognizes the gentleman from Michigan.

Mr. LEVER. I would like to have five minutes upon it.

Mr. McLAUGHLIN of Michigan. I trust the amendment offered by the gentleman from Indiana will not be adopted.

Mr. BLANTON. Mr. Chairman, I have a substitute that I desire to offer to perfect the bill.

The CHAIRMAN. The Chair has recognized the gentleman from Michigan in opposition to the amendment. The gentleman from Texas will have opportunity to offer his amendment later.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, the amendment and all that the one who offered it and those who support it have said is contrary to the purpose and spirit of this bill. This bill contemplates the purchase of seed for farmers to be supplied to them on credit, but only to those who need it and are themselves unable in any way to obtain it. The Committee on Agriculture reported the bill after thorough investigation, believing that there is a limited section of the country particularly in need of this seed, that people of that section will not be able to get the seed unless the Government supplies it in this way. Now come gentlemen from some of the great wealthy, prosperous farming States of the country and plead for their people, telling us that their farmers are entitled to the benefits to be conferred by this bill; that their farmers have not been able and will not be able to get seed if their sections of the country are not included with the spring-wheat section and given the privileges to be offered by this bill to farmers of that drought-stricken, crop-failure section of the Northwest.

Gentlemen from the great corn belt, from the very heart of that magnificant farming country, plead for their people, and ask for amendments that, if adopted, will change the entire spirit and purpose of the bill; making a measure that will include the entire country, a measure that will place the splendid, prosperous farming sections in the same class as the spring-wheat section, which, temporarily at least, is poverty-stricken and unable to care for itself.

Enactment of this bill into law does not commit the Congress to the policy of supplying seed to farmers on credit or of loaning money on personal security. At this particular time our Government is intensely interested in the production of food, particularly wheat; interested in the welfare of our people and

also the people who are so bravely fighting our battles. We need food, we must have it, and we must go even to the extent of adopting a policy of paternalism if by so doing we may be able to reach the result so much to be desired, that of increasing our food supply.

Mr. WHEELER. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I can not yield to the gentleman now.

Mr. WHEELER. Evidently the gentleman has not read the bill.

Mr. McLAUGHLIN of Michigan. I have read the bill and I helped to prepare it, and I know why it was prepared, to meet a particular situation. It is not a general proposition or for the relief of the seed difficulty which more or less acutely affects the entire country. It is to meet an emergency in one small area in which the farmers are unfortunately, temporarily I believe, too poor to take care of themselves.

Mr. WHEELER. To borrow money.

Mr. McLAUGHLIN of Michigan. And these gentlemen, urging this amendment, always loyal to and alert in behalf of their own people, are unwisely seeking so to change this bill as to make it apply to the entire country alike.

It must be admitted—everybody knows it—farmers all over the country were very unfortunate last year in having their crops, particularly corn, damaged, some of them destroyed by frost. This was true even in the States of the corn belt, the most fertile country in the world, where the farmers usually are, and I believe now are, the most prosperous of any on the face of the earth. But farmers of that favored section of the country are only temporarily embarrassed—many of them only slightly inconvenienced—and surely the Congress ought not to be asked to appropriate money from the Federal Treasury for their relief. Every one of them has either money or credit, and their well known independence and pride would not permit them to accept help from any outside source if it were offered. And even if we were able by a stretch of imagination to believe the farmers of that wonderfully fertile and otherwise favored country had been so unfortunate with their recent crops as to be embarrassed, without money, and in need of help, I am altogether unwilling to believe that their neighbors and friends, the business men, the great and prosperous industrial interests of those great States, would hesitate for a moment to supply to the limit that need. The States, the counties, the municipalities, large and small, would promptly and cheerfully furnish money, scorning even a suggestion of outside help.

That is the spirit in which the State of Michigan has acted, and it acted promptly. Knowing that early frosts last fall had wrought great damage to crops and inflicted heavy loss upon the farmers of the State, the legislature anticipated the difficulty that would confront the farmers this spring and made ample preparation and provision to assist them. The legislature and the State authorities did not think of seeking outside help, and I am sure I am right in saying that such help would not have been accepted.

Early after war was declared the Legislature of Michigan, being in session, passed an act providing for a war preparedness board, and made an appropriation of $5,000,000 and placed that enormous sum of money at the disposal of that board to be used as it might be needed. The board is assisting our farmers to get seed of various kinds, also implements and machinery, and I am sure it will supply every need as it becomes known.

Mr. BLAND. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. The people of Michigan are showing a disposition to take care of themselves and to help the country to the limit of their ability. They do not come to the Federal Treasury to which appeals should come from those only who, under extraordinary circumstances, are not able to take care of themselves. Yesterday I said when this bill first came before the Committee on Agriculture it was turned down cold, because the committee did not believe it was right for the Government to go into the business of loaning money on personal security or that it should go generally into the business of supplying seed on credit.

Mr. BLAND. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. But after further lengthy hearings and after, as I say, thorough investigation, the committee was satisfied that there is a section of this country where this help is absolutely needed. It is the section of the country where grains, largely wheat, that the country as a whole is interested in now are raised. But while it is largely a local problem to help these people who need help, it is a problem in which all the people are interested. It rises to the dignity of a national problem, and I believe under all the circumstances the Committee on Agriculture was right in bringing the situation to the attention of the House, and right also in so limiting and restricting the measure as to furnish help only to the particular sections of the country where, on account of bad climatic conditions, crop failures in the recent past——

Mr. BLAND. Will the gentleman yield there?

Mr. McLAUGHLIN of Michigan (continuing). The people are in such a condition that they can not themselves supply the seed. It very properly does not include the corn belt.

Some of the gentlemen who are urging the amendment to make the bill apply to the entire couutry alike offer as a reason—a very slim excuse—that there has been no session of the legislatures of their States since the declaration of war by this country. That is no reason at all. Because their States have not seen their duty or have not performed it does not justify an appeal to Congress, nor is it good reason for begging at the door of the Federal Treasury. Their own people have money in abundance, and State authorities can easily make it available for every local need. It is not even a good excuse that legislatures have not been in regular session. If an emergency exists and the people are suffering, why did not you get busy and hold special sessions? Why did you not do as North Dakota and South Dakota have done? They called special sessions of their legislatures—the need is urgent and the duty is appreciated up there. They have done everything they can for their own people, and we are taking up the work where they have stopped, because they are unable to go further.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate on the amendment offered by myself and the amendment offered by the gentleman from Indiana and all amendments by way of substitute to those or amendments to the substitutes may close——

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Is a substitute to the amendment offered by the gentleman from Indiana now in order? I offer a substitute to the amendment offered by the gentleman from Indiana.

The CHAIRMAN. There are already three pending. If the gentleman will withhold his amendment, the Chair will see that he has ample opportunity.

Mr. BLANTON. I would like to have my substitute that I offered read by the Clerk for the information of the House.

The CHAIRMAN. The gentleman from South Carolina has the floor for the moment.

Mr. BLANTON. Will the Chair answer my parliamentary inquiry whether or not the substitute is in order?

The CHAIRMAN. The Chair thinks it is not in order at this time.

Mr. BLANTON. Not at this time?

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate on this amendment and amendments to the amendment offered by the gentleman from Indiana [Mr. BLAND] and all substitutes and amendments to substitutes thereto be closed in 40 minutes, the Chair to control the time.

Mr. CLARK of Florida. Mr. Chairman, I want to ask if the gentleman's request would preclude the offering of other amendments to this section?

Mr. LEVER. Oh, no; not at all.

Mr. CLARK of Florida. All right.

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Is not an amendment to his amendment in order?

The CHAIRMAN. To whose amendment?

Mr. BLANTON. I offer one amendment to the amendment offered by the gentleman from Indiana.

The CHAIRMAN. Send up the amendment and the Chair will have it read for information.

Mr. BLANTON. And I ask for five minutes on the amendment.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Texas will be read for the information of the committee.

The Clerk read as follows:

Page 3, line 18, after the words "wheat, oats, and barley," add "corn, maize, sorghum, and feterita."

Mr. NORTON. Mr. Chairman, I reserve a point of order on that.

Mr. WEAVER. Mr. Chairman, I ask the Chair to put my request.

Mr. BLANTON. I ask for five minutes on my amendment.

The CHAIRMAN. The Chair is about to put the unanimous-consent request. The gentleman from Texas will remember that the Chair asked that his amendment be read for the information of the committee. Discussion of it is not in order

at this time, but the Chair will see at the proper time, if the Chair shall hold the gentleman's amendment in order, that the gentleman is recognized for discussion. The gentleman from South Carolina asks unanimous consent that all debate on amendments pertaining to the commodities enumerated in this bill, all substitutes, and all amendments to amendments be concluded in 40 minutes, the time to be controlled by the Chair. Is there objection? [After a pause.] The Chair hears none.

Mr. LEVER. I will ask the Chair to reserve me five minutes.

The CHAIRMAN. The Chair will recognize the gentleman from South Carolina [Mr. RAGSDALE].

Mr. RUCKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RUCKER. I sought to get the Chair's attention before any other gentleman addressed the Chair.

The CHAIRMAN. Well, the Chair will say to the gentleman from Missouri the Chair has been doing the best he can.

Mr. RUCKER. I appreciate that.

The CHAIRMAN. The Chairman saw the gentleman from South Carolina on his feet for quite a while endeavoring to get recognition and the Chair put down his name first.

Mr. RUCKER. If the Chair will pardon me, I had the unanimous consent of the House, except the Chair, to make this speech.

The CHAIRMAN. The time of the gentleman from South Carolina has expired. The gentleman from Michigan [Mr. MAPES] is recognized for five minutes.

Mr. MAPES. Mr. Chairman, I am in favor of this legislation as reported by the committee. I am opposed to loading it up with these different amendments. I am afraid that many of them are supported without any idea of perfecting the bill, but in the hope on the part of some of the Members who are supporting them that by loading up the bill with a lot of amendments it may be defeated. [Applause.]

There is such a shortage of food products the world over that Congress ought to do everything it can within reason to encourage and make it as easy as possible for the farmers to increase production in this country. This bill is undoubtedly a step in the right direction, and it ought to pass.

My colleague from Michigan [Mr. MCLAUGHLIN] referred a few minutes ago to what Michigan has done along this same line since the war started. I rose more particularly to state a little more fully than my colleague did what the State of Michigan has been doing for the farmers of the State. Michigan has been a pioneer in this legislation, the same as it has been in other progressive legislation. Much has been said since this debate started about the conditions in other States, but no one has told of any State doing the work which Michigan has done. It has done for the farmers of our State the very thing this bill proposes to do for the farmers of the country at large.

A year ago when the war resolution was passed the legislature of the State was in session. In less than two weeks after the declaration of war by Congress the Michigan Legislature had enacted legislation, and given it immediate effect, creating a State war preparedness board, composed of State officers, with the governor of the State as chairman, and putting $5,000,000 at the disposal of that board for the purpose of better enabling the people of our State to do their part in the prosecution of this war.

Besides looking after the more strictly military affairs of the State, this board has made use of the funds placed at its disposal to do practically all, and in some respects more, for the farmers of the State than this bill proposes to do for the farmers of the country. I have a letter here from the Secretary of the Michigan War Preparedness Board, Maj. Roy C. Vandercook, telling of the work Michigan has done, which I desire to read. The letter is dated March 25, 1918, and is addressed to me. The body of it is as follows:

> Michigan has purchased approximately 75,000 bushels of tested seed corn for distribution to the farmers of Michigan at cost and about 20,000 bushels of spring seed wheat to sell at the same basis.
>
> We are now distributing throughout the State 1,000 Ford tractors at the manufacturer's price of $750 plus freight charges and cost of delivery.
>
> Through the Live Stock Sanitary Commission we are purchasing sheep by the carload for distribution at cost in small lots to the farmers of the State.
>
> Carrying out this program, the State has, of course, been bearing the overhead charges of office work, printing, postage, and a considerable amount of traveling expense.
>
> The governor is at present working on a plan to sell the surplus stock of potatoes to a dehydrating concern, and the plan seems to be practical, but no contract has been entered into on this matter as yet.
>
> I might add that in connection with the tractor proposition we have arranged for the sale of a gang plow through the regular dealers at a price lower than these plows are quoted for retail purposes.
>
> The State has in its employ an agricultural expert, who is endeavoring to boost production in every way possible and keep watch as to conditions generally throughout the State, in order that the board may be of service in every way possible.
>
> This, in brief, is the situation in Michigan to date.

The letter is signed "War Preparedness Board, by Roy C. Vandercook, secretary."

Mr. DENISON. May I interrupt the gentleman there?

Mr. MAPES. Yes.

Mr. DENISON. Since the State of Michigan is doing that for the farmers of Michigan, would the gentleman say, as his colleague said a while ago about the farmers of Indiana, that those farmers are in the position of beggars and mendicants?

Mr. MAPES. I agree with my colleague that the States of Illinois and Indiana are prosperous enough and able enough to take care of their own farmers, the same as the State of Michigan has done.

Mr. DENISON. How about the farmers of Michigan?

Mr. MAPES. I have read this letter to show that the people of Michigan are alive to their obligations in this war. They realize the need of increased production, and the State is doing what it can to assist the farmers along that line. What Michigan has done it is fair to assume that the Secretary of Agriculture can do with the funds provided in this bill for any locality which is in need of assistance. [Applause.]

Mr. BLANTON. Mr. Chairman, if we limit this bill to wheat, oats, and barley, as proposed by the chairman of the committee [Mr. LEVER], we will fail in producing any great results, because the time for planting these three crops has almost passed even in the few States designed to be benefited by this bill. How much time will there be for planting wheat, oats, and barley after this bill can be passed and the machinery of it put into operation? April is already upon us, with all the machinery yet to be organized. Therefore, if the purpose of the bill is to increase the food grain supply of this Nation, then I propose by the amendment which I have offered to do that very thing by embracing corn, milo maize, feterita, and sorghum. All four of these grains are used for food. I notice that some gentlemen seem mystified when I mention milo maize, feterita, and sorghum. There are mills in my country to-day making flour out of milo maize—flour that makes good bread and that will be a valuable substitute for the wheat products of this country. You know what sorghum is. It is one of the food substitutes upon which we are now depending largely.

If the bill is confined merely to the proposition of wheat, oats, and barley, the distinguished gentleman from Illinois yesterday afternoon made it plain to my mind that it will be of little benefit to the country, and for myself I intend to vote against this bill if it is confined to those three grains. I do not believe there is time yet remaining in which to plant wheat, oats, and barley that will produce anything during the crop year of 1918.

Mr. BLAND. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BLAND. I can say that in Indiana we can plant corn, and it will mature if planted up till the 15th of June.

Mr. BLANTON. Yes; and in the States of Texas, New Mexico, Arizona, and Colorado we can plant feterita, Milo maize, and sorghum during the next four months and make a good crop.

In the State of Texas there are 144 counties, some of them big counties, that last year, because of an unprecedented drought, made practically no crops whatever. The drought situation has been extreme in that section of the country. It has been a terrible blow to the people, and the farmers have been moving out by the hundreds. There are farms that are as bare as this floor, and have been bare for more than 12 months, and that condition exists in a part of my district and practically in 144 counties of the State of Texas. And I want you to understand that under ordinary conditions some of this land is the finest and most productive in the world and will retrieve itself as sure as the sun shines, but aid just now will increase the acreage planted and the production of food supplies this year. Texas is nobly doing her part, for our legislature has provided for $2,000,000 relief already.

Mr. MEEKER. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Missouri.

Mr. MEEKER. That is good stuff to send out into our districts, where they are selling Texas farms.

Mr. BLANTON. Texas farms can take care of themselves. Texas farms are exceedingly valuable property in the country generally to-day, and they can not be hurt by the statement of my friend from Missouri, and I commend the people of his Missouri district upon their good judgment, if they are fortunate enough to be investing in Texas farms. All they need is rain, and the rain comes, usually. We have had a drought situation for a year or two, but the seasons will come back, and the farmers will come back, even farmers from Missouri. If this bill seeks to accomplish anything at all it must accomplish something in the way of producing crops that the farmers can plant and raise during the crop year of 1918. If it does not reach the crop situation of 1918 it is futile. I want to say

again that I hope these other four grains which I have mentioned—corn, Milo maize, sorghum, and feterita—may be embraced in the bill.

Mr. DENISON. What were those two products that the gentleman mentioned which he said are raised in Texas?

Mr. BLANTON. Milo maize and feterita.

Mr. DENISON. What is feterita?

Mr. BLANTON. It is very similar to Milo maize. It is both a splendid food and forage crop. I want to say that 90 per cent of the cattle of west Texas have been moved out of that State now and placed upon pasturage in other States. When they come back this fall they are going to depend largely upon Milo maize and feterita and sorghum, and if those feeds are not furnished they are going to have to feed some food substitutes to them to keep them alive. [Applause.]

Mr. WHEELER. Mr. Chairman, the gentleman from Michigan made two statements which were very conflicting. One statement was that this bill would take money out of the Treasury, and the inference was that it would never be returned. I asked him if he had read the bill, and he said he had, that he was familiar with it as a member of the committee. He finally made another statement that the money was simply loaned and to be returned later on. Of course, the last statement was correct. Now, if this money is simply to be loaned, which is the purpose of this bill, and to be returned later, there is no reason why all sections of the country that need seeds should not be benefited, the same as the particular section that raises spring wheat. For the past five years the section of the country from which I come has had four crop failures in some parts of it. A great many of the producers on the land there are tenants, and all the money that they have made from the one good crop has been required to pay off their indebtedness. I think they should be permitted to be benefited by this act, the same as the farmers in North Dakota and Montana and Minnesota.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. WHEELER. I have only two minutes.

Mr. YOUNG of North Dakota. I have some time, and I will yield to the gentleman half a minute. The urgent deficiency appropriation bill carries $4,000,000 for the very purpose the gentleman is asking for. The Secretary of Agriculture can buy the seed and sell it. I understand you gentlemen out there have the money. You want the seed, and that is taken care of in the urgent deficiency appropriation bill.

Mr. WHEELER. The farmer can do that in the section of the country from which the gentleman comes.

Mr. YOUNG of North Dakota. No; they have not the money.

Mr. WHEELER. I stated that there are farmers and tenants in my district that can not afford to expend any money on seeds because they have not got the money. For four years they had absolute failure of crops. In other sections they have had good crops and the farmers are prosperous. The fact remains that there are a number of farmers and tenants who have had to take the proceeds of one crop to pay for the loss of the other four. Seed corn is selling from $8 to $10 a bushel, timothy from $14 to $16 a bushel, clover seed $24, $25, and up to $27 a bushel.

The CHAIRMAN. The time of the gentleman has expired.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. BOOHER having taken the chair as Speaker pro tempore, a message, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed joint resolutions and bill of the following titles:

On March 27, 1918:

S. J. Res. 117. Joint resolution amending the act of July 2, 1909, governing the holding of civil-service examinations.

On March 28, 1918:

H. R. 9867. An act making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes; and

S. J. Res. 104. Joint resolution authorizing the assistant to the Secretary of the Interior to sign official papers and documents.

SALE OF SEED GRAIN TO FARMERS.

The committee resumed its session.

Mr. MONDELL. Mr. Chairman——

The CHAIRMAN. The Chair will say to the gentleman from Wyoming that the time has been parceled out.

Mr. MONDELL. But I desire to offer an amendment.

The CHAIRMAN. By unanimous consent debate for the consideration of all amendments was to close in 40 minutes. The committee gave unanimous consent to that request of the gentleman from South Carolina.

Mr. MONDELL. But I desire to offer an amendment and have it pending.

The CHAIRMAN. The Chair will say to the gentleman that there are two amendments pending at this time, and that at the conclusion of the 40 minutes' debate the Chair will recognize the gentleman from Wyoming?

Mr. MONDELL. But there will be no opportunity to debate it.

The CHAIRMAN. The Chair is powerless to extend the time under the circumstances. The committee agreed to 40 minutes discussion, the time to be equally divided by the Chair between gentlemen on the respective sides of the aisle.

Mr. MONDELL. Then there is no opportunity to offer and discuss an amendment under the present conditions?

The CHAIRMAN. The gentleman can offer his amendment, but the Chair is bound by the unanimous consent.

Mr. MONDELL. Then I ask unanimous consent to offer an amendment at this time.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent to offer an amendment and have it read at the Clerk's desk for information. Is there objection?

There was no objection.

The Clerk read as follows:

Page 3, line 18, after the word "oats," insert the word "rye."

Mr. MOORE of Pensylvania. A parliamentary inquiry, Mr. Chairman?

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Pennsylvania. Does all debate close on this section and all amendments thereto in 10 minutes?

The CHAIRMAN. Debate is about one-half exhausted.

Mr. MOORE of Pennsylvania. Under the agreement made, which, I regret to say, I did not hear, having been engaged elsewhere, no further amendments can be offered to the section?

The CHAIRMAN. At the expiration of 40 minutes no further discussion is in order.

Mr. MOORE of Pennsylvania. Nor can any other amendments be offered?

The CHAIRMAN. No.

Mr. SAUNDERS of Virginia. I hope the Chair will not hold to that.

Mr. HAUGEN. Amendments may be offered.

The CHAIRMAN. What the Chair intended to say was that there could be no discussion on further amendments.

Mr. SAUNDERS of Virginia. Amendments will be in order for the balance of the evening.

Mr. MONDELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MONDELL. Debate having been limited to 40 minutes, those who have offered amendments are given the opportunity to speak during that period?

The CHAIRMAN. The Chair can only state to the gentleman the unanimous-consent agreement, which was on the request of the gentleman from South Carolina, that all debate on the pending amendments and all other amendments pertaining to the commodities enumerated in line 18, page 3, should conclude in 40 minutes, the Chair to divide the time between the respective sides of the aisle.

Mr. MONDELL. Some of us were engaged in committee hearings and were not here when the agreement was reached, but desire to be heard on amendments.

The CHAIRMAN. The gentleman can readily see that the Chair is powerless to extend the time.

Mr. HAUGEN. Mr. Chairman, the gentleman from Wyoming [Mr. MONDELL] was here yesterday and served notice that he intended to offer an amendment when the proper time came. If an arrangement can be made, I suggest that the gentleman ought to be permitted to offer an amendment and be heard upon it. I appreciate that the time for debate has been closed.

The CHAIRMAN. The committee can extend the time by unanimous consent if it sees fit to do so, but at this time the Chair is bound to carry out the unanimous-consent agreement.

Mr. HAUGEN. Mr. Chairman, I ask unanimous consent that the time be extended five minutes, and that the gentleman from Wyoming may be heard upon his amendment.

Mr. LANGLEY. I suppose that that comes at the conclusion of the time already agreed upon.

Mr. HAUGEN. Yes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the 40 minutes' time agreed upon for debate be extended five minutes. Is there objection?

Mr. MONDELL. I ask for eight minutes in order that the gentleman from Pennsylvania [Mr. MOORE] may have five minutes.

Mr. McCLINTIC. Mr. Chairman, I would like five minutes.

Mr. HAMLIN. Mr. Chairman, it seems to me that in view of the fact that other matters of great importance are to follow this, we ought not to extend the time in this way. I do not object to five minutes being given to the gentleman from Wyoming, but if half a dozen more are to ask for time I shall have to object to the time being extended beyond the five minutes asked for by the gentleman from Wyoming.

The CHAIRMAN. The gentleman from Wyoming having asked for time yesterday, and having served notice that he would offer the amendment to-day, I think he should be given the time now.

Mr. MONDELL. Mr. Chairman, I ask unanimous consent that I may proceed for two minutes to discuss my amendment.

The CHAIRMAN. The gentleman from Wyoming asks to proceed for two minutes to discuss his amendment. Is there objection?

Mr. SAUNDERS of Virginia. Reserving the right to object, let me put in a request for two minutes myself. I told him I wanted some time in this connection, and I find that I am not going to get it, but I want only two minutes.

Mr. McCLINTIC. Mr. Chairman, reserving the right to object, I have not spoken on this bill, and I want to speak on an amendment that affects my section of the country. I would like to have five minutes.

Mr. YOUNG of North Dakota. Mr. Chairman, I demand the regular order.

Mr. HAMLIN. Mr. Chairman, personally I do not want to close out anyone. I have not spoken on this bill either, and I would like to speak, but I am willing to forego that in order to hurry that matter along.

Mr. GARRETT of Texas. Mr. Chairman, to settle the matter, I object.

Mr. WELLING. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WELLING. I would like to ask if the unanimous-consent agreement did not merely go to the amendments now pending and not to the final amendments to the entire section of the bill?

The CHAIRMAN. The gentleman from South Carolina asked unanimous consent that debate on all amendments pertaining to commodities enumerated in line 18 and all amendmets thereto and all substitutes therefor should be closed within 40 minutes.

Mr. WELLING. And that other amendments to the section were in order and could be debated.

The CHAIRMAN. His request went only to the commodities enumerated in line 18.

Mr. LEVER. The Chair is absolutely right about that.

Mr. MOORE of Pennsylvania. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. SAUNDERS of Virginia. Mr. Chairman, will not the gentleman withhold that?

Mr. MOORE of Pennsylvania. No; because there is a disposition to ram this bill through, despite the fact that there are some other men in this House besides the friends of the farmer.

Mr. SAUNDERS of Virginia. The point of order is made on a request that covers four minutes of time. I hope the gentleman from Texas [Mr. GARRETT] will withdraw his objection and let the gentleman from Wyoming have his two minutes.

Mr. GARRETT of Texas. Mr. Chairman, I have no objection to the gentleman from Wyoming having two minutes.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent that he may address the House for two minutes.

Mr. MOORE of Pennsylvania. Mr. Chairman, I have made the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Pennsylvania makes the point of order that there is no quorum present.

Mr. LEVER. Mr. Chairman, will the gentleman withhold that for a moment?

Mr. MOORE of Pennsylvania. If I can get time, when I can be here. I am engaged in other matters.

Mr. LEVER. Mr. Chairman, I was out temporarily to get a little lunch. I am willing to aid the gentleman from Pennsylvania and the gentleman from Wyoming, both of whom are engaged on conference committees.

Mr. McCLINTIC. Mr. Chairman, I would like to get some time.

Mr. LEVER. Let me put the proposition. I ask unanimous consent that the time be extended five minutes for the gentleman from Pennsylvania——

Mr. MOORE of Pennsylvania. Mr. Chairman, five minutes will not do me any good.

Mr. LEVER. How much time does the gentleman want?

Mr. MOORE of Pennsylvania. I would like to have 10 minutes.

Mr. LEVER. Very well, 10 minutes. How much time would the gentleman from Wyoming want?

Mr. MONDELL. Two minutes.

Mr. LEVER. Two minutes to the gentleman from Wyoming, two minutes to the gentleman from Virginia [Mr. SAUNDERS], two minutes to the gentleman from Texas [Mr. JONES], and two minutes to the gentleman from Oklahoma [Mr. McCLINTIC].

Mr. SMITH of Michigan. Mr. Chairman, I would like to have five minutes.

The CHAIRMAN. The Chair will enumerate the names as he has them. The gentleman from Pennsylvania [Mr. MOORE] 10 minutes, the gentleman from Wyoming [Mr. MONDELL] 2 minutes, the gentleman from Texas [Mr. JONES] 2 minutes, the gentleman from Virginia [Mr. SAUNDERS] 2 minutes, the gentleman from Oklahoma [Mr. McCLINTIC] 2 minutes——

Mr. LEVER. And the gentleman from Illinois [Mr. GRAHAM] two minutes and the gentleman from Michigan [Mr. SMITH] five minutes.

Mr. SLAYDEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SLAYDEN. Was there not an agreement a little while ago fixing the time for debate?

The CHAIRMAN. That stands, the Chair will state to the gentleman.

Mr. LEVER. This is additional time. How much does that make, Mr. Chairman?

The CHAIRMAN. It makes 25 minutes.

Mr. BOOHER. Mr. Chairman, I would like to have three minutes.

Mr. LEVER. Then I would ask the Chair to add three minutes for the gentleman from Missouri [Mr. BOOHER]. I ask unanimous consent that the time be extended for 35 minutes, to include the names of the gentlemen the Chair has, and that at the expiration of that time debate upon this section and all amendments thereto shall close.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that the original time of 40 minutes be extended 35 minutes, that the gentlemen enumerated by the Chair be recognized for the time stated, and that at the expiration of the 35 minutes all debate on the section and all amendments thereto be closed. Is there objection?

Mr. STAFFORD. Mr. Chairman, reserving the right to object——

Mr. GARRETT of Texas. Reserving the right to object, here we have had 35 minutes added to the debate, brought about by a Member of the House coming here and threatening to make the point of no quorum unless he has 10 minutes of time. There are Members who sit here day in and day out and who do not occupy the time of the House, while some of these other gentlemen do, and I am going to object unless the roll be called and get the Members over here and keep them here until we are through.

Mr. LEVER. I hope the gentleman will not do that. We will make time the other way.

Mr. HAUGEN. Mr. Chairman, the debate on this important question was limited to two hours yesterday and it was impossible to give the time that was asked for, and I trust the gentleman from Texas will withdraw his objection.

The CHAIRMAN. The regular order is called for. The Chair will count.

Mr. LEVER. I hope the gentleman will withdraw it.

Mr. MOORE of Pennsylvania. Mr. Chairman, I withdraw the point of no quorum.

The CHAIRMAN. The point of no quorum is withdrawn and also——

Mr. GARRETT of Texas. I would like to ask the chairman if he can not get unanimous consent as to when he is going to have a vote on this bill?

Mr. LEVER. I prefer to exhaust debate under the unanimous consent arrangement which we made a while ago—40 minutes' debate.

Mr. GARRETT of Texas. How many more sections are there to be considered under the five-minute rule?

Mr. LEVER. About five sections. We are on the first section, but I would say to the gentleman from Texas this is the important section of this bill and Members desire to discuss it.

Mr. GARRETT of Texas. Mr. Chairman, at the request of the chairman of the committee I withdraw my objection.

The CHAIRMAN. The gentleman from South Carolina, chairman of the committee, asks unanimous consent that the original agreement of 40 minutes be extended 35 minutes and that the names of the gentleman as read out——

Mr. LEVER. I withdraw that request temporarily.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. SLAYDEN] for three minutes.

Mr. SLAYDEN. Mr. Chairman, this is an interesting bill and important, more important for the legislation it suggests as a possibility for the future than what really it contains. It is a proposal to take money out of the Common Treasury and distribute it to the selective favorites in a certain area. It is a proposal to give money taken from the taxpayers in general to those producers who live in the spring-wheat area. Now, Mr. Chairman, if it is a good thing to tax the people who do not live in the spring-wheat area for the benefit of those fortunate sons of the soil who do live there, why would it not be wise to tax them for the benefit of the people who live in other sections of the country? There are other places that produce food besides the spring-wheat area. Louisiana produces sugar, which is of indisputable value as a food product; so does Texas. They ought to be recognized. Then it occurs to me while naming important food products that the peanuts of old Virginia and Texas and Georgia are a contribution to the food supply of this country. Peanuts—I would not advise them to be eaten raw, because there might be painful consequences, but roasted—are very good food, and I am told when crushed they yield an oil that is an excellent substitute for the Mediterranean olive oil. Mr. Chairman, the potato of California and Utah and Colorado ought by all means to be taken care of.

Mr. Chairman, this is put forward as a war measure, of course, for everything now put on us is denominated a war measure, but it has not been stated on whose authority, at least if it has I have not heard of it. But it is a class of legislation which will remind every gentleman in this House of a certain and by no means advanced age—because I am sure the Speaker is one who delighted in the book—it will remind everyone in this House who read Samuel Warren's great story of Ten Thousand a Year, in which that eminent parliamentarian Tittlebat Titmouse appears, of his famous bill offered on the first day of his parliamentary service, which no doubt you recall was to "give everybody everything." [Laughter.] There never was a more important and popular bill proposed in any legislative body, and if we desire to escape the annoyances of the distribution of the benefactions of this measure, if it contains any, we should adopt the parliamentary system of Tittlebat Titmouse and substitute for the bill his original suggestion, to give everybody everything. It simplifies the almsgiving of the Government. [Applause.]

Mr. DEMPSEY. Mr. Chairman, the House yesterday witnessed a very remarkable scene. When we convened in the morning the first question that confronted us was whether we should dispense with Calendar Wednesday. The vote upon that question, I think, may be taken fairly as a guide of the temper of the House at that time. The vote was 299 to 47. The vote was a little over 6 to 1. Then what next transpired? The father of this House, with all of his fervor and eloquence, not of 82 years of age, but of 40 years, arose and spoke for 15 minutes, and at the end of that time we took a vote, and he won with those who were present and heard his argument. However, gentleman, he erected and demolished a man of straw. He pointed us to the pioneer, to his hardy virtues and the fact that his independence was as unyielding as the high trees of the forest which he felled, and he said that he would never have taken, as farmers were now soliciting, something from the Treasury as a gift. Now, gentlemen, that is not the important question at all; that is not the question that confronts this House. We know that we are saying to the farmers—and I am not criticizing anyone—but we are saying that we have fallen down upon our ship program, and we are only 28 per cent along in the creation of our tonnage, and that is the estimate of the gentleman who is in charge of the shipbuilding. We are saying to them we have not any machine guns or any cannon; that we are borrowing them from France. We are saying to them that the American Government has built only a handful of aeroplanes, when we were making the proud boast that we would turn out more aeroplanes than all Europe combined.

And we are saying to the farmers, "There is one class of production that has made good; there is one class of production which has been supplied; it is the food from the farm, and it is necessary not alone to supply our lines, but we have now upon the front 'over there' several hundred thousand men, and if we are to protect them we must feed them."

And how are we to feed them unless we increase our food supply? Why, the farmer is not coming to Congress; we are going to the farmer. We are saying to him out there where they have had failures of crops—and I limit it to this war time; I limit it to this area where they need this relief—we are saying to him, "You have had failures of crops, and we come to you and we want to supply you with the seed which you can not buy. We do not ask you to come to us and solicit this as a gift, but we furnish it to you, and we ask you to help increase this food supply that we sorely need."

Let us turn our eyes for a moment across the Atlantic and see what Great Britain has done in this crisis. Why, they have come over to the city of Detroit, and the Government of Great Britain has bought 6,000 tractors at $750 apiece, $4,500,000 of money. Who bought them? Did the farmers buy them? Oh, no. Who was it that was in charge of the correspondence? The premier, Lloyd-George, and his correspondence is to-day on file out there in Detroit. Why did he do it? He did it to increase the food supply of Great Britain, and he has thereby increased the food supply enormously.

What else has he done? They have undertaken to supply the farm labor, and thousands upon thousands of women are doing every kind of farm work except simply the holding of the plow and the pitching of the grain, and to-day as the result of the efforts of the Government of Great Britain the farmers of that country are producing more than they ever produced before in that country's history.

That is a sample of what a country can do and what a country is doing in a time of stress such as this. The tractor is an iron horse which never tires. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DEMPSEY. Mr. Chairman, I ask leave to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. YOUNG of North Dakota. Mr. Chairman, I yield three minutes to the gentleman from North Carolina [Mr. DOUGHTON].

The CHAIRMAN. The gentleman from North Carolina is recognized for three minutes.

Mr. DOUGHTON. Mr. Chairman and gentlemen of the committee, the demand for this legislation is predicated upon the ground that Federal aid is necessary in order to increase the production of certain important food crops. If that contention is correct and it is necessary, why, then, in my judgment, the scope of the bill should be enlarged and broadened so as not to be confined to only a few of the important items of food. Wheat, barley, and oats—especially wheat—are important items, so far as the production of food crops are concerned; but, as you all well know, corn in equally important, and it has as great a place in the list of food crops as any other crop, and why it should be cut out and not taken into consideration in this legislation I can not understand.

It is practically too late to accomplish anything by making appropriations for seed wheat. We all know that.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. My time is limited and I ask the gentleman to excuse me.

We can, however, aid materially in the production and enlargement of the corn crop. In my section of the country, owing to early frost last year, practically all the corn was so severely damaged that it is worthless for seed. I do not say our people are in distress, as they were when the Congress came graciously to our support on account of the 1916 flood, but I do think that help there could wisely be given, so far as the purchase of seed corn is concerned; and if it is the intention of this bill to increase the production of food crops and promote the general welfare, then I know that corn can be included, and profitably so.

If corn is included, and the section of the country in which I live and which I have the honor to represent becomes the beneficiary of this legislation, there will be no risk taken, and I will say that they can give good security, and none of the money will be lost, and the food crops of the country will be materially increased.

Mr. GORDON. You need not give any security. This bill does not require any.

Mr. DOUGHTON. We sometimes can do more than we are asked to do.

If this bill is to become a law, corn should be included and the Secretary of Agriculture given full authority to apply the appropriation in such manner as to bring the greatest good to the entire country.

The CHAIRMAN. The time of the gentleman from North Carolina has expired. The gentleman from Kentucky [Mr. LANGLEY] is recognized for four minutes.

Mr. DOUGHTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LANGLEY. Mr. Chairman, I rise to support the corn amendment. [Laughter.] I am opposed to this bill on principle unless it includes seed corn [laughter], because it would be a sectional and an unfair bill if it omitted that great staple.

Mr. MADDEN. Why don't you put in corn juice? [Laughter.]

Mr. LANGLEY. Oh, well; you can get plenty of that in Chicago without additional legislation, and besides such an amendment would not do anybody in Kentucky any good, as we are going to quit dealing in the stuff down there pretty soon. Mr. Chairman, when I remember all that King Corn has done for the world, the hunger it has satiated, the thirsts it has quenched, and the drooping spirits of the weary that it has revived, I can not refrain from raising my voice in protest against the discrimination embodied in this bill as it now stands. [Laughter.] I think the bill as introduced by the gentleman from North Dakota [Mr. BAER] was a much better bill than this, not only because it was broader in its application but——

Mr. MADDEN. Does the gentleman think the bill could stand after what he has said about it? [Laughter.]

Mr. LANGLEY. I do not think it will stand if you leave corn out of it. [Laughter.] As I was proceeding to say when interrupted by the gentleman from Chicago, the original bill was better than this committee bill, not only because it was broader in its scope but likewise because it carried an appropriation large enough to be of real and substantial benefit to the farmers of the country. [Applause.] I am a bit surprised at my distinguished friend from South Carolina (Mr. LEVER) who was dubbed in the debate yesterday by a partial friend of his as "The Little Giant from the South," in which I heartily concur, for bringing in such a sectional, discriminatory measure as this; and I believe if the spirits of the departed were permitted to come back and speak to us, that Thomas Jefferson's saintly voice would ring out in this chamber with the exclamation, "Oh, Asbury, Asbury, my dear boy, what on earth are you trying to do? Have you forgotten the admonition I left for the guidance of Democracy—'Equal rights for all and exclusive privileges to none.'" [Laughter and applause.] So, Mr. Chairman, in these nonpartisan days, I feel warranted in giving as an additional ground for opposing this bill without the corn amendment, my desire to preserve the traditions of the old Democracy. This "Little Giant from the South" made yesterday a rather curious argument which convinced me that he was trying to find some excuse for bolstering up his sectional bill, and that he is not really heart and soul for the measure which he is managing. His argument was that seed corn should not be included in the bill, and that preference should be given to wheat, because our allies are not accustomed to eating corn bread. May I not be pardoned, gentlemen of the Congress, for saying, "with malice toward none and charity for all," that inasmuch as we are eating corn bread all the time here our allies ought at least to be willing to go us fifty-fifty and eat corn bread half the time, particularly since we are sending it to them. [Applause.]

Mr. FIELDS. If we have to eat corn bread, ought we not to be permitted to get our seed supply to plant the necessary corn?

Mr. LANGLEY. Certainly; and that is the main reason why I am supporting the amendment of the gentleman from Indiana.

Mr. RUCKER. Does the gentleman take the position that corn bread is not the best bread on earth?

Mr. LANGLEY. Certainly not. The gentleman knows that I have quite the contrary view, and that I was born and brought up on a farm and raised on corn bread, and that Kentuckians and Missourians never forget their "raisin'." But I was trying to combat the argument of the gentleman from South Carolina that we ought to discriminate against corn and in favor of wheat because the English and French, as he alleged, are not accustomed to eating corn bread. Why, Mr. Chairman, back in the days of the Civil War the boys from the North and the boys from Dixie frequently were unable to get anything as good as corn bread. "Hard-tack" was a luxury to them, and they were satisfied with it, and a good old Missouri or Kentucky corndodger would have been as tempting to them as a nugget of gold is to the avaricious in these days of commercialism.

Mr. RUCKER. Will the gentleman permit another question?

Mr. LANGLEY. I am afraid that I shall lose more time than I can spare and finish what I want to say if I yield further, but I can not resist the appeal of my beloved friend from Missouri.

Mr. RUCKER. The gentleman has had very wide and varied experiences in life. Has he at any time or any place on earth found any food better than a corndodger?

Mr. LANGLEY. No; I never have. I think it produces the healthiest and best men on earth, and that is another reason why I am in favor of including seed corn in this bill. We need in these times of stress all of the strong and healthy men that we can produce, and to adopt the Bland amendment would, I think, mean more seed corn where it is needed and at a cheaper price, I trust, and that would mean in turn more corn and hence more corndodgers. [Laughter.]

Mr. RUCKER. You always got corndodgers without the Government furnishing seed to you, did you not?

Mr. LANGLEY. Yes; but that was in the old days when a different administration was in power. But this year we are short of seed corn, as has already been pointed out by myself and others. I do not intend by this to inject politics into this debate, because if there ever was a time when this should not be done it is now, when our boys are giving up their lives in the cause of liberty and when still more of the boys of the allies are giving up their lives, which, in the end, may mean a saving of untold numbers of American lives that might otherwise have to be sacrificed. No, Mr. Chairman, this is not a time to talk politics and we Republicans are not doing it, and I believe that when the impartial historian writes the history of our participation in this great war he will record an example of tolerance, patience, and patriotism on the part of the Republican Party, which is unprecedented in the political history of the world. [Applause.]

Mr. LOBECK. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Kentucky has expired. The gentleman from North Dakota [Mr. YOUNG] is recognized for three and one-half minutes.

Mr. YOUNG of North Dakota. The gentleman from New York [Mr. DEMPSEY] was making such an excellent speech a few minutes ago that I have concluded to yield to him all of my time, and I am very glad to do it. [Applause.]

Mr. DEMPSEY. Mr. Chairman, I desire first to resume what I was saying on the subject of tractors. To-day the great obstacle to the having of tractors is the fact that they cost so much money. The Caterpillar, which is the best tractor that can be bought, costs $1,800. The Ford tractor costs $750. I have been in communication with Mr. Ford, and I find that if his tractors were made on a large scale he could turn them out at the figure of $350 apiece, and perhaps $300 apiece. I refer to that simply as an illustration of what those people think who have been in the stress and fury of war for a longer period than we have; those who to-day are feeling the pinch of hunger; those who to-day are rationed; those who to-day can obtain but a quarter of a pound of butter per person per week for all purposes, cooking and the table alike; those who if they leave their homes and go to a hotel and have a dinner are obliged to have their ration cards detached to show that they have had so much food to eat. What have they said about this? Have they said, "Why, this will increase populism, this will lead to raids upon the Treasury"? Have they said that this will lead to everyone wanting everything, as the distinguished gentleman from Texas says? Why, no; on the contrary, it has led to a concerted effort on the part of the Government to improve the condition of its farmers, to enable them to produce more. For their own benefit? No; in order to add to the food supply of the Nation. And so, if the Chair will allow me to conclude as I began, this is not the farmer coming to the Treasury, hungry to raid it, anxious to get something for nothing, anxious to obtain the seed without paying for it. This is a case of the Nation saying, "We have on the other side some two or three hundred thousand boys, and you can not export corn meal, you can not grind it when you get it there, you can not bake it there, for they do not know how to use it, and it will spoil on the way. We need white bread; we need an abundance of it." So the Government goes to those men and says, "Now, perhaps you have not the money to buy any seed. If you have not, here is the seed. Perhaps you would not use as much seed as you will if we will furnish it to you. Perhaps you would not plant as many acres as you will plant if you knew that you can get the seed from us and get it on the terms on which we are ready and willing to furnish it." So the Government says, "Increase your production, so that we may continue to succeed in the one thing in which we have succeeded so far, which is the sending of supplies abroad for the allies and for ourselves." For this purpose the Government with united voice urges these men to increase food production, to take this seed, to plant an increased acreage, so that in 1919, when we have, as we will have, a million and a half or 2,000,000 men at the front, they will be abundantly fed, and so that we shall not have to be rationed as the Englishmen and the Scotchmen and the Irishmen and the Frenchmen have to be to-day. [Applause.]

Mr. MADDEN. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from New York has expired. The gentleman from South Carolina [Mr. LEVER] is recognized for six minutes.

Mr. LEVER. Mr. Chairman, I should like to have the committee give me its attention while we see what is the exact situation.

Early this morning I offered an amendment to strike from this bill the provision for the purchase of oats and barley. I did that upon the theory that the one vital thing that was being sought in this bill is the increase in the production of wheat, because wheat bread is the war bread not only of this Nation but of all nations engaged in this great world conflict. I recognize, of course, that the increase in the supply of barley and oats is an important matter, but not so vitally important as is the increase in the supply of wheat.

Many gentlemen have come to me in a rather facetious way to inquire how it happens that the Committee on Agriculture reported a bill of this kind. I have been surprised at that inquiry, and yet not so greatly surprised either, because probably the membership of this House are not so intimately acquainted with the very serious situation as it affects the bread supply of this country and her allies as are the members of the Committee on Agriculture. It has been our duty to keep close track of that. I am voting for this bill on the theory that if we are going to hold our military lines in Europe intact it is absolutely necessary that we likewise hold intact and continuous the bread line from this country to our soldiers in Europe.

You say that this is a gamble. I admit that it is a gamble; but we are gambling seven and a half million dollars here, taken from all the people of the country, possibly to save the civilization of the world for all time to come, and I am willing to gamble the stake. [Applause.]

You say how can this little amount of wheat help the situation? We have got to send many million bushels of wheat across the ocean. We have got to keep the cities of Philadelphia, New York, and Baltimore and industrial centers of this country from the reduced loaf or the increased price of the loaf. We have got to prevent the bread line in this country if it is possible to do it. I stand here to predict that we are not many months away from the bread card. Is this vital? I want Members in this committee who have been laughing about this bill to take it to their hearts. Suppose that the vital thing in the bread line was an additional 10,000,000 bushels of wheat and we did not have it, and the line is broken and your boys in France are without wheat bread—the boys of the allies struggling for your homes and firesides are without it—there is not a Member here who, feeling by his vote that he was responsible for that situation would not get down on his knees and pray God for forgiveness for his unwisdom. [Applause.] That is why I am supporting this bill.

The great leaders of this party come to me and jeeringly and laughingly say that in your hearts you are not for it. I deny it. I am for it, because I realize the tremendous importance of bread in this conflict. I realize that civilization itself is at stake in the great issue across the water. [Applause.] Therefore I am centering all of my energies to-day on the proposition of wheat. I have come here upon my own motion, after consultation with members of my committee, to strike out barley and oats, and when I have done that I am met by these facetious gentlemen, who are looking largely, I fear, to their own districts, with a proposition to load this bill down with seed corn and feterita and milo maize and confetti, and the devil knows what, in order to beat this bill. [Laughter and applause.] I want members of the committee to know where they are at in this business. I want them to vote my proposition up and to vote down the proposition of the gentleman from Indiana and every other proposition like it that would load the bill down and work to its ultimate defeat. Do not be deceived. [Applause.] Mr. Chairman, I ask for a vote.

Mr. SAUNDERS of Virginia. Mr. Chairman, has all time expired?

The CHAIRMAN. It has.

Mr. SAUNDERS of Virginia. What is the parliamentary situation, and what are the amendments that have been offered?

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendment by Mr. LEVER: On page 3, line 18, after the word "wheat," strike out the comma and the following words: "oats and barley."

Amendment offered by Mr. BLAND: Page 3, line 18, after the word "of" and before the word "wheat," insert the word "corn."

Mr. BLANTON. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Does not my amendment that I offered to the amendment of the gentleman from Indiana come in?

The CHAIRMAN. The Chair thinks the amendment offered by the gentleman from Texas is not in order at this time.

Mr. BLANTON. My amendment was an amendment to the amendment of the gentleman from Indiana.

The CHAIRMAN. The Chair thinks that the gentleman's amendment is not in order. After the other amendments are disposed of the Chair will have the gentleman's amendment again read.

Mr. BLANTON. But my amendment is the only amendment to the amendment offered by the gentleman from Indiana. It is not an amendment in the second degree.

The CHAIRMAN. The gentleman from Texas will remember that his amendment was read for information only.

Mr. BLANTON. I offered it and spoke to it as an amendment to the amendment of the gentleman from Indiana.

The CHAIRMAN. The Chair expressly stated to the gentleman at that time that in the opinion of the Chair it was not in order, but on request of the gentleman from Texas it would be read purely for information of the committee.

Mr. BLANTON. At what stage of the proceedings, Mr. Chairman, will it be in order?

The CHAIRMAN. The Chair can not answer that question at this time.

Mr. SAUNDERS of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SAUNDERS of Virginia. The gentleman from Indiana offers an amendment, to add the word "corn." That is the first amendment offered, and then the gentleman from South Carolina offered a substitute?

The CHAIRMAN. No. The gentleman from South Carolina offered his amendment first.

Mr. SAUNDERS of Virginia. And now the gentleman from South Carolina offers an amendment to strike out certain language?

The CHAIRMAN. That is correct.

Mr. SAUNDERS of Virginia. I offer a substitute to that.

The CHAIRMAN. The gentleman from Virginia offers a substitute.

Mr. SAUNDERS of Virginia. As I understand, the gentleman from South Carolina moves to strike out the words "oats and barley."

The CHAIRMAN. The gentleman is correct.

Mr. SAUNDERS of Virginia. Now, I offer a substitute to strike out the words "wheat, oats, and barley" and the word "for," and then, after the word "seed," strike out "purposes," so that the bill will read "for the purchase of seed or when necessary to procure such seed," and so forth.

Mr. LEVER. I make the point of order against that.

Mr. SAUNDERS of Virginia. I would like to be heard on the point of order.

The CHAIRMAN. The gentleman from Virginia offers a substitute to the amendment of the gentleman from South Carolina, which the Clerk will report.

The Clerk read as follows:

Substitute to the Lever amendment: Page 3, line 18, strike out the words "wheat, oats, and barley for," and after the word "seed" strike out the word "purposes," so that the line will read "for the purchase of seed."

Mr. LEVER. Mr. Chairman, if the Chair will indulge me one moment. I reserve a point of order while I make a parliamentary inquiry. As I understood it, the situation is this: I offered an amendment to strike out certain language in the bill. The gentleman from Indiana [Mr. BLAND] offered an amendment to that to insert the word "corn" after a certain word in the bill. The gentleman from Virginia [Mr. SAUNDERS] now offers his proposition as a substitute for my proposition?

The CHAIRMAN. Yes.

Mr. LEVER. I ask for a vote.

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STAFFORD. As I understand the parliamentary situation, the gentleman from Indiana [Mr. BLAND] offers an amendment to perfect the text, to add the word "corn." I now wish to direct special inquiry as to why that amendment is not amendable by the amendment of the gentleman from Texas [Mr. BLANTON] to further perfect the text.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Texas.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 3, line 18, after the words "wheat, oats, and barley," add "corn, maize, sorghum, and feterita."

Mr. BLANTON. Mr. Chairman, I offer that to perfect the text.

Mr. LEVER. Mr. Chairman, I make the point of order against that.

The CHAIRMAN. The point of order is sustained. The question is on agreeing to the substitute offered by the gentleman from Virginia [Mr. SAUNDERS].

The question was taken; and on a division (demanded by Mr. WINGO) there were—ayes 23, noes 76.

So the substitute was rejected.

The CHAIRMAN. The question now is on the amendment of the gentleman from Indiana [Mr. BLAND].

The question was taken; and on a division (demanded by Mr. BLAND) there were—ayes 70, noes 63.

So the amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from South Carolina.

The question was taken, and the amendment was rejected.

Mr. CLARK of Florida. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. CLARK of Florida: Page 4, line 11, after the word "immediately," insert the following:

"*Provided*, That after the passage of this act it shall be unlawful during the continuance of the existing war for any person, firm, or corporation in the United States to use any corn, wheat, barley, oats, rice, or any other grain or foodstuff in the manufacture by distillation, brewing, or otherwise of any intoxicating, spirituous, or malt liquors, and any person, firm, or corporation violating this provision shall be punished by a fine of not less than $1,000 or more than $5,000 or by imprisonment for not less than six months nor more than three years, or by both such fine and imprisonment, in the discretion of the court."

Mr. LEVER. Mr. Chairman, on that I reserve the point of order.

Mr. McCLINTIC. Mr. Chairman, I have an amendment which I think would come in ahead of that.

Mr. HOWARD. So have I.

Mr. KEATING. Mr. Chairman, I make the point of order against the amendment.

Mr. CLARK of Florida. Mr. Chairman, will not the gentleman reserve it?

Mr. KEATING. No.

Mr. CLARK of Florida. Then I desire to discuss the point of order.

Mr. LEVER. Mr. Chairman, I think probably we can arrange this matter all right. I ask unanimous consent that all debate upon this section and all amendments thereto may close in 20 minutes.

Mr. HOWARD. Reserving the right to object, I want to propound a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOWARD. I have a substitute for the entire section that I want to offer at the proper time, and out of this conglomerate mass I am endeavoring to find when that time is. The gentleman from South Carolina has asked that all debate on this section close in 20 minutes. I want to offer an amendment to strike out and insert, and I want to know whether the 20 minutes would cover debate on that.

Mr. LEVER. It would.

Mr. HOWARD. Then, Mr. Chairman, while I do not like to object, but unless——

Mr. LEVER. Before the gentleman commits a crime against his friend, let us see if we can not get this settled.

Mr. CLARK of Florida. Mr. Chairman, I thought I had the floor.

Mr. LEVER. The gentleman's proposition is subject to a point of order, and I am trying to get him five minutes.

Mr. DUPRÉ. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DUPRÉ. Did not the gentleman from Colorado [Mr. KEATING] make the point of order?

The CHAIRMAN. He did.

Mr. DUPRÉ. Then is it not the duty of the Chair to rule upon the point of order?

The CHAIRMAN. The Chair is ready to rule, but if the gentleman from Florida insists upon it, the Chair will hear him on the point of order.

Mr. CLARK of Florida. Mr. Chairman, certainly I want to be heard on the point of order. I submit to the Chair that the amendment I have offered is in order on this bill. This is a bill dealing with grain or grain seed. We are proposing by this legislation to loan farmers money with which to buy seed to plant and raise food products.

Now, it seems to me, it is certainly competent to amend the bill in any way which provides for conserving these food products, or which provides for their disposition. Mr. Chairman, I shall never appeal to the gentleman from Georgia to deliver me a lecture on lucidity. The gentleman is so extraordinarily lucid——

Mr. HOWARD. I am in hearty accord with the gentleman's amendment, and I am trying to help my good friend.

Mr. CLARK of Florida. For which I am duly grateful, Mr. Chairman. I was stating, Mr. Chairman, this is a bill providing for the loan of Government funds to certain people, in order that they may buy seed from which to raise certain food products. I insist that it is perfectly competent for this committee to limit the use of those products. There is no question about that.

The very highest purpose of this legislation is the conservation of food products. Why the necessity of going to this extraordinary procedure—and it is extraordinary—it is beyond any of the ideas of government that we have ever had, and only justifiable on account of the extraordinary conditions prevailing, and that it is so important as to justify us in taking this departure—we certainly have the right to see that the money is expended in the right direction and that the food products raised from it are put in the proper channels for use. My amendment goes to the effect of seeing that none of these grains, none of these products, shall be hereafter used in the manufacture of intoxicating spirituous or malt liquors. There is a demand from all over the country for this legislation during the war. Here we are being cut down to a pound and a half of flour a week for each individual, and yet millions of dollars of foodstuffs are being rotted in the distilleries and breweries of this country with which to manufacture intoxicating liquors which are not needed. Gentlemen talk about their proclivities for prohibition. Everyone upon this floor, unless he comes from one of the great cities, will go back home and howl upon the stump about how he stood for prohibition of the liquor traffic. Here is the test. Here we have got the chance, Mr. Chairman, to put this House upon record in favor of this beneficent legislation, and yet a point of order is made. I hope gentlemen will withdraw it and let this House vote upon it. It is not subject to the point of order for the reasons I have outlined; but even if it is, if gentlemen mean what they say when they talk to their constituents, these points of order will not be made and the American Congress will have the right and be given the privilege of going upon record on this great question.

Mr. REAVIS. Will the gentleman yield?

Mr. CLARK of Florida. I do.

Mr. REAVIS. I agree entirely with what the gentleman from Florida says about the waste of food products in grain, but the President has authority to stop that now.

Mr. CLARK of Florida. I think he has.

Mr. REAVIS. And he is Commander in Chief of the Army and Navy.

Mr. CLARK of Florida. Yes; but I am not the President. [Laughter.] This House has its own duty to perform, and I say it is cowardly to "pass the buck" to the President. [Applause.] We have here an opportunity to do it, and we ought to have the manhood to do it, and not have men coming from prohibition States get up here and say "the President has got the power."

Mr. DYER. Will the gentleman yield?

Mr. CLARK of Florida. We can not escape our responsibility by any sort of camouflage. Yes; I yield.

Mr. DYER. Did not the gentleman himself and most all of us vote to give that authority to the President?

Mr. CLARK of Florida. What is that?

Mr. DYER. Did not the gentleman vote to give that authority to the President at the request of the President?

Mr. CLARK of Florida. I do not know about the request, but I think likely I voted for it, for I voted for everything in this House and everywhere else that will effect the purpose of prohibition.

Mr. REAVIS. Will the gentleman yield?

Mr. CLARK of Florida. I will.

Mr. REAVIS. Did not this House forbid the use of grain for such purposes at the request of the President, that being stricken out in the Senate?

Mr. CLARK of Florida. I do not recall that the President ever made any request. I do not think the President has ever requested this House to do anything except within his legitimate sphere——

Mr. DYER. Did not he write a letter to the Anti-Saloon League asking them to withdraw opposition——

Mr. CLARK of Florida. I can not hear the gentleman.

Mr. DYER. The President wrote a letter to certain members of the Anti-Saloon League asking them to withdraw their objection to the authority being placed in the bill instead of making it prohibitory.

Mr. CLARK of Florida. Has the gentleman got that letter? Has he ever read it?

Mr. DYER. Yes; I have seen it.

Mr. REAVIS. Published in the Bulletin June 30, last year.

Mr. HOWARD. Will the gentleman yield?

Mr. CLARK of Florida. I will.

Mr. HOWARD. The gentleman's amendment also, as I understand it, since we put corn in this bill, would prevent these fellows from taking the grain that is included in this bill, after getting it from the Government, and making liquor out of it, as a lot would do.

Mr. CLARK of Florida. It would prevent them from making liquor out of any sort of grain after this act is passed.

Mr. VARE. Mr. Chairman, I demand the regular order.

Mr. LEVER. Mr. Chairman, I make the point of order that the gentleman is not discussing the point of order. We desire to make some time this afternoon. The gentleman was discussing it very ably, I will say, until he was diverted. I want to say that.

Mr. CLARK of Florida. I want to say, Mr. Chairman, in conclusion [laughter]—it is awfully ludicrous that a man on this floor ever should conclude, I will admit. There are a great many of you that never conclude. As my young friend from Texas said the other day, there are a few Members in this House who never get through, and I apprehend that it is calculated to stir the risibilities of many gentlemen of that class upon this floor to hear a Member say he is about to voluntarily conclude. [Laughter.]

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CLARK of Florida. I can not yield. I want to say this, Mr. Chairman: The sole purpose of this legislation, the underlying fundamental object of it, is to conserve the foodstuffs of the land for the benefit of the Army and the Navy and the people at large. We are taking this extraordinary step in order to accomplish that purpose. Here is a place where the greatest conservation possible can be reached, and therefore it is entirely in order to offer any amendment which looks to the conservation or preservation of the foodstuffs of the country and their being sent into the proper channels, namely, to feed the Army and the Navy and to feed the people of the country. I insist, therefore, that it is entirely in order. [Applause.]

Mr. Chairman, no man can foretell how long this war will last. We may have differed, as we had the right to differ, regarding the duty of America as to entering the war; we may have differed, as we had the right to differ, touching the manner in which we were to raise our armies; but those questions having been settled in a legal way by the votes of a majority of the representatives of the people, it then became the solemn duty of every loyal American citizen to consecrate his all to the defense of his country's flag and all for which it stands. We are in this world-wide struggle between the legions of autocracy and the forces of democracy, and our boys are standing shoulder to shoulder on the fields of France with those who are fighting and dying to "make the world safe for democracy." At this very hour the very flower of Pershing's glorious Army is following "Old Glory" into the jaws of death. We have appropriated and are spending billions of dollars, and we shall appropriate and spend many more billions before the awful slaughter shall come to an end. We have given hundreds of thousands of the best and the bravest of America's young manhood, and before the dawn of peace millions of them will have faced the bullets of the Hun in this struggle for the survival of self-government among men. These young men have responded to the call of country as the sons of this Republic have ever responded when the integrity of our institutions has been assailed or threatened, and when the smoke of battle shall have cleared from the bloodstained fields of Armageddon the starry emblem of this Union will float in triumph over America's victorious and unconquerable soldiery.

But, Mr. Chairman, we are facing in mortal combat the most powerful, cunning, and unscrupulous military people in all the world, and our Army is a long distance from its base of supplies. Of necessity we must husband and conserve our resources. If we are to win this war, and we will win it, we must conserve with great diligence our food supply. Neither whisky nor beer is a necessity—neither one is food. Both are perfectly useless in times like these, if, indeed, either has ever served a useful purpose in the history of the world. And yet, Mr. Chairman, we are allowing the distillers of whisky and the brewers of beer in the United States to annually consume millions of dollars worth of grain in the distillation of whisky and the brewing of beer, which could be converted into food for our Army and the armies of our allies. If we now had the grain which went into whisky and beer during the past 12 months Congress would not now be called on to appropriate several millions of dollars with which to furnish our farmers with seed grain.

The good people of this country have decreed that intoxicating liquors must go. The handwriting is on the wall, and this is an opportunity for this House to respond to this great popular demand. Why delay the inevitable? Why camouflage? In the interest of food conservation, in the interest of economy, in behalf of the morals of the land, in behalf of the good women of the country, in behalf of the "boys in the trenches," and for the honor and glory of the flag, I appeal to my colleagues to join me now in settling this question forever.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. JOHNSON of Kentucky having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the amendments of the House of Representatives to bills of the following titles:

S. 3401. An act to authorize the President to reduce temporarily the course of instruction at the United States Naval Academy; and

S. 3404. An act to authorize the President to drop from the rolls any naval or Marine Corps officer absent without leave for three months or who has been convicted of any offense punishable by confinement in the penitentiary by the civil authorities and prohibiting such officer's reappointment.

The message also announced that the Senate had disagreed to the amendment of the House of Representatives to the bill (S. 3400) to regulate the pay of retired chief warrant officers and warrant officers on active duty, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. TILLMAN, Mr. SWANSON, and Mr. LODGE as the conferees on the part of the Senate.

SALE OF SEED GRAIN TO FARMERS.

The committee resumed its session.

Mr. KEATING. Mr. Chairman, fortunately it is not necessary for me to explain my record on prohibition to my constituents. It is not necessary for me to camouflage on that issue. I am in favor of prohibition and have voted consistently for it in this House and elsewhere.

But there is a time for all things, Mr. Chairman, and the amendment offered by the gentleman from Florida [Mr. CLARK] is so clearly out of order that I can not help feeling, knowing him as I do, and esteeming his intellectual attainments as I do, that he knows his amendment has not a leg on which to stand. If the gentleman's amendment were a limitation on this bill it might possibly be in order, but when he undertakes to say that no grain shall be used for the purpose of manufacturing liquor he goes entirely outside the scope of this bill.

The object of this bill is very clear. It is to afford relief to the farmers in certain wheat-growing areas in order that the food supply of this Nation may be increased. I share the views of the gentleman from South Carolina [Mr. LEVER], the chairman of the committee, that the bill is entirely too important to be treated in a light fashion, and I made the point of order because I felt that the time for joking about this bill had passed, and that we should treat it in a serious manner. Therefore I make the point of order—as a Prohibitionist, if you please—because I do not want to see either the cause of prohibition or the cause of increased food production made a football for petty politics on the floor of this House. [Applause.]

The CHAIRMAN. The point of order is sustained.

Mr. HOWARD. Mr. Chairman, I offer a substitute.

The CHAIRMAN. The gentleman will be recognized.

Mr. McCLINTIC. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McCLINTIC. Is not my amendment as a substitute for the present section in order? I have an amendment to perfect it.

Mr. HOWARD. In the meantime mine will be pending?

Mr. CLARK of Florida. Mr. Chairman, can I send an amendment up to the desk to be read?

Mr. CAMPBELL of Kansas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CAMPBELL of Kansas. Has the Chair ruled on the point of order made by the gentleman from Colorado?

The CHAIRMAN. He has.

Mr. CAMPBELL of Kansas. What was the ruling of the Chair?

The CHAIRMAN. The Chair sustained the point of order.

Mr. SAUNDERS of Virginia. Mr. Chairman, I make the point of order that the gentleman from Georgia has been recognized to offer a substitute.

The CHAIRMAN. The gentleman from Oklahoma announced that he had a preferential amendment.

Mr. SAUNDERS of Virginia. It is only preferential in respect to the submission of it to this body. No man holding an amendment to a section to be stricken out can take another Member off the floor. His amendment must be submitted before the amendment of the gentleman from Georgia, but the gentle-

man from Georgia has the floor, and has the right to speak in behalf of his motion to strike out.

Mr. CLARK of Florida. I want to submit an amendment under the same conditions.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Georgia [Mr. HOWARD].

Mr. HOWARD. I want the gentlemen on the floor to hear this amendment. This is a serious amendment.

The Clerk read as follows:

Amendment offered by Mr. HOWARD: Strike out all of the section, commencing at line 14, on page 3, down to and including line 11, on page 4, and insert in lieu thereof the following:

"That there is hereby appropriated out of the moneys in the Treasury not otherwise appropriated the sum of $7,500,000, with which sum the Secretary of Agriculture is hereby authorized to purchase field seeds and sell the same to farmers at actual cost for cash in such areas where he shall find such assistance in the procurement of said field seeds necessary."

Mr. LEVER. Mr. Chairman, I make the point of order on that amendment. It is not germane to this section.

Mr. HOWARD. I would like to be heard on the point of order, Mr. Chairman. I will go to the mat with the gentleman on this.

Mr. LEVER. Very well. The gentleman can proceed.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. HOWARD. Mr. Chairman, if the Chair desires to hear from me, the distinguished and lovable chairman of this committee, the gentleman from South Carolina [Mr. LEVER], has made a point of order against my amendment on the ground that it was not germane.

Now, Mr. Chairman, let us see. The section for which that is proposed as a substitute is familiar to the Chair. The Chair is familiar with its contents. What does it propose? It proposes to get a specified class of seed, to wit, wheat, oats, and barley. It specifies that those seeds shall be confined to what is known as a particular area. He proposes in that section to establish a first lien in favor of the Government, I presume, upon the growing crop of the beneficiary of this seed fund. And the bill appropriates $7,500,000.

Now, what does the substitute propose? It proposes to appropriate the same sum of money, but does away with the classification of the seeds into wheat, oats, and barley, and says "field seeds," taking in the propositions of the gentleman from Indiana and other gentlemen here who have offered amendments, some of which have been adopted and some of which have been rejected. It leaves out the classification of the seeds. The only other thing is that I eliminate the necessity for the lien, because of the fact that I propose that these farmers shall procure these seeds at actual cost for cash from the Government of the United States. If that is not germane, nothing could be germane, and I want some good veterinary surgeon to take me off and bore me for the hollow horn. [Laughter.]

Mr. LEVER. Mr. Chairman, I am not a veterinary surgeon, but I am going to bore the gentleman for the hollow horn, all right. [Laughter.] Mr. Chairman, this substitute is so clearly not germane to this section that I hardly think it is necessary to argue the point.

The CHAIRMAN. The Chair is ready to rule. The point of order is sustained. The gentleman from Oklahoma [Mr. MCCLINTIC] offers an amendment which the Clerk will report, after which the Chair will recognize the gentleman from Florida [Mr. CLARK].

The Clerk read as follows:

Amendment offered by Mr. MCCLINTIC: Page 3, line 18, after the word "purposes," insert "and such other seeds as are necessary to produce wheat substitutes, the same to be determined by the Secretary of Agriculture."

Mr. LEVER. Mr. Chairman, I regret to have to make the point of order.

The CHAIRMAN. The point of order is sustained. The gentleman from Florida [Mr. CLARK] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CLARK of Florida: Page 4, line 11, after the word "immediately," insert the following proviso:

"*Provided*, That no farmer shall receive the benefits of this act unless he shall enter into a written agreement with the Secretary of Agriculture that he will not sell or furnish any of the grain raised from the seed acquired hereunder to any distillery or brewery to be used in the manufacture of any intoxicating, spirituous, or malt liquors."

Mr. LEVER. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. Does the gentleman from Florida wish to be heard on the point of order?

Mr. CLARK of Florida. Just for one word. I simply want to say that this is a clear limitation upon the expenditure of the money, and it is clearly in order.

The CHAIRMAN. The point of order is sustained. The gentleman from Alabama [Mr. STEAGALL] offers an amendment, which the Clerk will report.

Mr. STEAGALL. Mr. Chairman, I send my amendment to the desk.

Mr. CLARK of Florida. Mr. Chairman, I shall have to appeal from the decision of the Chair.

Mr. LEVER. I make the point of order that that comes too late.

The CHAIRMAN. The gentleman from Alabama has an amendment, which he has offered, and the Chair will be compelled to hold that the appeal comes too late. Of course the Chair has no objection to having his decision submitted to the judgment of the committee if the appeal comes at the right time. The Clerk will report the amendment offered by the gentleman from Alabama.

The Clerk read as follows:

Amendment by Mr. STEAGALL: Page 3, line 25, after the word "eighteen," strike out all down to and including the word "therefor," on page 4, line 4, and insert in lieu thereof the following:

"No seed shall be furnished or supplied under the provisions of this act unless the Secretary of Agriculture shall first secure payment of the price of same by good and sufficient first lien on all seed so furnished or supplied and on all crops to be produced therefrom."

Mr. LEVER. Mr. Chairman, I reserve a point of order on that amendment temporarily. I should like to examine the amendment.

Mr. STEAGALL. Mr. Chairman, I think the chairman of the committee [Mr. LEVER] will agree, upon an examination of this amendment, that his point of order is not good. I am seeking in good faith to do what it is manifest the committee intended to do in the preparation of this bill. The language of the act as it now reads with reference to the subject of securing a lien is as follows:

A first lien on the crop to be produced from seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor.

You will observe that under this language the Secretary of Agriculture is directed to consider a lien on the crop sufficient, but there is nothing in the language of the bill which requires the Secretary of Agriculture to take a lien on the crop to be grown from the seed furnished. My amendment specifically requires the Secretary of Agriculture to take such a lien on the crop to be grown from all seed furnished, and in addition to that, requires him to take a lien on the seed furnished for making the crop.

We are doing an unusual thing here. If this bill passes we are going a long way in the effort to relieve the peculiar conditions that have been outlined as creating a necessity for this measure. Certainly we ought not to authorize the Secretary of the Treasury to take this money and loan it here and there and yonder and everywhere without any sort of security. Under the bill, as originally drawn, that is what he is authorized to do. The amendment simply requires that he take a lien on the crop and on the seed. Then if anybody undertakes to buy seed or obtain them and then dispose of them to somebody else for cash, not using them for the purpose intended, he can not get by with his transaction; and when the harvest is ready the Secretary of Agriculture will have a valid first lien on the crop to be grown. Certainly nobody ought to object to that. [Applause.] It simply requires common honesty on the part of those who are to receive this special favor from the Government, and no man worthy of such assistance would object.

I offer this amendment in all seriousness. I do not know that I am going to vote for this bill. I think I may do so. I hope to see it amended in one other particular that we will get to further on. I refer to the power given to the Secretary of Agriculture to mobilize labor.

In the section of the country where I live it would be fraught with danger to begin at this season of the year to talk to our labor about excursions on the railroads to some other parts of the country. If you even mention such a thing, you will have many a vacant farm down in that section of the country where I live. Those of you who have ever seen a negro excursion will appreciate how this matter of free transportation will appeal to the farm laborers in my section, and the Secretary of Agriculture will not have to go and offer it. If we authorize it by law, every one of them will hear of it. If it is suggested to them, I venture to say that about the only thing that will hold the negroes in our section of the country will be to mature an early crop of watermelons. [Laughter.]

Mr. LEVER. Mr. Chairman, I want to say to the gentleman that I was engaged when the gentleman was making his statement as to his amendment. Will the gentleman explain how his proposition differs from that in the bill?

Mr. STEAGALL. The language of the bill is:

A first lien on the crop to be produced from seed obtained through a loan, advance, or sale made under this section shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor.

There is nothing in the bill which requires the Secretary of Agriculture to take such security. My amendment cures that by specifically requiring that he take a lien on all crops to be grown and on the seed also; otherwise those to whom seed are furnished could dispose of them before planting and defraud the Government. [Applause.] I will say to the gentleman earnestly that the amendment ought to be put in this bill. There ought also to be a further amendment to the criminal provision to make it conform to the idea embodied in this amendment. Provision should be made to punish any man who fraudulently disposes of his crop to defeat the claim of the Government or who obtains seed with fraudulent intent and who fraudulently disposes of it in disregard of the claim of the Government and the purpose of this act.

Mr. HOWARD. Mr. Chairman, I desire to oppose the amendment. I agree to the absolute wisdom of the amendment offered by the gentleman from Alabama [Mr. STEAGALL], and if this bill passes and the wisdom of this House decides that the Government of the United States ought to take a lien on the farmer's growing crop, to the exclusion of all other liens, to satisfy this great Government in this hullabaloo to increase the production of grain, I want to call your attention to one thing that you will do—and you need not think you are going to throw the horns and hoofs and retain the carcass for political buncombe to the farmer again, because you are not fooling him at all. What do you do? You do the farmers that are so destitute that they need this aid the most harm that you could do them; because the minute the farmer puts a first lien on his crop there is no man within the sound of my voice who does not know that he destroys absolutely his credit with everybody else in the community, so far as that growing crop is concerned. [Applause.] What do you do?

Here comes the poor destitute farmer out in Montana to the great Government of the United States and says, "I want 8 bushels of wheat." Uncle Sam says, "Yes; our boys over yonder," as my distinguished friend from South Carolina so patriotically spoke of a while ago, "need wheat; we want to keep the bread line up"; and the farmer says, "I want to help you, Uncle Sam, keep the bread line up." This great Government says, "You can get 8 bushels of wheat, worth $18.60, but come here, Mr. Farmer, and sign away your birthright, let your wife and children suffer for groceries and supplies, let the guano man refuse to sell you a spoonful of guano, let the implement man leave you destitute of farm implements to cultivate your crop, but sign this paper. You have destroyed your credit." Ah, gentlemen, you are trifling with patriotic men who are bending every energy at this hour to increase the production of food and meet the exigencies of this great Nation, and, sir, if you give them real businesslike help they will all be found in the first-line trenches of production.

Mr. GORDON. Will the gentleman yield?

Mr. HOWARD. Will the gentleman be good enough to wait a minute? Here you are attempting a political trick for the aggrandizement of three or four political derelicts in this House. I know it, and you know it, and the gentleman from South Carolina knows it. He has camouflaged, barraged, and talked patriotism here all the evening, and all day yesterday, and tried to ram down the throats of this House a bill that no gentleman in this House can go home to the farmers in his district and look them in the face and tell them that he has not been a cringing hypocrite. [Laughter and applause.]

One word further, and I will have to talk fast. Let us see what you are doing. If you are going to do anything, do not make flesh of one and fowl of another. We have appropriated six and one-half million dollars since this war began under such terms and conditions that the Secretary of Agriculture can purchase seeds for the Government at the actual cost and sell them to the farmers at the actual cost. He has done that. He has on hand at this minute unexpended, twenty-nine hundred thousand dollars of that fund, and he has had no opportunity to use it because the farmers of this country that are worth a pinch of snuff can get all the seed they need in this manner or in the open market.

Mr. GORDON. How much credit of a man would be destroyed by a lien of $18.60?

Mr. HOWARD. As much credit as a rabbit would have title to a permanent home. [Laughter and applause.]

Mr. LEVER. Mr. Chairman, I withdraw the reservation of the point of order against the amendment offered by the gentleman from Alabama, and as far as I am concerned and as far as the committee with which I have consulted is concerned, we accept the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

Mr. MORGAN. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. MORGAN: Page 3, line 15, after the word "the," strike out the word "crop" and insert in lieu thereof the word "crops"; and after the word "eighteen" insert the words "nineteen hundred and nineteen"; and in line 25, after the word "eighteen," insert the words "and nineteen hundred and nineteen."

Mr. LEVER. Mr. Chairman, I make the point of order that the amendment is not germane to this section.

Mr. MORGAN. Mr. Chairman, I would like to be heard for a few minutes on the point of order.

The CHAIRMAN. The gentleman from Oklahoma desires to be heard for five minutes on the point of order. [Cries of "Regular order!"]

Mr. LEVER. Mr. Chairman, I prefer that we should go on.

Mr. JOHNSON of Washington. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is demanded.

Mr. MORGAN. Mr. Chairman, I think it is clearly in order, and I would like to be heard on the point of order.

The CHAIRMAN. The Chair will say to the gentleman from Oklahoma that the Chair is ready to rule, unless the gentleman insists on being heard on the point of order.

Mr. MORGAN. I would like to be heard, because I think it is in order.

Mr. LEVER. Mr. Chairman, I do not desire to be unfair to the gentleman from Oklahoma, who is one of my very good friends, and I hope the members of the committee will indulge me while I ask unanimous consent that he proceed for three minutes upon this amendment.

Mr. MORGAN. That will do.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that the gentleman from Oklahoma may proceed for three minutes. Is there objection?

There was no objection.

Mr. LEVER. Mr. Chairman, I reserve the point of order.

Mr. MORGAN. Mr. Chairman, I would like to have the members of the committee understand what this amendment is. I hoped that the committee would accept the amendment. On yesterday the House amended the bill by striking out the words "spring wheat area," and made it applicable to all wheat sections of the country. By this the House indicated that it wanted to make this bill applicable to winter wheat areas as well as to spring wheat areas. But there is another provision which restricts aid extended to crops of 1918. Is the winter wheat crop sown during the fall of 1918 a crop of 1918? If not, then, under the bill as it now stands, no aid could be extended for wheat sowing this fall. My amendment is designed to make it clear that aid may be extended to those who sow wheat this fall, which I assume would be the crop of 1919. My amendment simply adds the words "1919"; that is, it provides the money appropriated may be used by the Secretary for crops of 1918 and crops of 1919. You gentlemen who have voted as to the point of order, I submit that this amendment of mine is in order. It simply makes the fund available for the use of the 1919 crop as well as the 1918 crop, and we have already amended the bill so as to make it apply to the wheat area generally and not simply to the spring wheat area.

The CHAIRMAN. The point of order is overruled. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. MORGAN) there were—ayes 11, noes 46.

So the amendment was rejected.

Mr. HUTCHINSON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment by Mr. HUTCHINSON: Page 4, line 8, after the word "banks," strike out the period and insert in lieu thereof the following: "at a rate of interest not to exceed 6 per cent per annum."

Mr. LEVER. Mr. Chairman, I make the point of order against that, that it is not germane.

Mr. STAFFORD. Mr. Chairman, I would like to know why it is not germane. If the Chair has any doubt about it being germane, I would like to be heard.

Mr. LEVER. Mr. Chairman, I withdraw the point of order and ask for a vote.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New Jersey.

Mr. HUTCHINSON. Mr. Chairman, this bill, as I understand it, is for the benefit of the farmer, absolutely. The bill is made general to apply all over the United States. Some of our States are charging 4 per cent, some 6, and some 8 or 10 per cent, and this makes it uniform.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New Jersey.

The question was taken, and the amendment was rejected.

Mr. JONES of Texas. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 3, line 18, after the word "wheat," insert the words "kafir corn, milo, maize, and feterita."

Mr. LEVER. Mr. Chairman, I make the point that we have already voted upon that amendment.

Mr. JONES of Texas. Oh, no; that was not voted upon in the parliamentary situation. It was ruled out of order.

Mr. LEVER. Then I make the point of order against it.

Mr. JONES of Texas. Mr. Chairman, I would like to be heard on the point of order

The CHAIRMAN. The Chair will state to the gentleman from Texas that under a unanimous-consent agreement debate was closed on all amendments pertaining to commodities mentioned in line 18 at the end of 40 minutes.

Mr. LEVER. The Chair is entirely right about that.

Mr. JONES of Texas. Mr. Chairman, I would like to have the gentleman reserve the point of order for two minutes.

Mr. LEVER. Mr. Chairman, I reserve the point of order for two minutes.

Mr. JONES of Texas. Mr. Chairman, this amendment is entirely in order, because it adds other items to the particular class set out. If there be any merit to the contention that this bill is intended to increase our food supply, these articles should be added to further increase that supply. The three articles I put in are useful not only for feed but also for food. For many years these three articles have been used for the purpose of feed, and during the last two or three years they have begun to grind them into a food, each of the three different articles having been used as substitutes or partial substitutes for flour.

Several mills in our section of the country use two of these different articles in the manufacture of different brands of flour, and for that reason they are beneficial under the caption of the bill as originally drawn, and they are also in perfect alignment with the general purposes of the bill. Now, there are some sections in the Southwest where wheat has been an entire failure. We have mostly fall wheat there. We must have spring crops. The only chance to have crops raised on that particular ground is to have the spring crops, and those three articles are spring crops exclusively, and they will be used upon the same ground that was last year planted in wheat. That is in addition to the regular ground that was reserved for this character of crops.

I intend to support this bill strictly as a war measure. In normal times such situations would be handled through State action. And I am proud to state that Texas has appropriated $2,000,000 to assist in taking care of the local situation.

But we are not living in normal times, and every nation is finding it necessary to take many unusual steps to promote production. England has bought hundreds of tractors and turned them over to the farmers. The President has urged that this legislation be adopted in the hope that it will increase the food supply. All are agreed that food is essential to the winning of the war. When our brave soldiers by the thousand are fighting our battles in foreign fields, we must see that they are supplied regardless of what sacrifice it may involve.

I take this opportunity to say that, probably through an error of the stenographer or printer, paragraph 6 in my speech on the food bill was erroneously inserted, and which attributes to me remarks which I did not make. On discovery of the mistake I secured consent to eliminate the paragraph, but I make this statement so that the permanent RECORD may show the correction.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JONES of Texas. I ask the privilege of revising and extending my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SMITH of Michigan. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. SMITH of Michigan. I would like to talk on the bill; I would like to have five minutes.

Mr. LEVER. Mr. Chairman, I ask our friend to let us dispose of this proposition, and then I have no objection. I call for a vote. I withdraw the point of order and ask for a vote.

The CHAIRMAN. The point of order is withdrawn, and the question is upon the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

Mr. RAKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 4, lines 4 to 6, strike out, on page 4, in lines 4, 5, and 6, the following sentence: "The total amount of such advances, loans, or sales to any one farmer shall not exceed $450," and insert in lieu thereof the following: "The total amount of such advances, loans, or sales to any one farmer shall be in such amounts as may be determined to be sufficient and proper in the discretion of the Secretary of Agriculture."

Mr. LEVER. Mr. Chairman, I reserve the point of order, and I desire to submit a unanimous-consent request, with the permission of the gentleman.

Mr. RAKER. I yield for that purpose.

Mr. LEVER. I ask unanimous consent, Mr. Chairman, that all debate on this section and all amendments thereto be closed in 30 minutes, the gentleman from Pennsylvania [Mr. MOORE] to have 10 minutes, the gentleman from Wyoming [Mr. MONDELL] 2 minutes, the gentleman from Michigan [Mr. SMITH] 5 minutes, and the gentleman from Pennsylvania [Mr. KREIDER] 5 minutes.

Mr. MOORE of Pennsylvania. When does that come in?

Mr. LEVER. When the gentleman from California has finished with his five minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate upon this section and all amendments thereto shall close in 30 minutes, the gentleman from Pennsylvania [Mr. MOORE] to have 10 minutes of that time, the gentleman from Michigan [Mr. SMITH] 5 minutes, the gentleman from Wyoming [Mr. MONDELL] 2 minutes, the gentleman from Pennsylvania [Mr. KREIDER] 5 minutes, and the gentleman from South Carolina 5 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. LEVER. And the gentleman from Pennsylvania [Mr. DEWALT] shall have three minutes in which to present an amendment—I have that much time—and that the time be extended that the gentleman from Pennsylvania may have three minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none, and it is so ordered.

Mr. RAGSDALE rose.

The CHAIRMAN. For what purpose does the gentleman from South Carolina rise?

Mr. RAGSDALE. To make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAGSDALE. Does the time ever arrive in this House when anything can be done by unanimous consent?

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. RAGSDALE. Then what is it, Mr. Chairman. [Laughter.]

The CHAIRMAN. Has the gentleman any request to make?

Mr. RAGSDALE. I rose to address the Chair to ask of this body unanimous consent that the gentleman from California [Mr. RAKER] might have one minute in which to answer an interrogatory that I wanted to propound to him.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that the gentleman from California [Mr. RAKER] may have one minute more in which to answer an interrogatory that the gentleman from South Carolina wishes to propound. Is there objection?

There was no objection.

Mr. RAGSDALE. The purpose of this bill seems to be, as I understand it, to advance money where it will be the greatest risk to the Government. Does not the gentleman think it would lessen that risk to lend it to the farmers, who have something and who can produce something?

Mr. RAKER. The gentleman is absolutely and eminently correct.

Mr. MOORE of Pennsylvania. Mr. Chairman, I come from a city where the people are employed, and where they are using farm products in quantities not so large as they have used them heretofore, because of the limitation upon supplies and the demands of the allies. The people whom I have the honor to represent are paying the highest prices they ever paid for food supplies, and while they sympathize with the farmer, as I do, in all his fair contentions, some of them complain about the tremendous increase in the cost of living and about concessions being constantly made to farmers which they do not themselves enjoy.

I do not mention this in a sectional spirit at all, nor as attempting to draw a line between the city and the country, but merely to bring to the attention of our farmer friends in the House the fact that there are other people in the United States who are "doing their bit" and bearing their share of the

burdens of this war besides the farmers. While they are stinting themselves their boys are at the front, and they are maintaining the families that those boys have left behind. They are employed, it is true, but they must earn a wage, and earn it every day, in order to pay for such farm produce as is absolutely necessary for their sustenance.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield.

Mr. CAMPBELL of Kansas. The gentleman objects, I take it, to the purchase of seed for farmers or aiding them in that way?

Mr. MOORE of Pennsylvania. I am not objecting to it if the farmer will pay for his seed. I am objecting to the proposition that we shall treat as paupers the farmers of this land, and bid for those who have nothing to come forward and take from those who have something. [Applause.]

Mr. CAMPBELL of Kansas. Another question.

Mr. MOORE of Pennsylvania. Let the gentleman hasten. It takes my time.

Mr. CAMPBELL of Kansas. Does the gentleman object to pauperizing the great industries of the country that are being financed to the tune of about $5,500,000,000? [Applause.]

Mr. MOORE of Pennsylvania. Not at all. The great industries are as beneficial to the farmer whom they protect to-day as they are to the man who lives within their own environment, and they must give security for their loans.

The city worker is fighting in the same or greater proportion than the man on the farm——

Mr. CAMPBELL of Kansas. They fight 16 hours a day.

Mr. BAER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. No; I will not yield.

Mr. BAER. They are fighting in greater proportion.

Mr. MOORE of Pennsylvania. I do not yield. I want to say this: The man in the city is doing his part, and more than his part, in bearing the burdens of this war. He is not seeking exemption on the ground that he is producing on the farm. He is going forward, because he has no claim, as the farmer has, that he can remain on the farm to help the war by producing food for our allies and ourselves.

Mr. BAER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Not now. I rose to make some comment on this bill, not to discuss sectional lines into which gentlemen are endeavoring to draw me. I am surprised that gentlemen on both sides of this House attribute this bill solely to patriotic purposes, or regard it as essential to the war. I regard this bill as largely political [applause], as coming from a few States which in this instance do not correctly represent the sentiments of the American people as a whole. I charge that this measure and the spirit behind it springs from the Nonpartisan League, an organization which has come to have one Representative in this House and expects——

Mr. BAER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. And which, I submit to my fellow Members here, is increasing its influence so rapidly as to terrorize certain hitherto free Representatives of the people in their own home districts, causing them to indulge these socialistic practices or get out of Congress.

Now I yield to my friend from North Dakota.

Mr. BAER. I am not going to get out of Congress. I have as much right here as the gentleman has.

Mr. MOORE of Pennsylvania. I do not question that. The gentleman is the first Representative of the Nonpartisan League in Congress, and I think he has helped to put it over some other Members of Congress who have been here longer than he has been.

Mr. BAER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I compliment the gentleman from North Dakota, the sole Representative of the Nonpartisan League in this House, on the fact that the great and powerful Committee on Agriculture has adopted his argument and his speeches and has reported his views in its report.

Mr. BAER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I can not yield now.

Mr. BAER. I want to tell you one thing.

Mr. MOORE of Pennsylvania. Will the gentleman consent to my inserting in the RECORD certain facts about the Nonpartisan League?

Mr. BAER. You can insert anything you please.

Mr. MOORE of Pennsylvania. I ask unanimous consent, Mr. Chairman, to insert certain data about the Nonpartisan League. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to insert in his remarks certain facts about the Nonpartisan League. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. Mr. Chairman, at this point, and because the House should have the information promptly, I insert a transcript of the testimony of the president of this new organization, which carries its propaganda into certain congressional districts, as reported by the Fargo Forum, February 16. It is a story of political high finance in rural communities well worth reading:

[From the Fargo Forum, Feb. 16, 1918.]

COMPLETE TRANSCRIPT OF TESTIMONY BY TOWNLEY BEFORE BANKRUPTCY REFEREE—MANY FEATURES OF THE LEAGUE'S FINANCES GIVEN UNDER OATH BY TOWNLEY—REMARKABLE STORY OF HOW THE VARIOUS PRIVATE ENTERPRISES, IN WHICH HE OWNS BUT $100 WORTH OF STOCK, ARE CONTROLLED BY HIM, RELATED BY PRESIDENT—ADMITS DICTATORSHIP OF THE CHAIN-STORE SYSTEM, AFTER PLEADING IGNORANCE OF ITS FORM OF ORGANIZATION—SYSTEM OF HANDLING FUNDS MOST INTERESTING.

The Forum to-day presents the story of the National Nonpartisan League's affairs, as recited by President A. C. Townley at the hearing in Bismarck on January 29, before a referee in bankruptcy.

Mr. Townley is seeking absolution from his debts, which he places at over $79,000, and against which he lists assets of less than $500, all of which are claimed exempt. The bankruptcy proceedings grow out of Mr. Townley's flax-farming operations in McKenzie County, N. Dak.

The proceedings, including the testimony given by Edwin Wood, who is listed as a half owner of the Nonpartisan publications, reveal with remarkable thoroughness the unique organization that Mr. Townley has constructed, as relates to its finances.

The testimony by Mr. Townley furnishes the most important document yet presented covering the affairs of the National Nonpartisan League, in which so many thousands of North Dakota people have a direct financial interest. A study of Mr. Townley's testimony, and the manner in which it was found necessary to question him on a number of important points, particularly the chain-store question, before he admitted holding financial dictatorship, will reveal many interesting features. The examination was conducted before Referee O'Hare by Attorney Francis J. Murphy, of Minot, N. Dak.

Direct examination by Mr. Murphy:

Q. Mr. Townley, may I ask where you live, where your residence is?—A. My residence is in North Dakota; I am living in St. Paul.

Q. You claim, as I understand, your legal residence in North Dakota?—A. Yes, sir.

Q. What part of North Dakota?—A. Fargo.

Q. But you are actually residing in the city of St. Paul, Minn?—A. Yes, sir.

Q. Are you a married man?—A. Yes, sir.

Q. What is your wife's first name?—A. Margaret.

Q. May I ask if Mrs. Townley is at present in St. Paul?—A. She is not just now.

Q. Away temporarily?—A. Yes, sir.

Q. She expects to return?—A. Yes, sir.

Q. I want to direct your attention to some of the claims you have scheduled here, the claim of the International Harvester Co., Beach, N. Dak., in the sum of $1,345, and another claim of the same concern, $9,392, scheduled as secured claims. I will ask you whether you have ever paid those, or not?—A. I don't think I have.

Q. You know, don't you?—A. I think I haven't paid them, I am quite sure.

Q. Well, have you made any arrangements to take care of those claims?—A. Not outside of the present arrangement.

Q. By that, you mean these bankruptcy proceedings?—A. Yes.

Q. You have made no special arrangement with that creditor to take care of the claims?—A. No, sir.

Q. No agreement to take care of them or pay them in the future?—A. No, sir.

Q. And no payment has been made them prior to the commencement of these bankruptcy proceedings on these claims?—A. Not since 1912.

Q. Do you know whether within the four months preceding the bankruptcy any property was turned over to them on these chattel mortgages, or otherwise?—A. No property was turned over to them by me.

Q. Was any turned over in your behalf by any other person?—A. Not that I know of; there may have been some adjustment between creditors that I don't know anything about.

Q. Now, with reference to the creditors, Lowell brothers, the same situation obtains? Did you make any payments to them?—A. I haven't made any payments to anybody since 1912.

Q. None whatever to any of these creditors?—A. No.

Q. That covers all of them, so we won't have to go into them in detail?—A. Yes, sir.

Q. Nor have you made any agreement to take care of them in the future, after the disposal of these bankruptcy proceedings?—A. No.

Q. Now, since 1914 your business has been that of president and manager of an organization known as the Nonpartisan League?—A. Yes, sir; since the spring of 1915.

Q. Prior to that time you were engaged in business in farming operations?—A. Well, up to the fall of 1912. I didn't farm any after that year.

Q. What was your business between 1912 and 1915, when the organization of the Nonpartisan League was effected?—A. I worked for a land company a while.

Q. Where was that?—A. Illinois.

Q. That concern owe you any money?—A. Not that I know of. That is a land company that the Schusters belong to.

Q. And Adlers?—A. No; I don't think it is Adler & Schuster. He is associated indirectly with them, but I didn't work for Adler; I worked for Schuster.

Q. You had some farming operations in Colorado?—A. That was prior to 1912.

Q. Since 1915, when the Nonpartisan League was organized, you had been engaged in managing and in and about the affairs of that organization?—A. Yes, sir.

Q. You were the original originator of it, were you?—A. Yes, sir.

Q. Are you a member of it?—A. Not in the sense that I pay the membership fee I am not.

Q. You are not in that same sense that the ordinary members pays a membership fee?—A. That is correct.

Q. But you, as I understand it, are president of the organization?—A. Yes, sir.

Q. The organization exists through several States?—A. Yes, sir.

Q. Minnesota, North Dakota, and South Dakota?—A. Yes, sir.

Q. Montana?—A. Yes, sir.

Q. Idaho and Wisconsin?—A. Yes, sir.

Q. And each one of these States has its distinct State organization?—A. Yes, sir.
Q. And the executive committee of the national organization is composed of yourself; your attorney, Mr. Lemke; and Mr. F. B. Wood?—A. That is correct.
Q. And these gentlemen are also members of the committee controlling each State organization?—A. No.
Q. Are there any committees controlling the State organizations?—A. Necessarily.
Q. Each State organization?—A. Yes, sir.
Q. Each State organization have any representation on the national committee?
Mr. LEMKE. I am willing to allow the utmost freedom, as far as the personal affairs of Mr. Townley are concerned, but I shall object to going into the affairs of the National Nonpartisan League, and I think Mr. Murphy will agree with me on that.
Mr. O'HARE. I look upon the question as simply preliminary.
Q. Well, let's get at it this way: You know Mr. Thomas Keyes?—A. Yes.
Q. Mr. Keyes is an employee of the National Nonpartisan League?—A. Yes.
Q. You employed him, did you not?—A. As a member of the committee, I did.
Q. As a matter of fact, you did the work of employing him yourself?—A. Yes.
Q. Now, Mr. Keyes lives in St. Paul, does he not?—A. Yes, sir.
Q. And he in addition to being treasurer of the National Nonpartisan League—or is it cashier, which?—A. Cashier.
Q. Is likewise treasurer of the League Exchange, isn't he?—A. Yes, sir.
Q. And he is likewise treasurer or cashier of the Consumers' United Stores Co., isn't he?—A. I don't know as to that.
Q. Well, he is secretary-treasurer of the League Exchange, is he not?—A. Yes, sir.
Q. And he is treasurer of the United States Guaranty Co., is he not?—A. Perhaps; maybe; I am not sure of that.
Q. Well, if you would refresh your recollection on that point, I wish you would do so.—A. Well, I don't know.
Q. I have information that he is, but I would like to have it verified by you as a witness at this time; and he is also treasurer or cashier of the Consumers' United Stores Co., is he not?—A. I don't know.
Q. Do you know whether he is connected at all with that organization, or not?—A. I don't know; I think he may be.
Q. Don't you know, as a matter of fact, Mr. Townley, that he is an officer, or has practically the same connection with that concern, this Consumers' United States Co., that he has with the Nonpartisan League as treasurer or cashier or bookkeeper—the man who handles the details of the finances and books of that concern?—A. I wouldn't make that as a positive statement.
Q. Well, you are familiar with the affairs of that concern, are you not?—A. In a way.
Q. In what way?—A. In a superficial way, I know who the manager is.
Q. Who is he?—A. Mr. Brinton.
Q. Where is the office of that concern?—A. In the National Exchange Building, in St. Paul.
Q. Likewise the office of the United States Guaranty Co. is in the same building?—A. Yes, sir.
Q. You know Mr. J. J. Hastings?—A. Yes, sir.
Q. Mr. Hastings is connected with the Scandinavian-American Bank at Fargo?—A. Yes, sir.
Q. He is also secretary of the United States Guaranty Co., is he not?—A. I think he may be; I think he manages the affairs of the Guaranty Co. in Fargo.
Q. Don't you know, as a matter of fact, that Mr. Keyes, as I have indicated, is cashier of the National Nonpartisan League, treasurer of the League Exchange, and cashier of the Nonpartisan Publishing Co.?—A. Yes.
Q. And likewise cashier or treasurer of the Consumers' United Stores Co.?—A. I believe that he is.
Q. So that this employee of yours appears, then, to be connected in the capacity indicated in every one of these various organizations that I mention. That is a fact, isn't it?—A. Yes.
Q. Now, these organizations grew out of the Nonpartisan League, did they not? You understand I mean the League Exchange, the United States Guaranty Co., the Consumers' United Stores Co., the Nonpartisan Publishing Co., etc.?—A. Just what do you mean by "grew out of"?
Q. I mean they were organized by leaders of the Nonpartisan League?—A. Yes, sir.
Q. Mr. F. B. Wood, who is one of the members of the executive committee of the National Nonpartisan League is likewise president of the League Exchange?—A. Yes, sir.
Q. And you, Mr. Townley, are a director of the League Exchange?—A. Yes, sir.
Q. At the last hearing you overlooked that fact?—A. I had forgotten that I had any stock in it.
Q. That concern is capitalized at $1,000,000?—A. Yes, sir.
Q. Where was that incorporated?—A. North Dakota.
Q. What was the capitalization of the Consumers' United Stores Co.?—A. $10,000.
Q. And that was organized and incorporated in North Dakota?—A. Yes, sir.
Q. And what was the capitalization of the United States Guaranty Co.?—A. A million dollars.
Q. Where was that incorporated?—A. Minnesota.
Q. Have you any stock in the Consumers' United Stores Co.?—A. No, sir.
Q. Have you any stock in the United States Guaranty Co.?—A. No, sir.
Q. Anybody carrying any for you?—A. No, sir.
Q. Have you any understanding, directly or indirectly, with any person or persons that you are in the future to receive any stock or other interest in these concerns?—A. No, sir.
Q. None whatever?—A. No, sir.
Q. And that is true with respect to all these organizations?—A. Yes, sir.
Q. And including the Nonpartisan Publishing Co. or Nonpartisan Leader?—A. The Nonpartisan Publishing Co.
Q. Before we go any further I want to clear up a point. Your testimony at the last hearing, as I recall it, with respect to the Nonpartisan Publishing Co., was that this concern was a copartnership?—A. Yes, sir.
Q. Consisting of Mr. E. F. Wood and Mr. A. J. Fox?—A. Yes, sir.
Q. And that that concern owned the Nonpartisan Leader?—A. Yes, sir.
Q. And the Courier-News?—A. Yes, sir.
Q. Now, do you not know as a matter of fact that the Courier-News is a corporation and that the Nonpartisan Publishing Co. does not own or hold any stock in that corporation?—A. The Nonpartisan Publishing Co. advanced the money to buy the stock.
Q. I am not asking you that.—A. I don't know that the Nonpartisan Publishing Co. does not own the stock.
Q. Don't you know that the sworn statements of the Courier-News on file in the capitol, in April, 1917, and in October, 1917, are to the effect that that concern is a corporation and shows the names of the holders of stock, over 1 per cent of the stock, and that the Nonpartisan Publishing Co. is not shown as either a stockholder or bondholder? Don't you know that to be a fact?—A. No; I don't know it to be a fact, though it may be a fact.
Q. So, when you testified the last time that the Nonpartisan Publishing Co. owned and controlled those two papers and that you were paid a hundred dollars a month for directing the policy of those papers, you were mistaken, weren't you?—A. If you are correct, I was.
Q. Who pays that $100 a month?—A. I get it from the publishing company.
Q. From the Nonpartisan Publishing Co.?—A. Yes, sir.
Q. So you claim, as I understand you, that you don't know what the facts are with reference to that Courier-News?—A. Well, I don't know the details in the matter; I know in effect the publishing company owns the Courier-News.
Q. In effect they do?—A. Yes.
Q. And the fact is that despite the sworn statement made by that officer that back of it all lies a real ownership vested in these two men—Mr. Wood and Mr. Fox?—A. Yes.
Q. So that the sworn statement does not represent the true situation as it actually exists. Is that the fact?—A. Yes.
Q. You know as a matter of fact that Mr. Wood and Mr. Fox own that paper through their partnership?—A. I know as a matter of fact that the Nonpartisan Publishing Co. advanced the money to buy that paper, and that they do own the Courier-News stock. Any temporary arrangements I don't know about.
Q. Let us consider the Nonpartisan Publishing Co. for a moment, or let us start back further. The offices of the National Nonpartisan League are kept at St. Paul?—A. Yes, sir.
Q. That is where your office is and where the office of Mr. Keyes, the cashier, is?—A. Yes.
Q. He is the cashier, isn't he?—A. Yes, sir.
Q. He has an office right there adjoining you, in the same building?—A. Yes, sir.
Q. And the business affairs, the financial affairs, of the league, are conducted through that office down there?—A. Yes, sir.
Q. In St. Paul?—A. Yes, sir.
Q. That is, in the Gilfellan Block?—A. Yes, sir; you are correct.
Q. And the books of the National Nonpartisan League are kept there?—A. Yes, sir.
Q. And, in fact, all of the books with reference to the affairs of the Nonpartisan League, national or otherwise, are kept there at St. Paul, and the financial operations are directed from there?—A. Yes, sir.
Q. And all the checks that are drawn are signed by yourself as president and Mr. Keyes as treasurer?—A. Treasurer or cashier.
Q. You sign them as president and he as cashier?—A. Yes, sir.
Q. Mr. Wood and Mr. Lemke don't sign any checks?—A. Not for the expenditures of the league.
Q. Well, do they sign any league checks at all for any purpose?—A. No.
Q. The disbursements of the funds of the league, the actual disbursement of them, goes through your hands by checks?—A. Yes, sir.
Q. And the account of the league has always been and is now in the National Exchange Bank at St. Paul?—A. The account of the league?
Q. Or the league's bank account?—A. The biggest part of it is there. It has not always been there.
Q. The biggest part is there now and has been for some months?—A. It is either there or there might have been part in some other bank; that is, in the hands of Mr. Keyes.
Q. The employee?—A. Yes, sir.
Q. Mr. Keyes would not check out any considerable amount of money out of the funds of the National Nonpartisan League without instructions from you, would he?—A. No.
Q. Now, as I understood your testimony the other time, the fee of a member of the league for the two-year period is $16?—A. That is correct; that is common knowledge.
Q. That is, every man who joins the Nonpartisan League pays dues of $16, and that covers a period of two years?—A. Yes, sir.
Q. That $16 is paid in, of course, to the treasurer of the league, the National Nonpartisan League?—A. Yes, sir.
Q. And is covered into the account of that league in whatever bank you may carry your funds?—A. Yes, sir.
Q. And it is checked out in the manner you have just indicated, wherever it is supposed to go from the fund?—A. Yes, sir.
Q. Now, of that $16, as I understand you and I understand that is likewise a matter of common knowledge, $5 goes to the Nonpartisan Publishing Co.?—A. Subscription to the Nonpartisan Leader, $5 for the two years.
Q. And each member, when he enters into the league, subscribes for that paper, and agrees that $5 should be turned over and receive the paper for two years. That only covers the Nonpartisan Leader?—A. Yes, sir.
Q. It doesn't cover the Courier-News?—A. No.
Q. Now, could you tell us how much money the National Nonpartisan League has collected in that manner, approximately?
Mr. LEMKE. Objected to as incompetent, irrelevant, and immaterial to the subject matter under discussion.
Mr. MURPHY. I will show you how it is very material and very relevant.
Mr. LEMKE. It is not a question of how much money the league has; it is a question of how much money has Mr. Townley.
Mr. O'HARE. He may answer, if he can.
Q. Let us have your answer as nearly as you can give it—A. The Nonpartisan League has something around 150,000 members.
Q. It has about 150,000 members?—A. Yes, sir.
Q. That means that there has been approximately $750,000 turned over to this copartnership, consisting of Mr. Ed Wood and Mr. A. J. Fox?—A. No; it doesn't.
Q. Well, let's see; it means that five times a hundred and fifty thousand members, in dollars and cents—that is, $5 for every one of the 150,000—has been turned over to the Nonpartisan Publishing Co.?—A. No; it doesn't mean that.

Q. Well, isn't the agreement that every one of these members subscribed for the Nonpartisan Leader, and that the subscription price is $5 for the two-year period?—A. Yes, sir.
Q. And when you collect $16 it includes that $5?—A. Yes, sir.
Q. And you have 150,000 members?—A. Yes, sir.
Q. Well, would that not make $750,000?—A. Yes, sir.
Q. Then, why doesn't it mean that they received $750,000?—A. Because they haven't received it.
Q. You haven't given it to them yet?—A. No.
Q. That, then, is given to them at your direction?—A. That money is turned over to the publishing company as the publishing company needs it for its business.
Q. By whom?—A. By the Nonpartisan League.
Q. And that is by you in the manner you have given here?—A. By me and by the treasurer or cashier, at the direction of the committee.
Q. That is, as I understand it, at intervals, whenever in the judgment of yourself and the members of the committee, consisting of Mr. Lemke and Mr. Wood and yourself, the Nonpartisan Publishing Co. should have a certain proportion of that money, you turn it over to them. Is that the fact?—A. That is the substance; yes, sir. I would state whenever the publishing company, in its business, has to meet its bills money enough is turned over to meet the bills.
Q. Well, does the publishing company then come to this committee and make a report as to the bills it has and request the money with which to pay them?—A. No; it doesn't make a report of the bills it has.
Q. Does it make any kind of a statement or showing to this committee for the purpose of obtaining money?—A. There is a very close association between the publishing company and the Nonpartisan League. The publishing company was organized to further the purposes of the Nonpartisan League.
Q. Who organized that company?—A. Mr. Wood and Mr. Fox.
Q. Mr. Wood is the son of F. B. Wood, of the Nonpartisan League executive committee and president of the League Exchange?—A. Yes, sir.
Q. And also an officer in these various other organizations?—A. Of the Guaranty Co., I think.
Q. And also officer of the United Stores Co?—A. I don't know as to that.
Q. And Mr. Fox, is he related to you in any way by marriage or otherwise?—A. No, sir.
Q. Mr. Fox is a man of approximately 40 years of age?—A. I think he is about that old.
Q. Mr. Wood, who is present here, is considerably under that?—A. Yes, sir; he is a much younger man.
Q. Now, I will have to ask where Mr. Fox comes from, if you know?—A. He is a Minnesota man.
Q. What part of Minnesota?—A. Minneapolis.
Q. Mr. Fox is not a practical newspaper man?—A. No, sir. He is a practical organizer.
Q. And Mr. Wood is not a practical newspaper man?—A. Mr. Wood is a farmer.
Q. And a game warden?—A. Yes, sir.
Q. But has had and so far as you know did not have at that time any publishing experience?—A. He has had about as much as I have had, which is none at all.
Q. And that was true of Fox?—A. Yes, sir.
Q. Now, these two men, then, got together and formed a copartnership which they called the Nonpartisan Publishing Co., and some one agreed if they would publish this paper they were to have $5 from every member?—A. The subscription price was to be $5, and as much as was needed was to be turned over to run the paper.
Q. The subscription price was $5, but they were only to get as much as was necessary of that $5 to run the paper?—A. Well, let me state it to you. At the time the Nonpartisan Leader was started it wasn't very easy to get publishing concerns to publish the official organ of an organization that they didn't know anything about. The organization was very young, and we wanted an official organ to represent the organization and further its purposes. We made various efforts to use some standing publication as an official organ, and could not make any arrangements with them that was satisfactory who would serve the organization as we wanted it served. And so at the suggestion of legal advice Mr. Wood and Mr. Fox were asked to organize a copartnership for the purpose of publishing this paper.
Q. Who asked them?—A. I did.
Q. You had not known Mr. Wood or Mr. Fox very long up to that time?—A. Well, I had known Mr. Wood here for about a year and a half or two years, and been closely associated with him for about a year, and had known Mr. Fox for about a year.
Q. Did this organization commence about the same time as the Nonpartisan League commenced?—A. Now, this publishing company was not organized until the fall of 1915; the paper was not published during the summer.
Q. Then your arrangement with them is that this copartnership was to receive as much of the $5 as was necessary to run the paper?—A. There has not been any definite arrangement or understanding with them to that effect.
Q. That is the understanding, if any?—A. The understanding is that they are to publish the paper.
Q. What was the understanding with reference to the financial end of it if they did publish the paper? That is what we are interested in. What money are they to receive from the league for publishing the paper?—A. If they would demand it, they could receive the whole $5.
Q. But they haven't demanded it?—A. No. And, further, if there was any misfortune, if the paper should be sued for libel, and it would be necessary to raise the subscription to $3 a year, that might be done to save the paper.
Q. Three dollars a year, to make it $6?—A. Yes, sir.
Q. If they libeled somebody, and they proved it, and they had to pay a big judgment, you would raise the subscription fee from $5 to $6?—A. If we thought it would be to our advantage to maintain that paper.
Q. You would come to the rescue?—A. Yes, sir.
Q. And, out of the league funds, you would even go so far as to turn over $3 a year?—A. Not out of the funds collected. Any time the subscription price would be raised the price would be taken out of the membership fees to be collected in the future; and it also might be reduced
Q. So the relationship between this copartnership of Wood & Fox or Fox & Wood with the National Nonpartisan League is very intimate, is it not?—A. Yes, sir.
Q. And it is so intimate that it is pretty difficult to distinguish between the executive committee of the Nonpartisan League and this copartnership?—A. Yes, sir; quite so.
Q. Now, did you personally ever have any understanding with either Mr. Wood or Mr. Fox, or both of them, that you were to profit in the affairs of the Nonpartisan Publishing Co.?—A. I have not.
Q. None of that kind?—A. No, sir.
Q. And you never have profited in any way?—A. No, sir.
Q. Never received a dollar aside from the $100 a month that you stated they pay you for advising with them and dictating the editorial policy?—A. Correct.
Q. Not a dollar?—A. For my personal purposes.
Q. What do you mean by your personal purpose?—A. Purchasing of property for myself, or buying automobiles for myself, or furnishing myself with a vacation, or a big feed, or buying a farm, or something of that kind, or paying off my debts, or using it for my personal being.
Q. Did you ever receive from them aside from this $100 a month any other sums for any purpose, from the Nonpartisan Publishing Co.?—A. I have used some of the money of the publishing company for political purposes.
Q. Quite a sum of it?—A. Oh, no.
Q. Where are the books of this concern kept? Do you know?—A. Of the publishing company?
Q. Yes.—A. St. Paul.
Q. Mr. Morris is the editor?—A. Yes, sir.
Q. What is his full name?—A. Oliver C. Morris.
Q. Who is business manager?—A. Herbert Gaston.
Q. Mr. Gaston is likewise editor of the Courier-News?—A. Yes, sir.
Q. The fact of the matter is, that neither Mr. Fox nor Mr. Wood has anything to do with running that paper?—A. Not directly; no.
Q. And they never have had?—A. Not directly.
Q. What do you mean by directly?—A. Well, they don't set any type.
Q. And don't write any editorials?—A. No.
Q. And don't collect any news?—A. No; they don't report for the paper.
Q. And don't solicit any advertising?—A. No.
Q. And don't sign any checks?—A. The work is all done by employees.
Q. These two gentlemen don't concern themselves with it at all?—A. No; not so long as it serves the purposes of the organization. It has to serve the organization.
Q. But the fact is they don't engage in the operation of that newspaper at all, or of the publishing company? Either Mr. Fox or Mr. Wood in any way? Let me put it this way—the checks drawn on account of the Nonpartisan Publishing Co. are not signed by either Mr. Fox or Mr. Wood; they are signed by Mr. Keyes?—A. Yes, sir.
Q. The same gentleman who signs the checks for the National Nonpartisan League?—A. Yes, sir.
Q. You couldn't tell us approximately how much money has been turned over to this partnership, consisting of Mr. Wood and Mr. Fox?—A. No; I couldn't tell you.
Q. Do you know whether they are paid any salaries or anything of that sort for the services you have just described, that they perform with reference to this publishing company; or don't you know about it?—A. I think they draw a salary from the league as organizers. I don't think they draw a salary from the publishing company.
Q. Do you know whether either one of these gentlemen has drawn any money from the publishing company?—A. I wouldn't say whether they had or not.
Q. As a matter of fact, the finances of the publishing company are just as much under your domination and control as the finances of the National Nonpartisan League?—A. No.
Q. What difference is there?—A. Mr. Wood and Mr. Fox are in a position any time to dispense with my services, or the service of anybody in the employ of the publishing company, and Mr. Wood and Mr. Fox are not in a position to interfere with my work in connection with the National Nonpartisan League.
Q. That is the distinction?—A. Yes, sir. As long as my services in a very general way directing the work of the publishing company and the services of the men directly in charge of the publishing company, as long as their services are satisfactory to Mr. Wood and Mr. Fox, I presume they will continue the arrangement. When it is not they are in a position to make any other arrangements they see fit.
Q. They have the power to do that?—A. Yes.
Q. But they haven't exercised it?—A. No; we were very careful to see this publishing company was organized by men who believed in the work of this organization and wanted to forward it, wanted to do it, and would be fair and square and true to it. That, I presume, is the reason why Mr. Fox and Mr. Wood have never double-crossed us.
Q. By that you mean these men had a very great deal of confidence in your judgment?—A. I wouldn't want to say that. I will leave that to them.
Q. In any event, the fact remains that you, as the head of the National Nonpartisan League, control the financial affairs of this Nonpartisan Publishing Co., subject to the exercise of the power that rests in those men to stop you if they want to?—A. Yes, sir.
Q. Now, the books of this concern, this Nonpartisan Publishing Co.——A. I might say in connection here, just as Mr. Thomas Keyes and myself handle the finances of the Nonpartisan League, subject to the power of the executive committee of the National Nonpartisan League, Mr. Lemke, Mr. Wood, and myself, that could be changed any time it wasn't handled properly.
Q. To suit them?—A. Yes.
Q. But they have never chosen to express their dissatisfaction, if they have any? So you and Mr. Keyes go right on drawing checks without consulting these men every time you draw one?—A. Well, I would like to explain that.
Q. Do you consult them?—A. No; certain men draw a stated salary, and when we draw a check to pay it we don't consult them. If we put a new man to work, or any big or unusual expenditure of funds we have, they were quite often consulted.
Q. Does this committee put it down in writing, or is it merely oral approval?—A. We have daily conferences, almost.
Q. Any record made of it?—A. No, sir.
Q. Nothing to show if the trustees here should want to go into the books of the concern and ascertain, as a matter of fact, a certain expenditure was authorized by Mr. Lemke, Mr. Wood, and yourself as the committee, we couldn't find any record of them?—A. Not formally authorized.
Q. Now, Mr. Lemke lives in Fargo?—A. Yes, sir; he lives in St. Paul, but his residence is in Fargo.
Q. The same as you are now; he has not been in St. Paul until recently?—A. Not until we moved our office down there, and then about all the time.
Q. That is how long?—A. Less than a year.
Q. And Mr. Wood is in charge of some other line of business?—A. He has a farm out at Deering.
Q. Well, he doesn't spend much time on that farm?—A. He superintends the work out on the farm.
Q. Mr. Wood spends most of his time in St. Paul?—A. Yes, sir.

Q. Isn't he engaged in some other business?—A. He is and has been for years interested in the work of the Equity organization.
Q. The Equity Exchange?—A. Yes, sir. He still continues his relations with that organization.
Q. And he actually has some active capacity there that occupies a good deal of his time? The live-stock end, isn't it?—A. I believe he is manager of the live stock and I believe he is a member of the board.
Q. He is vice president, isn't he?—A. I don't know.
Q. Well, it occupies a great deal of his time?—A. No; not a great deal.
Q. Does he devote a great deal of his time to the management of the Nonpartisan League?—A. Quite a great deal of it.
Q. Is he in the same offices with you?—A. Yes, sir.
Q. He is vice president?—A. He is a member of the committee.
Q. There is no office of vice president?—A. Two, Mr. Lemke and Mr. Wood.
Q. One president and two vice presidents?—A. You can put it that way.
Q. And the only way we could ascertain precisely the amount of money that has been turned over to this Nonpartisan Publishing Co. would be to get the books?—A. Yes, sir.
Q. And these books are in the possession of Mr. Keyes in St. Paul?—A. Yes, sir.
Q. And he is the same one who could show us exactly what the situation is?—A. Yes, sir.
Q. And the checks of the Nonpartisan Publishing Co. are drawn and signed by Mr. Keyes?—A. Yes, sir.
Q. He is the connecting link between all these organizations, isn't he?—A. He is the man that signs the checks for all of them; he handles most of the money.
Q. Now, this league exchange, what is the nature of its business, that million dollar corporation?—A. Well, I think I had better explain that. You understand, I don't know much about financial institutions and I was very clumsy in answering questions of that kind.
Q. Don't answer anything you can't answer. I am asking you if you know what the business of the league exchange is.—A. Very generally, I do.
Q. What is it, generally?—A. It is the business of financing the political organization.
Q. Known as the Nonpartisan League?—A. Yes, sir.
Q. But its business is given as farm lands?—A. It is organized to handle farm lands, and did undertake to handle some, and would have handled some if it hadn't been for the war conditions.
Q. And it is located in the Gilfellan Block?—A. Yes, sir.
Q. Where the offices of the National Nonpartisan League are?—A. We have an office in St. Paul and one at Fargo.
Q. And Mr. F. B. Wood is president of that concern?—A. Yes, sir.
Q. And Mr. Thomas Keyes is secretary-treasurer?—A. Yes, sir.
Q. Any other officers?—A. Yes, sir; a board of directors.
Q. And you are a member of that board of directors?—A. Yes, sir.
Q. And that is the concern in which you own a hundred dollars' worth of stock?—A. Yes, sir.
Q. Now, do you own any other interest in that concern?—A. No.
Q. Directly or indirectly?—A. No.
Q. Is all the stock paid up in that; do you know?—A. No; I don't think it is.
Q. Have you any idea what proportion of it is paid up?—A. I think there is something like $150,000 sold and $50,000 paid up. I wouldn't be sure; it is about that. They have been paying notes this fall right along.
Q. That stock sold generally to farmers?—A. Almost exclusively.
Q. And you say you have no other interest in that except this hundred-dollar share of stock you testified to?—A. Yes.
Q. No one hold any stock directly or indirectly for you?—A. No, sir.
Q. And you haven't any promise on the part of anyone connected with this organization that you are to have any interest in it in the future?—A. No.
Q. You have nothing to do with the organization?—A. Yes, sir.
Q. As a matter of fact, the thing was organized under your direction?—A. At my suggestion, and on the advice of counsel and farmers.
Q. By that, you mean some lawyers?—A. Yes; Mr. Lemke and two or three others.
Q. You were the most active man in the organization of it?—A. I initiated it.
Q. That is true of the rest of the organizations, too, isn't it?—A. It is true of the publishing company.
Q. It is also true of the Consumers' United Stores Co.?—A. Yes, sir.
Q. You know where the account of this concern is kept, the League Exchange?—A. Mr. Keyes is secretary and treasurer and keeps the account in his office.
Q. The bank account is kept in the Exchange National Bank?—A. I wouldn't be sure
Q. But the books are kept by Mr. Keyes?—A. Yes, sir.
Q. The same gentleman whom we referred to before?—A. Yes, sir.
Q. He is also president of the Consumers' United Stores Co.?—A. I don't know; I don't think that he is.
Q. Now, we will come to this United States Guaranty Co. That has its office in the Exchange Bank Building in St. Paul?—A. Yes, sir.
Q. Have you any stock in that business?—A. No, sir.
Q. What is the business of that company, if you know?—A. It hasn't done any business that I know of; very little.
Q. You are one of the men that initiated the organization of that concern, aren't you?—A. I have had very little to do with the initiation of that concern.
Q. You haven't any idea of what the nature of its business is, or what business it has done?—A. My impression is that it hasn't done any business.
Q. Who is Mr. G. M. Hutcheson?—A. He is the man that was president of the concern; I think he is yet.
Q. Mr. J. J. Hastings is secretary of it?—A. Yes, sir.
Q. He is also the gentleman who had to do with the purchase of the Scandinavian-American Bank at Fargo?—A. Yes, sir.
Q. He is the same gentleman who used to work for Mr. Grant Youmans at Minot?—A. I don't know how much he worked for him. He has been with the league from the beginning.
Q. But he was at Minot?—A. Yes, sir.
Q. And Mr Keyes is treasurer of that company?—A. I don't know.
Q. You wouldn't say that he wasn't?—A. No.
Q. Would it come to you as a matter of surprise to you to learn that he was?—A. No, sir; I haven't given any attention to that.
Q. He lives in St. Paul?—A. Yes, sir.
Q. Now, let us go to the Consumers' United Stores Co. As a matter of fact, you are the man who originated that concern?—A. Yes, sir.
Q. You took more than a merely moral interest in it, didn't you?—A. What do you mean?
Q. I don't know, you stated last time—you said your interest was only a moral one, and I put that up to you.—A. You want me to state again?
Q. What I want to get at again is that you were very active in the organization of that concern?—A. Well, no; I haven't given any of my time to the building of the organization, except a couple of days at the beginning.
Q. Aren't you the man who originated that idea?—A. Yes, sir.
Q. You are the man who created and originated this agreement that is signed up?—A. Well, I presume that I had as much to do with it as any one of several other men.
Q. When was that commenced?—A. Some time in the middle of the summer.
Q. Around about July?—A. Yes, sir.
Q. And your first operation was commenced at Kenmare and yourself, Mr. Bowen, and Mr. Brinton went up there?—A. Yes, sir.
Q. And you took Mr. Sinclair, a member of the house of representatives, and started out on the first trip?—A. Yes, sir.
Q. That concern has collected something like $960,000?—A. Yes, sir.
Q. Isn't this man Keyes also treasurer of that organization?—A. As I said before, I believe that he is, I wouldn't be positive. I think you asked me if he was president.
Q. I did because I had a note that it was asserted that he was, but we can find that out by him?—A. Yes, sir.
Q. And the main office of that concern is in St. Paul?—A. Yes, sir.
Q. In the Gilfellan Building?—A. In the Guaranty Building.
Q. Have you any idea of where the books of that concern are kept?—A. I think in the Guaranty Building.
Q. And Mr. Keyes has the custody of them, like the rest of them?—A. If he is treasurer, he would have.
Q. You don't know where this concern banks?—A. I think they bank with the guaranty company or with the Exchange Bank.
Q. As a matter of fact, all of these concerns do their principal banking business with that bank?—A. I think so.
Q. Now, as I understand you, then, in this concern you haven't any financial interest whatever?—A. What concern?
Q. The Consumers' United Stores Co.—A. I don't draw any salary.
Q. And you don't own any stock?—A. No, sir; I don't handle any money.
Q. Do you know who draws the checks?—A. I think I do.
Q. Who?—A. I think the checks are signed by the manager.
Q. Who is the manager?—A. Mr. Brinton.
Q. Well, the solicitors up there were secured by you?—A. What solicitors?
Q. What solicitors? Mr. Elliott and Mr. Heck.—A. I presume a dozen or more were secured by me.
Q. So you exercise general supervision over it?—A. Yes; I do.
Q. And you have something to say about the disbursement of the funds?—A. Yes, sir.
Q. I am going to put a broad question to you now. As I understand your testimony, you haven't the slightest bit of financial interest in the League Exchange, United States Guaranty Co., the Nonpartisan Publishing Co., or the Consumers' United Stores Co., other than the $100 stock in the League Exchange?—A. You are correct.
Q. And haven't any promise on the part of any individual or combination of persons that they will carry any interest for you?—A. No, sir.
Q. Or that you will derive any profit from it in the future?—A. There is nobody carrying any interest for me.
Q. And you haven't any promise or understanding with any person or persons that you as an individual, you, A. C. Townley, will in the future obtain an profit from this organization if there is any profit?—A. I have no understanding that I will or will not.
Q. You never had any understanding of any kind with reference to those matters?—A. No, sir.
Q. My purpose is to make that just as broad as I can, so you would be understood to testify that you haven't any promise of profit or interest in these various concerns and don't expect any?—A. I haven't any promise or arrangement with those organizations any more than I have with the Great Northern Railroad Co. or the electric-light company of this town, or any other banking institution, or anything else.
Q. You haven't any connection with those concerns—the Great Northern Railroad?—A. Not that I have discovered myself.
Q. You don't control their affairs at all like you do these other organizations?—A. No.
Q. So you will admit there is a distinction?—A. Yes; there is. It would probably be easier for me to break into one of these organizations than the railroad.
Q. If you were so inclined it would be much easier for you to acquire some of their property or money if you wanted it than to get it from the Great Northern or the Hughes Electric Co.?—A. Yes, sir.
Q. Have you got any liberty bonds among your assets? I see you haven't listed any.—A. I believe I bought a liberty bond, that was after the petition was filed.
Q. Have you got it now?—A. I believe I have.
Q. Do you know how much it was?—A. $100.
Q. Did you use any part of this $300 that you listed here to buy that bond with?—A. Yes, sir. This liberty bond was purchased after this schedule was made out by Mr. Keyes for myself and the other boys in the office.
Q. For the employees and all of you?—A. I purchased one.
Q. Now, Mr. Townley, you get $200 a month salary from this league and that is all?—A. Yes, sir.
Q. Aside from the expense account?—A. Yes, sir.
Q. What latitude are you allowed on the expense account?—A. My expense varies; when I am around St. Paul it is very little.
Q. I am not trying to get the amount of it; I want to get at the latitude as to what you call expenses. Does it include your personal expenses; your home expenses, for instance?—A. No; it doesn't.
Q. Does it include the support of your family.—A. No; it doesn't include clothing and shoes.
Q. How about clothing and food of your wife?—A. No; that is paid out of my salary.
Q. You pay for that out of your salary?—A. Yes, sir.
Q. The expense that you refer to covers only the actual expense you are incurring when in and about the business of the league?—A. Yes, sir.
Q. For instance, if you travel somewhere, that expense is paid out of the league fund?—A. Yes, sir.
Q. And any other expenses, personal expenses, are you allowed?—A. Yes, sir.
Q. And all this expense money, I suppose, is accounted for on the books of the league?—A. Yes, sir.

Q. And whatever information that we need along that line we can find if we are permitted to go into the books of the league?—A. Yes, sir.
Q. So that the $300, $200 from the league and $100 from the Nonpartisan Publishing Co., represents your entire income from any source during the period you have testified to?—A. I got $5 dividend on the share of stock in the league exchange.
Q. Aside from that, that covers your entire income?—A. Yes, sir.
Q. That is all the money you got in from any sources during the period we have testified to?—A. Yes, sir.
Q. I assume, of course, that the books of all of these concerns are in St. Paul?—A. Yes, sir.
Q. Practically every one of them?—A. I think they are.
Q. Have you got an automobile of any kind?—A. No, sir.
Q. When did you get rid of your automobile?—A. 1912.
Q. Haven't you had an automobile since 1912?—A. Not for my own personal possession or ownership.
Q. You haven't owned an automobile yourself since 1912?—A. No, sir.
Q. Didn't you own an Overland touring car, 45 horsepower, 6 cylinder, which you insured from the 12th of December, 1916, to the 12th of December, 1917, in your own name, and the application stated it was your own car?—A. That may have been.
Q. That is a fact, isn't it?—A. I don't know. We have had several of these touring cars.
Q. I am asking you about this particular one. I am giving you a good description of it.—A. Where was it insured?
Q. Fargo.—A. Where was it stored?
Q. Ten hundred and fourteen Eleventh Avenue South.—A. We have had two or three of these cars, and probably that is one of the garages that we kept them in.
Q. I am asking you this, if you did not insure this particular car in your own name—A. C. Townley?—A. I don't believe I did.
Q. Will you say you did not?—A. No; I did not; it must have been insured in my name. I didn't insure it. It might have been done by the office.
Q. The application for insurance was taken out in the name of A. C. Townley and signed by A. C. Townley.—A. It might have been, but I don't believe it. I have no recollection of insuring the car.
Q. That was an Overland car. Now, I will ask you if you didn't have a policy on a 1915 Hudson, 6-cylinder, 40-horsepower roadster sometime along the spring of 1917?—A. Insurance policy?
Q. Yes, sir.—A. I don't think so. It might have been done by the office. It might have been taken out in my name.
Q. The application was signed by you?—A. I don't think I signed the application.
Q. If one should show that you had signed it, you will admit you are mistaken?—A. Yes, sir.
Q. You won't say positively that your recollection is clear on that?—A. No; I won't, but I am quite sure.
Q. Have you any definite recollection of these cars?—A. Yes, sir; I know the cars.
Q. Do you know where they are now?—A. I think the roadster is in St. Paul. I might add here that these are only two of probably a half dozen or a dozen of that kind of cars that have passed through the hands of the organization.
Q. Now, let's go back to another proposition: Have you any stock in the Scandinavian-American Bank at Fargo?—A. No.
Q. Anybody holding any stock in that institution for you?—A. No.
Q. Or in any other bank in the State?—A. No, sir.
Q. Or elsewhere?—A. No, sir.
Q. You say you only drew $200 a month out of the National Nonpartisan League?—A. Yes, sir.
Q. Calling your attention to September, 1917, you say you only drew $200 that month?—A. I said my salary was $200; I might have drawn more or less.
Q. You wouldn't say you drew $200?—A. No, sir.
Q. You won't say you didn't draw $2,600?—A. I didn't draw $2,600 on my salary account.
Q. You would not say there were not checks drawn to A. C. Townley in that month for $2,600?—A. There might have been more than that. I have drawn checks—for your information I would say this much—probably in the sum of $1,000 or $1,500.
Q. Who is W. G. Johnson?—A. Bookkeeper.
Q. For whom?—A. The Nonpartisan League.
Q. Works on a salary there?—A. Yes, sir.
Q. Small salary?—A. Yes, sir; $150 or $175. I don't know what it is.
Q. Will you explain how he happened to put in the Exchange Bank of St. Paul, in July, 1917, a check for $10,000, drawn on the publishing company and credited to his account?—A. What time was that?
Q. July, 1917?—A. I don't know as I can explain the detail of the matter. I might say rumors to the effect that the league funds and the publishing company's funds were about to be tied up by some kind of process, might have prompted us to put some money in his name.
Q. You remember buying a great number or a big number of Country Gentlemen from a representative from Brainerd, Minn.?—A. Yes, sir.
Q. About how many copies did you buy at that time? About 60,000?—A. No; it wasn't 60,000.
Q. Pretty near that, wasn't it?—A. No.
Q. Well, it involved quite a sum of money?—A. I think the check for the first bunch of those papers was $500.
Q. Do you know the gentleman with whom you dealt?—A. I would know him if I saw him.
Q. The check was drawn by you, A. C. Townley?—A. Yes, sir.
Q. Personally?—A. Yes, sir.
Q. Signed by you personally?—A. Yes, sir.
Q. What were the other checks you drew later on?—A. Well, I might have drawn another one to pay for next week's issue, or I might have bought an automobile and drew a check to pay for it.
Q. On your own account?—A. Yes, sir.
Q. Do you carry an account now?—A. Yes.
Q. Personally, I mean, as an individual?—A. Yes, sir.
Q. Where is that account kept?—A. The National Exchange Bank.
Q. Is there anything in it?—A. I don't how much there is in it.
Q. You can't tell us right now?—A. No, sir.
Q. We would like to know how much cash you have on hand?—A. You see it is this way—my salary is $200 per month; I was in Idaho the other day and the office out there needed money for certain little expenditures and I drew a couple of checks.
Q. On your own account?—A. Yes, sir; in the sum of $1,000 and advised the office that the checks were drawn for the expense of the organization, and asked them to take care of those checks. And they were to be charged against the account of the manager there. When I was in the State of North Dakota here I drew a check for the price of a Ford automobile on my own account or a half dozen automobiles and that check would have been taken care of when I got in to the office and the parties who got the automobiles would have been charged with them.
Q. You might, as A. C. Townley, draw a check for half a dozen automobiles on A. C. Townley's account?—A. Yes, sir.
Q. Then you would notify the league office that you had done so and the league then would issue its check to A. C. Townley to take care of the check?—A. In case of emergency where it is necessary to use some money they do for that purpose. I might draw a check for one or two, probably not half a dozen because it wouldn't be necessary.
Q. If it was necessary, you would?—A. Yes, sir.
Q. And it would afterwards be confirmed by the other two members of the committee?—A. Yes, sir.
Q. Never had any difficulty in having them confirm your work?—A. This organization doesn't have very much difficulty. There is harmony and confidence between the members, so there is not very much trouble. They act together very well.
Q. So the head of it is in a position to go ahead without being bothered by somebody inquiring into the methods?—A. No; I wouldn't like to have you state it that way. My associates very well understand the methods that we use and the members of the league. Those that don't are at liberty to inquire any time.
Q. I understand you have no objection, as far as you are personally concerned, to an examination of the books of these various concerns to learn if we can whether you got any money from them?—A. I wouldn't think I would have any personal objection.
Q. Have you discussed that matter at all with counsel, the likelihood of an investigation?—A. No; I don't think so.
Q. You are pretty well acquainted in Cheyenne Wells, Colo.?—A. No; not very well.
Q. When were you there?—A. 1911.
Q. Do you know Mr. James Goodnight?—A. Yes, sir.
Q. He is the husband of Mrs. Townley's sister?—A. Yes, sir.
Q. You say Mrs. Townley is now in Denver?—A. Yes, sir.
Q. Do you know where Mrs. Townley keeps her bank account?—A. National Exchange Bank, St. Paul.
Q. That is the only one you know of that she has?—A. That is the only one she has.
Q. Do you know whether or not Mrs. Townley is carrying quite a sum of money in her name which really belongs to you?—A. Oh, she carries $100 or $150.
Q. A small amount?—A. Yes, sir; there was $87 in her account when it was garnisheed.
Q. Has she any property accumulated since 1915?—A. A little household goods.
Q. No real estate?—A. No, sir.
Q. Has she any diamonds of any value?—A. I haven't seen any.
Q. If she got those you didn't know about it?—A. Yes; she got those without my knowing anything about it.
Q. But you are quite sure aside from these small sums that Mrs. Townley hasn't any bank account?—A. I am quite sure.
Q. You would be very greatly surprised if it should develop that she had quite a sum of money?—A. Yes, sir.
Q. Agreeably surprised probably?—A. Yes, sir. She didn't have any when I married her, and I haven't seen her have any since except what I gave her myself.
Q. Well, I assume, of course, that whatever she has got she got from you?—A. You are correct.
Q. Now, with reference to these lands in McKenzie County that we talked about, originally you and your brother purchased those lands from the Northern Pacific Railway?—A. Yes, sir.
Q. Under contract?—A. Yes, sir.
Q. Then you made a deal with the Schusters?—A. Yes, sir.
Q. And Adler?—A. Yes, sir.
Q. And sometime in July, 1913, you entered into an option contract with them whereby you transferred title to this property to Mr. Adler as trustee?—A. I don't remember the time, but when the crop went to pieces, or proved it was going to pieces, to secure them for money they advanced we transferred title of lands that we held on contract to Schuster Bros.
Q. With the understanding that it would be reconveyed?—A. In the event we won out, yes, sir.
Q. Or in the event you sold some of your property?—A. Yes, sir; and I went down the next year to sell it.
Q. That option still in existence?—A. No, sir. I think they have sold a good deal of the land since then. I know they have sold some of it.
Q. I will show you this paper and ask you if this is a copy of the contract?—A. I believe it is. I have no doubt about it at all.
Q. That agreement, however, has, as I understand it, lapsed so you don't claim any interest, either you or your brother?—A. No; I don't claim any interest.
Q. In these various lands?—A. No.
Q. These Schuster brothers and Mr. Adler live in Illinois?—A. Mr. Adler and two of the Schuster brothers live in Illinois; the other Schuster brother lives at Wibaux, Mont.
Q. Still there, is he?—A. Yes, sir; I believe so.
Q. Does Mr. Thatcher act as the auditor for these various companies?—A. Mr. Thatcher audits the books of the league and the League Exchange.
Q. Is he still in St. Paul?—A. I believe he is. He was there a month ago. He is very familiar with the accounting and bookkeeping system. He has been our auditor since we started.
Q. What is the name of his auditing company?—A. I think it is the Equitable Auditing Co.
Q. Is there any other organization that I haven't mentioned here that is the outgrowth or is collateral to the National Nonpartisan League of the same nature?—A. Not yet organized.
Q. You haven't organized anything else yet?—A. No, sir.
Q. Well, then, we can say you are willing to testify positively that this $200 and the $100 is the only source of income that you get of any kind?—A. Yes, sir.
Q. And you want the court to understand that you haven't any interest or haven't received from these concerns one dollar over and above the salaries since the organization of the various institutions?—A. Not for my personal purposes.
Q That is what I mean, coming to A. C. Townley to be used for himself?—A. You mean by that money I would use to buy land?
Q. As you see fit, as your own?—A. Without any relation to the organization—that is correct. I would have you understand and have it appear on the records that I have spent much more than this $200 a month, drawn checks for much more than this $200 a month, drawn checks for much more than that, without having anybody countersign those checks, for the purpose of the organization.

Q. That is what I am inquiring about.—A. What you want is money I drew and used for myself.
Q. Yes. sir.—A. Yes, sir.
Q. That is it exactly?—A. Yes, sir.
Q. And as I understand you, you say you drew checks personally for a great deal more than that without anyone countersigning them, but that money was used for purposes of the league or other organizations and not for your personal use?—A. Yes, sir.
Q. But my question is limited to money that you received as an individual for which you didn't have to account to anybody?—A. Yes, sir.
Q. That is limited to this $200 and $100?—A. Yes, sir.
Q. And you haven't any promise or agreement with anybody at any time or any place that you are to get any more out of these institutions?—A. No, sir.
Q. In the form of money, stock, or anything of that sort?—A. No, sir.

Cross-examination by Mr. Lemke:

Q. Now, in regard to the Nonpartisan League, that is a political organization?—A. Yes, sir.
Q. Do you know the powers and duties generally of the chairman of the Republican State central committee or Democratic State central committee as to the finances during the campaign?—A. Yes; I do, in a general way.
Q. As president of the Nonpartisan League, your powers and duties, are they similar to those?—A. Yes, sir.
Q. Have you spent any money or used any money of the Nonpartisan League outside of the salary paid to you for your own personal use?—A. I have not.
Q. The affairs of the Nonpartisan League are managed by an executive committee, I understood you to testify?—A. Yes, sir.
Q. Does that committee pass upon the salaries of yourself—that is, when they were fixed—and of all the different employees?—A. Yes, sir.
Q. Does it pass upon the affairs generally of the organization?—A. Yes, sir.
Q. And what powers and authority you have is subject to their supervision?—A. Yes, sir.
Q. And review?—A. Yes, sir.
Q. And when any expenditures of considerable amount are made, as to buying automobiles, and so on, so you first consult the executive committee?—A. Yes, sir.
Q. And their decision is final as to whether you should act?—A. Yes, sir.
Q. When you drew these checks you have testified to upon the league, was that passed upon and explained and approved or rejected by the committee?—A. Yes, sir.
Q. And how about the books of the organization, are they audited?—A. They are.
Q. How often?—A. I think it is three or four times a year.
Q. By whom?—A. By the Equitable Auditing Co.
Q. Are those reports submitted to the different members of the executive committee?—A. Yes, sir. I get a copy and I think Mr. Wood gets a copy.
Q. You know you get a copy?—A. I know I get a copy.
Q. And these reports are discussed at times, are they, by the committee?—A. Yes, sir.
Q. And the financial conditions of the organization looked after and discussed?—A. Yes, sir; most carefully.
Q. Have you any interest in any shape, form, or manner in any of the finances of the Nonpartisan League? Could you draw a personal check, over and above your salary, without violating a trust?—A. You mean a personal check for personal expenses or purposes?
Q Yes, sir; personal expenses or purposes.—A. No, sir.
Q. There is no understanding with the organization that you can draw checks on the organization over and in addition to your salary?—A. For personal purposes? There is a very distinct understanding that I can not.
Q. My questions that I shall ask here are as regards your own personal purposes. I shall not go into the political side of it. That is a thing I don't think concerns us here. You have seen rumors in the newspapers that you owned a $65,000 home in St. Paul. Is there any truth in that?—A. I am supposed to be living in it.
Q. Where do you live?—A. Sherman Hotel.
Q. How many rooms have you got there?—A. One room just now.
Q. Did you have more?—A. I have got one room rented now. We have two rooms in the Sherman Hotel when my wife and little girl are there.
Q. Now, in regard to those automobiles that were supposed to be insured in your name—do you know anything about them?—A. I don't remember. I don't believe they were insured in my name. If they were insured they were insured by the organization. I never insured a car in my life.
Q. Are they your property?—A. No, sir; they are the property of the organization.
Q. You have no interest in them whatsoever?—A. Except as a member of the committee of the organization; no personal interest.
Q. Do you use them?—A. Sometimes.
Q. For what purpose?—A. Purposes connected with the organizations. I suppose I have used 50 different cars since I started to work for the organization.
Q. Now, in connection with the Nonpartisan Publishing Co.—did you receive any money from them?—A. $100 a month.
Q. Have you any interest or do you expect any money from that organization in addition at any time to that $100 a month?—A. I have no interest.
Q. Will you state briefly the purpose of that publication?—A. The purpose of the publication is to serve the purposes of the political organization, to be its official organ, to carry its propaganda, advertise its candidates, and elect them.
Q. Do you know whether it was originally intended to make any profit out of that organization by Mr. Wood or Mr. Fox, or was it just for the purpose of assisting and carrying out the purposes of the league?—A. I didn't initiate the organization of that paper for the purpose of making profit for either one of them, but for the purposes of carrying out the work of the Nonpartisan League.
Q. There is a very close understanding and relation between the Nonpartisan Publishing Co. and the Nonpartisan League?—A. Yes, sir.
Q. And that understanding is with the executive committee, is it?—A. Yes, sir.
Q. With Mr. Fox and Mr. Wood?—A. Yes, sir.
Q. Have you any right or authority to take any money from the Nonpartisan Publishing Co. other than that $100 a month?—A. I have not.
Q. For your own personal use?—A. No, sir.
Q. Now, in regard——A. I would say here that I can use some of the money of the publishing company for political purposes.
Q. That is, when you say you can, you mean the Nonpartisan League can?—A. Yes; I as an individual can't; but I as head of the nonpartisan organization can.
Q. Who directs and controls the editorial policy of that paper?—A. Well, in a very general way I direct and control it by putting in charge of the paper men who are competent to make the paper serve the purposes for which it was organized.
Q. When you say "I," do you mean yourself personally?—A. As a member of the committee.
Q. Now, in regard to the Consumers' United Stores Co., will you tell us briefly the object and purpose for which that was started?—A. Yes, sir.
Q. The Consumers' United Stores Co. was organized for the purpose of cutting out unnecessary expense of distribution of necessities that the farmers and members of the organization have to buy?—A. For the purpose of eliminating as much waste in the distribution as possible.
Q. Under the articles of that corporation could you use or divert any of the funds to your own personal use?—A. I couldn't, as I understand it.
Q. It is testified that they had paid in about $960,000; do you mean in cash?—A. No.
Q. How much of that is in cash, or do you know?—A. Well, I don't know. I don't think there is more than $15,000 or $20,000 in cash—a very small part of it.
Q. Could you tell us who were the prime movers in the organization of the United States Guaranty Co.?—A. Mr. Hastings and Mr. R. O. Richards, a South Dakota man—a league man.
Q. As a matter of fact, did the executive committee of the league or yourself have very much to do with the organization of that institution?—A. It was organized at the suggestion of this South Dakota man.
Q. Has it done any business that you know of, to speak of?—A. No.
Q. Have you any agreement or have you any expectation to get any money or property from that organization?—A. I have not.
Q. Have any funds ever been paid over to you from any of these organizations for other than political purpose or purposes, as just stated, in regard to the stores company, for your own personal use?—A. No, sir.
Q. What was the original purpose of the league exchange? You stated it was for the purpose of selling real estate. Do you mean real estate or the purpose of getting immigration?—A. I mean for the purpose of handling real estate for the farmers—members of the organization and the farmers.
Q. Was its object to cut down the commissions?—A. Yes, sir; emphatically so. Mr. Lemke, if you will permit, I would like to say here that the Nonpartisan League up to the time the league exchange was organized had been financed very largely upon farmers' notes loaned to the organization. Farmers had given their personal notes to the organization upon which to borrow money, and they handed them over to the organization without any security or collateral or any assurance that they would ever get them back.
Q. Accommodation notes?—A. Yes, sir; and to avoid the burden and the irregularity of going out and asking a man for a $5,000 or $10,000 note on which to borrow money, without giving him any security, we organized the league exchange and sold stock in that corporation and used the league exchange to serve the purpose that the accommodation notes had been serving up to that time. And it served its purpose in aiding the organization, but incidentally we hope to make it of use to the farmers of the State otherwise, through handling of real estate or anything else that may be done to earn some dividend or interest. The stock is very much distributed. I don't think very few own more than $200 worth of stock, and very few over $100 worth.
Q. Have you any financial interest, directly or indirectly, or do you expect any financial reward in property or otherwise from any of the following organizations in the future, the Nonpartisan League, the League Exchange, the United States Guaranty Co., the Consumers' United Stores Co., or the Nonpartisan Publishing Co.?—A. I don't.
Q. Excepting your salary?—A. Excepting my salary.
Q. Or such salary as the executive committee of the league or different officers may allow you in the future in those organizations at their discretion?—A. I presume it is understood, though, that I hope some time to own property outside of my clothes.
Q. You hope that some time in the future they may give you a larger salary, but there is no understanding?—A. I hope to own property and have a part in some business enterprise some time. That is commonly understood when a man undertakes a procedure of this kind, that it is for the purpose of enabling him to stand on his own feet, but I have no expectation or arrangement or agreement with any of these organizations that you mention by which I will get a larger salary, or own them, or profit financially from them.
Q. You wish to wipe the slate clean so you can begin your life anew financially; is that it?—A. I think that is it.
Q. Without being interfered with by garnishment proceedings, etc.?—A. Yes, sir.

Redirect examination by Mr. Murphy:

Q. You say that this procedure is started so you can stand on your own feet?—A. By that, Mr. Murphy, I mean so that I won't be hounded to death by fellows that sold me that junk that they called machinery.
Q. How about the men who sold you labor?—A. The men who sold me labor are possibly with one or two exceptions paid.
Q. There are several exceptions in your schedule, aren't there?—A. I don't think there are very many.
Q. Aside from that you expect your salary to be raised right after this proceeding is closed and you get your discharge in bankruptcy, if you get a discharge?—A. No; I don't expect it to be raised, and it won't be raised.
Q. Do you expect these various other institutions who are not paying you a salary now to start in doing it?—A. No, sir.
Q. Your expectation to accumulate property is that you will accumulate it out of the salary you have been drawing?—A. I might not always continue to work for this organization. I might go back to the farm, you know. I like to farm.
Q. Those ideas are purely speculative, however. What I want to get at, you haven't got any understanding that as soon as you can get clear from your creditors and stand on your own feet they will raise your salary?—A. No, sir: not only no understanding, but the salary won't be raised. Mr. Lemke, Mr. Wood, and myself are not working for the salaries we get.
Q. Isn't it a fact there were three new corporations organized in the State on the 21st day of January?—A. I don't know.
Q. One of them a briquetting company?—A. I don't know when it was organized.
Q. Well, recently within the last few days?—A. I understand a corporation of that kind has been organized by Mr. Hastings and others.

Q. And there was another that Mr. Hastings organized, other than this briquetting company, that the league leaders are interested in?—A. I don't know anything about that.

Q. You haven't been consulted with reference to that?—A. No, sir.

Q. And Mr. Keyes, as far as you know, is not treasurer of this new organization?—A. I don't think so.

Q. Now, Mr. Lemke asked you a question on direct examination with reference to the funds of the Consumers' United Stores Co., and he put it this way: You haven't any right to use the funds of that concern at all for your own personal purposes, and you said you hadn't. Now, I am asking you whether you have any control over the funds of that organization for other purposes than your own personal purposes?—A. Indirectly.

Q. What do you mean by that?—A. Well, Mr. Brinton is manager of that Consumers' Stores Co., and Mr. Brinton is very closely associated with and understands the purpose for which it was organized, and he is there working out the purposes of the corporation. Now, through Mr. Brinton, I can direct, in a measure, the use of those funds for the purposes of the organization.

Q. This corporation is only incorporated for a small amount?—A. Yes, sir.

Q. And only a few people that hold stock in it?—A. Yes, sir.

Q. Do you know who they are?—A. No.

Q. Mr. Elliott one of them?—A. I presume he holds some of it. I don't know. I left the management to Mr. Brinton.

Q. You don't hold any stock in it?—A. No.

Q. But the understanding with the men that put the money in is that only a certain percentage is to be used for actual store purposes and the rest of it may be used for carrying on what you call educational work and propaganda?—A. Let me state it more fairly. By the agreement with the farmer a certain percentage of the money must be used for the purpose of establishing a store, but it doesn't say that all of the money may not be used; that any of the money above this percentage that must be used for the organization of the same may be used for educational purposes or to further the work of that organization.

Q. I have before me one of your printed blanks, a buyer's certificate, and it reads, in substance, thus:

"It is expressly understood and agreed that the purposes for which we pay the said sum of $100 are: That 90 per cent of all money subscribed herein shall be used by said company to establish a store at ------ until the sum of $10,000, in cash or notes, shall be so applied. All surplus subscribed over the said sum of $10,000 may be used by the company, either to establish and maintain a central buying agency or wholesale establishment, or to carry on educational work or propaganda along all lines deemed by the board of directors of the Consumers' United Stores Co. to be in the interest of or beneficial to farmers, and for the assistance of farmers' organizations such as relate to the economic, educational, or political interests of the farmers, or both."

That is the substance of it?—A. That is a correct copy.

Q. And those are printed in English and German?—A. I don't know about German.

Q. Don't you know as a matter of fact that it had been printed in German?—A. No; I don't know it.

Q. Now, for these general purposes, aside from the money that is used for the actual operations of the store, that have been mentioned here, you can control the distribution of the money with reference to those purposes?—A. With my associates I can.

Q. I wanted to show, Mr. Townley, to be frank with you, that your relation with this organization and the others is quite close, and you are more or less of general manager and director of them all, in the distribution of the funds and otherwise for these purposes.—A. For the purposes stated in the agreement.

Q. And that is a fact, isn't it?—A. Yes, sir. I am not, however, as closely connected with that as I am with the political organizations. I don't handle any money and don't sign any checks.

Q. The detail is taken care of by somebody else?—A. The detail and all the work.

Q. You can't tell me whether Mr. Keyes is treasurer or cashier?—A. You said he was president?

Q. I said I had a report that he was president.—A. I know he is not both of them.

Q. Of course, that is possible; but the chances are that he keeps the same position with that company—that was the intention to have it all centralized, and Keyes is the key to the whole thing? Isn't that the idea?—A. I think so.

Recross-examination by Mr. Lemke:

Q. Now, Mr Townley, what is the general purpose of all of these organizations—for the purpose of making profit?—A. No.

Q. Tell in a few words what the object is. Is it philanthropic or benevolent or what?—A. The purpose of this organization is to forward and protect the work of this progressive movement, or this movement that looks to the members as progressive.

Q. Is it for the interest of the people who belong to this league, or, rather, for the masses than the few, more equal distribution of the good things of life?—A. It all aims at a proper arrangement of the marketing system.

Redirect examination by Mr. Murphy:

Q. That is, with reference to the Consumers Co.?—A. All of these organizations.

Q. That is, with reference to the purposes of this organization it might better be stated as to what you conceive to be the interests of the consumers, you and your associates—right or wrong, it is what you conceive to be their interests?—A. What I and my associates, and my associates are the farmers.

Q. They have nothing to say about the actual distribution of the funds? The man who signs one of these notes has nothing to say about where the money goes?—A. He has a right to say whether he signs it or not.

Q. But what I want to get at—after he signs and pays his money up the distribution of that money is under the control of yourself and your associates and not in the farmer?—A. He signs a contract and agreement, by which he agrees to do so much—gives a note for $100—and we agree to protect him in so far as we can under the agreement for that consideration.

Q. And he agrees to take your judgment in the distribution of this money?—A. Yes, sir.

Q. And you exercise that judgment, and when you say this is all for the advancement of the farmer it is what your judgment dictates is for their benefit or betterment; whether it is right or wrong, it is the judgment of yourself and your immediate associates?—A. Part of the plan, read and explained to the farmer and agreed upon with them.

Q. A plan approved by yourself and your immediate associates?—A. And agreed to by the farmer.

Q. And you have a clause in that agreement that if any one of them—in order to keep out of court—that if a farmer objects and wants his money back you will give it back to him with 10 per cent?—A. Yes, sir.

Q. That is the purpose; so if anybody sues you, you can give it back and keep out of courts?—A. I can state it better than that.

Q. Well, probably you could, but I get the purpose of it, don't I?—A. We make better progress talking to farmers than to lawyers.

Q. I haven't any doubt. You haven't very many lawyers signed up?—A. Well, some want to come in.

Q. Lemke has got a kind of monopoly on it? They can't break in?—A. Yes; he got in on the ground floor.

Recross-examination by Mr. Lemke:

Q. You have stated that the owners of the Courier-News—in your previous testimony you stated, I believe, it was the Nonpartisan Publishing Co. Isn't that due to the fact that you have not clearly distinguished between copartnership as a legal entity and the individuals forming it?—A. Well, I haven't given much attention to the matter. It has been more in your hands than it has in mine.

Q. May I not ask you this question, The way you look at it, Fox and Wood are the same as the Nonpartisan Publishing Co.?—A. Yes, sir.

By the Referee:

Q. Mr. Townley, was the money advanced by the Nonpartisan League to take over the Nonpartisan Leader and the Courier-News, or was this money that was advanced by the owners of those papers now?—A. It is advanced by the publishing company to take over the News.

Q. You don't understand my question. I am trying to find out—I understand the farmers own the Nonpartisan League and have moneys in the league. I want to know whether the league's money bought these papers?—A. No. You see, in the first place, the Leader was published on a contract. Fox and Wood began to publish the Nonpartisan Leader on a contract. The company that published the Leader was paid out of the subscription price of the Leader, and when the Courier-News was taken over it was bought by money belonging to the publishing company, not the Nonpartisan League.

Q. Then the Courier-News and the Nonpartisan Leader are owned by the owners?—A. The owners of the publishing company.

Q. And not by the Nonpartisan League?—A. No, sir.

Redirect examination by Mr. Murphy:

Q. Those funds originally came from the farmers?—A. Yes, sir; like everything else.

Q. And were used for the purpose of acquiring these papers under the direction of yourself and associates?—A. The funds came from the subscription price.

Q. The $5?—A. Yes, sir.

Q. And that is the same fund that went to buy the Courier-News? A. Yes, sir.

Recross-examination by Mr. Lemke:

Q. Mr. Townley, when the Leader was first published what company published it?—A. The Cooperative Herald, the Equity Publishing Co.

Q. And when that contract was made for the publishing that was made by whom, the agreement?—A. Fox and Wood, I believe.

Ed F. Wood having been called as a witness by the trustees was duly sworn, and testified as follows:

Direct examination by Mr. Murphy:

Q. You are the Ed F. Wood testified to here as the owner of the Nonpartisan Publishing Co.?—A. Yes, sir.

Q. How old are you?—A. Twenty-seven.

Q. What was your business before you became connected with this organization?—A. Farming.

Q. Own any farm lands yourself?—A. Yes, sir.

Q. How much?—A. Half a section.

Q. Where?—A. Near Deering, 157–81.

Q. North of Minot?—A. Northeast of Minot.

Q. Still own that land?—A. I have an equity in it; yes.

Q. When was it you became connected with the Nonpartisan Publishing Co.?—A. In the fall of 1915.

Q. Had you known Mr. Fox for some time before that?—A. I had.

Q. How long?—A. About—oh, I suppose six months.

Q. You had met him through Mr. Townley?—A. No, sir.

Q. Where?—A. Met him in Minot.

Q. What was his business?—A. Organizer.

Q. For the league?—A. Yes, sir.

Q. And your business was also organizer?—A. Yes, sir; exactly.

Q. You didn't put any money of your own into this Nonpartisan Publishing Co. aside from dues in the league? You didn't make any personal investment in it, did you?—A. It wasn't necessary.

Q. Well, you didn't, necessary or not necessary?—A. No; I didn't.

Q. And neither did Fox, did he?—A. Not that I know of.

Q. You fellows got together and said we will organize this company and get $5 a head out of each one of these members for running this paper, did you?—A. We considered starting this paper and running it in the interest of the Nonpartisan League.

Q. Who put the idea in your head?—A. I don't know. I get an idea once in a while.

Q. Well, we all do, but sometimes we learn from others. Didn't you get an inspiration from some other source, or was it spontaneous?—A. We had talked about it considerably.

Q. With Mr. Townley?—A. Yes, sir.

Q. As a matter of fact, the main idea was that of Mr. Townley, wasn't it?—A. There had been a lot of people talking about it.

Q. Well, I am not speaking about anybody else except Mr. Townley. He is the man that made the suggestion that you form this organization?—A. Yes, sir.

Q. Now you and Fox have had nothing to do directly with the management, control, and operation of that concern since its organization, have you?—A. Not directly; no.

Q. You haven't been down there in Fargo but very little of the time?—A. I have been there quite a little.

Q. Traveling around the State most of the time?—A. This last year I have been up on my farm.

Q. All of 1917?—A. Yes, sir.

Q. Been on the farm?—A. Yes, sir.

Q. And Mr Fox, where has he been?—A. Fox has been organizing for the league. I don't know where.

Q. Traveling around—A. Yes, sir.

Q. And this concern has been going on without the attention or direction of either one of you copartners?—A. Yes, sir.

Q. And you don't know anything about its financial condition?—A. In a general way.

Q. You don't know much about it?—A. We left that to the men who are paid to do that business.

Q. Leave it to the employees?—A. Yes; exactly.
Q. You copartners walk away and leave the business to the employees to take care of it?—A. No, sir.
Q. Do you get any salary?—A. No, sir.
Q. Have you ever got a penny as an individual?—A. No, sir.
Q. Do you know if Fox ever has?—A. Yes; I have got traveling expenses on one occasion.
Q. Well, that is what actual money that you paid out?—A. Yes, sir.
Q. So you haven't, in fact?—A. No, sir. I never received any salary.
Q. You haven't received a penny?—A. No, sir.
Q. And, as far as you know, Fox hasn't either?—A. No, sir.
Q. And if that concern has made any profit you don't know what became of it?—A. It wasn't organized for profit.
Q. If that concern has made any profit, you don't know what became of it?—A. Well, if any was made, it was used in the interests of the Nonpartisan League.
Q. Do you know that of your own knowledge?—A. No; I don't.
Q. That is your opinion—you mean that is what you believe?—A. Absolutely.
Q. But the fact is something that you can't testify to—you don't know what became of the money or who used it or where it goes, do you?—A. I know that whatever money, if there is any money made out of the corporation——
Q. It is not a corporation, is it?—A. Or the publishing company.
Q. The publishing company is not a corporation, is it?—A. No.
Q. Now, this paper does a great deal of advertising, doesn't it?—A. I imagine so.
Q. You don't even know that—do you read the Nonpartisan Leader?—A. Occasionally.
Q. I call your attention to the copy of the 21st of January, and ask you if it is not a fact that there is a great deal of advertising matter in there, quite a bit of it?—A. Yes.
Q. It is, as a matter of fact, an advertising medium used to quite an extent?—A. Yes, sir. It is a good medium. I don't know how far it is patronized.
Q. You don't know even that?—A. Not to what extent it is patronized.
Q. You are not familiar with any of the details?—A. I leave that to the newspaper men.
Q. And you don't know what money they make out of advertising?—A. I don't.
Q. Or what becomes of it?—A. No, sir.
Q. You are 27?—A. Yes, sir.
Q. Married or single?—A. Married.
Q. You spent most of your time on the farm in 1917?—A. I did.
Q. You are game warden, State deputy?—A. Yes, sir.
Q. And occasionally you go around on that business?—A. I did on a few occasions.
Q. Where is Mr. Fox?—A. I couldn't say where he is right now. The last time I saw him he was in St. Paul.

Cross-examination by Mr. Lemke:

Q. What was the purpose, as you understand it, of the Nonpartisan Leader or Publishing Co.?—A. The purpose of the Nonpartisan Publishing Co. was to publish a paper in the interests of the farmers of North Dakota for good government.
Q. You are not concerned with the profits as much as the interests of the farmers as you see it in the publishing of that paper?—A. No; I am not concerned in the profits.
Q. If there are any profits made, does it meet with your approval or consent that they should be used by the Nonpartisan League for political purposes?—A. Absolutely.
Q. You have no arrangement or agreement with Mr. Townley that he is to receive more than the salary stated?—A. Not any.

By the Referee:

Q. Mr. Wood, you and Mr. Fox bought the paper—did you get a bill of sale when you bought it?—A. There wasn't any paper.
Q. You just started it and bought machinery gradually, as the dues came in?—A. When the paper was started it was published by the Cooperators' Herald on contract.
Q. How long was it published that way?—A. Oh, I don't know, about from the fall until the spring, some time.
Q. When did you acquire a plant of your own?—A. It must have been along in May—April or May—some time before the primary election. I don't just remember exactly. In the spring anyhow.
Q. Now, have you signed any agreement—is there any agreement in writing whereby it is understood that there are to be any profits in this paper, as far as you and Mr. Fox are concerned?—A. Absolutely not.
Q. Have you anything to show your ownership of the paper, of the publishing company?—A. Well, I don't know. I have got some stock in the Courier-News.
Q. That stock in the Courier-News was bought with the proceeds from the Nonpartisan Leader?—A. I think that is the idea.
Q. And that stock is your own?—A. It is in my name; yes, sir.

Redirect examination by Mr. Murphy:

Q. Where is it?—A. It is in safety deposit vault in St. Paul?
Q. In your safety deposit vault?—A. Well, I use it.
Q. It isn't yours, though?—A. I don't pay for it; no.
Q. When did you decide to move to St. Paul?—A. I haven't moved to St. Paul.
Q. I mean the office of the company?—A. The league or Nonpartisan Publishing Co.?
Q. The publishing company?—A. That was moved down there not very long ago.
Q. As a matter of fact you didn't have anything to do with it?—A. Absolutely not.
Q. You weren't consulted?—A. Mr. Townley is paid for directing the work of the Nonpartisan Publishing Co., and he gets men that are competent and capable to handle that business, and I don't know anything about the printing business.
Q. He runs the whole thing, and you are willing to trust him to do it?—A. Yes, sir; if I wasn't, I wouldn't hire him.

Recross-examination by Mr. Lemke:

Q. When you say Mr. Townley, do you mean Mr. Townley or the Nonpartisan League?—A. I mean the Nonpartisan League.
Q. Is there any agreement of copartnership between yourself and Mr. Fox.—A. Yes, sir.
Q. Now, you say you started the paper; that you didn't buy it. When you first started, who did you deal with to print it?—A. A. M. Baker.
Q. Did you and Mr. Fox agree to pay him, or was the league back of it?—A. I don't remember exactly. I think I was there at the time the arrangements were made.
Q. You never received any funds from Mr. Townley, or did you receive any funds from Mr. Townley to start this paper with?—A. No.
Q. The only funds you received were from the subscriptions and the subscribers gotten for you from the membership of the Nonpartisan League through the Nonpartisan League?—A. Yes.

Redirect examination by Mr. Murphy:

Q. As a matter of fact you have never had anything to do with that paper at all, except nominally?—A. Well, Mr. Fox and I own the paper.
Q. In name only?—A. Well, we own the paper; and as long as it is properly directed and run in the interests of the farmers of North Dakota we are satisfied to have it run that way.
Q. You own the paper, and do you own a majority of the stock in the Courier-News?—A. Yes, sir.
Q. And never put a dollar into either one of them?—A. No, sir.
Q. How much are those papers supposed to be worth?—A. I don't know.
Q. Have you any idea?—A. No, I haven't—an approximate idea.
Q. Well, give us an approximate idea.—A. The Messenger says they are worth $70,000.
Q. Are you willing to take the Messenger's word for it?—A. Not altogether.
Q. If you have got any amendment to make to that, how much would you say they are worth?—A. I would think the Courier-News perhaps worth $40,000 or $50,000.
Q. And how about the Leader?—A. I believe the Leader is being published on contract now.
Q. I am not asking about that. I am asking about the value of this property that you claim you and Fox own?—A. Well, I haven't—the Leader has been growing considerable, and I haven't paid much attention to it. In fact it is worth considerably more than when it was started.
Q. That may be true, but that doesn't answer my question. As a matter of fact, you don't know anything about it, do you—what it is worth, who is running it, how it is being run, who is financing it, what the bills are, who are paying the bills, or any of the numerous details in connection with the operation of that institution?—A. I know it is being run to suit me.
Q. You haven't anything to say about it?—A. Yes, sir.
Q. Do you mean to say that you and Fox could go down there and fire anybody connected with both of those institutions and take charge to-morrow?—A. Not to-morrow, I don't suppose, but as owners of the papers we could.
Q. You don't intend to do that?—A. Not as long as the paper continues in its present capacity.
Q. Do you ever dictate to these gentlemen what you want done?—A. Why, no. We make suggestions once in a while and they are acted on.
Q. Now, you stated when I was examining you that you were satisfied with the way Mr. Townley was running the paper?—A. I am.
Q. And then Mr. Lemke brought out of you that you meant the Nonpartisan League. You don't pay the Nonpartisan League?—A. No.
Q. You pay Mr. Townley $100 a month?—A. Yes, sir.
Q. And he is the man you look to?—A. Oh, I didn't understand his question exactly.
Q. You misunderstood Mr. Lemke's question?—A. Yes; if I said that.

Recross-examination by Mr. Lemke:

Q. Do you mean the publishing company is run in the interests of the National Nonpartisan League?—A. Yes; that is what I thought you meant.
Q. Has Mr. Townley any financial interest in that paper?—A. Not outside of the $100 a month he gets.
Q. As a matter of fact, is the relation between the Nonpartisan Publishing Co. and the National Nonpartisan League very close?—A. Yes, sir; very close.
Q. Practically one?—A. Yes, sir; I might say so.

A. C. Townley, recalled as a witness, testified as follows:

Mr. TOWNLEY. The Nonpartisan Leader was organized as a copartnership as a matter of protecting the members of the Nonpartisan League. The Nonpartisan Leader has not been organized as the property of the Nonpartisan League, because it would have been easier for the enemies to convince the members that they were liable for all of the debts of the organization and they wouldn't have joined, and they would have been liable for the debts of the organization. Whenever any machinery is purchased the manager of the paper or Mr. Wood signs notes, and the copartnership is liable and nobody else is liable. If the paper makes a mistake, it is the mistake of the paper and not of the organization, and Mr. Wood or Mr. Fox were not urged and no arrangement was made with them to publish the paper, because they are newspaper men or publishers, and have a wide experience, but because they understand the purpose for which this paper was to be run, and will, in so far as their ownership enables them, protect it in serving that purpose, and are not running the paper for profit, but to serve the purpose of this organization and protect the organization. Mr. Wood and Mr. Fox are in a position, just as you, Mr. Murphy, and anybody else, would be in a position if they wanted to demand the whole $5 to take the paper to-morrow and run away with it, or use it against the organization, but any time they did that their contract would shortly expire.

Redirect examination by Mr. Murphy:

Q. But the main purpose is to have a nominal copartnership for the purpose of fixing liability somewhere?—A. Yes, sir.
Q. But the intimate relations between the league and the publishing company are such that in everything except form, the external form of the thing, the league really owns the paper?—A. That is practically correct but not actually correct.
Q. Of course, your statement contains the substance of what your counsel and advisors have told you the legal effect is?—A. Yes; and the psychological effect on the membership. We bought some machinery when we started to publish the paper, and if there was one there were twenty-five league members came in and wanted to know who was in debt for that machinery. Mortgages had been filed, and they wanted to know if they had to pay. If they had to pay they wouldn't have stayed very long in the organization.
Q. So you got up this idea to escape this feature of it?—A. Yes, sir.

By the referee:

Q. The only interest I see that this proceeding has in the Nonpartisan Publishing Co. is whether or not this property, of quite a value, the Nonpartisan Leader and the Daily Courier-News, is in position that it is just held nominally until such a time as there is a division made of it, so that in the course of events you would get an interest in it. Are you at any time going to get an interest in these properties?—A.

Well, I have no arrangement and no understanding that I will either own the Nonpartisan Leader or the league or the farmers that are members.

Q. Not the league, but the Leader and the Courier-News?—A. I have no arrangement.

Q. And Mr. Fox and Mr. Wood and the other stockholders of the Courier-News have acquired their rights in the paper just through—just as holders for themselves to relieve the league from any liability?—A. As holders for themselves. When we undertook this enterprise we had no knowledge whether it would succeed or wouldn't. And if it had not been a success Mr. Wood and Mr. Fox would have been holding the sack for the machinery they bought at that time.

By Mr. Murphy:

Q. As a matter of fact, in the fall of 1915 you had a pretty good idea?—A. We were successful in this measure that we had a half-bushel basket of post-dated checks, none of which had been paid, and which nobody said would be paid.

Q. But they were paid?—A. They were paid finally.

Q. You had an idea they would be?—A. I had very high hopes they would be paid.

Q. A whole half bushel of them?—A. Yes, sir; $6 checks.

Q. So that, when these gentlemen started in in the fall of 1915, they knew they had this half bushel back of them?—A. They weren't good enough so any responsible publishing house would look upon them as security. We had to take a publishing house without much experience.

Q. Had to have a lot of faith?—A. Yes, sir.

By Mr. Lemke:

Q. Isn't it a fact that some of the publishing companies refused to have any dealings with the political league as such?—A. Not only the publishing companies, but several others.

Q. They wanted somebody better, either corporation or individual, outside of the league with whom they would do business?—A. They wanted to do business with something that had a better standing than the league at that time.

Q. Weren't some checks thrown back, saying that the league had no legal standing or existence because it was not incorporated or was not a copartnership?—A. Not some, but hundreds, thousands, of them.

Apart from collecting $16 dues from farmers in politics and making certain other concessions to farmers in politics, who demand seed from the Government, Mr. Townley may be all right. The Minnesota papers report that he has recently been indicted for seditious utterances. At any rate, he and his league are not much in favor with the governor of Minnesota, as the following report from one of the St. Paul papers shows:

GOVERNOR SCORES NONPARTISAN LEAGUE AS TREASONABLE IN LETTER TO OFFICER—BURNQUIST REFUSES INVITATION TO ATTEND RALLY TO STIR CLASS DIVISION—TOWNLEY ORGANIZATION CALLED PROPAGANDIST—EXECUTIVE DENOUNCES PARTY OF DISCONTENT AS ATTRACTING PRO-GERMANS—AFFILIATION WITH LAW VIOLATORS IS CHARGED—STATEMENT RECITES PEOPLE'S COUNCIL, INDUSTRIAL WORKERS OF THE WORLD, AND RED SOCIALIST ACTIVITY.

Charging the Nonpartisan League with disloyal propaganda and arraigning its heads for stirring up factional and class feeling when the country should be working solidly and whole-heartedly for winning of the war, Gov. J. A. A. Burnquist to-day delivered the most scathing condemnation of the A. C. Townley organization that it has yet received.

The governor's condemnation of the league and its heads was made in a letter to Arthur Le Sueur, former socialist mayor of Minot, now "executive secretary" of the league, declining an invitation to address the league's coming campaign rally.

THE GOVERNOR'S RALLY.

The governor's letter follows:

"DEAR SIR: Your invitation to address the Nonpartisan campaign rally is declined by me for the following reasons:

"The name of your league implies that it is nonpartisan, but in fact there is no organization more partisan. At this time, when other political parties are trying to put aside, for the good of the country, any factional spirit that might exist, your organization is doing everything within its power to increase it.

"At the time of our entrance into the European conflict your organizers condemned our Government for entering the war. When it became apparent that this course would result in disaster for their organization they changed their course and made an eleventh-hour claim to pure loyalty; but, notwithstanding this claim, the National Nonpartisan League is a party of discontent. It has drawn to it the pro-German element of our State. Its leaders have been closely connected with the lawless I. W. W. and with the red socialists. Pacifists and peace advocates, whose doctrines are of benefit to Germany, are among their number.

CATERS TO LAW VIOLATORS.

"Those in charge of the league have catered to that faction of labor which has violated the law and been opposed to compliance with just orders of duly constituted authority. The leading agitators in your party have through their speeches and the circulation of contemptible falsehoods encouraged disrespect for honest and patriotic men in public positions. These selfappointed leaders, with whom you are associated, have been and now are endeavoring to get farmers to oppose business men and employees to oppose employers. They state, in your party principles, that 'the great thing the farmers need to-day to win is to stick by your organization to cooperate with wage workers' organizations in the cities and together win control of the powers of the State government and then the National Government.'

PEOPLE'S COUNCIL RECORD REVIEWED.

"You, who sign yourself as the executive secretary of the league, were connected with the people's peace council, which, through my proclamation of August 28, 1917, was barred from holding meetings in this State and thereafter in Wisconsin and Illinois, but which was invited to North Dakota by its governor, who was elected through the efforts of your league. The cheering and the applauding of the unpatriotic utterances of Senator LA FOLLETTE at your last convention put a stamp of disloyalty on it that can never be erased. Your present publicity agent lost the position he held at that time because he supported LA FOLLETTE'S unpatriotic ideas, and after his discharge by his employer he was employed by your nonpartisan league. Another of your leaders, Joseph Gilbert, called a director and manager, I believe has been convicted by a jury because of his disloyal utterances. He, together with Mr. Manahan, attorney for your organization, patriotically used a strike situation here to advance the political interests of the league.

SAFETY BOARD MALIGNED.

"These two men have maliciously slandered public-spirited members of the public safety commission in an effort to bring together the farmers and wage earners for the political purposes of your political party's self-constituted leaders, who are neither real farmers nor real laborers but self-seeking demagogues whom the actual farmers and the actual laboring men of our State will sooner or later find are nothing but pretended friends—wolves parading in sheep's clothing.

"You, who appear to be the executive secretary of this organization, were the attorney who defended the murderers in the I. W. W. trouble on the range two years ago and who has assisted the I. W. W. organization which has publicly announced that it is its intention ultimately to take the farms from the farmers, whose headquarters since the commencement of the war have been raided by the Federal Government and whose members are now taking refuge in such organizations as the National Nonpartisan League.

LEAGUE INIMICAL TO FARMERS.

"How, under such circumstances, the farmers of Minnesota, who have been threatened with the loss of their farms, who have time and again been compelled to appeal to peace officers for protection against members of this lawless, anarchistic organization, can now join a league with promoters whose sympathies have been with this lawbreaking Bolshevik element in our society, is well nigh incomprehensible. The only explanation that can be given is the fact that some of the leaders and organizers of the Nonpartisan League are evidently not yet known as well to the farmers and laborers of our State as they are to those who have had more experience with them.

"Another reason for declining your invitation is the possibility of construing my presence at your partisan campaign rally, by some, as an indorsement of your propaganda. It is of course the duty of the governor to be fair to all classes, and to oppose any program which is apt to result in a division of our State into classes. Such arraying of class against class would be welcomed by the enemies of our Republic, for such a course will tend to defeat our Nation in this war, and will eventually mean the dissolution of our form of government and the undermining of the economic and political freedom of our people. He who, in normal times, needlessly arrays class against class is most often the ambitious demagogue, but any individual who will do so when our Nation is in a life and death struggle is knowingly or unknowingly a traitor to his State and to his country.

"In declining to speak at your party's rally I wish to say, further, that for me there are during this war but two parties—one composed of the loyalists and the other of the disloyalists. The only party whose cause I shall strive at this time to advance is the party composed of those Americans who, heart and soul, are loyal to their country. The only issue that to me is paramount at this time is the winning of this war, and that can not be done 'if our house is to be divided against itself' through false accusations on the part of political agitators, such as those who head your organization.

OPPOSES ANTIWAR AGITATORS.

"The only party and politicians whom I am in this campaign going to oppose are that party and those politicians who for party purposes, by innuendo or otherwise, are discouraging our people by claiming this is a war begun by the rich, or that the burdens of the conflict will fall more heavily on one class than another, or make statements which in some other way will lengthen the conflict by creating dissatisfaction at home and thus indirectly cause the death of additional thousands, if not millions, of our fellow citizens on European battlefields.

"We all agree that war profiteers should be dealt with as drastically as it is possible to deal with them, but it can not be said this is 'a rich man's war,' for those who have gained most from it would have made greater profit if the United States had not entered it.

"I hold no brief for any class, but to make the farmers or laboring men believe their sons are discriminated against in this war, as implied in your statement of principles, is treasonable conduct, for the rich man's sons are conscripted proportionately to a greater extent than the sons of the farmers and laborers.

FARMERS MOST FAVORED.

"This is apparent because of the exemption of those needed to support their dependents and the exemption allowed because of agricultural and industrial pursuits. Up to this date about 5 per cent of the male population of this country has been called, and 90 per cent of the war taxation has come from business profits and income, falling mostly on those best able to pay it. If anyone for money reasons would strive to continue this war or make unreasonable profit through the carrying on of the same, such an individual is as much of a traitor to his country, but no more of a traitor, than he who would use this time to divide our forces through the creation of class hatred and factional discontent.

BIG BUSINESS ATTACKED.

"Your leaders are continually attacking what you term 'big business.' Personally I am as strongly opposed as anyone to what is known as government by 'big business.' I would be equally opposed to a government by any particular industrial class. The public official who would allow himself to be controlled by the self-appointed guardians of some certain element of society would thereby render himself unfit to hold public office.

"If I, as governor of this State, would permit myself to be put in a position where I could be compelled to cater to any particular set of men, or where I could not be fair to organized or unorganized labor, to farmers' organizations or any other organizations, to big business or little business, I would be unworthy of the confidence of the voters of our Commonwealth, who can freely or secretly exercise their right of franchise without the payment of $16 to unscrupulous schemers for the privilege of voting or being told how to vote.

DOUBTS SINCERITY OF PURPOSE.

"Knowing as I do the political ambition of your organization, and the false charges that some of its leaders and agents have made through your official newspapers against honest and patriotic public officials, I can not believe that back of the invitation you have sent me is any sincerity of purpose. The failure on the part of anyone to turn over the State government to those of your officers who have assumed the organization of the alleged nonpartisan league and the control of the millions of dollars collected from its members will undoubtedly create opposition, but I know that such men, pretending to be friends of some particular class and deceiving some well-intentioned people, can not long continue their policy of deception, for the patriotic farmers in the country and the loyal laboring men in the city know that

their true friends are among those who strive for the maintenance of law, order, and justice, and especially in this, the most serious hour of our history, for that unity of the American people essential to the successful termination of the war."

To the foregoing it will be illuminating to add this additional report of the Townley bankruptcy proceedings. It is from one of the St. Paul papers of a day or two ago:

LAWS RULING NONPARTISANS KEPT SECRET—CONSTITUTION AND BY-LAWS REFUSED IN BANKRUPTCY HEARING; UNCERTAIN THAT THEY EXIST—HEAD DRAWS OWN CHECKS—PERSONAL ACCOUNT OF PRESIDENT IN MANY BANKS, IS TESTIMONY—SOME BOOKS DESTROYED.

[By Larry Laurence.]

As long as the good right arm of A. C. Townley does not become paralyzed, his authority for personally expending the funds of the farmers in the Nonpartisan League would seem to be secure. For the "good of the cause" Townley can draw a check for any amount against the funds of the league and spend it how and where he will, it was brought out in bankruptcy hearing before Referee Gideon S. Ives in the St. Paul court yesterday.

Deposition by Mrs. Blanche Staake, formerly of Dilworth, Minn., declared that during the summer of 1916 at Detroit Lake Mrs. Townley had said that she had deposited for her husband in her own name $61,000, to prevent his creditors from obtaining money due them. Mrs. Townley denied this and the statements of other depositions presented.

BY-LAWS A MYSTERY.

If there are any by-laws or constitution setting forth the purposes and limitations of the organization known as the Nonpartisan League, the whereabouts of this document or documents is made a mystery by officials and attorneys of the league, according to yesterday's evidence.

Thomas M. Keyes, who admitted he is supposed to be the custodian of all documents, said he did not know if such documents existed. Attorneys refused to produce them in court.

TOWNLEY'S ACCOUNT.

Accounts of the Nonpartisan Publishing Co. are kept with the accounts of the Nonpartisan League, and Mr. O'Leary, the personal secretary to Mr. Townley, is one of the directors of the Consumers' Store Co., creating a zigzig line leading to the head of the organization. No papers are known to exist that set forth the power or limitations of authority of Townley or accrediting him with any specific duties, and if they do exist, attorneys for the league say they will not be produced.

Thomas M. Keyes, cashier of the Nonpartisan League, treasurer with the league exchange and former treasurer pro tempore of the United Stores Co., yesterday outlined for the first time the system by which the league maintains a "Townley account," subject exclusively to Townley's ideas on expenditures for "the good of the cause."

WHERE IS AUTHORITY?

The testimony of Mr. Keyes regarding Townley's authority to disburse the funds follows, the questions being asked by Attorney Frank Murphy, of Minot, N. Dak., seeking to discover what funds Townley may have had that are subject to the demand of creditors whom he owes $79,000:

Q. Then you say there are articles of association in existence.—A. There were.

Q. You do not know where they are now?—A. I do not know.

Q. Your counsel has just informed you they are in existence and he has them?—A. Yes, sir.

Q. Although the general records are supposed to be in your custody?—A. Yes.

AUTHORITY DOUBTFUL.

Q. You know of no other records or files or documents of the Nonpartisan League that would show the power and authority of Mr. Townley with respect to the disbursement of the funds of the league?—A. No, sir; no.

Q. No document has ever been in your possession dealing with that matter?—A. No.

Q. You refuse to produce the records and documents dealing with the power and authority, if there is any, given to Mr. Townley with respect to the handling of funds of the Nonpartisan League?

Mr. LEMPKE. We refuse to produce the articles of association for political reasons, which has no bearing on Mr. Townley's affairs.

RECORDS ARE REFUSED.

Q. Have you any records in regard to what his authority is in respect to the league?

Mr. MANAHAN. That is immaterial as to whether he has any funds.

Q. But you will not produce them, Mr. Lempke, if you have any?—A. No.

Q. Have you got any; will you answer that?—A. I decline to answer.

Q. Mr. Keyes, do you sign all the checks of the Nonpartisan Leauge?—A. I countersign them.

Q. And they are signed by Mr. Townley?—A. Yes, sir.

Q. You are merely an employee of that organization?—A. Yes.

Mr. BAER. Will the gentleman yield? I want to tell the origin of this bill.

Mr. MOORE of Pennsylvania. I yield to the gentleman.

Mr. BAER. When I came down here to Washington I came from one of the greatest wheat-producing countries in the world. I came from what is known as the bread basket of the world, and I wanted to specialize in food production. I went to see Mr. Hoover to find out what I could do to help increase the food supply, and Mr. Hoover is the man who suggested this measure.

Mr. MOORE of Pennsylvania. I am inclined to think the gentleman is not so much influenced by Mr. Hoover as he is by the president of the Nonpartisan League.

Mr. BAER. And Mr. Hoover said Congress could make appropriations to make advances to the farmers, against crops and animals.

Mr. MOORE of Pennsylvania. I can not yield further. I have tried to compliment the gentleman by saying that he is the first representative of his organization in this House, and he has had so much influence here with the members of the Agricultural Committee that they adopted his language, his methods, and his quotations in their report. Did the gentleman from North Dakota quote Lord Rhonnda about the needs of the allies? Yes; and the Committee on Agriculture adopted the language of Lord Rhonnda. Did the gentleman from North Dakota [Mr. BAER] quote the language of David Lubin, of Rome, on the necessities of agriculture in the United States? Yes. Look in the report of the Committee on Agriculture and you will find that our usually careful Committee on Agriculture adopted what the gentleman from North Dakota said was said by David Lubin, of Rome.

Mr. BAER again rose.

Mr. MOORE of Pennsylvania. No; I can not yield. Did Herbert Hoover say anything to the gentleman from North Dakota, and did the gentleman from North Dakota say it to the Committee on Agriculture? Yes. Look in the report of the Committee on Agriculture and you will find there the exact language of the gentleman from North Dakota. All these things the Committee on Agriculture accepted from the representative of the Nonpartisan League. They swallowed his bait, hook, line, and sinker, and they have brought his bill into the House somewhat modified and sugar-coated for the benefit of both parties. But did the gentleman of North Dakota [Mr. BAER] tell the Committee on Agriculture what the Secretary of Agriculture said about his $50,000,000 free-seed bill for indigent farmers? Not a word.

Mr. BAER. Can the gentleman tell what the Secretary of Agriculture said?

Mr. MOORE of Pennsylvania. Does the Committee on Agriculture say what the Secretary of Agriculture said? Can they quote anything the Secretary of Agriculture said in support of this bill?

Mr. BAER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. No; I challenge any one of the Committee on Agriculture to say what the Secretary of Agriculture, who had large appropriations for the purchase of seeds for the farmer, said. I challenge them to quote him in one single word or line indorsing this socialistic proposition of the gentleman from North Dakota which you gentlemen propose to swallow.

Mr. YOUNG of Texas. The Secretary of Agriculture was against the proposition and so stated.

Mr. MOORE of Pennsylvania. There you have the testimony of an honest man. [Laughter and applause.]

Mr. HOWARD. And a member of the Committee on Agriculture.

Mr. MOORE of Pennsylvania. An honest man and a member of the Committee on Agriculture.

Mr. BAER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. No. Now let the brilliant chairman of the Committee on Agriculture [Mr. LEVER] place his hand on his heart and declare before high heaven that these boys of ours over yonder in the trenches must be supported by this $10,000,000 grab bill. I summon the gentleman from Texas [Mr. YOUNG] as a witness to the fact that the Secretary of Agriculture of the United States says that this matter of seed is already provided for, and that we do not need to give seed away to men who have nothing to pay for the seed. Boiled down, what is the proposition of the bill? Every honest farmer, every hard-working farmer, every farmer who has got property and character enough to get loans from a bank, or anybody else who will trust him, can get all the money he wants for seed; but any farmer who has been shiftless, who has not been thrifty, who has not saved up, who has not built a home, who has not got any of the tractors that my eloquent friend from New York [Mr. DEMPSEY] was referring to, can go to the United States Treasury and get $450 on his promise to pay it some day. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. And to show that the disease is contagious, Mr. Chairman, I insert, under leave granted, a dispatch from this evening's Washington Star showing that the Russian reds would also like to have the American taxpayers furnish them seed on similar terms:

RUSS PAPERS TELL HOW UNITED STATES CAN HELP—COULD ARRANGE CREDIT ON FAVORABLE TERMS TO PEOPLE, THEY EXPLAIN.

Petrograd, Russia, March 23.—Semiofficial newspapers, commenting on several cables received by the soviet government from America, expressing sympathy with Russia and offering detachments to the red army, say that America could render more substantial help, which would be greatly appreciated. Having spent more than 50,000,000,000 rubles ($25,000,000,000) in an unfortunate war, Russia is unable to buy the necessary goods with cash, and especially to pay in gold.

America, they say, could meet the needs of the Russian people by arranging a credit on favorable terms. With such credit goods and supplies Russia's political and military organizations would soon become stronger, the country would quickly revive, and be enabled to acquire the wealth by which it could fully pay America for the assistance rendered.

Mr. DEWALT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

Mr. DEWALT. It is an amendment to the amendment.

Mr. LEVER. Mr. Chairman——

Mr. DEWALT. I defer to the chairman of the committee for five minutes.

Mr. LEVER. Mr. Chairman, the gentleman from Pennsylvania [Mr. MOORE], always interesting, always vigorous, usually wrong [laughter], has made a terrific assault upon this bill and upon the committee which is responsible for reporting it favorably to the House. The gentleman from Pennsylvania calls upon the chairman of the Committee on Agriculture to put his hand upon his heart and give to this committee of the whole any testimony to the effect that the Secretary of Agriculture was favorable to the proposition now under consideration. The gentleman from Pennsylvania did not quite say that. The gentleman from Pennsylvania very shrewdly asked me to show any testimony upon the part of the Secretary of Agriculture that he favored the original proposition introduced by the gentleman from North Dakota [Mr. BAER]. That, of course, is a trick of one long used to the game. I say that in no spirit of criticism to my genial friend from Pennsylvania.

Mr. MOORE of Pennsylvania. I referred to the $50,000,000 Baer bill.

Mr. LEVER. I want to give testimony of the Secretary of Agriculture on the bill that we are considering. We are not considering the $50,000,000 appropriation bill.

Mr. MOORE of Pennsylvania. Is it not reported as the bill of the gentleman from North Dakota by the committee?

Mr. LEVER. It is a substitute bill for the bill of the gentleman from North Dakota.

Mr. MOORE of Pennsylvania. Is not the name of the gentleman from North Dakota attached to the bill?

Mr. LEVER. Now, I want to read a letter to me dated March 20, 1918, which has already been read into the RECORD by the gentleman from Missouri [Mr. RUBEY]. It is as follows:

MARCH 20, 1918.

DEAR MR. LEVER: As you know, when the Secretary recently appeared before the Committee on Agriculture he stated that he would be sympathetic with any plan that could be devised and operated on a business basis for assisting farmers in the spring-wheat areas who are unable to secure credit for the purchase of seed. The Secretary, as you know, is attending a series of war conferences which are being held in the South under the auspices of the Committee on Public Information. I have called his attention to the bill (H. R. 7795) which was reported favorably by the Committee on Agriculture on March 8, and I have received word from him that he believes the plan proposed would be workable, and also that he favors the new measure and urges its immediate passage.

That is what the Secretary of Agriculture said.

Mr. YOUNG of Texas. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. YOUNG of Texas. When the Secretary was before our committee with the original Baer bill before it calling for $50,000,000 appropriation, and that part of it which authorized the expenditure of the money in selling seed wheat on time to the farmers, did not the Secretary oppose it and say that that was not good business, and have his remarks ever been printed?

Mr. LEVER. No; and the gentleman from Texas knows why; because they were taken in executive session at the request of the committee and of the Secretary of Agriculture.

Mr. YOUNG of Texas. Was it not further understood that they were to be edited, and the parts permissible to be printed were to be printed, and now the Secretary takes backwater and we have not the testimony printed before the House?

Mr. LEVER. I will say that the Secretary of Agriculture has just returned to Washington. I had a talk with his secretary the other day about these notes. He tells me that the Secretary has not had time to look them over, much less to revise them. As I recollect it, the Secretary stated before the committee that if it would give him a workable plan he would be in favor of it as a means of increasing the acreage of wheat to the limit.

Now, the trouble with the gentleman from Texas and the gentleman from Pennsylvania is that they are obsessed with the name of the bill. There has not been a single argument presented by the leaders of this body—and I say it deliberately without fear of contradiction—against this bill except that it happens to originate in a particular way. As far as I am concerned, I have been here 16 long years in this body—I do not know how long I will be here—but I say this to you, that if I were the worst partisan in Congress I would bury my partisanship in order that my country's life and honor might be saved. [Applause.]

I may say further to you, my friends—and I am sorry the gentleman is not on the floor, but I think I can say it without violating any confidence—that a greater man in this country than the Secretary of Agriculture has indorsed this bill. I believe that at the proper time I shall be able to read into the RECORD, if this picayunish opposition continues, a letter from no less a man, no less a distinguished patriot, than the Commander in Chief of the Army and the Navy of the United States. [Applause.]

Mr. LAZARO. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. LAZARO. The chairman and other gentlemen on the committee have been quoting the Secretary of Agriculture this afternoon.

Mr. LEVER. Yes.

Mr. LAZARO. I have always been told that a chairman had to have two qualifications—to know his bill and to have patience.

Mr. LEVER. I hope I have both.

Mr. LAZARO. I know the gentleman has both, and the question I want to ask is if, in his judgment, this is a good bill?

Mr. LEVER. I say unhesitatingly, and I have said it in the gentleman's absence on matters of importance, that the only reason that would make me support the bill is that the time may come when there is great danger of breaking the bread line between this country and our allies and our fighting forces at the front, or inaugurating a bread line in our own country, and if I thought I could prevent it by an increase of the wheat production by 1,000,000 bushels by the expenditure of $7,500,000, it would be worth the expenditure—yes; if it were $7,500,000,000, as far as I am concerned. [Applause.] I am in favor of this bill.

Mr. KREIDER. Mr. Chairman and members of the committee, this bill would have no place in this House if it were not for the fact that we should strain every nerve to raise every pound of food possible. It is difficult for those who have never had any practical experience in a new country, a country that is just being developed, to understand the conditions that exist in such a country at that time.

Some years ago I had an experience in North Dakota, and I do not know that the conditions there then were such that the failure of the crop was an extremely serious matter. The banks were unable to finance the farmer. Those of us who have spent our lives in countries where money can be had and where security can be given may not be able to understand that the banks in a new country, where their resources are limited, can not finance the farming community. I believe that the Representatives who have spoken on this bill have endeavored to present the facts. I believe there are localities where settlers have gone who are not the owners of the land, but who have simply filed their claims and have invested their all in the purchase of farm machinery and farm stock, and I know that a failure for them would put them out of business. If it be true, as has been stated, that the probabilities are that we will be able to raise in the State of Montana alone thirty or forty million bushels of wheat if we pass this bill that we otherwise would not raise, I believe that alone is sufficient reason why it should be passed.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. KREIDER. Yes.

Mr. MONDELL. An even more important bread grain in Montana at this time is rye, and I have offered an amendment to include rye among the cereals that may be purchased under this bill. That is the cereal the production of which can be very largely increased, most largely increased, in that Northwest section.

Mr. KREIDER. I thank the gentleman for his information. What I was going to say was this: Along about 1890, 1891, or 1892 I was largely interested in farming wheat in North Dakota, and I know that bankers and banks there were absolutely helpless after two failures of the crop to supply the necessary seed for the farmers. I am told that counties in Montana have passed laws or ordinances authorizing the borrowing of $10,000 to lend the farmers with which to purchase wheat. That is an inadequate sum. They will require more money; and I see no reason, if it be true, as we are told it is true and have reason to believe that it is true, that we should get all of the wheat we can to the allies and our soldiers abroad, I see no reason why men should get on the floor here and denounce this bill as a graft bill when they have passed bills here that would make this bill look like 30 cents.

Mr. RAKER. Mr. Chairman, the gentleman has given us his experience as a wheat farmer. With wheat at $5 a bushel for seed, and with a limit of $450, is it not important that the matter should be left in the discretion of the Secretary, and that amount raised so that the real farmers can get the seed?

Mr. KREIDER. Primarily this bill is designed to assist the beginners who have approximately 160 acres of land.

By unanimous consent Mr. KREIDER was granted leave to extend his remarks in the RECORD.

Mr. DEWALT. Mr. Chairman, I have an amendment which I desire to offer.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Amendment by Mr. DEWALT: Page 4, line 6, strike out "$450" and insert "$600" in lieu thereof.

Mr. DEWALT. Mr. Chairman, I do not propose in any argument that I intend to make to accuse anyone of insincerity. I desire to give to everyone on the floor of this House the same credit for sincerity that I would request for myself in regard to any measure. Nor would I, on the other hand, say that this is a matter of partisanship, and therefore I disagree with my good friend and colleague from Pennsylvania [Mr. MOORE]. It seems to me that the only question before us is this: Is this really a good bill? There, again, I beg leave to pass a remark in correction of one of the statements of the chairman of this committee. If this is not a good bill, even though the President of the United States might countersign the same, it should not be passed, and I resent, for the President, the intimation that he would favor legislation on partisan grounds, whether good or bad. I take the broad ground that when I came to Congress I did not resign my manhood, and I take the further stable ground that I did not resign my intellectual power, and I did not give that into the care and keeping of anyone except my God and myself. [Applause.]

Therefore the plain question here is, Is this a good bill? And if it is we ought to vote for it, and if it is not we ought to vote against it. What is the fault in this proposition? In the first place, it is a regular Pandora's box. It seeks to give to everyone in a particular locality $450 for the purchase of seed. If this be a Pandora's box, I want it opened wider. I had intended in proper time, but I was excluded by limitation of debate, to offer the very wise, the potent, and far-reaching amendment that it should include buckwheat. Why buckwheat? I come from the great State of Pennsylvania. Alongside of the boundaries of Pennsylvania is the great State of New York. The grand hills of Pennsylvania and New York in the fall of the year are clad with the fleecy white of the ripened buckwheat. This buckwheat goes into the making of buckwheat cakes, and therefore we should have buckwheat for our soldiers from Pennsylvania and New York, because there are more in the draft from Pennsylvania and New York than from any other two States in the Union because of population. But I am not satisfied with buckwheat. I want also to include sorghum, because buckwheat cakes are not good unless we have sorghum.

Then, more than that, I desire that the southern people shall be taken care of in this matter, for we are to have lots of colored troops who will be charged with the defense of this Nation, and the Lord knows and the negro thinks that there is nothing better than "possum fat and 'lasses," and so I intend to include molasses before I get through with this. Just see how ridiculous the proposition is. If the men from a restricted district are to be given money to purchase seed, then why not say that every man who raises sheep in a certain restricted district shall be given $450 for the purpose of raising sheep, in order that we may have the wool supply increased, because that is also necessary for the clothing of the people who are at the front. Let us go further. Let us say that every man who raises cattle shall get $450, because we need hides to make boots, and the soldiers must wear boots or shoes.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DEWALT. Mr. Chairman, it reduces itself to an absurdity, and that is what it is.

Mr. MONDELL. Mr. Chairman, this bill is intended to increase the food supply of the country. Whether it will accomplish that purpose or not we do not know, but it is intended in good faith for that purpose. I have offered an amendment to include rye among the cereals that may be purchased, because of the fact that in the northwestern mountain section of the country the largest possible increase of production of bread-making cereal can be secured through the raising of spring rye.

It is the one absolutely sure crop in all that subhumid section, and if we are to assist the farmers of that section in the matter of seed we should certainly furnish them with seed rye as well as wheat. The bill therefore ought to be perfected by including rye among the cereals that may be purchased and sold to farmers.

Mr. SMITH of Michigan. Mr. Chairman and gentlemen of the House, I recognize the importance of aiding and encouraging agriculture. It is the greatest industry in the United States and one of the most important at the present time. It occurs to me that to increase the products and yield of the farm, if it can be done legitimately and in a way that is upright, would be quite the proper thing to do as a war measure. Now, I remember Congress voted the President of the United States the authority to use the Army and Navy and all the resources of our Republic for the winning of the war. I have heard the chairman of the committee say that this is a patriotic measure, a war measure, and an emergency measure, and I want to say that what he said about that appeals to me.

If this will aid in putting down or winning the war, then I am in favor of it. But I want to say that under the war powers given to our Commander in Chief, the President of the United States can buy and take over every ounce of seed wheat and every other crop there is in the United States. He can hire men to put it in. He can hire it cut. He can do that to-day outside of this bill just as well as he can send men into the forest to cut timber. I have read something of the testimony in this case, and may I say the more I looked into it the more complicated it and its origin became to me. I read how the gentleman from Texas [Mr. BLANTON] came before the committee and said that they had had no rain down there for a year and a half and they wanted this bill in order to aid them. Then I read about that bobtailed moth or some kind of a blight and the drought up there in North Dakota or Minnesota, and I find that they wanted this bill up there to aid them because they have had a failure of crops. Then I read from the reports that Minnesota had 66,000,000 bushels, North Dakota 61,000,000 bushels, and South Dakota 47,000,000 bushels of spring wheat last year—1917.

I was over in the Senate this morning and I heard a joint resolution from South Dakota, passed by the Legislature, both Senate and House, of South Dakota, stating that they did not want any of this aid and they did not approve of this "punk" talk that is going on down here in Congress, as far as that State is concerned. I heard the lady Congresswoman [Miss RANKIN] from Montana proudly reciting how much wheat they raised out there in Montana year after year, until I thought that was the greatest wheat-raising State in the world. It is not a shortage of seed. It is but an assistance and aid to the farmer that is wanted in the spring-wheat region because of crop failure. Now, if we are going to render aid to the farmers, let us begin right. Up in my State we have a patriotic governor, a modest, plain, splendid business man. He took the money in his pocket, and when the boys from Michigan and Wisconsin in the cantonment at Camp Custer were without rubbers and were catching cold and threatened with pneumonia and it seemed that the Government could not get rubbers, the governor went down to Chicago and the next day sent back 17,000 pairs of rubbers for the boys. [Applause.] That was no Indian gift.

He is not asking that we have any spring wheat; he is not asking to have them replaced. Our Federal reserve banks will allow the farmer to put his note in the bank for six months and that will be sufficient time to grow the wheat. Our National and State banks up in Michigan will loan money to any honest farmer for the purchase of seed or for buying young stock, and they are not too particular about any security, either. Up in our State we are expending $870,000 this spring for farm tractors—1,000 of them. Seed corn is now being shipped into Michigan by the carload from South Dakota and sold for $5 per bushel in order to aid the farmers to plant their crops. Michigan is a wonderful State, and if you gentlemen in those States into which the blight and rust comes and in which droughts last for a year and a half will settle and do your farming there you will avoid all that trouble. I invite you to come and live in Michigan, with its grand schools and church spires piercing the blue vault of heaven. It is one of Uncle Sam's best and greatest of States. It has the oldest agricultural college and the greatest university and schoolhouses on nearly every four corners; where the fields are veritable gardens and the people are prosperous.

Mr. VARE. Is the gentleman going to vote for the bill?

Mr. SMITH of Michigan. I can hardly tell; I want to see what the bill looks like when we get through with it. [Applause.]

Mr. Chairman, if the intent and purpose of this bill is all that is claimed for it, then it ought to receive the unanimous vote of this body. We appropriate money by the billions to aid in winning the war. I am glad we are able to do so. And I for one want to do everything possible to win. This contest has settled down to one between the United States and Germany. I am both for my country and winning the war. To me there is no semblance of a doubt as to the outcome if only our allies can hold out until we can develop our strength on a war footing. If England and France can withstand the attack of the entire forces of our enemies in solid mass, then it must follow that

when our Army is equipped and added to the forces of our allies we must win. No better fighting men ever fought in battle than the American soldier. He is not excelled in courage, intelligence, or endurance when put to the test. Already he has proven his prowess to the enemy; and, as stated by Paul Jones, "We have not commenced to fight yet."

And may I add to those of us who will not be called on to bear the brunt of battle that it is our duty to encourage and render every possible aid not only to our soldiers but to our country as well. We should never be found wanting in our support at any time. There is one thing each and all of us can do, and that is to support and sustain the morale of our Army. We should not be too quick at every turn of misfortune or when everything is not going to please us to criticize and say, "I told you so." We have a splendid chance now of winning while our allies are fighting.

Some cry "Peace!" "Peace!" There can be no peace at the present time. All this peace talk is utter nonsense just now. It is even worse than nonsense. All the talk about peace hurts now. All the peace we could get now would be the peace that would go with unconditional and abject surrender. Peace talk now is encouraging to the enemy. It is near treason and must be stopped, if no other way than by bullets. Look at Russia and what Germany did to that country. We are richer than all the central powers put together. Our forefathers fought for our beloved Republic, with its opportunities and benefits for a home for us as free men. In 1823 President Monroe declared that neither North nor South America should thereafter be open to European colonization. President Cleveland in 1895 reaffirmed and sustained the Monroe doctrine in settling the Venezuelan boundary. Dewey did not hesitate to challenge and defy Germany at Hongkong in 1898, when he told the German commodore prince, brother of the Kaiser, in command of the German fleet, that if he interfered at Manila he must take the consequences. Let us not relinquish. Let us encourage our Army while in the fight. Let us encourage our allies. The great stay-at-home army must understand it has a task to perform in supporting and sustaining those in the field. Let us be sure that we are helping and not knocking. We set out to lick Germany. We can do it. It will take time, but we will do it. And in the name of our homes and our country let us stand together like one man and exert every effort and every means to do it. Let us catch every spy and impose the penalty of a traitor on him. We ought to have commenced that before now. If this bill will aid in winning the war, let us vote for it. The chairman of the committee said it was a war measure. But while we are at war can not the same thing be and is not the same thing said of every bill. This bill limits the loan to $450 to any one farmer. The Government lets the money through the bank or county agent and has security on the growing crop. If some law could be passed by which a farmer could get a short-time loan in every part of the country to put in and harvest his crops, I am sure it would aid production.

Mr. Chairman, agriculture is the greatest of all American industries. We have a population estimated at 110,000,000, one-third of whom reside in the country, and are actively engaged in agriculture. This Congress is composed of 435 Members, all of whom are interested in the question of agriculture, but perhaps not more than 30 of whom either reside on farms or are directly engaged in farming or make that their business when at home. Agriculture is likewise the most scientific of all industries. It can not be wholly controlled by human endeavor or any human invention. It is dependent on the elements. It must have sunshine; it must have rain; and these are not affected by human ingenuity. The crops are destroyed by frosts and storms; they are subject to pests and insects. The farmer has an endless task to cultivate and secure his crops. His is no sinecure. Turn the clock forward or turn the clock backward, it makes no difference to him; his work is from sun to sun, and eight hours labor a day would leave to him a half holiday.

The farmer is urged to plant more crops in order to feed those who raise no crops, who live in the cities, and are not engaged in agriculture. The farmer is patriotic. He must supply the food to feed the Army and his sons to fight the battles. "Back to the farm" was a familiar slogan before war was declared. I, for one, know that a young man will not remain on a farm merely as a matter of sentiment, when he can do better in the city, or at some other kind of work. Neither do I blame a young man for bettering his conditions. The social life in the city is attractive. There are many opportunities for the young man in town which do not come to him on the farm. This does not mean, however, that farm life is not agreeable and most enjoyable.

For the purpose of inducing the farmer to raise more wheat the President has fixed the price of wheat at $2.20 per bushel for the year 1918. We raised 417,347,000 bushels winter wheat and 250,359,000 bushels spring wheat, making a total of 667,706,000 bushels wheat in the year 1917. It is hoped by fixing the price of wheat that there will be increase enough to make our production of wheat this year 1,000,000,000 bushels.

When the price of wheat was reduced by the President to $2.20 a bushel, the price to the farmer dropped on the same day 45 cents per bushel, while the price of bread remained the same. This was a clear loss to the farmer.

An increase of $1 per bushel for wheat only adds 1½ cents to a 16-ounce loaf of bread; 4½ bushels of wheat will make a barrel of flour. The bran and middlings pays the grinding, and a barrel of flour will make three hundred 16-ounce loaves of bread.

The average yield of wheat in Michigan last year was 12 bushels per acre. It cost $23 to plow the ground, furnish the seed and fertilizer, harvest, do the thrashing, marketing, and pay interest of 5 per cent upon the fair value of the land, with nothing for the wear and tear or loss on implements. Anyone thinking this is too much, let him figure it up and see; and then if the profit is too large in his estimate, he ought to buy a farm and try farming for a while.

It is splendid of those who never lived on a farm to tell the farmers to raise more wheat and farm products. Did you ever hear of a farmer telling the manufacturer to make more implements, cloth, automobiles, or furniture? Last year the farmer was told to raise more potatoes. The farmer did so. Now, the market has failed him. The farmer is asked now to raise more breadstuff. He is patriotic. He will do his best. But as one interested in farming may I suggest for the farmers to ask the Government to produce and supply more coal. Nor would I limit it to the request of the farmer. I hope every coal man will make a like request upon the Government and miners for more coal. Then there is the municipal coal yards and the chambers of commerce. They can all help to get coal. We ought to commence now. Last year we were told to wait until fall. Let us not wait this year. As an emergency matter affecting our homes, let us not delay getting in our coal or planting every acre of land possible to crops, and we will be strengthened in winning the war. [Applause.]

The CHAIRMAN. All debate on this amendment and this section is now concluded. The vote is on the amendment of the gentleman from California [Mr. RAKER], which the Clerk will report.

The amendment was reported.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The vote now is upon the amendment offered by the gentleman from Pennsylvania [Mr. DEWALT], which the Clerk will report.

The amendment was again reported.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wyoming [Mr. MONDELL], which the Clerk will report.

The amendment was again reported.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Texas [Mr. BLANTON], which the Clerk will report.

The amendment was again reported.

The question was taken, and the Chair announced the noes seemed to have it.

Mr. BLANTON. Division, Mr. Chairman.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 37, noes 63.

So the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The Chair will count.

Mr. GARRETT of Tennessee. Mr. Chairman, I make the point of order that the vote just taken disclosed the presence of a quorum—37 and 63.

The CHAIRMAN (after counting). One hundred and twenty-four gentlemen are present—a quorum.

Mr. BLANTON. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Those in favor of taking the vote by tellers will rise and stand until they are counted. [After counting.] Not a sufficient number have risen. The Clerk will read.

The Clerk read as follows:

SEC. 2. That the Secretary of Agriculture is hereby authorized to provide for and secure the voluntary mobilization and distribution of farm labor for the production and harvesting of agricultural crops for the year 1918, and to advance railroad fares and other actual traveling expenses for the transportation of such labor, upon such terms and conditions and subject to such regulations as he shall prescribe. For

carrying out the purposes of this section there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $2,500,000, available immediately.

Mr. STEVENSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STEVENSON: Page 4, line 22, after the word "immediately," strike out the period, insert a semicolon, and add the following:

"*Provided*, That agricultural labor actually engaged in agriculture and needed for cultivating or harvesting crops where engaged shall not be mobilized for transportation hereunder, nor shall agricultural labor be removed from any State in violation of its laws."

Mr. LEVER. Mr. Chairman, if my colleague will permit, I will say that I consulted members of the Committee on Agriculture and submitted to them this amendment that the gentleman submitted to me, and there is no objection to its adoption.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield for a question?

Mr. LEVER. Yes.

Mr. JOHNSON of Washington. Does the mobilization plan of farm labor contemplate the moving of farm hands north from California or Washington, say, and then to Montana, for instance?

Mr. LEVER. They are not engaged in farm labor of that kind.

Mr. JOHNSON of Washington. I thought that was the mobilization plan.

The CHAIRMAN. The gentleman from South Carolina [Mr. STEVENSON] is recognized.

Mr. McCORMICK. Mr. Chairman, will the gentleman yield for a question?

Mr. STEVENSON. Yes. What is the question?

Mr. McCORMICK. Will the gentleman explain a little the reference to the removal of farm labor in violation of the laws of the several States?

Mr. STEAGALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STEAGALL. Mr. Chairman, I do not desire to interfere with the speech of the gentleman from South Carolina [Mr. STEVENSON] at all, or take his time, but I desire to offer at the proper time a motion to strike this entire section from the bill. I want to know just when that motion should be made. Is it in order now?

The CHAIRMAN. If the gentleman will send it to the Clerk's desk it will be submitted at the proper time.

Mr. STEVENSON. Mr. Chairman, in response to the question of the gentleman from Illinois [Mr. McCORMICK], just propounded to me, about what we mean by the part of the amendment which provides that they shall not remove labor from any State in violation of its laws, I will state that you will find in a great many of the States that labor solicitors are designated as "immigrant agents," and they are prohibited from operating in a great many of the States in certain seasons of the year when labor is engaged, and when it would break contracts to take it away; and they are prohibited from operating at all without any licenses almost all the year in a good many respects. We do not want to put the Secretary of Agriculture and his agents in the position of violating those laws, and therefore that provision should be inserted here.

Then as to the other, the provision is that laborers shall not be removed when engaged in agriculture and needed in cultivating and harvesting the crops where manifestly it would be a disastrous and foolish thing after crops were begun and had partly been made and completed, but not gathered, to remove the labor away from there, because there is a scarcity of farm labor everywhere, and in the South in particular.

Everybody knows that our labor is largely colored labor, and a proposition in midsummer to give them a free ride to Kansas or Montana or anywhere else would denude the cotton and corn farms of their labor in less than 48 hours. A colored man likes to ride, and especially ride free, and if you were to rig up a train half a mile long and put on the timetable the statement that its first stop was at Hades, and that all colored people could ride free, it would be crowded to the doors. They will go, no matter where they are going, and even if they think they will never come back; and if you remove them from where they are taking in a crop, that crop will be a loss, and they may never come back.

Mr. VARE. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. VARE. I can not understand why you want to decry the negroes of your community and at the same time say that their labor is so important.

Mr. STEVENSON. I am not decrying the negroes, but I am decrying the inducements to take them away at the time when our crops require attention. We think a great deal more about the colored man than many communities do where there are not so many of them, and we do not propose to vote for a measure here which provides that the Secretary of Agriculture and his agents can take them away from us at the time when our crops are at the most critical stage, and when it would be most destructive to the agricultural interests of the South.

Mr. WALSH. Mr. Chairman, will the gentleman yield there for a question?

Mr. STEVENSON. Yes.

Mr. WALSH. I did not quite catch the language of the amendment as it was read. As I understand it, it would not prevent that sort of labor going voluntarily?

Mr. STEVENSON. No. It provides against their being mobilized; those who are engaged in agriculture and who are needed where they are engaged for the purpose of cultivating and harvesting a crop

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. ELSTON. I heard the gentleman's reference to that part of his amendment which says that the provision shall not operate if in violation of State laws.

Mr. STEVENSON. No. That is not the amendment. The amendment provides that they shall not transport labor out of a State where it is, under those circumstances, contrary to the laws of the State to transport it.

Mr. ELSTON. In explanation of that the gentleman said some States have laws against soliciting labor.

Mr. STEVENSON. Yes; soliciting labor and especially removing labor.

Mr. ELSTON. Under that provision no solicitation of labor under this act would be made at all if the provisions of State laws provided against that kind of thing?

Mr. STEVENSON. The gentleman does not understand the amendment. It provides that there shall be no soliciting or removing of agricultural labor from a State in violation of any law against it.

Mr. ELSTON. Agricultural labor is all this bill refers to, is it not?

Mr. STEVENSON. You heard the statistics quoted here yesterday showing that there is a shortage of agricultural labor in every State and community in the Union, and you can not help the situation by removing agricultural labor from one place to another. The proposition, as I understand it, is to develop agricultural labor by gathering up the unemployed in the cities and the unemployed everywhere and getting them mobilized and marshaled into the agricultural ranks, where they can be trained to become agricultural laborers.

Mr. COOPER of Wisconsin. In view of the argument of the gentleman from South Carolina, I want to ask him if he thinks the Secretary of Agriculture would take farm labor from South Carolina in a way to injure the agriculture of South Carolina?

Mr. STEVENSON. I do not know whether he would or not, but I found out a good while ago, in my experience in the State legislature, that if you make it plain in legislation that people can not do what you do not want them to do they will not do it, but if you do not make it plain that they can not do it they may try to do it, and the demoralization of our people because of the fear that they may do it and the knowledge of the fact that they can do it is almost as bad.

Mr. COOPER of Wisconsin. What laws have you in South Carolina to prevent the shipping away or taking out of labor?

Mr. STEVENSON. There is a law against soliciting and removing agricultural labor by any agent, either from the State or anywhere else, at a time when it is injurious to the agricultural interests, and there are similar laws in every southern State and in practically all the agricultural States.

Mr. HOWARD. I desire to be recognized in opposition to the amendment.

Mr. LEVER. Before the gentleman proceeds, let us see if we can not limit this debate. I ask unanimous consent that the debate on this section and all amendments thereto close in 35 minutes.

The CHAIRMAN. The gentleman from South Carolina to control the time?

Mr. LEVER. No; the Chair to control the time.

The CHAIRMAN. The Chair would like to know then who desire to occupy time?

Mr. LEVER. Mr. Chairman, in view of the large number of gentlemen who have indicated their desire to speak I will withdraw my request temporarily.

Mr. HOWARD. Mr. Chairman and gentlemen, this provision ought to stay in this bill without any amendment or else this whole section ought to go out, one of the two. If you can not

pick up farm labor in one community that is already mobilized and move it from one State to another, then the whole section is not worth a thrip. That is the whole wisdom of the provision, and if that is not its intent, then it does not amount to a row of pins one way or the other. The amendment of the gentleman from South Carolina [Mr. STEVENSON] prohibits that. In the State of Georgia, for instance, we have a statute which provides that you can not entice farm labor even from one farm to another, and if you do it you commit a misdemeanor.

Mr. VARE. Will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Pennsylvania.

Mr. VARE. Do the farm laborers vote in the gentleman's State?

Mr. HOWARD. Yes; the farm laborers vote in Georgia. And if it will be any relief to the gentleman's conscience or his mind, I will say to him that the intelligence of the people of my State is about as good as that of the people of the gentleman's State.

Now, if you can confine the transfer of labor to the State, then this section is not worth the paper it is written on. If you can not pick up farm labor in Oklahoma and take it over into Nebraska to help harvest the wheat crop at the time when it is needed there, then what is this section intended for? The gentleman from South Carolina [Mr. LEVER] gets up here and says that in a few minutes he is going to read a letter from a very distinguished citizen of this country, whom we all honor and love, in support of this bill, and yet the gentleman emasculates the very purposes of the bill by agreeing to the amendment of the gentleman from South Carolina [Mr. STEVENSON].

If the amendment of the gentleman from South Carolina prevails, and if this section remains in this bill, then it is the most vicious section that I have ever seen. The purpose of the section is so that you can pick up large bodies of agricultural labor and transport them from one State to another, and that the Government of the United States can advance the railroad fare to do it to save the grain crop of the Nation. The gentleman from South Carolina [Mr. STEVENSON] by his amendment will tie the hands of the Government in gathering the grain crop. Now, if there is a shortage of labor, and you are going to permit these people to go into your State and offer free trips and free meals on this "joy ride" to the farm laborers of this country, the truth of the business is that one-third of the labor of this country will be riding on the railroad trains all the time when they could be engaged in gathering the crops and planting other crops. I say this is the greatest legislative monstrosity that I have ever seen in my life, and instead of being a benefit to the farmers you are injuring them. And when the world is on fire and American boys and French boys and English boys are dying in Europe this very minute, we are here fiddling around with a puny little seed bill that does not amount to a hill of beans, and we have been occupying the time of the American Congress with it for two long days. It makes me sick. Talk about doing something! Why do you not do something that amounts to something? The gophers will eat up all this seed out there in the deserts of Montana if you send it there. It is a perfect monstrosity, and I am disgusted with this debate and these patriotic appeals that are being made in support of it, when it does not amount to a bawbee, and every man supporting it knows that it does not.

The CHAIRMAN. The time of the gentleman from Georgia has expired. All time has expired. The question is on the amendment.

The question being taken, on a division (demanded by Mr. RUBEY) there were—ayes 24, noes 54.

Accordingly the amendment was rejected.

Mr. STEAGALL. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 4, strike out all of section 2.

Mr. STEAGALL. Mr. Chairman, I do not care to take the time of the committee for more than a minute or two. Attention has been called already to conditions that exist with respect to the labor supply in certain sections of our country. If you at this time of year hold out the mere suggestion that anybody has the authority to invite the labor on the farms in my section of the country to go joy riding on a train to the western part of the country at the expense of the Government, you will demoralize conditions in a way that will do forty times more harm than we can hope to overcome by any good to result from this bill. I would say to the friends of this bill, as one who yet reserves decision as to how he will vote on this measure—I will say to you most interested in the bill that if you hope to see it pass it would be the part of wisdom to adopt this amendment and cut out this section of the bill. There are some States, as was said by the gentleman from Georgia, that have statutes penalizing the practice of enticing away labor. I am not informed whether that is true in all of the States in his section of the country, but there is such a statute in Alabama. I dare say it is not the case in all the States to be affected.

Mr. HOWARD. Will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. HOWARD. I want to call the gentleman's attention to the fact that the Department of Labor and the Agricultural Department now has in every State of this Union representatives of the Department of Agriculture and the industrial end of labor, and they are scientifically and intelligently gathering all the surplus labor to put in places where they belong. They are doing it in the gentleman's State and in mine this minute.

Mr. STEAGALL. I am not informed that there is being carried on any interference with farm labor throughout the country. If it is, it has not been called to my attention, and I think I represent a section that would be the first to suffer. It is all right to resort to such methods to secure labor peculiarly fitted for work in shipbuilding or other activities indispensable to successful conduct of the war, but not to take laborers from one farm to remove them to another.

Mr. HOWARD. That is the object, to keep your section and mine from suffering by proper cooperation of work.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. JOHNSON of Washington. Does not the gentleman think that if we appropriate enough money and invite labor to travel at the expense of the Government we are asking the I. W. W. to the successful conduct of the war, but not to take laborers from

Mr. STEAGALL. I do not know how it would work in that connection.

Mr. JOHNSON of Washington. That would be the effect of it.

Mr. STEAGALL. I know what labor conditions are in my part of the country, and I know what it means to invite the negroes of that section to change employment and to take trips across the country at the expense of the Government. I don't think the Secretary of Agriculture would desire to interfere in such fashion. But to give any one power to do so would necessarily disturb conditions.

Mr. RUBEY. Mr. Chairman, I rise for the purpose of opposing the proposition.

Mr. WELLING. Mr. Chairman, I rise to oppose the amendment.

The CHAIRMAN. The gentleman from Missouri, a member of the committee, has a preferential right.

Mr. WELLING. I will yield in favor of the gentleman from Missouri.

Mr. RUBEY. If the Chair and the House will agree to allow me five minutes after the gentleman from Utah concludes, I would be glad to have him speak now.

Mr. JOHNSON of Washington. I would like to have a few minutes to favor the striking out of the section.

Mr. STAFFORD. There is no limitation of time.

Mr. RUBEY. Mr. Chairman, I ask that the time for debate on this paragraph may be extended, and after the gentleman from Utah has five minutes I may proceed for five minutes.

Mr. JOHNSON of Washington. Reserving the right to object, I want three minutes.

Mr. DYER. I want three minutes.

Mr. RUBEY. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto shall conclude in 30 minutes.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that all debate on this paragraph and amendments thereto shall conclude in 30 minutes. If the Chair is to control the time the Chair will have to take the names of Members who are to have the time.

Mr. GARRETT of Texas. Mr. Chairman, I do not think that we need to play politics any longer; we are going to pass this bill this evening or we are going to quit. I object.

Mr. RAGSDALE. Mr. Chairman, I make the point of no quorum.

The CHAIRMAN. The gentleman from South Carolina makes a point of no quorum, and the Chair will count. [After counting.] One hundred and thirteen Members present, a quorum.

Mr. RUBEY. Now, Mr. Chairman and gentlemen of the House, I want every gentleman on the floor who is opposed to this section to give me his attention, and certainly you can do that for the period of five minutes. Let us discuss this for a moment, and let us see what the proposition is upon which we are about to vote. Under the law which we passed last summer we made an appropriation of $2,000,000, in which was included a proposition to mobilize the labor of this country. Two hundred thousand dollars of that two million was set aside for that

purpose. The President of the United States, from the large emergency appropriation given to him, set aside $800,000 for the same purpose. That $800,000, added to the $200,000, made available a million dollars to be used for the purpose of looking after the labor situation throughout the country. That money was placed at the disposal of the Secretary of Labor and the Secretary of Agriculture, and they have cooperated in its expenditure and in formulating plans for the work. With that money they have been organizing their forces and mobilizing the labor of this country.

They are doing it now. Under the provisions of section 2 of this bill we are simply appropriating $2,500,000 to let them go right on with the work that they are now doing. That is all there is to it. We have in this country now the voluntary mobilization of labor. It is a voluntary proposition from beginning to end. This section provides for the voluntary mobilization of labor. The amendment offered by the gentleman from South Carolina a moment ago, which was defeated, should have been adopted—not that it is necessary, because it is not absolutely necessary. Everyone knows, or should know, that the Secretary of Agriculture is not going down into your State or my State or into any other State and take agricultural labor from work in which it is employed and take it somewhere else. He is not doing that now and he is not going to do it in the future. Under the provisions of this section that sort of thing will not be done.

I have here a statement from the Department of Agriculture. I will insert it in the RECORD for the information of the House. I wish that I had time to read it from beginning to end. This statement sets forth, in brief, what is being done and what has been done since the law was enacted last summer. It is dated March 28, which is to-day, and was furnished me this morning from the Department of Agriculture. It says:

MEMORANDUM FOR MR. HARRISON.

DEPARTMENT OF AGRICULTURE,
OFFICE OF FARM MANAGEMENT,
Washington, D. C., March 28, 1918.

Immediately upon a request that this office take up for the Department of Agriculture a study of farm-labor conditions and practical methods of meeting the situation, we detailed a number of men from the regular staff of the office for field work in States from which the most urgent requests for help had been received. These men immediately began the work of establishing suitable organizations for handling the situation, particularly with reference to gaining correct information as to the actual needs of farmers for labor, and information as to the extent and nature of available sources of labor for farm work. With the approval of the food-production bill by the President in August, we were provided with emergency funds to carry on our farm-labor work and to extend our facilities of service in that direction. We immediately began the appointment of farm-help specialists upon the joint recommendation of the extension service and State council of defense in the States concerned. The country as a whole was divided into four general sections, with a supervising farm-help specialist appointed in charge of each section. To date 38 farm-help specialists have been appointed, some of them in charge of two States. Appointments are now pending in the other States.

Our farm-help specialists have taken up the work in the most active manner. The organization for handling the farm-labor problem includes, first, the county agricultural agents and the farm-bureau men or community committee men in each county. In every State the services of these men have been gladly given in cooperation with our farm-help specialists in meeting the labor situation. The total force of men in the extension organizations, including the farm-bureau men, is more than 100,000 for the whole country. Our farm-help specialists are also receiving the cooperation of the State and county councils of defense, State commissioners of agriculture, State commissioners of labor, in States supplied with such officials, and of farmers' and business men's organizations of all kinds. The Department of Agriculture has a standing agreement with the Department of Labor by which the latter department cooperates with us in supplying help requested from their employment offices.

Our farm-help specialists have been actively engaged during the past two months in effecting an organization for taking a farm labor and crop census, which is now in progress in 46 States, with reports received from 2 States. In connection with this survey, in which more than 6,000,000 farms were visited, the public-school systems were utilized cooperatively to the fullest extent. Moreover, in one State the city school children took a complete survey of available farm labor. All farm-help specialists are now actively engaged in the program of bringing about an intimate business cooperation between the town and country. In Kansas our farm-help specialist has found 50,000 city residents with previous farm experience willing to work in the harvest field if their services are required. Similar results are being secured in Pennsylvania, New York, South Dakota, Utah, and elsewhere.

I want to read from that statement what has been done in one State, the State of Kansas:

The farm-help specialists are now actively engaged in the program of bringing about an intimate business cooperation between the town and the country. In Kansas our farm-help specialist has found 50,000 city residents with previous farm experience—

They are not men who have never been on a farm, but there are 50,000 of them in the State of Kansas who have had previous farm experience—

willing to work in the harvest fields if their services are required. Similar results are being secured in Pennsylvania, New York, South Dakota, Utah, and elsewhere.

In every State in this Union to-day they are getting together the information, they are finding the men who have had farm experience. They are getting them, not from the farms where they are now at work, but from the cities and the villages.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. RUBEY. I sincerely hope that the amendment to strike out section 2 of this bill will not prevail.

Mr. RAGSDALE. Mr. Chairman, I have an amendment which I desire to offer—a perfecting amendment.

The CHAIRMAN. All debate upon this amendment has expired. The question is on the amendment offered by the gentleman from Alabama [Mr. STEAGALL] to strike out the section.

The question was taken, and on a division (demanded by Mr. STEAGALL) there were—ayes 35, noes 73.

So the amendment was rejected.

Mr. RAGSDALE. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. RAGSDALE: Page 4, line 19, after the word "prescribed," strike out the remainder of the paragraph.

Mr. LEVER. Mr. Chairman, I move that debate on this amendment be now closed. If the Members will indulge me for a moment. I move that all debate on this amendment be now closed. [Applause.]

The CHAIRMAN. The gentleman from South Carolina moves that all debate on this particular amendment be now closed.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. RAGSDALE].

The question was taken, and the Chair announced the noes appeared to have it.

Mr. RAGSDALE. Mr. Chairman, upon that I ask for a division.

The CHAIRMAN. A division is demanded.

Mr. HOWARD and Mr. NORTON. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The amendment was again reported.

The CHAIRMAN. The question is on the amendment.

Mr. WELLING. Mr. Chairman——

Mr. COX. Division, Mr. Chairman.

The CHAIRMAN. For what purpose does the gentleman from Utah rise?

Mr. WELLING. To move to strike out the last word.

Mr. DYER. Mr. Chairman, I make the point of order the gentleman from Indiana comes too late. [Cries of "No!"]

The CHAIRMAN. A division is demanded.

The committee again divided; and there were—ayes 8, noes 62.

So the amendment was rejected.

Mr. WELLING. Mr. Chairman, I offer the pro forma amendment to strike out the last word of section 2.

The CHAIRMAN. The gentleman from Utah.

Mr. WELLING. Mr. Chairman, I had not thought of discussing this bill and expected to be content with voting for it after it had been perfected by the Committee of the Whole House. Some statements were made here yesterday, however, in general debate which it seems to me ought to be answered.

It has been contended that this bill was a "raid upon the Treasury"; that it was designed to aid some particular small section of the country as against other sections; that it was vicious class legislation; and that it was recognizing an organization of farmers who were the least worthy representatives of their class.

I do not belong to the Nonpartisan League referred to. It has no standing in the State of Utah, which in part I have the honor to represent. I am as much opposed as any man here to the organization of farmers as a class to work against other elements in our political life as a class. I represent farmers who work out their problems through the regular channels of our political organizations, and I shall not want to come here and represent them if they array themselves in one political group to fight other elements in our national life. I fear, however, that much of the debate here yesterday was calculated to bring about that very result.

Food is the most important single element in the war. You can not train men or fight them without it; you can not build a battle plane or launch a boat unless your workers eat. Every

arm of allied power would drop palsied and useless within a week if the ceaseless stream of food from the American farm was suddenly stopped.

The American farmer knows this as well as any other man in the world. You have sent his son to the trenches while he has enlisted at home to win this war. He manifests the same degree of patriotism and devotion that he has shown in every past struggle for human liberty.

Every consideration of self-interest has been appealed to. Our boys from the farms are in the trenches with your boys from the city, and every farmer feels that the protection and care of these boys—your boy and his boy alike—is largely in his keeping.

The men who serve here from these agricultural States represent these farmers, and it is fair to assume that they have the same degree of patriotism and intelligence in pointing out the needs of agriculture in America as you possess in calling attention to the needs of its commerce, or its munitions, or its shipping, or its manufactories. They would be false to their duty if they failed to do it, and I apprehend they will not shrink from that duty because of any charge of sectionalism or of class interest.

But in a large sense this legislation is less important to Montana and Utah and the Dakotas than it is to Boston, Chicago, Philadelphia, and New York.

The farmers of the West in asking for this relief were not thinking primarily of their own interests or their own profits. Indeed the element of profit has already been taken from him by legislation fixing the price of wheat and sugar. Every intelligent man to-day knows that there is little profit to the farmer in either crop.

You have fixed the price of the output of these western farms, but you have left the farmer a victim of the Harvester Trust and the other combines which multiply the prices of the equipment he must have to grow his crop and to move it to the markets of the world.

It would be futile to attempt, within the narrow limits of this debate, to show this in detail; but one single item in connection with the price of wheat will illustrate the entire question. Wheat and beets are the chief agricultural crops of my district and of my State. The farmer realizes $1.80 per bushel net for his wheat. This wheat reaches the market in sacks manufactured in Calcutta. It costs him, in normal times, to sack his grain about 4 cents per bushel. Wholesale dealers are now distributing the sacks for the 1918 wheat crop to retail dealers. They are quoting a price on these sacks of 32 cents each. It will cost these farmers 16 cents per bushel to sack their grain this year, as against 4 cents before the war. What is true of sacks is true of binder twine, labor, and farm machinery.

The price of wheat was not fixed to help the western farmers. Immediately after the price was fixed wheat dropped 40 cents per bushel. The price was fixed in the interest of the consumers of wheat here and throughout the allied world.

Mr. SMITH of Michigan. Will the gentleman yield for a question?

Mr. WELLING. Yes.

Mr. SMITH of Michigan. I would like to know when wheat was reduced and fell 40 cents a bushel whether the price of bread followed it down?

Mr. WELLING. I am not prepared to discuss that problem. It is a digression I do not care to go into.

Any stimulation this bill can possibly give to the production of wheat in the West is not a benefit to the West, where the wheat is grown. It is a benefit, primarily, to the congested centers of the East and to the war industries of the Nation. The men who stand here pleading for this pittance are not thinking of local self-interest. They are working to supply our allies and our armies and our industrial life with a product more vital at this moment than men, or guns, or ships. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. WELLING. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. WELLING. This Congress will lose all sense of justice and proportion if it fails to recognize this. We vote billions of dollars to stimulate railroad efficiency and protect stock investments in railroad and other securities. We have justified cost plus contracts at the instigation of the hogs at Hog Island and elsewhere. We have poured advance payments into the laps of contractors to speed up production in every line of war activity. The farmers of America have approved this action as an economic necessity. They will feel that the worst sort of class discrimination has been practiced against them if this meager assistance is not granted freely.

I think the relief asked for in this bill will not reach the farmers of my State or benefit them. There are but few men in Utah upon our farms who are so improvident as to be without seed at this late day. Few men in my State will be willing to mortgage their crop to get a loan of $100 for seed. The banks of Utah and its Council of National Defense have anticipated this need and made every provision to meet it. The money provided in this bill will, in my judgment, never, to any extent, be taken from the Treasury of the United States. But, if the wheat farmers of the West can be made to feel, by favorable action upon this bill, that they are being considered and recognized, it will in every way assist them to meet with fortitude the additional burdens of this colossal conflict.

If gentlemen really comprehended the serious and grave problem of food shortage in America to-day, I think they would pause before taking a single additional farmer for the military service of the Nation. Not because he is unwilling to serve; not because he is less patriotic; not because every fiber of his nature is not beating true to the instincts of patriotism in this war. But because the highest form of service, the truest patriotism, and the loftiest ideals of humanity can be best served by the devoted efforts of these valiant men who work in the silent and unrewarded fields where no bugle blows and no crosses for heroic service are distributed. Alone beneath the stars at night he is fighting as faithfully as any man who ever faced a foreign foe.

At home last fall I saw and talked with hundreds of these men whose unremitting toil had added to the Nation's life and wealth. There was no word of criticism. They assumed that all were working and serving alike to sustain the Nation in the supreme crisis of this war. With insufficient help they toiled, not 8 hours but 12 and 14 hours a day, to make up for the absence of their sons. Every man was willing to have his own burdens multiplied in order to help out in the conflict.

It will be a sad day for America if this class of its citizenship should lose faith in the justice of her institutions or the righteousness of her laws.

You may have your Industrial Workers of the World, your foreign element, striking in factories and mines; there may be agitators who can temporarily organize an inconsiderable element of these farmers themselves against their own best interests, but the American farmer is still the greatest bulwark of American liberty to-day. He is quite as patriotic and loyal as any man who stands behind and supports the flag of this great land. He serves with less thought of profit and greater love of liberty than any other element in our population. He has consecrated himself, his boys, and his all to the cause of human liberty in this war. [Applause.]

Mr. LEVER. Mr. Chairman, I ask unanimous consent that debate on this section and all amendments thereto shall close in five minutes.

Mr. NORTON. I have an amendment.

Mr. LEVER. In 20 minutes. The gentleman from Maryland, the gentleman from North Dakota, the gentleman from South Dakota, and the gentleman from Kansas. I wonder if we can not agree——

Mr. DILLON. Suppose the gentleman from Michigan gives three minutes to each Member who has a bona fide amendment.

Mr. LEVER. I ask unanimous consent that the gentleman from South Dakota may have three minutes, the gentleman from North Dakota may have three minutes——

Mr. NORTON. I have an amendment, and I want five minutes, but I will try to finish in three.

Mr. LEVER. I will say to the gentleman from North Dakota I am going to move to rise as soon as we pass this section.

Mr. NORTON. I have not spoken to-day.

Mr. LEVER. The gentleman from Maryland takes three minutes—I withdraw that—the gentleman from Kansas takes three minutes; the gentleman from Missouri [Mr. DYER] takes three minutes. I ask unanimous consent that debate may close in 20 minutes.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent that all debate on this section and all amendments thereto be closed in 20 minutes, the time to be parceled out by the gentleman from South Carolina. Is there objection?

Mr. GARRETT of Texas. Mr. Chairman, reserving the right to object, I want to ask the gentleman if it is his purpose to rise after the 20 minutes is exhausted and if he will now ask unanimous consent to do that; otherwise I shall not agree to this 20 minutes.

Mr. LEVER. Let me say in response to the gentleman from Texas it is my purpose to rise——

Mr. GARRETT of Texas. I will ask the gentleman to make that request and see if the committee is willing to do it.

Mr. LEVER. I want to make a statement; I am sure the committee will take my word. It is my purpose to ask the committee to rise after this section 2 is passed and section 3 is read.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. NORTON. Now, Mr. Chairman——

The CHAIRMAN. The gentleman from South Carolina has control of the time.

Mr. NORTON. I have an amendment which I ask to have read.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from North Dakota.

The Clerk read as follows:

Amendment offered by Mr. NORTON: Page 4, line 22, after the word "of," strike out "$2,500,000" and insert "$3,000,000."

The CHAIRMAN. The gentleman from South Carolina is recognized for 20 minutes.

Mr. LEVER. I yield five minutes to the gentleman from North Dakota [Mr. NORTON].

The CHAIRMAN. The gentleman from North Dakota is recognized for five minutes.

Mr. NORTON. Mr. Chairman and gentlemen of the committee, the amendment that I propose provides for an increase in the amount to be given the Secretary of Agriculture to mobilize farm labor.

Unlike several of my good friends who have discussed this bill to-day, I do not believe that in passing this bill, or in enacting this proposed legislation, the Congress would be doing any more than it should do for the agricultural interests of the country.

I want to call the attention of the members of the committee to a cartoon which I hold in my hand, by Herbert Johnson. This cartoon appeared a short time ago in the Saturday Evening Post. I wish I could show this cartoon to each Member of the House at close range. The cartoon pictures an old farmer sitting in an outside office room waiting his turn to see the man in the private office. On the other side of the door from the farmer, and in the private office, are a number of business men, manufacturers, merchants, and men representing the so-called business interests of the country. These men are holding a conference with a representative of the President of the United States. It appears this representative may be a member of the Council of National Defense. The cartoonist pictures this representative of the President as saying to the business men with whom he is conferring: "The Government will help you get labor, advance you money, buy your products, assure you a good profit." In the outside office room, where the farmer is sitting, on the wall are a number of big placards. One of these placards reads:

We must have food! Society ladies will volunteer to help on the farms.

Another reads:

America must feed the world! Boy Scouts and school children replace farm laborers.

Another reads:

Food supply of first importance! Two million trained men taken from farms for other industries and Army.

The old farmer reading these placards as he waits and having overheard what the representative of the President has told the business men to whom he has given audience muses to himself and says, "Why don't he say that to me."

This cartoon has been the inspiration for a little verse by Mr. M. C. Miller, of Jamestown, N. Dak. It is very apropos to the discussion of this bill. I want to read it to you. I believe members of the committee will not only enjoy it but will also appreciate and be impressed by its logic and by the force of the argument it carries:

WHY DON'T HE SAY THAT TO ME?

The farmer sat in the anteroom,
Awaiting his turn to see
The man our President chose to meet
Production's emergency.
He heard him tell the industrials:
"We'll furnish cash and supplies
And liberal profit also grant
If to these demands you rise."
Then the farmer mused: "I can not see
Just why he doesn't say that to me.

"To subdue the wastes and till the soil
I have scrimped and worked and slaved;
Three poor years and interest on loans
Have taken all I have saved.
Now, without cash and badly in debt,
I long to answer your call,
And give you, Woodrow, what you wish—
A victory crop in the fall.
But how to do this I can not see
Unless you decide to say that to me.

"I'll do my best with the bit I have,
The limit I'll go with you,
But I long to treble last year's crop
And bring a real bumper through.
I'd like to produce till you cried 'Enough,'
I'd like to block roads and trails
With solid trains to the great seaboard
Of wheat on your State-owned rails.
This I could do, these results you'd see,
If you would only say that to me."

[Laughter and applause.]

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. LEVER. Mr. Chairman, I yield three minutes to the gentleman from South Dakota [Mr. DILLON].

Mr. DILLON. Mr. Chairman, I have sent up an amendment.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DILLON: Page 4, line 19, after the word "prescribe," in line 19, insert:

"*Provided*, Well-known and reputed criminals and vagrant classes of alleged laborers shall not be transported from one State to another."

Mr. LEVER. Mr. Chairman, I make a point of order against that. It is not germane to this bill.

Mr. DILLON. It is a limitation.

The CHAIRMAN. Does the gentleman from South Dakota desire to be heard?

Mr. DILLON. Yes. It is a limitation upon this bill. It seems to me we have the right to restrict the kind of laborers that are going to be imposed on the people. It seems to me it needs no argument. It is a limitation.

I will ask the gentleman to withhold his point of order anyway. I ask unanimous consent, Mr. Chairman, to extend my remarks.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. DILLON. Mr. Chairman, recently I had a letter from one of my farmer constituents, stating that he had entered into a contract with a farm laborer in which he agreed to pay for one year's labor on his farm at the rate of $104 a month.

The farmers in my district are well able to pay for farm labor, but they want honest labor. In my State, our assessment roll shows $2,400 for every man, woman, and child. Every man, woman, and child has on the average $261 in the bank.

We are able to pay for our farm labor, but we want efficient labor. We have had some experience during harvest times in the past when the freight trains would come in from the East. There would be upon the tops of every freight train many honest, efficient laborers, and at the same time there were floaters, gamblers, and criminals from all parts of the country. Our jails were filled with criminals. I want to say to this committee we want to reserve our calabooses and our jails for our own citizens. [Applause.] We usually, in many of the towns, are compelled to have extra police to maintain order against the criminal classes that float in upon these occasions. In some instances citizens have organized and refused to allow them within the gates of the city. Many of them will not labor, will not work, will not toil. There are frequently robberies and larcenies and murders committed by some of these criminal classes. We ask you to protect these great farming sections of these States against the gambling and criminal classes. There ought to be a thorough examination made before any free rides shall be granted to the criminal classes. [Applause.]

The farmers of my State want an honest market and efficient farm labor. If they can get it, they will produce the food products. The people of my State are able to take care of local conditions in so far as seed is concerned. In those sections of the country where they have had a shortage of crops the aid provided in this bill is badly needed; it will help in increasing production and will help to win the war. To show the position taken by our State legislature in session last week I append the joint resolution passed by the legislature of my State:

The following concurrent resolution has been adopted by the Legislature of the State of South Dakota:

"Be it resolved by the Senate of the Legislature of the State of South Dakota assembled in extraordinary session at the State Capital, the House of Representatives concurring:

"That whereas there has been a bill introduced in the Congress of the United States (H. R. 7795) to appropriate money for the relief of farmers in procuring seed grain and feed for stock in certain enumerated Northwestern States, of which South Dakota is specifically named as one needing such Government aid;

"And whereas South Dakota is now honestly advertising the prosperity of the State: Now, therefore, be it

"*Resolved*, That the legislature now in extraordinary session, with representatives present from all sections of the State, singly and collectively, declare that to the best of their knowledge and belief the

farmers of South Dakota are not asking for Federal aid to procure seed and feed; and that the State is amply able and willing to aid, if necessary, any farmer who needs aid and that the few individual or isolated cases that may exist, if any, can and will be taken care of either by township or county aid. And, further, that the advertising South Dakota has received through H. R. 7795 has done her a great injustice, as South Dakota has never been more prosperous than now, as proven by competent authority; be it further

"*Resolved*, That engrossed copies of this resolution be prepared by the Secretary of the Senate and delivered by United States mail to the Secretary of the Senate of the United States; to the Chief Clerk of the House of Representatives of the United States; to the Secretary of Agriculture of the United States; and to the Senators and Representatives of South Dakota now serving in the United States Senate and House of Representatives."

W. H. MCMASTER,
President of the Senate.
W. N. VAN CAMP,
Secretary of the Senate.
A. C. ROBERTS,
Speaker of the House.
W. GARDNER,
Chief Clerk of the House.

I ask for a vote on my amendment, Mr. Chairman.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. LEVER. I ask for a vote.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Dakota.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. DILLON. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 10, noes 25.

So the amendment was rejected.

Mr. LEVER. I yield three minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman, there has been a very strong effort by some distinguished members of this committee to stampede the committee into defeating this bill. However, in my judgment, the time that we have spent here upon it has been well spent, because it has been shown that the majority of the members of this committee are willing to look beyond and ahead of their own personal interests, and the majority of them are willing to forget the fact that this legislation does not give their own particular portions of the country any special benefit. I have supported this bill because I feel that it is needed to help win this war. The district I represent can not in any special way be benefited by it, because it is located a long way from this section. Other gentlemen here have supported the bill patriotically, led by the splendid chairman of the Committee on Agriculture. [Applause.] I want to say that whatever may have been said here by gentlemen, mostly by distinguished Democrats on the other side, in criticizing him has been said without avail, because Republicans and Democrats alike in this committee know that in the chairman of the Agricultural Committee we have a man who stands first and last for his country against party and against politics. [Applause.] He is an able chairman of this committee, and the fact that he has been able to lead us through the stampede that has been organized against this bill is an evidence of the fact not only that he is strong and popular with the members of this committee, but also an evidence of the fact that this bill has merit, that it is needed; and the fact that some gentlemen desire to defeat it because they are afraid of losing some of their cheap labor, afraid that it will be drawn to fields where it will receive more pay, is not going to defeat the bill. The right of the people of this country to go where they can go and get the best wages has been the law of the Nation in the past, and I hope that this bill, written into law, will establish for all time to come the fact that men shall not be held in servitude in any section of this country, but that the right guaranteed them by the Constitution to go freely from one part of the country to another will be enforced to the end of the history of this country. [Applause.]

Mr. LEVER. I yield three minutes to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman and gentlemen of the committee, I ask to trespass upon your time briefly to call attention to the fact that the report of the Committee on Agriculture on the pending bill contains this statement:

> The Committee on Agriculture recognizes that the farm-labor problem is the most serious one that confronts the American farmer to-day.

In that particular I agree with the committee, and it may be of interest to you to know what we are doing up in Michigan in relation to that. I believe we will secure labor upon the farm when we are ready to compete with the wages that are paid to the laboring man in the cities, factories, and elsewhere. I read from the Detroit Free Press of March 26, the day before yesterday. This is one of the leading papers in the State of Michigan, circulating throughout the United States, and has this to say:

HELP FOR FARMERS BEING RECRUITED—VACATIONISTS, IN ADDITION TO BOYS, SOUGHT FOR WAR WORK.

To make sure there will be ample labor to cultivate and harvest crops, the United States Public Service Reserve started Monday a State-wide campaign here to enroll men who can give part time to the raising of an adequate food supply.

The campaign, according to J. T. Lynn, State director, has nothing to do with the boys' reserve. It is an entirely different movement to supplement the other endeavors in increasing the food supply by utilizing labor that would not otherwise be put to farm work.

"There is available a host of men," said Mr. Flynn, "who will be able and glad to devote a part of their time this summer to farm work, if the country needs them. College students, professional men, clerks, and other employees who have vacations should be willing to give them this year to productive work out of doors.

"Men who heretofore have worked at farming are sought especially. Already employers in many communities are getting together and agreeing to give up some of their men for limited periods to work on neighboring farms."

It is expected to raise an emergency force of 500,000 men throughout the United States who can give from one to two days to a month on neighboring farms. A special card has been prepared for the enrollment. It will have questions as to the time a recruit can give, between what dates and in what locality, and what the previous experience has been.

The local headquarters are at 43 Washington Boulevard, in charge of William B. Wreford.

This is one solution of the great problem of farm labor. It shows what Michigan is doing to solve the question. The action taken by this State can be taken by others. It is a question of organization not only for men but women and boys as well. Now is a time when everyone is called on to do his duty, and with sufficient help the solution of farm labor and production of sufficient food will be easy. [Applause.]

Mr. LEVER. Mr. Chairman, I ask that the Clerk proceed with the reading of the bill.

The CHAIRMAN. There is an amendment pending.

Mr. NORTON. Mr. Chairman, I withdraw the amendment.

The CHAIRMAN. The amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

> SEC. 3. That, in carrying out the purposes of this act, the Secretary of Agriculture is authorized to cooperate with the Secretary of Labor or any other Federal, State, county, or municipal department, agency, or officer, or with any person or with any association of farmers, board of trade, chamber of commerce, or similar organization.

Mr. LEVER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LEVER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the committee substitute for H. R. 7795, and had come to no resolution thereon.

SOLDIER'S AND SAILORS' INSURANCE—CONFERENCE REPORT (NO. 419).

Mr. RAYBURN. Mr. Speaker, I call up the conference report on S. J. Res. 133, authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured.

The SPEAKER. The gentleman calls up the conference report. The Clerk will read it.

The Clerk read the conference report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the joint resolution (S. J. Res. 133) authorizing the granting of insurance under the act entitled "An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department," approved September 2, 1914, as amended by the act approved October 6, 1917, on application by a person other than the person to be insured, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House, and agree to the same.

T. W. SIMS,
SAM RAYBURN,
S. E. WINSLOW,
Managers on the part of the House.
JOHN SHARP WILLIAMS,
HOKE SMITH,
REED SMOOT,
Managers on the part of the Senate.

Mr. NORTON. Mr. Speaker, I make the point of order that there is no quorum present.

Mr. RAYBURN. I hope the gentleman will not insist upon that.

Mr. NORTON. I withdraw the point temporarily.

Mr. RAYBURN. The only thing this does is to allow the relatives of the men who are captured and in German prisons to take out insurance for them. The time expires April 12, and I hope the gentleman will not insist on his point.

Mr. NORTON. Does the bill permit anyone other than the soldier to make this application for insurance unless the soldier is a prisoner of war?

Mr. RAYBURN. Not at all, unless he is a prisoner in the hands of the enemy.

Mr. NORTON. It does not permit the relative of a soldier to take out insurance for him——

Mr. RAYBURN. Oh, yes.

Mr. NORTON. If he is not captured?

Mr. RAYBURN. Oh, no; not at all. It allows anybody in the permitted class of beneficiaries to take out insurance for any man who before the 12th of April is a prisoner in the hands of the enemy.

Mr. NORTON. The 12th of April of this year?

Mr. RAYBURN. Yes.

Mr. STAFFORD. As I understand, the conference report accepts the bill as it passed the House.

Mr. RAYBURN. The Senate receded absolutely from its amendment.

Mr. NORTON. I withdraw the point of order.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

TRAINING OF MEN ABOVE MILITARY AGE.

Mr. TILSON. I ask unanimous consent to extend my remarks in the RECORD on the subject of physical training in the Army and Navy, and especially of men above military age.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 3401. An act to authorize the President to reduce temporarily the course of instruction at the United States Naval Academy; and

S. 3404. An act to authorize the President to drop from the rolls any naval or Marine Corps officer absent without leave for three months, or who has been convicted of any offense punishable by confinement in the penitentiary by the civil authorities, and prohibiting such officer's reappointment.

LEAVE TO EXTEND REMARKS.

By unanimous consent, Mr. MORGAN, Mr. MCFADDEN, Mr. RAGSDALE, and Mr. SMITH of Michigan were given leave to extend their remarks in the RECORD.

ADJOURNMENT.

Mr. LEVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly, at 6 o'clock and 12 minutes p. m., the House adjourned until Friday, March 29, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Assistant Secretary of War, transmitting with a letter from the Chief of Engineers, report on preliminary examination of Ashley River, S. C., from the Standard Wharf of the Virginia Chemical Co., to Lambs, with a view to improving the channel to a depth of not less than 8 feet (H. Doc. No. 1001); to the Committee on Rivers and Harbors and ordered to be printed.

2. A letter from the Assistant Secretary of War, transmitting with a letter from the Chief of Engineers, report on preliminary examination of Little Sarasota Bay, Fla., from Sarasota Bay to Venice (H. Doc. No. 1002); to the Committee on Rivers and Harbors and ordered to be printed.

3. A letter from the Assistant Secretary of War, transmitting with a letter from the Chief of Engineers, report on preliminary examination of Harbor at Corea, Me. (H. Doc. No. 1003); to the Committee on Rivers and Harbors and ordered to be printed.

4. A letter from the Assistant Secretary of War, transmitting with a letter from the Chief of Engineers, reports on preliminary examination and survey of Buffalo Harbor, Buffalo Creek, and Buffalo Ship Canal, N. Y., with a view to increasing the dimensions thereof to meet the demands of present and prospective commerce (H. Doc. No. 1004); to the Committee on Rivers and Harbors and ordered to be printed with illustrations.

5. A letter from the Acting Secretary of War, transmitting with a letter from the Chief of Engineers, report on preliminary examination of mouth of the Cowlitz River, Wash., for the purpose of determining the advisability of the construction of a jetty or other means of deepening the channel (H. Doc. No. 1005); to the Committee on Rivers and Harbors and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. MAPES, from the Committee on the District of Columbia, to which was referred the bill (H. R. 9956) to provide for the building of houses within the District of Columbia for Government employees and others, reported the same without amendment, accompanied by a report (No. 420), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. GREENE of Vermont, from the Committee on Military Affairs, to which was referred the bill (H. R. 9900) authorizing the President during the existing emergency to sell war supplies, materials, and equipment heretofore or hereafter purchased, acquired, or manufactured by the United States, reported the same with amendment, accompanied by a report (No. 424), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. GARRETT of Texas, from the Committee on Military Affairs, to which was referred the bill (H. R. 9570) to amend articles 52 and 53 of section 1342 of the Revised Statutes as amended by an act entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes," approved August 29, 1916, reported the same without amendment, accompanied by a report (No. 423), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. HULL of Iowa, from the Committee on Military Affairs, to which was referred the bill (H. R. 8848) to correct the military record of John P. Chesley, reported the same with amendment, accompanied by a report (No. 421), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 1217) for the relief of George Le Clear, reported the same with amendment, accompanied by a report (No. 422), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 9744) granting an increase of pension to Henry Langly, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KALANIANAOLE: A bill (H. R. 11100) to amend section 92 of the act approved April 30, 1900, entitled "An act to provide a government for the Territory of Hawaii," as amended by section 8 of chapter 258, 36th Statutes at Large, approved May 27, 1910; to the Committee on the Territories.

Mr. RUSSELL: Resolution (H. Res. 295) regulating admission to the gallery; to the Committee on Rules.

By Mr. MONTAGUE: Joint resolution (H. J. Res. 270) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By the SPEAKER: Memorial of the State of South Dakota, indorsing the peace terms of the President of the United States and pledging cooperation and hearty support in the prosecution of the war; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 11101) granting a pension to Anna R. Wright; to the Committee on Pensions.

Also, a bill (H. R. 11102) granting an increase of pension to Joseph Holmes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11103) granting an increase of pension to Conrad Goodell; to the Committee on Invalid Pensions.

By Mr. DAVIS: A bill (H. R. 11104) granting a pension to Christian R. Johnson; to the Committee on Invalid Pensions.

By Mr. HAMLIN: A bill (H. R. 11105) granting a pension to Mirinda E. Lineback; to the Committee on Invalid Pensions.

By Mr. KEY of Ohio: A bill (H. R. 11106) for the relief of Robert W. Pool; to the Committee on War Claims.

By Mr. McLEMORE: A bill (H. R. 11107) granting an increase of pension to Frank E. Hill; to the Committee on Pensions.

Also, a bill (H. R. 11108) granting a pension to James D. White; to the Committee on Pensions.

Also, a bill (H. R. 11109) granting an increase of pension to Rosalie I. L. McCoy; to the Committee on Pensions.

Also, a bill (H. R. 11110) granting a pension to James H. Smith; to the Committee on Pensions.

By Mr. MUDD: A bill (H. R. 11111) granting a pension to Annie Elizabeth Clark; to the Committee on Pensions.

By Mr. PURNELL: A bill (H. R. 11112) granting a pension to Martha E. Richards; to the Committee on Invalid Pensions.

By Mr. PORTER: A bill (H. R. 11113) granting an increase of pension to John Slater; to the Committee on Invalid Pensions.

By Mr. RANDALL: A bill (H. R. 11114) granting a pension to Melissa O. Downs; to the Committee on Invalid Pensions.

By Mr. STRONG: A bill (H. R. 11115) granting a pension to Christie Fish; to the Committee on Invalid Pensions.

By Mr. TALBOTT: A bill (H. R. 11116) granting a pension to Effie Flynn; to the Committee on Invalid Pensions.

By Mr. WATKINS: A bill (H. R. 11117) granting a pension to Mary A. Ames; to the Committee on Invalid Pensions.

By Mr. WHITE of Ohio: A bill (H. R. 11118) granting an increase of pension to James McCammon; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H. R. 11119) granting a pension to Jeanette Spencer; to the Committee on Pensions.

Also, a bill (H. R. 11120) granting an increase of pension to Harvey H. Shelton; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolution of the National Council of the Boy Scouts of America offering the services of that organization to the country; to the Committee on Military Affairs.

Also (by request), resolution adopted by a meeting at Petersburg, Alaska, held under the auspices of the Woman's Christian Temperance Union asking for immediate war prohibition; to the Committee on the Judiciary.

Also (by request), petition of the Bar Association of the Hawaiian Islands favoring an increase of salaries for their judges; to the Committee on the Territories.

Also (by request), resolution of the St. Edna's Literary Society, Camden, N. J., relative to the independence of Ireland and other small nations; to the Committee on Foreign Affairs.

Also (by request), petition of the Oakwood Farm Club, Macon, Mo., asking that the minimum price of $1.50 per bushel for all good corn unsold be established; to the Committee on Agriculture.

By Mr. DALE of New York: Petition of Missouri Federation of Women's Clubs against increase in postage on second-class matter; to the Committee on Ways and Means.

By Mr. GLYNN: Memorial of Employees' Association of Lower Naugatuck Valley, Conn., favoring passage of bill relative to payment of excess profits and income tax; to the Committee on Ways and Means.

By Mr. GRAHAM of Illinois: Petition of the Scandinavian Temperance Union, of Moline, Ill., representing 2,000 voters, for the prohibition of the use of grains or other foodstuffs in the manufacture of malt, vinous, or fermented liquors during the period of the present war in order to further the conservation of food; to the Committee on the Judiciary.

By Mr. HAWLEY: Petition of members of the Southern Medical Association, supporting House bill 9563, to give officers of the Medical Reserve Corps of the Army advanced rank; to the Committee on Military Affairs.

By Mr. HILLIARD: Resolutions adopted by the Waseca County (Minn.) Clergymen's Association, protesting against increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of R. J. B. Jackson, William E. Mason, Mabel L. Queen, Mrs. L. P. Norvell, and 39 others, all citizens of the State of Colorado, praying for immediate war prohibition; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Resolution of Woonsocket (R. I.) District Medical Society, favoring passage of Senate bill 3748 and House bill 9563, creating advance rank for officers of Medical Reserve Corps; to the Committee on Military Affairs.

By Mr. LONERGAN: Memorial of Polish people of New Britain, Conn., protesting against the new partition of Poland; to the Committee on Foreign Affairs.

By Mr. McKEOWN: Memorial of Weleetka (Okla.) Council of Defense relative to crushing propaganda of the Huns; to the Committee on Military Affairs.

By Mr. OSBORNE: Memorial of Civil War veterans of Los Angeles, Cal., asking an increase of $25 per month in pensions of soldiers of the Civil War; to the Committee on Invalid Pensions.

By Mr. RIORDAN: Petition of citizens of the eleventh congressional district of New York relative to deporting enemy aliens; to the Committee on Foreign Affairs.

By Mr. STINESS: Petition of Women's Christian Temperance Union, of Wakefield, R. I., favoring passage of act granting citizenship to American women who marry foreigners; to the Committee on Immigration and Naturalization.

Also, petition of Workingmen's Independent Political Club, of Providence, R. I., favoring passage of the act to give soldiers and sailors the right to vote; to the Committee on the Judiciary.

By Mr. TEMPLE: Memorial of Bethany English Lutheran Church, of New Castle, Pa., favoring war emergency prohibition; to the Committee on the Judiciary.

Also, petition of the Fourth Presbyterian Church, New Castle, Pa., for war emergency prohibition; to the Committee on the Judiciary.

By Mr. TILSON: Petition of John Dillon Literary Club, of Meriden, Conn., pledging loyalty and allegiance; to the Committee on Foreign Affairs.

By Mr. WOODYARD: Petition of Cleavenger Post, No. 93, Grand Army of the Republic, of Spencer, W. Va., favoring the passage of pension legislation granting soldiers of the Civil War $50 per month pension; to the Committee on Invalid Pensions.